



2016 Community Report

COMMUNITY BANK, N.A.

Welcome

And thank you for taking the time to review our 2016 Community Report. In it, you'll find a snapshot of our history, philosophy, operations and people. If we were to sum up the message of this book, it would be simply this: We are deeply invested in the communities where we work. And always will be.

A growing community

For over 150 years, we've served the financial needs of our customers — first in New York State, then in Pennsylvania. Our first branch opened in 1866 in Canton, NY. (Original name: St. Lawrence County National Bank.)

The subsequent years saw steady, responsible growth based on delivering superior service and value to our customers, along with treating employees with respect and providing them with excellent career opportunities.

Community Bank, N.A. has always been firmly rooted in the communities where we do business. For just one example, we lend local and we decide local.

Commitment to community will always remain an essential aspect of who we are. After all, it's in our name.

Hello, neighbor

We tend to think of our customers as our neighbors. Because, well, they are. We live in the same communities as our customers. We shop in the same stores, send our kids to the same schools, and share similar concerns.



That's why behaving as a responsible community citizen is a natural part of our organization. We believe contributing to our local communities is good business. But it's also the right thing to do.



Providing a useful financial resource (checking and savings accounts, loans, financial advice, mortgages and more) is one important way we contribute to the community.



(By the way, just like loan decisions, our charitable gift decisions are made locally, by people connected to their communities.)



But we seek to do more. With charitable giving programs that support cultural, civic, economic development and social service organizations. Our goal is to help communities become stronger and healthier, and improve the quality of life for our customers, employees and neighbors.

Of course, monetary gifts, grants and in-kind donations are only part of it. Community Bank, N.A. people also give generously of their time, enthusiasm and expertise by actively participating in good causes, large and small.

Strength in numbers people

As a bank, we're big proponents of growth. Not only the growth of our company and our customers' financial well-being, but also the growth of our people and communities. The numbers you see here certainly tell a positive story of growth. More important, they tell a human story of longstanding community service and giving.

190⁺
branches

2,500⁺
proud employees

~600
causes and organizations
supported

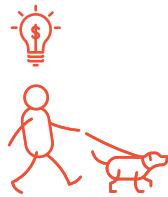
\$1,500,000⁺
in donations, grants and sponsorships

All numbers apply to fiscal year 2016. (So far, the 2017 numbers indicate growth in every category.)

Keeping it local



Part of being a good neighbor is contributing to the economy of the local communities we serve.



For one thing, we help entrepreneurs pursue their dreams and create jobs with loans, checking accounts, cash management, advice and more. And we employ over 2,500 people.



In 2016, Community Bank, N.A. supported nearly 600 charities and community organizations.



Many of our employees volunteer their time and expertise for community development organizations and their boards.



We'd like you to meet a few of them.



Eric Garvin—Regional Manager

"I serve on the boards of the Greater Olean Area Chamber of Commerce, the Olean Business Development Corporation and the Olean Rotary Club. These organizations help revitalize greater Olean by promoting investment, improving streetscapes, attracting and retaining younger professionals, and maintaining the charm of the city. We put on events, too. The Greater Olean Area Home & Garden Show, Taste of Olean and Santa Claus Lane bring the community together and highlight area merchants. I also coach and volunteer for the Olean Little League. I know it's a lot, but I love it."



Cathy Ward—Branch Manager

"I have volunteered for United Way of Northern NY for 10 years, and serve as the Campaign Coordinator for Community Bank's St. Lawrence Region. I'm also on the Community Review Committee, which distributes funds to various community agencies. For me, it's one of the best ways to help the community where I live. I'm also on the Executive Leadership Committee for the American Heart Association. For the bank's branches in the Watertown area, I lead the Wear Red Day campaign and organize our Heart Walk team. Both are vital organizations that I'm proud to serve."



Scott Kingsley—Chief Financial Officer

"Serving the Food Bank of CNY is a great opportunity, as it closely mirrors the bank's service area. It's the main distribution hub for most of the food pantries in 10 counties. It can even pick up perishables—dairy and produce—from grocery stores and deliver them to people who can use them—usually on the same day. Donating blood is part of my routine, and being a numbers guy, I'm Committee Chairman of Crouse Hospital Health Foundation, raising funds for services for patients in need. I'm also a church youth group leader, which keeps me grounded in the things money can't buy."

Numerically speaking

Our number one job is to help individuals and businesses manage their finances. Only when we succeed at that task are we rewarded with their continued business. We're happy to report that, according to the numbers, we must be doing our job.

45,000⁺
new checking accounts

\$367 million⁺
in mortgage growth

15,000⁺

new savings accounts opened. Whether it's teens thinking about college or a car, or newlyweds saving for a home down payment or baby boomers tending their nest egg, that's a lot of smart people planning for their future.

42,000⁺

businesses bank with Community Bank, N.A. (Checking, savings, cash management, lines of credit, credit and debit cards, merchant services, payroll, employee benefits, check cashing, etc.)

\$540 million⁺

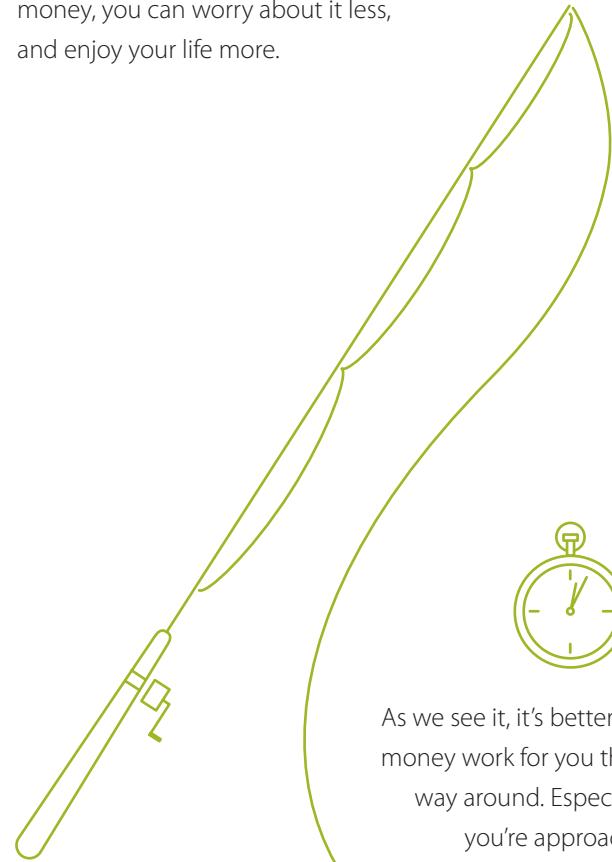
in new and renewing commercial loans. From operating capital and investments in manufacturing facilities to real estate and new construction, we're helping all kinds of companies adapt, grow and thrive.

\$43 million⁺

in new small business loans. Helping all kinds of entrepreneurs with tailored loans and sound advice. We not only preach local decision-making, we practice it. Every branch manager has full authority to approve loans. No need to wait for permission from some far-off corporate office.

Money needs a plan

When you have a good plan for your money, you can worry about it less, and enjoy your life more.



As we see it, it's better to have your money work for you than the other way around. Especially when you're approaching retirement.



Our advisors have helped thousands of individuals and organizations preserve and grow their financial assets—in retirement funds, investment portfolios, endowments and pensions—to the tune of \$5 billion in asset management.



Thanks to prudent management, these customers are in a better position to support their children's education, travel, enjoy their grandkids, pay medical expenses, volunteer, and give to their communities and the causes they believe in.



Your money doesn't define you. You define you. But we can help with the money part.

Our customer is our purpose

Our customers are the reason we exist. Of course, many companies make that claim. Here, we take it to heart. It's why we make such a big deal about customer service. We don't see going the extra mile as extra at all. It's simply business as usual.

So it was quite gratifying to learn *Forbes* ranked Community Bank, N.A. the #3 bank in America of the nation's 100 largest banks and thrifts.

Community Bank, N.A. serves more than half a million customers. Many of them live in smaller towns in rural New York and Pennsylvania. They are the families, small business owners, farmers, professionals and tradesmen who are keeping their communities strong and vibrant.

All are neighbors, and many are friends. We're honored they choose to bank at Community Bank, N.A.

Happy, the best way to bank

We use the phrase "bank happy" a lot. Those two words sum up our approach to serving our customers wherever they are: in the branch, on the phone, online or at the drive-up window.

Sometimes it's the big things, like a great rate on a mortgage. Other times, it's smaller gestures, such as a sincere smile and a fresh cup of coffee.

We want to make our customers more than satisfied. We want to make them happy. To see our happy in action, visit us on Facebook, LinkedIn and Instagram.





Community
 **Bank** N.A.



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