

FINANCIAL REPORT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

THE BANK OF N.T. BUTTERFIELD & SON LIMITED



INDEX TO FINANCIAL STATEMENTS

Unaudited Consolidated Financial Statements	Page
Consolidated Balance Sheets (unaudited) as of September 30, 2026 and December 31, 2025	2
Consolidated Statements of Operations (unaudited) for the Three and Nine Months Ended September 30, 2026 and 2025	3
Consolidated Statements of Comprehensive Income (unaudited) for the Three and Nine Months Ended September 30, 2026 and 2025	4
Consolidated Statements of Changes in Shareholders' Equity (unaudited) for the Three and Nine Months Ended September 30, 2026 and 2025	5
Consolidated Statements of Cash Flows (unaudited) for the Nine Months Ended September 30, 2026 and 2025	6
Notes to the Consolidated Financial Statements (unaudited)	7

The Bank of N.T. Butterfield & Son Limited
Consolidated Balance Sheets (unaudited)
(In thousands of US dollars, except share and per share data)

	As at	
	September 30, 2026	December 31, 2025
Assets		
Cash and demand deposits with banks - Non-interest bearing	121,607	105,440
Demand deposits with banks - Interest bearing	184,915	171,201
Cash equivalents - Interest bearing	959,644	1,432,295
Cash and cash equivalents	1,266,166	1,708,936
Securities purchased under agreements to resell	1,595,890	1,096,238
Short-term investments	912,938	756,543
Investment in securities		
Available-for-sale at fair value (amortized cost: \$2,960,443 (2025: \$2,785,608))	2,773,102	2,696,253
Held-to-maturity (fair value: \$2,218,734 (2025: \$2,566,470))	2,810,368	2,992,052
Total investment in securities	5,583,470	5,688,305
Loans		
Loans	4,402,542	4,407,787
Allowance for credit losses	(26,989)	(25,376)
Loans, net of allowance for credit losses	4,375,553	4,382,411
Premises, equipment and computer software, net	160,646	158,504
Goodwill	27,301	25,385
Other intangible assets, net	88,905	61,412
Equity method investments	6,659	6,755
Accrued interest and other assets	252,246	210,405
Total assets	14,269,774	14,094,894
Liabilities		
Deposits		
Non-interest bearing	2,374,804	2,701,145
Interest bearing	10,523,154	9,996,923
Total deposits	12,897,958	12,698,068
Employee benefit plans	84,241	84,466
Accrued interest and other liabilities	169,789	170,509
Total other liabilities	254,030	254,975
Total liabilities	13,151,988	12,953,043
Commitments, contingencies and guarantees (Note 10)		
Shareholders' equity		
Common share capital (BMD 0.01 par; authorized voting ordinary shares 2,000,000,000 and non-voting ordinary shares 6,000,000,000) issued and outstanding: 39,554,431 (2025: 39,948,264)	396	399
Additional paid-in capital	844,947	851,223
Retained earnings	570,656	494,384
Accumulated other comprehensive income (loss)	(298,213)	(204,155)
Total shareholders' equity	1,117,786	1,141,851
Total liabilities and shareholders' equity	14,269,774	14,094,894

The accompanying notes are an integral part of these consolidated financial statements.

The Bank of N.T. Butterfield & Son Limited
Consolidated Statements of Operations (unaudited)
(In thousands of US dollars, except per share data)

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Non-interest income				
Asset management	10,287	9,914	31,068	28,842
Banking	16,690	17,830	48,851	47,631
Foreign exchange revenue	13,860	13,224	41,734	38,857
Trust	19,462	16,236	55,300	48,235
Custody and other administration services	3,748	3,141	11,198	9,802
Other non-interest income	703	836	2,597	3,263
Total non-interest income	64,750	61,181	190,748	176,630
Interest income				
Interest and fees on loans	65,000	70,267	193,348	210,748
Investments (none of the investment securities are intrinsically tax-exempt)				
Available-for-sale	25,451	19,839	71,078	55,928
Held-to-maturity	15,935	17,387	49,155	53,600
Cash and cash equivalents, securities purchased under agreements to resell and short-term investments	32,640	31,911	94,699	100,052
Total interest income	139,026	139,404	408,280	420,328
Interest expense				
Deposits	41,828	46,681	121,882	144,987
Long-term debt	—	—	—	3,681
Securities sold under agreements to repurchase	31	2	339	207
Total interest expense	41,859	46,683	122,221	148,875
Net interest income before provision for credit losses	97,167	92,721	286,059	271,453
Provision for credit (losses) recoveries	(241)	(564)	(3,308)	(394)
Net interest income after provision for credit losses	96,926	92,157	282,751	271,059
Net other gains (losses)	318	(61)	1,312	33
Total other gains (losses)	318	(61)	1,312	33
Total net revenue	161,994	153,277	474,811	447,722
Non-interest expense				
Salaries and other employee benefits	48,729	46,604	140,975	137,573
Technology and communications	17,000	16,043	48,639	48,346
Professional and outside services	8,325	4,951	35,618	15,547
Property	8,100	8,199	23,781	25,706
Indirect taxes	5,617	5,512	17,977	17,855
Non-service employee benefits expense	1,049	1,292	3,148	3,920
Marketing	1,805	1,388	5,544	4,858
Amortization of intangible assets	2,562	1,970	6,911	5,844
Other expenses	6,160	4,809	17,105	16,088
Total non-interest expense	99,347	90,768	299,698	275,737
Net income before income taxes	62,647	62,509	175,113	171,985
Income tax benefit (expense)	(1,661)	(1,447)	(4,592)	(3,834)
Net income	60,986	61,062	170,521	168,151
Earnings per common share				
Basic earnings per share	1.55	1.50	4.31	4.04
Diluted earnings per share	1.50	1.46	4.20	3.93

The accompanying notes are an integral part of these consolidated financial statements.

The Bank of N.T. Butterfield & Son Limited
Consolidated Statements of Comprehensive Income (unaudited)
(In thousands of US dollars)

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net income	60,986	61,062	170,521	168,151
Other comprehensive income (loss), net of taxes				
Unrealized net gains (losses) on translation of net investment in foreign operations	(56)	(422)	(3,424)	5,838
Net changes on investments transferred to held-to-maturity	2,030	2,137	5,734	5,896
Unrealized net gains (losses) on available-for-sale investments	(80,635)	18,485	(98,003)	61,847
Employee benefit plans adjustments	495	736	1,635	1,240
Other comprehensive income (loss), net of taxes	(78,166)	20,936	(94,058)	74,821
Total comprehensive income (loss)	(17,180)	81,998	76,463	242,972

The accompanying notes are an integral part of these consolidated financial statements.

The Bank of N.T. Butterfield & Son Limited
Consolidated Statements of Changes in Shareholders' Equity (unaudited)

	Three months ended				Nine months ended			
	September 30, 2026		September 30, 2025		September 30, 2026		September 30, 2025	
	Number of shares	In thousands of US dollars	Number of shares	In thousands of US dollars	Number of shares	In thousands of US dollars	Number of shares	In thousands of US dollars
Common share capital issued and outstanding								
Balance at beginning of period	39,326,687	393	41,724,081	417	39,948,264	399	43,537,979	435
Retirement of shares	—	—	(669,951)	(7)	(1,116,631)	(11)	(2,880,140)	(29)
Issuance of common shares	227,744	3	147,043	2	722,798	8	543,334	6
Balance at end of period	39,554,431	396	41,201,173	412	39,554,431	396	41,201,173	412
Additional paid-in capital								
Balance at beginning of period		838,886		881,196		851,223		916,394
Share-based compensation		5,598		5,573		16,986		16,355
Share-based settlements		464		48		500		526
Retirement of shares		—		(14,149)		(23,755)		(60,603)
Issuance of common shares, net of underwriting discounts and commissions		(1)		(1)		(7)		(5)
Balance at end of period		844,947		872,667		844,947		872,667
Retained earnings								
Balance at beginning of period		529,443		454,524		494,384		422,461
Net Income for the period		60,986		61,062		170,521		168,151
Common share cash dividends declared and paid, \$0.50 and 1.50 per share (2025: \$0.50 and \$1.38 per share)		(19,773)		(20,453)		(59,465)		(57,577)
Retirement of shares		—		(14,547)		(34,784)		(52,449)
Balance at end of period		570,656		480,586		570,656		480,586
Treasury common shares								
Balance at beginning of period	—	—	619,212	(25,468)	—	—	619,212	(23,063)
Purchase of treasury common shares	—	—	669,951	(30,350)	1,116,631	(58,550)	2,880,140	(117,133)
Retirement of shares	—	—	(669,951)	28,703	(1,116,631)	58,550	(2,880,140)	113,081
Balance at end of period	—	—	619,212	(27,115)	—	—	619,212	(27,115)
Accumulated other comprehensive income (loss)								
Balance at beginning of period		(220,047)		(241,530)		(204,155)		(295,415)
Other comprehensive income (loss), net of taxes		(78,166)		20,936		(94,058)		74,821
Balance at end of period		(298,213)		(220,594)		(298,213)		(220,594)
Total shareholders' equity		1,117,786		1,105,956		1,117,786		1,105,956

The accompanying notes are an integral part of these consolidated financial statements.

The Bank of N.T. Butterfield & Son Limited
Consolidated Statements of Cash Flows (unaudited)
(In thousands of US dollars)

	Nine months ended	
	September 30, 2026	September 30, 2025
Cash flows from operating activities		
Net income	170,521	168,151
Adjustments to reconcile net income to operating cash flows		
Depreciation, accretion and amortization	28,743	29,432
Provision for credit losses (recoveries)	3,308	394
Share-based payments and settlements	17,486	16,882
(Increase) decrease in carrying value of equity method investments	41	(190)
Dividends received from equity method investments	55	60
Changes in operating assets and liabilities		
(Increase) decrease in accrued interest receivable and other assets	(31,863)	28,782
Increase (decrease) in employee benefit plans, accrued interest payable and other liabilities	(5,335)	(28,019)
Cash provided by (used in) operating activities	182,956	215,492
Cash flows from investing activities		
(Increase) decrease in securities purchased under agreements to resell having original maturities of 3 months or less	(1,098,082)	436,761
Securities purchased under agreements to resell having original maturities of more than 3 months: purchases	(1,294,175)	(1,273,639)
Securities purchased under agreements to resell having original maturities of more than 3 months: proceeds from maturities	1,864,744	939,709
Short-term investments other than restricted cash: proceeds from maturities and sales	898,580	1,109,455
Short-term investments other than restricted cash: purchases	(1,099,537)	(1,338,460)
Available-for-sale investments: proceeds from maturities and pay downs	614,374	240,093
Available-for-sale investments: purchases	(790,408)	(527,821)
Held-to-maturity investments: proceeds from maturities and pay downs	182,317	187,215
Net (increase) decrease in loans	(25,909)	138,785
Additions to premises, equipment and computer software	(18,255)	(19,516)
Cash disbursed for business acquisition, net of cash acquired	(41,140)	—
Cash provided by (used in) investing activities	(807,491)	(107,418)
Cash flows from financing activities		
Net increase (decrease) in deposits	281,699	(297,278)
Net increase (decrease) in securities sold under agreements to repurchase having original maturities of 3 months or less	(1,938)	(90,032)
Repayment of long-term debt	—	(100,000)
Common shares repurchased	(58,550)	(117,132)
Cash dividends paid on common shares	(59,465)	(57,577)
Cash provided by (used in) financing activities	161,746	(662,019)
Net effect of exchange rates on cash, cash equivalents and restricted cash	450	53,025
Net increase (decrease) in cash, cash equivalents and restricted cash	(462,339)	(500,920)
Cash, cash equivalents and restricted cash: beginning of period	1,776,683	2,088,542
Cash, cash equivalents and restricted cash: end of period	1,314,344	1,587,622
Components of cash, cash equivalents and restricted cash at end of period		
Cash and cash equivalents	1,266,166	1,501,368
Restricted cash included in short-term investments on the consolidated balance sheets	48,178	86,254
Total cash, cash equivalents and restricted cash at end of period	1,314,344	1,587,622
Supplemental disclosure of non-cash items		
Initial recognition of right-of-use assets and operating lease liabilities	1,587	4,580

The accompanying notes are an integral part of these consolidated financial statements.

Note 1: Nature of business

The Bank of N.T. Butterfield & Son Limited ("Butterfield", the "Bank" or the "Company") is incorporated under the laws of Bermuda and has a banking license under the Banks and Deposit Companies Act, 1999 ("the Act"). Butterfield is regulated by the Bermuda Monetary Authority ("BMA"), which operates in accordance with Basel principles.

Butterfield is a full service bank and wealth manager headquartered in Hamilton, Bermuda. The Bank operates its business through three geographic segments: Bermuda, Cayman, and the Channel Islands and the UK, where its principal banking operations are located and where it offers specialized financial services. Butterfield offers banking services, comprised of retail and corporate banking, and wealth management, which consists of trust, private banking, and asset management. In the Bermuda, Cayman, and Channel Islands and the UK segments, Butterfield offers both banking and wealth management services. Butterfield also has operations in the jurisdictions of The Bahamas, Canada, Mauritius, Singapore and Switzerland, which are included in our Other segment.

The Bank's common shares trade on the New York Stock Exchange ("NYSE") under the symbol "NTB" and on the Bermuda Stock Exchange ("BSX") under the symbol "NTB.BH".

Note 2: Significant accounting policies

The accompanying unaudited interim consolidated financial statements of the Bank have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and should be read in conjunction with the Bank's audited financial statements for the year ended December 31, 2025.

In the opinion of Management, these unaudited interim consolidated financial statements reflect all adjustments (consisting primarily of normal recurring accruals) considered necessary for a fair statement of the Bank's financial position and results of operations as at the end of and for the periods presented. The Bank's results for interim periods are not necessarily indicative of results for the full year. Certain prior year figures have been reclassified to agree to current period presentation.

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the unaudited consolidated financial statements and the reported amounts of revenues and expenses during the reporting period, and actual results could differ from those estimates. Management believes that the most critical accounting estimates upon which the financial condition depends, and which involve the most complex or subjective decisions or assessments, are as follows:

- Allowance for credit losses
- Fair value of financial instruments
- Impairment of goodwill and intangibles
- Employee benefit plans

Acquired Loans

Effective January 1, 2026, the Bank elected to early adopt ASU No. 2025-08. This standard introduces a single accounting framework for certain acquired loans, requiring entities to recognize an allowance for credit losses at acquisition which is added to the purchase price (the gross-up approach). In accordance with the transition provisions, the Bank will apply the amendments prospectively to all qualifying purchased seasoned loans acquired on or after the adoption date. The adoption of this guidance simplifies acquisition accounting by removing the 'Day 1 double count' of credit losses for these portfolios.

New Accounting Pronouncements

There were no accounting developments issued during the nine months ended September 30, 2026 or accounting standards pending adoption which impacted the Bank.

Note 3: Cash and cash equivalents

	September 30, 2026	December 31, 2025
Non-interest bearing		
Cash and demand deposits with banks	121,607	105,440
Interest bearing		
Demand deposits with banks	184,915	171,201
Cash equivalents	959,644	1,432,295
Sub-total - Interest bearing	1,144,559	1,603,496
Total cash and cash equivalents	1,266,166	1,708,936

Note 4: Short-term investments

	September 30, 2026	December 31, 2025
Unrestricted		
Maturing within three months	223,662	321,566
Maturing between three to six months	292,494	223,239
Maturing between six to twelve months	348,604	143,991
Total unrestricted short-term investments	864,760	688,796
Affected by drawing restrictions related to minimum reserve and derivative margin requirements		
Interest earning demand and term deposits	48,178	67,747
Total restricted short-term investments	48,178	67,747
Total short-term investments	912,938	756,543

Note 5: Investment in securities

Amortized Cost, Carrying Amount and Fair Value

On the consolidated balance sheets, available-for-sale ("AFS") investments are carried at fair value and held-to-maturity ("HTM") investments are carried at amortized cost.

	September 30, 2026				December 31, 2025			
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
Available-for-sale								
US government and federal agencies	2,947,252	80	(185,922)	2,761,410	2,770,749	12,549	(100,827)	2,682,471
Residential mortgage-backed securities	13,191	—	(1,499)	11,692	14,859	—	(1,077)	13,782
Total available-for-sale	2,960,443	80	(187,421)	2,773,102	2,785,608	12,549	(101,904)	2,696,253
Held-to-maturity¹								
US government and federal agencies	2,810,368	—	(591,634)	2,218,734	2,992,052	857	(426,439)	2,566,470
Total held-to-maturity	2,810,368	—	(591,634)	2,218,734	2,992,052	857	(426,439)	2,566,470

¹For the nine months ended September 30, 2026 and September 30, 2025, impairments recognized in other comprehensive income for HTM investments were Nil.

Investments with Unrealized Loss Positions

The Bank does not believe that the AFS debt securities that were in an unrealized loss position as of September 30, 2026, comprising 225 securities representing 97.7% of the AFS portfolios' carrying value (December 31, 2025: 156 and 52.1%), represent credit losses. Total gross unrealized AFS losses were 6.9% of the fair value of the affected securities (December 31, 2025: 7.3%).

The Bank's HTM debt securities are comprised of US government and federal agencies securities and have a zero credit loss assumption under the Current Expected Credit Loss ("CECL") model. HTM debt securities that were in an unrealized loss position as of September 30, 2026, were comprised of 219 securities representing 100.0% of the HTM portfolios' carrying value (December 31, 2025: 218 and 98.8%). Total gross unrealized HTM losses were 26.7% of the fair value of affected securities (December 31, 2025: 16.9%).

Management does not intend to sell and it is likely that management will not be required to sell the securities prior to the anticipated recovery of the cost of these securities. Unrealized losses were attributable primarily to changes in market interest rates, relative to when the investment securities were purchased, and not due to a decrease in the credit quality of the investment securities. The issuers continue to make timely principal and interest payments on the securities. The following describes the processes for identifying credit impairment in security types with the most significant unrealized losses as shown in the preceding tables.

Management believes that all the **US government and federal agencies securities** do not have any credit losses, given the explicit and implicit guarantees provided by the US federal government.

Investments in **Residential mortgage-backed securities** relate to 13 US prime securities (December 31, 2025: 13) which are rated AAA and may possess structural features of securitization, such as subordination, excess spread, over collateralization or other forms of credit enhancement. No credit losses were recognized on these securities as the weighted average credit support and the weighted average loan-to-value ratios range from 15.6% - 50.1% and 40.7% - 51.1%, respectively. Current credit support is significantly greater than any delinquencies experienced on the underlying mortgages.

In the following tables, debt securities with unrealized losses that are not deemed to be credit impaired and for which an allowance for credit losses has not been recorded are categorized as being in a loss position for "less than 12 months" or "12 months or more" based on the point in time that the fair value most recently declined below the amortized cost basis.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

	Less than 12 months		12 months or more			
	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Total fair value	Total gross unrealized losses
September 30, 2026						
Available-for-sale securities with unrealized losses						
US government and federal agencies	1,889,930	(58,639)	806,459	(127,283)	2,696,389	(185,922)
Residential mortgage-backed securities	—	—	11,693	(1,499)	11,693	(1,499)
Total available-for-sale securities with unrealized losses	1,889,930	(58,639)	818,152	(128,782)	2,708,082	(187,421)
Held-to-maturity securities with unrealized losses						
US government and federal agencies	31,987	(1,647)	2,186,747	(589,987)	2,218,734	(591,634)

	Less than 12 months		12 months or more			
December 31, 2025	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Total fair value	Total gross unrealized losses
Available-for-sale securities with unrealized losses						
US government and federal agencies	94,588	(120)	1,296,411	(100,707)	1,390,999	(100,827)
Residential mortgage-backed securities	—	—	13,782	(1,077)	13,782	(1,077)
Total available-for-sale securities with unrealized losses	94,588	(120)	1,310,193	(101,784)	1,404,781	(101,904)
Held-to-maturity securities with unrealized losses						
US government and federal agencies	—	—	2,530,638	(426,439)	2,530,638	(426,439)

Investment Maturities

The following table presents the remaining term to contractual maturity of the Bank's securities. The actual maturities may differ as certain securities offer prepayment options to the borrowers.

	Remaining term to maturity					
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years	No specific or single maturity	Carrying amount
September 30, 2026						
Available-for-sale						
US government and federal agencies	353,458	1,065,259	—	—	1,342,693	2,761,410
Residential mortgage-backed securities	—	—	—	—	11,692	11,692
Total available-for-sale	353,458	1,065,259	—	—	1,354,385	2,773,102
Held-to-maturity						
US government and federal agencies	—	—	—	—	2,810,368	2,810,368

Pledged Investments

The Bank pledges certain US government and federal agencies investment securities to further secure the Bank's issued customer deposit products. The secured party does not have the right to sell or repledge the collateral.

	September 30, 2026		December 31, 2025	
	Amortized cost	Fair value	Amortized cost	Fair value
Pledged investments - secured customer deposit product				
Available-for-sale	16,416	14,888	19,184	18,331
Held-to-maturity	107,027	89,616	96,811	87,154

The Bank also pledges certain non-US governments debt investment securities to secure the Bank's repurchase agreements. Where the secured party has the right to sell or repledge the collateral, the Bank discloses such pledged financial assets separately in the accompanying consolidated balance sheets.

Taxability of Interest Income

None of the investments' interest income have received a specific preferential income tax treatment in any of the jurisdictions in which the Bank owns investments.

Note 6: Loans

The principal means of securing residential mortgages, personal, credit card and business loans are entitlements over assets and guarantees. Mortgage loans are generally repayable over periods of up to thirty years and personal and business loans are generally repayable over terms not exceeding five years. Government loans are repayable over a variety of terms which are individually negotiated. Amounts owing on credit cards are revolving and typically a minimum amount is due within 30 days from billing. The credit card portfolio is managed as a single portfolio and includes consumer and business cards. The effective yield on total loans as at September 30, 2026 is 5.73% (December 31, 2025: 5.81%). The interest receivable on total loans as at September 30, 2026 is \$10.6 million (December 31, 2025: \$11.1 million). The interest receivable is included in Accrued interest and other assets on the consolidated balance sheets and is excluded from all loan amounts disclosed in this note.

Loans' Credit Quality

The four credit quality classifications set out in the following tables are defined below and describe the credit quality of the Bank's lending portfolio. These classifications each encompass a range of more granular internal credit rating grades. Loans' internal credit ratings are assigned by the Bank's customer relationship managers as well as members of the Bank's jurisdictional and Group Credit Committees. The borrowers' financial condition is documented at loan origination and maintained periodically thereafter at a frequency which can be up to monthly for certain loans. The loans' performing status, as well as current economic trends, are continuously monitored. The Bank's jurisdictional and Group Credit Committees meet on a monthly basis. The Group Credit Committee is also responsible for approving the allowance for expected credit losses and other impairment charges.

A **pass** loan shall mean a loan that is expected to be repaid as agreed. A loan is classified as pass where the Bank is not expected to face repayment difficulties because the present and projected cash flows are sufficient to repay the debt and the repayment schedule as established by the agreement is being followed. Loans in this category are reviewed by the Bank's management on at least an annual basis.

A **special mention** loan shall mean a loan under close monitoring by the Bank's management on at least a quarterly basis. Loans in this category are currently still performing, but are potentially weak and present an undue credit risk exposure, but not to the point of justifying a classification of substandard.

A **substandard** loan shall mean a loan whose evident unreliability makes repayment doubtful and there is a threat of loss to the Bank unless the unreliability is averted. Loans in this category are under close monitoring by the Bank's management on at least a quarterly basis.

A **non-accrual** loan shall mean either management is of the opinion full payment of principal or interest is in doubt or that the principal or interest is 90 days past due unless it is a residential mortgage loan which is well secured and collection efforts are reasonably expected to result in amounts due. Loans in this category are under close monitoring by the Bank's management on at least a quarterly basis.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

The amortized cost of loans by credit quality classification and allowance for expected credit losses by class of loans is as follows:

September 30, 2026	Pass	Special mention	Substandard	Non-accrual	Total amortized cost	Allowance for expected credit losses	Total net loans
Commercial loans							
Government	276,492	—	—	—	276,492	(102)	276,390
Commercial and industrial	166,562	—	622	16,955	184,139	(17,376)	166,763
Commercial overdrafts	66,866	—	166	169	67,201	(37)	67,164
Total commercial loans	509,920	—	788	17,124	527,832	(17,515)	510,317
Commercial real estate loans							
Commercial mortgage	430,660	1,947	1,858	2,750	437,215	(985)	436,230
Construction	70,920	—	—	—	70,920	—	70,920
Total commercial real estate loans	501,580	1,947	1,858	2,750	508,135	(985)	507,150
Consumer loans							
Automobile financing	19,872	—	—	219	20,091	(34)	20,057
Credit card	101,258	—	738	—	101,996	(2,211)	99,785
Overdrafts	27,109	—	—	48	27,157	(227)	26,930
Other consumer ¹	48,358	—	794	829	49,981	(886)	49,095
Total consumer loans	196,597	—	1,532	1,096	199,225	(3,358)	195,867
Residential mortgage loans	2,932,925	7,854	127,931	98,640	3,167,350	(5,131)	3,162,219
Total	4,141,022	9,801	132,109	119,610	4,402,542	(26,989)	4,375,553

¹ Other consumer loans' amortized cost includes \$6 million of cash and portfolio secured lending and \$36 million of lending secured by buildings in construction or other collateral.

December 31, 2025	Pass	Special mention	Substandard	Non-accrual	Total amortized cost	Allowance for expected credit losses	Total net loans
Commercial loans							
Government	276,815	—	—	—	276,815	(257)	276,558
Commercial and industrial	176,753	—	667	17,130	194,550	(12,030)	182,520
Commercial overdrafts	62,819	610	105	195	63,729	(70)	63,659
Total commercial loans	516,387	610	772	17,325	535,094	(12,357)	522,737
Commercial real estate loans							
Commercial mortgage	481,978	184	2,062	3,434	487,658	(1,098)	486,560
Construction	77,573	—	—	—	77,573	—	77,573
Total commercial real estate loans	559,551	184	2,062	3,434	565,231	(1,098)	564,133
Consumer loans							
Automobile financing	18,993	—	3	174	19,170	(27)	19,143
Credit card	98,398	—	680	—	99,078	(2,184)	96,894
Overdrafts	35,022	—	32	5	35,059	(350)	34,709
Other consumer ¹	40,605	—	812	829	42,246	(854)	41,392
Total consumer loans	193,018	—	1,527	1,008	195,553	(3,415)	192,138
Residential mortgage loans	2,916,341	3,769	122,239	69,560	3,111,909	(8,506)	3,103,403
Total	4,185,297	4,563	126,600	91,327	4,407,787	(25,376)	4,382,411

¹ Other consumer loans' amortized cost includes \$6 million of cash and portfolio secured lending and \$27 million of lending secured by buildings in construction or other collateral.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Based on the most recent analysis performed, the amortized cost of loans by year of origination and credit quality classification is as follows:

September 30, 2026	Pass	Special mention	Substandard	Non-accrual	Total amortized cost
Loans by origination year					
2026	563,314	—	1,462	—	564,776
2025	486,599	2,640	—	41	489,280
2024	376,380	—	2,515	22,949	401,844
2023	202,061	—	9,430	32	211,523
2022	652,945	1,276	4,314	29	658,564
Prior	1,662,877	5,885	113,484	96,342	1,878,588
Overdrafts and credit cards	196,846	—	904	217	197,967
Total amortized cost	4,141,022	9,801	132,109	119,610	4,402,542

December 31, 2025	Pass	Special mention	Substandard	Non-accrual	Total amortized cost
Loans by origination year					
2025	514,608	—	—	—	514,608
2024	470,244	—	247	181	470,672
2023	283,923	—	1,039	54	285,016
2022	722,368	805	6,250	25	729,448
2021	350,808	—	—	257	351,065
Prior	1,643,350	3,148	118,246	90,610	1,855,354
Overdrafts and credit cards	199,996	610	818	200	201,624
Total amortized cost	4,185,297	4,563	126,600	91,327	4,407,787

Age Analysis of Past Due Loans (Including Non-Accrual Loans)

The following tables summarize the past due status of the loans. The aging of past due amounts are determined based on the contractual delinquency status of payments under the loan and this aging may be affected by the timing of the last business day at period end. Loans less than 30 days past due are included in current loans.

September 30, 2026	30 - 59 days	60 - 89 days	90 days or more	Total past due loans	Total current	Total amortized cost
Commercial loans						
Government	—	—	—	—	276,492	276,492
Commercial and industrial	—	607	16,955	17,562	166,577	184,139
Commercial overdrafts	—	—	169	169	67,032	67,201
Total commercial loans	—	607	17,124	17,731	510,101	527,832
Commercial real estate loans						
Commercial mortgage	1,029	1,096	2,351	4,476	432,739	437,215
Construction	—	—	—	—	70,920	70,920
Total commercial real estate loans	1,029	1,096	2,351	4,476	503,659	508,135
Consumer loans						
Automobile financing	31	87	193	311	19,780	20,091
Credit card	529	339	529	1,397	100,599	101,996
Overdrafts	10	—	48	58	27,099	27,157
Other consumer	104	712	676	1,492	48,489	49,981
Total consumer loans	674	1,138	1,446	3,258	195,967	199,225
Residential mortgage loans	18,251	13,764	132,871	164,886	3,002,464	3,167,350
Total amortized cost	19,954	16,605	153,792	190,351	4,212,191	4,402,542

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

December 31, 2025	30 - 59 days	60 - 89 days	90 days or more	Total past due loans	Total current	Total amortized cost
Commercial loans						
Government	—	—	—	—	276,815	276,815
Commercial and industrial	—	—	17,130	17,130	177,420	194,550
Commercial overdrafts	—	—	300	300	63,429	63,729
Total commercial loans	—	—	17,430	17,430	517,664	535,094
Commercial real estate loans						
Commercial mortgage	328	174	3,434	3,936	483,722	487,658
Construction	—	—	—	—	77,573	77,573
Total commercial real estate loans	328	174	3,434	3,936	561,295	565,231
Consumer loans						
Automobile financing	99	14	160	273	18,897	19,170
Credit card	596	515	466	1,577	97,501	99,078
Overdrafts	—	—	37	37	35,022	35,059
Other consumer	270	17	675	962	41,284	42,246
Total consumer loans	965	546	1,338	2,849	192,704	195,553
Residential mortgage loans	13,863	33,158	90,727	137,748	2,974,161	3,111,909
Total amortized cost	15,156	33,878	112,929	161,963	4,245,824	4,407,787

Changes in Allowances For Credit Losses

The allowance for expected credit losses increased during the nine months ended September 30, 2026 compared to December 31, 2025 reflecting an additional specific provision on a legacy non-accrual Bermuda commercial facility. This was partially offset by the release of a provision related to a residential mortgage facility in the Channel Islands and UK segment upon partial repayment. As disclosed in Note 2 of the December 31, 2025 Audited Consolidated Financial Statements, the Bank continuously collects and maintains attributes related to financial instruments within the scope of CECL, including current conditions, and reasonable and supportable assumptions about future economic conditions.

	Nine months ended September 30, 2026				
	Commercial	Commercial real estate	Consumer	Residential mortgage	Total
Balance at the beginning of period	12,357	1,098	3,415	8,506	25,376
Provision increase (decrease)	6,336	(113)	422	(3,337)	3,308
Recoveries of previous charge-offs	—	—	1,321	132	1,453
Charge-offs, by origination year					
2026	—	—	—	—	—
2025	—	—	—	—	—
2024	—	—	(52)	—	(52)
2023	—	—	(38)	—	(38)
2022	—	—	(33)	—	(33)
Prior	(1,157)	—	(77)	(167)	(1,401)
Overdrafts and credit cards	(12)	—	(1,597)	—	(1,609)
Other	(9)	—	(3)	(3)	(15)
Allowances for expected credit losses at end of period	17,515	985	3,358	5,131	26,989

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

	Nine months ended September 30, 2025				
	Commercial	Commercial real estate	Consumer	Residential mortgage	Total
Balance at the beginning of period	11,684	3,267	3,254	7,504	25,709
Provision increase (decrease)	1,250	(2,119)	61	1,170	362
Recoveries of previous charge-offs	—	—	1,407	114	1,521
Charge-offs, by origination year					
2025	—	—	—	—	—
2024	—	—	(7)	—	(7)
2023	—	—	—	(30)	(30)
2022	—	—	(2)	—	(2)
2021	—	—	(15)	—	(15)
Prior	(504)	(84)	(23)	(93)	(704)
Overdrafts and credit cards	(17)	—	(1,232)	—	(1,249)
Other	15	—	10	59	84
Allowances for expected credit losses at end of period	12,428	1,064	3,453	8,724	25,669

Collateral-dependent loans

Management identified that the repayment of certain commercial and consumer mortgage loans is expected to be provided substantially through the operation or the sale of the collateral pledged to the Bank ("collateral-dependent loans"). The Bank believes that for the vast majority of loans identified as collateral-dependent, the sale of the collateral will be sufficient to fully reimburse the loan's carrying amount.

Non-Performing Loans

During the nine months ended September 30, 2026, no interest was recognized on non-accrual loans. No credit deteriorated loans were purchased during the period.

	September 30, 2026				December 31, 2025			
	Non-accrual loans with an allowance	Non-accrual loans without an allowance	Past due 90 days or more and accruing	Total non-performing loans	Non-accrual loans with an allowance	Non-accrual loans without an allowance	Past due 90 days or more and accruing	Total non-performing loans
Commercial loans								
Commercial and industrial	16,955	—	—	16,955	17,130	—	—	17,130
Commercial overdrafts	169	—	—	169	195	—	105	300
Total commercial loans	17,124	—	—	17,124	17,325	—	105	17,430
Commercial real estate loans								
Commercial mortgage	1,844	906	—	2,750	2,891	543	—	3,434
Total commercial real estate loans	1,844	906	—	2,750	2,891	543	—	3,434
Consumer loans								
Automobile financing	71	148	—	219	99	75	—	174
Credit cards	—	—	529	529	—	—	466	466
Overdrafts	48	—	—	48	5	—	32	37
Other consumer	466	363	—	829	494	335	—	829
Total consumer loans	585	511	529	1,625	598	410	498	1,506
Residential mortgage loans	25,583	73,057	40,347	138,987	49,357	20,203	27,418	96,978
Total non-performing loans	45,136	74,474	40,876	160,486	70,171	21,156	28,021	119,348

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

The following table summarizes the amortized cost basis of loan modifications as at September 30, 2026 and September 30, 2025 made to borrowers experiencing financial difficulty during the nine-months ended September 30, 2026 and September 30, 2025.

	<u>Amortized cost basis</u>				In % of the class of loans	<u>Weighted average financial effects</u>		
	Term extension and interest rate reduction	Payments delay in # of months	Term extension	Interest rate reduction		Months of payment delay	Months of term extension	Interest rate reduction
September 30, 2026								
Other consumer	—	44	—	—	0.1 %	3	0	— %
Residential mortgage loans	3,502	—	18,874	1,623	0.8 %	0	15	3.7 %
	<u>Amortized cost basis</u>				In % of the class of loans	<u>Weighted average financial effects</u>		
	Term extension and interest rate reduction	Payments delay in # of months	Term extension	Interest rate reduction		Months of payment delay	Months of term extension	Interest rate reduction
September 30, 2025								
Residential mortgage loans	2,196	—	30,763	5,061	1.2 %	0	6	3.1 %

Age analysis and subsequent default of modified loans.

As at September 30, 2026 and September 30, 2025, all loans for which a concession was granted during the preceding 12 months are current, except for the following:

Residential mortgage loans:

- \$0.4 million (September 30, 2025: \$5.4 million) of residential mortgage loans for which a term extension and reduction in interest rate was granted are 30 to 59 days past due;
- \$6.9 million (September 30, 2025: Nil) of residential mortgages loans for which a term extension was granted are 60 to 89 days past due; and
- \$1.2 million (September 30, 2025: \$0.1 million) of residential mortgage loans for which a term extension and reduction in interest rate was granted and are 90 days or more past due.

Note 7: Credit risk concentrations

Concentrations of credit risk in the lending and off-balance sheet credit-related arrangements portfolios arise when a number of customers are engaged in similar business activities, are in the same geographic region, or when they have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic conditions. The Bank regularly monitors various segments of its credit risk portfolio to assess potential concentrations of risks and to obtain collateral when deemed necessary. In the Bank's commercial portfolio, risk concentrations are evaluated primarily by industry and by geographic region of loan origination. In the consumer portfolio, concentrations are evaluated primarily by products. Credit exposures include loans, guarantees and acceptances, letters of credit and commitments for undrawn lines of credit. Unconditionally cancellable credit cards and overdraft lines of credit are excluded from the tables below.

The following table summarizes the credit exposure of the Bank by geographic region. The exposure amounts disclosed below do not include accrued interest and are gross of allowances for credit losses and gross of collateral held.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Geographic region	September 30, 2026				December 31, 2025			
	Cash and cash equivalents, resell agreements and short-term investments	Loans	Off-balance sheet	Total credit exposure	Cash and cash equivalents, resell agreements and short-term investments	Loans	Off-balance sheet	Total credit exposure
Belgium	4,850	—	—	4,850	3,568	—	—	3,568
Bermuda	53,798	1,368,443	244,641	1,666,882	41,849	1,471,971	317,243	1,831,063
Canada	1,599,023	—	—	1,599,023	1,276,109	—	—	1,276,109
Cayman Islands	43,411	1,045,066	225,230	1,313,707	37,633	1,029,012	198,769	1,265,414
France	515,363	—	—	515,363	117,550	—	—	117,550
Germany	1,247	—	—	1,247	6,121	—	—	6,121
Guernsey	3,429	539,367	105,684	648,480	1	541,110	99,753	640,864
Ireland	14,698	—	—	14,698	26,027	—	—	26,027
Japan	85,305	—	—	85,305	102,407	—	—	102,407
Jersey	—	398,673	94,927	493,600	—	306,190	65,666	371,856
Mauritius	930	—	—	930	686	—	—	686
Norway	2,813	—	—	2,813	90,585	—	—	90,585
Switzerland	20,089	—	—	20,089	9,642	—	—	9,642
The Bahamas	110	1,177	—	1,287	186	2,895	—	3,081
United Kingdom	1,059,691	1,049,816	66,313	2,175,820	1,357,142	1,056,609	143,314	2,557,065
United States	366,807	—	—	366,807	490,782	—	—	490,782
Other	3,430	—	—	3,430	1,429	—	—	1,429
Total gross exposure	3,774,994	4,402,542	736,795	8,914,331	3,561,717	4,407,787	824,745	8,794,249

Note 8: Deposits

	September 30, 2026	December 31, 2025
Non-interest bearing demand deposits	2,374,804	2,701,145
Interest bearing demand deposits	6,519,924	6,055,342
Interest bearing term deposits	4,003,230	3,941,581
Total deposits	12,897,958	12,698,068

	September 30, 2026
As of September 30, 2026, the remaining maturities of interest-bearing term deposits in each of the 12-month periods ending September 30 were as follows:	
2027	3,953,621
2028	23,141
2029	13,833
2030	7,078
2031	5,557
Total term deposits	4,003,230

*The weighted-average interest rate on interest-bearing demand deposits as at September 30, 2026 is 0.77% (December 31, 2025: 0.74%).
Uninsured term deposits totaled \$3.9 billion as at September 30, 2026 (December 31, 2025: \$3.9 billion)

By Type and Segment	September 30, 2026			December 31, 2025		
	Payable on demand	Payable on a fixed date	Total	Payable on demand	Payable on a fixed date	Total
Bermuda	3,546,695	1,099,321	4,646,016	3,529,577	951,658	4,481,235
Cayman	2,917,594	948,163	3,865,757	2,980,600	1,085,168	4,065,768
Channel Islands and the UK	2,430,439	1,955,746	4,386,185	2,246,310	1,904,755	4,151,065
Total deposits	8,894,728	4,003,230	12,897,958	8,756,487	3,941,581	12,698,068

Note 9: Employee benefit plans

The Bank maintains trustee pension plans including non-contributory defined benefit plans and a number of defined contribution plans, and provides post-retirement medical benefits to its qualifying retirees. The defined benefit provisions under the pension plans are generally based upon years of service and average salary during the relevant years of employment. The defined benefit and post-retirement medical plans are not open to new participants and are non-contributory and the funding required is provided by the Bank, based upon the advice of independent actuaries. The defined benefit pension plans are in the Bermuda, Guernsey and UK jurisdictions, and the defined benefit post-retirement medical plan is in Bermuda. The Bank has a residual obligation on top of its defined contribution plan in Mauritius.

The Bank included an estimate of the 2026 Bank contribution and estimated benefit payments for the next ten years under the pension and post-retirement plans in its audited financial statements for the year ended December 31, 2025. During the nine months ended September 30, 2026, there have been no material revisions to these estimates.

Line item in the consolidated statements of operations		Three months ended		Nine months ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Defined benefit pension expense (income)					
Interest cost	Non-service employee benefits expense	1,212	1,313	3,637	3,912
Expected return on plan assets	Non-service employee benefits expense	(1,673)	(1,700)	(5,020)	(5,028)
Amortization of net actuarial (gains) losses	Non-service employee benefits expense	509	586	1,528	1,756
Amortization of prior service (credit) cost	Non-service employee benefits expense	20	20	62	61
Total defined benefit pension expense (income)		68	219	207	701
Post-retirement medical benefit expense (income)					
Service cost	Salaries and other employee benefits	2	10	8	32
Interest cost	Non-service employee benefits expense	1,009	1,092	3,026	3,277
Amortization of net actuarial (gains) losses	Non-service employee benefits expense	(159)	131	(478)	393
Amortization of prior service (credit) cost	Non-service employee benefits expense	131	(151)	393	(452)
Total post-retirement medical benefit expense (income)		983	1,082	2,949	3,250

Note 10: Credit related arrangements, repurchase agreements and commitments

Commitments

The Bank enters into contractual commitments to extend credit, normally with fixed expiration dates or termination clauses, at specified rates and for specific purposes. Substantially all of the Bank's commitments to extend credit are contingent upon customers maintaining specific credit standards at the time of loan funding. Management assesses the credit risk associated with certain commitments to extend credit in determining the level of the allowance for expected credit losses.

The Bank has a facility with one of its custodians, whereby the Bank may offer up to \$200 million of standby letters of credit to its customers on a fully secured basis. Under the standard terms of the facility, the custodian has the right to set-off against securities held of 110% of the utilized facility. At September 30, 2026, \$120.6 million (December 31, 2025: \$125.0 million) of standby letters of credit were issued under this facility.

Outstanding unfunded commitments to extend credit	September 30, 2026	December 31, 2025
Commitments to extend credit	510,665	577,370
Documentary and commercial letters of credit	1,142	859
Total unfunded commitments to extend credit	511,807	578,229
Allowance for credit losses	(130)	(131)

Credit-Related Arrangements

Standby letters of credit and letters of guarantee are issued at the request of a Bank customer in order to secure the customer's payment or performance obligations to a third party. These guarantees represent an irrevocable obligation of the Bank to pay the third party beneficiary upon presentation of the guarantee and satisfaction of the documentary requirements stipulated therein, without investigation as to the validity of the beneficiary's claim against the customer. Generally, the term of the standby letters of credit does not exceed one year, while the term of the letters of guarantee does not exceed four years. The types and amounts of collateral security held by the Bank for these standby letters of credit and letters of guarantee are generally represented by deposits with the Bank or a charge over assets held in mutual funds.

The Bank considers the fees collected in connection with the issuance of standby letters of credit and letters of guarantee to be representative of the fair value of its obligation undertaken in issuing the guarantee. In accordance with applicable accounting standards related to guarantees, the Bank defers fees collected in connection with the issuance of standby letters of credit and letters of guarantee. The fees are then recognized in income proportionately over the life of the credit agreements. The following table presents the outstanding financial guarantees. Collateral is shown at estimated market value less selling cost. Where the collateral is cash, it is shown gross including accrued income.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

	September 30, 2026			December 31, 2025		
	Gross	Collateral	Net	Gross	Collateral	Net
Outstanding financial guarantees						
Standby letters of credit	223,927	207,477	16,450	245,398	223,245	22,153
Letters of guarantee	1,061	1,026	35	1,118	1,081	37
Total	224,988	208,503	16,485	246,516	224,326	22,190

Repurchase agreements

The Bank utilizes repurchase agreements and resell agreements (reverse repurchase agreements) to manage liquidity. These agreements are carried at the amounts at which the securities will be subsequently sold or repurchased. The risks of these transactions include changes in the fair value of the securities posted or received as collateral and other credit related events. The Bank manages these risks by ensuring that the collateral involved is appropriate and by monitoring the value of the securities posted or received as collateral on a daily basis.

As at September 30, 2026, the Bank had 20 open positions (December 31, 2025: 13) in resell agreements with a remaining maturity of less than 365 days involving pools of mortgages issued by Non-US government debt securities. The carrying value of these resell agreements is \$1.6 billion (December 31, 2025: \$1.1 billion) and are included in securities purchased under agreements to resell on the consolidated balance sheets.

Legal Proceedings

There are actions and legal proceedings pending against the Bank and its subsidiaries which arose in the normal course of its business. Management, after reviewing all actions and proceedings pending against or involving the Bank and its subsidiaries, considers that the resolution of these matters would in the aggregate not be material to the consolidated financial position of the Bank.

Note 11: Leases

The Bank enters into operating lease agreements either as the lessee or the lessor, mostly for office and parking spaces as well as for small office equipment. The terms of the existing leases, including renewal options that are reasonably certain to be exercised, extend up to the year 2039. Certain lease payments will be adjusted during the related lease's term based on movements in the relevant consumer price index.

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Lease costs				
Operating lease costs	1,667	1,576	4,804	5,361
Short-term lease costs	490	421	1,224	1,028
Total net lease cost	2,157	1,997	6,028	6,389
Operating lease income	382	97	1,180	295
Other information for the period				
Right-of-use assets related to new operating lease liabilities	250	3,814	1,587	4,580
Operating cash flows from operating leases	1,393	1,280	4,074	4,254

Other information at end of period

	September 30, 2026	December 31, 2025
Operating leases right-of-use assets (included in other assets on the balance sheets)	38,001	38,079
Operating lease liabilities (included in other liabilities on the balance sheets)	38,609	38,725
Weighted average remaining lease term for operating leases (in years)	10.89	11.53
Weighted average discount rate for operating leases	5.88 %	5.90 %

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

The following table summarizes the maturity analysis of the Bank's commitments for long-term leases as at December 31, 2025:

Year ending December 31	Operating Leases
2026	5,248
2027	5,408
2028	5,332
2029	4,691
2030	4,195
2031 & thereafter	17,106
Total commitments	41,980
Less: effect of discounting cash flows to their present value	(3,255)
Operating lease liabilities	38,725

Note 12: Segmented information

The Bank is managed by the Chairman & CEO, its Chief Operating Decision Maker ("CODM"), on a geographic basis. The Bank presents four reportable segments, three geographical and one other: Bermuda, Cayman, Channel Islands and the UK, and Other. The Other segment is composed of several non-reportable operating segments that have been aggregated in accordance with GAAP. The Bermuda, Cayman, and Channel Islands and UK segments have a managing director who reports to the Chairman & CEO. Within the Other segment, each operating segment has a managing director that reports to the Group Head of Trust or Chief Operating Officer who ultimately reports to The Chairman & CEO. The Chairman & CEO and the segment managing director have final authority over resource allocation decisions and performance assessment.

The geographic segments reflect this management structure and the manner in which financial information is currently evaluated by the Chairman & CEO in assessing operating performance. Segment results are determined based on the Bank's management reporting system, which assigns balance sheet and statement of operations items to each of the geographic segments. The process is designed around the Bank's organizational and management structure and, accordingly, the results derived are not necessarily comparable with similar information published by other financial institutions. A description of each reportable segment and table of financial results is presented below.

Accounting policies of the reportable segments are the same as those described in Note 2 of the Bank's audited financial statements for the year ended December 31, 2025. Transactions between segments are accounted for on an accrual basis and are all eliminated upon consolidation. The Bank generally does not allocate assets, revenues and expenses among its business segments, with the exception of certain corporate overhead expenses and loan participation revenue and expenses. Loan participation revenue and expenses are allocated pro-rata based upon the percentage of the total loan funded by each jurisdiction participating in the loan. Other expenses are comprised of marketing, non-service employee benefits and other non-interest expenses.

The **Bermuda** segment provides a comprehensive range of retail, commercial and private banking services. Retail services are offered to individuals and small to medium-sized businesses through three branch locations and through internet banking, mobile banking, automated teller machines and debit cards. Retail services include deposit services, consumer and mortgage lending, credit cards and personal insurance products. Commercial banking includes commercial lending and mortgages, cash management, payroll services, remote banking and letters of credit. Treasury services include money market and foreign exchange activities. Bermuda's wealth management offering consists of Butterfield Asset Management Limited, which provides investment management, advisory and brokerage services and Butterfield Trust (Bermuda) Limited, which provides trust, estate, company management and custody services. Bermuda is also the location of the Bank's head offices and accordingly, retains the unallocated corporate overhead expenses.

The **Cayman** segment provides a comprehensive range of retail, commercial and private banking services. Retail services are offered to individuals and small to medium-sized businesses through three branch locations and through internet banking, mobile banking, ATMs and debit cards. Retail services include deposit services, consumer and mortgage lending, credit cards and property/auto insurance. Commercial banking includes commercial lending and mortgages, cash management, payroll services, remote banking and letters of credit. Treasury services include money market and foreign exchange activities. Cayman's wealth management offering comprises investment management, advisory and brokerage services and Butterfield Trust (Cayman) Limited, which provides trust, estate and company management.

The **Channel Islands and the UK** segment includes the jurisdictions of Guernsey and Jersey (Channel Islands), and the UK. In the Channel Islands, a broad range of services are provided to individuals, private clients, trusts, financial institutions and funds including deposit services, mortgage lending, credit cards, private and corporate banking, treasury services, internet banking, wealth management and fiduciary services. The UK jurisdiction provides mortgage services for high-value residential properties.

The **Other** segment includes the jurisdictions of The Bahamas, Canada, Mauritius, Singapore and Switzerland. These operating segments individually and collectively do not meet the quantitative threshold for segmented reporting and are therefore aggregated as non-reportable operating segments.

Total Assets by Segment	September 30, 2026	December 31, 2025
Bermuda	5,357,623	5,111,127
Cayman	4,114,941	4,425,113
Channel Islands and the UK	4,888,164	4,599,096
Other	74,398	70,731
Total assets before inter-segment eliminations	14,435,126	14,206,067
Less: inter-segment eliminations	(165,352)	(111,173)
Total	14,269,774	14,094,894

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Three months ended September 30, 2026	Bermuda	Cayman	Channel Islands and the UK	Other	Total before eliminations	Inter-segment eliminations	Total
Interest income							
Interest income	56,168	37,222	45,597	39	139,026	—	139,026
Interest income - Inter-segment	179	692	—	—	871	(871)	—
Interest income Total	56,347	37,914	45,597	39	139,897	(871)	139,026
Interest expense							
Interest expense	9,725	7,081	25,053	—	41,859	—	41,859
Interest expense - Inter-segment	593	—	278	—	871	(871)	—
Interest expense Total	10,318	7,081	25,331	—	42,730	(871)	41,859
Net interest income							
Net interest income	46,443	30,141	20,544	39	97,167	—	97,167
Net interest income - Inter-segment	(414)	692	(278)	—	—	—	—
Net interest income Total	46,029	30,833	20,266	39	97,167	—	97,167
Non-interest income	26,627	19,040	13,294	12,907	71,868	(7,118)	64,750
Allowance for credit losses	(198)	(48)	5	—	(241)	—	(241)
Net revenue before gains and losses	72,458	49,825	33,565	12,946	168,794	(7,118)	161,676
Gains and losses	—	—	318	—	318	—	318
Total net revenue	72,458	49,825	33,883	12,946	169,112	(7,118)	161,994
Expenses							
Salaries and other employee benefits	19,188	7,443	14,088	8,010	48,729	—	48,729
Technology and communications	8,720	3,152	2,721	385	14,978	—	14,978
Non-income taxes	4,197	503	591	326	5,617	—	5,617
Professional and outside services	6,219	626	1,153	327	8,325	—	8,325
Property	2,117	762	1,278	734	4,891	—	4,891
Amortization of intangible assets	358	275	1,495	434	2,562	—	2,562
Depreciation	3,300	1,156	659	116	5,231	—	5,231
Income tax benefit (expense)	—	—	1,299	362	1,661	—	1,661
Other expenses	11,747	3,804	(639)	1,220	16,132	(7,118)	9,014
Expenses Total	55,846	17,721	22,645	11,914	108,126	(7,118)	101,008
Net income	16,612	32,104	11,238	1,032	60,986	—	60,986

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Three months ended September 30, 2025	Bermuda	Cayman	Channel Islands and the UK	Other	Total before eliminations	Inter-segment eliminations	Total
Interest income							
Interest income	54,160	38,635	46,573	36	139,404	—	139,404
Interest income - Inter-segment	—	760	—	—	760	(760)	—
Interest income Total	54,160	39,395	46,573	36	140,164	(760)	139,404
Interest expense							
Interest expense	9,295	9,328	28,060	—	46,683	—	46,683
Interest expense - Inter-segment	757	—	3	—	760	(760)	—
Interest expense Total	10,052	9,328	28,063	—	47,443	(760)	46,683
Net interest income							
Net interest income	44,865	29,307	18,513	36	92,721	—	92,721
Net interest income - Inter-segment	(757)	760	(3)	—	—	—	—
Net interest income Total	44,108	30,067	18,510	36	92,721	—	92,721
Non-interest income	26,034	19,072	10,825	11,746	67,677	(6,496)	61,181
Allowance for credit losses	(472)	51	(143)	—	(564)	—	(564)
Net revenue before gains and losses	69,670	49,190	29,192	11,782	159,834	(6,496)	153,338
Gains and losses	1	—	(62)	—	(61)	—	(61)
Total net revenue	69,671	49,190	29,130	11,782	159,773	(6,496)	153,277
Expenses							
Salaries and other employee benefits	20,844	6,898	11,562	7,300	46,604	—	46,604
Technology and communications	7,866	3,216	2,384	342	13,808	—	13,808
Non-income taxes	4,250	244	696	322	5,512	—	5,512
Professional and outside services	3,123	484	1,060	284	4,951	—	4,951
Property	2,270	726	1,494	659	5,149	—	5,149
Amortization of intangible assets	358	275	906	431	1,970	—	1,970
Depreciation	3,378	1,143	648	116	5,285	—	5,285
Income tax benefit (expense)	—	—	1,082	365	1,447	—	1,447
Other expenses	10,360	3,227	(517)	915	13,985	(6,496)	7,489
Expenses Total	52,449	16,213	19,315	10,734	98,711	(6,496)	92,215
Net income	17,222	32,977	9,815	1,048	61,062	—	61,062

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Nine months ended September 30, 2026	Bermuda	Cayman	Channel Islands and the UK	Other	Total before eliminations	Inter-segment eliminations	Total
Interest income							
Interest income	160,804	112,022	135,359	95	408,280	—	408,280
Interest income - Inter-segment	328	2,557	—	—	2,885	(2,885)	—
Interest income Total	161,132	114,579	135,359	95	411,165	(2,885)	408,280
Interest expense							
Interest expense	26,760	21,576	73,885	—	122,221	—	122,221
Interest expense - Inter-segment	1,980	—	905	—	2,885	(2,885)	—
Interest expense Total	28,740	21,576	74,790	—	125,106	(2,885)	122,221
Net interest income							
Net interest income	134,044	90,446	61,474	95	286,059	—	286,059
Net interest income - Inter-segment	(1,652)	2,557	(905)	—	—	—	—
Net interest income Total	132,392	93,003	60,569	95	286,059	—	286,059
Non-interest income	79,037	57,047	37,347	38,515	211,946	(21,198)	190,748
Allowance for credit losses	(5,365)	43	2,014	—	(3,308)	—	(3,308)
Net revenue before gains and losses	206,064	150,093	99,930	38,610	494,697	(21,198)	473,499
Gains and losses	3	—	1,309	—	1,312	—	1,312
Total net revenue	206,067	150,093	101,239	38,610	496,009	(21,198)	474,811
Expenses							
Salaries and other employee benefits	56,470	21,266	39,658	23,581	140,975	—	140,975
Technology and communications	24,322	9,382	7,647	1,154	42,505	—	42,505
Non-income taxes	13,438	1,463	1,869	1,207	17,977	—	17,977
Professional and outside services	29,617	1,689	3,325	987	35,618	—	35,618
Property	5,564	2,180	4,337	2,136	14,217	—	14,217
Amortization of intangible assets	1,072	826	3,707	1,306	6,911	—	6,911
Depreciation	9,969	3,406	1,977	346	15,698	—	15,698
Income tax benefit (expense)	—	—	3,575	1,017	4,592	—	4,592
Other expenses	33,512	11,251	(1,272)	3,504	46,995	(21,198)	25,797
Expenses Total	173,964	51,463	64,823	35,238	325,488	(21,198)	304,290
Net income	32,103	98,630	36,416	3,372	170,521	—	170,521

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Nine months ended September 30, 2025	Bermuda	Cayman	Channel Islands and the UK	Other	Total before eliminations	Inter-segment eliminations	Total
Interest income							
Interest income	161,877	118,583	139,759	109	420,328	—	420,328
Interest income - Inter-segment	278	2,521	35	—	2,834	(2,834)	—
Interest income Total	162,155	121,104	139,794	109	423,162	(2,834)	420,328
Interest expense							
Interest expense	32,845	30,109	85,921	—	148,875	—	148,875
Interest expense - Inter-segment	2,543	—	291	—	2,834	(2,834)	—
Interest expense Total	35,388	30,109	86,212	—	151,709	(2,834)	148,875
Net interest income							
Net interest income	129,032	88,474	53,838	109	271,453	—	271,453
Net interest income - Inter-segment	(2,265)	2,521	(256)	—	—	—	—
Net interest income Total	126,767	90,995	53,582	109	271,453	—	271,453
Non-interest income	73,264	56,065	32,312	33,839	195,480	(18,850)	176,630
Allowance for credit losses	2,481	(106)	(2,769)	—	(394)	—	(394)
Net revenue before gains and losses	202,512	146,954	83,125	33,948	466,539	(18,850)	447,689
Gains and losses	24	—	9	—	33	—	33
Total net revenue	202,536	146,954	83,134	33,948	466,572	(18,850)	447,722
Expenses							
Salaries and other employee benefits	59,474	21,905	34,402	21,792	137,573	—	137,573
Technology and communications	23,672	10,223	6,758	1,037	41,690	—	41,690
Non-income taxes	13,557	1,236	1,938	1,124	17,855	—	17,855
Professional and outside services	9,862	1,456	3,474	755	15,547	—	15,547
Property	6,909	2,256	5,221	1,922	16,308	—	16,308
Amortization of intangible assets	1,072	826	2,673	1,273	5,844	—	5,844
Depreciation	10,233	3,367	2,084	370	16,054	—	16,054
Income tax benefit (expense)	—	—	2,944	890	3,834	—	3,834
Other expenses	31,208	10,409	(504)	2,603	43,716	(18,850)	24,866
Expenses Total	155,987	51,678	58,990	31,766	298,421	(18,850)	279,571
Net income	46,549	95,276	24,144	2,182	168,151	—	168,151

Note 13: Derivative instruments and risk management

The Bank uses derivatives for risk management purposes and to meet the needs of its customers. The Bank's derivative contracts principally involve over-the-counter ("OTC") transactions that are negotiated privately between the Bank and the counterparty to the contract and include interest rate contracts and foreign exchange contracts.

The Bank may pursue opportunities to reduce its exposure to credit losses on derivatives by entering into International Swaps and Derivatives Associations ("ISDAs") agreements. Depending on the nature of the derivative transaction, bilateral collateral arrangements may be used, as well. When the Bank is engaged in more than one outstanding derivative transaction with the same counterparty, and also has a legally enforceable master netting agreement with that counterparty, the net marked-to-market exposure represents the netting of the positive and negative exposures with that counterparty. When there is a net negative exposure, the Bank regards its credit exposure to the counterparty as being zero. The net marked-to-market position with a particular counterparty represents a reasonable measure of credit risk when there is a legally enforceable master netting agreement between the Bank and that counterparty.

Certain of these agreements contain credit risk-related contingent features in which the counterparty has the option to accelerate cash settlement of the Bank's net derivative liabilities with the counterparty in the event the Bank's credit rating falls below specified levels or the liabilities reach certain levels.

All derivative financial instruments, whether designated as hedges or not, are recorded on the consolidated balance sheets at fair value within other assets or other liabilities. These amounts include the effect of netting. The accounting for changes in the fair value of a derivative in the consolidated statements of operations depends on whether the contract has been designated as a hedge and qualifies for hedge accounting.

Notional Amounts

The notional amounts are not recorded as assets or liabilities on the consolidated balance sheets as they represent the face amount of the contract to which a rate or price is applied to determine the amount of cash flows to be exchanged. Notional amounts represent the volume of outstanding transactions and do not represent the potential gain or loss associated with market risk or credit risk of such instruments. Credit risk is limited to the positive fair value of the derivative instrument, which is significantly less than the notional amount.

Fair Value

Derivative instruments, in the absence of any compensating up-front cash payments, generally have no market value at inception. They obtain value, positive or negative, as relevant interest rates, exchange rates, equity or commodity prices or indices change. The potential for derivatives to increase or decrease in value as a result of the foregoing factors is generally referred to as market risk. Market risk is managed within clearly defined parameters as prescribed by senior management of the Bank. The fair value is defined as the profit or loss associated with replacing the derivative contracts at prevailing market prices.

Risk Management Derivatives

The Bank enters into interest derivative contracts as part of its overall interest rate risk management strategy to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. The Bank's goal is to manage interest rate sensitivity by modifying the repricing or maturity characteristics of certain consolidated balance sheet assets and liabilities so that movements in interest rates do not adversely affect the net interest margin. Derivative instruments that are used as part of the Bank's risk management strategy include interest rate swap contracts that have indices related to the pricing of specific consolidated balance sheet assets and liabilities. Interest rate swaps generally involve the exchange of fixed and variable-rate interest payments between two parties, based on a common notional principal amount and maturity date. The Bank uses foreign currency derivative instruments to hedge its exposure to foreign currency risk. Certain hedging relationships are formally designated and qualify for hedge accounting as fair value or net investment hedges. Risk management derivatives comprise fair value hedges, net investment hedges and derivatives not formally designated as hedges as described below.

Fair value hedges include designated currency swaps that are used to minimize the Bank's exposure to variability in the fair value of AFS investments due to movements in foreign exchange rates. The effective portion of changes in the fair value of the hedged items attributable to foreign exchange rates is recognized in current year earnings consistent with the related change in fair value of the hedging instrument. For fair value hedges, hedging effectiveness of the hedged item and the hedging instrument are assessed and managed at inception and on an ongoing basis using a partial-term method.

Net investment hedges include designated currency swaps and qualifying non-derivative instruments and are used to minimize the Bank's exposure to variability in the foreign currency translation of net investments in foreign operations. The effective portion of changes in the fair value of the hedging instrument is recognized in Accumulated other comprehensive income (loss) ("AOCIL") consistent with the related translation gains and losses of the hedged net investment. For net investment hedges, all critical terms of the hedged item and the hedging instrument are matched at inception and on an ongoing basis to minimize the risk of hedge ineffectiveness.

For derivatives designated as net investment hedges, the Bank follows the method based on changes in spot exchange rates. Accordingly:

- The change in the fair value of the derivative instrument that is reported in AOCIL (i.e., the effective portion) is determined by the changes in spot exchange rates.
- The change in the fair value of the derivative instrument attributable to changes in the difference between the forward rate and spot rate are excluded from the measure of the hedge ineffectiveness and that difference is reported directly in the consolidated statements of operations under foreign exchange revenue.

Amounts recorded in AOCIL are reclassified to earnings only upon the sale or substantial liquidation of an investment in a foreign subsidiary.

For foreign-currency-denominated financial instruments that are designated as hedges of net investments in foreign operations, the translation gain or loss that is recorded in AOCIL is based on the spot exchange rate between the reporting currency of the Bank and the functional currency of the respective subsidiary. See Note 19: Accumulated other comprehensive income (loss) for details on the amount recognized into AOCIL during the current period from translation gain or loss.

Derivatives not formally designated as hedges are entered into to manage the foreign exchange risk of the Bank's exposure. Changes in the fair value of derivative instruments not formally designated as hedges are recognized in foreign exchange revenue.

Client service derivatives

The Bank enters into foreign exchange contracts primarily to meet the foreign exchange needs of its customers. Foreign exchange contracts are agreements to exchange specific amounts of currencies at a future date at a specified rate of exchange. Changes in the fair value of client services derivative instruments are recognized in foreign exchange revenue.

The following table shows the aggregate notional amounts of derivative contracts outstanding listed by type and respective gross positive or negative fair values and classified by those used for risk management (sub-classified as hedging and those that do not qualify for hedge accounting), client services and credit derivatives. Fair value of derivatives is recorded in the consolidated balance sheets in other assets and other liabilities. Gross positive fair values are recorded in other assets and gross negative fair values are recorded in other liabilities, subject to netting when master netting agreements are in place.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

September 30, 2026	Derivative instrument	Number of contracts	Notional amounts	Gross positive fair value	Gross negative fair value	Net fair value
Risk management derivatives						
Net investment hedges	Currency swaps	2	77,790	447	(23)	424
Fair value hedges	Currency swaps	2	119,984	—	(1,256)	(1,256)
Derivatives not formally designated as hedging instruments	Currency swaps	72	1,714,131	32,260	(4,257)	28,003
Subtotal risk management derivatives			1,911,905	32,707	(5,536)	27,171
Client services derivatives						
	Spot and forward foreign exchange	73	141,582	848	(710)	138
Total derivative instruments			2,053,487	33,555	(6,246)	27,309

December 31, 2025	Derivative instrument	Number of contracts	Notional amounts	Gross positive fair value	Gross negative fair value	Net fair value
Risk management derivatives						
Net investment hedges	Currency swaps	3	124,435	—	(923)	(923)
Fair value hedges	Currency swaps	2	127,685	339	(157)	182
Derivatives not formally designated as hedging instruments	Currency swaps	59	1,434,912	4,891	(8,551)	(3,660)
Subtotal risk management derivatives			1,687,032	5,230	(9,631)	(4,401)
Client services derivatives						
	Spot and forward foreign exchange	70	189,594	984	(786)	198
Total derivative instruments			1,876,626	6,214	(10,417)	(4,203)

The nominal amount of derivatives designated as fair value hedging instruments equals the amortized cost of the AFS securities that are designated as being hedged for changes in foreign exchange rates.

In addition to the above, as at September 30, 2026 foreign denominated deposits of £247.1 million (December 31, 2025: £211.2 million); SGD0.1 million (December 31, 2025: SGD0.1 million) and Nil (December 31, 2025: CHF0.4 million) were designated as a hedge of foreign exchange risk associated with the net investment in foreign operations.

The Bank manages derivative exposure by monitoring the credit risk associated with each counterparty using counterparty specific credit risk limits, using master netting arrangements where appropriate and obtaining collateral. The Bank elected to offset in the consolidated balance sheets certain gross derivative assets and liabilities subject to netting agreements.

The Bank also elected not to offset certain derivative assets or liabilities and all collateral received or paid that the Bank or the counterparties could legally offset in the event of default. In the tables below, these positions are deducted from the net fair value presented in the consolidated balance sheets in order to present the net exposures. The collateral values presented in the following table are limited to the related net derivative asset or liability balance and, accordingly, do not include excess collateral received or paid.

September 30, 2026	Gross fair value recognized	Less: offset applied under master netting agreements	Net fair value presented in the consolidated balance sheets	Less: positions not offset in the consolidated balance sheets		Net exposures
				Gross fair value of derivatives	Cash collateral received / paid	
Derivative assets						
Spot and forward foreign exchange and currency swaps	33,555	(5,630)	27,925	—	(244)	27,681
Derivative liabilities						
Spot and forward foreign exchange and currency swaps	6,246	(5,630)	616	—	(60)	556
Net positive fair value			27,309			

December 31, 2025	Gross fair value recognized	Less: offset applied under master netting agreements	Net fair value presented in the consolidated balance sheets	Less: positions not offset in the consolidated balance sheets		Net exposures
				Gross fair value of derivatives	Cash collateral received / paid	
Derivative assets						
Spot and forward foreign exchange and currency swaps	6,214	(5,150)	1,064	—	(326)	738
Derivative liabilities						
Spot and forward foreign exchange and currency swaps	10,417	(5,150)	5,267	—	(3,356)	1,911
Net negative fair value			(4,203)			

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

The following tables show the location and amount of gains (losses) recorded in either the consolidated statements of operations or consolidated statements of comprehensive income on derivative instruments outstanding.

Derivative instrument	Consolidated statements of operations line item	Three months ended		Nine months ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Spot and forward foreign exchange	Foreign exchange revenue	59	79	(60)	80
Currency swaps, not designated as hedge	Foreign exchange revenue	(3,832)	30,350	31,664	(29,013)
Currency swaps - fair value hedges	Foreign exchange revenue	(58)	(4,223)	(1,439)	5,311
Total net gains (losses) recognized in net income		(3,831)	26,206	30,165	(23,622)

Derivative instrument	Consolidated statements of comprehensive income line item	Three months ended		Nine months ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Currency swaps - net investment hedge	Unrealized net gains (losses) on translation of net investment in foreign operations	68	251	1,347	(1,389)
Total net gains (losses) recognized in comprehensive income		68	251	1,347	(1,389)

Note 14: Fair value measurements

The following table presents the financial assets and liabilities that are measured at fair value on a recurring basis. Management classifies these items based on the type of inputs used in their respective fair value determination as described in Note 2 of the Bank's audited financial statements for the year ended December 31, 2025.

Management reviews the price of each security monthly, comparing market values to expectations and to the prior month's price. Management's expectations are based upon knowledge of prevailing market conditions and developments relating to specific issuers and/or asset classes held in the investment portfolio. Where there are unusual or significant price movements, or where a certain asset class has performed out-of-line with expectations, the matter is reviewed by management.

Financial instruments in Level 1 include US Government Treasury notes.

Financial instruments in Level 2 include government debt securities, mortgage-backed securities, forward foreign exchange contracts and securities sold under agreements to repurchase.

There were no Level 3 investments as at September 30, 2026 and December 31, 2025.

There were no transfers between Level 1 and Level 2 or Level 2 and Level 3 during the nine months ended September 30, 2026 and the year ended December 31, 2025.

	September 30, 2026			December 31, 2025		
	Fair value		Total carrying amount / fair value	Fair value		Total carrying amount / fair value
	Level 1	Level 2		Level 1	Level 2	
Items that are recognized at fair value on a recurring basis:						
Available-for-sale investments						
US government and federal agencies	1,418,717	1,342,693	2,761,410	1,342,083	1,340,388	2,682,471
Residential mortgage-backed securities	—	11,692	11,692	—	13,782	13,782
Total available-for-sale	1,418,717	1,354,385	2,773,102	1,342,083	1,354,170	2,696,253
Other assets - Derivatives	—	27,925	27,925	—	1,064	1,064
Financial liabilities						
Other liabilities - Derivatives	—	616	616	—	5,267	5,267

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Items Other Than Those Recognized at Fair Value on a Recurring Basis:

	Level	September 30, 2026			December 31, 2025		
		Carrying amount	Fair value	Appreciation / (depreciation)	Carrying amount	Fair value	Appreciation / (depreciation)
Financial assets							
Cash and cash equivalents	Level 1	1,266,166	1,266,166	—	1,708,936	1,708,936	—
Securities purchased under agreements to resell	Level 2	1,595,890	1,595,890	—	1,096,238	1,096,238	—
Short-term investments	Level 1	912,938	912,938	—	756,543	756,543	—
Investments held-to-maturity	Level 2	2,810,368	2,218,734	(591,634)	2,992,052	2,566,470	(425,582)
Loans, net of allowance for credit losses	Level 2	4,375,553	4,340,348	(35,205)	4,382,411	4,367,439	(14,972)
Financial liabilities							
Term deposits	Level 2	4,003,230	4,005,982	(2,752)	3,941,581	3,944,728	(3,147)

Note 15: Long-term debt

On June 11, 2020, the Bank issued US \$100 million of Subordinated Lower Tier II capital notes. The notes were issued at par and due on June 15, 2030. The issuance was by way of a registered offering with US institutional investors. The notes were listed on the BSX in the specialist debt securities category. The proceeds of the issue were used, among others, to repay the entire amount of the US \$45 million outstanding subordinated notes Series 2005-B which matured on July 2, 2020. The notes issued paid a fixed coupon of 5.25% until June 15, 2025 when they became redeemable in whole at the option of the Bank. The notes were priced at a spread of 4.43% over the 10-year US Treasury yield. The Bank incurred \$2.3 million of costs directly related to the issuance of these capital notes which were capitalized directly against the carrying value of these notes on the balance sheet and amortized over the life of the notes. These notes were redeemed at face value in June 2025 at which time, unamortized issuance costs were fully recognized in the Consolidated Statements of Operations as part of the expense.

No interest was capitalized during the nine months ended September 30, 2026, and the year ended December 31, 2025.

Note 16: Earnings per share

Earnings per share have been calculated using the weighted average number of common shares outstanding during the period after deduction of the shares held as treasury stock. The dilutive effect of share-based compensation plans was calculated using the treasury stock method, whereby the proceeds received from the exercise of share-based awards are assumed to be used to repurchase outstanding shares, using the average market price of the Bank's shares for the period. Numbers of shares are expressed in thousands.

During the nine months ended September 30, 2026, the average number of outstanding awards of unvested common shares was 1.8 million (September 30, 2025: 1.8 million). Only awards for which the sum of 1) the expense that will be recognized in the future (i.e., the unrecognized expense) and 2) its exercise price, if any, was lower than the average market price of the Bank's common shares were considered dilutive and, therefore, included in the computation of diluted earnings per share.

An award's unrecognized expense is also considered to be the proceeds the employees would need to pay to purchase accelerated vesting of the awards. For the purposes of calculating dilution, such proceeds are assumed to be used by the Bank to buy back common shares at the average market price. The weighted-average number of outstanding awards, net of the assumed weighted-average number of common shares bought back, is included in the number of diluted participating shares.

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net income	60,986	61,062	170,521	168,151
Basic Earnings Per Share				
Weighted average number of common shares issued	39,439	41,435	39,567	42,290
Weighted average number of common shares held as treasury stock	—	(619)	—	(619)
Weighted average number of common shares (in thousands)	39,439	40,816	39,567	41,671
Basic Earnings Per Share	1.55	1.50	4.31	4.04
Diluted Earnings Per Share				
Weighted average number of common shares	39,439	40,816	39,567	41,671
Net dilution impact related to awards of unvested common shares	1,084	1,128	1,078	1,066
Weighted average number of diluted common shares (in thousands)	40,523	41,944	40,645	42,737
Diluted Earnings Per Share	1.50	1.46	4.20	3.93

Note 17: Share-based payments

The common shares transferred to employees under all share-based payments are either taken from the Bank's common treasury shares or from newly issued shares. All share-based payments are settled by the ultimate parent company which, pursuant to Bermuda law, is not taxed on income. There are no income tax benefits in relation to the issue of such shares as a form of compensation.

In May 2020, the Board of Directors approved the 2020 Omnibus Plan (the "2020 Plan"). Under the 2020 Plan, 3.0 million shares are initially available for grant to employees in the form of stock options or unvested share awards. In February 2025, the Board of Directors approved the Amended and Restated 2020 Omnibus Share Incentive Plan with 5.0 million additional shares available for grant to employees in the form of stock options or unvested share awards. Both types of awards are detailed below.

Stock Option Awards

Under the 2020 Plan, options can be awarded to Bank employees and executive management, based on predetermined vesting conditions that entitle the holder to purchase one common share at a subscription price no less than the price of the most recently traded common share when granted and have a maximum term of 10 years.

There were no stock options outstanding as at September 30, 2026 and December 31, 2025.

Unvested Share Awards

Recipients of unvested share awards are entitled to the related common shares at no cost, at the time the award vests. Recipients of unvested shares may be entitled to receive additional unvested shares having a value equal to the cash dividends that would have been paid had the unvested shares been issued and vested. Such additional unvested shares granted as dividend equivalents are subject to the same vesting schedule and conditions as the underlying unvested shares.

Unvested shares subject only to the time vesting condition generally vest upon retirement, death, disability or upon termination, by the Bank, of the holder's employment unless if in connection with the holder's misconduct. Unvested shares subject to both time vesting and performance vesting conditions remain outstanding and unvested upon retirement and will vest only if the performance conditions are met. Unvested shares can also vest in limited circumstances and if specifically approved by the Board, as stipulated in the holder's employment contract. In all other circumstances, unvested shares are generally forfeited when employment ends.

The grant date weighted average fair value (which equals the actual trading price prevailing on grant date) of unvested share awards granted in the nine months ended September 30, 2026 was \$52.54 per share (December 31, 2025: \$37.50 per share). The Bank expects to settle these awards by issuing new shares.

Employee Deferred Incentive Program

Under the Bank's EDIP, shares are awarded to Bank employees and executive management based on the time vesting condition, which states that the shares will vest equally over a three-year period from the effective grant date.

Employee Long-Term Incentive Share Program

Under the Bank's ELTIP, performance shares as well as time-vesting shares were awarded to employees and executive management. The performance shares will generally vest upon the achievement of certain performance targets in the three-year period from the effective grant date. The time-vesting shares will generally vest over the three-year period from the effective grant date.

Employee Share Purchase Plan

The Bank's ESPP was approved in July 2021 and registered in November 2021. The first offering period started in May 2022. Under the Bank's ESPP, eligible employees may elect to contribute up to 15% of their regular compensation toward the purchase of the Bank's shares at a 10% discount from market price on the closing date of each offering period. The ESPP specifies two consecutive six month offering periods per year. In the case of termination of employment or voluntary partial or full withdrawal from the plan, the related current offering period ESPP contributions are refunded to the employee and thus cannot be used to purchase shares under the ESPP. During the nine months ended September 30, 2026, 5,128 shares (December 31, 2025: 13,022 shares) were issued under the ESPP.

Changes in Outstanding ELTIP and EDIP awards (in thousands of shares transferable upon vesting)

	Nine months ended			
	September 30, 2026		September 30, 2025	
	EDIP	ELTIP	EDIP	ELTIP
Outstanding at beginning of period	500	1,236	628	1,151
Granted	446	240	130	348
Vested (fair value in 2026: \$39.8 million, 2025: \$22.1 million)	(339)	(376)	(263)	(268)
Forfeitures (resignations, retirements, redundancies)	—	(3)	—	(2)
Outstanding at end of period	607	1,097	495	1,229

Share-based Compensation Cost Recognized in the Financial Statements

	Nine months ended	
	September 30, 2026	September 30, 2025
EDIP and ELTIP	17,004	16,275
ESPP (employee contributions and value of discount from market price)	285	292
Share-based Compensation Cost Recognized in Net Income	17,289	16,567
Deduct: Fair value of awards withheld for employees' payroll tax purposes	(303)	(211)
Share-based Compensation Cost Recognized in Additional Paid-in Capital	16,986	16,356

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Unrecognized Share-based Compensation Cost

	September 30, 2026		December 31, 2025	
	Unrecognized cost	Weighted average years over which it is expected to be recognized	Unrecognized cost	Weighted average years over which it is expected to be recognized
EDIP	23,341	4.83	6,573	1.52
ELTIP				
Time vesting shares	—	0.00	8	0.12
Performance vesting shares	16,530	1.78	15,053	1.65
Total unrecognized expense	39,871		21,634	

Note 18: Share repurchase programs

From time to time, the Bank may seek to repurchase and retire equity securities of the Bank, through cash purchase, privately negotiated transactions, or otherwise. Such transactions, if any, depend on prevailing market conditions, liquidity and capital requirements, contractual restrictions, and other factors.

Common Share Repurchase Program

On December 9, 2024, the Board approved a new common share repurchase program, authorizing the purchase of up to 2.7 million common shares through to December 31, 2025.

On July 28, 2025, the Board approved a new common share repurchase program, authorizing the purchase of up to 1.5 million common shares through to December 31, 2025.

On December 8, 2025, the Board approved a new common share repurchase program, authorizing the purchase of up to 3.0 million common shares through to December 31, 2026. The program has been paused subsequent to the CIBC Caribbean acquisition announcement in May 2026.

The table below presents information about common stock repurchases:

	Three months ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Common share repurchases				
Acquired number of shares (to the nearest 1)	—	669,951	1,116,631	2,880,140
Average cost per common share	—	45.30	52.43	40.67
Total cost (in US dollars)	—	30,349,601	58,550,005	117,132,449

Note 19: Accumulated other comprehensive income (loss)

	Unrealized net gains (losses) on translation of net investment in foreign operations	Unrealized net gains (losses) on HTM investments	Unrealized net gains (losses) on AFS investments	Employee benefit plans adjustments			Total AOCIL
				Pension	Post-retirement healthcare	Subtotal - employee benefits plans	
Nine months ended September 30, 2026							
Balance at beginning of period	(19,772)	(66,024)	(88,287)	(47,117)	17,045	(30,072)	(204,155)
Other comprehensive income (loss), net of taxes	(3,424)	5,734	(98,003)	1,720	(85)	1,635	(94,058)
Balance at end of period	(23,196)	(60,290)	(186,290)	(45,397)	16,960	(28,437)	(298,213)

	Unrealized net gains (losses) on translation of net investment in foreign operations	Unrealized net gains (losses) on HTM investments	Unrealized net gains (losses) on AFS investments	Employee benefit plans adjustments			Total AOCIL
				Pension	Post-retirement healthcare	Subtotal - employee benefits plans	
Nine months ended September 30, 2025							
Balance at beginning of period	(26,191)	(73,919)	(162,275)	(49,282)	16,252	(33,030)	(295,415)
Other comprehensive income (loss), net of taxes	5,838	5,896	61,847	1,299	(59)	1,240	74,821
Balance at end of period	(20,353)	(68,023)	(100,428)	(47,983)	16,193	(31,790)	(220,594)

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Net Change of AOCIL Components		Three months ended		Nine months ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Line item in the consolidated statements of operations, if any					
Net unrealized gains (losses) on translation of net investment in foreign operations adjustments					
Foreign currency translation adjustments	N/A	430	(8,533)	(9,879)	32,268
Gains (losses) on net investment hedge	N/A	(486)	8,111	6,455	(26,430)
Net change		(56)	(422)	(3,424)	5,838
Held-to-maturity investment adjustments					
Amortization of net gains (losses) to net income	Interest income on investments	2,030	2,137	5,734	5,896
Net change		2,030	2,137	5,734	5,896
Available-for-sale investment adjustments					
Gross unrealized gains (losses)	N/A	(80,640)	17,956	(98,318)	64,093
Foreign currency translation adjustments of related balances	N/A	5	529	315	(2,246)
Net change		(80,635)	18,485	(98,003)	61,847
Employee benefit plans adjustments					
Defined benefit pension plan					
Amortization of net actuarial (gains) losses	Non-service employee benefits expense	509	586	1,528	1,756
Amortization of prior service (credit) cost	Non-service employee benefits expense	20	20	62	61
Foreign currency translation adjustments of related balances	N/A	(6)	150	130	(518)
Net change		523	756	1,720	1,299
Post-retirement healthcare plan					
Amortization of net actuarial (gains) losses	Non-service employee benefits expense	(159)	131	(478)	393
Amortization of prior service (credit) cost	Non-service employee benefits expense	131	(151)	393	(452)
Net change		(28)	(20)	(85)	(59)
Other comprehensive income (loss), net of taxes					
		(78,166)	20,936	(94,058)	74,821

Note 20: Capital structure

Authorized Capital

The par value of each issued common share and each authorized but unissued common share is BM\$0.01 and the authorized share capital of the Bank comprises 2,000,000,000 common shares of par value BM\$0.01 each, 6,000,000,000 non-voting ordinary shares of par value BM\$0.01 each, 110,200,001 preference shares of par value US\$0.01 each and 50,000,000 preference shares of par value £0.01 each.

Dividends Declared

During the nine months ended September 30, 2026, the Bank declared and paid cash dividends of \$1.50 (September 30, 2025: \$1.38) for each common share as of the related record dates.

The Bank is required to comply with Section 54 of the Companies Act 1981 issued by the Government of Bermuda (the "Companies Act") each time a dividend is declared or paid by the Bank and also obtain a letter of no objection from the BMA pursuant to the Banks and Deposit Companies Act 1999 for any dividends declared. The Bank has complied with Section 54 and has obtained the BMA's letter of no objection for all dividends declared during the periods presented.

Regulatory Capital

Effective January 1, 2025, the Bank adopted the Basel Committee on Banking Supervision's revised standardized approach for credit risk framework as required by the BMA.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

The Bank's regulatory capital is determined in accordance with current Basel guidelines as issued by the BMA. The Bank is fully compliant with all regulatory capital requirements to which it is subject, and it maintains capital ratios in excess of regulatory minimums as at September 30, 2026 and December 31, 2025. The following table sets forth the Bank's capital adequacy in accordance with the relevant Basel framework:

	September 30, 2026		December 31, 2025	
	Actual	Regulatory minimum	Actual	Regulatory minimum
Capital				
CET 1 capital	1,145,485	N/A	1,102,302	N/A
Tier 1 capital	1,145,485	N/A	1,102,302	N/A
Tier 2 capital	5,913	N/A	6,189	N/A
Total capital	1,151,399	N/A	1,108,492	N/A
Risk Weighted Assets	3,889,701	N/A	3,991,389	N/A
Leverage Ratio Exposure Measure	14,658,776	N/A	14,520,704	N/A
Capital Ratios (%)				
CET 1 capital	29.4 %	10.0 %	27.6 %	10.0 %
Tier 1 capital	29.4 %	11.5 %	27.6 %	11.5 %
Total capital	29.6 %	13.5 %	27.8 %	13.5 %
Leverage ratio	7.8 %	5.0 %	7.6 %	5.0 %

Note 21: Business combinations

Rawlinson & Hunter Guernsey Limited Acquisition

On February 19, 2026, the Bank announced that it had entered into an agreement to acquire Rawlinson & Hunter Limited ("R&H Guernsey"), the independently owned Guernsey member firm of the Rawlinson & Hunter International Network ("R&H").

On April 15, 2026, the transaction completed as planned and the aggregate purchase price of \$42.8 million (£31.7 million) was paid in cash. During 2026 and 2027, it is expected that R&H Guernsey's business and employees will be integrated with the existing Butterfield operations in Guernsey and operate under the Butterfield name, Butterfield Fiduciary Administrators (Guernsey) Limited.

The fair value of the net assets acquired and allocation of purchase price is summarized as follows:

	As at April 15, 2026
Total consideration transferred	42,761
Assets acquired	
Cash and cash equivalents	1,622
Intangible assets - Customer relationships	35,349
Other assets	5,428
Total assets acquired	42,399
Liabilities assumed	
Other liabilities	(1,946)
Total liabilities assumed	(1,946)
Excess purchase price - Goodwill	2,308

The acquired customer relationships intangible assets have an estimated finite useful life of 15 years.

The Bank incurred legal and professional transaction expenses related to this acquisition amounting to \$1.2 million, all of which has been expensed and presented in the Consolidated Statements of Operations during the nine months ended September 30, 2026.

For the period beginning on April 15, 2026 (i.e. acquisition date) to September 30, 2026, the amount of revenues and net income relating to the acquired R&H Guernsey operations that were not inextricably merged into the Bank's operations were \$5.0 million and a net income of \$0.4 million, respectively.

The following selected unaudited pro forma financial information has been provided to present a summary of the combined results of the Bank and the acquired R&H Guernsey operations, assuming the transaction had been effective on January 1, 2025. The unaudited pro forma data is for informational purposes only and does not necessarily represent results that would have occurred if the transaction had taken place on the basis assumed above. The pro forma financial information has been prepared based on the actual results realized by R&H Guernsey from January 1, 2025 to September 30, 2025 and from January 1, 2026 to September 30, 2026.

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

Nine months ended

Unaudited pro forma financial information	September 30, 2026	September 30, 2025
Total net revenue	478,724	457,004
Total non-interest operating (expense)	(305,352)	(283,502)
Pro forma net income post business combination	173,372	173,502

CIBC Caribbean Acquisition

On May 28, 2026, the Bank announced that it has entered into an agreement to acquire Canadian Imperial Bank of Commerce's ("CIBC") 91.7% interest in CIBC Caribbean Bank Limited ("CIBC Caribbean"). The combined entity would have approximately \$29 billion in assets.

The total consideration to be paid for 100% of CIBC Caribbean's shares (i.e. shares held by CIBC and shares held by minority shareholders on the acquisition date, if any) will be comprised of \$1,091 million in cash and \$703 million in Butterfield shares valued by reference to Butterfield's 10-day NYSE volume-weighted average price of \$55.66 as of May 27, 2026, for an aggregate purchase price of \$1,794 million, or \$1.14 per CIBC Caribbean share.

In connection with the transaction, Butterfield has obtained commitments for \$700 million of Tier 2 capital-qualifying subordinated debt financing which is expected to be raised prior to closing.

The transaction is expected to close in the first half of 2027, subject to receipt of Butterfield shareholder and regulatory approvals and the satisfaction of customary closing conditions. Following the transaction, Butterfield's ordinary shares will continue to be listed on the NYSE and the TSX, and Butterfield intends to undertake additional secondary share listings on the Barbados Stock Exchange, the Bahamas International Securities Exchange, and the Trinidad & Tobago Stock Exchange, subject to local listing and regulatory requirements.

Following completion of the transaction, CIBC will own an approximately 22% stake in the combined entity. Under the terms of Butterfield and CIBC's shareholder agreement, CIBC will then initially have the right to appoint two directors to Butterfield's Board. The shareholder agreement will also provide for certain lockup restrictions with respect to CIBC's stake in Butterfield, and include customary standstill obligations and registration rights.

Note 22: Related party transactions

Financing Transactions

Certain directors and executives of the Bank, companies in which they are principal owners and/or members of the board, and trusts in which they are involved, have deposits with the Bank, have loans and/or are guarantors for loans with the Bank. Loans to directors were made in the ordinary course of business at normal credit terms, including interest rate and collateral requirements. Loans to executives may be eligible for preferential rates. All of these loans were considered performing loans as at September 30, 2026 and December 31, 2025. Loan balances with directors and executives of the Bank, companies in which they are principal owners and/or members of the board, and trusts in which they are involved were as follows:

Balance at December 31, 2024	19,637
Net loans issued (repaid) during the year	(256)
Effect of changes in the composition of related parties	(15,163)
Balance at December 31, 2025	4,218
Net loans issued (repaid) during period	3,121
Balance at September 30, 2026	7,339

Consolidated balance sheets	September 30, 2026	December 31, 2025
Deposits	24,993	92,182

Consolidated statements of operations	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Interest and fees on loans	24	190	82	777
Total non-interest expense	104	81	247	295
Other non-interest income	14	43	114	196

Certain affiliates of the Bank have loans and deposits with the Bank which were made and are maintained in the ordinary course of business on normal commercial terms. Balances with these parties were as follows:

Consolidated balance sheets	September 30, 2026	December 31, 2025
Loans	8,194	8,884
Deposits	545	545
Accrued interest and other liabilities	312	175

The Bank of N.T. Butterfield & Son Limited
Notes to the Consolidated Financial Statements (unaudited) (continued)
(In thousands of US dollars, unless otherwise stated)

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Consolidated statements of operations				
Interest and fees on loans	163	176	495	533
Total non-interest expense	471	987	1,455	1,426
Other non-interest income	64	63	192	188

Investments

As at September 30, 2026, several Butterfield mutual funds which are managed by a wholly owned subsidiary of the Bank, had loan balances and deposit balances held with the Bank. The Bank also earned asset management revenue and custody and other administration services revenue from funds managed by a wholly-owned subsidiary of the Bank and from directors and executives, companies in which they are principal owners and/or members of the board and trusts in which they are involved, as well as other income from other related parties.

Consolidated balance sheets	September 30, 2026	December 31, 2025
Loans	336	—
Deposits	26,981	9,365
Accrued interest and other assets	634	461

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Consolidated statements of operations				
Asset management	3,469	3,080	10,317	8,853
Custody and other administration services	546	389	1,466	1,115
Other non-interest income	198	167	561	467
Interest and fees on loans	82	—	620	—

Note 23: Subsequent events

On October 27, 2026, the Board of Directors declared an interim dividend of \$0.50 per common share to be paid on November 25, 2026 to shareholders of record on November 10, 2026.