



Five Star Bank
Banking | Investment | Insurance

2021 Community Report
Together today for a better tomorrow.



I am pleased to present the fourth annual Five Star Bank Community Report. We are a community-focused bank, offering local leadership and local decision-making to our consumer and business customers. Our associates and members of the Board of Directors live in the communities we serve and are committed to the success of those communities.

We provide community support in many ways, all across our operating footprint.

We offer a robust set of products and services designed to meet the needs of customers and deliver education, advice and solutions to help them improve their financial well-being.

In a time when many large banks are closing branches in urban markets, Five Star Bank opened two new branches in the City of Buffalo and relocated an existing older branch to a new location in an area undergoing redevelopment and revitalization in the City of Elmira.

We are committed to diversity and inclusion and recognize the importance of a more equitable tomorrow. We pledge to support our people, and with the guidance of our Diversity and Inclusion Advisory Council, we achieved several milestones over the past year.

Five Star Bank is committed to creating a measurable impact in neighborhoods and communities across our geographic footprint by investing in people resources to address the needs of the communities we serve and supporting organizations through donations, grants and community sponsorships.

We understand the need for affordable and special needs housing in our markets and provide debt and equity financing to facilitate development of these important projects.

Our strong commitment to small business lending continues as we work with customers to obtain traditional SBA loans. We were an active participant in the SBA's Paycheck Protection Program in 2021 and are assisting our customers through the loan forgiveness process.

We also provide lending to support urban redevelopment and job creation.

Five Star associates give back to the communities where they live and work by volunteering their time and energy to non-profit organizations and events across our operating footprint. Many serve as directors or trustees of non-profit boards, providing insight and guidance to a wide variety of organizations.

We have provided continuous essential support and services to our customers throughout the pandemic, helping them navigate a period of great uncertainty. I want to thank my fellow associates for their ongoing dedication and commitment. They continue to deliver strong outcomes for our customers and our communities.

Thank you for your interest in Five Star Bank. I hope you enjoy reading our 2021 Community Report.

Cordially,



Martin K. Birmingham
President & CEO
November 2021

Consumer Products and Programs

We understand that access to a bank account provides individuals and households with the opportunity to conduct financial transactions, save for emergency and long-term security needs, build credit history, and access credit on fair and affordable terms. Our focus remains on helping all our customers build financial security and financial wellness.

Five Star Bank has invested in products and people to ensure the availability of safe, transparent and fair financial products. Offerings include a suite of products tailored to meet the needs of unbanked, underbanked and low- and moderate-income (“LMI”) individuals in the communities we serve, as well as programs to assist homebuyers with grants and savings programs.

Allpoint ATM Partnership

We partner with Allpoint Network to provide our customers with access to more than 43,000 surcharge-free ATMs nationwide (55,000+ worldwide). This partnership serves as a valuable expansion of our ATM network, making cash access quick, easy and surcharge-free to our customers.

Progress Checking

Designed for customers who want a low-cost account, this is an electronic checking account with no monthly fee, no minimum monthly deposit, and no overdraft charges. Digital Banking is included with mobile check deposit, bill pay and person-to-person payments. It also includes access to more than 43,000 surcharge-free ATMs nationwide.

Statement Savings

A Statement Savings account is a simple and affordable way to save for the future and earn interest while doing it. The low monthly maintenance fee is waived if an average daily balance of at least \$300 is maintained or if the primary account holder is less than 18 years old.

Home for You

This loan program is designed to provide easier access to home ownership for borrowers whose income is less than 80% of the area median income. The program features a low down payment, no private mortgage insurance, and down payment and/or closing cost assistance for qualified applicants.

State of New York Mortgage Agency (SONYMA)

We participate in SONYMA loan programs, designed to help first-time low- and moderate-income borrowers obtain financing.

Neighborhood Mortgage Loan

The Neighborhood Mortgage Loan is an option for borrowers purchasing a home in low- to moderate-income geographies without any income limit restrictions. The program features a small down payment and no private mortgage insurance.

Homebuyer Dream Program™

Five Star Bank participates in the Homebuyer Dream Program™, a grant program sponsored by the Federal Home Loan Bank of New York (“FHLBNY”). The Homebuyer Dream Program™ is administered on a first-come, first-served basis to first-time homebuyers.

Federal Government Loan Programs

The Five Star Bank menu of product offerings includes FHA, VA and USDA loan programs, all of which provide borrowers with low down payment options for purchase or refinance transactions.



Ribbon-cutting at Elmwood Crossing



New Elmira Branch



Seneca Street Opening



Ribbon-cutting at Seneca Street

Redesigned Branches

During the month of June 2021, we opened two new Five Star Bank branches in the City of Buffalo, consistent with our long-term strategy to expand in this important market. The branches are located at 451 Elmwood Avenue and 2222 Seneca Street.

Both new branches are in areas undergoing significant redevelopment and revitalization. We look forward to contributing to the positive momentum in these neighborhoods and delivering our unique style of community banking to our new neighbors.

In early August 2021, we relocated our existing Five Star Bank branch in the City of Elmira. The new branch, in a newly-constructed building, is in an area undergoing revitalization and included in the New York State Downtown Revitalization Initiative.

Consumers and businesses can access a full spectrum of banking and lending services, insurance and wealth management and investment services in all the new branches.

The branches are designed to serve as financial solution centers, with no teller lines and no barriers between bank associates and customers. They feature a blend of new technology including Interactive Teller Machines and the comfort of community banking with Certified Personal Bankers. Our new design aligns services with shifting customer needs and preferences, including rapid advancements in financial technology that enable consumers to bank virtually from anywhere, anytime.



New Interactive Teller Machines



Five Star Bank is committed to the use of green and energy efficient materials in construction. Materials sourced for all three branches received certifications from Cradle to Cradle, Declare, Forest Stewardship Council, Green Square and GreenGuard. Materials with a high percentage of recycled content were used when possible and energy-efficient LED lighting was used throughout the interior and exterior. Insulation performance and the HVAC system air exchange rate exceed building codes.



Our team recognizes the strength of a more equitable tomorrow. Diversity and inclusion initiatives are important to us and they complement the Bank's commitment to maintaining an environment of trust, integrity and respect where all are empowered and encouraged. By continuing our mission, we believe we can make a difference within the Five Star family and beyond.

In September 2020, the Diversity and Inclusion Advisory Council was established to foster a culture that values and welcomes the diversity of perspectives and life-experiences. This team consists of associate volunteers from Five Star Bank, SDN Insurance®, Courier Capital and HNP Capital, brought together to assess our cultural climate and recommend strategies to make sustainable and impactful change.

With the Diversity and Inclusion Advisory Council's guidance, our organization reached many milestones, including:

- Company-wide participation in the 21-Day Racial Equity Challenge
- Development of an internal website with learning opportunities and opportunities for the sharing of diverse views
- Company-wide survey to understand and measure internal opportunities for growth
- Formal recognition of Juneteenth, with early branch and office closures in observance of the holiday
- Continued education with a comprehensive training series conducted by the M.K. Gandhi Institute for Nonviolence

Furthermore, we believe that attracting diverse members to our Board of Directors, leadership and overall workforce is essential. By reflecting the communities we serve, we more effectively and competitively market ourselves to all. As we continue to make progress, our focus remains on the following areas:

- Identifying strategies to meet current and future workforce needs
- Providing employee learning opportunities that encourage positive behaviors
- Establishing channels for employee discussions on equity and inclusion
- Supporting our corporate duty to provide fair and responsible financial solutions

We are committed to doing all we can to support progress toward a stronger tomorrow. A tomorrow that allows us to remove barriers, discrimination and intolerance and create a space where employees and customers feel included and supported. We pledge to support our people. This not only means standing against racism, but understanding, accepting and valuing all individuals.

Volunteering

Five Star Bank associates support local non-profit organizations through volunteer efforts across our geographic footprint. Our STAR Volunteer program empowers and inspires associates to give back to their communities by supporting volunteer activity with paid time off.

Associates also support many community and professional organizations as board members, committee members and trustees.

Examples of non-profits supported by Five Star associates:

- Bishop Timon St. Jude High School
- Buffalo Niagara Partnership Development Advisory Council
- Community Missions of Niagara Frontier, Inc
- Dress for Success
- Elmcrest Children's Center
- FF Thompson Health System Inc
- Genesee Country Village and Museum
- GLOW YMCA
- Hornell Area Humane Society
- The Housing Council at PathStone
- JDRF Upstate NY Chapter
- Junior Achievement of Central Upstate New York
- Junior Achievement of Western New York
- King Urban Life Center
- Livingston County Volunteer Firemen's Association

- Local Initiatives Support Corp. (LISC)
- Make-A-Wish Metro NY
- MCC Foundation
- New York Business Development Corporation Loan Committee
- Northland Workforce Training Center
- Onondaga County Civic Development Corporation
- Orchard Park Soccer Club
- PathStone Enterprise Center, Inc.
- Penfield Village Nursery School & Kindergarten
- Seneca Park Zoo Society
- SPCA Serving Erie County
- St. John Fisher College
- St. Mark Parish Finance Council
- SUNY at Buffalo School of Management Global Advisory Council
- Trocaire College
- University of Rochester Medical Center
- Warsaw Youth Baseball
- Women's Business Center at Canisius College

Our associates also participate in first-time homebuyer seminars and financial literacy workshops throughout the year.



Supporting and enriching our communities.



Community Development

We have invested in people resources to address the needs of the communities we serve.

Our Community Development Officer (CDO) is responsible for identifying Community Reinvestment Act (“CRA”) qualified community development activities throughout the Bank’s CRA Assessment Area. Another responsibility is the cultivation of strong relationships with local governments, community leaders, businesses and non-profits, including those addressing the needs of low- and moderate-income (“LMI”) individuals and areas; manages the CRA grant intake process; and oversees the Bank’s participation in the Federal Home Loan Bank of New York (FHLBNY) Affordable Housing Program (AHP).

Our CDO is an advocate for the coordination of services that contribute to improved outcomes for LMI individuals and communities throughout the Bank’s footprint.

Community Development Mortgage Loan Officers play important roles in the execution of the Bank’s CRA program to promote home ownership education and increase access to residential loans and low-cost deposit product opportunities in LMI neighborhoods. They are responsible for community outreach and partnering with local non-profit organizations and government agencies. They develop relationships with neighborhood groups, realtors, homebuyer counseling agencies and others to identify and accept applications for residential loans.

They also refer small business loans and low-cost deposit product opportunities in LMI areas. In addition, they are active in local charitable and civic efforts to enhance access to credit and address poverty issues. Our four Community Development Mortgage Loan Officers are focused on the following areas:

Donations, Grants and Sponsorships

Five Star Bank is committed to creating a measurable impact in neighborhoods and communities across our footprint by supporting organizations through donations, grants and community sponsorships. Financial support is provided through donations for numerous community events, cultural enrichment programs, sporting events and school functions in our communities in the Finger Lakes, Southern Tier and Western regions of New York.

Through the award of grant dollars, we endeavor to support programs and organizations that promote community development through:

- Affordable Housing Initiatives
- Community Enrichment Activities
- Activities Promoting Economic Growth
- Neighborhood Revitalization Efforts

Giving back. Granting opportunities.

Examples of grants recently awarded by Five Star Bank

Albion | Community Action of Orleans and Genesee

Grant funds enabled Community Action's food pantry services to continue at full capacity and expand on specific needs such as nutrition and medical dietary needs. The food pantry serves approximately 1,200 low- and moderate-income individuals across Orleans and Genesee Counties.

Auburn | Cayuga County Homsite Development Corporation

Our grant supported the 2021 Home Ownership series for low- and moderate-income residents in the City of Auburn and Cayuga County. These homebuyer education classes address topics including credit and budgeting, obtaining a mortgage loan, the closing process and owning a home. Participants can also create a customized plan for homeownership.

“Five Star Bank really helps our Cayuga County affiliate, Homsite, reach predominantly rural families who are looking to become first-time homebuyers with vital homebuyer education and HUD-certified housing counseling. Five Star Bank is an important partner in delivering needed resources for Cayuga County families.”

Kerry Quaglia, Chief Executive Officer
Home HeadQuarters, Inc.



Bath | Catholic Charities of Steuben

Five Star Bank's grant supported the Fresh Farmacy Program, a prescription/referral-based program for Medicaid recipients that provides access to fruits and vegetables. In addition to healthy food, participants are provided health education and assistance to maintain and improve nutrition for them and their family members.

Belmont | Allegany County Community Opportunities and Rural Development (ACCORD)

Five Star Bank continues to support the Small Business Technical Assistance program that helps local businesses overcome challenges associated with startup businesses. Participants meet with a Business and Loan Manager to discuss their operations and develop goals to help guide the technical assistance process. Additionally, participants have access to project-specific services including financial analysis, project management and expansion planning.

“ACCORD would like to thank Five Star Bank for their continued support of the small business technical assistance program. The resources provided were imperative during the early stages of the pandemic when resources were tight, and information was ever changing. ACCORD's Allegany Business Center saw a drastic increase in the number of businesses requesting assistance and with Five Star Bank's help we were able to meet their ever-changing needs.”

Jeff Stager, Director of Business and Community Development, Allegany County Community Opportunities and Rural Development, Inc.

Buffalo | Eight Days of Hope

Eight Days of Hope exists to bring hope and healing to communities in need. With the support of local businesses, a local team was launched in Buffalo to provide home improvements in the Masten District, one of the lowest income areas in Western New York. Improvements include painting, porch repair, roofing, carpentry and landscaping.

“Without the support of Five Star Bank and others, Eight Days of Hope wouldn’t be able to invest in the Buffalo community. Their commitment to giving back allows us to provide free home repairs, such as roofing, carpentry, and painting, for over 100 families. Thank you, Five Star Bank, for helping us live out our mission of loving and serving those in need.”

Stephen Tybor III, President and CEO
Eight Days of Hope

Chautauqua | Chautauqua Home Rehabilitation and Improvement Corporation (CHRIC)

CHRIC’s mission is promoting neighborhood stabilization, community revitalization and economic development through projects and partnerships that positively impact Chautauqua County and its residents. Grant funding provided critically important resources to CHRIC’s First Time Homebuyer education curriculum. Also provided are one-on-one counseling, group classes, and budget and credit counseling to low- and moderate-income individuals and families in Chautauqua County. Additionally, CHRIC has provided closing cost and down payment assistance grants to eligible first-time homebuyers in the City of Dunkirk.

Elmira | Man 2 Man Forum

The mission of the Man 2 Man Forum is to engage, equip and empower all men to maximize their potential and strengthen the community on health and wellness.

Corning, Painted Post & Southeast Steuben County | Painted Post Food Pantry

The Painted Post food pantry works to provide nutritious food for those in need to help enhance their quality of life and improve their health and well-being. With cleanliness and personal health care essential to a person’s well-being, the pantry has increased its focus on men’s health by supplying and providing basic health and personal care items such as soap, shampoo, and toothpaste to visitors who might not otherwise be able to afford these items.

“Man 2 Man Forum will utilize the Five Star Bank grant to support our community focus and outreach efforts by hosting a Community Health Forum to provide prostate, high blood pressure, diabetes, and COVID-19 screenings. Continuing our work with veterans and other community partners is enhanced by this generous grant. Specifically, the grant sponsors the development and expansion of an engaging and innovative program concept – Men’s Health Day October 2021 – designed to equip, strengthen, and empower men and the communities they live in. A healthy man creates a healthy home and a healthy community.”

Herb Smith, President & Founder
MAN 2 MAN Forum

Investing in our tomorrow.

Victor | Victor Farmington Food Cupboard

The “Dinner’s in the Bag” program helps low- and moderate-income families stretch their food budgets as the cost of living continues to rise.

Rochester | The Housing Council at PathStone

The Housing Council offers a Post-Purchase Counseling Program to low- and moderate-income households, proving homeowners the education needed to help them remain current on their mortgage and avoid a slide into financial distress. Homeowners participate in classes on topics including budget and credit management, managing taxes, home maintenance education and loan programs.

“The Housing Council at PathStone appreciates the support Five Star Bank provides to our homeownership program. Through their generosity, we are able to provide the education first-time homeowners need to properly maintain their home physically and financially to ensure their purchase becomes a long-term investment in their future.”

Mary Leo, Executive Director of The Housing Council at PathStone
PathStone Corporation



Sponsorships

We underwrite events that enrich the lives of the residents of our communities. We also provide sponsorship funding to non-profit organizations in our communities.

Examples of support provided over the past year include:

- | | |
|---|--------------------------------------|
| Ability Partners Foundation | Diversity, Equity & Inclusion Series |
| ARC of Genesee Orleans | Hospice Foundation of WNY |
| Big Brothers Big Sisters of Greater Rochester | JDRF Western New York |
| Bison Children’s Scholarship Fund | Landmark Society of Western New York |
| Buffalo Prep | Pathstone Foundation |
| Ferrario Elmira Jazz Festival | Revive WNY Restaurants |
| Community Bike Program at the Outer Harbor | Ride for Roswell To End Cancer |
| Genesee Community College Foundation | Seneca Park Zoo Virtual Jungle Jog |
| Genesee Country Museum | Veterans Outreach Center |
| Greater Rochester Chamber of Commerce | Wyoming County Business Center |

Support for other fund-raising events across the operating footprint include:

- Chamber of Commerce Organizations
- Colleges and Universities
- School Districts
- Community Festivals

Boxcar Apartments, Albion



Affordable Housing

Debt and Equity Financing

Five Star Bank recognizes the need for affordable and special needs housing across our geographic footprint. We offer debt and equity financing for these types of projects and highlight below three projects supported over the past twelve months.

Boxcar Apartments Albion (Orleans County)

In July 2020, Five Star Bank provided \$6.4 million of construction loan financing and \$10.0 million in Low Income Housing Tax Credit equity for the development of a new 40-unit family affordable housing project with supportive housing. Boxcar Apartments is located at the intersection of Liberty Street and Beaver Street in the Village of Albion in Orleans County.

The single three-story building includes 36 one-bedroom apartments and four two-bedroom apartments. Six units will target renter households earning at or below 30% of the Area Median Income (AMI) threshold, 14 units will target renter households earning at or below 50% of the AMI threshold, and 20 units will target renter households earning at or below 60% of the AMI threshold.

The project will receive an operating subsidy through the Empire State Supportive Housing Initiative (ESSHI) program for twenty units to provide permanent supportive housing to serve two populations: ten units will be reserved as supportive housing for adults with serious mental illness and ten units will be reserved for frail elderly at risk of homelessness. The service provider for this project is DePaul.

Liberty Square Apartments Batavia (Genesee County)

In July 2020, Five Star Bank provided \$11.9 million of construction loan financing and \$10.6 million in Low Income Housing Tax Credit equity for the development of a new 55-unit affordable housing project with supportive housing. Liberty Square Apartments is located on East Main Street in the City of Batavia in Genesee County.

All apartments will be affordable to residents who earn at or below 60% of AMI. 28 units will be reserved as supportive housing for homeless veterans receiving supportive services and rental subsidy through the ESSHI program. Eagle Star Housing, Inc., with a mission to assist veterans with housing, received the ESSHI award and is the service provider for the project.

Lease-to-Purchase Homes L2P Westside Rochester (Monroe County)

In December 2020, Five Star Bank provided \$6.2 million of construction loan financing for the development of a new lease-to-purchase affordable housing program in the southwest quadrant of the City of Rochester known as L2P Westside. The project consists of the infill construction of 41 new single-family homes to be located on a scattered site basis on vacant lots, all of which are in Qualified Census Tracts. The houses are designed to complement the surrounding neighborhood.

The project targets small and large households. 25 homes will be rented to families with incomes at or below 50% of AMI and 16 homes will be rented to families with incomes at or below 60% of AMI.

L2P Westside is a Community Renewal and Revitalization Project. This scattered site project will result in the reuse and return to tax rolls of 39 (41 after administrative subdivisions) vacant, underutilized city-owned lots. It will also create safe, affordable, well-managed rental housing for low-income families for 15 years, with subsequent home ownership opportunities for households that could not otherwise afford to purchase a home.

Beginning in year 16, the houses will be sold to qualified existing tenants at a substantially reduced purchase price. The use of this lease-to-purchase model locally, based on the success of the Cleveland model created by CHN Housing Partners, will constitute a new way of structuring lease-to-purchase infill projects in New York State.



L2P Westside, Rochester



Liberty Square Apartments, Batavia

Supporting Businesses Through a Difficult Year

Federal Home Loan Bank of New York Small Business Recovery Grant Program

In 2021, Five Star Bank assisted customers through the Federal Home Loan Bank of New York Small Business Recovery Grant Program. This program provided flexible funds to benefit small business and non-profit customers that suffered pandemic-related decreased revenue by partnering with members to provide grants. Funds were allocated to each geographical area to be awarded on a first-come, first-served basis.

Our Commercial Lending team and Community Development Officer worked closely with twelve business and non-profit customers, helping them obtain \$100 thousand in grants under the program.

Non-profit grant recipients were:

- Literacy New York Buffalo-Niagara
- West Side Neighborhood Housing Services
- Northland Workforce Training Center
- Buffalo Urban League

Other Lending Programs

SBA Lending

Active participation in the Small Business Administration Paycheck Protection Program, or PPP, resulted in approximately 1,700 existing and new Five Star Bank customers obtaining \$270 million in loans in 2020, preserving an estimated 18,000 jobs in our markets. In 2021, we helped approximately 1,200 businesses obtain \$107 million in loans.

We have a long history of commitment to small business lending and work closely with customers to obtain loans through the U.S. Small Business Administration. Lending volumes were lower in 2020 and 2021 than in the past due to the pandemic and the Paycheck Protection Loan program. For the 2020 SBA year ended September 30th, Five Star Bank finished 8th overall in the combined Rochester, Buffalo, Syracuse and Elmira districts.



\$107
Million in Loans



Assisted
1,200
Businesses

PPP Loan Program Support for Minority and Underbanked Businesses

During the first quarter of 2021, we worked with our community partners to provide information and assistance to low-income and minority communities regarding the Paycheck Protection Program. Conversations with these community partners had highlighted the need for communication and support to minority and underbanked businesses by a locally-based financial institution.

At the onset of the first round of loans in 2020, many minority businesses either missed out or felt as though they missed out on much-needed funding. A very high percentage of minority businesses are sole proprietorships, have no employees, and typically don't benefit from stable banking relationships.

In mid-January, we worked with Rochester-based community partners to provide a webinar titled "Ensuring Access for All." Discussion focused on the program and recent changes, and we let minority businesses know that Five Star Bank was here to help, no matter how large or small the loan. We also provided hands-on support at two of our urban Rochester branches. We were good shepherds of the PPP program and helped as many in our communities as we could.

Lending to Support Urban Redevelopment and Job Creation

Five Star Bank became a participant in the Rochester Housing Development Fund Corporation ("RHDFC") in 2017 and we renewed our commitment in the Fall of 2020 for an additional three years. RHDFC acquires and rehabilitates vacant single-family homes in the City of Rochester to create affordable housing for low- and moderate-income families. Five Star Bank committed \$1 million of the program's current non-revolving unsecured credit facility.

In 2019, the Bank became a participant in a loan fund with the Rochester Economic Development Corporation ("REDCO"), the City's Community Development Corporation and revolving loan fund operator. REDCO's focus is neighborhood economic development and support of emerging local city entrepreneurs. The loan fund will be used to advance funds for predevelopment loans to jumpstart early stage real estate development projects focused on key projects in targeted areas of Rochester. In addition to the \$500 thousand five-year line of credit Five Star Bank provided, we serve as administrative agent for the group of banks providing similar loans to REDCO.

We also offer a lower interest rate on business loans to companies investing in and creating jobs in areas of the City of Rochester designated by the federal government as having a majority minority population.

Investments

Five Star Bank's investment program includes the purchase of mortgage-backed securities, supporting low- and moderate-income homebuying and housing opportunities throughout our communities. The Bank invested more than \$47 million in mortgage-backed securities over the past four years.

We support local municipal activity in low- and moderate-income areas with the issuance of bond anticipation notes and statutory installment bonds. The Bank issued more than \$34 million in local municipal debt over the past four years.

More than 200 years of change, and one commitment to community.

Our History

National Bank of Geneva (established in 1817), Wyoming County Bank (established in 1851), Salamanca Trust Company (established in 1902 and renamed First Tier Bank & Trust in 1996), Bath National Bank (established in 1912) and Pavilion State Bank (established in 1928), operated in rural areas and played important roles in meeting the credit needs of traditionally underserved markets. In 2002, Pavilion State Bank merged into Wyoming County Bank and National Bank of Geneva. In 2005, the four remaining independently-operating rural community banks owned by Financial Institutions, Inc. consolidated to create Five Star Bank.

Five Star Bank is grounded in the legacy of its community-oriented traditions, representing rural Western New York State for more than 200 years. After the 2005 consolidation, the Bank developed a vision for expansion in the more populated urban markets of Rochester (Monroe County), Buffalo (Erie County) and Elmira (Chemung County).

2008 — Branches opened in the Rochester suburbs of Greece and Henrietta.

2012 — Eight branches acquired, including locations in Elmira and Brockport (Rochester metropolitan area).

November 2015 — CityGate branch opened in a moderate-income census tract in Rochester, with a 40% minority population and contiguous to a majority -minority census tract. This was our first financial solution center, a concept designed to meet evolving customer banking needs while accommodating a wide spectrum of customer preferences.

March 2016 — Second financial solution center opened in the Rochester suburb of Brighton.

December 2016/First Quarter 2017 — In a commitment to the revitalization of downtown Rochester, Five Star Bank relocated its regional administrative center from the suburbs to an existing downtown building in early 2017. The building was renamed Five Star Bank Plaza and is home to our downtown Rochester financial solution center (opened in December 2016).

February 2017 — Financial solution center opened in downtown Buffalo, Five Star Bank's first location in the City of Buffalo and fourth in Erie County.

Second Quarter 2020 — Completed the multi-phase launch of new online and mobile platform Five Star Bank Digital Banking. This platform provides a single dashboard for consumers and businesses to make payments and deposits, transfer and send money, create budgets, set financial goals and easily integrate external investment, loan and other transactional accounts, enhancing the user experience across all devices.

June 2021 — Two financial solution centers opened in vibrant commercial corridors in the City of Buffalo at 451 Elmwood Avenue and 2222 Seneca Street.

August 2021 — Opened a relocated branch in downtown Elmira, in an area undergoing revitalization and included in the New York State Downtown Revitalization Initiative.

All three financial solution centers opened in 2021 feature a blend of new technology including Interactive Teller Machines and the comfort of community banking with Certified Personal Bankers.





About Five Star Bank and Financial Institutions, Inc.

Five Star Bank is a \$5 billion community bank offering a wide range of consumer and commercial banking and lending services to individuals, municipalities, and businesses through a network of more than 45 locations throughout Western and Central New York State. Five Star Bank has a dedicated team of more than 560 employees who are committed to giving back through a variety of non-profit organizations and neighborhood charities.



Five Star Bank offers a broad range of insurance services to personal and business clients through SDN Insurance Agency, LLC. Additionally, the Bank offers customized investment management, investment consulting, and retirement plan services to individuals, businesses, institutions, foundations and retirement plans through Courier Capital, LLC and HNP Capital, LLC. Additional Five Star Bank information is available at five-starbank.com and on Twitter, Instagram and Facebook.

Five Star Bank, SDN Insurance Agency, LLC, Courier Capital, LLC and HNP Capital, LLC are subsidiaries of Financial Institutions, Inc. (NASDAQ:FISI). Financial Institutions, Inc. stock is listed on the NASDAQ Global Select Market. Additional information is available at fiwarsaw.com.



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