

CHEMUNG FINANCIAL CORPORATION

2021 Investor Presentation



**Chemung Canal
Trust Company**
Building relationships since 1833

**CAPITAL
BANK**
A division of Chemung Canal Trust Company



**Chemung
Risk Management, Inc.**



May 5, 2021

Presenters



Anders Tomson, President and CEO



Karl Krebs, CFO

Executive Management Team



Anders M. Tomson
President & Chief Executive Officer



Jeffrey Kenefick
SVP, Regional President



Thomas W. Wirth, CFA
EVP, Wealth Management Group



Daniel D. Fariello
President, Capital Bank Division



Kimberly A. Hazelton
EVP, Senior Banking Officer



Peter Cosgrove
EVP, Chief Credit Officer,
Chief Risk Officer



Dale Cole
EVP, Chief Information Officer



Karl F. Krebs
EVP, Chief Financial Officer & Treasurer

Our namesake...the Chemung Canal



The past decade...a period of significant growth



Safe Harbor Statement

This presentation contains certain statements that may be considered forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the Private Securities Litigation Reform Act of 1995, which are subject to numerous risks and uncertainties. Forward looking statements can be identified by words such as "anticipates," "believes," "contemplates," "feels," "expects," "estimates," "seeks," "strives," "plans," "intends," "outlook," "forecast," "position," "target," "mission," "assume," "achievable," "potential," "strategy," "goal," "aspiration," "opportunity," "initiative," "outcome," "continue," "remain," "maintain," "on course," "trend," "objective," "looks forward," "projects," "models" and variations of such words and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "might," "can," "may," or similar expressions, which predict or indicate future events or trends and which do not relate to historical matters. These forward-looking statements are predicated on the beliefs and assumptions of Chemung Financial Corporation's management based on information known to management as of the date of this presentation and do not purport to speak as of any other date. Forward looking statements should not be relied upon, because they involve known and unknown risks, uncertainties and other factors, some of which are beyond the control of the company. Should one or more of these risks materialize or should underlying beliefs or assumptions prove incorrect, the Corporation's actual results, performance or achievements could differ materially from those discussed. Factors that could cause or contribute to such differences include but are not limited to: changes in general economic, political or industry conditions; changes in monetary and fiscal policies, including changes in interest rates; volatility and disruptions in capital and credit markets; the impact of the COVID-19 pandemic; changes in regulation or oversight; unfavorable developments concerning credit quality; the effects of more stringent capital or liquidity requirements; declines or other changes in the businesses or industries of customers of the Corporation's and its subsidiaries; operational difficulties, failure of technology, infrastructure or information security incidents; the implementation of the Corporation's strategies and business initiatives; changes in the financial markets, including fluctuations in interest rates; competitive product and pricing pressures among financial institutions within the Corporation's markets; changes in customer behavior; any future strategic acquisitions or divestitures; management's ability to maintain and expand customer relationships; management's ability to retain key officers and employees; the impact of legal and regulatory proceedings or determinations; the effectiveness of methods of reducing risk exposures; the effects of terrorist activities and other hostilities; the effects of catastrophic events including, but not limited to, severe weather events and storms; and changes in accounting standards. The Corporation cautions that the foregoing list of factors is not exclusive. For a discussion of factors that may cause actual results to differ from expectations, please refer to "Item 1A. Risk Factors" of the Chemung Financial Corporation's Annual Report on Form 10-K for the year ended December 31, 2020, as updated by our filings on Form 10-Q and other filings with the SEC. Forward-looking statements speak only as of the date they are made. The Corporation does not undertake to update forward-looking statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are made. For any forward-looking statements made in this presentation or in any documents, the Corporation claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.



**413-415 E. Water Street
1834-1920**



**129 E. Water Street
1920-1971**



**One Chemung Plaza
1971-Present**

History

- 1833 – Chemung Canal Bank founded in Elmira, NY by act of NYS Legislature
- 1834 – First permanent headquarters opens at 413-415 E. Water Street in Elmira, NY
- 1895 – Granted a New York State bank charter
- 1902 – Merged with Elmira Trust Company
- 1903 – Name changed to Chemung Canal Trust Company
- 1920 – New headquarters opens at 129 E. Water Street in Elmira, NY
- 1951 – First branch office opens in Elmira, NY
- 1971 – Current headquarters opens at One Chemung Canal Plaza in Elmira, NY
- 1974 – Acquired Montour National Bank, Montour Falls, NY
- 1985 – Chemung Financial Corporation incorporated and 10th branch office opened, located in Corning, NY
- 1994 – Acquired three Columbia Banking branch offices in upstate NY
- 1995 – Acquired Owego National Bank, Owego, NY
- 2000 – Chemung Financial Corporation becomes financial holding company
- 2001 – CFS Group, Inc. established
- 2007 – Acquired trust assets of Partners Trust Bank, Binghamton, NY
- 2008 – Acquired assets of Cascio Financial Services, Elmira, NY
- 2008 – Acquired three M&T Bank branch offices located in Broome and Tioga counties, NY, total branches now exceeds 20
- 2009 – Acquired Canton Bancorp, Inc., Canton, PA with three branch offices
- 2011 – Acquired Fort Orange Financial Corp. (Capital Bank), Albany, NY with five branch offices
- 2013 – Acquired six Bank of America branch offices, increasing total branch locations to 34 and assets to \$1.5 billion
- 2016 – Chemung Risk Management, Inc. established
- 2018 – Opened two *de novo* branches, one in Schenectady, NY and one in Wilton, NY
- 2020 – Initiated Loan Production Office in Buffalo, NY
- 2021 – Received approval to open full-service branch in Buffalo, NY

Mission

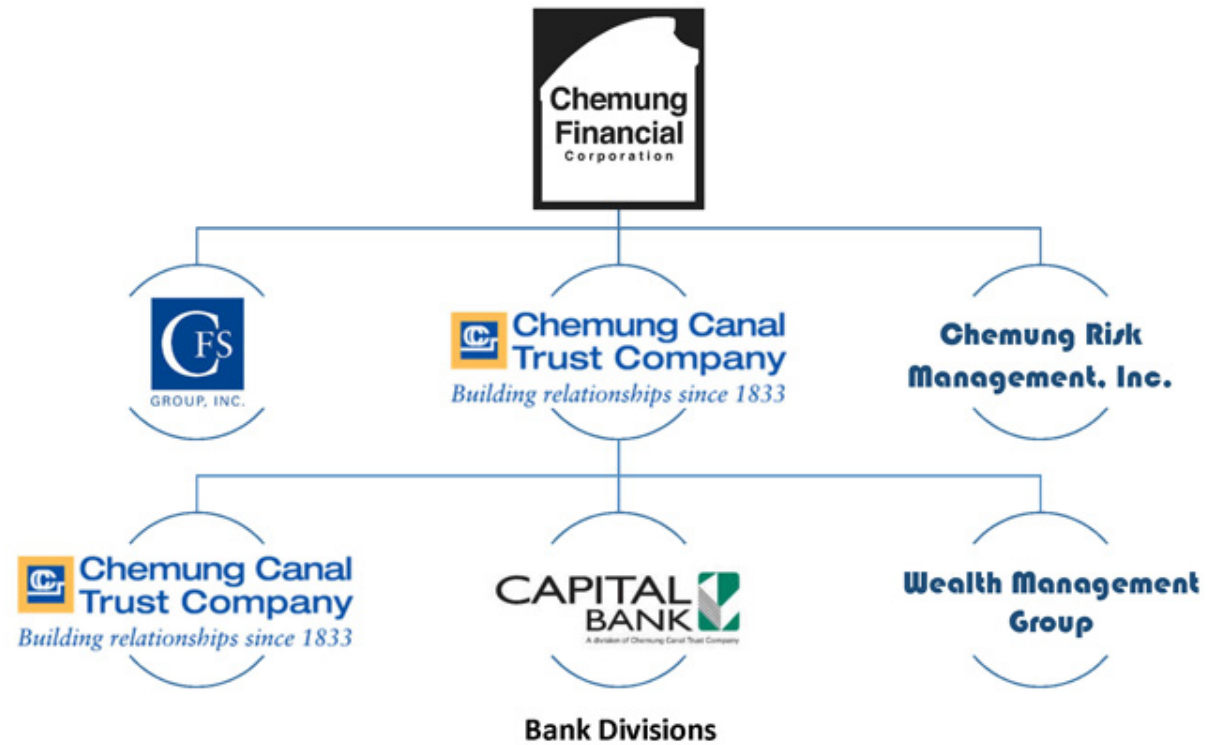
Our mission is to remain a strong and independent financial services organization creating value for shareholders, customers, employees and the communities where we do business, while maintaining the highest standards of business ethics.

- Value for shareholders means delivering a competitive return on investment through stock appreciation and dividends
- Value for customers means delivering superior customer service and competitive products and services
- Value for employees means ensuring that Chemung Canal remains a great place to work, providing competitive compensation and benefits, and opportunities for career advancement and growth
- Value for communities means continuing to be an integral part of the communities we serve, being responsive to the financial needs within these communities and being a good corporate citizen
- Earnings growth is the fuel that drives value creation

About Chemung Financial Corporation

- Oldest locally-owned and managed community bank in NYS, dating to 1833
- NYS chartered bank and Member of the Federal Reserve
- Listed on Nasdaq Global Select Market
- Assets of \$2.44 billion and 338 employees
- Operates through a single subsidiary bank, Chemung Canal Trust Company, with 31 retail offices spread over thirteen counties in NYS and one county in PA.
 - Twenty-three branch offices operate under CCTC in the Finger Lakes and Southern Tier regions of NYS and the Northern Tier of PA.
 - One pending branch office in Western NY (recently approved by NYS DFS and the Federal Reserve Bank of NY)
 - Seven branch offices operate under the Capital Bank name in the Capital Region of NYS.
 - Strong Chemung Canal Trust Company Board and Capital Bank Advisory Board provides local market knowledge and business development opportunities.
- Trust and wealth management division with \$2.1 billion in assets under management or administration.
- CFS Group Inc. provides mutual funds, securities and insurance brokerage services through LPL Financial.
- Chemung Risk Management, Inc., the Corporation's Nevada-based captive insurance company which insures against certain risks unique to the operations of the Corporation and its subsidiaries for which insurance may not be currently available or economically feasible in today's insurance marketplace.

Corporate Hierarchy



Markets



Corning, NY

STABILITY Finger Lakes Region



Watkins Glen, NY



Albany, NY

GROWTH Capital & Western NY



Buffalo, NY

CCTC/Capital Market Share

| County | 2020 Deposits | 2020 Share |
|---------------|-----------------|------------|
| Chemung | \$726,001,000 | 54.47% |
| Albany | \$266,402,000 | 1.38% |
| Tioga | \$142,433,000 | 27.76% |
| Schuyler | \$136,053,000 | 56.06% |
| Steuben | \$118,897,000 | 9.96% |
| Cayuga | \$110,046,000 | 8.17% |
| Tompkins | \$89,299,000 | 3.49% |
| Bradford (PA) | \$63,141,000 | 4.96% |
| Broome | \$58,334,000 | 1.77% |
| Saratoga | \$45,741,000 | 0.81% |
| Seneca | \$19,708,000 | 3.05% |
| Cortland | \$19,642,000 | 2.49% |
| Schenectady | \$17,048,000 | 0.51% |
| Total | \$1,812,745,000 | |

Source: SNL Financial, as of June 30, 2020

Core Strategies

- Franchise built through acquisitions and organic growth
 - Three bank acquisitions since 1994 (\$38 million to \$255 million)
 - Three branch acquisitions involving twelve branch offices, ranging in deposits of \$45 million to \$178 million
 - Steady, stable organic growth in Finger Lakes Region
 - Higher growth potential in the Capital Region and Western NY
 - Two *de novo* Branches opened in 2018, Schenectady, NY and Wilton, NY
 - New full-service branch approved in Buffalo, NY in 2021
- Disciplined acquirer and well positioned to opportunistically acquire when strategic fit and pricing are right
 - NYS and contiguous states remain focus
 - Seeking appropriate wealth management, whole bank, and branch acquisition opportunities
- Well capitalized, with a strong balance sheet
- Focused on effective capital management
- Community Banking Model
 - Believe and behave as a community bank
 - Recognized community leader within markets
 - Relationship focus
 - Strong Advisory Board created in the Capital Region
- Strong credit culture
 - Robust corporate-wide risk management process
 - Disciplined underwriting
 - CRE loan strategy

Digital Engagement

We believe digital self-service is the key to engaging and retaining our clients for the future. We strive to deliver a meaningful, secure and frictionless digital platform across all customer delivery channels. Our digital strategy provides our customers the services they have come to expect.

We have developed and continue to evolve a multi-year strategic plan to address the digital services and bank processes that support our important customer interactions. We evaluate Fintech companies and only engage with those that meet our product and risk tolerances.

2021

Digital Customer Engagement
Robotic Process Automation
Fraud and Security controls

2022

Retail and Mobile redesigns
End to End Digital Loan Processing
Security and Fraud enhancements

2023 and Beyond

Artificial Intelligence
Intelligent Customer Marketing
Voice Banking Interaction

Platinum Promise



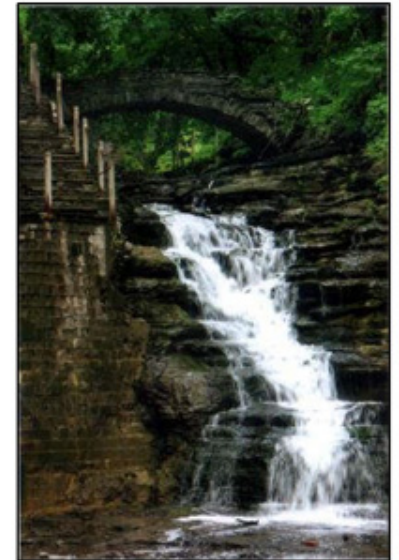
Supporting Our Community

Achieve | Albany Medical Center | American Cancer Society | American Heart Association | ARCs | Arnot Art Museum
Arnot Health | Auburn Public Theater | Boy Scouts | Broome County Council of Churches | Buddy Walk
Capital City Rescue Mission | Capital Region Sponsor-A-Scholar | CareFirst | Career Development Council | Catholic Charities
Clemens Center | Colonie Senior Center | Community Foundations | Corning Community College | Disabled American Veterans
Elmira College | Food Bank of the Southern Tier | Girl Scouts | Glassfest | Glove House | Grand Prix Festival | Guthrie
Habitat for Humanity | Historical Society | Ithaca Science Center | Jefferson Awards | JDRF | Junior Achievement | Kiwanis
Lions | Lourdes Foundation | Meals on Wheels | Multiple Sclerosis | Muscular Dystrophy | NAACP | Office for the Aging | PAL
Public Television | Reading is Fundamental | Red Cross | Rockwell Museum | Ronald McDonald House Charities | Rotary
Sock Out Cancer | Sidney Albert Jewish Community Center | SPCA | St. Peter's Hospital | United Health Services
Youth Sports Leagues | YMCA & YWCA | **& Many, Many More!**



History of Acquisitions

- Whole Bank Acquisitions
 - 1974 – Montour National Bank, one branch office
 - 1995 – Owego National Financial Corporation, one branch office
 - 2009 – Canton Bancorp, Inc., three branch offices
 - 2011 – Fort Orange Financial Corporation (Capital Bank), five branch offices
- Branch Acquisitions
 - 1994 – Columbia Banking FS&L, three branch offices
 - 2008 – M&T Bank, three branch offices
 - 2013 – Bank of America, six branch offices
- Asset Acquisitions
 - 2007 – Partners Trust Bank, trust assets
 - 2008 – Cascio Financial Services, Elmira-based retail financial services firm



Watkins Glen, NY

Financial Highlights (\$ Millions)

| | 3/31/2021 | 2020 | 2019 | 2018 |
|-----------------------------------|-----------|---------|---------|---------|
| Return on Assets | 1.12% | 0.94% | 0.88% | 1.14% |
| Return on Equity | 13.24% | 9.94% | 8.86% | 12.76% |
| Net Interest Margin | 2.86% | 3.25% | 3.64% | 3.72% |
| Charge-off Ratio | -0.06% | 0.47% | 0.11% | 0.41% |
| Total Assets | \$2,442 | \$2,279 | \$1,788 | \$1,755 |
| Assets Under Management or Admin. | \$2,111 | \$2,091 | \$1,915 | \$1,768 |
| Nonperforming Loans/Total Loans | 0.59% | 0.65% | 1.38% | 0.93% |
| Nonperforming Assets/Total Assets | 0.39% | 0.45% | 1.04% | 0.73% |

*March 31, 2021 figures unaudited

COVID-19 Response

- Communities and Employees
 - Complying with local, state, and federal orders to contain the spread of the virus
 - Implemented social distancing, sanitizing, and face-covering protocols
 - Limited in-person branch access to appointments and facilitated drive-up and walk-up windows
 - Allow employees to work remotely
 - Continual communication to ensure top-tier financial services continue to be provided

COVID-19 Financial Assistance

- Funded 1,260 PPP loans totaling \$189.8 million in Round 1
 - Impacting 19,000 employees of approved businesses in our communities
 - Average balances were \$150,607 and average fees were 3.16%
 - We are assisting customers with the forgiveness application phase of the program. In our most recent 10-K we noted \$49.0 million was submitted to the SBA and \$39.0 million had been approved for forgiveness
- As of April 21, 2021, funded 799 loans totaling \$75.1 million in Round 2
 - Average fees received from SBA are 5.16%
 - Average balances were \$93,941.
- Provided 30-90 day principal and interest deferrals on commercial and consumer loans for borrowers impacted by COVID-19

*2021 figures unaudited

COVID-19 Financial Assistance : PPP Statistics

Round 1

| Loan Tier | Fee | # of Loans | \$ Amount of Loans |
|--------------|-----|------------|--------------------|
| <\$350M | 5% | 1,146 | \$ 67,860,637 |
| \$351M-\$2MM | 3% | 98 | 69,043,492 |
| >\$2MM | 1% | 16 | 52,860,910 |
| | | 1,260 | \$ 189,765,039 |

Round 2

| Loan Tier | Fee | # of Loans | \$ Amount of Loans |
|-----------------|--|------------|--------------------|
| <\$50M | 50% of the principal amount or \$2,500 whichever is less | 502 | \$ 9,147,552 |
| >\$50M - \$350M | 5% | 251 | 35,421,142 |
| >\$350M | 3% | 46 | 30,490,118 |
| | | 799 | \$ 75,058,812 |

*2021 figures unaudited

COVID-19 Financial Assistance : Loan Deferrals

- Outstanding COVID-19 deferrals:

- 03/31/21 – 38 Loans totaling \$26.3MM had active COVID-19 deferrals.

- 05/31/20 – 1,147 Loans totaling \$242.5MM had active COVID-19 deferrals.

Loan Balances with Active COVID-19 Deferrals Outstanding

As of March 31, 2021

| Category | Loan Balance | Balance as % of Total Deferred | Count | Count as % of Total Deferred | Portfolio Totals | % of Portfolio |
|----------------|---------------------|--------------------------------|-----------|------------------------------|----------------------|----------------|
| Commercial | \$ 25,159,612 | 95.76% | 22 | 57.89% | 1,104,487,867 | 2.28% |
| Mortgage | 701,698 | 2.67% | 7 | 18.42% | 245,231,122 | 0.29% |
| Consumer | 29,975 | 0.11% | 2 | 5.26% | 132,609,219 | 0.02% |
| Home Equity | 383,036 | 1.46% | 7 | 18.42% | 74,867,648 | 0.51% |
| Small Business | - | 0.00% | 0 | 0.00% | 23,753,293 | 0.00% |
| Totals | \$26,274,322 | 100.00% | 38 | 100.00% | 1,580,949,149 | 1.66% |

As of May 31, 2020 (Peak for activity)

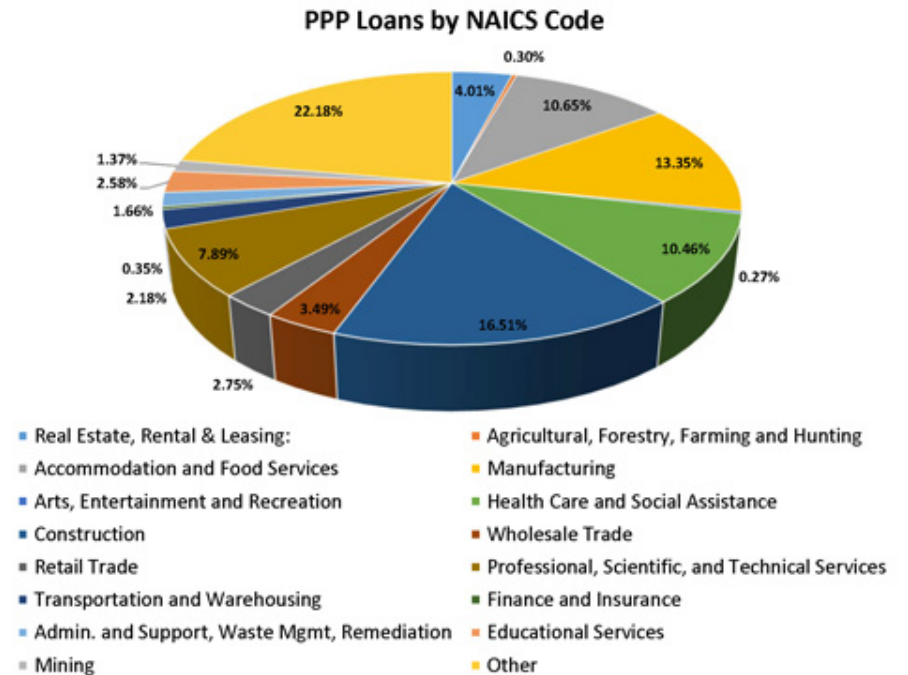
| Category | Loan Balance | Balance as % of Total Deferred | Count | Count as % of Total Deferred | Portfolio Totals | % of Portfolio |
|----------------|-----------------------|--------------------------------|--------------|------------------------------|----------------------|----------------|
| Commercial | \$ 206,183,134 | 85.01% | 203 | 17.70% | 1,051,407,278 | 19.61% |
| Mortgage | 19,485,286 | 8.03% | 205 | 17.87% | 198,583,581 | 9.81% |
| Consumer | 9,542,933 | 3.93% | 618 | 53.88% | 139,294,043 | 6.85% |
| Home Equity | 5,187,331 | 2.14% | 83 | 7.24% | 86,995,846 | 5.96% |
| Small Business | 2,138,692 | 0.88% | 38 | 3.31% | 18,492,908 | 11.56% |
| Totals | \$ 242,537,375 | 100.00% | 1,147 | 100.00% | 1,494,773,656 | 16.23% |

*2020 and 2021 figures unaudited

PPP Loans by Industry

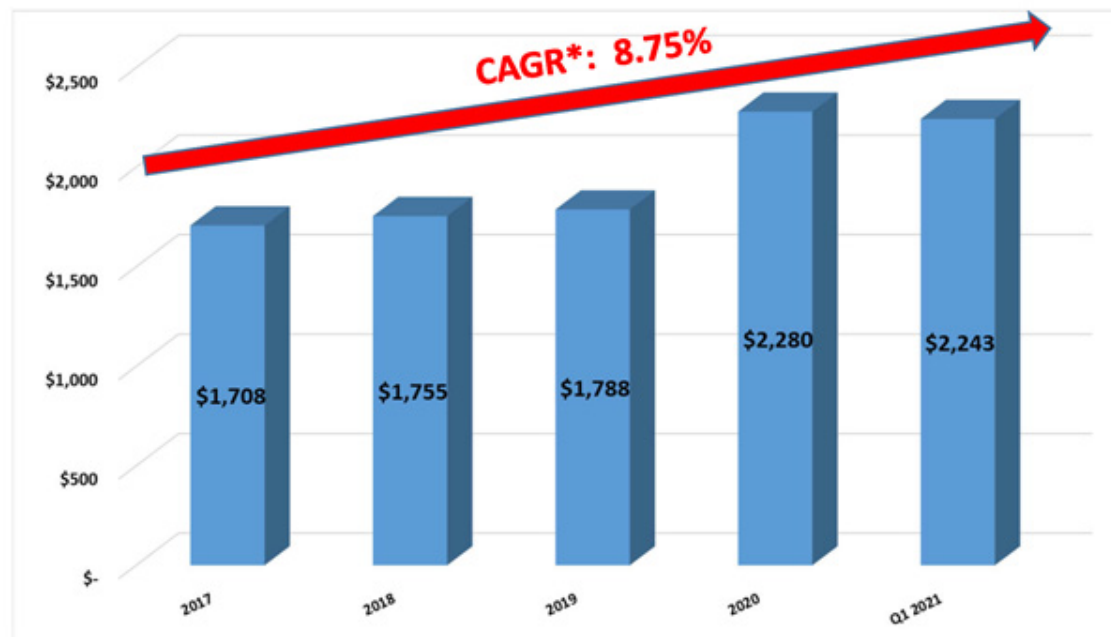
| PPP Loan Balances by NAICS Code (in thousands) | 03/31/2021 Balances | Percent of Total |
|---|------------------------|---------------------|
| Real Estate, Rental & Leasing | 7,469,550 | 4.01% |
| Agricultural, Forestry, Farming and Hunting | 564,260 | 0.30% |
| Accommodation and Food Services | 19,818,830 | 10.65% |
| Manufacturing | 24,837,062 | 13.35% |
| Arts, Entertainment and Recreation | 493,251 | 0.27% |
| Health Care and Social Assistance | 19,468,772 | 10.46% |
| Construction | 30,721,094 | 16.51% |
| Wholesale Trade | 6,499,770 | 3.49% |
| Retail Trade | 5,110,091 | 2.75% |
| Professional, Scientific, and Technical Services | 14,671,923 | 7.89% |
| Transportation and Warehousing | 4,059,802 | 2.18% |
| Finance and Insurance | 642,119 | 0.35% |
| Admin. and Support, Waste Mgmt, Remediation | 3,083,736 | 1.66% |
| Educational Services | 4,808,516 | 2.58% |
| Mining | 2,552,201 | 1.37% |
| Other | 41,272,177 | 22.18% |
| Total PPP Loans | \$ 186,073,153 | 100.00% |

Total PPP Loan Balances are a combination of loans from Round 1 and Round 2



*March 31, 2021 figures unaudited

Asset Growth (\$ Millions)



Asset Growth

Organic

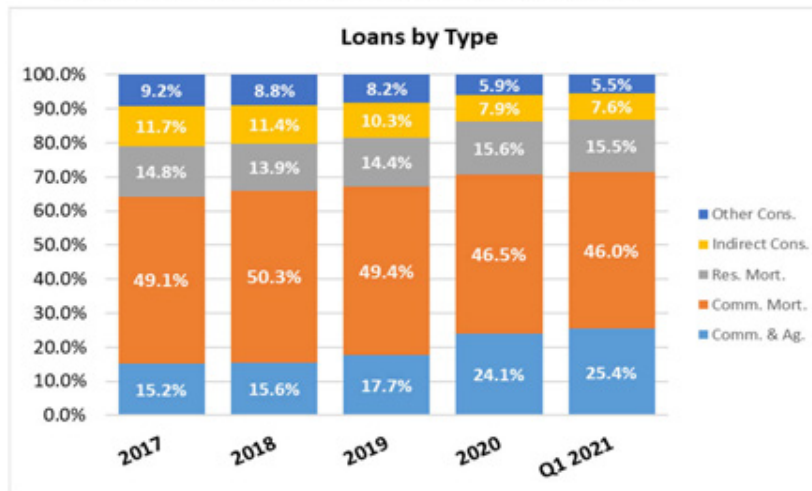
- Loans in Capital Region
- PPP Loans
- Growth opportunities in Western NY

*CAGR 12/31/2017 to 03/31/2021

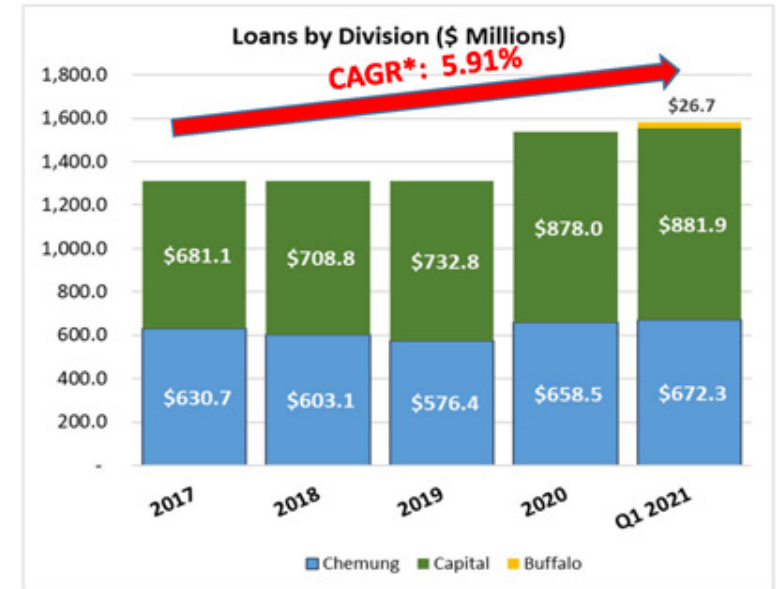
*March 31, 2021 figures unaudited

Summary of Loan Growth

- Total loans: \$1.581 billion at March 31, 2021
 - Increased \$269.1 million since December 31, 2017
 - Funded \$189.8 million in PPP Loans through December 31, 2020
 - Funded \$75.1 million in PPP Second Round Loans through April 21, 2021
- Growing market share in the Capital Region
 - Greater opportunity due to ongoing economic development in the region
 - Low unemployment due to state government and growth of technology industries
 - Represents largest concentration of our commercial loan portfolio
- Initiated Loan Production Office in Buffalo, NY as of January 29, 2021



*CAGR: 12/31/17 to 03/31/2021



| | 2017 | 2018 | 2019 | 2020 | Q1 2021 |
|---------|--------|--------|--------|--------|---------|
| Chemung | 48.08% | 45.97% | 44.03% | 42.86% | 42.53% |
| Capital | 51.92% | 54.03% | 55.97% | 57.14% | 55.78% |
| Buffalo | 0.00% | 0.00% | 0.00% | 0.00% | 1.69% |

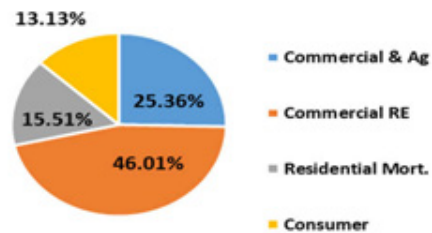
*March 31, 2021 figures unaudited

Loan Concentrations

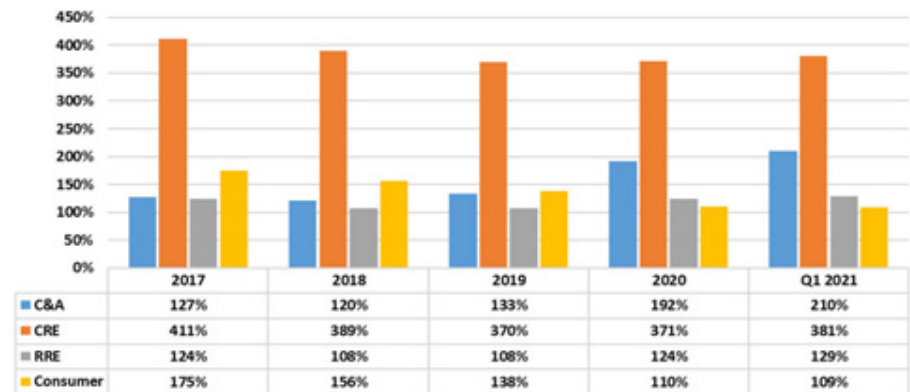
Effectively managing portfolio concentration by establishing specific criteria, such as:

- % of portfolio for each category
- % of capital deployed in each category
- Increased use of participations to manage risk and capital

Portfolio Concentrations to Total Loans March 31, 2021



Portfolio Concentrations to Tier 1 Capital & ALLL March 31, 2021



Tier 1 Capital & ALLL

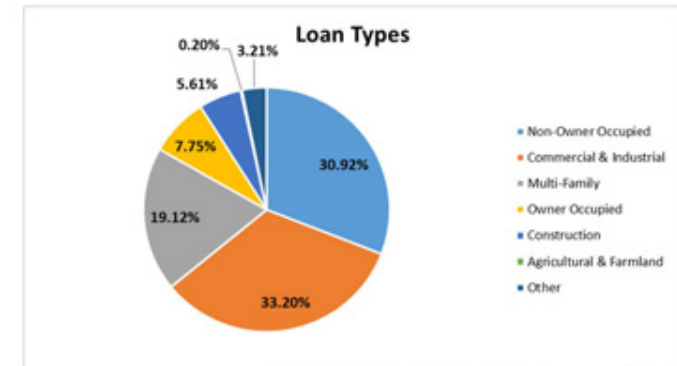
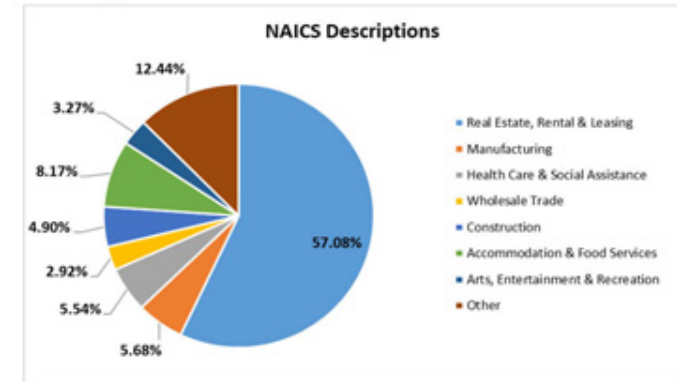


* CRE ratio was 340% and 338% as of December 31, 2020 and March 31, 2021, respectively, under Federal Reserve guidelines.
* March 31, 2021 figures unaudited

Commercial Loan Portfolio 03/31/2021

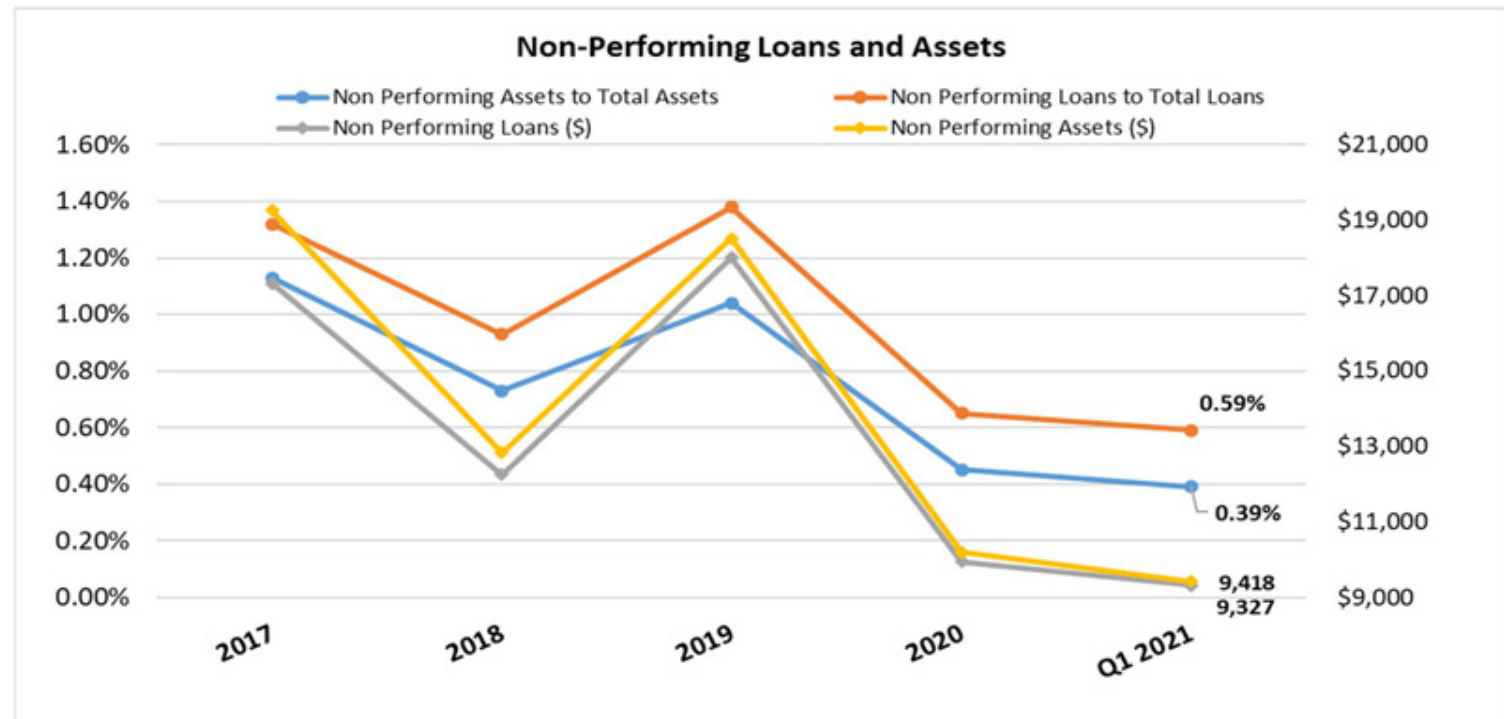
| NAICS Code / Descriptions | Balances (\$ Thousands) | Percentage |
|----------------------------------|-------------------------|----------------|
| Real Estate, Rental & Leasing | \$ 631,640 | 57.08% |
| Manufacturing | 62,877 | 5.68% |
| Health Care & Social Assistance | 61,322 | 5.54% |
| Wholesale Trade | 32,282 | 2.92% |
| Construction | 54,265 | 4.90% |
| Accommodation & Food Services | 90,445 | 8.17% |
| Arts, Entertainment & Recreation | 36,140 | 3.27% |
| Other | 137,699 | 12.44% |
| Total | \$ 1,106,671 | 100.00% |

| <u>Loan Types</u> | | |
|-------------------------|---------------------|----------------|
| Non-Owner Occupied | \$ 342,179 | 30.92% |
| Commercial & Industrial | 367,459 | 33.20% |
| Multi-Family | 211,553 | 19.12% |
| Owner Occupied | 85,734 | 7.75% |
| Construction | 62,047 | 5.61% |
| Agricultural & Farmland | 2,168 | 0.20% |
| Other | 35,531 | 3.21% |
| Total | \$ 1,106,671 | 100.00% |



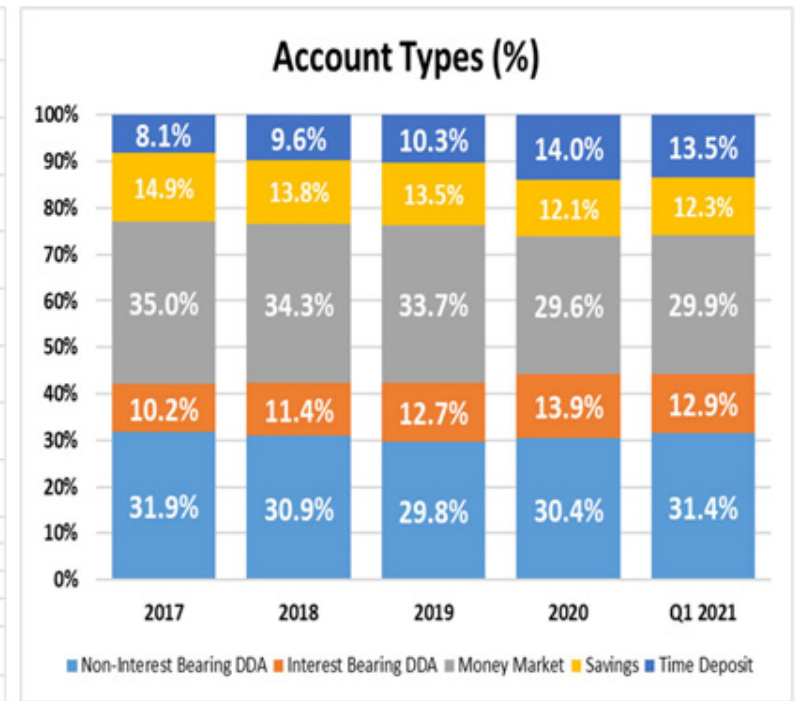
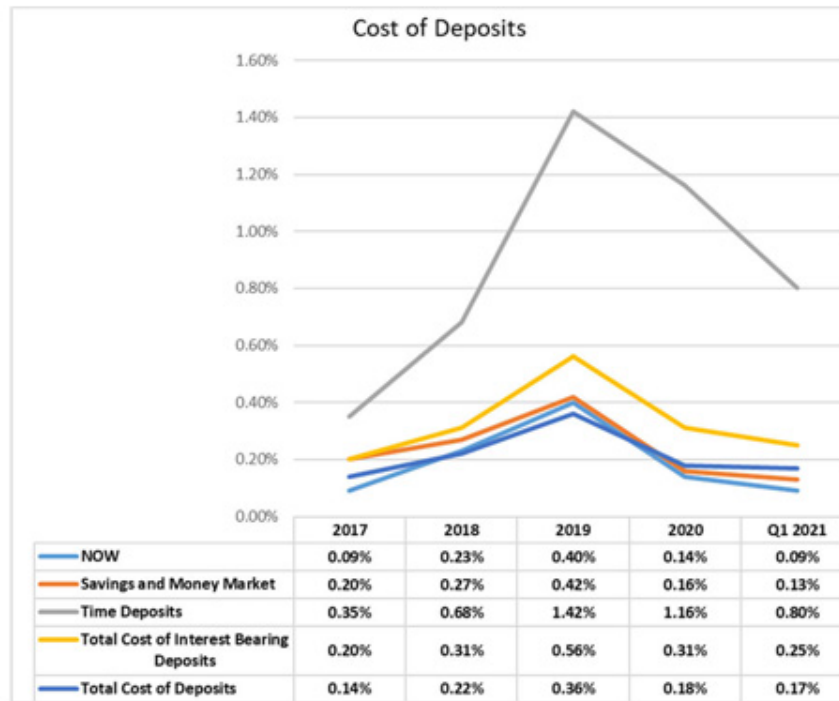
March 31, 2021 figures unaudited

Non-Performing Assets



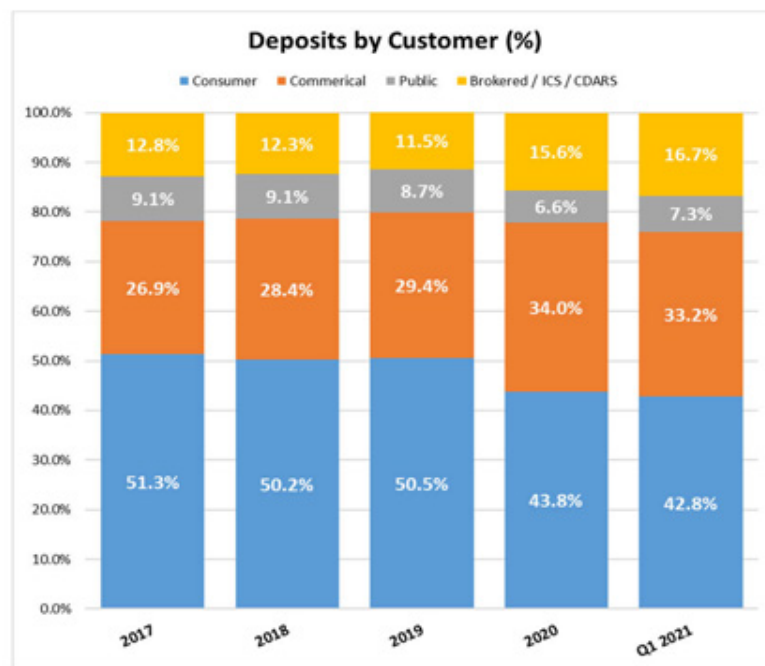
*March 31, 2021 figures unaudited

Deposits

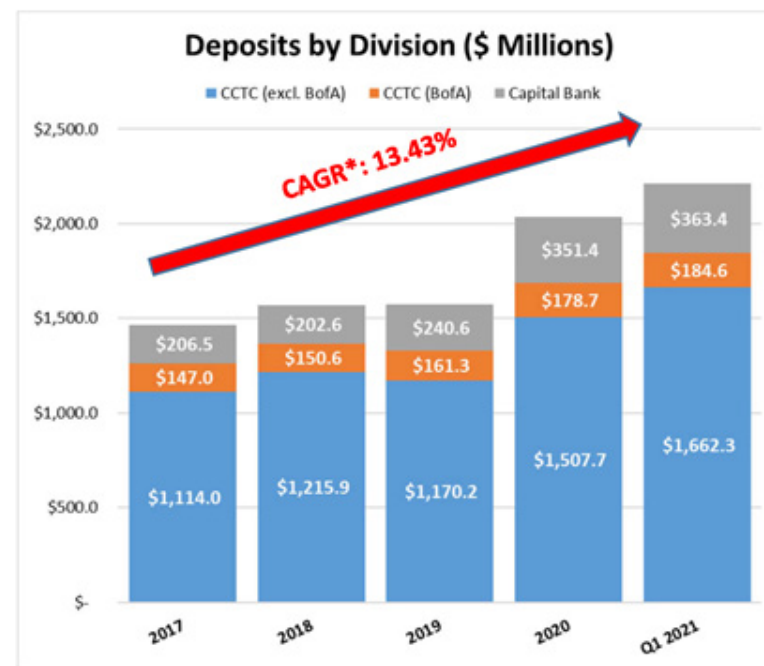


*March 31, 2021 figures unaudited

Deposit Breakdown

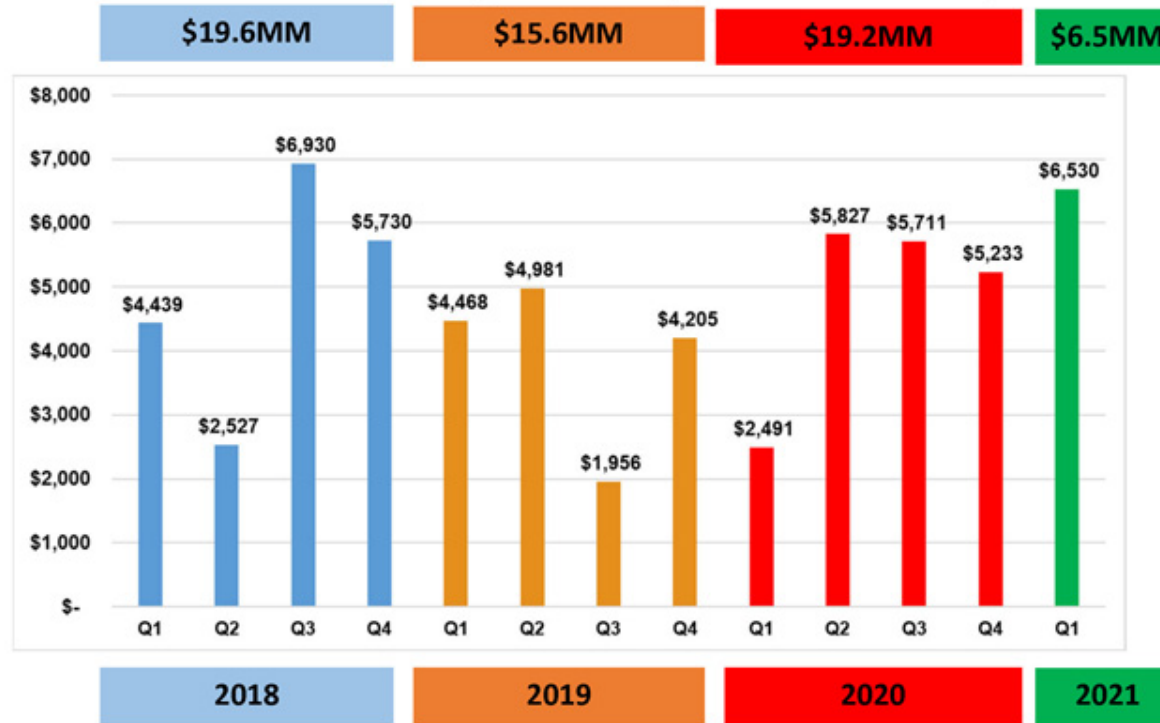


*CAGR 12/31/2017 to 03/31/2021



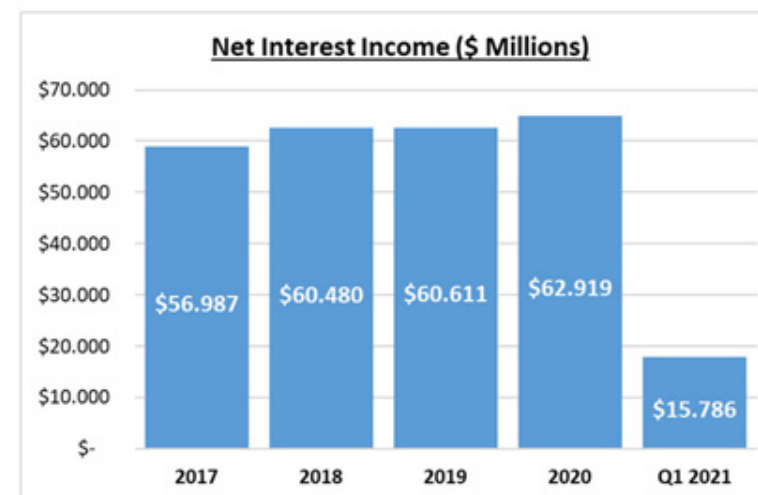
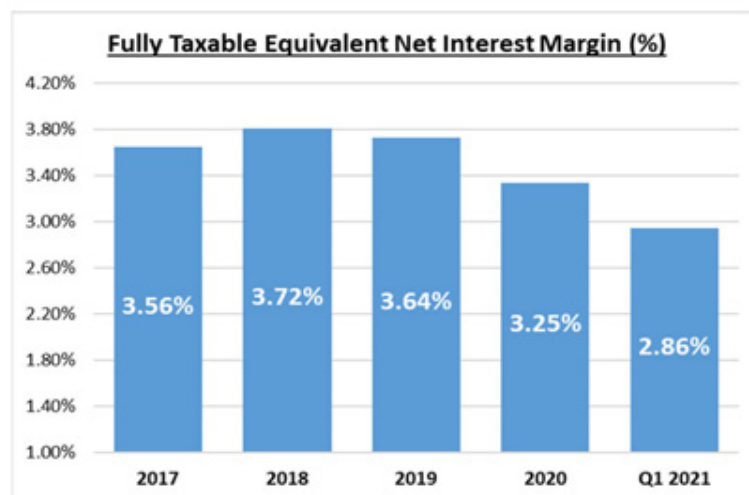
*March 31, 2021 figures unaudited

Net Income – Quarterly Trend (\$ Thousands)



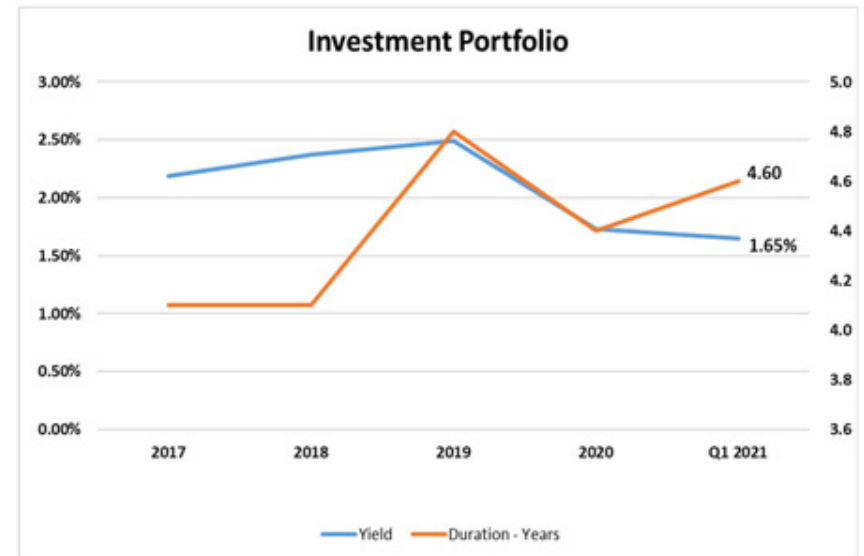
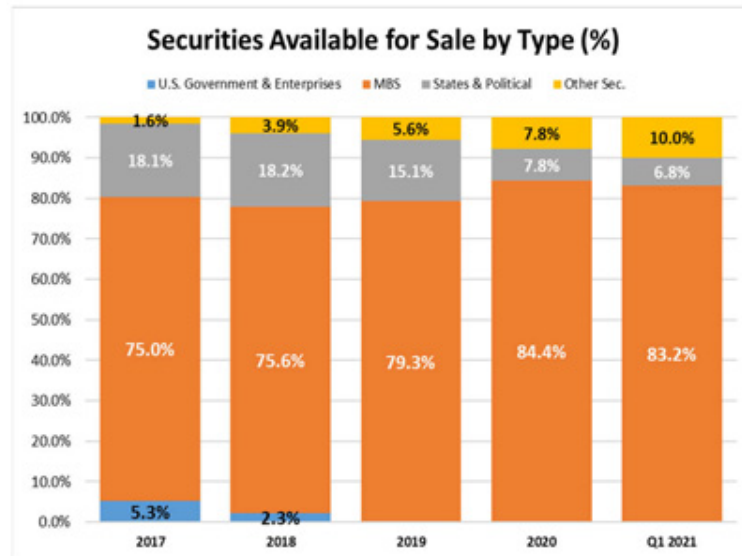
*March 31, 2021 figures unaudited

Net Interest Margin



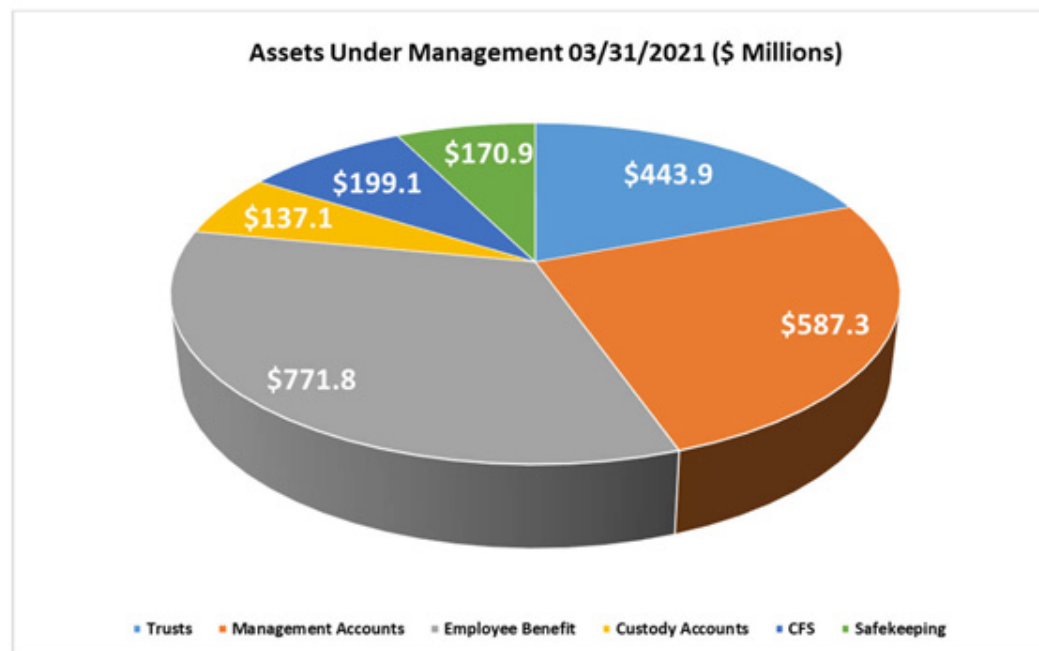
- 19% of loan portfolio reprices within the next 90 days (As of March 31, 2021)
- 60% of commercial loan portfolio is variable and 28% is subject to reprice over the next 90 days (As of March 31, 2021)

Investment Portfolio



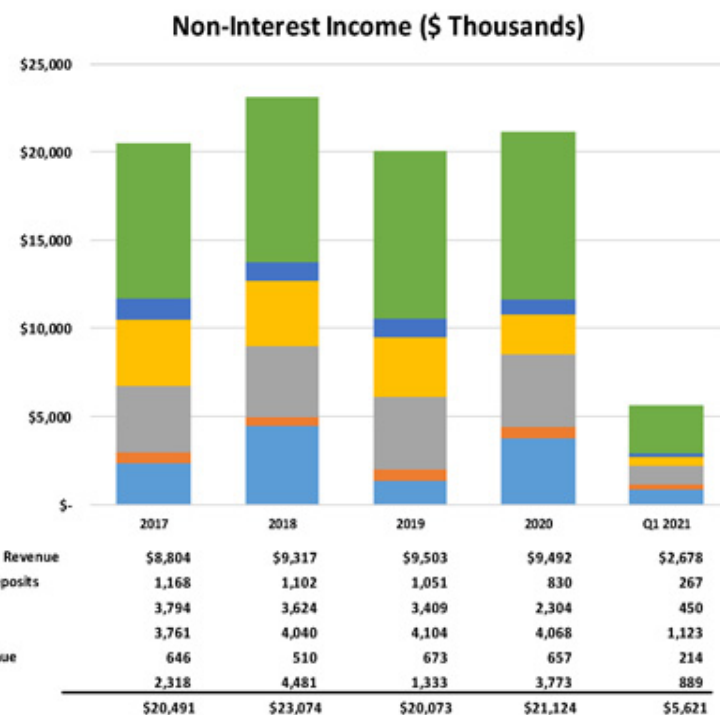
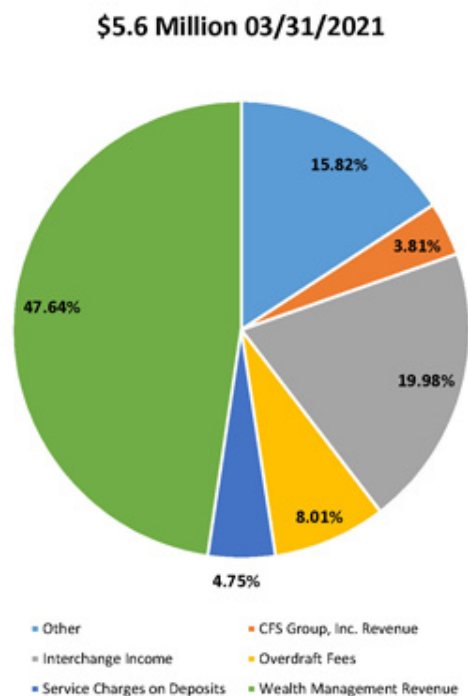
* March 31, 2021 figures unaudited

Wealth Management Group



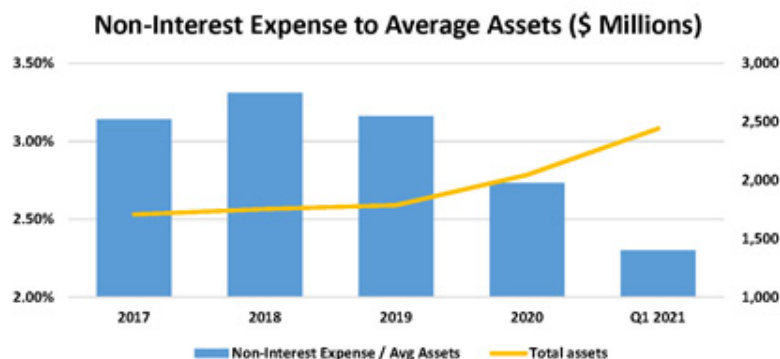
*March 31, 2021 figures unaudited

Non-Interest Income Components

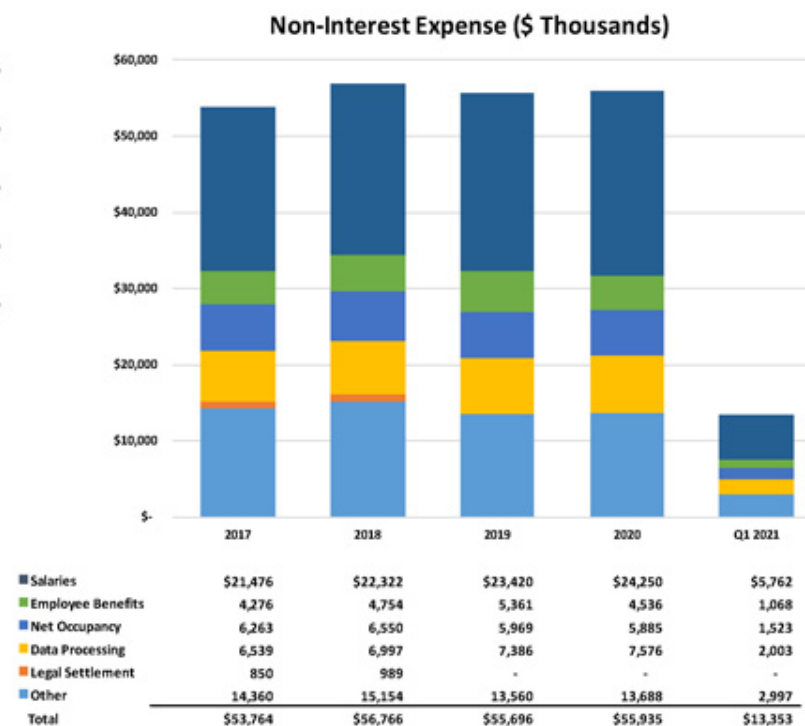
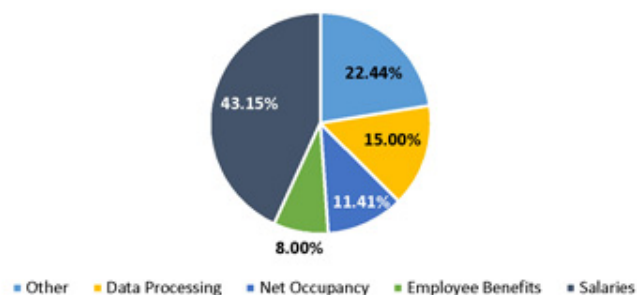


*March 31, 2021 figures unaudited

Non-Interest Expense Components



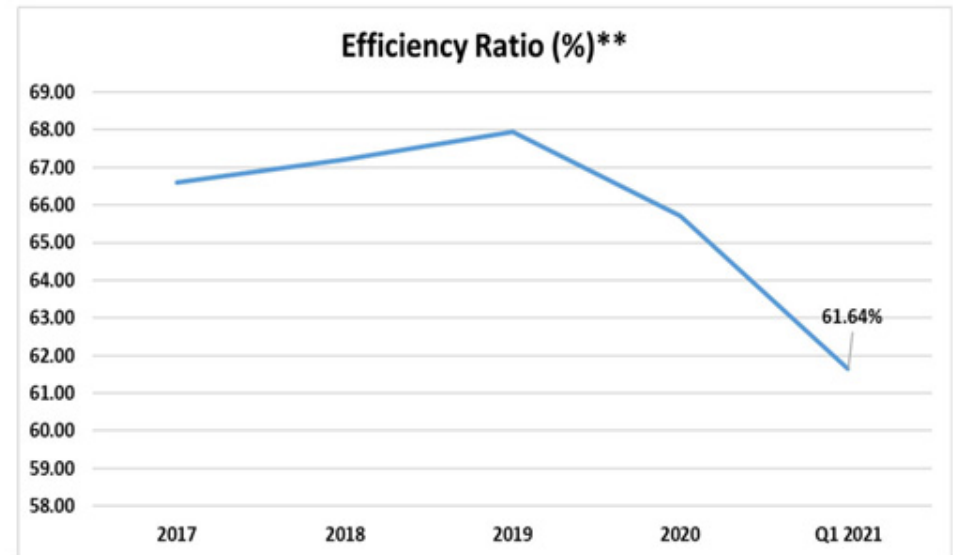
\$13.4 Million 03/31/2021



*March 31, 2021 figures unaudited

Expense Management and Control

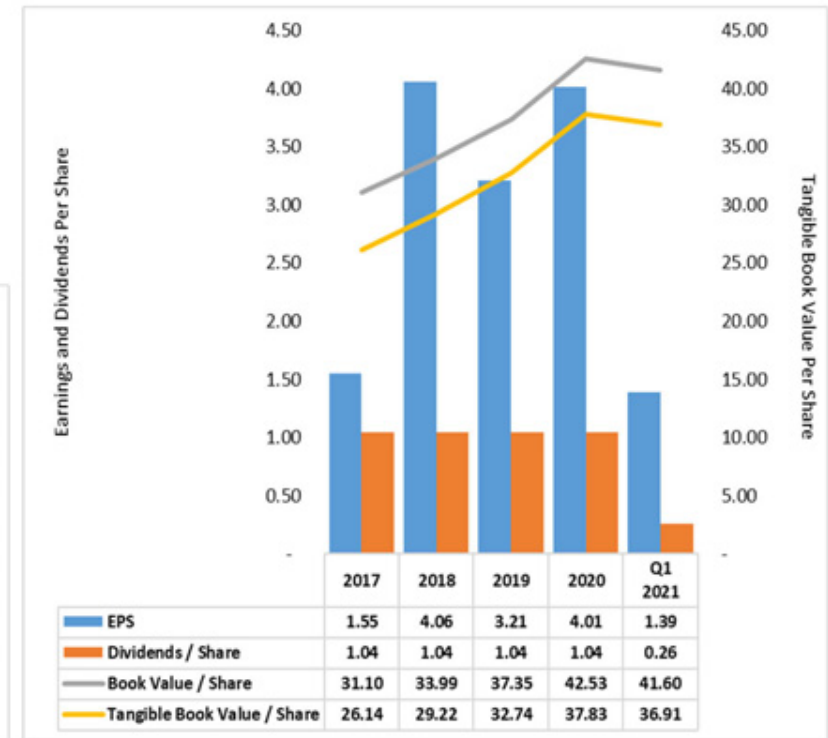
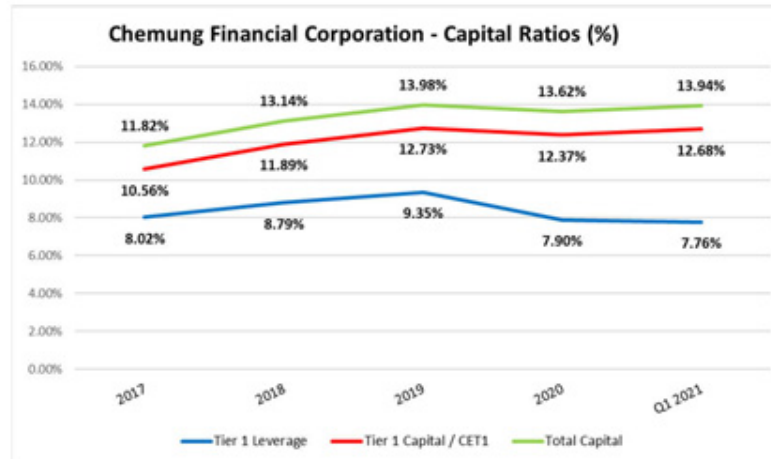
- Goal is both cost containment and cost savings
 - Increase efficiency in banking operations (e.g., hub and spoke)
 - Identify internal best practices
 - Develop clear action plans to implement best practices across the organization
- Cost savings recognized:
 - Reduction in headcount
 - Froze pension plan and post-retirement healthcare accruals as of 12/31/2016
 - Stabilization of effective tax rate
 - Consolidation of five branch locations within existing footprint with the most recent being two locations in 2020.



**Efficiency ratio (adjusted) is non-interest expense less amortization of intangible assets less legal reserve divided by the total of fully taxable equivalent net interest income plus non-interest income less net gains or losses on securities transactions

Capital Management

- Grow capital organically through earnings
- Continue to remain profitable and pay dividends
- Completed buyback of 250,000 shares, October 2020
- Announced another repurchase program of 250,000 shares in January 2021. As of April 21, 2021, 20,625 shares had been repurchased.
- Performed well under rigorous stress test at 03/31/2020



*March 31, 2021 figures unaudited

Enterprise Risk Management (ERM)

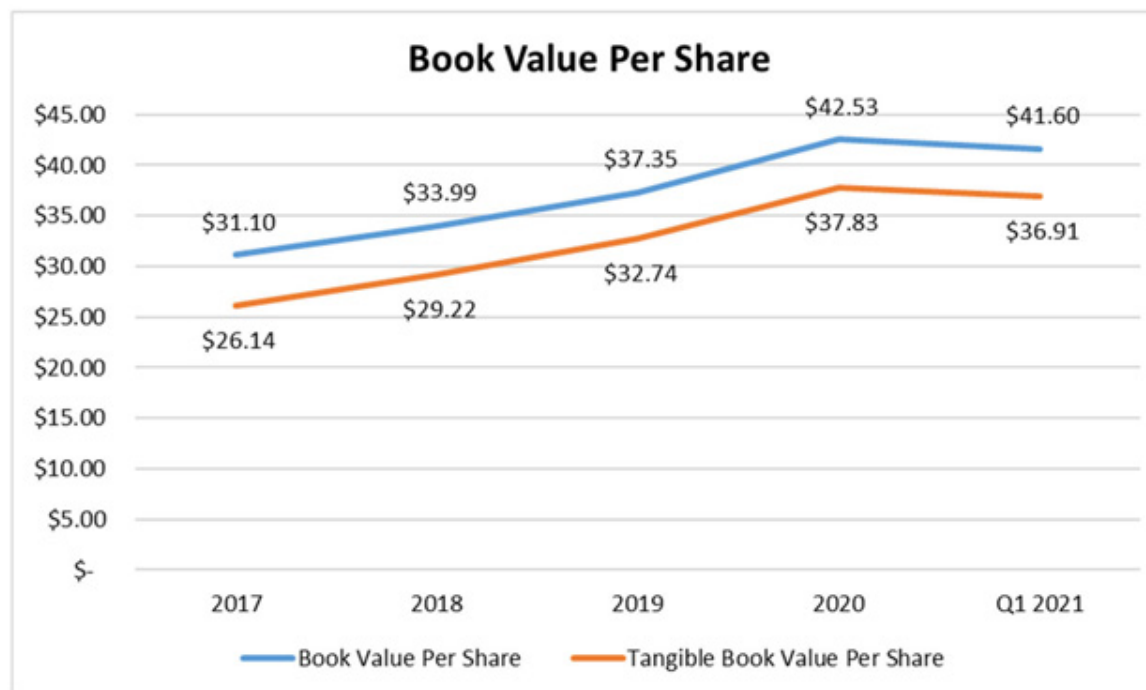
- ERM is a Board / Executive Management responsibility guided by our Risk Appetite Statement, supported by our Risk Management Policy, and managed through a Board approved Governance, Risk and Compliance framework
- Continuous monitoring of 13 major risk categories (i.e., credit; market and interest rate; earnings; earnings volatility; liquidity capital adequacy; operational; compliance fiduciary and legal; talent and compensation; sustainability; growth and scale; technology and cybersecurity; and environmental, social and governance) as well as emerging risks
- Quarterly ERM Dashboard with key performance indicators reported to Enterprise Risk Committee of the Board
- ERM is quantitative, incorporating hard indicators with defined risk tolerance triggers requiring immediate response. ERM is also qualitative reviewing strategy, policy and procedure, escalations and incident response.
- Risk Assessment is integral to corporate strategy alignment

Investment Considerations*

- Listed on Nasdaq Global Select Market
- \$2.44B in assets
- \$195.0 market capitalization
- Diversified Revenue Stream – 25% Non-Interest Income
- Low risk profile – Nonperforming Assets 0.39% of Total Assets
- Dividend yield – 2.48%
- Price to earnings –7.42x
- Price to tangible book – 1.13x

* As of March 31, 2021 (unaudited)

Book Value Per Share



* March 31, 2021 figures unaudited

Key Takeaways

- Strategic growth, through acquisitions and organic performance
 - Actively looking for acquisition opportunities
- Stable low cost of deposits
- Growth engine in Capital Region
- Strong lending pipeline in new Western New York market
- Engaged Corporate Board and Advisory Board
- Strong capital base
- Competitive dividend
- Opportunities to improve efficiencies within the organization to improve earnings
- Continue to take a proactive leadership role in the communities we serve



CHMG Stock at a Glance

| | |
|--------------------------------|-------------|
| Shares Outstanding* | 4.7 million |
| Market Capitalization* | \$195.0M |
| YTD Dividend Per Share^ | \$0.26 |
| Dividend Yield* | 2.48% |
| Average Daily Volume^ | 10,262 |
| Book Value Per Share* | \$41.60 |
| Tangible Book Value Per Share* | \$36.91 |
| Stock Price* | \$41.82 |
| Price to Earnings (TTM)* | 7.42x |
| Price to Tangible Book* | 1.13x |
| Return on Average Assets^ | 1.12% |
| Return on Average Equity^ | 13.24% |

* as of March 31, 2021 (unaudited) ^ YTD 2021 (unaudited)



Anders M. Tomson

President & CEO

518.433.5803

atomson@chemungcanal.com

Karl F. Krebs

EVP - Chief Financial Officer

607.737.3714

kkrebs@chemungcanal.com

Kathy McKilip - Investor Relations - 607.737.3746 - kmckilip@chemungcanal.com