

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2025 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☐ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan COMMUNITY FINANCIAL SYSTEM, INC 401K EMPLOYEE STOCK OWNERSHIP PLAN
1b	Three-digit plan number (PN) ▶ 002
1c	Effective date of plan 07/01/1978
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) COMMUNITY FINANCIAL SYSTEM, INC 333 BUTTERNUT DRIVE SYRACUSE, NY 13214
2b	Employer Identification Number (EIN) 16-1213679
2c	Plan Sponsor's telephone number 315-991-3692
2d	Business code (see instructions) 523900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/23/2026	LISA BENNETT
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 3775
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 2708 6a(2) 2702 6b 59 6c 1018 6d 3779 6e 20 6f 3799 6g(1) 3479 6g(2) 3495 6h 67
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2H 2J 2K 2O 2R 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2025 Form M-1 annual report. If the plan was not required to file the 2025 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2025
		This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025		
A Name of plan COMMUNITY FINANCIAL SYSTEM, INC 401K EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 COMMUNITY FINANCIAL SYSTEM, INC	D Employer Identification Number (EIN) 16-1213679	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation	
a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☒ Yes ☐ No	
b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
BENEFIT PLANS ADMIN SERVICES, INC.	
16-1503696	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
FEDERATED HERMES SERVICES COMPANY	1001 LIBERTY AVENUE PITTSBURGH, PA 15222

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
GUGGHEIM INVESTMENTS, INC.	9601 BLACKWELL ROAD SUITE 500 ROCKVILLE, MD 20850

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BENEFIT PLANS ADMIN SERVICES, INC.

16-1503696

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 19 21 25 28 37 59 60 64	SUBSIDIARY	96361	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2025 This Form is Open to Public Inspection.
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For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025		
A Name of plan COMMUNITY FINANCIAL SYSTEM, INC 401K EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 COMMUNITY FINANCIAL SYSTEM, INC	D Employer Identification Number (EIN) 16-1213679	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	HB&T METLIFE STABLE VALUE FUND R0
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b Name of sponsor of entity listed in (a):	HAND BENEFITS & TRUST COMPANY
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c EIN-PN 74-2008758-044	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 30906317
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a Name of MTIA, CCT, PSA, or 103-12 IE:	NEUBERGER BERMAN SMALL CAP GROWTH
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b Name of sponsor of entity listed in (a):	GREAT GRAY TRUST COMPANY, LLC
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c EIN-PN 38-4139860-637	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13659977
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
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c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
--	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
--	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
--	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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b Name of sponsor of entity listed in (a):	
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c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs, other than DCGs)

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2025
		This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan COMMUNITY FINANCIAL SYSTEM, INC 401K EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) 002
C Plan sponsor's name as shown on line 2a of Form 5500 COMMUNITY FINANCIAL SYSTEM, INC	D Employer Identification Number (EIN) 16-1213679

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	16281	0
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	4746643	4909378
(9) Value of interest in common/collective trusts	1c(9)	47278169	44566294
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	327318655	368463156
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	7073868	8046915

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	87776467	83352180
(2) Employer real property	1d(2)		
1e Buildings and other property used in plan operation	1e		
1f Total assets (add all amounts in lines 1a through 1e)	1f	474210083	509337923

Liabilities

1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j		
1k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

1l Net assets (subtract line 1k from line 1f)	1l	474210083	509337923
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	10127180	
(B) Participants	2a(1)(B)	17073086	
(C) Others (including rollovers)	2a(1)(C)	6979646	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		34179912
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	330975	
(F) Other	2b(1)(F)	26065	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		357040
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	2610028	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	20065481	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		22675509
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	20231714	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	21329297	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-1097583
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-4673968	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-4673968

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2173970
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		28015587
c Other income	2c		1010432
d Total income. Add all income amounts in column (b) and enter total	2d		82640899

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	47005928	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		47005928
f Corrective distributions (see instructions)	2f		410770
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	88689	
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	1998	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	5674	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		96361
j Total expenses. Add all expense amounts in column (b) and enter total	2j		47513059

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		35127840
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **DANNIBLE & MCKEE, LLP**

(2) EIN: **33-0996661**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2025 This Form is Open to Public Inspection.	
For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025					
A Name of plan COMMUNITY FINANCIAL SYSTEM, INC 401K EMPLOYEE STOCK OWNERSHIP PLAN				B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 COMMUNITY FINANCIAL SYSTEM, INC				D Employer Identification Number (EIN) 16-1213679	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 16-1065416					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A					
If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____					
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)				6a	
b Enter the amount contributed by the employer to the plan for this plan year				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☒ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☒ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☒ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☒ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2025 v. 250312	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:

Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%

High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation.....

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☒ Yes ☐ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☒ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☐ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ____/____/____ (MM/DD/YYYY) and the Opinion Letter serial number_____.

Community Financial System, Inc.
401(k) Employee Stock
Ownership Plan

Financial Statements and Supplemental Schedule
December 31, 2025 and 2024

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
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Note: All other schedules are omitted since they are not applicable or are not required based on the disclosure requirements of the Employee Retirement Income Security Act of 1974 and applicable regulations issued by the Department of Labor.

Independent Auditor's Report

June 18, 2026

To the Participants and Administrators of the
Community Financial System, Inc. 401(k) Employee Stock Ownership Plan

Opinion

We have audited the financial statements of the Community Financial System, Inc. 401(k) Employee Stock Ownership Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2025 and 2024, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2025 and 2024, and the changes in net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audits of the Financial Statements** section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt

about the Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2025, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Dannible & McKee, LLP

Dannible & McKee, LLP
Syracuse, New York

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Statements of Net Assets Available for Benefits
December 31, 2025 and 2024

	2025	2024
Assets		
Investments, at fair value:		
Mutual funds	\$368,463,156	\$327,318,655
Community Financial System, Inc. common stock	83,352,180	87,776,467
Self-directed brokerage	8,046,915	7,073,868
Collective investment trust, measured at NAV	13,659,977	14,869,236
	<u>473,522,228</u>	<u>437,038,226</u>
Investments, at contract value:		
Stable value fund	30,906,317	32,408,933
Total investments	<u>504,428,545</u>	<u>469,447,159</u>
Receivables:		
Contributions receivable - employer	-	16,281
Notes receivable from participants, net	4,443,378	4,308,643
Total receivables	<u>4,443,378</u>	<u>4,324,924</u>
Net assets available for benefits	<u>\$508,871,923</u>	<u>\$473,772,083</u>

The accompanying notes are an integral part of the financial statements.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Additions		
Employee contributions	\$24,052,732	\$22,810,503
Employer contributions	10,127,180	9,782,232
Interest and dividend income	24,042,981	18,146,815
Net appreciation in the fair value of investments	<u>24,418,006</u>	<u>47,314,037</u>
Total additions	<u>82,640,899</u>	<u>98,053,587</u>
Deductions		
Benefit payments	47,005,928	38,832,984
Administrative fees	96,361	98,613
Reserve for deemed distributions	<u>438,770</u>	<u>515,773</u>
Total deductions	<u>47,541,059</u>	<u>39,447,370</u>
Net increase in net assets available for benefits	35,099,840	58,606,217
Net assets available for benefits		
Beginning of year	<u>473,772,083</u>	<u>415,165,866</u>
End of year	<u><u>\$508,871,923</u></u>	<u><u>\$473,772,083</u></u>

The accompanying notes are an integral part of the financial statements.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2025 and 2024

A. Description of the Plan

The following description of the Community Financial System, Inc. 401(k) Employee Stock Ownership Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendment

Effective May 15, 2024, the name of the Plan Sponsor changed from Community Bank System, Inc. to Community Financial System, Inc. and the Plan was amended to change the name of the Plan from Community Bank System, Inc. 401(k) Employee Stock Ownership Plan to Community Financial System, Inc. 401(k) Employee Stock Ownership Plan.

General

The Plan is a defined contribution plan covering substantially all employees of Community Financial System, Inc. (the “Company”) who are age 18 or older. Employees are automatically enrolled in the plan after 90 days of service unless participants elect not to participate. Under automatic enrollment, a participant is automatically enrolled to begin making elective contributions of 4% of their annual compensation to the Plan. This deferral percentage is increased automatically by 2% after two years and 2% annually thereafter, up to a maximum of 8%, unless the participant elects a different percentage or expressly elects not to participate in the Plan. The Plan also qualifies as an employee stock ownership plan under the meaning of Section 4975(e)(7) of the Internal Revenue Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may make elective contributions of up to 90% of their total compensation on a pre-tax or after-tax basis up to a maximum contribution of \$23,500 for 2025. Participants age 50 or older may make additional catch-up contributions, for a total maximum contribution of \$31,000. In addition, the Plan has elected to permit the enhanced catch-up contribution under SECURE Act 2.0 for participants ages 60 through 63, allowing an additional catch-up contribution of up to \$11,250, for a total maximum contribution of \$34,250 for 2025. Employees are eligible to begin participating in the Plan on the first day of the month following 90 days of employment. The Plan also permits participants to make rollover contributions from other qualified retirement plans and eligible retirement accounts, in accordance with applicable IRS regulations. The Company match is the first 3% being eligible for a 100% matching contribution in the form of Company common stock and the next 3% being eligible for a 50% matching contribution in the form of Company common stock. The Company match amounted to \$7,800,863 and \$7,473,781 in 2025 and 2024, respectively. In addition, as defined in the plan document, employees participating in the Community Financial System, Inc. Pension Plan under the Worker Retirement Accumulation Plan (“WRAP”) design received an additional Company contribution to the Plan in 2025 and 2024 equal to the interest credit on service credits earned subsequent to January 1, 2010. The Company contribution for employees participating in the WRAP amounted to \$2,325,715 and \$2,308,451 in 2025 and 2024, respectively. The Company paid qualified non-elective contributions (“QNEC”) to the Plan in the amount of \$602 for the year ended December 31, 2025, to correct participant deferrals identified by Management. The Company did not pay QNEC to the Plan for the year ended December 31, 2024.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
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Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's matching contribution, the Company's WRAP interest credit, an allocation of Plan earnings, and charged with an allocation of administrative expenses. Allocation of Plan earnings and administrative expenses are based on participant earnings or account balances, as defined. Participants are entitled to the benefit that can be provided from their vested account balance. Forfeited accounts in the current Plan year are allocated annually in the following Plan year to eligible participant accounts based on the ratio of each eligible participant's compensation to total eligible participant compensation. Forfeited accounts allocated to eligible participants amounted to \$61,655 and \$87,216 for the years ended December 31, 2025 and 2024, respectively.

Vesting

Participants are immediately vested in their contributions. Vesting in the Company's matching contribution portion plus actual earnings thereon is based on years of continuous service. A participant's matching contribution is 100 percent vested after two years of service. Vesting in the employer contributions related to the WRAP design is based on years of continuous service. A participant is 100 percent vested after three years of service.

Notes Receivable from Participants

Participants may borrow from the Plan a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. Notes receivable from participants are reported at their unpaid principal balances plus any accrued but unpaid interest. For loans issued prior to January 1, 2016, interest accrues at the prime rate in effect at the inception of the loan plus 1% for residential loans and prime rate plus 2.9% for Reserve Plus loans. For loans issued subsequent to January 1, 2016, interest accrues at the prime rate in effect on the last business day of the calendar month prior to when the loan was initiated. Interest rates on participant loans generally range from 3.25% to 9.25%. All notes that are in default as defined by the plan document are reported as deemed distributions. Deemed distributions represent the amount of unpaid principal on loans from participants who are actively participating in the Plan and have not continued to make payments on the outstanding balance as required by the plan document, which are included in benefit payments in the accompanying Statements of Changes in Net Assets Available for Benefits.

Payment of Benefits

Normal retirement date for participants under the Plan is the later of age 65 or the completion of 5 years of service. Upon termination of service due to death, disability or retirement, the participant will receive either a lump sum amount or installment payments equal to the value of the participant's vested interest in his or her account. If some or all of a participant's account balance is allocated to the employee stock ownership feature of the Plan, that portion of the Plan benefit may be paid in the form of Company stock. Upon termination of employment, if the account balance is less than \$7,000, but more than \$1,000, the participant will receive a single lump sum amount equal to the value of his or her account, otherwise, the participant may elect to defer payment up to age 65. Hardship withdrawals of up to 100% of employee contributions are available if Internal Revenue Service guidelines are met.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2025 and 2024

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and terminate the Plan subject to the provisions set forth under ERISA. In the event the Plan terminates, the net assets of the Plan are to be set aside for participating employees based upon balances then credited to individual accounts. Participants shall become 100% vested in their account balance as of the termination date.

B. Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Valuation of Investments

Investments are stated at aggregate fair value, except for the HB&T Metlife Stable Value Fund, which is stated at contract value and the Neuberger Berman Small Cap Growth Trust Fund, which is stated at Net Asset Value ("NAV"). Securities that are traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year. Shares of mutual funds are valued at the closing price of shares held by the Plan at year-end.

The Plan presents in the Statements of Changes in Net Assets Available for Benefits the net appreciation in the fair value of its investments, which consists of realized gains or losses as well as unrealized appreciation or depreciation on those investments.

Purchases and sales of securities are recorded on the trade date. Gains or losses on sales of securities are based on average cost. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The HB&T Metlife Stable Value Fund is stated at contract value in accordance with the guidance on Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Audit Guide and Defined-Contribution and Health and Welfare Benefit Plans, which states that contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. Investments measured at contract value are not required to be classified in the fair value hierarchy.

The accompanying Statements of Changes in Net Assets Available for Benefits is prepared on a contract value basis. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise. If an event occurs that may impair the ability of the contract issuer to perform in accordance with the contract terms, fair value may be less than contract value. The total return for the HB&T Metlife Stable Value Fund for the years ended December 31, 2025 and 2024 were 6.45% and 3.17%, respectively. The crediting interest rates to the HB&T Metlife Stable Value Fund was 3.06% and 2.77% for the years ended December 31, 2025 and 2024, respectively.

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The Neuberger Berman Small Cap Growth Trust Fund (the “Fund”) is a collective investment trust that seeks growth of capital by investing primarily in equity securities of small-capitalization companies. The Fund is valued at NAV per unit, as reported by the trustee, which is used as a practical expedient to estimate fair value. The NAV is not publicly quoted in an active market and is based on the fair value of the underlying investments held by the Fund, less its liabilities. The practical expedient is not used if it is probable that the Plan will sell its investment in the Fund for an amount different from the reported NAV. Participant-directed withdrawals for routine benefit payments are generally processed within one business day. Full or large plan-level redemptions may be subject to advance notice requirements or temporarily delayed to allow for the orderly liquidation of underlying investments under certain circumstances. As of December 31, 2025, there were no unfunded commitments related to the Fund. Investments measured at NAV as a practical expedient have not been classified in the fair value hierarchy (Note D).

During the current year, the presentation of the Fund was reclassified. The Fund was previously labeled as "Investments, at net asset value" and is now included within "Investments, at fair value" to better reflect that they are measured at fair value using net asset value as a practical expedient. This reclassification did not affect total investments or net assets available for benefits. Prior-year amounts have been reclassified to conform to the current-year presentation.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan’s expenses are paid either by the Plan or the Company, as provided by the plan document. Expenses that are paid directly by the Company are excluded from these financial statements. These amounted to approximately \$1,532,000 and \$1,585,000, including approximately \$1,550,000 and \$1,453,000 paid to Benefit Plans Administrative Services, Inc. (“BPAS”), in 2025 and 2024, respectively, (See Note E). The amount paid to BPAS in 2025 exceeds the total administrative expenses because the Company guarantees the price of the common stock of the Plan Sponsor traded by the Plan. In 2025, the effect of this guarantee resulted in a net gain to the Company, which reduced administrative expenses for the year. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying Statements of Changes in Net Assets Available for Benefits. In addition, certain investment related expenses are included in net appreciation in the fair value of investments presented in the accompanying Statements of Changes in Net Assets Available for Benefits.

Inactive Accounts

Account balances of individuals who have withdrawn from participation in the Plan had an accumulated basis of \$165,036,200 and \$152,394,110 at December 31, 2025 and 2024, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Notes to Financial Statements
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Risks and Uncertainties

The Plan provides for various investment options in mutual funds, collective investment funds and Company stock. Investment securities are exposed to various risks, such as interest rate, credit and overall market risk. Market risks include global events which could impact the value of investment securities, such as international conflicts. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the Statements of Changes in Net Assets Available for Benefits.

Plan Provisions

The Plan has implemented the required provisions and some optional provisions of Setting Every Community Up for Retirement Enhancement Act 2.0 of 2022 (the SECURE 2.0 Act) and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act). Other optional features within these acts are currently being assessed but have not been implemented to date.

Valuation Allowance

The carrying amount of notes receivable from participants is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management determines the valuation allowance by applying an average of historical deemed distributions to the aggregate remaining notes receivable from participants to estimate a valuation allowance. The valuation allowance is \$466,000 and \$438,000 at December 31, 2025 and 2024, respectively.

Subsequent Events

The Company has evaluated subsequent events through June 18, 2026, the date the financial statements were available for issue.

C. Investments

Investments are held in various investment funds and accounts maintained by the Nottingham Trust division of Community Bank, N.A. Participants, at their discretion, may allocate contributions and account balances among various investment options offered by the Plan. Brief descriptions of these investment options, as provided by the Plan administrator, are as follows:

Community Financial System, Inc. Common Stock – common stock of the Plan sponsor, which is traded on the New York Stock Exchange under the ticker symbol "CBU."

Amercent Small Cap Value – a mutual fund that invests primarily in equity securities of small-capitalization companies.

American Funds EuroPacific Growth Fund – a mutual fund that invests in equity securities of issuers located in Europe and the Pacific Basin.

DFA Emerging Markets Core Equity – a mutual fund that invests primarily in equity securities of emerging market companies, including companies with small-capitalization and value characteristics.

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DFA Real Estate Securities I – a mutual fund that invests primarily in equity securities of companies engaged in real estate-related activities, including ownership, management, development, construction, and sale of residential, commercial, or industrial real estate.

Federated Total Return Bond Fund – a mutual fund seeking to provide total return by investing primarily in a diversified portfolio of investment-grade fixed income securities.

Guggenheim Macro Opportunities Fund – a mutual fund that seeks capital appreciation and current income through investments in a diversified portfolio of fixed income, debt, and equity securities.

HB&T MetLife Stable Value Fund R0 – a stable value fund that invests primarily in fixed income securities, including U.S. government and agency securities, mortgage-backed securities, asset-backed securities, corporate debt securities, and cash equivalents. Investments in the Fund are reported at contract value.

JP Morgan Large Cap Growth Fund – a mutual fund that invests primarily in equity securities of large-capitalization U.S. companies.

Neuberger Berman Small Cap Growth Trust Fund – a collective investment trust that seeks capital appreciation through investments primarily in equity securities of small-capitalization companies. Investments in Neuberger Berman Small Cap Growth Trust Fund are valued at NAV.

T. Rowe Price Diversified Mid-Cap Growth Fund I – a mutual fund that invests primarily in equity securities of mid-capitalization growth companies.

T. Rowe Price Mid-Cap Value Fund I – a mutual fund that invests primarily in equity securities of mid-capitalization companies considered to be undervalued.

T. Rowe Price Spectrum Conservative Allocation Fund I – a mutual fund that seeks current income and capital appreciation through investments in a diversified portfolio of equity securities, fixed income securities, money market instruments, and cash reserves.

T. Rowe Price Spectrum Moderate Growth Allocation Fund I – a mutual fund that seeks capital appreciation through investments primarily in equity securities, while also investing in fixed income securities, money market instruments, and cash reserves.

T. Rowe Price Spectrum Moderate Allocation Fund I – a mutual fund that seeks both capital appreciation and current income through investments in a diversified portfolio of equity securities, fixed income securities, money market instruments, and cash reserves.

Vanguard Equity Income Admiral – a mutual fund that invests primarily in common stocks of mid- and large-capitalization companies that typically pay above-average dividend income.

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Vanguard Institutional Index I – a mutual fund that seeks to track the performance of the Standard & Poor’s 500 Index by investing substantially all of its assets in the equity securities comprising the index.

Vanguard Mid-Cap Index I – a mutual fund that seeks to track the performance of the Center for Research in Security Prices (“CRSP”) U.S. Mid Cap Index, a broadly diversified index of mid-capitalization U.S. companies.

Vanguard Small-Cap Index Fund I – a mutual fund that seeks to track the performance of the CRSP U.S. Small Cap Index, a broadly diversified index of stocks of small-capitalization U.S. companies.

Vanguard Target Retirement Funds – mutual funds that seek to provide capital appreciation and current income consistent with each fund’s current asset allocation. The funds invest in underlying Vanguard funds holding diversified portfolios of U.S. and international equity and fixed income securities. Each fund is designed for investors planning to retire in or within a few years of the target year stated in the fund name. The funds’ asset allocations generally become more conservative over time by decreasing exposure to equity securities and increasing exposure to bonds and other fixed income investments. The Plan offers Vanguard Target Retirement Funds with target years 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055, 2060, 2065, and 2070.

Vanguard Target Retirement Income – a mutual fund that seeks to provide current income and some capital appreciation consistent with its current asset allocation. The fund invests in underlying Vanguard funds holding diversified portfolios of U.S. and international equity and fixed income securities and is designed for investors currently in retirement.

Vanguard Total Bond Index Admiral – a mutual fund that seeks to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index, which measures a broad range of investment-grade taxable U.S. fixed income securities.

Charles Schwab IDA Account – a self-directed account through which participants may invest in individual equity securities, mutual funds, bonds, and other permitted securities.

D. Fair Value Measurements

Accounting standards establish a framework for measuring fair value and require disclosures about such fair value instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). Inputs used to measure fair value are classified into the following hierarchy:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Quoted prices in active markets for similar assets or liabilities, or quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 – Significant valuation assumptions not readily observable in a market.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2025 and 2024

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following tables set forth the Plan's financial assets that were accounted for at fair value on a recurring basis:

As of December 31, 2025

	Level 1	Level 2	Level 3	Total Fair Value
Mutual funds	\$368,463,156	\$ -	\$ -	\$368,463,156
Common stock of plan sponsor	83,352,180	-	-	83,352,180
Self-directed brokerage	-	8,046,915	-	8,046,915
Total assets at fair value	<u>\$451,815,336</u>	<u>\$8,046,915</u>	<u>\$ -</u>	<u>459,862,251</u>
Investments valued using Net Asset Value (a)				<u>13,659,977</u>
				<u>\$473,522,228</u>

As of December 31, 2024

	Level 1	Level 2	Level 3	Total Fair Value
Mutual funds	\$327,318,655	\$ -	\$ -	\$327,318,655
Common stock of plan sponsor	87,776,467	-	-	87,776,467
Self-directed brokerage	-	7,073,868	-	7,073,868
Total assets at fair value	<u>\$415,095,122</u>	<u>\$7,073,868</u>	<u>\$ -</u>	<u>422,168,990</u>
Investments valued using Net Asset Value (a)				<u>14,869,236</u>
				<u>\$437,038,226</u>

(a) In accordance with ASC Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalents) as a practical expedient have not been classified in the fair value hierarchy.

The valuation techniques used to measure fair value for the items in the table above are as follows:

Mutual funds: Valued at the closing price of the shares held by the Plan at year end reported on the active market.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Self-directed brokerage: Valued based on observable market inputs other than quoted prices in active markets for identical assets directly available to the Plan.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2025 and 2024

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. Effective December 31, 2025, the valuation categorization of the self-directed brokerage account was recharacterized from Level 1 to Level 2 within the fair value hierarchy. A brokerage account is not automatically classified as a Level 1 or Level 2 investment, as the classification is determined by the underlying assets held within the brokerage account. BPAS has limited control over the investments that participants can select within the brokerage account; however, BPAS retains the ability to restrict investments in assets categorized as Level 3 inputs. In light of these factors, the Plan has conservatively classified the brokerage account as a Level 2 input. Other than the change in hierarchy classification described above, there have been no changes in the valuation methodologies used as of December 31, 2025 and 2024.

E. Transactions with Parties-in-Interest

The assets of the Plan are administered by BPAS, a wholly-owned subsidiary of Community Financial System, Inc. The Company paid BPAS approximately \$1,550,000 and \$1,453,000 for record keeping, trustee, and other services in 2025 and 2024, respectively.

The Plan held 1,451,117 and 1,423,094 shares of the Plan sponsor's common stock at December 31, 2025 and 2024, respectively. The cost of these shares at December 31, 2025 and 2024 is \$71,398,164 and \$67,617,950, respectively, and their fair value at December 31, 2025 and 2024 is \$83,352,180 and \$87,776,467, respectively. Dividends received on the investment in Community Financial System, Inc. common stock amounted to \$2,610,028 and \$2,639,309 in 2025 and 2024, respectively. The Plan sold 346,676 and 432,059 shares of Community Financial System, Inc. common stock during 2025 and 2024, respectively, and purchased 374,699 and 366,107 shares of Community Financial System, Inc. common stock during 2025 and 2024, respectively.

The Company has investments in the HB&T MetLife Stable Value Fund R0 administered by Hand Benefits and Trust Company. Hand Benefits and Trust Company is a wholly-owned subsidiary of BPAS. The contract value at December 31, 2025 and 2024 is \$30,906,317 and \$32,408,933, respectively.

F. Income Tax Status

The Plan obtained its most recent determination letter in January 2016, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with Section 401(a) of the Internal Revenue Code. The Plan has been amended since receiving the determination letter, however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the accompanying financial statements.

As discussed above, the Plan is a tax-exempt entity. The Plan has reviewed its operations for uncertain tax positions and believes there are no significant exposures. The Plan will include interest on income tax liabilities in other expenses if such amounts arise. The Plan did not incur any penalties and interest for the years ended December 31, 2025 and 2024. The Plan is no longer

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
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subject to Federal or New York state examinations by tax authorities for the closed tax years before 2022.

G. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	<u>2025</u>	<u>2024</u>
Net assets available for benefits per financial statements	\$508,871,923	\$473,772,083
Allowance for notes receivable from participants	<u>466,000</u>	<u>438,000</u>
Net assets available for benefits per Form 5500	<u><u>\$509,337,923</u></u>	<u><u>\$474,210,083</u></u>

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31:

	<u>2025</u>	<u>2024</u>
Net increase in net assets available for benefits per financial statements	\$35,099,840	\$58,606,217
Allowance utilized for deemed distributions	(410,770)	(494,773)
Reserve for deemed distributions	<u>438,770</u>	<u>515,773</u>
Net increase in net assets available for benefits per Form 5500	<u><u>\$35,127,840</u></u>	<u><u>\$58,627,217</u></u>

H. Economic Dependency and Concentration of Credit Risk

At December 31, 2025 and 2024, approximately 17% and 19% of the Plan's investments are invested in Company stock, respectively, and 48% and 44% are invested in Vanguard mutual funds, respectively. At December 31, 2025 and 2024, approximately 10% of the Plan's investments are invested in JP Morgan mutual funds.

Community Financial System, Inc.
401(k) Employee Stock Ownership Plan
Schedule of Assets (Held at End of Year)
(Schedule H, Part IV, Line 4i)
December 31, 2025

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value
	Mutual Funds		
	Amercent Small Cap Value	Mutual fund – 386,954 shares	\$3,474,848
	American Funds EuroPacific Growth Fund	Mutual fund – 288,156 shares	17,456,519
	DFA Emerging Markets Core Equity	Mutual fund – 189,101 shares	5,499,046
	DFA Real Estate Securities I	Mutual fund – 41,773 shares	1,658,387
	Federated Total Return Bond Fund	Mutual fund – 1,338,590 shares	12,837,082
	Guggenheim Macro Opportunities Fund	Mutual fund – 165,024 shares	4,130,548
	JP Morgan Large Cap Growth Fund	Mutual fund – 593,728 shares	51,321,820
	T. Rowe Price Div Mid-Cap Growth Fund I	Mutual fund – 239,226 shares	11,262,779
	T. Rowe Price Mid-Cap Value Fund I	Mutual fund – 293,027 shares	9,397,387
	T. Rowe Price Spectrum Conserv Alloc Fund I	Mutual fund – 169,494 shares	3,467,840
	T. Rowe Price Spectrum Mod Growth Alloc Fund I	Mutual fund – 70,434 shares	2,998,360
	T. Rowe Price Spectrum Mod Alloc Fund I	Mutual fund – 181,568 shares	4,544,658
	Vanguard Equity Income Admiral	Mutual fund – 260,558 shares	24,208,436
	Vanguard Institutional Index I	Mutual fund – 69,878 shares	38,578,660
	Vanguard Mid-Cap Index I	Mutual fund – 158,070 shares	12,547,591
	Vanguard Small-Cap Index Fund I	Mutual fund – 92,335 shares	11,410,799
	Vanguard Target Retirement 2020	Mutual fund – 273,543 shares	7,508,742
	Vanguard Target Retirement 2025	Mutual fund – 783,096 shares	15,622,770
	Vanguard Target Retirement 2030	Mutual fund – 837,935 shares	35,469,781
	Vanguard Target Retirement 2035	Mutual fund – 835,932 shares	22,887,816
	Vanguard Target Retirement 2040	Mutual fund – 361,512 shares	18,057,531
	Vanguard Target Retirement 2045	Mutual fund – 296,465 shares	10,299,196
	Vanguard Target Retirement 2050	Mutual fund – 260,735 shares	15,456,356
	Vanguard Target Retirement 2055	Mutual fund – 96,019 shares	6,352,631
	Vanguard Target Retirement 2060	Mutual fund – 90,858 shares	5,540,507
	Vanguard Target Retirement 2065	Mutual fund – 8,203 shares	328,378
	Vanguard Target Retirement 2070	Mutual fund – 7,852 shares	249,846
	Vanguard Target Retirement Income	Mutual fund – 687,431 shares	9,534,674
	Vanguard Total Bond Index Admiral	Mutual fund – 650,990 shares	6,360,168
			<u>368,463,156</u>
***	Collective Investment Trust		
	Neuberger Berman Small Cap Growth Trust Fund	Mutual fund – 1,244,962 shares	13,659,977
	Common Stock of Plan Sponsor		
*	Community Financial System, Inc.	Common stock – 1,451,117 shares	83,352,180
**	Stable Value Fund		
*	HB&T MetLife Stable Value Fund R0	Stable value fund – 2,150,753 shares	30,906,317
	Loan Fund		
*	Participants	Participant loans, 3.25% – 9.25%	4,909,378
	Self-Directed Brokerage		
	Charles Schwab IDA Account	Self-directed brokerage	8,046,915
	Total investments		<u>\$509,337,923</u>
*	– Denotes party-in-interest		
**	– Investment stated at Contract Value.		
***	– Investment stated at Net Asset Value.		

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► Community Financial System, Inc 401k Employee Stock Ownership Plan

Employer Identification Number: ► 16-1213679

For plan year (beginning/ending): ► 01/01/2025 - 12/31/2025

Plan number: ►

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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	AMERCENT SMALL CAP VALUE	value of registered investment companies		3,474,848
	AMERICAN FUNDS EUROPACIFIC	value of registered investment companies		17,456,519
	CFSI ESOP	Common Stock		83,352,180
	DFA EMERGING MKTS CORE EQUITY	value of registered investment companies		5,499,046
	DFA REAL ESTATE SECURITIES	value of registered investment companies		1,658,387
	EMPLOYEE LOANS	Participant loans		127,727
	FEDERATED HERMES TOTAL RETURN BOND	value of registered investment companies		12,837,082
	GUGGENHEIM MACRO OPPORTUN	value of registered investment companies		4,130,548
	HB&T METLIFE STABLE VALUE	Common/Collective Trust		30,906,317
	INDIVIDUAL DIRECTED ACCOUNT	Other		8,046,915
	JPMORGAN LRG CAP GROWTH	value of registered investment companies		51,321,820
	MPL TRADITIONAL LOANS	Participant loans		4,781,651
	NB SMALL CAP GROWTH TR FNDRS	Common/Collective Trust		13,659,977
	T. ROWE PRICE DIV MID-CAP GROWTH	value of registered investment companies		11,262,779
	T. ROWE PRICE MID-CAP VALUE	value of registered investment companies		9,397,387
	TRP SPECTRUM CONSERV	value of registered investment companies		3,467,840
	TRP SPECTRUM MOD GRTH	value of registered investment companies		2,998,360
	TRP SPECTRUM MODERATE	value of registered investment companies		4,544,658
	VANGUARD EQUITY INCOME	value of registered investment companies		24,208,436
	VANGUARD INST'L INDEX	value of registered investment companies		38,578,660
	VANGUARD MID-CAP INDEX	value of registered investment companies		12,547,591
	VANGUARD SMALL-CAP INDEX	value of registered investment companies		11,410,799
	VANGUARD TARGET RETIREM'T 2020	value of registered investment companies		7,508,742
	VANGUARD TARGET RETIREM'T 2025	value of registered investment companies		15,622,770
	VANGUARD TARGET RETIREM'T 2030	value of registered investment companies		35,469,781
	VANGUARD TARGET RETIREM'T 2035	value of registered investment companies		22,887,816
	VANGUARD TARGET RETIREM'T 2040	value of registered investment companies		18,057,531
	VANGUARD TARGET RETIREM'T 2045	value of registered investment companies		10,299,196
	VANGUARD TARGET RETIREM'T 2050	value of registered investment companies		15,456,356
	VANGUARD TARGET RETIREM'T 2055	value of registered investment companies		6,352,631
	VANGUARD TARGET RETIREM'T 2060	value of registered investment companies		5,540,507
	VANGUARD TARGET RETIREM'T 2065	value of registered investment companies		328,378
	VANGUARD TARGET RETIREM'T 2070	value of registered investment companies		249,846
	VANGUARD TGT RETIREMENT INCOME	value of registered investment companies		9,534,674
	VANGUARD TTL BD MKT INDEX	value of registered investment companies		6,360,168