

A scenic sunset over a body of water. The sun is low on the horizon, creating a bright glow and lens flare. The sky transitions from a deep blue at the top to a warm orange near the horizon. In the foreground, there are large, dark rocks and some reeds or thin branches. A single bird is visible in the sky above the sun.

2020

Service | Stability | Strength

DELIVERING FOR OUR CLIENTS & COMMUNITIES

TOMPKINS 
FINANCIAL

FINANCIAL HIGHLIGHTS

IN THOUSANDS, EXCEPT PER SHARE DATA	2020	2019	% CHANGE
Total assets	\$7,622,171	\$6,725,623	13.33%
Net income attributable to Tompkins Financial Corporation	77,588	81,718	-5.05%
Diluted earnings per share	5.20	5.37	-3.17%
Adjusted diluted earnings per share ¹	5.24	5.37	-2.42%
Cash dividends per share	2.10	2.02	4.00%

The following consolidated selected financial data is taken from the Company's audited consolidated financial statements as of and for the five years ended December 31, 2020. The following selected financial data should be read in conjunction with the consolidated financial statements and the notes thereto in Part II, Item 8. of this report. All of the Company's acquisitions during the five year period were accounted for using the purchase method. Accordingly, the operating results of the acquired companies are included in the Company's results of operations since their respective acquisition dates.

SELECTED FINANCIAL DATA

IN THOUSANDS, EXCEPT PER SHARE DATA	2020	2019	2018	2017	2016
FINANCIAL STATEMENT HIGHLIGHTS					
Assets	\$7,622,171	\$6,725,623	\$6,758,436	\$6,648,290	\$6,236,756
Total loans	5,260,327	4,917,550	4,833,939	4,669,120	4,258,033
Deposits	6,437,752	5,212,921	4,888,959	4,837,807	4,625,139
Other borrowings	265,000	658,100	1,076,075	1,071,742	884,815
Total equity	717,689	663,054	620,871	576,202	549,405
Interest and dividend income	254,330	261,378	251,592	226,764	202,739
Interest expense	28,991	50,750	39,792	25,460	22,103
Net interest income	225,339	210,628	211,800	201,304	180,636
Provision for credit loss expense	16,151	1,366	3,942	4,161	4,321
Net gains (losses) on securities transactions	443	645	(466)	(407)	926
Net income attributable to Tompkins Financial Corporation	77,588	81,718	82,308	52,494	59,340
PER SHARE INFORMATION					
Basic earnings per share	5.22	5.39	5.39	3.46	3.94
Diluted earnings per share	5.20	5.37	5.35	3.43	3.91
Adjusted diluted earnings per share ¹	5.24	5.37	5.33	4.42	3.91
Cash dividends per share	2.10	2.02	1.94	1.82	1.77
Common equity per share	47.98	44.17	40.45	37.65	36.20
SELECTED RATIOS					
Return on average assets	1.05 %	1.22 %	1.23 %	0.82 %	1.01 %
Return on average equity	11.09 %	12.55 %	13.93 %	9.09 %	10.85 %
Average shareholders' equity to average assets	9.51 %	9.75 %	8.83 %	9.04 %	9.28 %
Dividend payout ratio	40.23 %	37.48 %	35.99 %	52.60 %	44.92 %
OTHER SELECTED DATA					
IN WHOLE NUMBERS, UNLESS OTHERWISE NOTED					
Employees (average full-time equivalent)	1,057	1,047	1,035	1,041	1,019
Banking offices	64	64	66	65	66
Bank access centers (ATMs)	85	87	83	84	85
Trust and investment services assets under management, or custody (in thousands)	\$4,447,019	\$4,062,325	\$3,806,274	\$4,017,363	\$3,941,484

¹Adjusted diluted earnings per share reflects adjustments made for certain nonrecurring items. Adjustments for nonrecurring items in 2020 included a \$673,000 loss on the write-down of real estate pending sale (\$0.04 per share). Adjustments in 2018 included a \$2.2 million gain on sale of real estate and a \$1.9 million write-down of impaired leases (\$0.02 per share). Adjustments in 2017 included a \$14.9 million (\$0.99 per share) one-time non-cash write-down of net deferred tax assets related to the Tax Cuts and Jobs Act of 2017. There were no adjustments in 2019 and 2016. Adjusted diluted earnings per share is a non-GAAP measure. This adjusted measure is defined in the Company's Form 10-K.



A message from Tom Rochon & Steve Romaine




Dr. Thomas R. Rochon
CHAIR




Stephen S. Romaine
PRESIDENT & CEO

We entered 2020 with a strong financial position, coming off a year of record earnings per share in 2019, and with our 2019 risk-based capital ratio at its highest level since 2014. Our long-held philosophy of maintaining Tompkins as a sustainable high performing company, supported with prudent risk management practices, was more important than ever during this tumultuous year.

This year, diluted earnings per share were down 3.2% to \$5.20 for the full year, largely due to the provision expense for the first quarter of 2020 of \$16.3 million. It is important to note that this was not a result of specific credit risks currently identified in the loan portfolio—it was due to the impact of the economic shutdown related to COVID-19 on economic forecasts and other model assumptions relied upon by management in determining the allowance. Compared with December 31, 2019, the end of 2020 saw total deposits of \$6.4 billion up 23.5%, and total loans of \$5.3 billion up 7.0%. Growth in both areas was due, in part, to our participation in the Paycheck Protection Program (PPP).

As banking was deemed an essential industry with a key role in the government's plans to shore up the economy, we moved swiftly to implement previously developed business continuity and pandemic plans early in the year. Significant investments we made to digital technologies and internal systems over recent years were proven invaluable, as improved remote banking and remote working capabilities allowed us to operate with limited disruption to business.

During the first quarter of 2020, we designated a Pandemic Planning Committee, made up of members of senior

management, to oversee our company-wide response to COVID-19. We implemented a number of risk mitigation measures designed to keep our employees and customers safe, including restrictions on business travel and the establishment of a remote work environment for nearly 100% of our non-retail employees. We also implemented drive-up-only or by-appointment-only operations across our branch network. Our preparedness and commitment to unwavering service meant that we could provide the help our customers needed, quickly and efficiently. Prior to New York State's loan forbearance announcement, we had already put together a program to provide business and individual customers the ability to defer loan payments during the crisis. The customer response to this initiative has been tremendous, and we continue to help our customers through this program today. As of December 31, 2020, more than 90% of loans that received deferrals have returned to payment status.

In early spring, the Small Business Administration (SBA) was looking to banks to administer the PPP to help fund small businesses and their workers during the pause in normal business. Because all of our banks are certified SBA lenders, we were quick to answer the call—and we were one of the first banks to do so. Our customers' gratitude has been profound as we have worked tirelessly to serve their needs. We funded 2,998 loans totaling approximately \$465.6 million through the end of the 2020 program. We continue to help local businesses by participating in the 2021 PPP program.

As the pandemic unfolded, the stock market became increasingly volatile—and Tompkins Financial Advisors[†] was there to provide advice, guidance and a steadying hand for our clients.

For nearly two centuries, Tompkins Financial has been a stable presence helping our customers through times of prosperity as well as times of uncertainty. Though we could not have anticipated the circumstances we have been experiencing due to COVID-19, we are extremely proud of the exceptional way the Tompkins team has stepped up to address the specific needs of our customers and communities.

Our chief investment officer and advisors regularly connected with clients through frequent communications, including market updates, blogs and ongoing conversations to help put their minds at ease. Reflecting on the past year's challenges, and considering the lens through which we view the world today, Tompkins Financial Advisors' 2019 transition of our Social Responsibility Index portfolio to an Environmental, Social and Governance (ESG) portfolio has proven a vital and insightful move.

Tompkins Insurance Agencies was also helping customers weather the storm, with enhancements including new cloud technology, increased self-service capabilities and the introduction of Saturday Customer Care Center hours. We would like to congratulate the insurance team on their continued national recognition—they were once again ranked one of the Top 100 Largest Commercial Insurance Brokers in the country by *Business Insurance Magazine*, one of the Top 100 Property & Casualty Agencies in the country by *Insurance Journal Magazine* and a Best Practices Agency by the Independent Insurance Agents & Brokers of America.

In leadership news, we are excited to welcome Tompkins Mahopac Bank director Ita M. Rahilly to the Tompkins Financial Board of Directors. Ms. Rahilly's qualifications to sit on our Board include 25 years of extensive experience dealing with financial and accounting matters for clients, complex organizations and closely held businesses and their shareholders. She has also acquired a deep understanding of the Hudson Valley business environment during her years working with commercial clients in the region.

As always, our ability to remain focused on helping customers thrive is made possible thanks in large part to our shareholders. **Our Annual Meeting of Shareholders will be held on May 11, 2021 at 5:30 p.m.** Information about how to participate and vote was sent to shareholders in March 2021.

Through a year when health and safety were top of mind, we have been more committed than ever to the well-being of our people. Over 85% of our workforce continued working remotely as of year-end, and we have remained diligent about social distancing for employees required to complete essential on-site functions. We have stayed true to our word in not furloughing any employees during the period of social distancing, as well as continuing to pay employees even if they could not perform their job function. We have also continued to recruit and promote team members.

We prioritized crucial work toward equity and social justice throughout the year—launching our first ever employee-driven Diversity, Inclusion and Belonging group, in addition to establishing regional focus groups to address social justice at the local community level. We also sponsored Racial Equity Institute (REI) Training for 120 team members plus 80 community members. While these were great steps forward, we know there is still much to be done. In 2021, we will continue to assess company “norms,” including systemic and structural barriers, to promote a workplace culture of belonging.

As we look back on 2020 and look forward to the year ahead, it is important that our employees know how much their dedication means to us. Our ability to help customers through this challenging year was thanks to the remarkably hard-working, community-focused individuals and teams across our lines of business and regions. We conclude by thanking you for your work toward enabling our communities to heal and thrive.

— CENTRAL NEW YORK —

At Tompkins Trust Company, we are wholly committed to the people and businesses that call Central New York home. As a true community bank, we are uniquely invested in the families, neighborhoods and organizations of our region—especially as global events and economic shifts impact them in new ways.

Even as our employees were dealing with many of the same challenges as our customers, such as transitioning to remote work or balancing family needs, they stepped up to provide invaluable help, guidance and support.

Our teams stayed informed about the latest COVID-19 developments and worked to understand how to best serve customers in the way they needed to be served. We worked with the SBA to provide PPP loans to 650 Central New York companies, for a total of \$102 million in assistance, which supported 6,000 local jobs. We also acted very quickly in the early stages of the pandemic to offer relief through loan payment deferrals—and more than 1,400 customers took advantage of this program.

When it became clear that in-person banking would not always be possible, we leveraged technology to keep business moving forward. Thanks to our enhanced digital banking platforms, we were able to see a significant increase in digital banking. We also

held extensive training across our banking, insurance and wealth teams on using Webex for video conferencing, and they have been meeting virtually with clients and prospects ever since.

With residential mortgage rates at historic lows, our teams worked diligently to help local homebuyers and homeowners take advantage of the rate environment. We delivered a record number of home mortgages, with strong purchase activity and record volumes in terms of new residential mortgage loans and refinancing.

Our Syracuse office continues to grow and has exceeded its commercial loan and deposit plan for the fifth consecutive year, with loans above \$250 million and deposits more than doubling since the end of 2019. Our Syracuse office, with the addition of a branch manager, has rounded out its full complement of business lines to help customers with their banking, insurance and financial advising needs.

A HEALTHY WAY Forward

Dr. Josie McAllister has worked with Tompkins Trust Company and Tompkins Insurance Agencies since founding Dermatology Associates of Ithaca in 2011. “As we’ve grown and evolved as a practice, they’ve been able to help us every step of the way,” Dr. McAllister says.



DERMATOLOGY
ASSOCIATES of ITHACA
Dr. Josie McAllister, Founder

When the practice needed a larger office space, the Tompkins team told Dr. McAllister about a space perfectly suited to their needs: the former Tompkins Insurance building. After a successful bidding process, the practice was ready to move in—after making a few updates. “Tompkins provided crucial financing, as well as extremely valuable advice, oversight and support to keep the project on time and on budget,” says Dr. McAllister. Soon after the project was completed, COVID-19 drastically changed the way the practice had to function. The Tompkins team was there to assist with the PPP loan process, and the practice was able to remain fully staffed and accessible to patients. “It really helps to have a bank that we know is here for us.”

The Tompkins Financial Advisors team made a number of key hires in the region, including wealth advisors. They also designed and delivered a monthly virtual financial education series for the women of Central New York called “Women and Wellness”—which is expanding into our other regions with plans to cover finance as well as additional wellness topics.

As always, our commitment to our community went far beyond our customers’ financial needs. We were honored to receive the Corporate Philanthropist of the Year Award from the Southern Tier Chapter of the Association of Fundraising Professionals. We supported more than 100 local nonprofit organizations with financial contributions and/or volunteer time during this particularly difficult year and helped put food on our neighbors’ holiday tables through our “Banksgiving” initiative. We also sent food to essential workers who were working on the front lines of the crisis.

As 2020 brought a number of unique challenges, we are so proud of how our banking, insurance and wealth teams came through for the people of Central New York in remarkable, inspiring ways—supporting customers through a number of transitions and helping our communities stay strong during an incredibly difficult time in history.

— WESTERN NEW YORK —

In early 2020, the Genesee County Chamber of Commerce honored Tompkins Bank of Castile as the 2019 Business of the Year—an award which recognizes organizations that demonstrate significant business stability, commitment to the community and leadership. We are incredibly proud of this recognition and we are even more proud of how we followed through on each of those points in the year that followed.

Throughout the COVID-19 pandemic, we have worked to keep the safety of our customers and employees front and center, while offering uninterrupted customer service. When many banks found themselves overwhelmed with PPP loan applications, our employees put in night and weekend hours to ensure that customers were able to receive the assistance they needed—and it paid off for our region in a big way. We helped customers with 738 PPP loans, which meant more than \$120 million reinvested in our community and more than 7,000 local jobs protected.

With a loan relief plan in place prior to New York's announcement, we were well-prepared to lead our customers and communities through this difficult time. And as the last truly independent bank dedicated to agriculture in our region, we also held true to our commitment to support our local farm customers. When the dairy industry faced unique demand challenges in the spring due to school and

restaurant closures, we were there to provide PPP loan assistance and loan payment relief they needed to keep business moving forward.

Through it all, we continued to help customers with their day-to-day banking needs without disruption. It was a high volume year in both mortgage loans and refinancing, as we helped customers take advantage of the year's lower interest rates. We also rolled out a new and improved version of our commercial management system, providing customers hands-on support and assistance every step of the way. In the Buffalo area, we continued to build momentum and brand recognition, and have made significant progress in developing new customer relationships and expanding existing ones.

Equity and inclusion remained an important area of focus across our region. We implemented a Western New York Diversity and Inclusion Team to enhance our understanding and expand our engagement in



A SHARED SET of Values

LIBERTY PUMPS
Charlie Cook, CEO
Robyn Brookhart,
President and COO

Liberty Pumps focuses on creating innovative, reliable products and building strong customer relationships—while also supporting their local community and creating a positive work environment. “Working with Tompkins Bank of Castile, it’s clear that they share those values,” says Charlie Cook, Liberty Pumps CEO. The team at Tompkins helped the pump manufacturer fund an employee stock ownership plan (ESOP) to give their employees greater ownership of the business. In addition to supporting this evolution of Liberty Pumps’ corporate philosophy, Tompkins assisted with the financing they needed to grow their physical footprint to more than 247,000 square feet. “Tompkins is very competitive, flexible and nimble. They’re always there when we need them,” Charlie says. “They give us confidence in our financial picture and they’ve helped us double our business more than once.”

supporting racial equity. The initial focus of the team has been around education and awareness, with a plan to leverage that understanding into actionable, impactful activities. We also participated in Rochester’s 21-Day Racial Equity Challenge, a region-wide effort led by the United Way to empower individuals and organizations with the knowledge needed to confront racism, bias and other social inequities.

Together with our insurance and wealth partners, we also maintained our strong focus on community involvement. Knowing that community need in 2020 was greater than ever, we proactively reached out to support the vital work of local nonprofit organizations through donations, even as they were unable to hold their annual fundraising events. We also organized food delivery for our frontline health care workers and provided funding for local food pantries to feed families through our “Banksgiving”

initiative. On a more global level, Tompkins Financial Advisors continued to encourage our Environmental, Social and Governance portfolio as world events have prompted clients and companies to embrace responsible investing.

In such a challenging year, we are incredibly proud of how our employees led our customers and communities through the uncertainty. Many customers have reached out to let us know how much they appreciate the ongoing communication, knowledgeable help, and clear dedication of our teams—and we echo that sentiment wholeheartedly.



Solutions MADE SIMPLE


Tompkins Mahopac Bank

— HUDSON VALLEY —

At Tompkins Mahopac Bank, we found ourselves near the epicenter of the U.S. COVID-19 crisis, and it was vital that we acted swiftly and effectively to help our customers and communities through every new development and each disruption to business as usual.

We moved quickly to develop efficient solutions and open the process for PPP applications – assisting customers along the way and ensuring smooth communication between our customers and

the SBA. We employed a simplified application portal so customers could apply online and review applications for accuracy. We then worked with customers to fill in the blanks.

A man in a light blue button-down shirt and dark trousers stands in a coffee roasting facility. He is holding a red mug in his right hand and has his left hand on his hip. The background shows industrial machinery, including a large red roasting drum and various pipes and structural elements. The lighting is warm and focused on the man.

PASCAL COFFEE ROASTERS
Dean Pialtos, President and CEO
Charles Pialtos, Executive VP and CFO
James Ranni, Treasurer

As a fourth generation family business established more than 100 years ago, Pascal Coffee Roasters makes it a point to get to know their customers and understand their needs—and they wanted to work with a local bank that would do the same.

The PPP process was a tremendous undertaking by our staff, who worked long hours and over the weekends to get applications processed and into the SBA system on a timely basis. We helped more than 800 businesses through the PPP process, funded \$116 million in loans and protected more than 8,000 local jobs.

Throughout the year, we were sure to maintain open and consistent communication with our customers. Our teams began utilizing Webex video conferencing, where our teams worked together to virtually assist customers with banking, investment management, residential mortgages and more. The team at Tompkins Financial Advisors also expanded its Investment Committee client outreach—delivering timely, calming content, breaking down what was

happening in the market and with the CARES Act and putting minds at ease.

It was a record year for new residential mortgage loans as borrowers took advantage of low interest rates to lower their payments or shorten their loan terms. The record volume also included a surge in activity for new home and condominium purchases in our region as borrowing became more affordable in the existing rate environment. As business and consumer spending slowed and economic conditions felt uncertain, we helped customers who were opting to increase their liquid reserves, which resulted in a substantial increase in deposits.

With proper planning and safety measures, we successfully relocated our LaGrange Branch to a

new, modern office. The new space provides customers with a fresh and modern environment in which to do business with us. As a way to celebrate our new location with the community, we partnered with the Arlington Central School District to provide much-needed art supplies to students navigating remote learning. We also partnered with the LaGrange Library on their Capital Campaign to help them with their own relocation.

Our employees' commitment to our community shone through during a trying year for local families and organizations. We had our best United Way Workplace Campaign ever, raising more than \$5,000 in a short period of time. We were also able to shift the focus of our "Acorn Alliance Community Volunteering" program to offer financial support to organizations facing budget shortfalls. Through our "Food to the Front Lines" program, we had food brought to direct support professionals—frontline workers who do

incredibly important in-home healthcare work for individuals with disabilities. It was also important to us to continue offering informative educational programming for our customers and local community members. We hosted virtual business fraud protection and first time homebuyer events, and plan to expand with more topics in 2021 to help our customers and neighbors grow their knowledge.

2020 brought obstacles none of us could have imagined, and we are in awe of the way our employees rose to the occasion in the face of each new shift in the financial environment. Our teams have proven once again how extraordinarily dedicated they are to the communities of the Hudson Valley.

"They know who we are. They're loyal, they're hard working and they're there for us," says company President and CEO Dean Paltos, who runs the business with help from his mother, Barbara, brother, Charles, and cousin, James Ranni. As COVID-19 caused travel restrictions in early 2020, local country clubs saw their membership numbers growing—along with their coffee and brewing equipment needs. The Paltos family worked with the team at Tompkins to secure a loan for more trucks and equipment so they could continue to grow these vital customer relationships. "They came through for us," Dean says. "I see a long relationship with Tompkins. They're good people."

— SOUTHEASTERN PENNSYLVANIA —

In a year marked by unimaginable change, Tompkins VIST Bank employees have gone above and beyond to serve our customers and communities. Thanks to our strong reputation in our region and the environment our employees have created through teamwork and dedication, we have been able to continue growing our teams and providing much needed support to the people of Southeastern PA.

Small businesses and their employees are crucial to our region's economy and key to us as a community bank. Without hesitation, our teams worked around the clock to process PPP loans as quickly and efficiently as possible to help customers receive this crucial lifeline. We provided 767 local companies with a total of \$127 million in PPP loans—protecting more than 7,000 jobs in the process.

Our employees work hard to proactively help customers find solutions to any issue. We were one of the first banks to create a loan deferment program to provide much needed assistance and relief to consumer and commercial customers faced with unexpected financial burdens during the pandemic crisis.

As COVID-19 necessitated a change in normal business, we shifted to virtual business development using the Webex video conferencing platform.

This has allowed us to continue to grow customer relationships safely and effectively from a distance, and to maximize our Power of Partnership program as our insurance and wealth partners were able to join the virtual meetings from anywhere.

COVID-19 also brought an increase in fraud across the industry. With our new digital business banking system, launched in February, our customers had access to new features and enhanced security measures to help them stay protected.

Even during a challenging year, we were able to bring in new deposit relationships and expand existing ones by remaining true to who we are—a locally focused, financially stable community bank committed to helping the families and businesses in our region thrive.




SCHATZ ELECTRIC, INC.

SCHATZ ELECTRIC, INC.
Jeff Schatz, Owner/President

Powering Growth

Our mortgage team had a record-breaking year both in mortgage loan dollars and homeowners served—the team’s loan origination goal for the year was met by August of 2020. It was also a very strong year in agriculture lending, as we continue to offer lending solutions to a diverse community of critical food production businesses. Our commitment to this vital sector of our regional economy is unwavering.

As a community bank, we have seen first-hand the pandemic’s impact on individuals and businesses. With food insecurity issues prevalent in our region and Thanksgiving expected to be especially difficult for many this past year, we launched our “Banksgiving” initiative and donated \$15,000 that was spread among several food banks in the Southeastern PA region. We also continued to support our local United Ways and many members of our banking, insurance and wealth teams continued their active involvement with

nonprofit organizations, boards and committees. Our community support also came in the form of virtual educational events, including an Accountant-Lawyer Alliance webinar, a virtual version of our first time homebuyer event and a cybersecurity webinar for small business customers.

Despite the challenges COVID-19 created in 2020, the Tompkins VIST Bank team demonstrated the utmost patience, teamwork, dedication and perseverance in serving our customers, our communities—and supporting each other. All year long, our employees delivered on our community banking promises, and we could not be more grateful.

“In 45 years as an electrical contractor, I’ve seen a lot of changes—mostly with technology. You’ve got to keep up or you’re out of business,” says Jeff Schatz, owner and president of Schatz Electric, Inc. “There’s no question that Tompkins VIST Bank has kept up.” As his company has grown, Jeff has worked with his team at Tompkins—including Tompkins Insurance Agencies—to keep his business moving forward, using new products and services such as remote deposit to increase efficiency. “Of course, the latest issue has been the COVID-19 virus and they have made a lot of changes to make sure everybody was safe and secure. But we still didn’t have an interruption in any of our banking business,” Jeff says. “I feel confident that Tompkins supports our growth. And that’s a good feeling.”

CONSOLIDATED STATEMENTS of CONDITION

IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA	YEAR ENDED DECEMBER 31,	
	2020	2019
ASSETS		
Cash and noninterest bearing balances due from banks	\$21,245	\$136,010
Interest bearing balances due from banks	367,217	1,972
Cash and Cash Equivalents	388,462	137,982
Available-for-sale debt securities, at fair value (amortized cost of \$1,599,894 at December 31, 2020 and \$1,293,239 at December 31, 2019)	1,627,193	1,298,587
Equity securities, at fair value (amortized cost \$929 at December 31, 2020 and \$915 at December 31, 2019)	929	915
Total loans and leases, net of unearned income and deferred costs and fees	5,260,327	4,917,550
Less: Allowance for credit losses	51,669	39,892
Net Loans and Leases	5,208,658	4,877,658
Federal Home Loan Bank and other stock	16,382	33,695
Bank premises and equipment, net	88,709	94,355
Corporate owned life insurance	84,736	82,961
Goodwill	92,447	92,447
Other intangible assets, net	4,905	6,223
Accrued interest and other assets	109,750	100,800
Total Assets	\$7,622,171	\$6,725,623
LIABILITIES		
Deposits:		
Interest bearing:		
Checking, savings and money market	3,761,933	3,080,686
Time	746,234	675,014
Noninterest bearing	1,929,585	1,457,221
Total Deposits	6,437,752	5,212,921
Federal funds purchased and securities sold under agreements to repurchase	65,845	60,346
Other borrowings	265,000	658,100
Trust preferred debentures	13,220	17,035
Other liabilities	122,665	114,167
Total Liabilities	\$6,904,482	\$6,062,569
EQUITY		
Tompkins Financial Corporation shareholders' equity:		
Common Stock - par value \$.10 per share: Authorized 25,000,000 shares; Issued: 14,964,389 at December 31, 2020; and 15,014,499 at December 31, 2019	1,496	1,501
Additional paid-in capital	333,976	338,507
Retained earnings	418,413	370,477
Accumulated other comprehensive loss	(32,074)	(43,564)
Treasury stock, at cost – 124,849 shares at December 31, 2020, and 123,956 shares at December 31, 2019	(5,534)	(5,279)
Total Tompkins Financial Corporation Shareholders' Equity	716,277	661,642
Noncontrolling interests	1,412	1,412
Total Equity	\$717,689	\$663,054
Total Liabilities and Equity	\$7,622,171	\$6,725,623

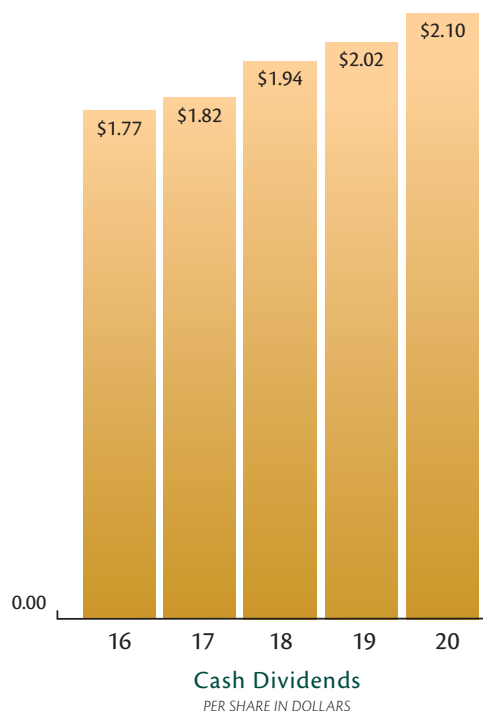
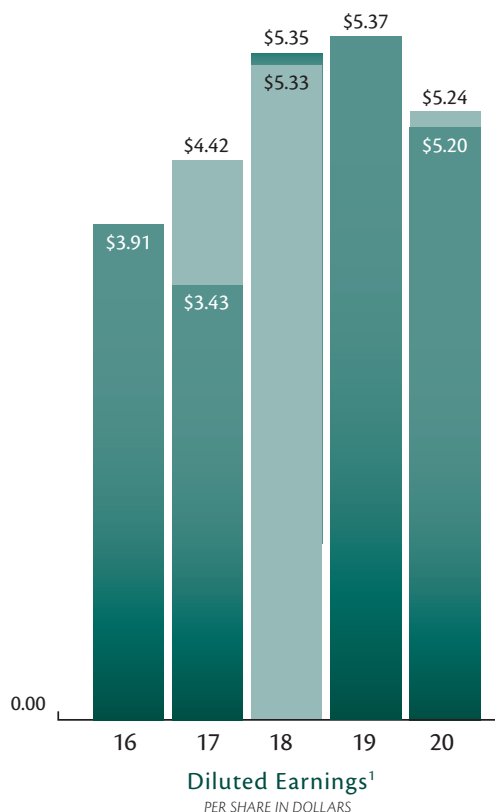
CONSOLIDATED STATEMENTS *of* INCOME

IN THOUSANDS, EXCEPT PER SHARE DATA	YEAR ENDED DECEMBER 31,		
	2020	2019	2018
INTEREST AND DIVIDEND INCOME			
Loans	\$227,313	\$226,723	\$214,370
Due from bank	194	41	31
Available-for-sale securities	25,450	28,460	30,377
Held-to-maturity securities	0	3,151	3,437
Federal Home Loan Bank stock and Federal Reserve Bank stock	1,373	3,003	3,377
Total Interest and Dividend Income	254,330	261,378	251,592
INTEREST EXPENSE			
Time certificates of deposits of \$250,000 or more	3,175	3,095	1,712
Other deposits	16,789	27,809	14,883
Federal funds purchased and securities sold under agreements to repurchase	95	143	152
Trust preferred debentures	1,133	1,276	1,227
Other borrowings	7,799	18,427	21,818
Total Interest Expense	28,991	50,750	39,792
Net Interest Income	225,339	210,628	211,800
Less: Provision for Credit Loss Expense	16,151	1,366	3,942
Net Interest Income After Provision for Credit Loss Expense	209,188	209,262	207,858
NONINTEREST INCOME			
Insurance commissions and fees	31,505	31,091	29,369
Investment services income	17,520	16,434	17,288
Service charges on deposit accounts	6,312	8,321	8,435
Card services income	9,263	10,526	9,693
Other income	8,817	8,416	13,130
Net gain (loss) on securities transactions	443	645	(466)
Total Noninterest Income	73,860	75,433	77,449
NONINTEREST EXPENSES			
Salaries and wages	92,519	89,399	85,625
Other employee benefits	24,812	23,488	22,090
Net occupancy expense of premises	12,930	13,210	13,309
Furniture and fixture expense	7,846	7,815	7,351
Amortization of intangible assets	1,484	1,673	1,771
Other operating expenses	45,791	46,249	50,921
Total Noninterest Expenses	185,382	181,834	181,067
Income Before Income Tax Expense	97,666	102,861	104,240
Income Tax Expense	19,924	21,016	21,805
Net Income Attributable to Noncontrolling Interests and Tompkins Financial Corporation	77,742	81,845	82,435
Less: Net income attributable to noncontrolling interests	154	127	127
Net Income Attributable to Tompkins Financial Corporation	\$77,588	\$81,718	\$82,308
Basic Earnings Per Share	\$5.22	\$5.39	\$5.39
Diluted Earnings Per Share	\$5.20	\$5.37	\$5.35

MARKET for REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES of EQUITY SECURITIES

The Company's common stock is traded under the symbol "TMP" on the NYSE American. The high and low closing sale prices, which represent actual transactions as quoted on the Exchange, of the Company's common stock for each quarterly period in 2019 and 2020, are presented to the right. The per share dividends paid by the Company in each quarterly period in 2019 and 2020 and the payment dates of these dividends are also presented.

	Market Price		Cash Dividends	
	High	Low	Amount	Date Paid
2019 1st Quarter	\$81.13	\$73.00	\$0.50	2/15/19
2nd Quarter	83.73	75.93	0.50	5/15/19
3rd Quarter	84.31	76.76	0.50	8/15/19
4th Quarter	91.14	78.52	0.52	11/15/19
2020 1st Quarter	\$92.88	\$61.75	\$0.52	2/18/20
2nd Quarter	74.99	56.02	0.52	5/18/20
3rd Quarter	70.64	55.47	0.52	8/14/20
4th Quarter	71.79	54.65	0.54	11/13/20



¹The darker shaded sections of the bars reflect GAAP earnings per share. The lighter bars reflect adjusted diluted earnings per share. Adjusted diluted earnings per share reflects adjustments made for certain nonrecurring items. Adjustments for nonrecurring items in 2020 included a \$673,000 write-down of real estate pending sale (\$0.04 per share). Adjustments for nonrecurring items in 2018 included a \$2.2 million gain on sale of real estate and a \$1.9 million write-down of impaired leases (\$0.02 per share). Adjustments in 2017 included a \$14.9 million (\$0.99 per share) one-time non-cash write-down of net deferred tax assets related to the Tax Cuts and Jobs Act of 2017. There were no adjustments in 2019 and 2016. Adjusted earnings per share is a non-GAAP measure. This adjusted measure is defined in the Company's Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Shareholders and Board of Directors
Tompkins Financial Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statement of condition of Tompkins Financial Corporation and subsidiaries as of December 31, 2020, and the related consolidated statements of income, comprehensive income, cash flows, and changes in shareholders' equity for the year then ended (not presented herein); and in our report dated March 1, 2021, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP

Rochester, New York

March 1, 2021

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American Rock Salt Company,
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Tompkins Financial Corporation

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Francis M. Fetsko
EVP, CFO, COO & Treasurer
Tompkins Financial Corporation

Kevin J. Plunkett
Director of Strategic Initiatives
Simone Development
Companies

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Partner
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Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

C. Compton Spain
Attorney
Spain & Spain, PC

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VP of Finance & Administration
Lehigh University

Frank C. Milewski
Retired VP Regional Operations
Pathways Health

Harry J. O'Neill, III
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Empire Group

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

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Chair
Vice Chair
Tompkins Financial Corporation

David S. Boyce
President & CEO

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

CORPORATE INFORMATION

TOMPKINS FINANCIAL CORPORATION CORPORATE OFFICERS

Stephen S. Romaine
President & Chief Executive Officer

David S. Boyce
Executive Vice President

Francis M. Fetsko
Executive Vice President
Chief Financial Officer
Chief Operating Officer & Treasurer

Alyssa H. Fontaine
Executive Vice President
General Counsel

Scott L. Gruber
Executive Vice President

Gregory J. Hartz
Executive Vice President

Brian A. Howard
Executive Vice President

Gerald J. Klein, Jr.
Executive Vice President

John M. McKenna
Executive Vice President

Susan M. Valenti
Executive Vice President
Corporate Marketing Officer

Steven W. Cribbs
Senior Vice President
Chief Risk Officer

Bradley G. James
Senior Vice President
Chief Technology Officer

Bonita N. Lindberg
Senior Vice President
Director of Human Resources

Janet L. Hewitt
Assistant Vice President
Corporate Administrative Officer

Amanda L. Lippincott
Corporate Secretary &
Legal Analyst

CORPORATE OFFICE
Tompkins Financial Corporation
P.O. Box 460
Ithaca, NY 14851
(888) 503-5753

Website:
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E-mail:
shareholder@tompkinsfinancial.com

SUBSIDIARIES

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Tompkins Bank of Castile
90 Main St.
Batavia, NY 14020
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Tompkins Mahopac Bank
1441 Route 22
Brewster, NY 10509
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Tompkins VIST Bank
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(610) 478-9922
www.vistbank.com

Tompkins Insurance Agencies, Inc.
90 Main St.
Batavia, NY 14020
(585) 344-0833
www.tompkinsins.com

Tompkins Financial Advisors[†]
P.O. Box 6437
Ithaca, NY 14851
(607) 273-0037
www.tompkinsfinancialadvisors.com

STOCK LISTING

Tompkins Financial Corporation common stock is traded on the NYSE American under the symbol TMP.

The Tompkins Financial Stock Purchase Plan is administered by American Stock Transfer & Trust Company, LLC as transfer agent for Tompkins Financial Corporation. It offers a convenient way for shareholders to increase their investment in the Company. The plan enables shareholders to reinvest all or part of their cash dividends or to make optional cash payments, with some restrictions, in order to purchase shares of Tompkins Financial Corporation common stock without incurring charges for brokerage commissions or service charges. Shareholders who are interested in the plan may receive enrollment information and a plan enrollment application by contacting:

American Stock Transfer & Trust Company, LLC
Toll-free number: 1-877-573-4008
Website: www.astfinancial.com

Mailing address:
American Stock Transfer & Trust Company, LLC
Attn: Dividend Reinvestment Department
P.O. Box 922
Wall Street Station
New York, NY 10269-0560

For answers to many of your shareholder questions or to request forms, visit American Stock Transfer & Trust Company's website www.astfinancial.com or contact:

American Stock Transfer & Trust Company, LLC
Shareholder Relations
6201 15th Avenue
Brooklyn, NY 11219

Overnight address:
6201 15th Avenue
Brooklyn, NY 11219

1-800-937-5449 or 1-718-921-8200
E-mail address:
info@astfinancial.com

Also, Tompkins Financial Stock Purchase Plan enrollment information can be requested and shareholder questions answered by contacting the Company:

Wendy Fonder
Tompkins Financial Corporation
P.O. Box 460
Ithaca, NY 14851

1-888-503-5753 or 1-607-274-2096
E-mail address:
wfounder@tompkinsfinancial.com

Form 10-K
Copies of the Company's Form 10-K (Annual Report) for 2020, filed with the Securities and Exchange Commission, may be obtained by shareholders, by written request, from Francis M. Fetsko, Executive Vice President and Chief Financial Officer, P.O. Box 460, Ithaca, NY 14851.

Copies can also be obtained from our website:
www.tompkinsfinancial.com

GO GREEN

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The savings below are achieved when PC recycled paper is used in place of virgin fiber. This project uses 1,810 lbs of paper which has a postconsumer recycled percentage of 10%.

- 2.2 trees preserved for the future
- 200 gallons of wastewater flow saved
- 10 lbs solid waste not generated
- 1,000 lbs net greenhouse gases prevented
- .9 million BTUs energy not consumed

[†]Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).

Insurance products are offered through LPL or its licensed affiliates.

Tompkins Trust Company and Tompkins Wealth Advisors are not registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Tompkins Wealth Advisors, and may also be employees of Tompkins Trust Company. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Tompkins Trust Company or Tompkins Wealth Advisors. Securities and insurance offered through LPL or its affiliates are:

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