

**NBT Bancorp Inc.**  
**Investor Presentation**  
**First Quarter 2022**



# Overview

## About NBT Bancorp

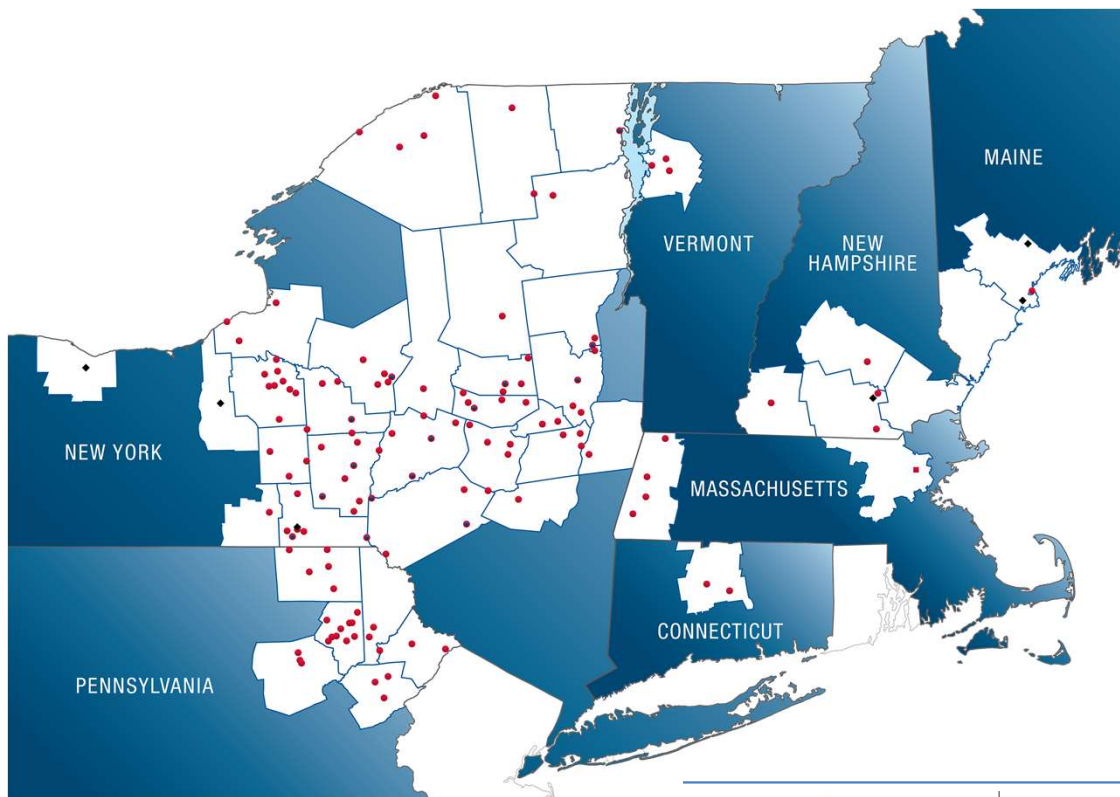
Strategic Initiatives

Financial Performance

Appendix



# Company Profile



## Financial Highlights

<b>Assets: \$12.1bn</b>
<b>Gross Loans: \$7.6bn</b>
<b>Deposits: \$10.5bn</b>
<b>Wealth AUM/A<sup>(1)</sup>: \$4.7bn/\$9.6bn</b> <b>EPIC AUA<sup>(2)</sup>: \$28.7bn</b>
<b>PPNR ROAA: 1.71%</b>

## Company Overview

95th Largest Bank Holding Co. <sup>(4)</sup>	
Headquarters	Norwich, NY
Founded	1856
Ticker	NASDAQ: NBTB
Market Cap <sup>(3)</sup>	\$1.57 billion
Branches	140
Employees	1,800
Institutional Ownership	57%
3 Mo. ADTV	157,000
52 Week H/L	\$42.33 / \$32.66
<b>Leadership:</b>	
Chairman	Martin A. Dietrich
President & CEO	John H. Watt, Jr.
EVP & CFO	Scott A. Kingsley

## Lines of Business



### RETAIL BANKING

- Retail Banking with 140 branch locations and approximately 200 ATMs
- Online and Mobile Banking



### COMMERCIAL

- C&I and CRE Lending
- SBA Lending
- Cash Management
- Card and Payment Services



### CONSUMER

- Business Banking
- Home Lending
- Personal Lending
- Indirect Auto Lending
- Secured and Unsecured Consumer Loans, including patient financing and solar financing



### FEE BUSINESSES

- Retirement Plan Admin / Custody Services
- Business, Personal and Life Insurance
- Institutional Wealth Management
- Brokerage and Advisory Services
- Trust Services

Note: Data as of March 31, 2022 unless noted; bank holding company ranking source: S&P Global Market Intelligence.  
 Note: Refer to appendix for Non-GAAP reconciliation for PPNR ROAA (Pre-provision net revenue return on average assets).  
 1. Assets under management and assets under administration in wealth management; excludes EPIC.  
 2. Assets under administration in EPIC, includes ABG.  
 3. Market Cap as of April 20, 2022.  
 4. As of 12/31/21

# Key Highlights



High-performing, community-focused bank that's large enough to matter but small enough to remain nimble



Consistent track record of organic growth selectively balanced with market and product expanding acquisitions



Low-cost, core deposits with dominant shares in "Hometown" markets that support growth in more dynamic adjacent markets



Conservative credit culture has produced strong asset quality and minimized "through-the-cycle" losses



Diversified fee income sources, including wealth management, retirement plan services, and insurance



Multi-year commitment to technology supports corporate agility and digital transformation

# Market Detail

## Core Markets <sup>(1)</sup>

### Upstate NY and Northeastern PA

- NBTB holds significant market share in core / hometown markets
  - Approximately 41% of deposits are located in counties where NBTB has at least a 20% market share
  - Approximately 48% of deposits come from MSAs where NBTB holds a top 5 rank
  - Approximately 93% of deposits come from counties where NBTB holds a top 10 rank
  - Approximately 73% of deposits come from counties where NBTB holds a top 5 rank
- Retail Commercial and Municipal deposits generated from long-duration relationships
- Core has rural, mature demographic with high loyalty to NBT brand and fewer competitors vs. large metro markets



Source: S&P Global Market Intelligence.

1. Deposit data as of 6/30/21.
2. Data as of 03/31/22.

## Expansion Markets <sup>(2)</sup>

### New England De Novo

- Dynamic markets with attractive demographics present a runway for growth
  - Opportunity to sell whole bank – leverage wealth management, insurance and all other financial products
- One of only a few \$10+ billion banks in New England (most are either much larger or smaller)
- Vermont
  - Market share dominated by larger banks. Opportunity for locally-focused bank
  - \$728 million combined loan and deposit balances
- Massachusetts
  - Strong retail team to leverage increasing commercial relationships
  - Positioned to take advantage of future market disruption
  - \$322 million combined loan and deposit balances
- New Hampshire
  - Strong entrepreneurial economy with close proximity to Boston
  - No income or sales tax
  - \$1.0 billion combined loan and deposit balances
- Maine
  - Vibrant southern coastal Maine markets
  - \$571 million combined loan and deposit balances
- Connecticut
  - Most recent expansion
  - Middle-market commercial and small business opportunities
  - Acquisition activity creating market disruption
  - \$115 million combined loan and deposit balances

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About NBT Bancorp

**Strategic Initiatives**

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# Our Strategic Initiatives

## Execute on Long-Term Growth Strategy

- Organic Growth
- New England Expansion
  - Leverage Market Disruption
- Disciplined Acquisitions

1

## Grow and Augment Our Fee Businesses

- Continue Growth in Retirement Plan Administration, Wealth Management and Insurance Businesses
- Engage in Opportunistic Acquisitions

2

## Continue Our Transformative Digital Evolution

- Enhance Customer and Employee Experience Through Our Digital Initiatives
- Continue to Execute Our Technology Roadmap
- Focus on Technology-Enabled Point of Sale Consumer Lending

3



# New England Expansion

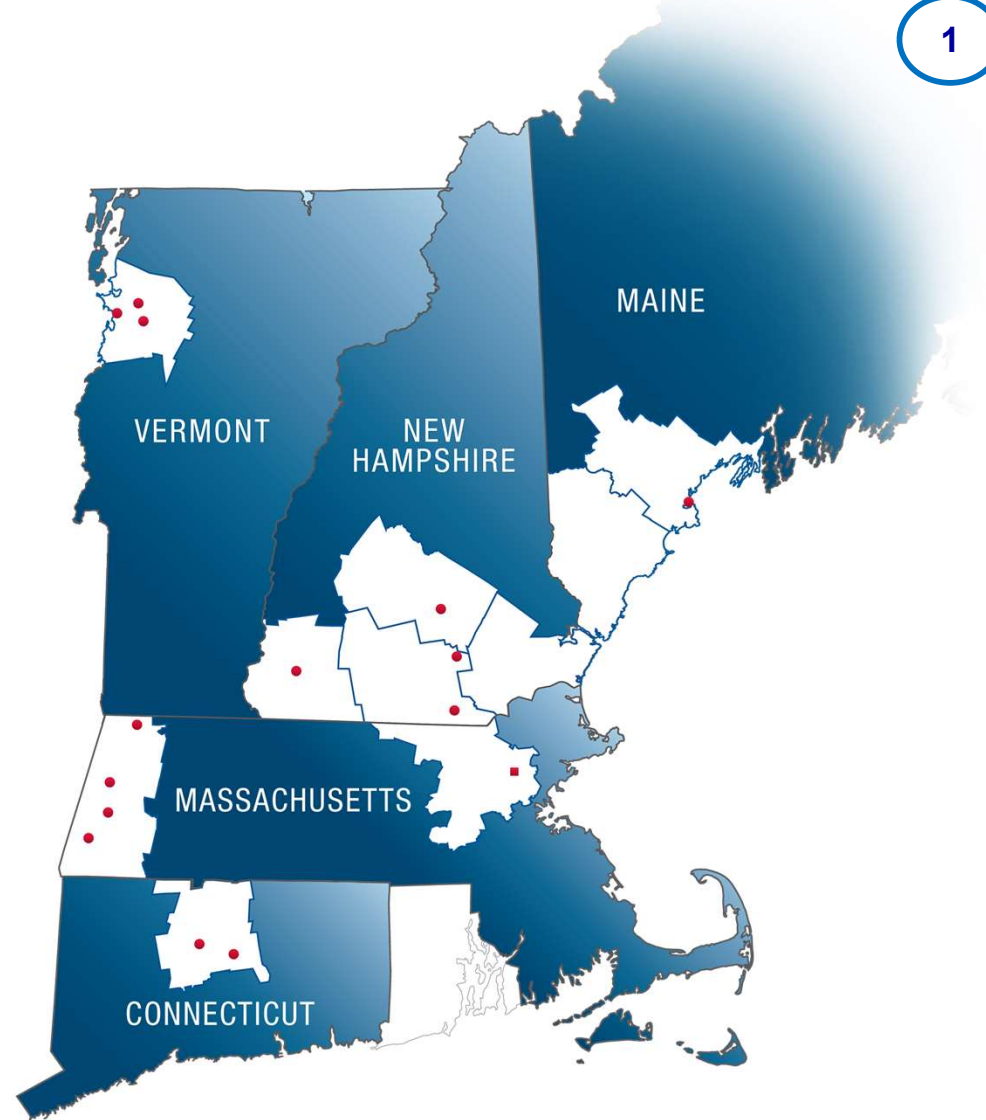
## Why New England?

### Banking Environment

- Market disruption creates opportunities
- Larger financial institutions dominate market share
- Opening for locally-focused bank with larger lending capacity

### Market Dynamics<sup>(1)</sup>

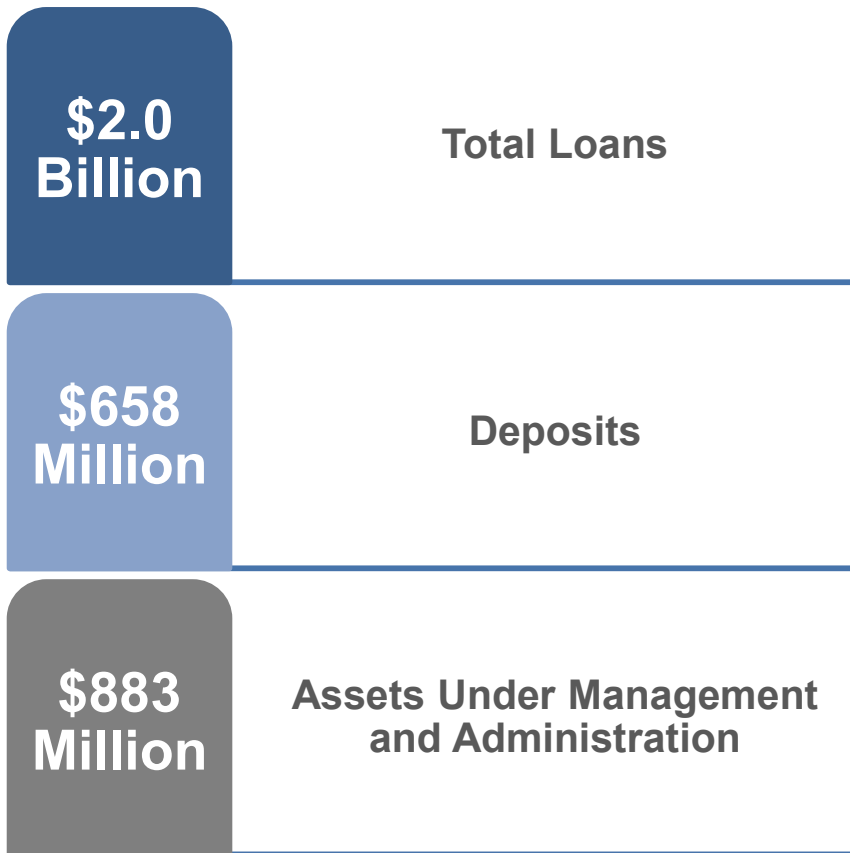
- Favorable unemployment
- Higher number of businesses per county
- Higher population density
- Higher median household income
- Lift from greater Boston economic growth
- Small to mid-sized cities poised to benefit from in-migration from large cities



1. As compared to core markets defined on page 5.



# New England: 12 Years of Growth



NBT's New England franchise represents 17% of assets and approximately one-quarter of the Bank's total loan portfolio.

## Year-Over-Year Growth

12% Loan Growth

23% Growth in Deposits

\$28 Million Growth in Assets Under Management and Administration

### Local Talent with Deep Market Knowledge



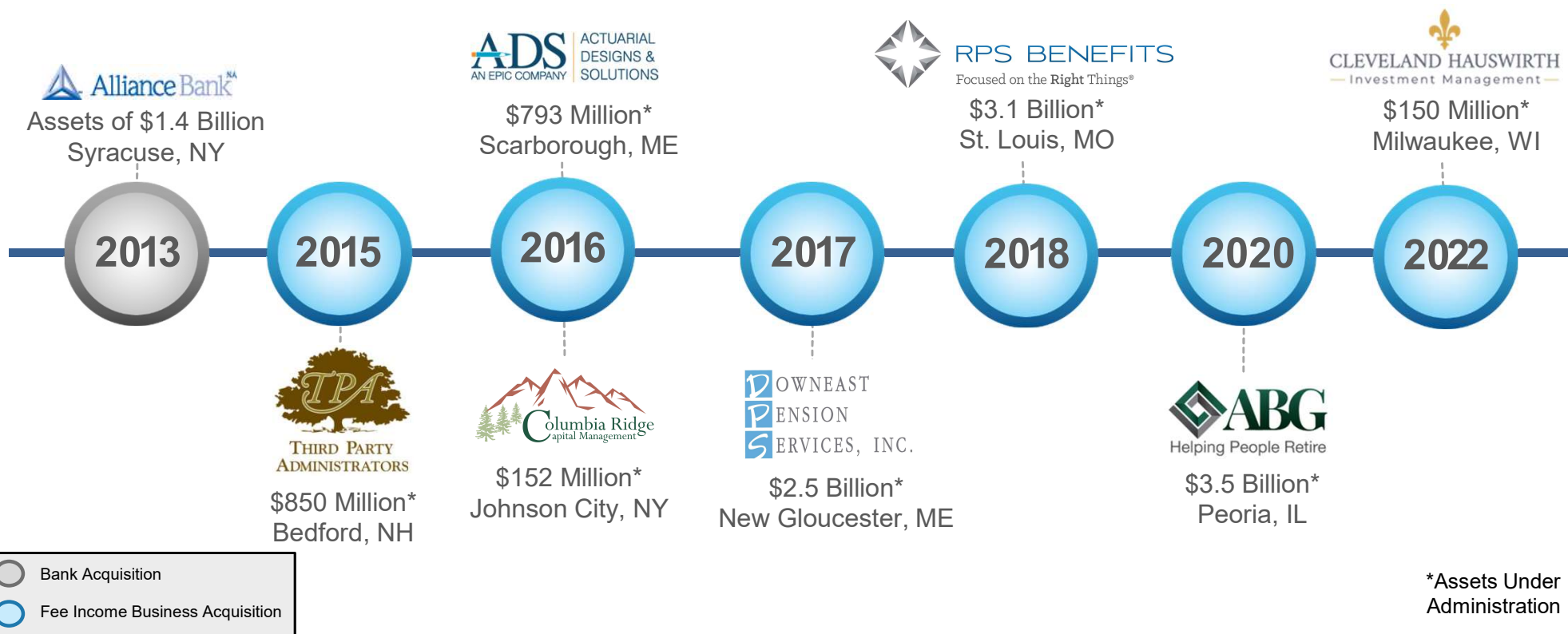
Connecticut Team

Note: Data as of 12/31/2021 and excludes PPP balances.

# Disciplined Acquirer and Proven Integrator

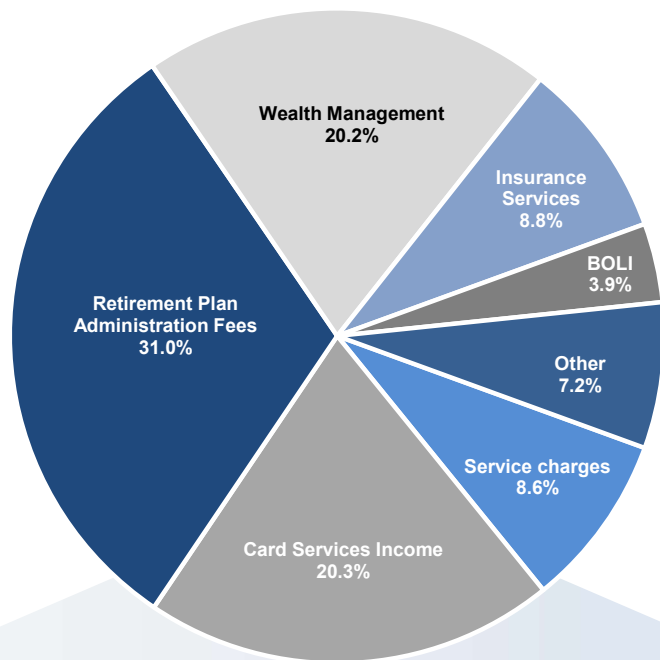
- Completed 7 whole-bank, 7 branch and 9 fee income business acquisitions since 2000
- Successful integration of systems
- Retained key personnel
- High retention rates in loans and deposits with bank and branch deals and subsequent growth
- Non-bank acquisitions diversify revenue, expand capabilities and build scale

## Recent Acquisitions

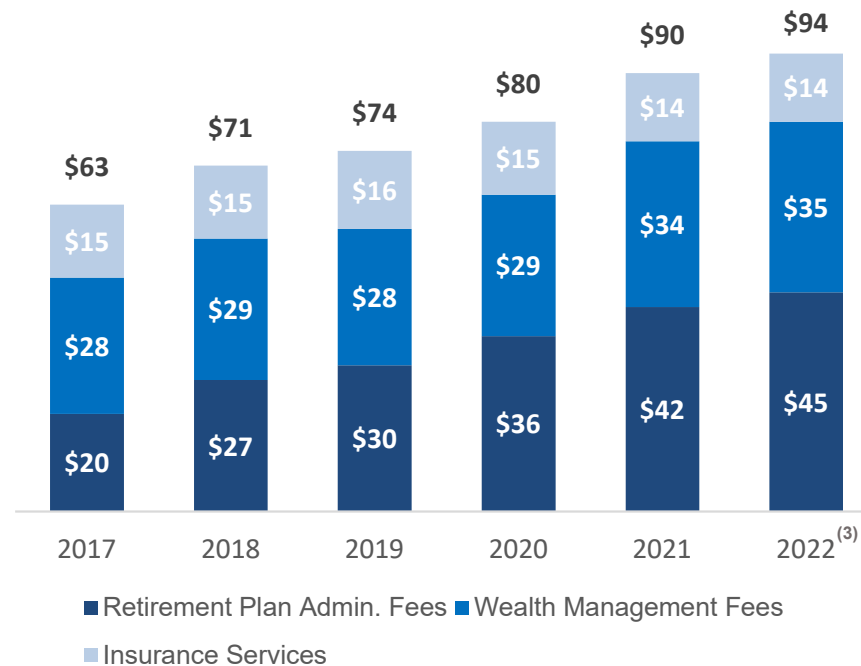


# Focus on Fee-Based Businesses

Q1 2022 Fee Income Composition <sup>(1)</sup> (%)



Key Fee Revenue Verticals Over Time <sup>(2)</sup> (\$million)



**\$42.8 Million**  
Total Noninterest  
Q1 Income <sup>(1)</sup>

**Up 17% Compared**  
to Q1 2021

**35%**  
Noninterest Income to  
Total Revenue <sup>(1)</sup>  
(compared to peer median at 22%)<sup>(4)</sup>

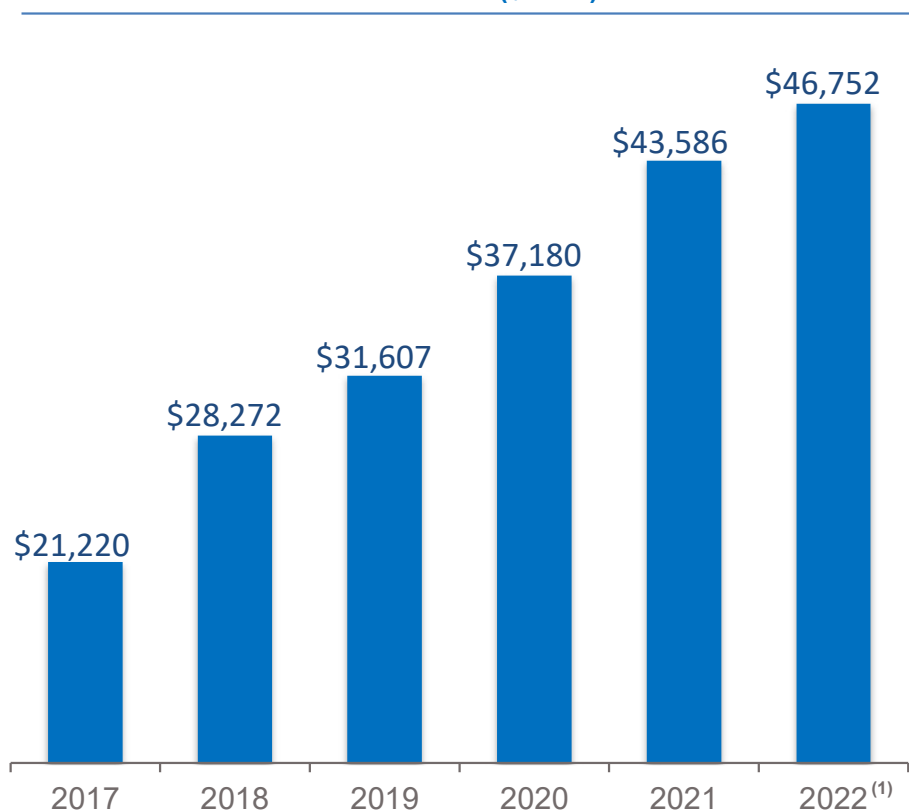
Source for Peer Data: S&P Global Market Intelligence; Data as of the most recent available quarter; Refer to appendix for Peer Group.

Note: Numbers may not foot due to rounding.

1. As of 03/31/22. Excludes gains/losses on sale of securities.
2. Does not represent all fee income.
3. Trailing four quarters.
4. As of 12/31/21 as peer data is not yet available for 03/31/22.

# EPIC Retirement Plan Services

Revenues (\$000s)



Customized Consulting, Recordkeeping, Actuarial and Administrative Services for All Types of Retirement Plans

Deep Partnerships with Clients Across 50 States, Including Retirement Plan Advisors, Banks and TPAs

Proprietary Customer Experience Delivery Platform Driving Adoption and Satisfaction

Acquisition Activity Provides Revenue Growth, Client Diversification and Expands Capabilities and Geography

2020 ABG Acquisition – Provided Retirement Plan Solutions for Over 600 Qualified Retirement Plans with More Than 40,000 Plan Participants and Accumulated Assets of \$3.5 Billion; Added 70 New Team Members to EPIC RPS



**“Helping America Retire”**

Over 300,000 Plan  
Participants Nationwide

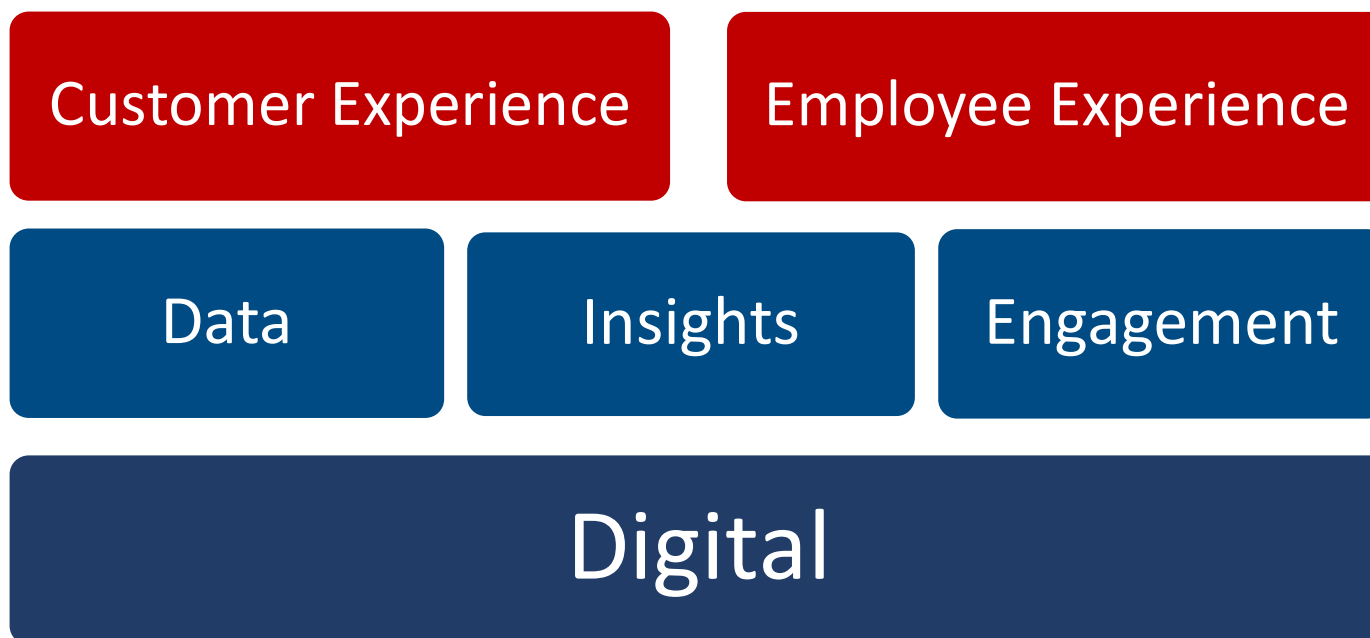
1. Trailing four quarters

# Digital Evolution

NBT operates with a **customer-first digital mindset**.

- Informed by data
- Embedded in our culture
- Focused on agility and innovation
- Driven by our business lines and customer needs

This mindset is **transforming the experience** we deliver now and into the future.



## Infrastructure

- Virtualization and Cloud Environment
- Enhanced Resiliency and Cybersecurity
- Agile and Scalable Core Systems

## Operational Efficiencies

- Robotic Process Automation
- Streamlining Business Process Management
- Self-Service Transactions

## Agile Development

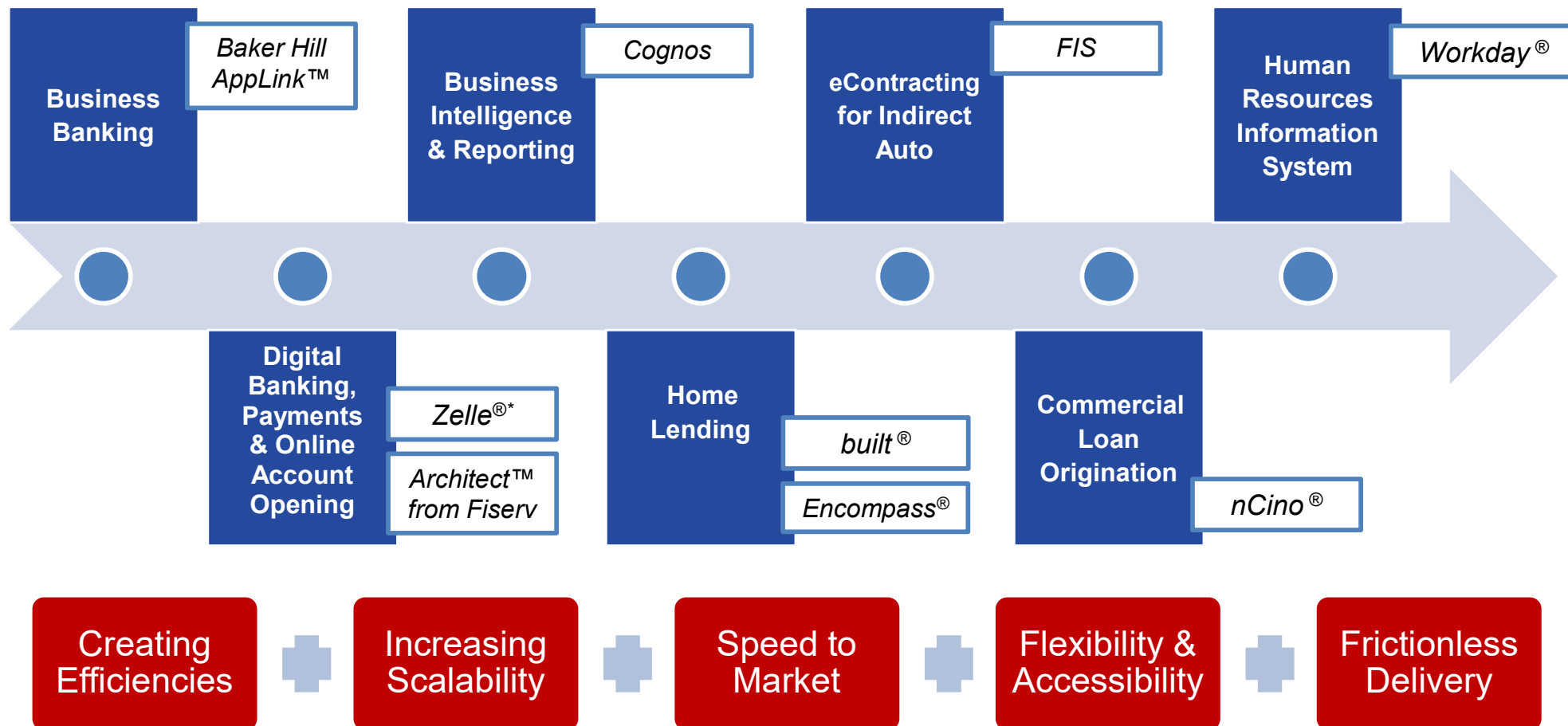
- Digital Banking Services
- APIs and Configurable Platforms
- Fintech Partnerships

## Data Analytics

- Governance Program
- Centralization of Data Management

# Digital Evolution

Our comprehensive rolling 3-year **technology roadmap** calls for continuous capital investment for the implementation of market-leading platforms across multiple business lines that will further enhance and transform the experience NBT delivers.



\* Zelle and the Zelle related marks are wholly owned by Early Warning Services, LLC and are used herein under license.

# Digital Adoption Rates



72% INCREASE IN  
CONSUMER DIGITAL  
ADOPTION



96% INCREASE IN  
MOBILE WALLETS



138% INCREASE IN  
MOBILE DOLLARS  
DEPOSITED



52% INCREASE IN  
MOBILE ITEMS  
DEPOSITED



53% INCREASE IN  
SELF-SERVICE  
TRANSACTIONS



9% INCREASE IN  
ATM DEPOSITS



4% INCREASE IN  
DEBIT CARD SWIPES  
PER CUSTOMER



32% DECREASE IN  
BRANCH  
TRANSACTIONS

Comparisons are from the quarter ending December 31, 2019 to the quarter ending March 31, 2022.



# Overview

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Strategic Initiatives

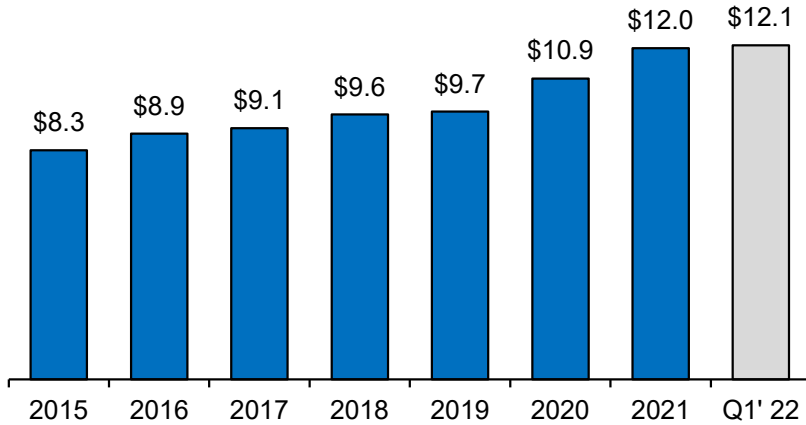
**Financial Performance**

Appendix

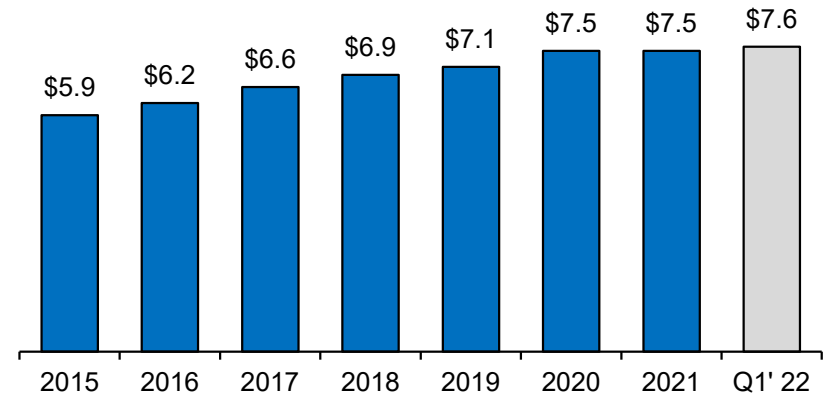


# Track Record of Consistent Growth

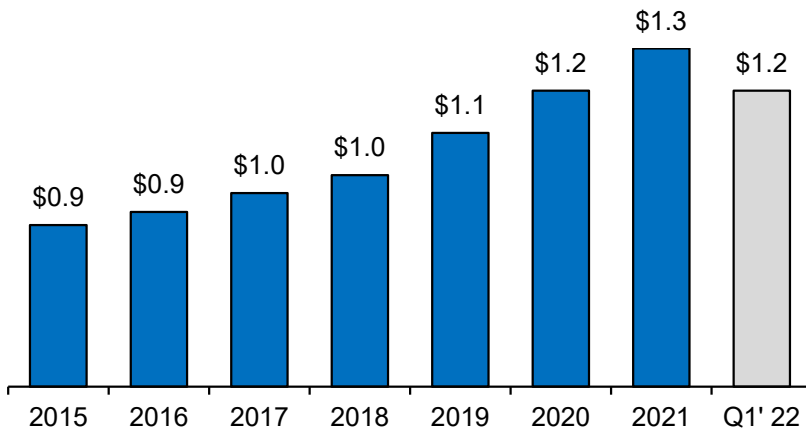
Total Assets (\$billion)



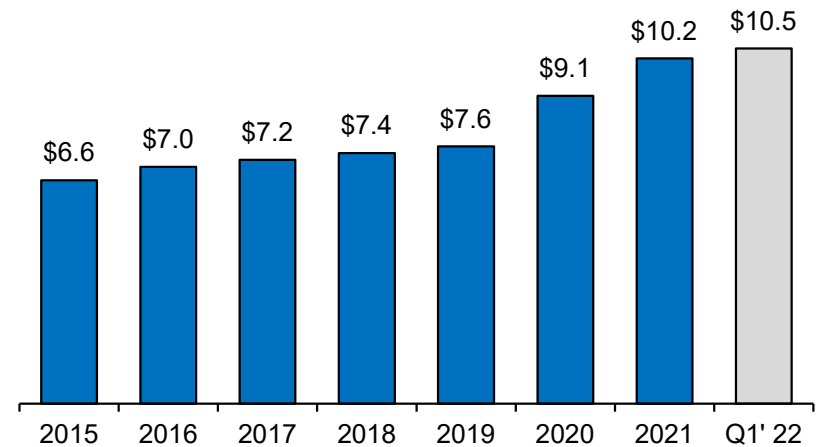
Gross Loans (\$billion)



Shareholders Equity (\$billion)

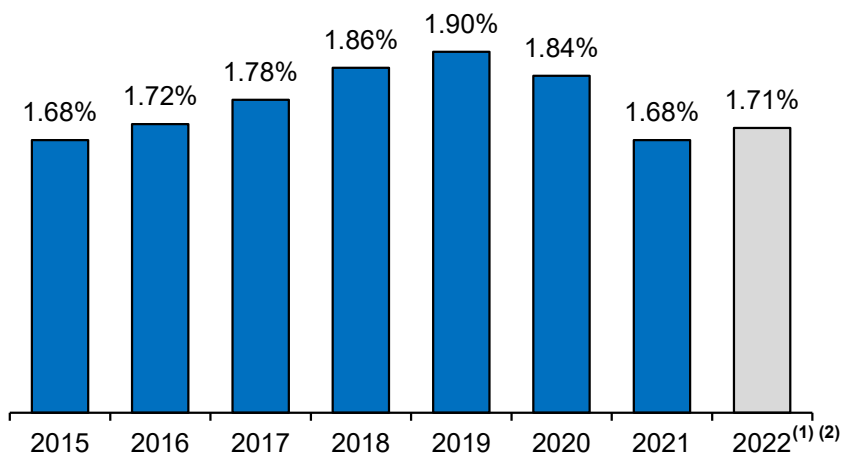


Deposits (\$billion)

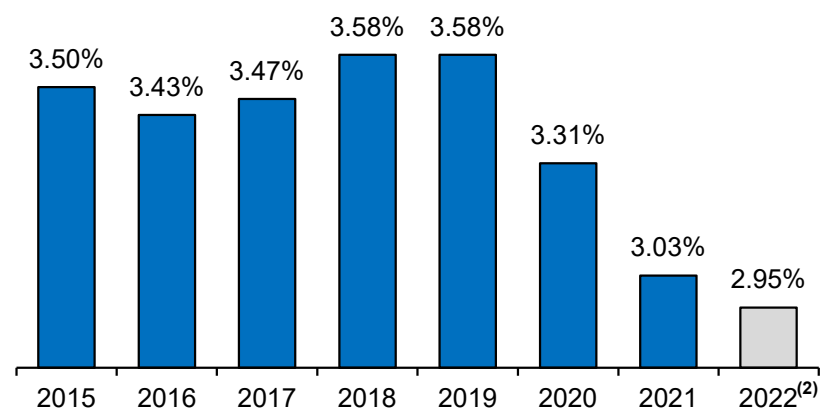


# Strong & Stable Profitability

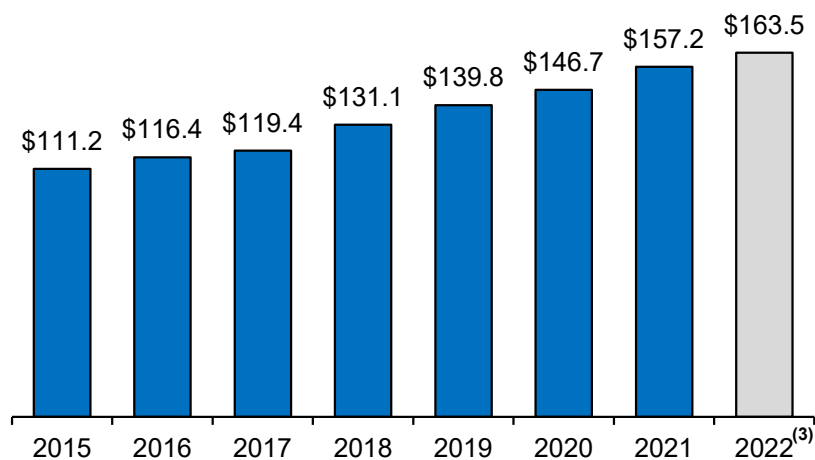
## Pre-Provision Net Revenue ROAA (%)



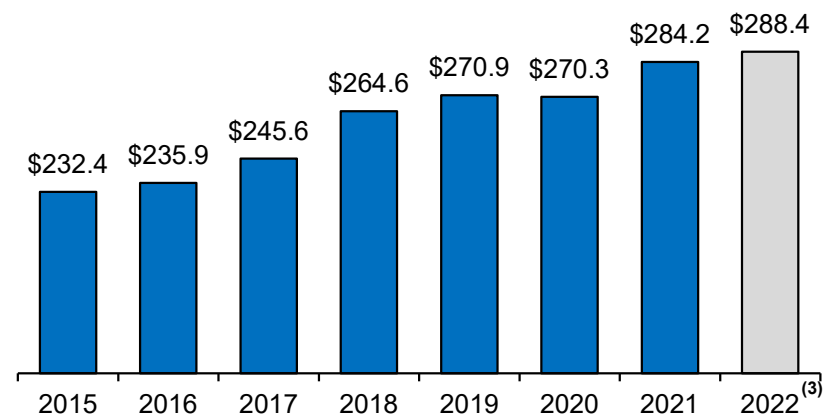
## Net Interest Margin FTE (%)



## Fee Income<sup>(1)</sup> (\$million)



## Adjusted Noninterest Expense (\$million)



Note: Refer to appendix for reconciliation of Non-GAAP measures.

1. Excludes gains/losses on sale of securities and equity investments.
2. Annualized based on YTD 03/31/22.
3. Trailing four quarters

# Q1 2022 Results Overview

## Financial Highlights

(\$ in millions except per share data)	Q1 2022	Change		% Change	
		Q4 2021	Q1 2021	Q4 2021	Q1 2021
<b>Period End Balance Sheet</b>					
Total loans	\$ 7,649.8	\$ 151.4	\$ 16.4	2.0%	0.2%
Total loans, excluding PPP	7,598.8	201.6	501.9	2.7%	7.1%
Total deposits	10,461.6	227.2	645.7	2.2%	6.6%
<b>Income Statement</b>					
FTE net interest income <sup>2</sup>	80.6	(4.8)	1.3	(5.7%)	1.6%
Provision for loan losses	0.6	(2.5)	3.4	(80.8%)	(121.3%)
Total noninterest income <sup>3</sup>	42.8	1.7	6.3	4.2%	17.1%
Total noninterest expense	72.1	(3.0)	4.3	(3.9%)	6.3%
Provision for taxes	11.1	0.4	-	3.4%	(0.1%)
Net income	39.1	1.8	(0.7)	4.9%	(1.8%)
Pre-provision net revenue <sup>2</sup>	50.9	(0.6)	3.4	(1.1%)	7.1%
<b>Performance Ratios</b>					
Earnings per share, diluted	\$ 0.90	\$ 0.04	\$ (0.01)	4.7%	(1.1%)
Net interest margin <sup>2</sup>	2.95%	(0.13%)	(0.22%)	(4.2%)	(6.9%)
ROAA	1.32%	0.09%	(0.14%)	7.3%	(9.6%)
PPNR ROAA <sup>2</sup>	1.71%	0.01%	(0.03%)	0.6%	(1.7%)
ROATCE <sup>2</sup>	16.87%	1.17%	(1.37%)	7.5%	(7.5%)
NCOs/ Avg loans (%)	0.14%	(0.08%)	0.02%	(36.4%)	16.7%
NCOs/ Avg loans (%), excluding PPP	0.14%	(0.08%)	0.01%	(36.4%)	7.7%
Tangible book value per share <sup>2</sup>	\$ 21.25	\$ (1.01)	\$ 0.54	(4.5%)	2.6%
Tangible equity ratio <sup>2</sup>	7.70%	(0.50%)	(0.30%)	(6.1%)	(3.8%)
<b>Capital Ratios</b>					
Leverage ratio	9.52%	0.11%	(0.08%)	1.2%	(0.8%)
Common equity tier 1 capital ratio	12.23%	(0.02%)	0.10%	(0.2%)	0.8%
Tier 1 capital ratio	13.39%	(0.04%)	0.01%	(0.3%)	0.1%
Total risk-based capital ratio	15.64%	(0.09%)	(0.28%)	(0.6%)	(1.8%)

1. Comparison to Q4 2021 unless otherwise stated.

2. Non-GAAP measure; refer to appendix for reconciliation of Non-GAAP measures.

3. Excludes net securities gains (losses).

## Quarterly Highlights<sup>1</sup>



### Balance Sheet

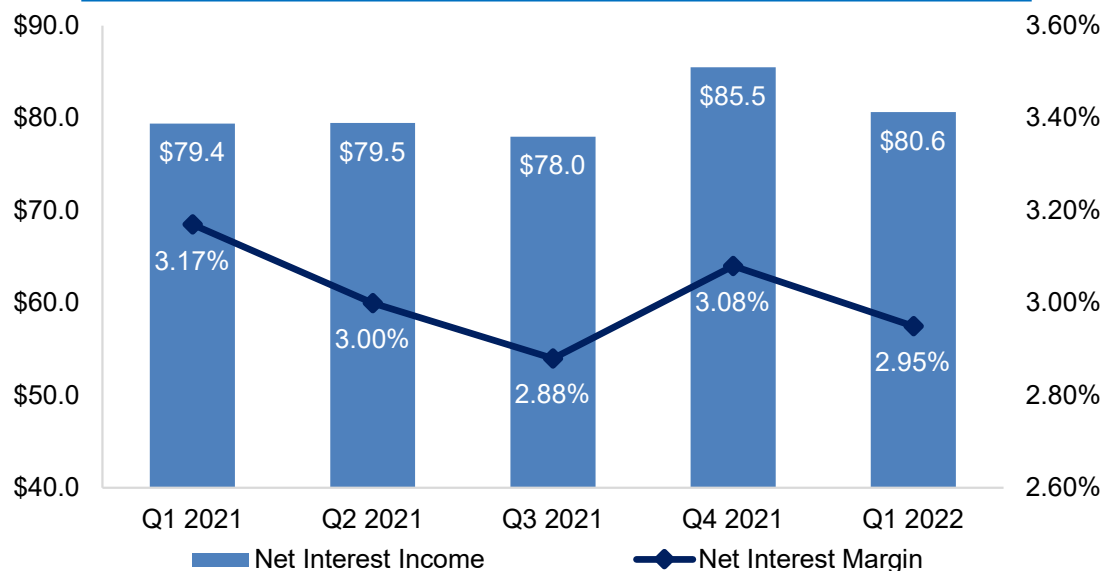
- Loans were up \$202 million, excluding PPP
- Deposits increased \$227 million
- Tangible book value per share<sup>2</sup> of \$21.25

### Earnings & Capital

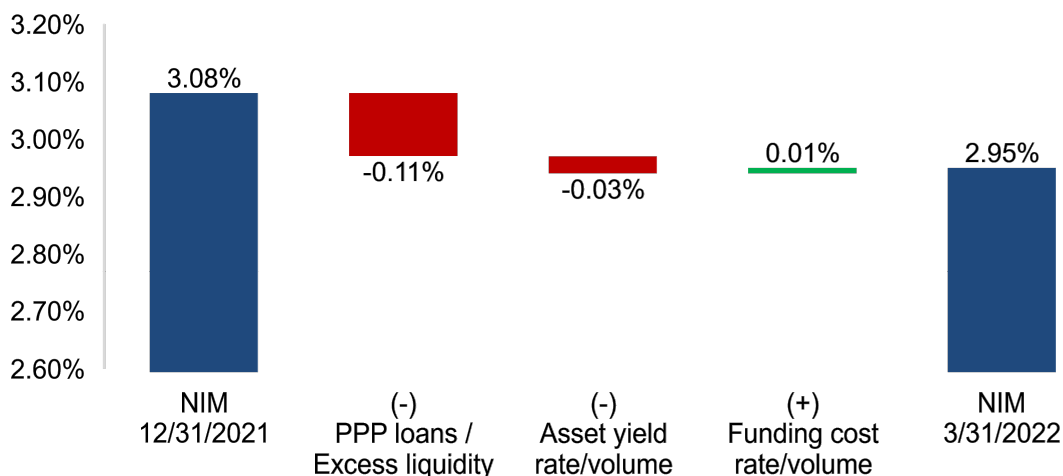
- Net income was \$39.1 million and diluted earnings per share was \$0.90
- Provision expense of \$0.6 million, decreasing allowance for loan losses to total loans to 1.18%
- Net interest margin<sup>2</sup> down 13 bps, 11 bps related to decrease in PPP income
- Fee income<sup>3</sup> up 4%
- Noninterest expense down 4%
- Effective tax rate of 22.2%

# Net Interest Income & Net Interest Margin

Net Interest Income (\$ in millions) & Net Interest Margin (%)



Q1 2022 Net Interest Margin



## Quarterly Highlights<sup>1</sup>

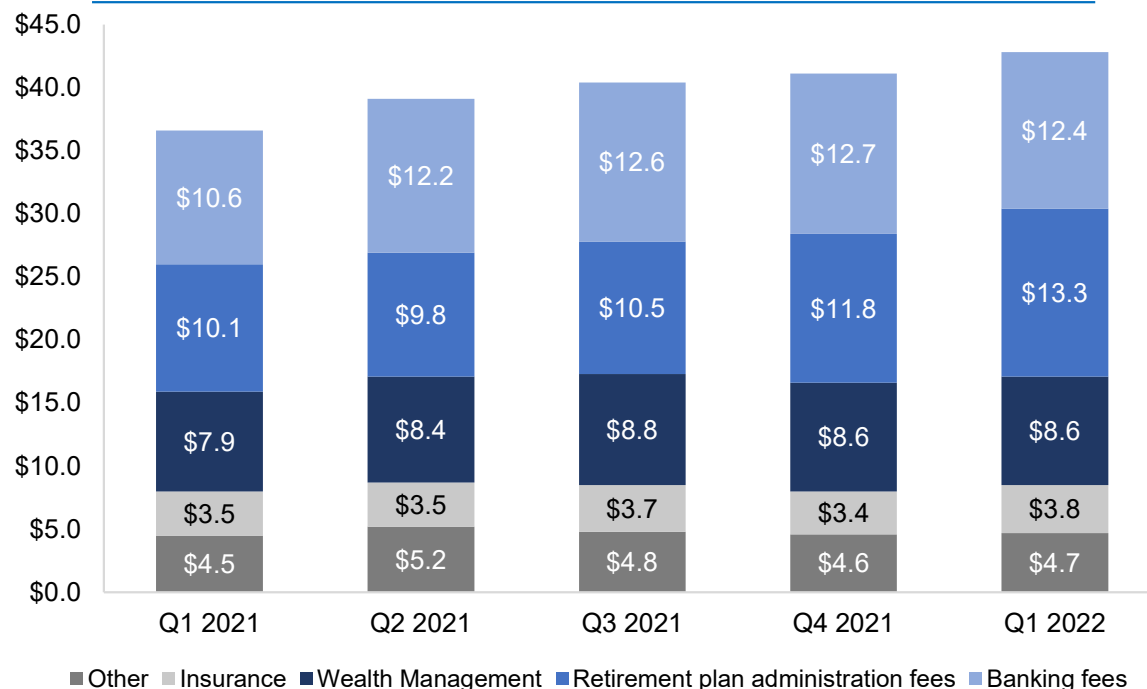
- Net interest income decreased \$4.8 million to \$80.6 million
- PPP income decreased \$5.6 million
- Net interest margin decreased 13 bps to 2.95%
  - Net impact of excess liquidity and PPP lending negatively impacted NIM by 22 bps compared to negative 11 bps in 4Q 2021
  - Normalized margin, excluding PPP and excess liquidity, decreased 2 bps from prior quarter primarily due to a 3 bp decrease in earning asset yields partly offset by a 1 bp decline in cost of interest-bearing liabilities

Net Interest Income and Net Interest Margin are shown on a fully tax equivalent basis, which is a Non-GAAP measure; refer to appendix for reconciliation of Non-GAAP measures.

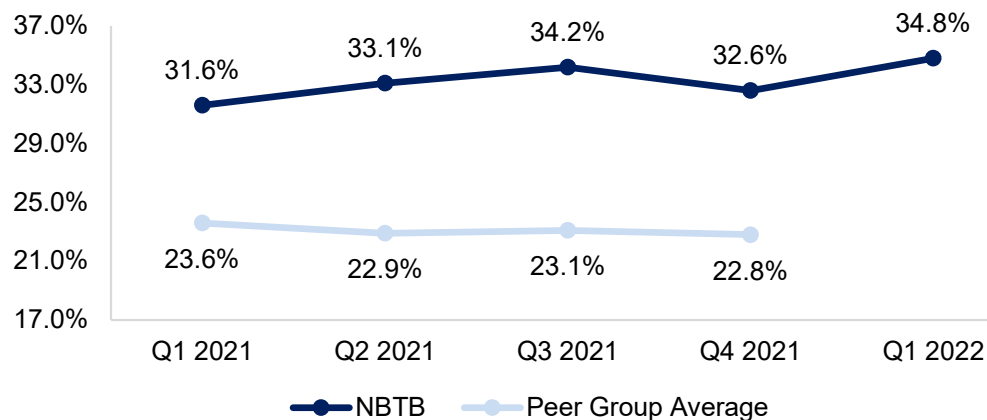
1. Comparison to Q4 2021 unless otherwise stated.

# Noninterest Income

Noninterest Income Trend<sup>1</sup> (\$ in millions)



Total Noninterest Income<sup>1</sup> / Total Revenue<sup>1</sup>



## Quarterly Highlights<sup>2</sup>



- Noninterest income to total revenue was 34.8%<sup>1</sup>
- \$42.8 million<sup>1</sup> in noninterest income, up \$1.7 million
- Retail banking fees (service charges and card services) consistent with prior 3 quarters
- Retirement plan administration fees up \$1.5 million
- Wealth management fees were comparable
- Insurance revenues up \$0.4 million

**Assets under management / administration of \$9.6 billion**

Peer Source Data: S&P Global Market Intelligence.

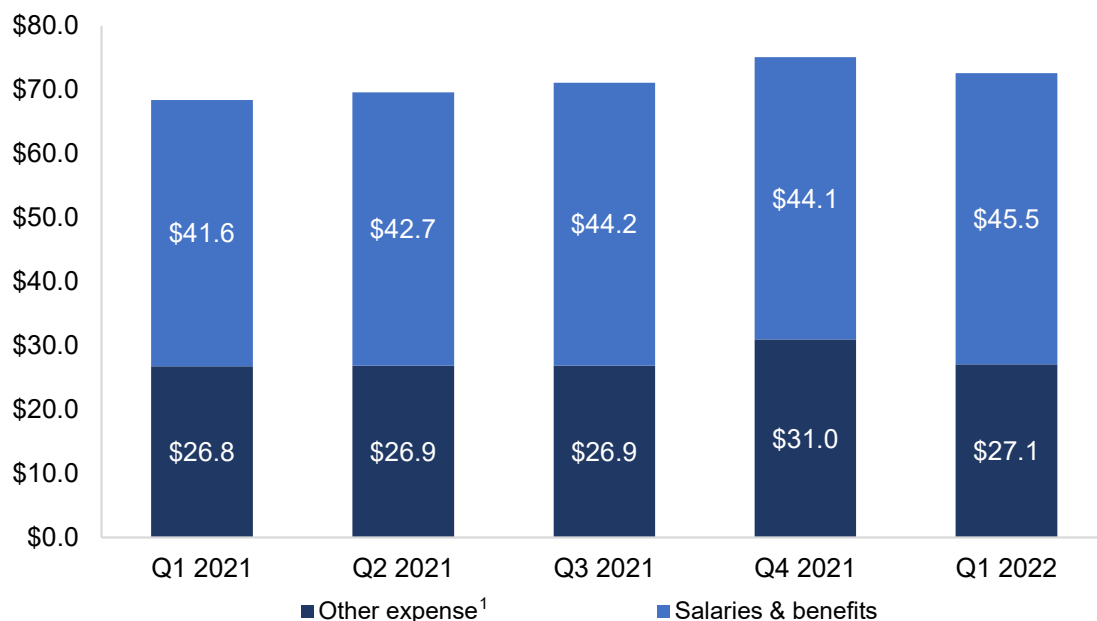
Refer to appendix for Peer Group.

1. Excludes net securities gains (losses).

2. Comparison to Q4 2021 unless otherwise stated.

# Noninterest Expense

Noninterest Expense Trend (\$ in millions)



## Quarterly Highlights<sup>2</sup>



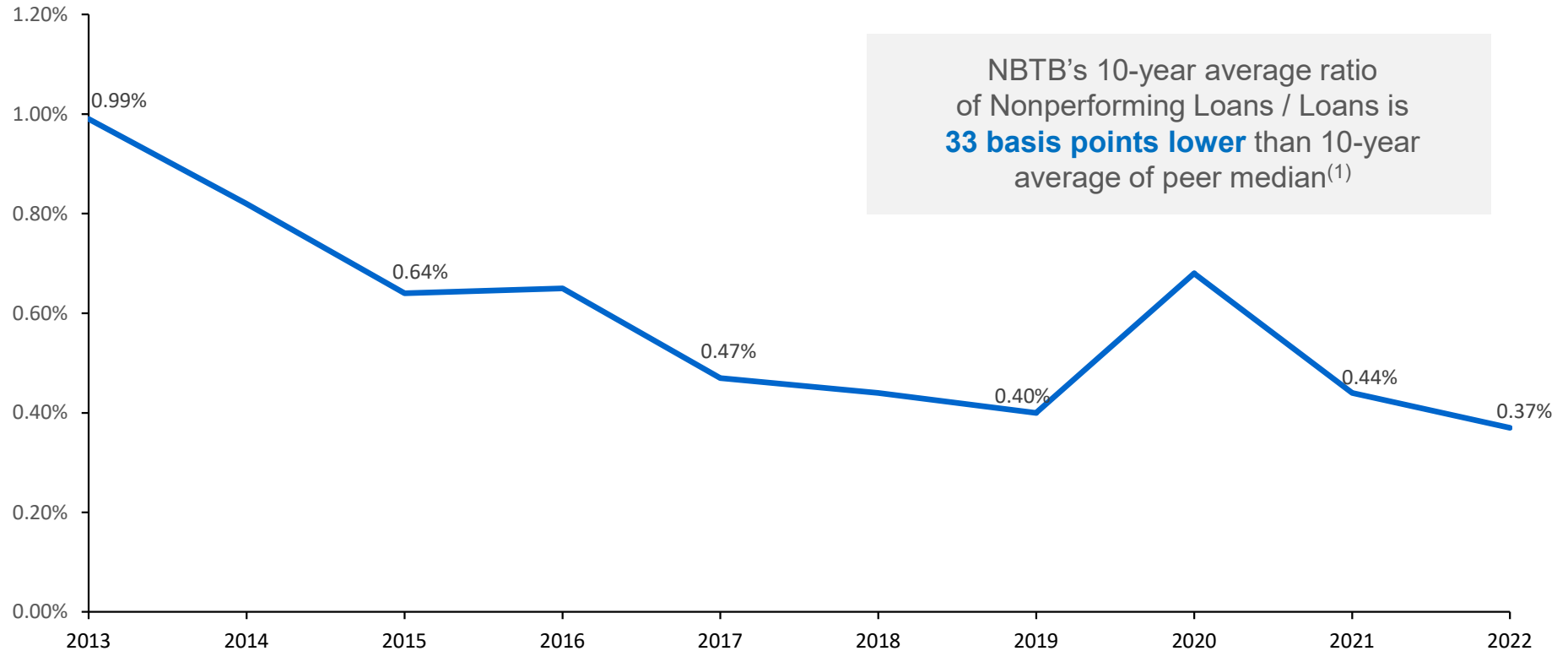
- Noninterest expense of \$72.1 million
  - Down \$3.0 million (3.9%)
- Salaries & Benefits increase driven by seasonally higher payroll taxes and stock-based compensation expenses, partly offset by two less payroll days
- Professional fees and outside services decrease due to timing of costs associated with several technology-related initiatives
- Loan collection and other real estate owned lower due to gain on the sale of a property in 1Q 2022 and the write-down of a property in 4Q 2021
- Other expenses decreased due to timing of charitable contributions and travel and training costs

1. Other Expense includes Occupancy expense, Equity expense, Data processing & Communications, Professional fees and outside services, Office supplies and postage, FDIC expense, Advertising, Amortization of intangible assets, Loan collection & OREO, net and other expense. Presented excluding provision for unfunded commitment reserves and other non-recurring expense.  
 2. Comparisons to Q4 2021 unless otherwise stated.



# Asset Quality

## Nonperforming Loans / Loans (%)



### Asset Quality Trends Continue

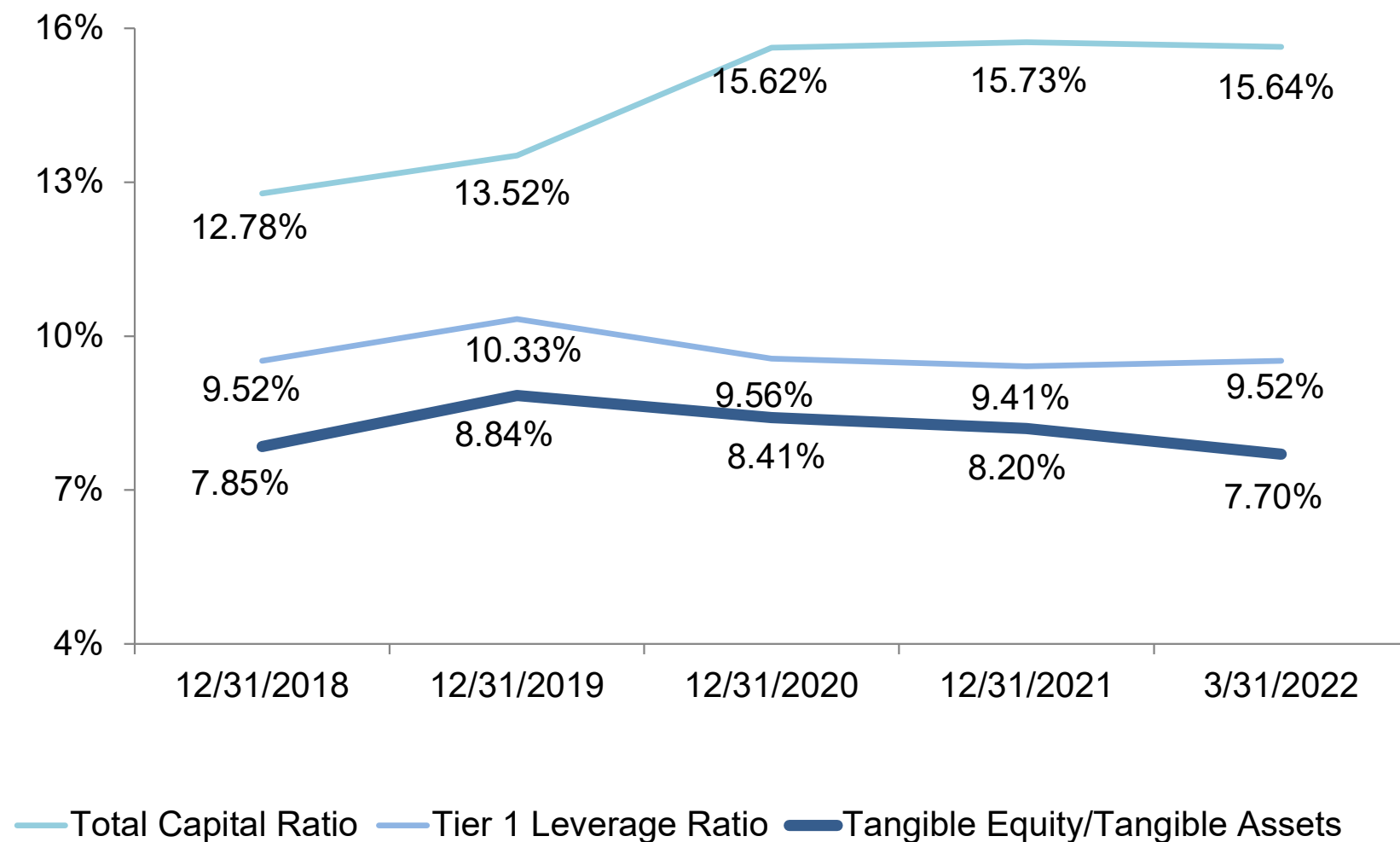
- 0.14% Q1 2022 Net Charge-offs to Average Loans compared to 0.13% Net Charge-offs to Average Loans in Q1 2021 <sup>(2)</sup>
- Nonperforming loans to total loans decrease in the first quarter of 2022 driven by a decrease in commercial and residential nonperforming loans

Peer Data Source: S&P Global Market Intelligence as of the most recent quarter. Refer to appendix for Peer Group.

Note: NBTB nonperforming loans exclude performing TDRs and exclude PPP.

1. Data as of 12/31/21 as peer data is not yet available for 03/31/22
2. Net charge-offs to average loans excludes PPP balances.

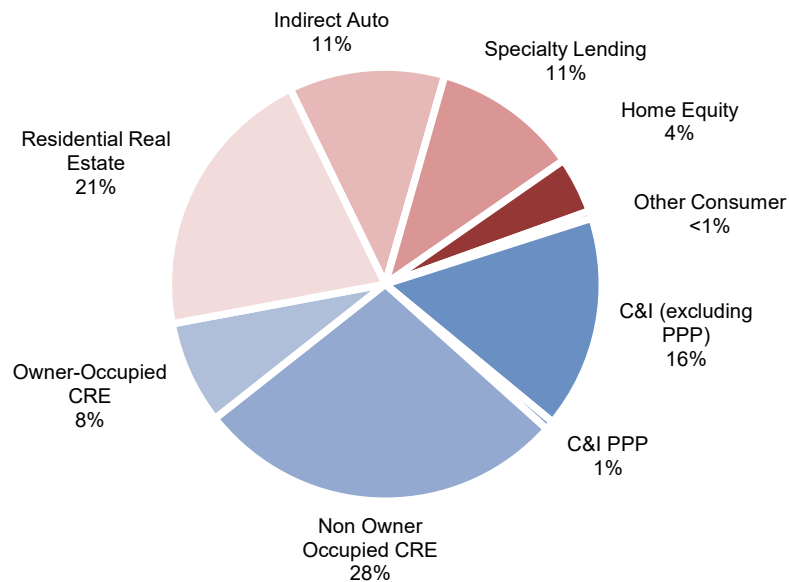
# Capital Strength



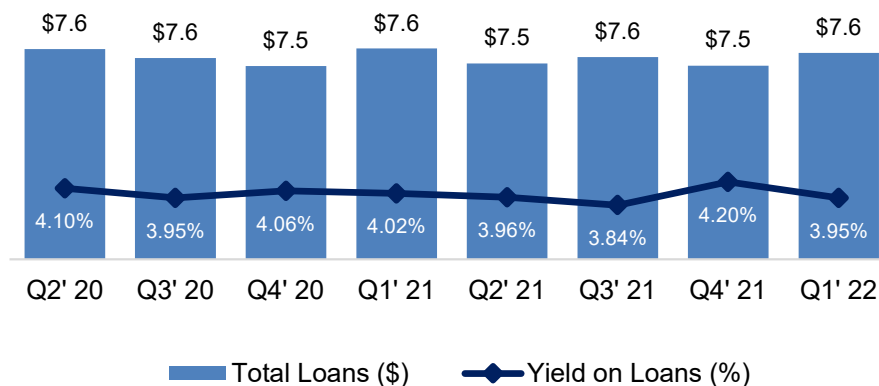
Note: Refer to appendix for reconciliation of Non-GAAP measures.

# Loans

Total Loans: \$7.6 billion<sup>(1)</sup>



Yield on Loans (%) / Total Loans (\$billion)



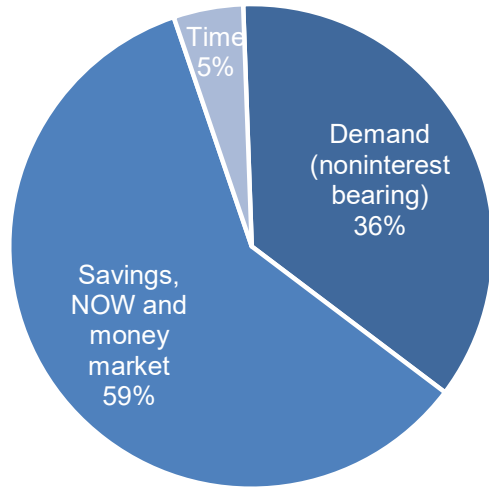
## Portfolio Highlights<sup>(1)</sup>

- Loans, excluding PPP, were up \$502 million from Q1 2021 or 7.1%
- Non-Owner Occupied CRE at 155% to Total Capital
- Loan-to-Deposit Ratio of 73%
- Commercial (includes C&I and CRE)
  - 28.1% fixed
  - 19.1% variable (e.g., 10-yr fixed for 5 years)
  - 52.8% floating
- Residential Mortgages
  - 95.7% fixed
  - 4.3% ARMs
- Consumer Loans (includes indirect auto, home equity, specialty consumer lending and other)
  - 10.2% floating
  - 89.8% Fixed
- Average FICO in Home Equity portfolio of 769
- Average FICO in Indirect Auto portfolio of 750
- Average FICO in Residential Real Estate portfolio of 763

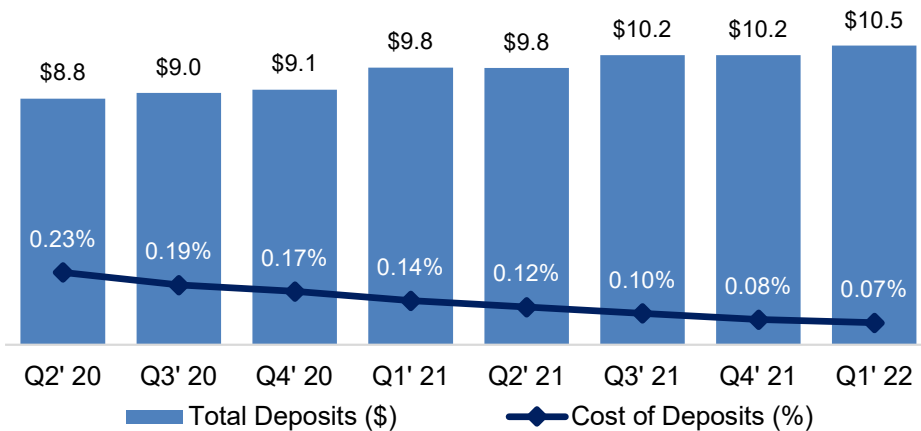
1. As of 3/31/2022. Total loans included PPP loans of \$51.0 million net of \$1.6 million in unearned fees.

# Deposits

Total Deposits: \$10.5 billion<sup>1</sup>



Cost of Deposits (%) / Total Deposits (\$ in billions)



## Quarterly Highlights<sup>2</sup>

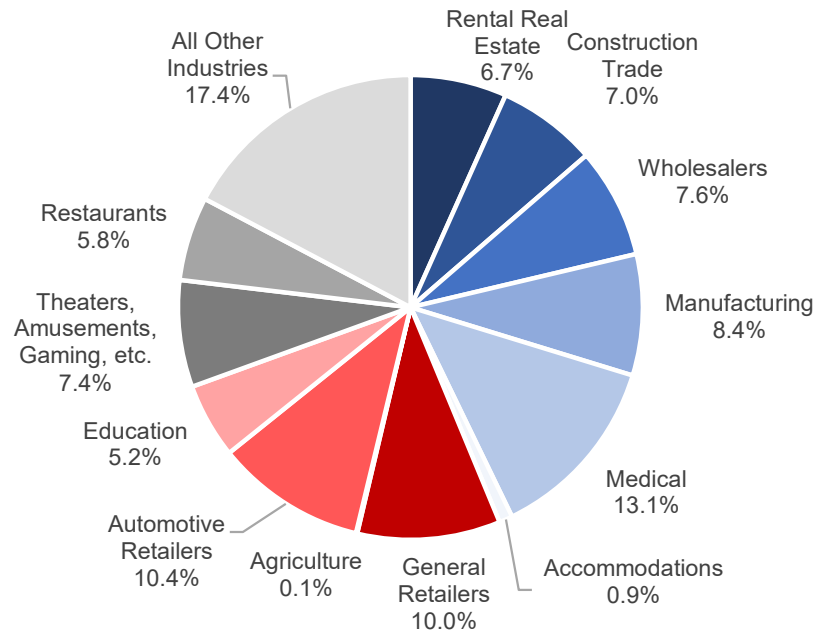


- Cost of total deposits of 0.07%, down 1 bp
- Cost of interest-bearing deposits was 0.11%, down 2 bps or 15%
- Period end deposits increased \$227 million, or 2.2%
- Core deposits<sup>3</sup> represent 95% of total deposit funding
- Noninterest bearing deposits were 36% of total deposits at Q1 2022
- Loan to deposit ratio was 73.1%

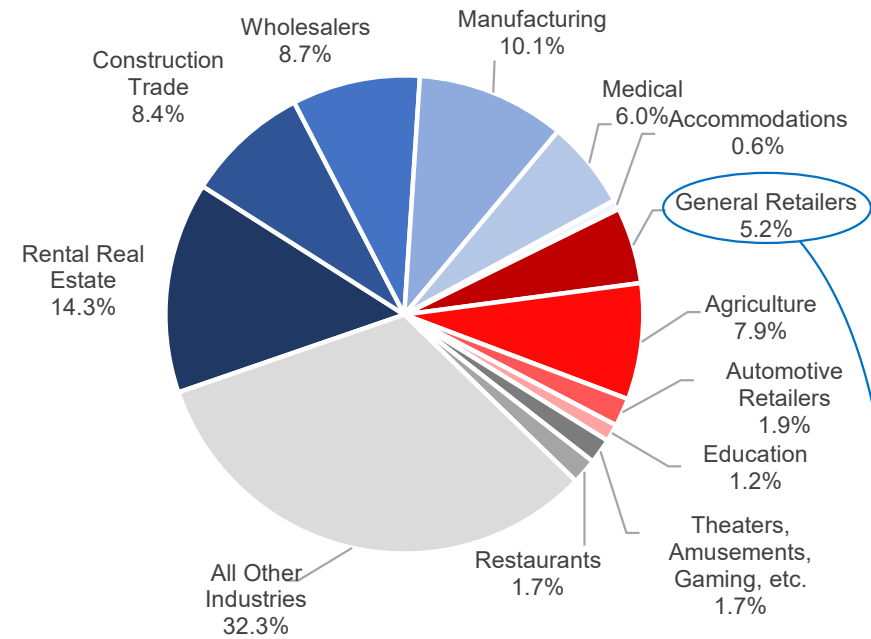
1. As of 3/31/2022.  
 2. Comparison to Q4 2021 unless otherwise stated.  
 3. Core deposits defined as total deposits less all time.

# Commercial Loan Portfolio Detail

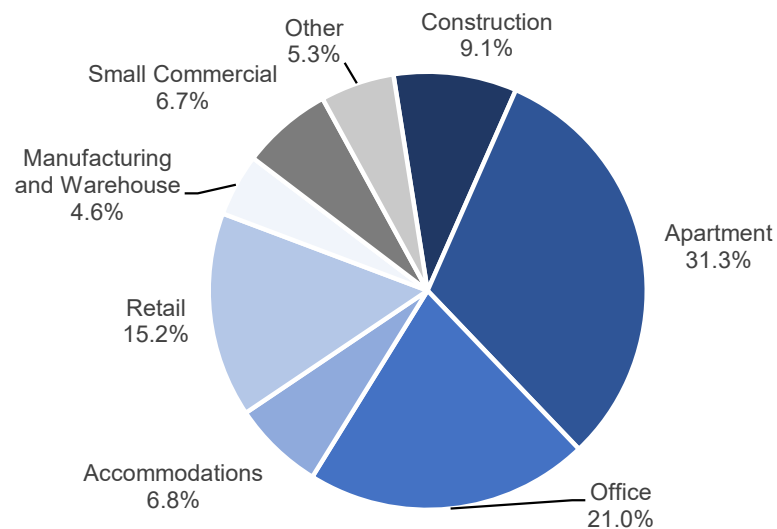
## Owner Occupied CRE (\$0.6 billion)<sup>1</sup>



## Commercial & Industrial (\$1.2 billion)<sup>1</sup>



## Non-Owner Occupied CRE (\$2.1 billion)<sup>1</sup>



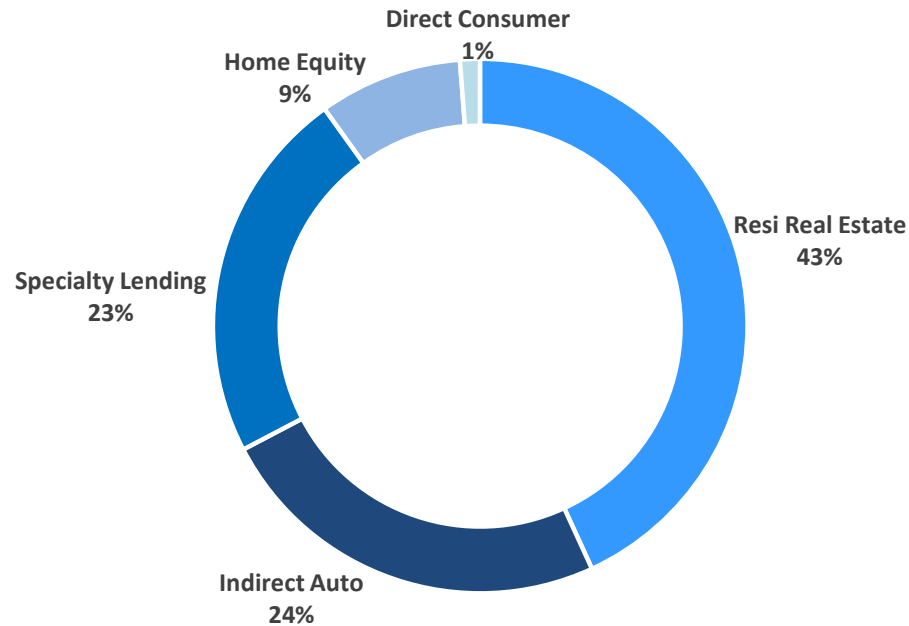
**\$1.0 MILLION**  
Average Total Commercial Loan Size

Retail	
•	19% Building Materials / Home Centers
•	17% Grocery Stores / Pharmacies
•	9% Gasoline / C Stores
•	29% Home Furnishings

1. Data as of 3/31/2022, excludes PPP balances.

# Consumer & Residential Portfolio Detail

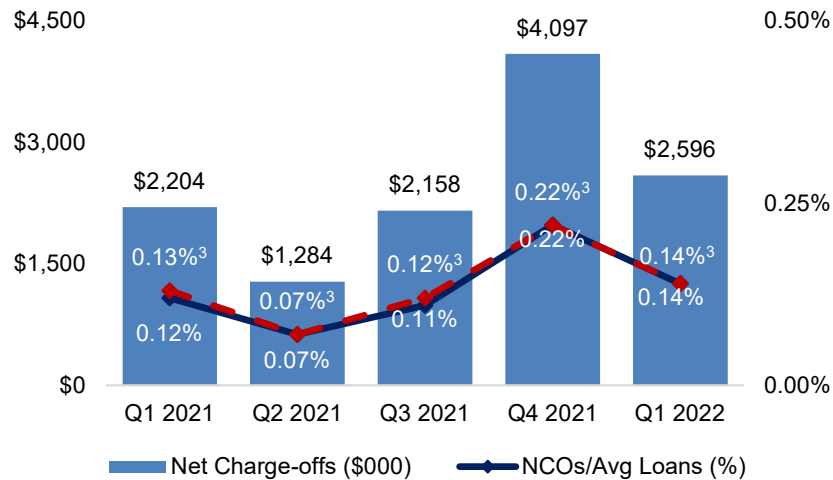
Consumer Lending Portfolio: \$3.7 billion as of 03/31/22



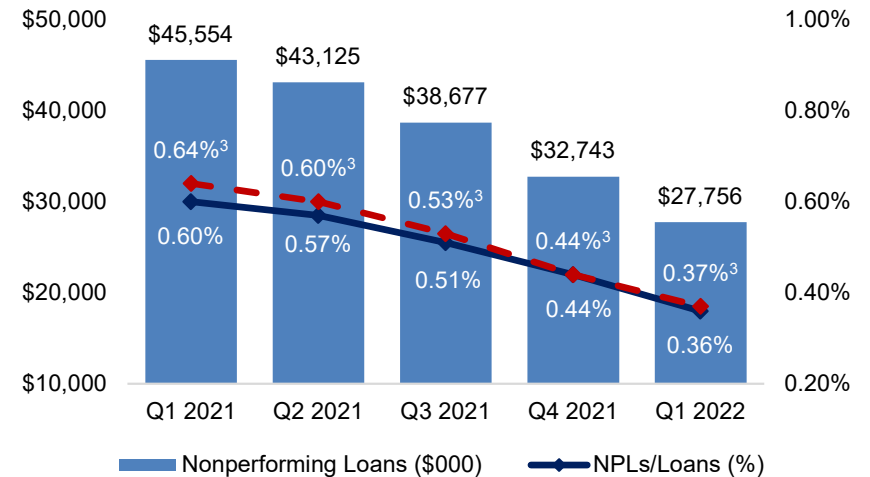
As of 03/31/2022	Consumer Lending Portfolio Metrics				
	Total Outstandings (\$000s)	# of Accounts	Avg. Balance	wAve Max FICO	Avg. DTI
Resi Real Estate	\$ 1,584,551	11,829	\$ 133,955	763	35
Indirect Auto	\$ 890,643	55,283	\$ 16,111	750	30
Specialty Lending	\$ 835,546	37,049	\$ 22,552	763	23
Home Equity	\$ 319,180	11,350	\$ 28,122	769	33
Direct Consumer	\$ 44,484	26,968	\$ 1,650	752	33

# Asset Quality

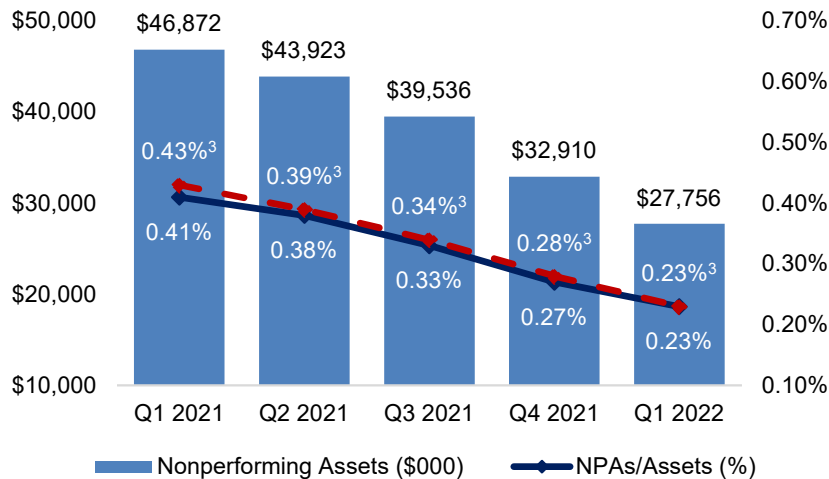
## Net Charge-Offs



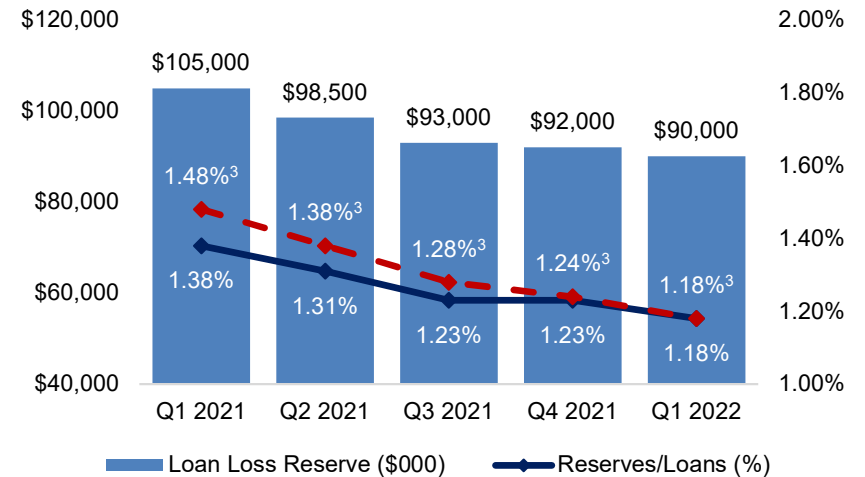
## Nonperforming Loans<sup>1</sup>



## Nonperforming Assets<sup>2</sup>



## Loan Loss Reserves



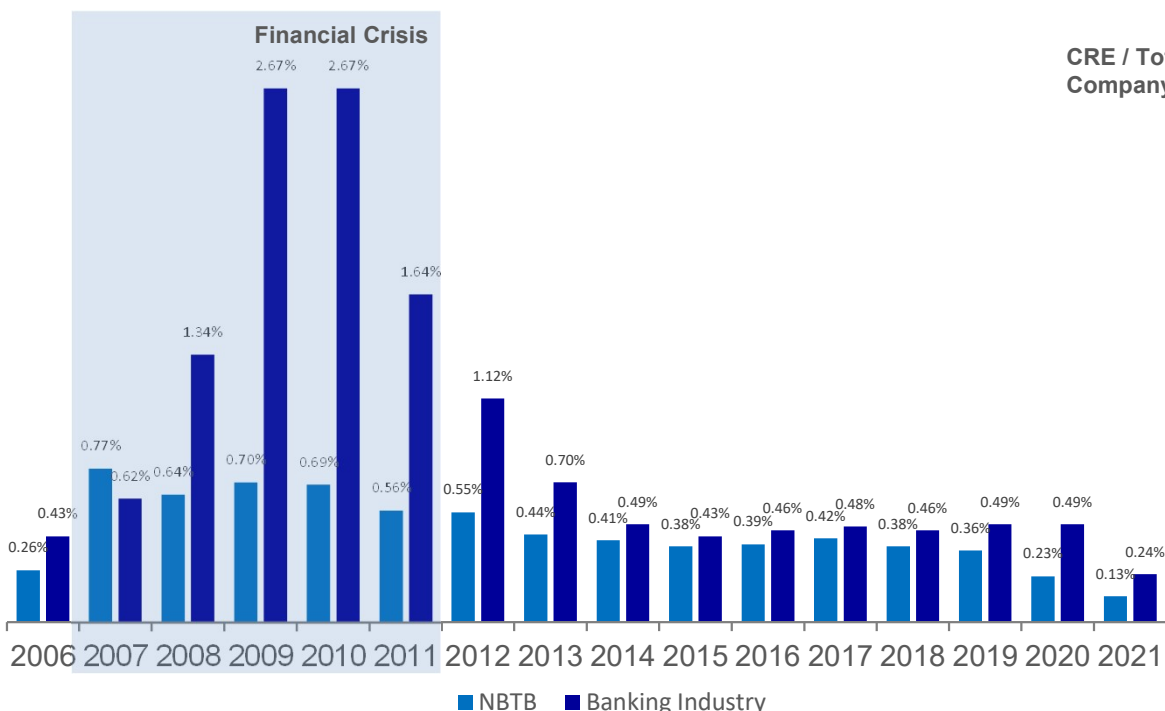
1. Nonperforming loans exclude performing TDRs.
2. Nonperforming assets include nonaccrual loans, loans ninety days past due and still accruing and OREO.
3. Excluding PPP loans of \$536.5 million and related allowance of \$27 thousand as of March 31, 2021, PPP loans of \$359.7 million and related allowance of \$18 thousand as of June 30, 2021, PPP loans of \$276.2 million and related allowance of \$14 thousand as of September 30, 2021, PPP loans of \$101.2 million and related allowance of \$5 thousand as of December 31, 2021 and PPP loans of \$51.0 million and related allowance of \$3 thousand as of March 31, 2022.



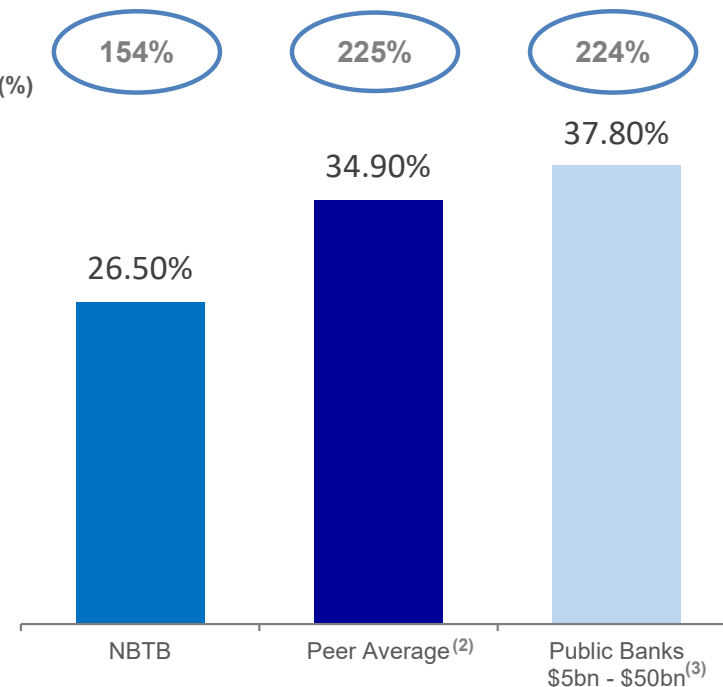
# History of Prudent Credit Culture

15-Year Cumulative NCOs / Avg. Loans vs. Banking Industry (%)

CRE / Total Loans<sup>(1)</sup> (%)



CRE / Total Holding Company Capital<sup>(1)</sup> (%)



15-Year Peak NCOs / Avg. Loans (%)

	15-Yr. Peak	Peak Year
NBTB	0.77%	2007Y
Peer Average <sup>(2)</sup>	1.72%	2009Y

**NBTB 03/31/22**

**155% - CRE / Total Holding Company Capital**

**26.6% - CRE / Total Loans**

Source: S&P Global Market Intelligence; Data as of 12/31/21

Note: Banking industry data per S&P Global & FDIC.

1. Outstanding commercial real estate loans per definition in regulatory guidance includes non-owner occupied real estate, multifamily loans, construction and development loans and loans to finance commercial real estate, construction and land development activities not secured by real estate. Data as of 12/31/21.
2. Refer to appendix for Peer Group.
3. Includes all publicly exchange traded banks / thrifts with total assets between \$5.0 billion – \$50.0 billion; excludes merger targets & MHCs.

# Overview

About NBT Bancorp

Strategic Initiatives

Financial Performance

**Appendix**



# Performance to Peer Group

Performance Ratios %	March 31, 2022	December 31, 2021	
	NBTB	Peer Median	Peer Average
PPNR ROA <sup>(1)</sup>	1.71%	1.48%	1.50%
Core ROAE <sup>(1)(2)</sup>	12.77%	10.22%	11.24%
Core ROATCE <sup>(1)(2)</sup>	16.65%	14.79%	15.83%
Net Interest Margin <sup>(1)</sup>	2.95%	3.02%	3.03%
Fee Income / Revenue <sup>(3)</sup>	34.78%	22.30%	22.47%
Loans / Deposits	73.12%	81.22%	79.27%
<b>Market Ratios</b>			
Current Market Price (\$)*	\$ 36.13	\$ 30.26	\$ 43.41
Price / EPS (x)*	40.14	11.70	12.97
Price / TBV (%) <sup>(1)</sup>	170.08%	159.70%	174.63%
Current Dividend Yield (%)	3.10%	2.86%	2.79%

\* Market data as of 03/31/22 for NBT and 12/31/2021 for peers.

Data Source: S&P Global Market Intelligence as of the most recent quarter. Refer to appendix for Peer Group.

Note: Peer data pro forma for recently announced acquisitions.

1. Refer to appendix for reconciliation of Non-GAAP measures.
2. Core Income excludes extraordinary items, non-recurring items, amortization of intangibles & goodwill impairment and gains/losses on sale of securities.
3. Excludes gains / losses on sale of securities.

# Loan Loss Reserve (CECL)

## Reserve / Loans by Segment

Loan Type	1/1/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022
Commercial & Industrial	0.98%	1.20%	1.11%	0.83%	0.78%	0.66%
Paycheck Protection Program	0.00%	0.01%	0.01%	0.01%	0.01%	0.01%
Commercial Real Estate	0.74%	1.48%	1.26%	0.93%	0.78%	0.79%
Residential Real Estate	0.83%	1.03%	0.98%	0.93%	0.92%	0.88%
Auto	0.78%	0.78%	0.76%	0.78%	0.79%	0.76%
Other Consumer	3.66%	4.34%	4.27%	4.57%	4.49%	4.14%
<b>Total</b>	<b>1.07%</b>	<b>1.38%</b>	<b>1.31%</b>	<b>1.23%</b>	<b>1.23%</b>	<b>1.18%</b>
<b>Total excluding PPP loans</b>	<b>1.07%</b>	<b>1.48%</b>	<b>1.38%</b>	<b>1.28%</b>	<b>1.24%</b>	<b>1.18%</b>

## 3/31/2022 Loan Loss Reserve Activity (\$ in Thousands)



# Interest Rate & Liquidity Risk

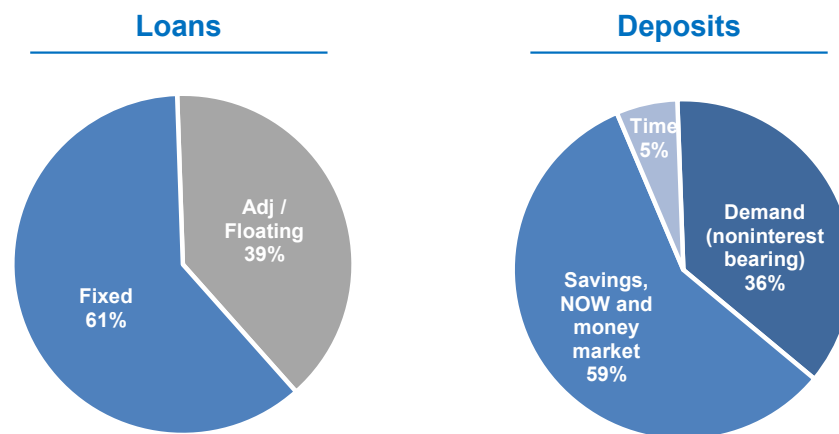
## Interest Rate Risk Position<sup>1</sup>

- Loan portfolio:
  - 61% Fixed / 39% Adjustable/Floating
- Deposit repricing information:
  - \$126 million CDs re-price in Q2 2022
- Offsets to low-rate environment: \$763 million adjustable/floating loans with floors and resets
  - \$354 million loans with in-the-money interest rate floors
  - \$386 million loans with interest rate floors out-of-the-money
  - \$24 million loans at introductory rates expected to reset higher by approximately 50 bps
- Investments:
  - 4.7 year modified duration, 0.5% of portfolio floating rate

## Liquidity<sup>1</sup>

- Continued significant excess liquidity
  - \$0.91 billion in excess reserves at Fed
- Loan-to-deposit ratio of 73.1%
- Available lines of credit:
  - \$1.75 billion FHLB (secured)
  - \$0.57 billion Fed discount window (secured)
  - \$0.25 billion Fed funds (unsecured)

## Loan & Deposit Mix<sup>1</sup>



## Year 1 Interest Rate Sensitivity<sup>1</sup>

	Net Interest Income
Change in interest rates	% Change from base
Up 200 bps	5.64%
Up 100 bps	3.07%
Down 50 bps	-1.53%

1. Data as of 03/31/2022.

# First Quarter Trends

(\$ in thousands except per share data)	Q1 2022	Q1 2021	Q1 2020	Q1 2019
<b>Income Statement</b>				
Loan interest income, excluding PPP income	\$ 71,367	\$ 68,922	\$ 78,728	\$ 79,321
PPP interest income and fees	1,976	6,171	-	-
Securities	10,333	8,926	9,844	11,139
Other interest income	525	291	829	884
Total interest income	84,201	84,310	89,401	91,344
Total interest expense	3,853	5,255	12,220	13,653
Net interest income	80,348	79,055	77,181	77,691
Noninterest income	42,659	37,038	35,423	33,821
Total net revenue	123,007	116,093	112,604	111,512
Noninterest expense	72,143	67,888	70,881	68,460
Income before provision and income taxes	50,864	48,205	41,723	43,052
Provision for credit losses	596	(2,796)	29,640	5,807
Income before taxes	50,268	51,001	12,083	37,245
Income taxes	11,142	11,155	1,715	8,118
Net Income	\$ 39,126	\$ 39,846	\$ 10,368	\$ 29,127
<b>Performance Ratios</b>				
Diluted earnings per share	\$ 0.90	\$ 0.91	\$ 0.23	\$ 0.66
Net interest margin <sup>1</sup>	2.95%	3.17%	3.52%	3.64%
ROATCE <sup>1</sup>	16.87%	18.24%	5.24%	16.45%
NCOs/Avg loans	0.14%	0.12%	0.32%	0.41%

1. Non-GAAP measure; refer to appendix for reconciliation of Non-GAAP measures.

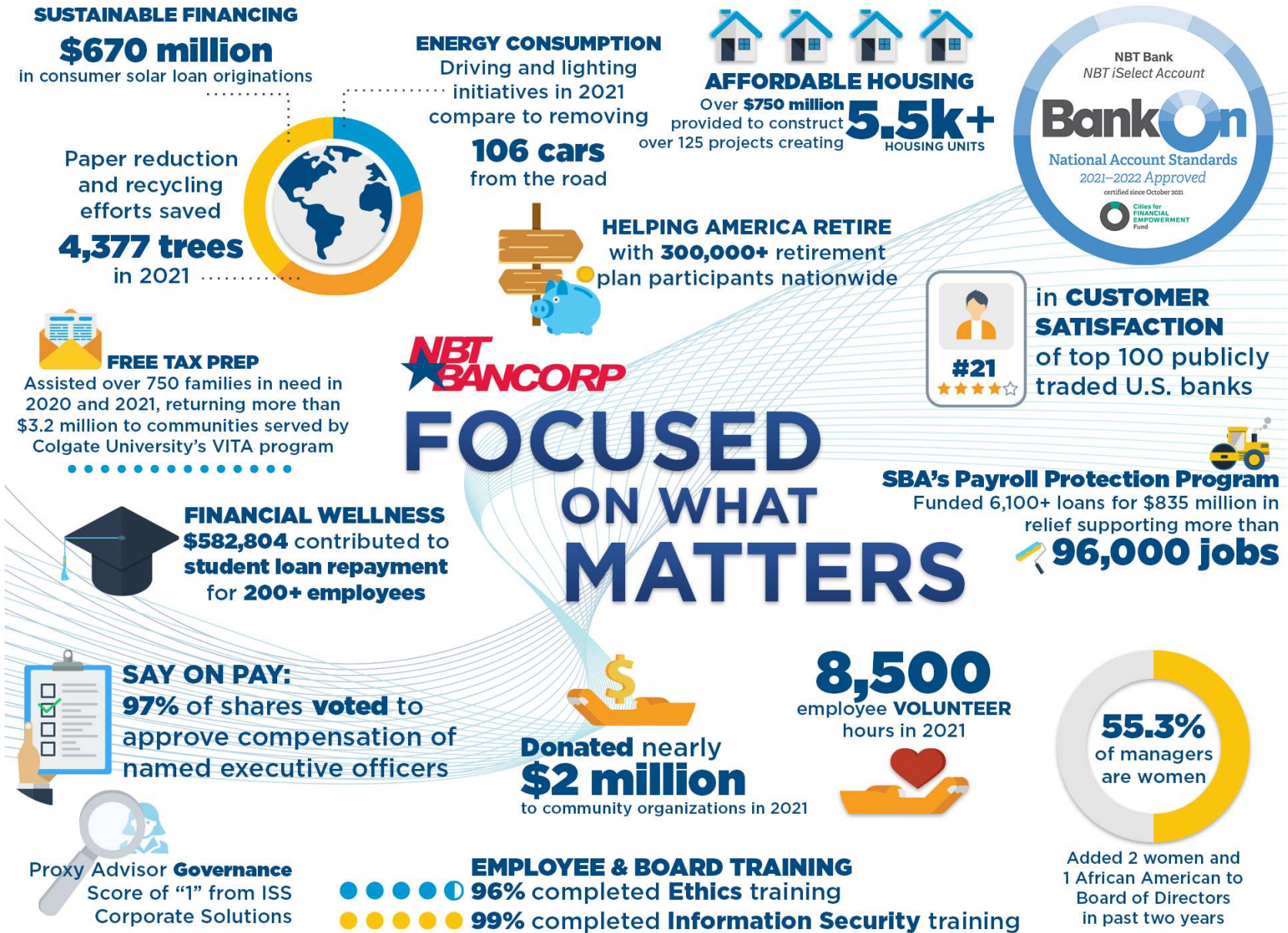
# Peer Group

Name	Head Quarter City	State	Ticker
Berkshire Hills Bancorp, Inc.	Boston	MA	BHLB
Brookline Bancorp Inc.	Boston	MA	BRKL
First Busey Corporation	Champaign	IL	BUSE
Community Bank System, Inc.	Dewitt	NY	CBU
Customers Bancorp, Inc.	Wyomissing	PA	CUBI
First Commonwealth Financial Corporation	Indiana	PA	FCF
First Financial Bancorp	Cincinnati	OH	FFBC
First Merchants Corporation	Muncie	IN	FRME
Heartland Financial USA, Inc.	Dubuque	IA	HTLF
Independent Bank Corp.	Rockland	MA	INDB
Merchants Bancorp	Carmel	IN	MBIN
Northwest Bancorp, Inc.	Warren	PA	NWBI
OceanFirst Financial Corp.	Toms River	NJ	OCFC
Premier Financial	Defiance	OH	PFC
Provident Financial Services	Jersey City	NJ	PFS
Park National Corp.	Newark	OH	PRK
S&T Bancorp, Inc.	Indiana	PA	STBA
Tompkins Financial Corporation	Ithaca	NY	TMP
WesBanco, Inc.	Wheeling	WV	WSBC



# Corporate Social Responsibility

The highlights featured here depict some of the many ways the Company and our people are focused on what matters.



# Commitment to ESG Principles

NBT's Board of Directors recognizes the importance of Environmental, Social and Governance (ESG) principals to NBT's stakeholders, including stockholders, customers, communities and employees.



## BOARD COMMITMENTS

Oversight of ESG matters at Board level and active participation and monitoring of the Company's ESG efforts within the Nominating and Governance Committee

Commitment to each of the three pillars with action plans for each pillar

Regular assessment of existing ESG practices within the Company and identification of opportunities for further development

Public disclosure of the Company's efforts and measurement of progress and results

# External Recognition



In the **J.D. Power** 2022 U.S. Retail Banking Satisfaction Study, **NBT Bank ranked #2** in the New York Tri-State Region, which includes New York, Connecticut and New Jersey.



*Second Consecutive Year*

# Reconciliation of Non-GAAP Measures

(Dollars in Thousands)	2022 YTD	2021	2020	2019	2018	2017	2016	2015
Net Income	\$ 39,126	\$ 154,885	\$ 104,388	\$ 121,021	\$ 112,566	\$ 82,151	\$ 78,409	\$ 76,425
Income Tax Expense	11,142	44,973	28,699	34,411	24,436	46,010	40,392	40,203
Provision Expense	596	(8,257)	51,134	25,412	28,828	30,988	25,431	18,285
FTE Adjustment	285	1,191	1,301	1,667	2,007	3,799	3,549	3,292
Net Securities Losses (Gains)	179	(566)	388	(4,213)	6,341	(1,867)	644	(3,087)
Provision for Unfunded Loan Commitments Reserve	(260)	(1,300)	2,700	-	-	-	-	-
Nonrecurring (Revenue) Expense <sup>(1)</sup>	(172)	4,418	4,750	3,800	-	(818)	(1,300)	(400)
PPNR <sup>(2)</sup>	\$ 50,896	\$ 195,344	\$ 193,360	\$ 182,098	\$ 174,178	\$ 160,263	\$ 147,125	\$ 134,718
Average Assets	\$ 12,036,688	\$ 11,615,699	\$ 10,514,051	\$ 9,571,212	\$ 9,359,139	\$ 9,026,592	\$ 8,556,954	\$ 7,997,517
<b>Return on Average Assets<sup>(3)</sup></b>	<b>1.32%</b>	<b>1.33%</b>	<b>0.99%</b>	<b>1.26%</b>	<b>1.20%</b>	<b>0.91%</b>	<b>0.92%</b>	<b>0.96%</b>
<b>PPNR Return on Average Assets<sup>(3)</sup></b>	<b>1.71%</b>	<b>1.68%</b>	<b>1.84%</b>	<b>1.90%</b>	<b>1.86%</b>	<b>1.78%</b>	<b>1.72%</b>	<b>1.68%</b>

1. Items per S&P Global Market Intelligence.

2. Net interest income, on a fully tax-equivalent basis if available, fees and other noninterest income, net of non-credit-related expenses. Represents earnings capacity that can be applied to capital or loan losses per S&P Global Market Intelligence calculation.

3. Annualized

# Reconciliation of Non-GAAP Measures

(Dollars in Thousands)	Q1 2022	Q4 2021	Q1 2021
Net Income	\$ 39,126	\$ 37,310	\$ 39,846
Income Tax Expense	11,142	10,780	11,155
Provision Expense	596	3,097	(2,796)
FTE Adjustment	285	292	302
Net Securities Losses (Gains)	179	2	(467)
Provision for Unfunded Loan Commitments Reserve	(260)	(250)	(500)
Nonrecurring Revenue (Expense) <sup>(1)</sup>	(172)	250	-
<b>PPNR<sup>(2)</sup></b>	<b>\$ 50,896</b>	<b>\$ 51,481</b>	<b>\$ 47,540</b>
Average Assets	\$ 12,036,688	\$ 11,999,360	\$ 11,102,082
<b>Return on Average Assets<sup>(3)</sup></b>	<b>1.32%</b>	<b>1.23%</b>	<b>1.46%</b>
<b>PPNR Return on Average Assets<sup>(3)</sup></b>	<b>1.71%</b>	<b>1.70%</b>	<b>1.74%</b>

(Dollars in Thousands)	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net Interest Income	\$ 80,348	\$ 85,181	\$ 77,674	\$ 79,178	\$ 79,055
FTE Adjustment	285	292	298	299	302
Net Interest Income, Tax Equivalent	\$ 80,633	\$ 85,473	\$ 77,972	\$ 79,477	\$ 79,357
Average Total Interest Earning Assets	\$ 11,098,110	\$ 11,017,224	\$ 10,727,498	\$ 10,631,071	\$ 10,141,088
<b>Net Interest Margin, Tax Equivalent<sup>(3)</sup></b>	<b>2.95%</b>	<b>3.08%</b>	<b>2.88%</b>	<b>3.00%</b>	<b>3.17%</b>

1. Items per S&P Global Market Intelligence.

2. Net interest income, on a fully tax-equivalent basis if available, fees and other noninterest income, net of non-credit-related expenses. Represents earnings capacity that can be applied to capital or loan losses per S&P Global Market Intelligence calculation.

3. Annualized.



# Reconciliation of Non-GAAP Measures

(Dollars in Thousands)	2022-YTD	2021	2020	2019	2018	2017	2016	2015
Net Interest Income	\$80,348	\$ 321,088	\$ 315,678	\$ 311,555	\$ 305,629	\$ 283,493	\$ 264,441	\$ 252,608
FTE Adjustment	285	1,191	1,301	1,667	2,007	3,799	3,549	3,292
Net Interest Income Tax Equivalent	\$ 80,633	\$ 322,279	\$ 316,979	\$ 313,222	\$ 307,636	\$ 287,292	\$ 267,990	\$ 255,900
Average Total Interest Earning Assets	\$ 11,089,110	\$ 10,631,890	\$ 9,571,777	\$ 8,739,258	\$ 8,594,469	\$ 8,274,334	\$ 7,816,448	\$ 7,305,934
Net Interest Margin, Tax Equivalent <sup>(2)</sup>	<b>2.95%</b>	<b>3.03%</b>	<b>3.31%</b>	<b>3.58%</b>	<b>3.58%</b>	<b>3.47%</b>	<b>3.43%</b>	<b>3.50%</b>

(Dollars in Thousands)	2022-LTM	2021	2020	2019	2018	2017	2016	2015
Noninterest Expense	\$ 291,536	\$ 287,281	\$ 277,733	\$ 274,734	\$ 264,561	\$ 245,648	\$ 235,922	\$ 236,176
Provision for Unfunded Loan Commitments Reserve	1,060	1,300	(2,700)	-	-	-	-	-
Nonrecurring Expense <sup>(1)</sup>	(4,246)	(4,418)	(4,750)	(3,800)	-	-	-	(3,779)
Adjusted Noninterest Expense	\$ 288,350	\$ 284,163	\$ 270,283	\$ 270,934	\$ 264,561	\$ 245,648	\$ 235,922	\$ 232,397

(Dollars in Thousands)	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Noninterest Expense	\$ 72,143	\$ 75,105	\$ 72,869	\$ 71,419	\$ 67,888
Provision for Unfunded Loan Commitments Reserve	260	250	470	80	500
Nonrecurring Expense <sup>(1)</sup>	172	(250)	(2,288)	(1,880)	-
Adjusted Noninterest Expense	\$ 72,575	\$ 75,105	\$ 71,051	\$ 69,619	\$ 68,388

1. Items per S&P Global Market Intelligence.
2. Annualized

# Reconciliation of Non-GAAP Measures

(Dollars in Thousands, Except Per Share Data)	Q1 2022	Q4 2021	Q1 2021	2021	2020	2019	2018
Net Income	\$ 39,126	\$ 37,310	\$ 39,846				
Amortization of Intangible Assets (Net of Tax)	477	488	609				
Net Income, Excluding Intangibles Amortization	\$ 39,603	\$ 37,798	\$ 40,455				
Average Tangible Common Equity	\$ 951,970	\$ 954,917	\$ 899,359				
<b>Return on Average Tangible Common Equity<sup>(1)</sup></b>	<b>16.87%</b>	<b>15.70%</b>	<b>18.24%</b>				
Total Stockholder's Equity	\$ 1,202,250	\$ 1,250,453	\$ 1,190,981	\$ 1,250,453	\$ 1,187,618	\$ 1,120,397	\$ 1,017,909
Goodwill and Other Intangibles	(288,832)	(289,468)	(291,464)	(289,468)	(292,276)	(286,789)	(290,368)
Tangible Common Equity	\$ 913,418	\$ 960,985	\$ 899,517	\$ 960,985	\$ 895,342	\$ 833,608	\$ 727,541
Total Assets	\$ 12,147,833	\$ 12,012,111	\$ 11,537,253	\$ 12,012,111	\$ 10,932,906	\$ 9,715,925	\$ 9,556,363
Goodwill and Other Intangibles	(288,832)	(289,468)	(291,464)	(289,468)	(292,276)	(286,789)	(290,368)
Tangible Assets	\$ 11,859,001	\$ 11,722,643	\$ 11,245,789	\$ 11,722,643	\$ 10,640,630	\$ 9,429,136	\$ 9,265,995
<b>Tangible Common Equity to Tangible Assets</b>	<b>7.70%</b>	<b>8.20%</b>	<b>8.00%</b>	<b>8.20%</b>	<b>8.41%</b>	<b>8.84%</b>	<b>7.85%</b>
Common Shares Outstanding	42,992,323	43,168,012	43,425,202				
<b>Book Value Per Share</b>	<b>\$ 27.96</b>	<b>\$ 28.97</b>	<b>\$ 27.43</b>				
<b>Tangible Book Value Per Share</b>	<b>\$ 21.25</b>	<b>\$ 22.26</b>	<b>\$ 20.71</b>				

1. Annualized.

# Reconciliation of Non-GAAP Measures

(Dollars in Thousands)	YTD-2022
Net Income	\$ 39,126
Securities Loss (Net of Tax) <sup>(1)</sup>	141
Amortization of Intangibles (Net of Tax) <sup>(1)</sup>	502
Nonrecurring expense (Net of Tax) <sup>(1)</sup>	(136)
<b>Core Net Income<sup>(2)</sup></b>	<b>\$ 39,634</b>
Average Stockholders' Equity	\$ 1,241,188
Average Tangible Equity <sup>(3)</sup>	\$ 952,038
<b>Core Return on Average Equity<sup>(2)</sup></b>	<b>12.77%</b>
<b>Core Return on Average Tangible Common Equity<sup>(2)</sup></b>	<b>16.65%</b>

1. Balance per S&P Global Market Intelligence, utilizes a 21% statutory tax rate.
2. Calculation per S&P Global Market Intelligence.
3. Balance per S&P Global Market Intelligence.



# Reconciliation of Non-GAAP Measures

(Dollars in Thousands)	Q1 2022	Q1 2021	Q1 2020	Q1 2019
Net Interest Income	\$ 80,348	\$ 79,055	\$ 77,181	\$ 77,691
FTE Adjustment	285	302	329	500
Net Interest Income, Tax Equivalent	\$ 80,633	\$ 79,357	\$ 77,510	\$ 78,191

Average Total Interest Earning Assets	\$ 11,089,110	\$ 10,141,088	\$ 8,862,518	\$ 8,712,163
---------------------------------------	---------------	---------------	--------------	--------------

<b>Net Interest Margin, Tax Equivalent<sup>1</sup></b>	<b>2.95%</b>	<b>3.17%</b>	<b>3.52%</b>	<b>3.64%</b>
--------------------------------------------------------	--------------	--------------	--------------	--------------

(Dollars in Thousands)	Q1 2022	Q1 2021	Q1 2020	Q1 2019
Net Income	\$ 39,126	\$ 39,846	\$ 10,368	\$ 29,127
Amortization of Intangible Assets (Net of Tax)	477	609	626	726
Net Income, Excluding Intangibles Amortization	\$ 39,603	\$ 40,455	\$ 10,994	\$ 29,853

Average Tangible Common Equity	\$ 951,970	\$ 899,359	\$ 843,195	\$ 735,840
<b>Return on Average Tangible Common Equity<sup>1</sup></b>	<b>16.87%</b>	<b>18.24%</b>	<b>5.24%</b>	<b>16.45%</b>

1. Annualized.

# Forward-Looking Statements

This presentation contains 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. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) local, regional, national and international economic conditions and the impact they may have on the Company and its customers and the Company’s assessment of that impact; (2) changes in the level of nonperforming assets and charge-offs; (3) changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements; (4) the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board (“FRB”); (5) inflation, interest rate, securities market and monetary fluctuations; (6) political instability; (7) acts of war or terrorism; (8) the timely development and acceptance of new products and services and perceived overall value of these products and services by users; (9) changes in consumer spending, borrowings and savings habits; (10) changes in the financial performance and/or condition of the Company’s borrowers; (11) technological changes; (12) acquisitions and integration of acquired businesses; (13) the ability to increase market share and control expenses; (14) changes in the competitive environment among financial holding companies; (15) the effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which the Company and its subsidiaries must comply, including those under the Dodd-Frank Act, Economic Growth, Regulatory Relief, Consumer Protection Act of 2018, Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), and other legislative and regulatory responses to the coronavirus (“COVID-19”) pandemic; (16) the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board (“FASB”) and other accounting standard setters; (17) changes in the Company’s organization, compensation and benefit plans; (18) the costs and effects of legal and regulatory developments including the resolution of legal proceedings or regulatory or other governmental inquiries and the results of regulatory examinations or reviews; (19) greater than expected costs or difficulties related to the integration of new products and lines of business; (20) the adverse impact on the U.S. economy, including the markets in which we operate, of COVID-19 global pandemic; and (21) the Company’s success at managing the risks involved in the foregoing items.

Currently, one of the most significant factors that could cause actual outcomes to differ materially from the Company’s forward-looking statements is the potential adverse effect of the current COVID-19 pandemic on the financial condition, results of operations, cash flows and performance of the Company, its customers and the global economy and financial markets. The extent to which the COVID-19 pandemic impacts the Company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, treatment developments, public adoption rates of COVID-19 vaccines, including booster shots, and their effectiveness against emerging variants of COVID-19, including the Delta and Omicron variants, the impact of the COVID-19 pandemic on the Company’s customers and demand for financial services, the actions governments, businesses and individuals take in response to the pandemic, the impact of the COVID-19 pandemic and actions taken in response to the pandemic on global and regional economies, national and local economic activity, and the pace of recovery when the COVID-19 pandemic subsides, among others. Moreover, investors are cautioned to interpret many of the risks identified under the section entitled “Risk Factors” in our Form 10-K for the year ended December 31, 2021 as being heightened as a result of the ongoing and numerous adverse impacts of the COVID-19 pandemic.

The Company cautions readers not place undue reliance on any forward-looking statements, which speak only as of the date 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.