Letter to our Shareholders:

To our Shareholders, Associates, Clients, and Community Partners:

Not all relationships are built on trust—but Valley's are.

It is of great importance then, to recognize that what we do at Valley Bank happens only because of the trust our clients, associates, clients and communities have in us to preserve, protect, and promote their livelihood through all of life's stages. You earn and sustain someone's trust through repeated demonstrations of attention and thoughtfulness; through showing up when it matters most and maintaining a level of resilience during times of change.

This mindset is the cornerstone of our identity as a Relationship Bank—an institution that bucks the traditional expectations of banking in favor of true partnership, putting our clients' needs first even amid a year marked by economic shifts, political division, and global conflicts. We are acutely aware of what our clients do, what their goals are, and how we can help them make a difference. That kind of client relationship doesn't exist by happenstance. It comes by providing an unmatched level of client service that's built on partnership, attention to detail, and great care for their wellbeing. To put it plainly, it comes from trust.

This is what has allowed us to service our clients and communities for nearly 100 years and withstand even the harshest of industry changes. It's also what will carry us forward on our path to become one of the premier regional banks in the country.

Strategic initiatives position us for better performance

In early 2024, we laid out specific balance sheet targets, which reflected increased loan diversity, an improved funding base, and stronger capital ratios. I am proud to report that as a result of organic discipline and the execution of certain balance sheet actions, we significantly exceeded our original balance sheet and capital goals at year-end. We believe that each balance sheet action was thoughtful, prudent, and shareholder friendly. These efforts enhanced our financial flexibility and enabled us to enter 2025 from a position of strength.

Despite the narrative of concern around the commercial real estate market, the large majority of our borrowers continue to perform well during 2024. The strength of our underwriting was also highlighted by our ability to sell $920 million of commercial real estate loans in December 2024 at a modest one percent discount. This transaction helped to diversify our loan portfolio and provided incremental capacity to reinvest in our relationship-focused clients.

We also raised $150 million through our preferred stock offering and $450 million through our common stock offering during the year. The issuances generated nearly 125 basis points of incremental Tier 1 capital invested in the Bank. These significant capital resources position us well to work in support of our growth initiatives in 2025 and beyond.



IRA ROBBINS
Chairman and CEO

During the year, our allowance for credit losses to loans ratio increased to 1.17 percent at December 31, 2024 from 0.93 percent at December 31, 2023. We are optimistic that both net charge-offs and our loan loss provision may decline meaningfully in 2025 as the migration of criticized assets has slowed significantly.

We continued to successfully gather deposits and improve our funding base through organic growth and strategic initiatives. At the end of 2024, we reported total deposits of $50.1 billion, a 2 percent increase from $49.2 billion at year end 2023. This growth is net of a $500 million reduction in indirect deposits. Through our successful deposit gathering efforts and diligent liquidity management, we reported a loan to deposit ratio of 97.5 percent at December 31, 2024, versus 102 percent a year ago.

Despite interest rate volatility throughout the year, 2024 was generally stable from a revenue perspective. Net interest income and non-interest income were $1.6 billion and $225 million, respectively. While net interest margin compressed modestly in 2024 as a result of the prolonged inverted yield curve, we did see a steady quarter over quarter increase in net interest income and margin starting in the second quarter 2024. We expect this positive momentum continued in 2025.

Through efficient expense management and a reduction in non-core charges, we were able to reduce our non-interest expense by 5 percent year over year. As a result, pre-tax pre-provision revenue for 2024 increased nearly 3 percent as compared to 2023.

Stepping back, we are proud of our ability to navigate continued volatility in the economic, interest rate, and operating landscape. Tangible book value per share increased nearly 4 percent year over year and continued an extended period of consistent growth. Since 2017, and inclusive of the dividends we have paid to shareholders, our tangible book value has increased 100 percent. During the same period, we more than doubled our commercial customer base, a clear indication that our target clients recognize the value of the products and services that we provide. We have also significantly diversified our loan portfolios and funding base by both geography and business line. These positive developments speak to the franchise value that we have created despite the continuous disruption within the banking environment.

In 2025, we expect to continue the strategic journey that began seven years ago. We plan to further leverage the investments that we have made in talent and technology to drive diverse and profitable growth. Our efforts in 2024 meaningfully strengthened the balance sheet, and we believe we are well-positioned to support our clients and communities as they work to achieve their financial goals. I am incredibly proud of the resilience that our organization has exhibited and am eager to further prove our success as the operating environment continues to evolve.

Our people are our best asset

Valley associates are built different, and the evidence is in our client portfolio.

Having client relationships that last decades might not be the norm elsewhere – but it is at Valley. And that's because our associates bring a level of care, attention, and personalization to their work that is unmatched. They take the time to understand what their clients strive for, what they're challenged by, and where Valley can make a difference. They go above and beyond the traditional route of client service and because of that they truly embody what it means to be a relationship banker.

We strive to apply that same level of care to our associates by providing a culture rooted in collaboration, empowerment, inclusion, accountability, and performance. These pillars drive what we do at Valley, fostering a work environment where every associate is given the opportunity to share their perspectives and grow as people and professionals.

Just as our associates power our clients' success, we power theirs – offering an array of developmental programs and resources to help grow their careers, support their holistic wellbeing, and encourage personal pursuit of charitable efforts that give back to our communities.

This culture of inclusivity and belonging directly correlates to our strength as an organization. When we widen our lens, the opportunities are boundless: new ideas, new insights, new innovations all come to the table – and improve our ability to support one another and serve our clients.

The strength of our communities is the measure of our success

We bring that same level of care and commitment to our communities. Why? Because we aren't just their bank—we're their neighbors. Our associates live and work in the areas we serve, and we've taken great care to foster genuine connections with the people and organizations that make up the Valley footprint.

Moreover, we consider it our responsibility to invest in the communities we serve by supporting partners who promote sustainable, equitable, and meaningful change.

Just as our identity as relationship bankers guides our client relationships, it underscores our work with our community partners, as well. Under the direction of our Corporate Social Responsibility-Community Reinvestment Act (CSR-CRA) team, we have had the privilege of partnering with a series of community and nonprofit organizations the missions of which align with the core pillars of our Corporate Social

Responsibility platform: economic inclusion, workforce and community development, environmental stewardship, and a commitment to supporting local, small businesses.

Increasing access to financial literacy among marginalized and underserved populations was a primary focus over the past year. Together with community partners across the Valley footprint, our associates volunteered their time and expertise to provide financial education – including an introduction to basic banking products and money management practices – to individuals and communities in need. This work is particularly significant because a strong foundation of financial literacy can yield a healthy and full livelihood.

These partnerships demonstrate just how deep our relationship with these organizations goes. Our community partners welcome us into the fold because they know we understand their mission – and more importantly – we believe in it. We're grateful to support them in this critical work and to play our part in building communities where everyone has the opportunity to thrive.

Embracing a growth mindset

One thing we know about change is that it is inevitable.

We also know that Valley is uniquely poised to embrace change. A few years ago, we were a transactionally focused, regional organization with $20 billion in assets. Today, we stand taller, backed by a growth mindset, a culture rooted in relationships – with talented people, prosperous clients, and thriving communities – all enabling us to grow to more than $60 billion in assets.

We've expanded our footprint, giving us a coast-to-coast presence; grown our business lines; our tangible book value; inclusive of dividends; has now doubled in the last seven years; and our greater growth continues to outpace peers. Where we are now is a drastically different place than where we were when I took over as CEO – and this evolution is all for the better.

We didn't get here by being stagnant, or by being a bystander, letting the pressures of inflation, recessionary fears, and political division wash over us. Rather, we got here because we were smart, strategic, and swift. We honed in on our identity as relationship bankers and used that to make us stronger.

As we plan for the future, we remain focused on customer acquisition in both the commercial and consumer areas and are committed to optimizing our customer network and balance sheet to become a better bank for our associates, communities, clients, and stakeholders.

This growth mindset will carry us forward, as we continue to implement new technologies, diversify our client base, leverage our talents, and foster a culture of excellence that will take Valley to newer, greater heights.

On behalf of our Board of Directors, our executive leadership team, and all our associates, thank you for your continued trust and confidence in us.



Ira Robbins
Chairman of the Board and Chief Executive Officer
Valley National Bank

Cautionary Statement Concerning Forward-Looking Statements. This letter contains statements that may be forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. Such statements are not historical facts and include expressions about management's confidence and strategies and management's expectations about our business. These statements may be identified by such forward-looking terminology as "intend," "should," "expect," "will," "believe," "view," "opportunity," "allow," "continues," "reflects," "typically," "usually," "anticipate," "may," "estimate," "outlook," "project" or similar statements or variations of such terms. The Company cautions that these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements, including but not limited to those risks and uncertainties identified under Item 1A. Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations, except as required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.