

ANNUAL REPORT TO DEPOSITORS



ECONOMIC OVERVIEW

Last year was marked by a tumultuous and historic presidential election cycle reminiscent of others in American history, but all rolled into one election. Former President Biden made an 11th hour decision to not seek reelection similar to President Johnson in 1968. Subsequently, President Trump was reelected, marking only the second time since Grover Cleveland in 1892 that a former president was reelected to a non-consecutive term. Lastly, the assassination attempt on President Trump during his re-election campaign nearly changed the trajectory of American history, just as history would have been altered had President Reagan not survived an assassin's bullet early in his first term. As the contentious election slowly fades, we remind ourselves that all this too shall pass, our country has moved forward after every election in our nation's 250 year history. Emigrant Bank has continuously operated for the last 175 years giving us perspective regarding historical perseverance in tough periods. Financial exceptionalism has always prevailed for our bank no matter the economic challenges or who has occupied the Oval Office.

The election outcome has upended the global world order and is expected to have far reaching consequence for trade, geopolitical relationships, and tax policy well into the future. Many of these changes will be consequential for businesses, families, and friends. The recent market upheaval has been unsettling for many. However, with this political reset there are potentially positive outcomes for domestic economic growth, employment, and technological innovation that will improve productivity and our lives in general. Emigrant's conservatively managed balance sheet remains well positioned. We are resolute and clear eyed, always braced for unexpected or unintended consequences that may emerge in the months and years ahead.

We see a greater degree of uncertainty than usual for the Federal Reserve's monetary policy. Our interest rate outlook is for modestly lower rates in the second half of 2025. However, the ultimate tariff impact and proposed income tax policy later this summer could materially impact the direction of interest rates and perhaps again increase market volatility, as these seismic changes work through the economy.

FINANCIAL STRENGTH

Measured on a combined basis, as of December 31, 2024 Emigrant Bank and its Affiliated Banks had approximately \$6.2 billion in assets and over \$1.1 billion in total equity capital. Emigrant's total capital-to-asset ratio of 18% places our capital strength among the highest in the nation. Emigrant's conservative balance sheet generated \$44.5 million of net income in 2024. We have redoubled our vigilance in maintaining a balance sheet comprised of carefully underwritten credit risk. Our

asset and liability durations are well-matched in terms of interest rate repricing regardless of the direction of interest rates. Emigrant's primary responsibility is to be a trusted fiduciary of our depositor's money. Profits are consistent year after year but always earned within a tightly managed framework of credit and interest rate risk.

SERVING OUR CUSTOMERS

Emigrant Bank retains over 4,600 mortgage loans totaling nearly \$1.4 billion on our balance sheet. Emigrant's three internet bank initiatives; ***EmigrantDirect, DollarSavingsDirect and MySavingsDirect*** are essential banking sites that allow our customers to securely optimize their banking and savings objectives. Overall our diversified internet and branch based deposits of approximately \$5.5 billion serve over 174,000 accounts in all 50 states.

LOOKING AHEAD

Under the umbrella of our affiliate New York Private Bank & Trust (NYPB&T), we are actively growing our wealth management and financial advisory businesses to serve clients, foundations, and endowments across the nation. We have particular expertise in trusts, estate plans, and investment portfolio management. To learn more about our entire suite of private banking, lending, and investment management businesses, please visit: www.NYPBT.com.

The Milstein family have been owners and prudent fiduciaries of Emigrant Bank for nearly four decades now. A remarkable period of time bookended by the 1987 Stock Market Crash and the 2020 Global Pandemic, with the significant intermittent watershed challenges of September 11th and the Great Financial Crisis in 2008. Our family, now in its fifth American generation, has governed a diversified array of business, real estate, and philanthropic endeavors for over a century. In 2024, Emigrant's Board of Directors named Michael Milstein to the role Co-CEO of Emigrant Bank. Michael has been integrally involved with all divisions and groups within the bank since 2006. His added leadership will continue to inspire and lead us to greater success. We will together uphold my father Paul Milstein's values that are the heart of Emigrant Bank: integrity, community, and a commitment to always doing what is right.

We are grateful to have you as our depositors, clients, and friends.



HOWARD P. MILSTEIN
Co-Chairman, Co-President and Co-Chief Executive Officer