UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-11277

VALLEY NATIONAL BANCORP

(Exact name of registrant as specified in its charter)

New Jersey	**22-2477875**
(State or other jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**
One Penn Plaza New York, NY	**10119**
(Address of principal executive office)	**(Zip code)**

973-305-8800

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of exchange on which registered
Common Stock, no par value	VLY	The Nasdaq Stock Market LLC
Non-Cumulative Perpetual Preferred Stock, Series A, no par value	VLYPP	The Nasdaq Stock Market LLC
Non-Cumulative Perpetual Preferred Stock, Series B, no par value	VLYPO	The Nasdaq Stock Market LLC
Non-Cumulative Perpetual Preferred Stock, Series C, no par value	VLYPN	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☑	Accelerated filer	☐	Smaller reporting company	☐
Non-accelerated filer	☐			Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☑ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes ☐ No ☑

The aggregate market value of the voting stock held by non-affiliates of the registrant was approximately $5.0 billion on June 30, 2025.

There were 555,426,220 shares of Common Stock outstanding at February 26, 2026.

Documents incorporated by reference:

Certain portions of the registrant's Definitive Proxy Statement (the "2026 Proxy Statement") for the 2026 Annual Meeting of Shareholders to be held May 18, 2026 will be incorporated by reference in Part III. The 2026 Proxy Statement will be filed within 120 days of December 31, 2025.

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Glossary of Defined Terms

The following terms may be used throughout this Report, including the consolidated financial statements and related notes.

Term	Definition
ACL	Allowance for Credit Losses
AFS	Available-for-Sale
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Bank	Valley National Bank
Basel III	Capital rules under a global regulatory framework developed by the Basel Committee on Banking Supervision
BHC Act	Bank Holding Company Act of 1956, as amended
Board	Board of Directors of Valley National Bancorp
BSA	Bank Secrecy Act
BSA/AML	Procedures designed to assure and monitor compliance with BSA regulatory requirements
CD	Certificate of Deposit
CECL	Current Expected Credit Loss model
CET1	Common Equity Tier 1
CFPB	Consumer Financial Protection Bureau
CODM	Chief Operating Decision Maker
CPI	Consumer Price Index
CRA	Community Reinvestment Act
CRE loan concentration ratio	Total commercial real estate loans held for investment and held for sale, excluding owner occupied loans, as a percentage of total risk-based capital
CRISC	Certified in Risk and Information Systems Control
DIF	Deposit Insurance Fund administered by the FDIC
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
Exchange Act	Securities Exchange Act of 1934, as amended
Fannie Mae	Federal National Mortgage Association
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FDICIA	Federal Deposit Insurance Corporation Improvement Act of 1991
Federal Reserve	Board of Governors of the Federal Reserve System
FRB	Federal Reserve Bank
FHLB	Federal Home Loan Bank
FICO	Fair Isaac Corporation
FinCEN	Financial Crimes Enforcement Network
FINRA	Financial Industry Regulatory Authority, Inc.
Fintech	Financial technology
FOMC	Federal Open Market Committee
Freddie Mac	Federal Home Loan Mortgage Corporation
GAAP	U. S. Generally Accepted Accounting Principles
GDP	Gross Domestic Product
Ginnie Mae	Government National Mortgage Association
HTM	Held to Maturity
IDIs	Insured Depository Institutions
Insiders	Valley National Bank's directors, executive officers, and 10 percent shareholders

Term	Definition
Investment Advisers Act	Investment Advisers Act of 1940, as amended
Leverage Ratio	Tier 1 capital to average consolidated assets as reported on consolidated financial statements
Moody's	Moody's Investor Services
NAV	Net Asset Value
NPA	Non-performing Asset
OBBBA	The One Big Beautiful Bill Act
OCC	Office of the Comptroller of the Currency
OFAC	U.S. Department of the Treasury's Office of Foreign Assets Control
OREO	Other real estate owned
Oritani	Oritani Financial Corporation
OTC	Over-the-Counter
PCAOB	Public Company Accounting Oversight Board
PCD	Purchased Credit Deteriorated
Report	This Annual Report on Form 10-K
ROATCE	Return on average tangible common shareholders' equity
ROU assets	Right of Use Assets
RSU	Restricted Stock Unit
S&P	Standard and Poor's
SEC	U.S. Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
SERP	Supplemental Executive Retirement Income Agreement
SOFR	Secured Overnight Financing Rate
SROs	Self-regulatory Organizations
U.S.	United States of America
U.S. Treasury	United States Department of the Treasury
USA PATRIOT Act	Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001
Valley	May refer to Valley National Bancorp individually, Valley National Bancorp and its consolidated subsidiaries, or certain of Valley National Bancorp's subsidiaries, as the context requires (interchangeable with the "Company," "we," "our" and "us")
VFM	Valley Financial Management, Inc.

PART I

Item 1. *Business*

The disclosures set forth in this item are qualified by Item 1A. Risk Factors and the section captioned "Cautionary Statement Concerning Forward-Looking Statements" in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of this Report and other cautionary statements set forth elsewhere in this Report.

General

Founded in 1927, Valley National Bancorp, is a registered bank holding company and financial holding company with the Federal Reserve under the BHC Act, headquartered in Morristown, New Jersey. At December 31, 2025, Valley had consolidated total assets of $64.1 billion, total net loans of $49.6 billion, total deposits of $52.2 billion and total shareholders' equity of $7.8 billion.

Valley's principal subsidiary, Valley National Bank (commonly referred to as the "Bank" in this Report), has been chartered as a national banking association under the laws of the United States since 1927 and currently has 230 branch offices located in New Jersey, New York, Florida, Alabama, California, and Illinois. Valley, through the Bank and its subsidiaries, offers a full suite of national and regional banking solutions through various commercial, private banking, retail, insurance and wealth management financial services products. Valley provides personalized service and customized solutions to assist its customers with their financial service needs. Our solutions include, but are not limited to, traditional consumer and commercial deposit and lending products, commercial real estate financing, asset-based loans, small business loans, equipment financing, insurance and wealth management solutions, and personal financing solutions, such as residential mortgages, home equity loans and automobile financing. Valley also offers niche financial services, including loan and deposit products for homeowners associations, cannabis-related business banking and venture banking, which we offer nationally.

In addition to the Bank, Valley's consolidated subsidiaries include, but are not limited to: an insurance agency offering property and casualty, life and health insurance; an asset management adviser that is a registered investment adviser with the SEC; a securities broker-dealer registered with the SEC and member of FINRA, which is also licensed as an insurance agency to provide life and health insurance; a title insurance agency in New York, which also provides services in New Jersey; an advisory firm specializing in the investment and management of tax credits; and a subsidiary specializing in health care equipment lending and other commercial equipment leases.

Our mission is to give people and businesses the power to succeed and is guided by our vision of being a premier relationship-based national bank, delivering solutions-based, service-driven outcomes. We deliver that mission and create value for our shareholders by executing on our strategy to build a sustainable and predictable business model through optimizing our commercial and consumer banking value propositions, enhancing our balance sheet flexibility, and driving sustainable fee revenue. Valley helps its clients across several industries, including, real estate, commercial and industrial, healthcare, nonprofit, government contracting, and other specialized industries, turn their ambition into action. See further information under "Operating Segments" below.

Valley advertises and identifies itself under the trade names "Valley Bank" and "Valley."

Business Developments

During 2025, Valley made significant progress toward its intermediate and long-term strategic objectives, including significant reductions in both its CRE loan concentration ratio and reliance on wholesale funding sources, while delivering solid fee income growth within non-interest income as compared to the year ended December 31, 2024. This advancement was supported by the strengthening of Valley's foundational capabilities in data and analytics, operating sales and service model, greater penetration of our treasury management and payments solutions, and talent acquisition. These initiatives are intended to deepen customer relationships, generate low-cost deposits, improve the client experience, and strengthen Valley's ability to deliver integrated financial solutions across its commercial and retail banking customer base. See further details in the "Executive Summary" section of the MD&A.

Competition

Valley National Bank is the largest commercial bank headquartered in New Jersey, with its top markets located in northern and central New Jersey, the New York City boroughs of Manhattan, Brooklyn and Queens, Long Island, Westchester County, New York, Florida and Alabama. Valley ranked 10th in competitive ranking and market share based on the deposits reported by 150 FDIC-insured financial institutions in the New York, Northern New Jersey and Long Island deposit markets as of June 30, 2025 and ranked 1st in this market among financial institutions below $1 trillion in assets. The FDIC also ranked

Valley 6th, 28th, 18th, 22nd and 67th in the states of New Jersey, New York, Florida, Alabama and California, respectively, based on deposit market share as of June 30, 2025. While we believe our FDIC rankings reflect a solid foundation in our primary markets, the market for banking and bank-related services is highly competitive and we face substantial competition in all areas of our operations from a variety of bank and non-bank competitors, some of which are larger and may have more financial resources than Valley. Some of these competitors may be subject to fewer regulatory constraints, or may have greater resources, higher lending limits and stronger name recognition than Valley.

Valley competes with other providers of financial services such as commercial and savings banks, savings and loan associations, credit unions, money market and mutual funds, mortgage companies, fintech companies, title agencies, asset managers, insurance companies, and a large list of other local, regional and national institutions which offer financial services. We believe we remain competitive by offering premier relationship banking service and advice, as well as a robust suite of innovative financial products and solutions to keep pace with evolving customer preferences across our footprint. The financial services industry is continually undergoing rapid technological change with frequent introductions of new, technology-driven products and services, which increases efficiency and enables financial institutions to better serve customers and to reduce costs. Fintech and direct bank competitors provide innovative digital solutions to traditional retail banking services and products, and in some cases without the extensive burden associated with being a regulated depository institution. We work to meet these challenges by utilizing internal resources and external technology partners to continually enhance our online and mobile banking products. By combining technology-enabled solutions with our premier relationship-based service model, we continue to compete effectively in the Commercial and Consumer Banking segments of our business. This level of service and commitment is particularly impactful because of our strong community presence with almost 100 years of service, providing us with a competitive advantage with such customers over certain competitors that are not traditional banks.

Overall, our customers are influenced by the convenience, solution-based service from our knowledgeable staff and personal contacts, as well as the robust availability of our diverse products and services. We provide such convenience through our multi-channel delivery system, including our branch offices, an extensive ATM network, and our telephone, on-line and digital banking systems.

We continually review our pricing, products, locations, alternative delivery channels and various acquisition prospects, and periodically engage in discussions regarding possible acquisitions to maintain and enhance our competitive position.

Operating Segments

Our business strategies, operations and reporting structures are reassessed by management, at least on an annual basis, to ensure the proper identification and reporting of our operating segments. Valley currently manages its business operations under operating segments consisting of Consumer Banking and Commercial Banking. Activities not assigned to the operating segments are included in Treasury and Corporate Other. Valley's Wealth Management and Insurance Services Division, comprised of asset management advisory, brokerage, trust, personal and title insurance, tax credit advisory services, and our international and domestic private banking businesses, is a reporting unit within the Consumer Banking segment. See Note 20 to the consolidated financial statements for additional details, including the financial performance of our operating segments.

Commercial Banking

Commercial and industrial loans. Commercial and industrial loans totaled approximately $11.0 billion and represented 21.9 percent of the total loan portfolio at December 31, 2025. We make commercial loans to small and middle market businesses, primarily located in New Jersey, New York, and Florida. We also selectively lend on a nationwide basis within our specialty lines of business, primarily focusing on healthcare, capital call lines of credit, and equipment leasing. Approximately $1.4 billion of the $11.0 billion of commercial and industrial loans at December 31, 2025 was extended to nondepository financial institutions (NDFIs), largely consisting of short-term capital call lines to various venture related entities, as well as loans to business and mortgage credit intermediaries. The NDFI loans were all performing and current to contractual terms at December 31, 2025. A significant portion of Valley's commercial and industrial loan portfolio consists of loans to long-standing customers of proven ability and strong repayment performance. Underwriting standards are designed to assess the borrower's ability to generate recurring cash flow sufficient to meet the debt service requirements of loans granted. While such recurring cash flow serves as the primary source of repayment, most of the loans are collateralized by borrower assets intended to serve as a secondary source of repayment should the need arise. Anticipated cash flows of borrowers, however, may not occur as expected and the collateral securing these loans may fluctuate in value. In the case of loans secured by accounts receivable, the ability of the borrower to collect all amounts due from its customers may be impaired. Our loan decisions include consideration of a borrower's ability to repay debts, collateral coverage and other forms of support. Strong consideration is given to long-term existing customers that have maintained a favorable relationship with the Bank. Commercial loan products offered consist of term loans for equipment purchases, working capital lines of credit that assist our customers' financing of accounts receivable and inventory, and commercial mortgages for owner occupied properties. Working capital

advances are generally used to finance seasonal requirements and are repaid at the end of the cycle. Short-term commercial business loans may be collateralized by a lien on accounts receivable, inventory, or equipment and/or partly collateralized by real estate. Short-term loans may also be made on an unsecured basis based on a borrower's financial strength and past performance. Whenever possible, we obtain the personal guarantee of the borrower's principals to potentially help mitigate the risk and enhance the likelihood of collectibility. Unsecured loans, when made, are generally granted to the Bank's most creditworthy borrowers. Unsecured commercial and industrial loans totaled $1.7 billion at December 31, 2025. In addition, we provide financing to the healthcare and industrial equipment leasing markets through our leasing subsidiary, Highland Capital Corp.

Commercial real estate loans. Commercial real estate and construction loans totaled $29.2 billion and represented 58.3 percent of the total loan portfolio at December 31, 2025. The following table presents the commercial real estate portfolio by loan type and the percentage of each loan type to total loans at December 31, 2025 and 2024:

	2025		2024	
	Balance Outstanding	Percent of Loan Category to Total Loans	Balance Outstanding	Percent of Loan Category to Total Loans
	($ in thousands)			
Commercial real estate:				
Non-owner occupied	$ 11,571,127	23.1 %	$ 12,344,355	25.2 %
Multifamily *	8,571,713	17.1	8,299,250	17.0
Owner occupied	6,629,909	13.2	5,886,620	12.1
Total	$ 26,772,749	53.4 %	$ 26,530,225	54.3 %
Construction	2,471,233	4.9	3,114,733	6.4
Total commercial real estate loans	$ 29,243,982	58.3 %	$ 29,644,958	60.7 %

* Includes loans collateralized by properties that are greater than 50 percent rent regulated totaling approximately $601 million and $553 million at December 31, 2025 and 2024, respectively.

At December 31, 2025, our CRE loan concentration ratio declined to 333 percent as compared to 362 percent and 474 percent at December 31, 2024 and 2023, respectively. While commercial real estate lending remains a key pillar of the success of our relationship banking model and our lending expertise, we continued to proactively diversify our loan portfolio by reducing new originations of certain types of commercial real estate lending, such as non-owner occupied and multifamily loans, and through the sale of $1.2 billion of performing commercial real estate and construction loans during 2024. Within the commercial banking segment, our loan growth efforts continued to mainly focus on commercial and industrial and owner occupied commercial real estate loans where we have or can compete for an outsized share of the client's banking relationship. Based on our current expectations for the mix of future loan growth and loan repayment activity over the next two year period, we believe that our CRE loan concentration ratio of 333 percent at December 31, 2025 may gradually decline towards 300 percent by December 31, 2027.

We originate commercial real estate loans that are secured by various diversified property types across New Jersey, the New York metropolitan area, Florida, Pennsylvania and our other primary market footprints with a combined weighted average loan to value ratio of 59% and debt service coverage ratio of 1.69 at December 31, 2025. Property types in this portfolio range from multifamily residential properties to non-owner occupied commercial, industrial/warehouse, retail and, to a much lesser extent, commercial office buildings. Commercial real estate loans collateralized by office buildings totaled approximately $3.0 billion at December 31, 2025 with a combined weighted average loan to value ratio of 63 percent and debt service coverage ratio of 1.91. The majority of the office properties collateralizing our portfolio are multi-tenant and dispersed geographically in Florida, Alabama, New Jersey and New York (including approximately $196.4 million of loans with properties located in Manhattan at December 31, 2025). Our commercial real estate loans are generally written on an adjustable basis with rates tied to a specifically identified market rate index. Adjustment periods generally range between five to ten years and repayment is generally structured on a fully amortizing basis for terms up to thirty years. Commercial real estate loans are subject to underwriting standards and processes similar to commercial and industrial loans, but generally involve larger principal balances and longer repayment periods as compared to commercial and industrial loans. Commercial real estate loans are viewed primarily as cash flow loans and secondarily as loans secured by real property. Repayment of most loans is dependent upon the cash flow generated from the property securing the loan or the business that occupies the property. Commercial real estate loans may be more adversely affected by conditions in the real estate markets or the overall economy and accordingly, conservative loan to value ratios are required at origination. Valley also performs regular and comprehensive stress testing of the portfolio to evaluate the potential impact of market changes on loan performance.

With respect to loans to developers and builders, we originate and manage construction loans structured on either a revolving or a non-revolving basis, depending on the nature of the underlying development project. Our construction loans are generally secured by the real estate to be developed and may also be secured by additional real estate to mitigate the risk. Within our construction portfolio, we have a diverse mix of both residential (for sale and rent) and commercial development projects. Non-revolving construction loans often involve the disbursement of substantially all committed funds with repayment substantially dependent on the successful completion and sale, or lease, of the project. Sources of repayment for these types of loans may be from pre-committed permanent loans from other lenders, sales of developed property, or an interim loan commitment from Valley until permanent financing is obtained elsewhere. Revolving construction loans (generally relating to single-family residential construction) are controlled with loan advances dependent upon the presale of housing units financed. These loans are closely monitored by on-site inspections and are considered to have higher risks than other real estate loans due to their ultimate repayment being sensitive to interest rate changes, governmental regulation of real property, general economic conditions and the availability of long-term financing.

Consumer Banking

Residential mortgage loans. Residential mortgage loans totaled $5.8 billion and represented 11.6 percent of the total loan portfolio at December 31, 2025. Our residential mortgage loans include fixed and variable interest rate loans located mostly in New Jersey, New York and Florida. Valley's ability to be repaid on such loans is closely linked to the economic and real estate market conditions in our lending markets. We also make mortgage loans secured by homes beyond this primary geographic area; however, lending outside this primary area is generally conducted in other branch office markets and neighboring states. Mortgage loan originations are based on underwriting standards that generally comply with Fannie Mae and/or Freddie Mac requirements. Appraisals and valuations of real estate collateral are contracted through an approved appraisal management company. The appraisal management company is required to adhere to all regulatory requirements. The Bank's appraisal management policy and procedures comply with regulatory requirements and guidance issued by the Bank's primary regulator. Credit scoring, using FICO® and other proprietary credit scoring models is employed in the ultimate, judgmental credit decision by Valley's underwriting staff. Valley does not use third party contract underwriting services. In deciding whether to originate each residential mortgage, Valley considers the qualifications of the borrower, the value of the underlying property and other factors that we believe are predictive of future loan performance. Valley originated first mortgages include both fixed rate and adjustable rate mortgage products with 10-year to 30-year maturities. The adjustable rate loans have a fixed-rate, fixed payment, introductory period of 5 to 10 years that is selected by the borrower. Additionally, Valley originates jumbo residential mortgage loans, which are mostly fixed-rate with 30-year maturities. At December 31, 2025, fixed and adjustable rate jumbo residential mortgage loans totaled approximately $1.6 billion and $1.0 billion, respectively. Interest-only (i.e., non-amortizing) residential mortgage loans within our jumbo portfolio totaled $189.6 million (or 3.26 percent of the total residential mortgage loan portfolio) at December 31, 2025. The Bank services certain residential mortgage portfolios, and it is compensated for loan administrative services performed for mortgage servicing rights related primarily to loans originated and sold by the Bank. See Notes 4 and 7 to the consolidated financial statements for further details.

Other consumer loans. Other consumer loans totaled $4.1 billion and represented 8.2 percent of the total loan portfolio at December 31, 2025. Our other consumer loan portfolio is primarily comprised of direct and indirect automobile loans, loans secured by the cash surrender value of life insurance, home equity loans and lines of credit, and to a lesser extent, secured and unsecured other consumer loans (including credit card loans). Valley is an auto lender primarily in New Jersey, New York, Pennsylvania, Florida, Connecticut, Delaware and Alabama offering indirect auto loans secured by either new or used automobiles. Automobile originations (including light truck and sport utility vehicles) are largely produced via indirect channels, originated through approved automobile dealers. Home equity lending consists of both fixed and variable interest rate products mainly to provide home equity loans to our residential mortgage customers or take a secondary position to another lender's first lien position within the footprint of our primary lending territories. We generally will not exceed a combined (i.e., first and second mortgage) loan-to-value ratio of 80 percent when originating a home equity loan. Other consumer loans include direct consumer term loans, both secured and unsecured, but are largely comprised of personal lines of credit secured by the cash surrender value of life insurance. The product is mainly originated through the Bank's retail branch network and third party financial advisors. Unsecured consumer loans totaled approximately $100.5 million, including $49.2 million of credit card loans, at December 31, 2025.

Wealth Management. Our Wealth Management and Insurance Services Division provides asset management advisory, brokerage, trust, commercial, personal and title insurance, tax credit advisory services, and our international and domestic private banking businesses. Asset management advisory services include investment services for individuals and small to medium sized businesses, trusts and investment strategies designed for various investment profiles and objectives. Our brokerage services mainly facilitate the buying and selling of securities for banking and wealth management customers. Trust services include living and testamentary trusts, investment management, custodial and escrow services, and estate

administration primarily to individuals. Tax credit advisory services include sourcing, syndication, and structuring federal and state tax credits for commercial customers and development projects. We also provide personalized private banking and management services for select international and domestic clients.

Treasury and Corporate Other

Although we are primarily focused on our lending and wealth management services, a large portion of our income is generated through investments in various types of securities. Treasury and Corporate Other largely consists of the Treasury managed HTM and AFS debt securities portfolios mainly utilized in the liquidity management needs of our lending segments and income and expense items resulting from support functions not directly attributable to a specific segment. As of December 31, 2025, our total investment securities and interest bearing deposits with banks were $7.8 billion and $1.3 billion, respectively. See the “Investment Securities Portfolio” section of the MD&A and Note 3 to the consolidated financial statements for additional information concerning our investment securities.

Changes in Loan Portfolio Composition

At December 31, 2025 and 2024, approximately 71 percent and 73 percent of Valley’s gross loans totaling $50.1 billion and $48.8 billion, respectively, consisted of commercial real estate (including construction loans), residential mortgage and home equity loans. The remaining 29 percent and 27 percent as of December 31, 2025 and 2024, respectively, consisted of loans not collateralized by real estate. During 2025 and 2024, we continued to execute on our strategic goal to reduce certain investor commercial real estate, consisting of multifamily and non-owner occupied loans, and construction loans, and maintain greater focus on growth of the commercial and industrial loan and owner-occupied commercial real estate loan portfolios (see more details in the "Commercial real estate loans" section above). We also continue to diversify the types of borrowers within our geographic concentrations in New Jersey, the New York City metropolitan area, including Westchester County, New York, Florida and Pennsylvania. Many external factors outlined in Item 1A. Risk Factors, the “Executive Summary” section of Item 7. MD&A, and elsewhere in this Report may impact our ability to maintain the current composition of our loan portfolio. See the “Loan Portfolio” section in Item 7. MD&A in this Report for further discussion of our loan composition and concentration risks.

The following table presents the loan portfolio by state and loans held for sale at December 31, 2025.

	Commercial and Industrial	Commercial Real Estate	Residential	Consumer	Total Loans	% of Total
			(in thousands)			
New York	$ 2,728,592	$ 9,343,633	$ 1,567,315	$ 1,174,407	$ 14,813,947	30 %
Florida	3,246,607	8,128,873	1,540,802	694,446	13,610,728	27
New Jersey	2,140,039	5,749,311	1,945,186	1,318,870	11,153,406	22
California	541,259	1,089,022	103,795	35,186	1,769,262	4
Pennsylvania	103,788	1,165,960	47,743	339,745	1,657,236	3
Illinois	429,150	317,123	6,934	14,538	767,745	2
Alabama	92,770	400,926	34,398	110,350	638,444	1
Other	1,679,314	3,067,158	588,231	417,493	5,752,196	11
Total	$ 10,961,519	$ 29,262,006	$ 5,834,404	$ 4,105,035	$ 50,162,964	100 %
Less: Loans held for sale	—	18,024	8,212	—	26,236	
Total loans less loans held for sale	$ 10,961,519	$ 29,243,982	$ 5,826,192	$ 4,105,035	$ 50,136,728	

Risk Management

Financial institutions must manage a variety of business risks that can significantly affect their financial performance. Significant risks we confront are credit risks and asset/liability management risks, which include interest rate and liquidity risks. Credit risk is the risk of not collecting payments pursuant to the contractual terms of loan, lease and investment assets. Interest rate risk results from changes in interest rates which may impact the re-pricing of assets and liabilities in different amounts or at different dates. Liquidity risk is the risk that we will be unable to fund obligations to loan customers, depositors or other creditors at a reasonable cost.

The Board performs its risk oversight function primarily through several standing committees, including its Risk Committee, all of which report to the Board. The Board regularly engages in discussions of risk management and receives reports on risk factors from our executive management, other members of management and the chair of the Risk Committee. The Risk Committee assists the Board with, among other things, oversight of management's established enterprise-wide risk management framework and risk culture which are intended to align with Valley’s strategic plan and which the Risk Committee

deems appropriate for Valley's capital, business activities, size and risk appetite. Management utilizes the enterprise-wide risk management framework to holistically manage and monitor risks across the organization and to aggregate and manage the risk appetite approved by the Board. As part of the risk management framework, the Risk Committee reviews and recommends to the Board risk tolerances and limits for strategic, credit, interest rate, price, liquidity, compliance, and operational (including information security and cybersecurity risk), and oversees risk management within those tolerances and monitors compliance with applicable laws and regulations. With guidance from and oversight by the Risk Committee, management continually refines and enhances its risk management policies, procedures and monitoring programs to be able to adapt to changing risks.

Information security is also a significant operational risk for Valley. The Board, through its Risk Committee, has primary oversight responsibility for information security and receives regular updates and reporting from management on information security and cybersecurity matters, including material cybersecurity risks and mitigation strategies and information related to any third-party assessments of Valley's cybersecurity program. See Item 1A. Risk Factors for a further discussion of risks related to cybersecurity and Item 1C. Cybersecurity for a further discussion of risk management strategies and governance processes related to cybersecurity.

Valley continues to internally run stress tests of its capital position that are subject to review by Valley's primary regulators. The results of the internal stress tests are considered in combination with other risk management and monitoring practices at Valley to maintain an overall risk management program.

Credit Risk Management and Underwriting Approach

Credit risk management. For all loan types, we adhere to a credit policy designed to minimize credit risk while generating the maximum income given the level of risk appetite. Management reviews and approves these policies and procedures on a regular basis with subsequent approval by the Board annually. Credit authority relating to a significant dollar percentage of the overall portfolio is centralized and controlled by the Credit Risk Management Division and by a Management Credit Committee. A reporting system supplements the review process by providing management with frequent reports concerning loan production, loan quality, internal loan classifications, concentrations of credit, loan delinquencies, non-performing and potential problem loans. Loan portfolio diversification is an important factor utilized by us to manage the portfolio's risk across business sectors, geographic markets and through cyclical economic circumstances.

Our historical and current loan underwriting practice prohibits the origination of payment option adjustable residential mortgages which allow for negative interest amortization and subprime loans. Virtually all of our residential mortgage loan originations in recent years have conformed to rules requiring documentation of income, assets sufficient to close the transactions and debt to income ratios that support the borrower's ability to repay under the loan's proposed terms and conditions. These rules are applied to all loans originated for retention in our portfolio or for sale in the secondary market.

Loan underwriting and loan documentation. Loan approvals are documented in accordance with specific and detailed underwriting policies and verification procedures. General underwriting guidance is consistent across all loan types with possible variations in procedures and due diligence dictated by specific loan requests. Due diligence standards require acquisition and verification of sufficient financial information to determine a borrower's or guarantor's credit worthiness, capital support, capacity to repay, collateral support, and character. Credit worthiness is generally verified using personal or business credit reports from independent credit reporting agencies. Capacity to repay the loan is based on verifiable liquidity and earnings capacity as shown on financial statements and/or tax returns, banking activity levels, operating statements, rent rolls or independent verification of employment. Finally, collateral valuation is determined via appraisals from independent, bank-approved, certified or licensed property appraisers, valuation services, or readily available market resources.

Types of collateral. Loan collateral, when required, may consist of any one or a combination of the following asset types depending upon the loan type and intended purpose: commercial or residential real estate; general business assets including working assets such as accounts receivable or inventory, or fixed assets such as equipment or rolling stock; marketable securities or other forms of liquid assets such as bank deposits or cash surrender value of life insurance; automobiles; or other assets wherein adequate protective value can be established and/or verified by reliable outside independent appraisers. Valley does not accept cryptocurrency assets as loan collateral.

Many times, we will underwrite loans to legal entities formed for the limited purpose of the business which is being financed. Credit granted to these entities and the ultimate repayment of such loans is primarily based on the cash flow generated from the property securing the loan or the business that occupies the property. The underlying real property securing the loans is considered a secondary source of repayment, and normally such loans are also supported by guarantees of the legal entity members. Absent such guarantees or approval by our credit committee, our commercial real estate underwriting guidelines require that the loan to value ratio (at origination) should not exceed 60 percent, except for certain low risk loan categories

where the loan to value ratio requirement may be higher, based on the estimated market value of the property as established by an independent licensed appraiser.

Reevaluation of collateral. Commercial loan renewals, re-financings and other subsequent transactions that include the advancement of new funds or result in the extension of the amortization period beyond the original term, require a new or updated appraisal. Renewals, re-financings and other subsequent transactions that do not include the advancement of new funds (other than for reasonable closing costs) or, in the case of commercial loans, the extension of the amortization period beyond the original term, do not require a new appraisal unless management believes there has been a material change in market conditions or the physical aspects of the property which may negatively impact the collectability of our loan. In general, the period of time an appraisal continues to be relevant will vary depending upon the circumstances affecting the property and the marketplace. Examples of factors that could cause material changes to reported values include re-appraisal triggered by events such as credit renewal, modification or loan deterioration; the volatility of the local market; the availability of financing; the inventory of competing properties; new improvements to, or lack of maintenance of; the subject or competing surrounding properties; changes in zoning and environmental contamination.

Certain collateral dependent loans are reported at the fair value of the underlying collateral (less estimated selling costs) if repayment is expected solely from the collateral and are commonly referred to as "collateral dependent loans." Commercial real estate loans are collateralized by real estate and construction loans are generally secured by the real estate to be developed and may also be secured by additional real estate or other collateral to mitigate the risk. Residential and home equity loans are collateralized by residential real estate. Collateral values for such existing loans are typically estimated using individual appraisals performed every 12 months (or 18 months for collateral dependent loans less than $1.0 million with current loan to value ratios not exceeding 75 percent). Between scheduled appraisals, property values are monitored within the commercial portfolio by reference to current trends in commercial property sales as published by leading industry sources. Property values are monitored within the residential mortgage portfolio by reference to available market indicators, including real estate price indices within Valley's primary lending areas.

Refinanced residential mortgage loans to be held in our loan portfolio generally require either a new appraisal or a new evaluation in accordance with our appraisal policy. However, certain residential mortgage loans may be originated for sale and sold without new appraisals when the investor (Fannie Mae or Freddie Mac) accepts a refinance of an existing government sponsored enterprise loan without the benefit of a new appraisal. Additionally, all loan types are assessed for full or partial charge-off when they are between 90 and 120 days past due (or sooner when the borrowers' obligation has been released in bankruptcy) based upon their estimated net realizable value. See Note 1 to our consolidated financial statements for additional information concerning our loan portfolio risk elements, credit risk management and our loan charge-off policy.

Loan Renewals and Modifications

In the normal course of our lending business, we may renew loans to existing customers upon maturity of the existing loan. These renewals are granted provided that the new loan meets our standard underwriting criteria for such loan type. Additionally, on a case-by-case basis, we may extend, restructure, or otherwise modify the terms of existing loans from time to time to remain competitive and retain certain profitable customers, as well as assist customers who may be experiencing financial difficulties. All modified loans are reported as such by type of modification unless the modification results in the creation of a new loan. In certain cases, a modification may be related to loan(s) with an elevated risk profile and/or delinquent payment(s). While very infrequent, these modifications may result in the forgiveness of principal or accrued interest. In addition, Valley often obtains additional collateral or guarantor support when modifying such loans. If the borrower has demonstrated performance under the previous terms and Valley's underwriting process shows the borrower has the capacity to continue to perform under the modified terms, the loan will continue to accrue interest. Non-accruing modified loans may be returned to accrual status when there has been a sustained period of repayment performance (generally six consecutive months of payments) and both principal and interest are deemed collectible. See Note 1 and Note 4 to our consolidated financial statements for additional information.

Extension of Credit to Past Due Borrowers

Loans are placed on non-accrual status generally when they become 90 days past due and the full and timely collection of principal and interest becomes uncertain. Valley prohibits the advancement of additional funds on non-accrual loans, except under certain workout plans if such extension of credit is intended to mitigate losses.

Allowance for Credit Losses

We maintain an ACL for financial assets measured at amortized cost. The ACL consists of the allowance for loan losses and unfunded loan commitments (together, the "allowance of credit losses for loans"), and the allowance for credit losses for HTM securities. The estimate of expected credit losses under the CECL methodology is based on relevant information about the

past events, current conditions, and reasonable and supportable forecasts that affect the collectibility of the reported amounts. Our CECL methodology to estimate the allowance for loan losses has two components: (i) a collective reserve component for estimated lifetime expected credit losses for pools of loans that share common risk characteristics and (ii) an individual reserve component for loans that do not share risk characteristics, consisting of collateral dependent loans. Valley also maintains a separate allowance for unfunded credit commitments mainly consisting of undisbursed non-cancellable lines of credit, new loan commitments and commercial standby letters of credit. The allowance for unfunded credit commitments mainly consists of undisbursed non-cancellable lines of credit, new loan commitments and commercial standby letters of credit valued using a similar methodology as used for loans.

Valley estimated the collective ACL using a current expected credit losses methodology which is based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the loan balances. Management's estimate of expected losses inherent in these off-balance sheet credit exposures also incorporates estimated utilization rate over the commitment's contractual period or an expected pull-through rate for new loan commitments. To measure the expected credit losses on HTM debt securities that have loss expectations, Valley estimates the expected credit losses using a discounted cash flow model developed by a third-party. The amount of ACL is based on ongoing, quarterly assessments by management. See Note 1 to the consolidated financial statements for further discussion regarding CECL methodology.

Loans Originated by Third Parties

From time to time, the Bank makes purchases of certain types of commercial loans and loan participations and residential mortgage loans originated by, and sometimes serviced by, other financial institutions. We generally do not purchase other types of loans. The loan purchase decision is usually based on several factors, including current loan origination volumes, market interest rates, excess liquidity, our continuous efforts to meet the credit needs of certain borrowers under the CRA, as well as other asset/liability management strategies. Valley purchased approximately $44.8 million and $41.3 million of 1-4 family loans qualifying for CRA purposes during 2025 and 2024, respectively. All purchased loans are selected using Valley's normal underwriting criteria at the time of purchase, or in some cases guaranteed by third parties. Purchased commercial and industrial and commercial real estate participation loans are, at times, seasoned loans with expected shorter durations, but generally purchased at inception. Additionally, each purchased participation loan is stress-tested by Valley to assure its credit quality.

Purchased commercial loans (including commercial and industrial and commercial real estate participation loans) and residential mortgage loans totaled approximately $2.3 billion and $549.4 million, respectively, at December 31, 2025 representing 5.5 percent and 9.4 percent of our total commercial and residential mortgage loans, respectively.

At December 31, 2025, less than 1.0 percent of commercial loans originated by third parties were past due 30 days or more, which represented 3.7 percent of our total commercial loan portfolio delinquencies, and 3.6 percent of residential mortgage loans originated by third parties were past due 30 days or more which represented 24.6 percent of our total residential mortgage portfolio delinquencies.

Human Capital

We foster an inclusive and high-performing culture where empowered associates, innovation and collaboration thrive. We are a customer-centric organization committed to our associates, our customers, and our shareholders.

As of December 31, 2025, Valley employed 3,675 full and part time employees across our multi-state footprint. During the year 2025, we hired 710 employees, and our voluntary turnover rate was 15.1 percent. Our average tenure was 7.9 years. None of our employees are parties to a collective bargaining agreement.

Our culture of belonging aims to provide a foundation to fully leverage the rich tapestry of our associates' unique perspectives and experiences. Our strong culture allows us to provide quality service to our customers, the communities in which we operate and each other. We remain focused on our guiding principle - we all belong at Valley. This vision drives associate programming which includes Valley's Business Resource Group Program (BRG Program), which is open to every associate. We continue to ensure that we strengthen our connections with our communities, enhance our ability to bring new ideas to the table, raise new questions, and innovate our practices and products.

We offer competitive total rewards programs to attract, engage, retain, and motivate talent across our footprint. These programs include base wages, performance-based bonus and incentive compensation, stock awards, a 401(k) plan with a competitive company match, healthcare and insurance benefits, voluntary benefits, commuter benefits, a health savings account, flexible spending accounts, tuition and adoption reimbursement, paid time off, disability, family leave, wellness and employee assistance programs.

Valley remains committed to the safety, health and well-being of its associates. Valley provides a benefits and wellness program aimed at promoting healthy lifestyles with the understanding that a healthy workforce contributes to associate productivity. Our employee assistance program was recently enhanced to offer more mental health access to associates and their families at no cost. The Valley wellness program now incentivizes participation by awarding points to associates who engage in the wellness webinars and healthy activities, which can later be redeemed to purchase fitness items. Financial wellness is supported through monthly educational opportunities and resources offered by our 401(k) plan administrator, along with our competitive 401(k) company matching contribution. Our health and welfare plans are designed to promote preventive care and financial protection against catastrophic illnesses.

Valley continues to promote work/life balance by offering paid vacation, sick, personal and volunteer days as well as remote work arrangements and flexible work hours for many associates. Our Parental Leave Program provides gender-neutral paid time off to associates who give birth, adopt or foster a child, and financial assistance to those who adopt. In cases of illness, Valley offers paid disability leave and workplace accommodations for associates needing alternative work arrangements due to special medical needs. We continue to maintain alignment with state, local and CDC mandates and guidance related to airborne infectious diseases to promote a healthy workplace.

Our Talent Acquisition and Learning & Talent Development teams continue to focus on the attraction, development, and retention of key and top talent - a crucial aspect of Valley's long-term success and strategy. Valley fosters a culture of internal mobility and encourages ongoing career development discussions between associates and their leaders. We actively engage our senior business leaders in reviewing their critical roles in alignment with their strategic talent initiatives through our annual talent review and succession planning process, which has created a broader understanding of our key talent needs. We continue to center our workplace strategies on the people experience, offering a variety of development opportunities, including our flagship leadership development, certifications and mentorship programs, to provide meaningful experiences that challenge our high potential and high performing associates. Our goal is to enhance the core competencies of our top talent in leadership and management skills to prepare them for future roles. We also continue to strengthen Valley’s position as an employer of choice by enhancing our associate onboarding experience and leveraging our engagement and pulse survey results to influence our culture and drive employee satisfaction.

Corporate Social and Environmental Responsibility

Valley recognizes the social and environmental responsibility that arises from the impact of our activities on peoples’ lives and society as a whole. To support this responsibility, we established an ESG Council in 2020 with respect to sustainability issues. The ESG Council helps guide us to consider how environmental, social and governance issues impact Valley’s ability to achieve its long-term strategy while being socially responsible.

Additional information regarding Valley's human capital management and corporate social and environmental responsibility can be found under “Sustainability Practices” in our 2026 Proxy Statement when it is filed with the SEC.

Information about our Executive Officers

Name	Age at December 31, 2025	In current position since	Office	Prior principal occupation during last five years
Ira Robbins	51	2018	Chairman of the Board and Chief Executive Officer of Valley and Valley National Bank	
Russell Barrett	50	2025	Senior Executive Vice President, Chief Operating Officer of Valley and Valley National Bank	2021 – 2024 Chief Transformation Officer, 2024 – 2025 Senior Executive Vice President and Chief Operations Officer.
Travis Lan	41	2024	Senior Executive Vice President and Chief Financial Officer of Valley and Valley National Bank	Feb. 2020 – Jan. 2024 Senior Vice President, Head of Corporate Finance & M&A, Jan. 2024 – Oct. 2024 Executive Vice President and Deputy Chief Financial Officer, Oct 2024 – Mar. 2025 Interim Chief Financial Officer
Gino Martocci	60	2025	Senior Executive Vice President of Valley, President of Commercial Banking of Valley National Bank	2014 -2022 Head of Commercial & Commercial Real Estate Banking at M&T Bank Corp., 2022 – 2025 Member, Board of Directors at Apple Bank.
John P. Regan	62	2024	Senior Executive Vice President, Chief Risk Officer of Valley and Valley National Bank	2016 - 2022 Chief Audit Executive at Investors Bancorp, July 2022 - March 2024 Chief Audit Executive at Industrial and Commercial Bank of China.
Lyndsey Sloan	49	2025	Senior Executive Vice President, General Counsel of Valley and Valley National Bank	2014 - 2024 Deputy General Counsel, Secretary & Senior Vice President of The Huntington National Bank.
Patrick Smith	54	2025	Senior Executive Vice President of Valley, President of Consumer Banking of Valley National Bank	2020 - 2025 Head of Consumer and Business Banking at Santander Bank, N.A.
Yvonne M. Surowiec	65	2017	Senior Executive Vice President of Valley and Chief People Officer of Valley National Bank	
Mitchell L. Crandell	55	2019	Executive Vice President, Chief Accounting Officer of Valley and Valley National Bank	
Mark Saeger	61	2018	Executive Vice President of Valley and Chief Credit Officer of Valley National Bank	

All officers serve at the pleasure of the Board.

Available Information

The SEC maintains a website at www.sec.gov which contains reports and other information filed with the SEC electronically. We make our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and amendments thereto available on our website at www.valley.com without charge as soon as reasonably practicable after filing or furnishing them to the SEC. Also available on our website are Valley's Code of Conduct and Ethics that applies to all of our employees, including our executive officers, as well as non-employee directors, Valley's Audit Committee Charter, Valley's Compensation and Human Capital Management Committee Charter, Valley's Nominating, Governance, and Corporate Sustainability Committee Charter, and Valley's Corporate Governance Guidelines. The information on our website is for informational purposes only and should not be relied on for investment purposes. The information on our website is not incorporated by reference into this Report and should not be considered part of this or any other report filed with the SEC.

Additionally, we will provide without charge a copy of our Report or the Code of Conduct and Ethics to any shareholder by mail. Requests should be sent to Valley National Bancorp, Attention: Shareholder Relations, 70 Speedwell Avenue, Morristown, New Jersey, 07960.

We use our website to distribute Company information, including as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. We routinely post and make accessible financial and other information, including corporate sustainability information, regarding the Company on our website. Investors should monitor our website, including the Investor Relations portion of our website, in addition to our press releases, SEC filings, public conference calls and webcasts.

SUPERVISION AND REGULATION

The banking industry is highly regulated, and banking organizations are subject to regulation, supervision, and examination by various federal and state regulators. The statutory and regulatory framework that governs us is intended primarily for the protection of the FDIC-insured deposits and depositors, consumers, the stability of the U.S. banking and financial system, and the health of the national economy, rather than stockholders. Banking laws and regulations, as well as examination and supervision, increase a bank holding company's cost of doing business and limit the options of its management to deploy assets and maximize income. The compliance cost for Valley is significant and subject to increase as new governmental regulations are enacted and/or the level and intensity of supervision and of enforcement increases. In particular, Valley employs specialists and retains outside advisors with the expectation that Valley will have sufficient resources to comply with the regulations and supervision to which it is subject. Certain of Valley's competitors, including credit unions, fintech companies, and others, are not regulated or supervised to the extent that Valley and other banks are, which may place Valley at a competitive disadvantage. Federal and state banking regulators regularly examine Valley and its subsidiaries to evaluate their financial condition and monitor their compliance with laws and regulatory policies. Following those exams, Valley and the Bank are assigned supervisory ratings. These ratings are considered confidential supervisory information and disclosure to third parties is not allowed without permission of the issuing regulator. Violations of laws and regulations or deemed deficiencies in risk management practices may be incorporated into these supervisory ratings. A downgrade in these ratings could limit Valley's ability to pursue acquisitions or conduct other expansionary activities for a period of time, require new or additional regulatory approvals before engaging in certain other business activities or investments, affect the Bank's deposit insurance assessment rate, and/or impose additional recordkeeping and corporate governance requirements, as well as generally increase regulatory scrutiny of Valley.

Banking and other financial services statutes, regulations, and policies are frequently under review by Congress, state legislatures, and federal and state regulatory agencies. In addition to laws and regulations, state and federal bank regulatory agencies may issue policy statements, interpretive letters, and similar written guidance applicable to Valley and its subsidiaries. Any change in the statutes, regulations, or regulatory policies applicable to Valley, including changes in their interpretation or implementation, could have a material effect on our business or organization. The scope of the laws and regulations, and the intensity of the supervision to which Valley is subject, have generally increased over time, initially in response to the 2008 financial crisis, and more recently in light of other factors, including bank failures in 2023, technological factors, market changes and climate change concerns, and as a result, Valley may face increased scrutiny and possible denials of bank mergers and acquisitions by federal bank regulators. Valley expects that its business will remain subject to extensive regulation and supervision, notwithstanding efforts by the current U.S. presidential administration to implement a regulatory reform agenda that may tailor financial institutions' regulatory and supervisory obligations.

The following discussion describes certain elements of the comprehensive regulatory framework applicable to Valley and the Bank. These descriptions do not summarize all laws and regulations applicable to Valley, the Bank, or Valley's other subsidiaries.

Bank Holding Company Regulation

Valley is a bank holding company and a financial holding company within the meaning of the BHC Act. As a bank holding company, Valley is supervised by the Federal Reserve and is required to file reports with the Federal Reserve and provide such additional information as the Federal Reserve may require.

The BHC Act prohibits a bank holding company, with certain exceptions, from acquiring direct or indirect ownership or control of five percent or more of the voting shares of any company which is not a bank and from engaging in any business other than that of banking, managing and controlling banks or furnishing services to subsidiary banks, except that it may, upon application, engage in, and may own shares of companies engaged in, certain businesses found by the Federal Reserve to be so closely related to banking "as to be a proper incident thereto." As detailed further below, a bank holding company that has elected to be treated as a financial holding company, as Valley has, may engage in a broader range of non-banking activities that are "financial in nature." The BHC Act requires prior approval by the Federal Reserve of the acquisition by Valley of five percent or more of the voting stock of any other bank. Satisfactory capital ratios, CRA ratings, and anti-money laundering policies as well as the absence of an enforcement action or material supervisory concerns are generally prerequisites to obtaining federal regulatory approval to make acquisitions. Acquisitions through the Bank require approval of the OCC.

As a financial holding company, Valley may engage in a broader range of non-banking activities than permitted for bank holding companies and their subsidiaries that have not elected to become financial holding companies. Financial holding companies may engage directly or indirectly, either de novo or by acquisition, in activities that are defined under the BHC Act or determined by the Federal Reserve to be financial in nature or incident to a financial activity, provided that the financial holding company gives the Federal Reserve after-the-fact notice of certain new activities. Activities defined to be financial in nature include, but are not limited to: providing financial or investment advice; underwriting; dealing in or making markets in securities; making merchant banking investments, subject to significant limitations; and any activities previously found by the Federal Reserve to be so closely related to banking as to be a proper incident thereto. In order to maintain our status as a financial holding company, we and the Bank are expected to be well capitalized and well managed, as defined in applicable regulations and determined by the results of examinations, and the Bank must maintain a CRA rating of at least satisfactory or better. Failure to maintain these standards may result in restrictions on our activities and may ultimately permit the Federal Reserve to take enforcement actions against us and restrict our ability to engage in activities defined to be financial in nature and limits on our ability to engage in new activities that are financial in nature.

Valley is required by statute to act as a source of managerial and financial strength to the Bank and to commit resources to support the Bank in circumstances in which it might not do so absent the statutory requirement.

Regulation of Bank Subsidiary

The Bank is subject to the supervision of, and to regular examination by, the OCC. Various laws and the regulations thereunder applicable to Valley and the Bank impose restrictions and requirements in many areas, including capital requirements, the maintenance of reserves, establishment of new offices, the making of loans and investments, consumer protection, employment practices, bank acquisitions and entry into new types of business.

Capital Requirements

The Federal Reserve and the OCC have rules establishing a comprehensive capital framework for U.S. banking organizations, referred to as the Basel III rules.

Under Basel III, the minimum capital ratios for Valley and the Bank are as follows:

- 4.5 percent CET1 (common equity Tier 1) capital to risk-weighted assets.
- 6.0 percent Tier 1 capital (i.e., CET1 plus Additional Tier 1) to risk-weighted assets.
- 8.0 percent Total capital (i.e., Tier 1 plus Tier 2) to risk-weighted assets.
- 4.0 percent Tier 1 capital to average consolidated assets as reported on consolidated financial statements (known as the “leverage ratio”).

Under Basel III, both Valley and the Bank are required to maintain a 2.5 percent “capital conservation buffer” on top of the minimum risk-weighted asset ratios, effectively resulting in minimum ratios of (i) CET1 to risk-weighted assets of 7.0 percent or greater, (ii) Tier 1 capital to risk-weighted assets of 8.5 percent or greater, and (iii) total capital to risk-weighted assets of 10.5 percent or greater. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of (i) CET1 to risk-weighted assets, (ii) Tier 1 capital to risk-weighted assets or (iii) total capital to risk-weighted assets below the minimum requirement plus the capital conservation buffer will face constraints on dividends, equity repurchases and discretionary bonus payments to executive officers based on the amount of the shortfall. Basel III also provides for a number of complex deductions from and adjustments to its various capital components.

Pursuant to the FDICIA known as “prompt corrective action,” each federal banking agency has promulgated regulations, specifying the levels at which a financial institution would be considered “well capitalized,” “adequately capitalized,” “undercapitalized,” “significantly undercapitalized,” or “critically undercapitalized,” and to take certain mandatory and discretionary supervisory actions based on the capital level of the institution.

To be well capitalized, the Bank must maintain the following capital ratios:

- CET1 capital ratio of 6.5% or greater;
- Tier 1 capital ratio of 8.0% or greater;
- Total capital ratio of 10.0% or greater; and
- Tier 1 leverage ratio of 5.0% or greater.

Failure to be well capitalized or to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that increase as the institution's capital condition weakens and, if undertaken, could have an adverse material effect on our operations or financial condition. Such restrictions may include a prohibition on capital distributions, restrictions on asset growth or restrictions on the ability to receive regulatory approval of applications. The FDICIA also provides enhanced supervisory authority over undercapitalized institutions, including authority for the appointment of a conservator or receiver for the institution. In certain instances, a bank holding company may be required to guarantee the performance of an under capitalized subsidiary bank's capital restoration plan.

The Bank's capital ratios were all above the minimum levels required for it to be considered a "well capitalized" financial institution at December 31, 2025 and 2024, under the "prompt corrective action" regulations. For further discussion of Valley and the Bank's regulatory capital, see the "Capital Adequacy" section of the MD&A.

Resolution Planning

The FDIC requires certain insured depository institutions, or IDIs, with more than $50 billion in total consolidated assets to submit to the FDIC periodic plans for resolutions in the event of the institution's failure. Covered IDIs with between $50 billion and $100 billion in total assets, which includes the Bank, must submit informational filings on a three-year cycle, with an interim supplement updating key information submitted in the off years. If the FDIC deemed a resolution plan or informational filing not credible and the IDI failed to resubmit a credible plan, the IDI could become subject to an enforcement action. The Bank submitted its first informational submission in 2025. In December 2025, the FDIC delayed the requirement to submit an interim supplement in 2026 until the completion of a rulemaking to revise the resolution plan and informational filing requirements.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act)

The Dodd-Frank Act significantly changed the bank regulatory landscape and impacted the lending, deposit, investment, trading and operating activities of financial institutions and their holding companies. Some of the effects are discussed below.

Under the Durbin Amendment contained in the Dodd-Frank Act, the Federal Reserve adopted rules applying to banks with more than $10 billion in assets which established a maximum permissible interchange fee equal to no more than 21 cents plus 5 basis points of the transaction value for many types of debit interchange transactions. The Federal Reserve also adopted a rule to allow a debit card issuer to recover 1 cent per transaction for fraud prevention purposes if the issuer complies with certain fraud-related requirements required by the Federal Reserve. The Federal Reserve also has rules governing routing and exclusivity that require issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product. Because we exceed $10 billion in assets, we are subject to the interchange fee cap.

On October 25, 2023, the Federal Reserve released a notice of proposed rulemaking that would lower the maximum interchange fee that a large debit card issuer can receive on a debit card transaction. We will continue to monitor the status of the proposed rule.

Volcker Rule

The Volcker Rule prohibits an insured depository institution and its affiliates from: (i) engaging in certain short-term "proprietary trading" activities, as defined in the Volcker Rule, and (ii) investing in or sponsoring certain types of "covered funds," as defined in the Volcker Rule. The Volcker Rule regulation contains exemptions for market-making, hedging, underwriting, trading in U.S. government and agency obligations, and also permits certain ownership interests in certain types of covered funds to be retained. It also permits the offering and sponsoring of covered funds under certain conditions.

Incentive Compensation

The federal banking agencies have issued joint guidance on incentive compensation designed to ensure that the incentive compensation policies of banking organizations, such as Valley and the Bank, do not encourage imprudent risk taking and are consistent with the safety and soundness of the organization. The Federal Reserve and the OCC review the incentive compensation arrangements of banking organizations as part of their regular risk-focused examination process. These reviews are tailored to each organization based on the scope and complexity of the organization's activities and the prevalence of incentive compensation arrangements.

The Dodd-Frank Act requires that the federal banking agencies, including the Federal Reserve and the OCC, issue a rule related to incentive-based compensation. No final rule implementing this provision of the Dodd-Frank Act has, as of the date of the filing of this Report, been adopted. Although a final rule has not been issued, and it is unclear if a final rule will be issued,

or if issued, what the timing of issuance would be, Valley and the Bank have undertaken efforts to ensure that their incentive compensation plans do not encourage inappropriate risks.

Dividend Limitations

Valley is a legal entity separate and distinct from its subsidiaries. Valley's revenues and cash flows (on a parent company only basis) result in substantial part from dividends paid by the Bank. The Bank's dividend payments are subject to regulatory limitations. Under the National Bank Act, without consent, a national bank may declare, in any one year, dividends only in an aggregate amount not more than the sum of its net profits for such year and its retained net profits for the preceding two years. In addition, the bank regulatory agencies have the authority to prohibit us from paying dividends if the supervising agency determines that such payment would constitute an unsafe or unsound practice. Federal Reserve guidance provides that we should consult with the Federal Reserve supervisory staff in advance of our declaration or payment of a dividend to our shareholders that exceeds our earnings, net of dividends, for the trailing four-quarter period in which the dividend is being paid or that exceeds our earnings for the period in which the dividend is being paid.

Transactions by the Bank with Affiliates and Other Related Parties

The Bank's authority to extend credit or engage in other transactions with its affiliates is governed by the requirements of Sections 23A and 23B of the Federal Reserve Act, as implemented by Regulation W. These laws (i) limit the extent to which an insured bank may engage in "covered transactions" with any one affiliate to an amount equal to 10% of the bank's capital stock and surplus, and limit the aggregate of all such transactions with all affiliates to an amount equal to 20% of the bank's capital stock and surplus, and (ii) require that all transactions between an insured bank and its affiliates be on terms substantially the same, or at least as favorable, to the bank as those that would be provided to a non-affiliate. In addition, these laws require that an insured bank's loans to affiliates must be fully collateralized. The term "covered transaction" includes the making of loans to the affiliate, purchase of assets from the affiliate, issuance of a guarantee on behalf of the affiliate and several other types of transactions.

The Bank's authority to extend credit to its directors, executive officers and 10 percent shareholders, as well as to entities controlled by such persons (insiders), is governed by the requirements of the National Bank Act, the Federal Reserve Act, the Sarbanes-Oxley Act of 2002 and Regulation O of the Federal Reserve. Among other things, these provisions require that extensions of credit to insiders (i) be made on terms that are substantially the same as, and follow credit underwriting procedures that are not less stringent than, those prevailing for comparable transactions with unaffiliated persons and that do not involve more than the normal risk of repayment or present other unfavorable features and (ii) not exceed certain limitations on the amount of credit extended to such persons, individually and in the aggregate, which limits are based, in part, on the amount of the Bank's capital.

Section 22 of the Federal Reserve Act prohibits the Bank from paying to a director, officer, attorney or employee a rate on deposits that is greater than the rate paid to other depositors on similar deposits with the Bank.

Community Reinvestment

Under the CRA, as implemented and overseen by federal banking regulators, an insured depository institution has a continuing and affirmative obligation consistent with its safe and sound operation to help meet the credit needs of its entire community, including low- and moderate-income neighborhoods. The CRA does not establish specific lending requirements or programs for financial institutions, nor does it limit an institution's discretion to develop the types of products and services that it believes are best suited to its particular community. The CRA requires regulators, in connection with its examination of an insured depository institution, to assess the institution's record of meeting the credit needs of its community and to take such record into account in its evaluation of certain applications by such institution. A bank that does not have a CRA program that is deemed "satisfactory" or better by its regulator may be prevented from making acquisitions. The CRA also requires all institutions to make public disclosure of their CRA ratings. The Bank received an overall "Outstanding Rating" in its most recent completed examination for the three-year period ending in 2024.

On October 24, 2023, the federal banking agencies finalized a rule to amend their regulations implementing the CRA. On July 16, 2025, the agencies issued a proposal to rescind the October 2023 final rule and reinstate the CRA framework that existed prior to the October 2023 final rule. The Bank's most recent performance evaluation was conducted using the CRA framework that existed prior to the October 2023 final rule.

Bank Secrecy Act (BSA)/USA PATRIOT Act

The Bank is subject to the reporting and recordkeeping requirements of the BSA and its implementing regulations. Under the BSA, the Bank is required, among other things, to establish and maintain a BSA/AML Program with procedures reasonably

designed to assure and monitor compliance with BSA regulatory requirements. As part of the USA PATRIOT Act, Congress adopted the Anti-Money Laundering Act, which amended the BSA and introduced and expanded certain requirements. For example, the BSA, as amended by the Anti-Money Laundering Act, requires each financial institution to: (i) establish an anti-money laundering program; (ii) establish due diligence policies, procedures and controls that are reasonably designed to detect and report instances of money laundering in United States private banking accounts and correspondent accounts maintained for non-United States persons or their representatives; and (iii) avoid establishing, maintaining, administering, or managing correspondent accounts in the United States for, or on behalf of, a foreign shell bank that does not have a physical presence in any country. In addition, the BSA, as amended, authorizes the Secretary of the U.S. Treasury, in consultation with the heads of other government agencies, to adopt special measures applicable to financial institutions such as banks, bank holding companies, broker-dealers and insurance companies. In 2021, Congress passed the Anti-Money Laundering Act of 2020, which amended the BSA and requires FinCEN to undertake a number of rulemakings that will update and expand the BSA's regulatory requirements and may affect the Bank's compliance obligations.

Regulations implementing the BSA, among other things, require covered financial institutions to implement customer identification and customer due diligence programs, including minimum standards to verify customer identity and maintain accurate records; encourage cooperation among financial institutions, federal banking agencies, and law enforcement authorities regarding possible money laundering or terrorist activities; prohibit the anonymous use of "concentration accounts"; require financial institutions to identify and report suspicious transactions; and require all financial institutions to have in place an anti-money laundering compliance program reasonably designed to ensure compliance with the BSA.

The OCC, along with other banking agencies and FinCEN, have strictly enforced various anti-money laundering and suspicious activity reporting requirements using formal and informal enforcement tools to cause banks to comply with these provisions.

A bank that is issued a formal or informal enforcement requirement with respect to its BSA/AML Program may be prevented from making acquisitions.

In July 2024, the federal banking agencies, including the Federal Reserve and the OCC, proposed amendments to update the requirements for supervised institutions to establish, implement and maintain effective, risk-based and reasonably designed AML and countering the financing of terrorism (CFT) programs. The proposed amendments would require supervised institutions to identify, evaluate and document the institution's money laundering, terrorist financing and other illicit finance activity risks, as well as consider, as appropriate, FinCEN's published national AML/CFT priorities. In August 2024, FinCEN adopted a rule extending anti-money laundering obligations, including maintenance of an anti-money laundering program and filing certain reports with FinCEN, to certain registered investment advisers, including certain of our subsidiaries. While the final rule requires compliance with these programs beginning on January 1, 2026, in August 2025 the Secretary of the Treasury issued an order exempting covered investment advisers from compliance until January 1, 2028.

OFAC Regulation

The U.S. Department of the Treasury's OFAC administers and enforces economic and trade sanctions against targeted foreign countries and regimes, under authority of various laws, including designated foreign countries, nationals and others. OFAC publishes lists of specially designated targets and issues regulations and implements executive orders that restrict dealings with certain countries and territories. We and the Bank are responsible for, among other things, blocking accounts of, and transactions with, such targets and countries, prohibiting unlicensed trade and financial transactions with them and reporting blocked transactions after their occurrence. Failure to comply with these sanctions could have serious legal and reputational consequences, including causing applicable bank regulatory authorities not to approve merger or acquisition transactions when regulatory approval is required or to prohibit such transactions even if approval is not required.

Consumer Financial Protection Bureau Supervision

The Bank is subject to a variety of federal and state statutes and regulations designed to protect consumers and promote lending to various sectors of the economy and population. The CFPB has broad rulemaking and supervisory powers under various federal consumer financial protection laws, including the laws and regulations that relate to deposit products, credit card, mortgage, automobile, student, and other consumer loans, and other consumer financial products and services offered. The CFPB also has examination and enforcement authority with respect to consumer financial laws for depository institutions with $10 billion or more in assets, such as the Bank, including the authority to prevent unfair, deceptive or abusive practices in connection with the offering of consumer financial products or services.

The CFPB, along with the U.S. Department of Justice and bank regulatory authorities, also seeks to enforce discriminatory lending laws. In such actions, the CFPB and others have historically used a disparate impact analysis, which

measures discriminatory results without regard to intent. Consequently, unintentional actions by Valley could have a material adverse impact on our lending and results of operations if the actions are found to be discriminatory by our regulators.

The Bank is subject to federal consumer protection statutes and regulations promulgated under those laws, including, but not limited to the following:

- Truth-In-Lending Act and Regulation Z, governing disclosures of credit terms to consumer borrowers;
- Home Mortgage Disclosure Act and Regulation C, requiring financial institutions to provide certain information about home mortgage and refinanced loans;
- Equal Credit Opportunity Act and Regulation B, prohibiting discrimination on the basis of race, creed, or other prohibited factors in extending credit;
- Fair Credit Reporting Act and Regulation V, governing the provision of consumer information to credit reporting agencies and the use of consumer information; and
- Fair Debt Collection Act, governing the manner in which consumer debts may be collected by collection agencies.

The Bank's deposit operations are also subject to the following federal statutes and regulations, among others:

- The Truth in Savings Act and Regulation DD, which requires disclosure of deposit terms to consumers;
- Regulation CC, which relates to the availability of deposit funds to consumers;
- The Right to Financial Privacy Act, which imposes a duty to maintain the confidentiality of consumer financial records and prescribes procedures for complying with administrative subpoenas of financial records; and
- Electronic Funds Transfer Act and Regulation E, governing automatic deposits to, and withdrawals from, deposit accounts and customers' rights and liabilities arising from the use of automated teller machines and other electronic banking services.

The CFPB examines the Bank's compliance with such laws and the regulations under them.

Insurance of Deposit Accounts

The Bank's deposits are insured by the FDIC up to applicable limits, which are generally $250,000 per account ownership type. The FDIC imposes a risk-based deposit premium assessment system that determines assessment rates for an insured depository institution based on an assessment rate calculator, under which insured depository institutions are assigned to one of four risk categories based on supervisory evaluations, regulatory capital levels and certain other factors with less risky institutions paying lower assessments on their deposits. The assessment rate is applied to total average assets less tangible equity, as defined under the Dodd-Frank Act. The assessment rate schedule can change from time to time at the discretion of the FDIC, subject to certain limits. Under the current system, premiums are assessed quarterly.

The FDIC, as required under the Federal Deposit Insurance Act, established a plan in September 2020 to restore the DIF reserve ratio to meet or exceed the statutory minimum of 1.35 percent within eight years. This plan did not include an increase in the deposit insurance assessment rate. Based on the FDIC's recent projections, however, the FDIC determined that the DIF reserve ratio is at risk of not reaching the statutory minimum by the statutory deadline of September 30, 2028 without increasing the deposit insurance assessment rates. In October 2022, the FDIC adopted a final rule to increase initial base deposit insurance assessment rate schedules by 2 basis points, beginning with the first quarterly assessment period of 2023. The FDIC also maintained the Designated Reserve Ratio for the DIF at 2 percent.

In November 2023, the FDIC issued a final rule to implement a special assessment to recoup losses to the DIF associated with protecting uninsured depositors following the bank failures in the first half of 2023. Under the rule, the assessment base for the special assessment is equal to an insured depository institution's estimated uninsured deposits reported as of December 31, 2022, adjusted to exclude the first $5 billion of uninsured deposits. In the first quarter 2024, the FDIC started collecting the special assessment at an annual rate of approximately 13.4 basis points over eight quarterly assessment periods. The special assessment for the Bank totaled $59.1 million, adjusted based upon revised loss information received from the FDIC in 2024, and resulted in pre-tax charges of $8.8 million and $50.3 million to earnings for the years ended December 31, 2024 and 2023, respectively. During 2025, the FDIC continued to reduce the DIF's estimated losses related to these bank failures resulting in a $9.5 million reduction in our total FDIC assessment expense for the year ended December 31, 2025. Refer to the "Non-Interest Expense" section of the MD&A for additional information related to the FDIC's special assessment.

Federal Securities Laws

Valley's common stock is registered with the SEC under the Exchange Act. Valley is subject to the information, proxy solicitation, insider trading and other requirements and restrictions under the Exchange Act.

Broker-Dealer and Securities Regulation

Our U.S. broker-dealer subsidiary, VFM, is subject to federal securities laws relating to all aspects of their securities business operations, including, but not limited to, sales and trading practices, securities offerings, handling of customer funds, net capital levels, record-keeping, privacy requirements, and the conduct of directors, officers and employees. VFM is also subject to regulation by state securities commissions in those states in which they conduct business. VFM is currently registered as a broker-dealer in most U.S. states, the District of Columbia and Puerto Rico. VFM is a member of the Securities Investor Protection Corporation and is subject to rules of certain SROs, including FINRA and securities exchanges.

VFM is subject to various requirements related to sales practices and customer relationships, including Regulation Best Interest, which requires broker-dealers and investment advisers to act in the "best interest" of retail customers at the time a recommendation is made without placing the financial or other interests of the broker-dealer or investment adviser ahead of the interest of the retail customer. Margin lending by our broker-dealers is regulated by the Federal Reserve's restrictions on lending in connection with purchases and short sales of securities. VFM is also subject to maintenance and other margin requirements imposed under FINRA and other SRO rules.

The SEC and FINRA have active enforcement functions that oversee broker-dealers and can bring actions that result in fines, restitution, a limitation on permitted activities, disqualification to continue to conduct certain activities and an inability to rely on certain favorable exemptions. In addition, certain changes in the activities of a broker-dealer require approval from FINRA, and FINRA takes into account a variety of considerations in acting upon applications for such approval, including internal controls, capital levels, management experience and quality, prior enforcement and disciplinary history, and supervisory concerns.

Investment Advisers Act

VFM and our subsidiary Valley Wealth Managers, Inc. (formerly Hallmark Capital Management, Inc.) are registered investment advisers. In this capacity, VFM and Valley Wealth Managers, Inc. are subject to the Investment Advisers Act, and SEC rules and regulations thereunder, including with respect to record-keeping, operational and marketing requirements, disclosure obligations, fiduciary and other obligations and prohibitions on fraudulent activities. The SEC is authorized to institute proceedings and impose sanctions for violations of the Investment Advisers Act, ranging from fines and censure to termination of an investment adviser's registration. Our investment adviser subsidiaries are also subject to state laws and regulations, including anti-fraud laws, in those states in which they conduct business. Noncompliance with the Investment Advisers Act or other federal and state securities laws and regulations could result in investigations, sanctions, disgorgement, fines and reputational harm.

Insurance Regulation

Valley's insurance agency subsidiary, Valley Insurance Services, Inc., provides property and casualty insurance, employee benefits, risk management, loss control and claims services to business clients, as well as home, auto, boat and life insurance to individuals. In addition, VFM is licensed as an insurance agency to provide life and health insurance in several states. Regulation of insurance brokerage is generally performed at a state, rather than a national, level. Both Valley's insurance agency subsidiaries operate in multiple states, and as a result, they and their employees are subject to various state regulatory and licensing requirements. Valley's insurance agency subsidiaries monitor compliance with the various state insurance regulators and also have relationships with third-party vendors to ensure compliance and awareness among entities and their employees of relevant requirements and changes, and emerging regulatory issues.

Prohibitions Against Tying Arrangements

Banks are subject to the prohibitions of 12 U.S.C. Section 1972 on certain tying arrangements. A depository institution is prohibited, subject to some exceptions, from extending credit to or offering any other service, or fixing or varying the consideration for such extension of credit or service, on the condition that the customer obtain some additional service from the institution or its affiliates or not obtain services of a competitor of the institution.

Data Privacy and Cybersecurity Regulation

In the course of our operations, we collect, use, store, disclose, transfer and otherwise process personal information of our customers, employees and third parties with whom we conduct business. Accordingly, we are subject to a variety of

increasingly stringent federal, state and local laws and regulations relating to data privacy and cybersecurity. For example, at the U.S. federal level, we are subject to, among other laws and regulations, the rules and regulations promulgated under the authority of the Federal Trade Commission (which has the authority to regulate and enforce against unfair or deceptive acts or practices in or affecting commerce, including acts and practices with respect to data privacy and security) and the Gramm Leach Bliley Act (which regulates the confidentiality and security of customer information obtained by financial institutions and certain other types of financial services businesses). Further, in the spring of 2022, federal banking regulators imposed a new cybersecurity-related notification rule that requires banking organizations to notify their primary federal regulator as soon as possible and within 36 hours of incidents that, among other things, have materially disrupted or degraded, or are reasonably likely to materially disrupt or degrade, the banking organization's ability to deliver services to a material portion of its customer base, jeopardize the viability of key operations of the banking organization, or impact the stability of the financial sector. The rule also imposes requirements on bank service providers to notify their affected banking organization customers of certain computer-security incidents.

At the state level, we are subject to laws and regulations such as the California Consumer Privacy Act (as amended by the California Privacy Rights Act, collectively, the CCPA), which broadly defines personal information and gives California residents expanded privacy rights and protections, such as affording them the right to access, correct, and delete their information and to opt out of certain sharing and sales of personal information. Numerous other states also have enacted, or are in the process of enacting or considering, comprehensive state-level data privacy and cybersecurity laws and regulations that share similarities with the CCPA. Moreover, laws in all 50 U.S. states require businesses to provide notice under certain circumstances to consumers whose personal information has been disclosed as a result of a data breach.

Additionally, the New York State Department of Financial Services (NYDFS) has issued Cybersecurity Requirements for Financial Services Companies, which took effect in 2017 and were recently amended, and which require banks, insurance companies and other financial services institutions regulated by the NYDFS, including certain of our subsidiaries, to establish and maintain a cybersecurity program designed to protect consumers and ensure the safety and soundness of New York State's financial services industry. The cybersecurity regulation includes specific requirements for these institutions' cybersecurity compliance programs and imposes an obligation to conduct ongoing, comprehensive risk assessments. Further, on an annual basis, each institution is required to submit a certification of compliance with these requirements.

Recent and ongoing developments may also impact our data privacy- and cybersecurity-related risk profile and internal controls. On October 22, 2024, the CFPB announced a final rule regarding personal financial data rights that is designed to promote "open banking." The rule would require, among other things, that data providers, including financial institutions, to make available to consumers and certain authorized third parties upon request certain covered transaction, account and payment information. Industry organizations challenged the final rule in court. On July 29, 2025, the district court granted a motion by the CFPB to stay the proceedings while the CFPB conducts a rulemaking to revise the final rule substantially. On August 22, 2025, the CFPB issued an advance notice of proposed rulemaking to solicit comments and data on several issues as part of a reconsideration of the final rule. On October 29, 2025, the district court issued a preliminary injunction preventing the CFPB from enforcing the final rule until the CFPB has completed its reconsideration of the rule.

In May 2024, the SEC finalized amendments to Regulation S-P which requires broker-dealers, investment companies, registered investment advisers, and transfer agents to address the expanded use of technology and corresponding risks that have emerged since Regulation S-P was first adopted by developing, implementing, and maintaining written policies and procedures for an incident response program that is reasonably designed to detect, respond to, and recover from unauthorized access to or use of customer information. The amendments also require individuals affected by an incident involving sensitive customer information to be notified within 30 days with details about the incident and other information intended to help affected individuals respond appropriately.

If laws and regulations relating to data privacy and cybersecurity are implemented, interpreted or applied in a manner inconsistent with our current or future practices or policies, or if we fail to comply with applicable laws or regulations, we could be subject to investigations, enforcement actions and other proceedings. See Item 1A. Risk Factors—"We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding data privacy and cybersecurity, which could increase the cost of doing business, compliance risks and potential liability" for more information regarding other risks related to data privacy and cybersecurity and Item 1C. Cybersecurity for more information regarding our cybersecurity risk management program.

Item 1A. ***Risk Factors***

An investment in our securities is subject to risks inherent to our business. The material risks and uncertainties that management believes may affect Valley are described below. Before making an investment decision, you should carefully consider the risks and uncertainties described below together with all of the other information included or incorporated by

reference in this Report. The risks and uncertainties described below are not the only ones facing Valley. Additional risks and uncertainties that management is not aware of or that management currently believes are immaterial may also impair Valley's business operations. The value or market price of our securities could decline due to any of these identified or other risks, and you could lose all or part of your investment. This Report is qualified in its entirety by these risk factors.

Risks Related to the Operating Environment

Our financial results and condition may be adversely impacted by changing economic conditions.

Financial institutions are affected by changes in the economic environment, which may be impacted by changing interest rates, changing leadership and policy at the Federal Reserve, volatility in financial markets, and geopolitical instability or conflict. Economic conditions, financial and labor markets and monetary policies may be adversely affected by the impact of inflationary pressures, the impact of current or anticipated fiscal and monetary policies or changes thereto, policies of the current U.S. presidential administration (including trade policies, tariffs/import fees and immigration), the potential for an economic recession, uncertainty regarding the U.S. debt ceiling, government shutdowns, or default by the U.S. government on its obligations, and actual or perceived instability in the U.S. banking system. Changes in global economic conditions and geopolitical matters, including U.S. foreign policy and potential military actions and the conflicts between Russia and Ukraine and in the Middle East, foreign currency exchange volatility, volatility in global capital markets, inflationary pressures, and higher interest rates may meaningfully impact loan production, net interest margin, the value of our securities portfolio, and the measurement of certain significant estimates such as the allowance for credit losses. Moreover, in a period of economic contraction, we may experience elevated levels of credit losses, reduced interest income, impairment of goodwill and other financial assets, diminished access to capital markets and other funding sources, and reduced demand for our products and services. Volatility in the housing markets, real estate values and unemployment levels may result in significant write-downs of asset values by financial institutions. The majority of Valley's lending is in northern and central New Jersey, the New York City metropolitan area and Florida. As a result of this geographic concentration, a significant broad-based deterioration in economic conditions in these areas could have a material adverse impact on the quality of Valley's loan portfolio, results of operations and future growth potential.

Although inflation has slowed dramatically from the levels experienced during 2022 and 2023, possible prolonged inflationary pressures and any increases in market interest rates may cause the value of our investment securities, particularly those with longer maturities, to decrease, although this effect can be less pronounced for floating rate instruments. In addition, inflation generally increases the cost of goods and services we use in our business operations, such as electricity and other utilities, which increases our non-interest expenses. Furthermore, our customers are also affected by inflation and the rising costs of goods and services used in their households and businesses, which could have a negative impact on their deposits and/or ability to repay their loans with us.

Any of these effects, if sustained, may impair our capital and liquidity positions, require us to take capital actions, prevent us from satisfying our minimum regulatory capital ratios and other supervisory requirements, or result in downgrades in our credit ratings and the reduction or elimination of our common stock dividend in future periods. The extent to which the economic environment has an impact on our business, results of operations, and financial condition, as well as the regulatory capital and liquidity ratios, will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the current economic environment and actions taken by governmental authorities and other third parties in response to geopolitical conflicts, inflationary pressure and other changes in economic and political conditions.

Risks Associated with Our Business Model

A significant portion of our loan portfolio is secured by commercial real estate, and events that negatively impact the real estate market could adversely affect our asset quality and profitability for those loans secured by real property and increase the number of defaults and the level of losses within our loan portfolio.

As of December 31, 2025, total commercial real estate loans, including construction loans, represented 58.3 percent of our loan portfolio. These types of loans generally expose a lender to a higher degree of credit risk of non-payment and loss than residential mortgage loans do because of several factors, including dependence on the successful operation of a business or a project for repayment, and loan terms with a balloon payment rather than full amortization over the loan term. In addition, commercial real estate loans typically involve larger loan balances to single borrowers or groups of related borrowers compared to one-to-four family residential mortgage loans. The value of the real estate collateral that provides an alternate source of repayment in the event of default by the borrower could deteriorate during the time the credit is extended. Underwriting and portfolio management activities cannot completely eliminate all risks related to these loans. Any significant failure to pay on time by our clients or a significant default by our clients would materially and adversely affect us.

Concentrations in commercial real estate are closely monitored by regulatory agencies and subject to especially heightened scrutiny both on a public and confidential basis. Any formal or informal action by our supervisors may require us to increase our reserves on these loans and adversely impact our earnings.

A downturn in the real estate market in our primary market areas could result in an increase in the number of borrowers who default on their loans and a reduction in the value of the collateral securing their loans, which in turn could have an adverse effect on our profitability and asset quality. If we are required to liquidate the collateral securing a loan to satisfy the debt during a period of reduced real estate values, our earnings and shareholders' equity could be adversely affected. Any weakening of the commercial real estate market, particularly certain segments in the New York City market, may increase the likelihood of default on these loans, which could negatively impact our loan portfolio's performance and asset quality. For example, any declines in commercial real estate prices in the New Jersey, New York and Florida markets we primarily serve, along with the unpredictable long-term path of the economy, may result in increases in delinquencies and losses in our loan portfolios. Unexpected decreases in commercial real estate prices coupled with slow economic growth and elevated levels of unemployment could drive losses beyond those which are provided for in our allowance for loan losses. We also may incur losses on commercial real estate loans due to declines in occupancy rates and rental rates, which may decrease property values and may decrease the likelihood that a borrower may find permanent financing alternatives. Any of these events could increase our costs, require management's time and attention, and materially and adversely affect us, and there can be no assurance that our efforts to reduce commercial real estate loan concentration and expand other areas of commercial lending activity will be successful in eliminating or mitigating these effects.

The loss of or decrease in lower-cost funding sources within our deposit base, including our inability to achieve deposit retention targets within our branch network, may adversely impact our net interest income and net income.

Checking and savings, NOW, and money market deposit account balances and other forms of customer deposits can decrease when customers perceive alternative investments, such as the stock market, U.S. Treasury securities, and money market or fixed income mutual funds, as providing a better risk/return trade-off. Additionally, our customers largely bank with us because of our local customer service and convenience. For certain customers, this convenience could be negatively impacted by strategic consolidation or relocation of our branch offices.

Additionally, the adoption of online banking technology could reduce the historical stickiness of our core deposits due to the relative ease with which depositors may transfer deposits to a different depository institution, including in the event that confidence is lost in the Bank. Valley's vulnerability to a bank run may be heightened by recent trends in depositor behavior. Highly coordinated depositors via social media or other communications can cause unexpectedly high deposit outflows resulting in a liquidity crisis, as happened in the case of the bank failures in early 2023. If customers move money out of bank deposits and into other investments, Valley could lose a low-cost source of funds, increasing its funding costs and reducing Valley's net interest income and net income.

Our deposit services for businesses in the state licensed cannabis industry could expose us to liabilities and regulatory compliance costs.

In 2020, we implemented specialized deposit services intended for state licensed cannabis business customers. Businesses engaged in the cultivation, manufacture, distribution, and sale of cannabis are legal in numerous states and the District of Columbia, including our primary markets of New Jersey, New York, and Florida. On December 18, 2025, President Trump signed an executive order directing the U.S. Department of Justice to reclassify marijuana as a Schedule III drug under the Controlled Substances Act of 1970. Even once such reclassification occurs, cannabis and cannabis businesses under their existing distribution models generally would not be legal at the federal level absent additional action by federal officials, and as such, we continue to incur anti-money laundering risk when serving customers in the cannabis business. In 2014, FinCEN published guidelines for financial institutions servicing state legal cannabis businesses. We have implemented a comprehensive control framework that includes written policies and procedures related to the on-boarding of such businesses and the ongoing monitoring and maintenance of such business accounts that conforms with the FinCEN guidance. Additionally, our policies call for due diligence review of the cannabis business before the business is on-boarded, including confirmation that the business is properly licensed and maintains the license in good standing in the applicable state. Throughout the relationship, our policies call for continued monitoring of the business, including site visits where appropriate, to determine if the business continues to meet our requirements, including maintenance of required licenses and calls for undertaking periodic financial reviews of the business. In the latter half of 2021, the Bank expanded its cannabis-related business offerings to some limited real estate and other secured lending. The Bank may offer additional banking products and services to such customers in the future.

There can be no assurance that compliance with our policies and procedures designed to allow us to operate in compliance with the FinCEN guidelines will protect us from federal prosecution or other regulatory sanctions. Federal prosecutors have significant discretion and there can be no assurance that the federal prosecutors will not choose to strictly

enforce the federal laws governing cannabis. Any change in the federal government's enforcement position could potentially subject us to criminal prosecution and other regulatory sanctions. As a general matter, the medical and recreational cannabis business is considered high-risk, thus increasing the risk of a regulatory action against our BSA/AML Program that has adverse consequences, including, but not limited to, preventing us from undertaking mergers, acquisitions and other expansion activities.

We could incur future goodwill impairment.

If our estimates of the fair value of our goodwill change as a result of changes in our business or other factors, we may determine a goodwill impairment charge is necessary. Estimates of the fair value of goodwill are determined using several factors and assumptions, including, but not limited to, industry pricing multiples and estimated cash flows. Based upon Valley's 2025 goodwill impairment testing, the fair values of its three reporting units, wealth management, consumer banking, and commercial banking, were in excess of their carrying values. No assurance can be given that we will not record an impairment loss on goodwill in the future and any such impairment loss could have a material adverse effect on our results of operations and financial condition. At December 31, 2025, our goodwill totaled $1.9 billion. See Note 7 to the consolidated financial statements for additional information.

Our market share and income may be adversely affected by our inability to successfully compete against larger and more diverse financial services providers, digital fintech start-up firms and other financial services providers that have advanced technological capabilities. The financial services market is undergoing rapid technological changes, and if we are unable to stay current with those changes, we will not be able to effectively compete.

Valley faces substantial competition in all areas of its operations from a variety of different competitors, many of which are larger and may have more financial resources than Valley to deal with the changes in the financial markets and regulatory landscape, including the rapid technological changes in the industry. Many of these competitors may have fewer regulatory constraints, broader geographic service areas, greater capital, and, in some cases, lower cost structures. Valley competes with other providers of financial services such as commercial and savings banks, savings and loan associations, credit unions, money market and mutual funds, mortgage companies, title agencies, asset managers, insurance companies, and a large list of other local, regional and national institutions which offer financial services.

Additionally, the financial services industry is facing a wave of digital disruption from fintech companies and other financial services providers and technology companies. These competitors provide innovative web-based solutions to traditional retail banking services and products and tend to have stronger operating efficiencies and fewer regulatory burdens than their traditional bank counterparts, including Valley. For example, the adoption and expansion of blockchain technologies and digital currencies, including the potential creation and adoption of central bank digital currencies and stablecoins, as well as the increasing use and mainstream acceptance of such digital currencies, may fundamentally change the business of banking and materially impact our business.

The financial services industry is continually undergoing rapid technological change with frequent introductions of new, technology-driven products and services which increase efficiency and enable financial institutions to better serve customers and to reduce costs and with the use of artificial intelligence, including generative and agentic artificial intelligence, machine learning, and similar tools and technologies that collect, aggregate, analyze or generate data or other materials or content, or that can initiate or execute actions or workflows based on such data (collectively, "AI"). These new technologies may be superior to, or render obsolete, the technologies currently used in our products and services.

Regulatory changes may continue to allow new entrants into the markets in which we operate. The result of these regulatory changes will likely cause other non-traditional financial services companies to compete directly with Valley. Many of the companies have stronger operating efficiencies and fewer regulatory burdens than their traditional bank counterparts, including Valley.

Our future success depends, in part, upon our ability to address the needs of our customers by using technology to provide products and services that will satisfy customer demands, as well as to create additional efficiencies in our operations. Many customers have become more reliant on, and their expectations have increased with respect to, this technology. We may not be able to effectively implement new, technology-driven products and services or be successful in marketing these products and services to our customers. Service interruptions, transaction processing errors and system conversion delays may cause us to fail to comply with applicable laws and fall short of customer expectations. Failure to successfully keep pace with technological change affecting the financial services industry could have a material adverse impact on Valley's business and, in turn, Valley's financial condition and results of operations. See the "Technology Risks" section below in this Item 1A for additional information regarding our risks related to technology and use of AI.

Failure to successfully implement our growth strategies or strategic initiatives could cause us to incur substantial costs and expenses which may not be recouped and adversely affect our future profitability.

From time to time, Valley may implement new lines of business or offer new products and services within existing lines of business. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. Valley may invest significant time and resources to develop and market new lines of business and/or products and services. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved, and price and profitability targets may not prove feasible. External factors, such as compliance with regulations, competitive alternatives, and shifting customer preferences, may also impact the successful implementation of a new line of business or a new product or service. Additionally, any new line of business and/or new product or service could have a significant impact on the effectiveness of Valley's system of internal controls. We also may not be able to successfully implement strategic initiatives in accordance with our expectations with respect to timing, anticipated operational improvements or returns, or otherwise, which could result in an adverse impact on our business and financial results. We have in the past and may in the future undertake restructuring in connection with strategic initiatives, which may result in significant costs and our ability to achieve the anticipated cost savings other benefits from these actions is subject to many estimates, assumptions and uncertainties, may be disruptive both internally and to our customers, and may result loss of continuity or accumulated knowledge. Strategic initiatives and restructuring can also require a significant amount of time and focus, which may divert attention from operating the business and growth initiatives. Failure to successfully manage any of the foregoing risks could have a material adverse effect on Valley's business, results of operations and financial condition.

We outsource various operations to third-party service providers, both domestic and foreign, which could adversely impact our operational performance.

We rely on various third-party service providers, both domestic and foreign, to perform certain operational activities. This exposes us to various risks depending on factors such as the type and amount of data these service providers access or process, the concentration of services they provide to us, and the geographies from which they operate. Our outsourcing to foreign-based service providers presents additional risk, including risks relating to economic, social, and political conditions within the service provider's home country that may impact their provision of services and the cross-border flow of information and services and potential applicability of foreign laws and regulations. Any failure of our service providers to perform can adversely affect our ability to deliver products and services to our customers and conduct our business and may result in increased expenses and loss of business. Management is responsible for ensuring that adequate controls are in place to protect us from the risks associated with our outsourcing arrangements, but these controls may not always prove effective. Replacing or finding alternatives for underperforming service providers can also be difficult and costly, and may not be completed within sufficient timeframes, potentially adversely impacting Valley's business.

Our investments in certain tax-advantaged projects may not generate returns as anticipated and may have an adverse impact on our results of operations.

We invest in certain tax-advantaged investments that support qualified affordable housing projects, community development and renewable energy resources. Our investments in these projects are designed to generate a return primarily through the realization of federal and state income tax credits, and other tax benefits, over specified time periods. Third parties perform diligence on these investments for us on which we rely both at inception and on an ongoing basis. We are subject to the risk that previously recorded tax credits, which remain subject to recapture by taxing authorities based on compliance features required to be met at the project level, may fail to meet certain government compliance requirements and may not be able to be realized. The possible inability to realize these tax credits and other tax benefits may have a negative impact on our financial results. The risk of not being able to realize the tax credits and other tax benefits depends on many factors outside our control, including changes in the applicable tax code and the ability of the projects to be completed.

We are subject to environmental liability risk associated with lending activities which could have a material adverse effect on our financial condition and results of operations.

A significant portion of our loan portfolio is secured by real property. During the ordinary course of business, we may foreclose on and take title to properties securing certain loans. In doing so, there is a risk that hazardous or toxic substances could be found on these properties. If hazardous or toxic substances are found, we may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws may require us to incur substantial expenses and may materially reduce the affected property's value or limit our ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. Although we have policies and procedures to perform an environmental review prior to originating certain commercial real estate loans, as well as before initiating any foreclosure action on real property, these reviews may not be sufficient to

detect all potential environmental hazards. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on our financial condition and results of operations.

We are subject to risks related to originating and selling loans, including repurchase and indemnification obligations.

When loans are sold, it is customary to make representations and warranties to the purchaser about the loans, including the manner in which they were originated, and to agree to repurchase the loans or indemnify the buyer in the event of a breach of the sale agreement, including a breach of these representations or warranties. While the Bank has historically had an immaterial number of repurchase and indemnity demands from purchasers, an increase in such activity could result in losses to us. In addition to repurchase claims from Fannie Mae and Freddie Mac, the we could be subject to indemnification claims from non-government sponsored entity purchasers of our loans. Claims could be made if the loans sold fail to conform to statements about their quality, the manner in which the loans were originated and underwritten, or their compliance with state and federal law. There were no loan repurchases in 2025 and 2024. However, it is possible that our careful loan underwriting and documentation standards may not be sufficient to prevent future requests to repurchase loans or indemnify buyers, and such requests may have a negative financial impact on us.

We face risks as a servicer of loans.

The Bank acts as servicer for loans owned by investors. As servicer for loans, the Bank has certain contractual obligations to the investors or other third parties, including foreclosing on defaulted loans or, to the extent consistent with the applicable investor agreement, considering alternatives to foreclosure such as loan modifications or short sales. Generally, the Bank's servicing obligations are set by contract, for which the Bank receives a contractual fee. However, Fannie Mae and Freddie Mac can amend their servicing guidelines unilaterally for certain government guaranteed mortgages, which can increase the scope or costs of the services required without any corresponding increase in the Bank's servicing fee. Federal and state laws that impose additional servicing requirements could increase the scope and cost of the Bank's servicing obligations. As a servicer, the Bank also advances expenses on behalf of investors, which it may be unable to collect and result in loss.

Interest rate swap fees within capital markets income are a significant component of our non-interest income and could fluctuate in future periods.

Valley executes interest rate swaps with commercial lending customers to facilitate their respective risk management strategies. Interest rate swap fees reported within capital markets income totaled $21.1 million, or 8 percent, and $13.3 million, or 6 percent, of total non-interest income for the years ended December 31, 2025 and 2024, respectively. Several factors, including, but not limited to, the actual and expected level of market interest rates, can impact the decisions of commercial loan customers to use such interest rate swap products. As a result, we can provide no assurance that our interest rate swap fees will remain at the level reported for the year ended December 31, 2025.

We may not be able to attract, develop and retain skilled people.

Our success depends, in large part, on our ability to attract, develop and retain key people. Competition for the best people in most activities in which we engage can be intense and we may not be able to hire people or retain them. We have been impacted by an extremely competitive labor market, including increased competition for talent across all aspects of our business, as well as increased competition with non-traditional competitors, such as fintech companies. Employers are offering increased compensation and opportunities to work with greater flexibility, including remote work, on a permanent basis. These can be important factors in a current associate's decision to leave us as well as in a prospective associate's decision to join us. As competition for skilled professionals remains intense, we may have to devote significant resources to attract and retain qualified personnel, which could negatively impact earnings. The unexpected loss of services of one or more of our key personnel, including, but not limited to, the executive officers disclosed in Item 1. Business of this Report, could have a material adverse impact on our business because we would lose the employees' skills, knowledge of the market, and years of industry experience and may have difficulty promptly finding qualified replacement personnel.

We are subject to risks relating to corporate social responsibility matters that could adversely affect our reputation, business, financial condition and results of operations, as well as the price of our common and preferred stock.

We are subject to a variety of risks, including reputational risk, associated with corporate social responsibility matters. The public holds diverse and often conflicting views on these matters. We have multiple stakeholders, including our shareholders, clients, associates, federal and state regulatory authorities, and the communities in which we operate, and these stakeholders will often have differing priorities and expectations regarding these issues. If we take action in conflict with one or another of those stakeholders' expectations, we could experience an increase in client complaints, a loss of business, or reputational harm. For example, there exists negative sentiment among certain stakeholders and government institutions against certain corporate social responsibility practices, and we may face scrutiny, reputational risk, lawsuits or market access

restrictions from these parties regarding any such initiatives we have adopted. We could also face negative publicity or reputational harm based on the identity of those with whom we choose to do business. If we do not successfully manage expectations across varied stakeholder interests, it could erode stakeholder trust, impact our reputation and constrain our investment opportunities. Any adverse publicity in connection with any corporate social responsibility issues could damage our reputation, ability to attract and retain clients and associates, compete effectively, and grow our business.

In addition, proxy advisory firms and certain institutional investors who manage investments in public companies may take corporate social responsibility factors into their investment analysis. The consideration of these factors in making investment and voting decisions is relatively new. Accordingly, the frameworks and methods for assessing these policies are not fully developed, vary considerably among the investment community, and will likely continue to evolve over time. Moreover, the subjective nature of methods used by various stakeholders to assess a company with respect to criteria could result in erroneous perceptions or a misrepresentation of our actual policies and practices. Organizations that provide ratings information to investors on social responsibility matters may also assign unfavorable ratings to us. Certain of our clients might also require that we implement additional procedures or standards in order to continue to do business with them. If we fail to comply with specific investor or client expectations and standards in this area, or to provide the disclosure relating to social responsibility and governance issues that any third parties may believe are necessary or appropriate (regardless of whether there is a legal requirement to do so), our reputation, business, financial condition, and/or results of operations, as well as the price of our common and preferred stock could be negatively impacted.

Climate change and severe weather could adversely impact our operations, business, and clients.

There is an increasing concern over the risks of climate change and related environmental sustainability matters. Climate change presents (i) physical risks from the direct impacts of changing climate patterns and acute weather events, and (ii) transition risks from changes in regulations, disruptive technologies, and shifting market dynamics towards a lower carbon economy. The physical risks of climate change include discrete events, such as floods, hurricanes, tornadoes, heatwaves, and wildfires, and longer-term shifts in climate patterns, such as higher global average temperatures, extreme heat, sea level rise, and more frequent and prolonged droughts. Examples of transition risks include changes in consumer preferences, additional regulatory requirements or taxes and additional counterparty or client requirements. These risks could have a material adverse impact on asset values and the financial performance of Valley's businesses, and those of its clients. Ongoing legislative or regulatory uncertainties and changes regarding climate risk management and practices may result in higher regulatory, compliance, credit and reputational risks and costs. Climate change could also present incremental risks to the execution of Valley's long-term strategy. Additionally, transitioning to a low-carbon economy may entail extensive policy, legal, technology, and market initiatives.

A significant portion of our primary markets is located near coastal waters which could generate naturally occurring severe weather, or do so in response to climate change, which in turn could have a significant impact on our ability to conduct business. Many areas in New Jersey, New York, Florida and Alabama in which the vast majority of our branches and offices operate are subject to severe flooding from time to time and significant disruptions related to the weather may become common events in the future. Heavy storms and hurricanes can also cause severe property damage and result in business closures, negatively impacting both the financial health of retail and commercial customers and our ability to operate our business. The risk of significant disruption and potential losses from future storm activity exists in all of our primary markets.

In addition, our reputation and client relationships may be damaged as a result of our practices related to climate change, including our involvement, or our clients' involvement, in certain industries or projects, in the absence of mitigation and/or transition measures, associated with causing or exacerbating climate change, as well as any decisions we make to continue to conduct or change our activities in response to considerations relating to climate change. As climate risk is interconnected with all key risk types, Valley continues to embed climate risk considerations into risk management strategies. Due to uncertainty regarding climate change, the Company's risk management strategies may not be effective in fully mitigating climate risk exposures. The timing and severity of climate change may not be entirely predictable and our risk management processes may not be effective in mitigating climate risk exposure.

Risks Related to Our Industry

Changes in interest rates could reduce our net interest income and earnings.

Valley's earnings and cash flows are largely dependent upon the Bank's net interest income. Net interest income is the difference between interest income earned on interest-earning assets, such as loans and investment securities, and interest expense paid on interest bearing liabilities, such as deposits and borrowed funds. Interest rates are sensitive to many factors that are beyond Valley's control, including general economic conditions, competition, and policies of various governmental and regulatory agencies and, in particular, the policies of the Federal Reserve. Changes in interest rates driven by such factors will influence not only the interest the Bank receives on loans and investment securities and the amount of interest it pays on

deposits and borrowings, but such changes could also affect (i) the Bank's ability to originate loans and obtain deposits, (ii) the fair value of Valley's financial assets, including the HTM and AFS investment securities portfolios, and (iii) the average duration of Valley's interest-earning assets and liabilities. This also includes the risk that interest-earning assets may be more responsive to changes in interest rates than interest-bearing liabilities, or vice versa (repricing risk), the risk that the individual interest rates or rate indices underlying various interest-earning assets and interest-bearing liabilities may not change in the same degree over a given time period (basis risk), and the risk of changing interest rate relationships across the spectrum of interest-earning asset and interest-bearing liability maturities (yield curve risk). For example, a flat or inverted yield curve, where short-term rates are close to, or above, long-term rates, could adversely affect Valley's financial condition and results of operations. Any substantial or unexpected change in market interest rates could have a material adverse effect on Valley's financial condition and results of operations. See additional information in the "Net Interest Income" and "Interest Rate Sensitivity" sections of our MD&A.

We may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and could have a material adverse effect on us.

We are required to comply with anti-money laundering, anti-terrorism and other laws and regulations in the United States. These laws and regulations require us, among other things, to adopt and enforce "know-your-customer" policies and procedures and to report suspicious and large transactions to applicable regulatory authorities. These laws and regulations have become increasingly complex and detailed, require improved systems and sophisticated monitoring and compliance personnel and have become the subject of enhanced government supervision.

The policies and procedures that we have adopted to comply with these requirements and to detect and prevent the use of our banking network for money laundering and related activities may not completely eliminate instances in which we may be used by customers to engage in money laundering and other illegal or improper activities. To the extent we fail to fully comply with applicable laws and regulations, the OCC, along with other banking agencies, have the authority to impose fines and other penalties and sanctions on us. In addition, our business and reputation could suffer if customers use our banking network for money laundering or illegal or improper purposes.

Higher charge-offs and weak credit conditions could require us to further increase our allowance for credit losses through a provision charge to earnings.

The process for determining the amount of the allowance for credit losses is critical to our financial results and conditions. It requires difficult, subjective and complex judgments about the future, including the impact of national and regional economic conditions on the ability of our borrowers to repay their loans. If our judgment proves to be incorrect, our allowance for credit losses may not be sufficient to cover the lifetime credit losses inherent in our loan and HTM debt securities portfolios, as well as unfunded credit commitments. Deterioration in economic conditions affecting borrowers, including as a result of inflationary pressures or other macroeconomic factors, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of our control, may require an increase in the allowance for credit losses. Additionally, bank regulators review the classification of our loans in their examination of us and we may be required in the future to change the internal classification on certain loans, which may require us to increase our provision for credit losses or loan charge-offs. If actual net charge-offs were to exceed Valley's allowance, its earnings would be negatively impacted by additional provisions for credit losses. Any increase in our allowance for credit losses or loan charge-offs as required by our regulators or otherwise could have an adverse effect on our results of operations or financial condition.

An increase in our non-performing assets may reduce our interest income and increase our net loan charge-offs, provision for loan losses, and operating expenses.

Non-performing assets (including non-accrual loans, OREO, and other repossessed assets) totaled $439.8 million at December 31, 2025. Our non-accrual loans represented 0.87 percent of total loans at December 31, 2025. These non-performing assets can adversely affect our net income mainly through decreased interest income and increased operating expenses incurred to maintain such assets or loss charges related to subsequent declines in the estimated fair value of foreclosed assets. Adverse changes in the value of our non-performing assets, or the underlying collateral, or in the borrowers' performance or financial conditions could adversely affect our business, results of operations and financial condition. Potential stress in the commercial real estate markets, primarily in New York City metropolitan area, or other factors could also negatively impact the future performance of this portfolio. There can be no assurance that we will not experience increases in non-performing loans in the future, or that our non-performing assets will not result in lower financial returns in the future.

We may be required to consult with the Federal Reserve before declaring cash dividends on our common stock, which ultimately may delay, reduce, or eliminate such dividends and adversely affect the market price of our common stock.

Holders of our common stock are only entitled to receive such cash dividends as the Board may declare out of funds legally available for such payments. Although we have historically declared cash dividends on our common stock, we are not required to do so. We may reduce or eliminate our common stock cash dividend in the future depending upon our results of operations, financial condition or other metrics, which could be adversely impacted by the factors described in this Item 1A, including uncertain U.S. economic conditions.

Federal Reserve supervisory guidance sets forth an expectation that a bank holding company such as Valley will consult with the Federal Reserve in advance of declaring and paying a dividend that exceeds earnings for the period in which the dividend is being paid. In July 2020, the Federal Reserve updated its supervisory guidance to provide greater clarity regarding the situations in which bank holding companies may expect an expedited consultation. To qualify, amongst other criteria, total commercial real estate loan concentrations cannot represent 300 percent or more of total capital if the outstanding balance of the commercial real estate loan portfolio has increased by 50 percent or more during the prior 36 months. Currently, we believe that Valley does meet the standard for expedited consultation and approval of its dividend, should it be required. However, if we did not qualify for an expedited consultation in the future, Valley could be subject to a lengthier and possibly more burdensome review process by the Federal Reserve when considering paying dividends that exceed quarterly earnings. The delay, reduction or elimination of our quarterly dividend could adversely affect the market price of our common stock. See additional information regarding our quarterly cash dividend and the current rate of earnings retention in the "Capital Adequacy" section of the MD&A.

General Commercial, Operational, Financial and Regulatory Risks

We may be unable to adequately manage our liquidity risk, which could affect our ability to meet our obligations as they become due, capitalize on growth opportunities, pay regular dividends on our common stock and generate adequate earnings.

Liquidity risk is the potential that a financial institution, like Valley, will be unable to meet its obligations as they come due, capitalize on growth opportunities as they arise, or pay regular dividends on our common stock because of an inability to liquidate assets or obtain adequate funding on a timely basis, at a reasonable cost and within acceptable risk tolerances. Liquidity is required to fund various obligations, including withdrawals by depositors, repayment of borrowings, credit commitments to borrowers, mortgage and other loan originations, dividends to shareholders, operating expenses and capital expenditures. Liquidity is derived primarily from commercial and retail deposit growth and retention; principal and interest payments on loans; principal and interest payments on investment securities; sale, maturity and prepayment of investment securities; net cash provided from operations; and access to other funding sources, such as the FHLB and certain brokered deposit channels established by the Bank.

Our access to funding sources, including the FHLB and brokered deposits, in amounts adequate to finance our activities could be impaired by factors that affect us specifically or the financial services industry in general. Unexpected changes to the FHLB's underwriting guidelines for wholesale borrowings or lending policies may limit or restrict our ability to borrow, and therefore could have a significant adverse impact on our liquidity. Other factors that could have a detrimental impact to our access to liquidity sources include a decrease in the level of our business activity due to persistent weakness, or downturn, in the economy or adverse regulatory action against us. Our ability to borrow could also be impaired by factors that are not necessarily specific to us, such as a severe disruption of the financial markets or negative views and expectations about the prospects for the financial services industry as a whole, including as a result of any future bank failures. In the event of future turmoil in the banking industry or other idiosyncratic events, there is no guarantee that the U.S. government will invoke the systemic risk exception, create additional liquidity programs, or take any other action to stabilize the banking industry or provide liquidity.

Additionally, any inability by Valley to access brokered deposits or other funding sources, such as the FHLB, could require us to pay significantly higher interest rates on our direct customer deposits which would have an adverse impact on our net interest income and net income. Any inability by Valley to monetize liquid assets or to access short-term funding or capital markets could constrain Valley's ability to make new loans or meet existing lending commitments, pay its regular common stock dividend, jeopardize Valley's capitalization, and adversely impact Valley's net interest income and net income.

The CECL model for determining our allowance for credit losses could add volatility to our provision for credit losses and earnings.

The CECL model requires the allowance for credit losses for certain financial assets, including loans, HTM securities and certain off-balance sheet credit exposures, to be calculated based on current expected credit losses over the lives of the assets

rather than incurred losses as of a point in time. Our estimation process is subject to risks and uncertainties, including a reliance on historical loss and trend information that may not be representative of current conditions and indicative of future performance. Accordingly, our actual lifetime credit losses may be materially different than the amounts reported in the allowance due to the inherent uncertainty in the estimation process, including future loss estimates based upon our reasonable and supportable economic forecasts. Also, future credit losses could differ materially from those estimates due to changes in values and circumstances after the balance sheet date. Changes in such estimates could significantly impact our allowance, provision for credit losses and earnings.

We rely on our systems of controls and procedures, and if our systems fail or are circumvented, our operations could be disrupted, which may result in a material adverse effect on our business, results of operations and financial condition.

We face the risk that the design of our controls and procedures, including those to mitigate the risk of fraud by employees or outsiders, may prove to be inadequate or are circumvented, thereby causing delays in detection of errors or inaccuracies in data and information, including personal, confidential, proprietary, and sensitive information. We regularly review and update our internal controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. Any failure or circumvention of our controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on our business, results of operations and financial condition.

Our systems and networks may also be subject to disruptions from events that are wholly or partially beyond our control (including, for example, electrical, telecommunications, or other major service outages, or fraud or operational errors by our employees), which could adversely affect our ability to process transactions, provide services, or otherwise conduct business and may give rise to financial loss or liability.

Additionally, we rely on vendors whose operations may be disrupted by events such as system failures, outages, downtime or other adverse circumstances, whether within or outside of their control, and any such disruption could materially harm our business operations. We maintain a system of comprehensive policies and a control framework designed to monitor vendor risks including, among other things, (i) changes in the vendor’s organizational structure or internal controls, (ii) changes in the vendor’s financial condition, (iii) changes in the vendor’s support for existing products and services and (iv) changes in the vendor’s strategic focus. While we believe these policies and procedures help to mitigate risk, the failure of an external vendor to perform in accordance with the contracted arrangements under service level agreements could be disruptive to our operations, which could have a material adverse impact on our business and, in turn, our financial condition and results of operations.

Our business, financial condition and results of operations could be adversely affected by natural disasters, pandemics, acts of terrorism, and other catastrophic events.

The occurrence of natural disasters, extreme weather events, acts of terrorism, health crises, the occurrence or worsening of disease outbreaks or pandemics, or other catastrophic events, as well as government actions or other restrictions in connection with such events, could adversely affect our financial condition or results of operations. The emergence of widespread health emergencies or pandemics, such as COVID-19, could lead to quarantines, business shutdowns, labor shortages, disruptions to supply chains, and overall economic instability. Additionally, potential acts of terrorism may occur in any of the markets in which we operate. Such events could affect the stability of our deposit base, impair the ability of borrowers to repay outstanding loans, impair the value of collateral securing loans, cause significant property damage, result in loss of revenue and/or cause us to incur additional expenses. The occurrence of any such event in the future could have a material adverse effect on our business, which, in turn, could have a material adverse effect on our financial condition and results of operations.

Our ability to make opportunistic acquisitions is subject to significant risks, including the risk that regulators will not provide the requisite approvals.

We may make opportunistic whole or partial acquisitions of other banks, branches, financial institutions, or related businesses from time to time that we expect may further our business strategy. Any possible acquisition will be subject to regulatory approval, and there can be no assurance that we will be able to obtain such approval in a timely manner or at all. Even if we obtain regulatory approval, these acquisitions could involve numerous risks, including lower than expected performance or higher than expected costs, difficulties related to integration, diversion of management's attention from other business activities, changes in relationships with customers, and the potential loss of key employees. In addition, we may not be successful in identifying acquisition candidates, integrating acquired institutions, or preventing deposit erosion or loan quality deterioration at acquired institutions. Competition for acquisitions can be intense, and we may not be able to acquire other institutions on attractive terms. There can be no assurance that we will be successful in completing or will even pursue future

acquisitions, or if such transactions are completed, that we will be successful in integrating acquired businesses into operations. Our ability to grow may be limited if we choose not to pursue or are unable to successfully make acquisitions in the future.

Extensive regulation and supervision have a negative impact on our ability to compete in a cost-effective manner and may subject us to material compliance costs and penalties, and changes in regulation could adversely affect our business, financial condition and results of operations.

Valley, primarily through its principal subsidiary and certain non-bank subsidiaries, is subject to extensive federal and state regulation, supervision and examination. Banking laws, regulations, and rules are primarily intended to protect depositors' funds, federal deposit insurance funds and the banking system as a whole. Many laws and regulations affect Valley's lending practices, capital structure, investment practices, dividend policy and growth, among other things. They encourage Valley to ensure a satisfactory level of lending in defined areas and establish and maintain comprehensive programs relating to anti-money laundering and customer identification. Congress, state legislatures, and federal and state regulatory agencies continually review banking laws, regulations and policies for possible changes. We expect the current U.S. presidential administration will continue implementing a regulatory reform agenda that is significantly different than that of the prior administration, impacting the rulemaking, supervision, examination and enforcement priorities of the federal banking agencies. Any such changes, including with respect to statutes, regulations or regulatory policies and changes in interpretation or implementation thereof, could affect Valley in substantial and unpredictable ways. Such changes could subject Valley to additional costs, limit the types of financial services and products it may offer and/or increase the ability of non-banks to offer competing financial services and products, or may impact consumer trust in financial institutions, among other things. Failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies, civil money penalties and/or reputational damage, which could have a material adverse effect on Valley's business, financial condition and results of operations.

Valley's compliance with certain of these laws will also be considered by banking regulators when reviewing bank merger and bank holding company acquisitions. Valley and its peer institutions generally experienced increased regulatory scrutiny following negative developments in the banking industry in 2023, and this increased scrutiny may continue notwithstanding the Trump Administration's pursuit of a regulatory reform agenda.

Heightened regulatory scrutiny or the results of an investigation or examination may lead to additional regulatory investigations or enforcement actions. Regulatory enforcement and fines have increased across the banking and financial services sector. There is no assurance that those actions will not result in regulatory settlements or other enforcement actions against Valley or the Bank. Furthermore, a single event involving a potential violation of law or regulation may give rise to numerous and overlapping investigations and proceedings by multiple federal and state agencies and officials. In addition, if one or more financial institutions are found to have violated a law or regulation relating to certain business activities, this could lead to investigations by regulators or other governmental agencies of the same or similar activities by other financial institutions, including Valley, and large fines and remedial measures that may have been imposed in resolving earlier investigations for the same or similar activities at other financial institutions may be used as the basis for future settlements.

We are subject to numerous laws designed to protect consumers, including the CRA and fair lending laws, and failure to comply with these laws could lead to a wide variety of sanctions.

The CRA, the Equal Credit Opportunity Act, the Fair Housing Act and other fair lending laws and regulations impose community investment and nondiscriminatory lending requirements on financial institutions. The CFPB, the U.S. Department of Justice and other federal agencies are responsible for enforcing these laws and regulations. A successful regulatory challenge to an institution's performance under the CRA, the Equal Credit Opportunity Act, the Fair Housing Act or other fair lending laws and regulations could result in a wide variety of sanctions, including damages and civil money penalties, injunctive relief, restrictions on mergers and acquisitions, restrictions on expansion and restrictions on entering new business lines. Private parties also may challenge an institution's performance under fair lending laws in litigation. Such actions could have a material adverse effect on our business, financial condition and results of operations.

Changes in accounting policies or accounting standards could cause us to change the manner in which we report our financial results and condition in adverse ways and could subject us to additional costs and expenses.

Valley's accounting policies are fundamental to understanding its financial results and condition. Some of these policies require the use of estimates and assumptions that may affect the value of Valley's assets or liabilities and financial results. Valley identified its accounting policies regarding the allowance for credit losses, goodwill and other intangible assets, and income taxes to be critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain. Under each of these policies, it is possible that materially different amounts would be reported under different conditions, using different assumptions, or as new information becomes available.

From time to time, the FASB and the SEC change their guidance governing the form and content of Valley's external financial statements. In addition, accounting standard setters and those who interpret GAAP, such as the FASB, SEC and banking regulators may change or even reverse their previous interpretations or positions on how these standards should be applied. Such changes are expected to continue, including in connection with the efforts of the FASB and International Accounting Standards Board to achieve convergence between GAAP and International Financial Reporting Standards. Changes in GAAP and changes in current interpretations are beyond Valley's control, can be hard to predict and could materially impact how Valley reports its financial results and condition. In certain cases, Valley could be required to apply new or revised guidance retroactively or apply existing guidance differently (also retroactively) which may result in Valley restating prior period financial statements for material amounts. Additionally, significant changes to GAAP may require costly technology changes, additional training and personnel, and other expenses that will negatively impact our results of operations.

Legal proceedings could result in significant expenses, losses and damage to our reputation.

We are, and in the future may become, subject to various lawsuits, claims and proceedings. The banking industry is highly regulated and banks have a large number of customers and engage in a high volume of transactions with numerous counterparties. As a result, legal proceedings can arise in the ordinary course of our business, including lawsuits that may involve customers and former customers, borrowers, contractual counterparties, bankruptcy trustees, current and former employees, and other parties, potentially including shareholders, as well as inquiries and investigations involving various regulators. These actions may include claims for monetary damages, penalties, fines and demands for injunctive relief and one single event or issue may give rise to numerous or overlapping investigations or proceedings. If these matters are not resolved in a manner that is favorable to us, we could incur significant financial liability, become subject to restrictions or other changes on how we conduct or business, and suffer significant reputational harm that may adversely affect the market perception of our products and services. In addition, legal and regulatory matters may divert management's attention and other resources away from our business. Any of these consequences could have a material adverse impact on our business, financial condition and results of operations.

Technology Risks

Cybersecurity incidents and other disruptions to our information systems, as well as those of our third-party service providers, could expose us to liability, losses, operational disruption and escalating operating costs.

Valley regularly collects, transmits, stores and otherwise processes personal, confidential, proprietary or sensitive information regarding its customers, employees and others for whom it services loans. In some cases, this personal, confidential, proprietary or sensitive information is collected, compiled, transmitted, stored or otherwise processed by third parties on Valley's behalf. Cybersecurity risks have increased because of the proliferation of new technologies, including artificial intelligence, and the increased sophistication and activities of threat actors, including organized criminal groups, "hacktivists," terrorists, nation states, nation-state supported actors and other external parties. Many financial institutions and companies engaged in data processing have reported significant breaches in the security of their websites or other systems or networks, some of which have involved sophisticated and targeted attacks intended to obtain unauthorized access to personal, confidential, proprietary or sensitive information, destroy data, deny service, or sabotage systems or networks, often through, among other things, the introduction of computer viruses or malware, social engineering attacks (including phishing attacks), credential stuffing, account takeovers and other means. In addition, there have been well-publicized "ransomware" attacks against various U.S. companies with the intent to materially disrupt their computer network and services. Globally, cybersecurity attacks are increasing in number and the attackers are increasingly organized and well-financed, or at times supported by state actors. In addition, geopolitical tensions or conflicts, such as Russia's invasion of Ukraine, increasing tension with China, U.S. foreign policy and potential military actions, or the unfolding events in the Middle East, may create a heightened risk of cybersecurity attacks. Cybersecurity risks also may derive from fraud, malice, or negligence on the part of our employees or third parties, or may result from human error, mistakes in connection with over-the-air updates, software bugs, server malfunctions, software or hardware failure or other technological failure. Such threats may be difficult to detect for long periods of time and also may become more frequent or effective through threat actors' use of artificial intelligence.

We, entities that we have acquired, and certain of our third-party service providers have experienced cybersecurity incidents in the past, and may be vulnerable to future security breaches. Breaches of our systems or our vendors' systems may expose customer data or confidential information or disrupt our services, exposing us to significant damage, operational disruption, ongoing operational and forensic investigation costs, litigation, regulatory inquiries or enforcement actions, fines, penalties, and/or reputational harm. Some of our vendors may store or have access to our data and we rely on these vendors to implement information security programs commensurate with the relevant risk. A vulnerability in our vendors' software or systems, a failure of our vendors' safeguards, policies or procedures, or a cyber-attack or other cybersecurity incident affecting any of these third parties could harm our business. Our ability to monitor cybersecurity practices of our vendors may be limited, and we may not be able to prevent a failure or cybersecurity incident by a vendor that may impact us or our customers. In 2023,

a third party gained unauthorized access to certain Bank customer data through our third-party service providers' use of the MOVEit file transfer software. While our business has not been materially impacted by this or other cybersecurity incidents, similar incidents could have a material adverse effect on our business in the future.

Cybersecurity risk exposure will remain elevated or increase in the future due to, among other things, the increasing size and prominence of Valley in the financial services industry, our expansion of internet and mobile banking tools and new products based on customer needs, use of new tools like artificial intelligence, and the system and customer account conversions associated with the integration of merger targets. Successful attacks on us or any one of our many third-party service providers may adversely affect our business and result in the loss of, unauthorized access to or disclosure of, or the misuse or misappropriation of, our personal, confidential, proprietary or sensitive information or that of our customers. There can be no assurance that we or our third-party service providers will not suffer a cyber-attack or other cybersecurity incident that exposes us to significant damages, operational costs, litigation, regulatory enforcement, investigations, fines, sanctions or other penalties, or reputational harm.

We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding data privacy, cybersecurity, and artificial intelligence, which could increase the cost of doing business, compliance risks and potential liability.

We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations relating to cybersecurity, data privacy (including relating to the use and security of the personal information of clients, employees or others), and artificial intelligence, and any failure to comply with these laws, regulations, rules, standards and contractual obligations could expose us to liability, regulatory action, fines, and/or reputational damage. The regulatory frameworks for data privacy, cybersecurity, and artificial intelligence are in considerable flux and evolving rapidly, and these laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and federal law may conflict with some state and local laws. As new cybersecurity, data privacy, and artificial intelligence laws, regulations, rules, and standards are implemented, the time and resources needed for us to comply with such laws, regulations, rules and standards, as well as our potential liability for non-compliance and reporting obligations in the case of cyber-attacks, information security breaches or other similar incidents, may significantly increase. Compliance with these laws, regulations, rules, and standards may require us to change our policies, procedures and technology, including for information security, which could, among other things, make us more vulnerable to operational failures and to monetary penalties for breach of such laws, regulations, rules and standards.

In addition to various data privacy and cybersecurity laws and regulations already in place, U.S. states and local governments are increasingly adopting cybersecurity, data privacy, and artificial intelligence laws and regulations that may be more stringent, broader in scope, or offer greater individual rights, with respect to personal information than federal or other state laws and regulations, and such laws and regulations may differ from each other, which may complicate compliance efforts and increase compliance costs. Aspects of federal, state, and local laws and regulations relating to cybersecurity, data privacy and artificial intelligence, as well as their enforcement, remain unclear, and we may be required to modify our practices in an effort to comply with them. See Item 1. Business—"Supervision and Regulation"—"Data Privacy and Cybersecurity Regulation" for more information regarding applicable data privacy and cybersecurity laws and regulations.

Further, we cannot ensure that our privacy policies and other disclosures or statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to data privacy and security. Although we endeavor to comply with our privacy policies, we may at times fail to do so or be alleged to have failed to do so. The publication of our privacy policies and other documentation that provide promises and assurances about data privacy and cybersecurity can subject us to potential government or legal action if they are found to be deceptive, unfair, or misrepresentations of our actual practices. Any concerns about our data privacy and cybersecurity practices, even if unfounded, could damage our reputation and adversely affect our business.

Any failure or perceived failure by us to comply with our privacy policies, or applicable data privacy and cybersecurity laws, regulations, rules, standards or contractual obligations, or any compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use, modification, acquisition, disclosure, release or transfer of personal information, may result in requirements to modify or cease certain operations or practices, the expenditure of substantial costs, time and other resources, proceedings or actions against us, legal liability, costs for notification to affected individuals, governmental investigations, enforcement actions, claims, fines, judgments, awards, penalties, sanctions and costly litigation (including class actions). Any of the foregoing could harm our reputation, distract our management and technical personnel, increase our costs of doing business, adversely affect the demand for our products and services, and ultimately result in the imposition of liability, any of which could have a material adverse effect on our business, financial condition and results of operations.

Adoption of artificial intelligence tools by us and by our third-party vendors and service providers may increase the risk of errors, omissions, bias, unfair treatment or fraudulent behavior by our employees, clients, or counterparties, or other third parties which may result in reputational harm, liability, or impact our results of operations.

We have made, and expect to continue to make investments to integrate artificial intelligence tools into our solutions, including generative artificial intelligence, machine learning, agentic artificial intelligence and similar tools and technologies that collect, aggregate, analyze or generate data or other contents, or that can initiate or execute actions or workflows based on such data (collectively, "AI"), and we expect to continue to adopt such tools responsibly and as appropriate. We also expect our third-party vendors and service providers to increasingly develop and incorporate AI into their product offerings and services faster than we are able to do so independently.

There are significant risks involved in utilizing AI, and we cannot assure that our or our third-party vendors' or service providers' use of AI will enhance our products or services or produce the intended results. The adoption and incorporation of these tools can lead to concerns around safety and soundness, fair access to financial services, fair treatment to customers, inaccuracy of results broadly known as "hallucinations" and compliance with applicable laws and regulations. These risks can result from models being poorly designed or faulty and/or biased data being used for training, inadequate model testing or validation, narrow or limited human oversight, inadequate planning or due diligence, inappropriate or controversial data practices by developers or end-users, and other factors adversely affecting public opinion of AI and the acceptance of AI solutions. Additionally, to the extent that we may use AI for customer service communications, if such AI-enabled interactions do not operate as intended, including with respect to human escalation, or are negatively perceived by customers, then customer satisfaction and retention could be impacted and our exposure under applicable consumer protection, banking, and data privacy laws and regulations could also increase.

In an effort to adopt such tools responsibility and appropriately, we have implemented an AI governance, oversight, and strategic facilitation function that includes a risk assessment of internal and vendor AI solutions, due diligence, model validation, and controls, as well as detailed guidelines and policies designed to promote responsible, secure, and ethical use of AI. Our controls, testing and auditing processes may not prevent all errors, bias, unfair treatment or fraud in the use of AI in our services Also, given the rapid pace of adoption of these tools by vendors and service providers, we may not be aware of the addition of AI solutions prior to these tools being introduced into our environment. Failure to adequately manage AI risks can result in erroneous results and decisions made by misinformation, unwanted forms of bias, unauthorized access to sensitive, confidential, proprietary or personal information, and violations of applicable laws and regulations, leading to operational inefficiencies, competitive harm, reputational harm, ethical challenges, legal liability, regulatory findings or enforcement, losses, fines, and other adverse impacts on our business, operations and financial results. Also, if we do not have sufficient rights to use the data or other material or content on which the AI tools we use rely, or to use the outputs of such AI tools, we may incur liability through the violation of applicable laws and regulations, third-party intellectual property, privacy or other rights, or contracts to which we are a party.

To comply with the rapidly evolving legal and regulatory requirements governing the use of AI, we may be required to expend significant resources, and we may have to change our product offerings or business practices, or prevent or limit our use of AI.

Regulation of AI is rapidly evolving as legislators and regulators are increasingly focused on powerful emerging technologies. The technologies underlying AI and its uses are subject to a variety of laws and regulations, including intellectual property, data privacy and cybersecurity, consumer protection, competition, equal opportunity, and fair lending laws, and are expected to be subject to increased regulation and new laws or new applications of existing laws and regulations. AI is the subject of ongoing review by various governmental and regulatory agencies, and various U.S. states are applying, or are considering applying, existing laws and regulations to AI or are considering general legal frameworks for AI. We may not be able to anticipate how to respond to these rapidly evolving frameworks, and we may need to expend resources to adjust our operations or offerings in certain jurisdictions if the legal frameworks are inconsistent across jurisdictions. While we believe we have taken steps to be thoughtful in our development, training, and implementation of AI, it is not guaranteed that regulators will agree with our approach to limiting AI risks or to our compliance more generally. In addition, because AI technology itself is highly complex and rapidly developing, it is not possible to predict all of the legal, operational or technological risks that may arise relating to the use of AI.

Risks Related to an Investment in Our Securities

We may reduce or eliminate the cash dividend on our common stock, which could adversely affect the market price of our common stock.

Holders of our common stock are only entitled to receive such cash dividends as the Board may declare out of funds legally available for such payments. We are not required to continue our historical practice of declaring dividends on our

common stock and may reduce or eliminate our common stock cash dividend in the future depending upon our results of operations, financial condition or other metrics. This reduction or elimination of our dividend could adversely affect the market price of our common stock.

If our subsidiaries are unable to pay dividends or make distributions to us, we may be unable to make dividend payments to our preferred and common shareholders or interest payments on our long-term borrowings and junior subordinated debentures issued to capital trusts.

Valley National Bancorp is a separate and distinct legal entity from our banking and non-banking subsidiaries and depends on dividends, distributions, and other payments from the Bank and its non-banking subsidiaries to fund cash dividend payments on our preferred and common stock and to fund most payments on our other obligations. Regulations relating to capital requirements affect the ability of the Bank to pay dividends and other distributions to us and to make loans to us. Additionally, if our subsidiaries' earnings are not sufficient to make dividend payments to us while maintaining adequate capital levels, we may not be able to make dividend payments to our preferred and common shareholders or interest payments on our long-term borrowings and junior subordinated debentures issued to capital trusts. Furthermore, our right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors.

Future acquisitions may dilute shareholder value.

We regularly evaluate opportunities to acquire other financial institutions. Future mergers or acquisitions involving cash, debt, or equity securities may occur at any time. Acquisitions typically involve the payment of a premium over book and market values, and therefore, some dilution of our tangible book value per common share may occur in connection with any future acquisitions.

Future offerings of common stock, preferred stock, debt or other securities may adversely affect the market price of our stock and dilute the holdings of existing shareholders.

We have increased, and may in the future increase, our capital resources or, if our or the Bank's actual or projected capital ratios fall below or near the current (Basel III) regulatory required minimums, we or the Bank could be forced to raise additional capital by making additional offerings of common stock, preferred stock or debt securities. Additional equity offerings may dilute the holdings of our existing shareholders or reduce the market price of our common stock, or both. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. Upon liquidation, holders of our debt securities and shares of preferred stock, and lenders with respect to other borrowings will receive distributions of our available assets prior to the holders of our common stock. See Note 18 to the consolidated financial statements for more details on our common and preferred stock, including stock issuances during the second half of 2024.

Item 1B. *Unresolved Staff Comments*

None.

Item 1C. *Cybersecurity*

We have an enterprise-wide information security program designed to provide controls, technologies and other processes to identify, assess and manage material cyber and information security risks and threats. Our information security program leverages the National Institute of Standards and Technology (NIST) framework, which organizes cybersecurity risks into five categories: identify, protect, detect, respond and recover.

The Board has primary oversight responsibility for our cyber and information security risk as a key part of its oversight of Valley's enterprise-wide risk management (ERM) framework, and we employ personnel dedicated to assisting the Board in fulfilling this oversight responsibility. As a general matter, Valley seeks to address cyber and information security risks through a cross-functional approach, as described below, that is focused on identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur. Our information security team reviews ERM-level cybersecurity risks annually, and key cybersecurity risks are incorporated into the ERM framework, which is periodically reviewed by management throughout the year by its Executive Risk Committee.

As part of this framework, we have a set of enterprise-wide policies and procedures concerning cybersecurity matters which go through an internal review process and are approved by appropriate members of senior management or the Board, which include an Information Security Policy, as well as other policies and procedures that directly or indirectly relate to

cybersecurity, and practices related to encryption, antivirus protection, remote access, multi factor authentication, the protection of confidential information and the use of the internet, social media, email, and wireless devices.

Governance. Having the appropriate governance structure in place is critical to the functioning of our cyber and information security risk framework. As noted above, our Board has primary oversight responsibility for our cyber and information security risk, and it performs this oversight function primarily through its Risk Committee, which reports to the full Board. Additionally, to keep pace with the speed of disruptive innovation and associated cyber risks, the Board has established a dedicated Cyber & Technology Risk Subcommittee (the "Cyber Subcommittee") that reports to the Risk Committee. The Risk Committee, through the Cyber Subcommittee, oversees the Company's cybersecurity risk profile, prevalent cybersecurity risks, our enterprise information security program and key enterprise information security initiatives.

We also have a team of employees, including at the senior management level, who are dedicated to assisting the Board in fulfilling its oversight responsibility for cyber and information security. Valley's Chief Information Security Officer (CISO), who is responsible for developing and implementing our cyber and information security program, has over 25 years of experience leading cyber security oversight and holds a CRISC certification, and others on our information security team have cybersecurity experience or certifications. The CISO participates in all meetings of the Cyber Subcommittee.

Our Board, through the Risk Committee and the Cyber Subcommittee, receives regular updates and reporting from management on cyber and information security matters, including information related to third-party assessments of Valley's information security program, as well as a wide range of topics such as recent developments, evolving standards, Valley's vulnerability assessments, third-party and independent reviews, the threat environment, technological trends and information security considerations arising with respect to Valley's peers and third parties. On an annual basis, the Board and its Risk Committee discuss Valley's approach to cyber and information security risk management. Senior management is briefed by our information security team on cyber and information security matters, preparedness and any incidents requiring the attention of our security incident response team.

Risk Management and Strategy

Our cyber and information security risk management framework and strategy is focused on the following key areas:

Identification, Protection and Detection. Valley maintains a threat team and internal committees to identify any new threats and risks to its information systems. We identify and assess risks from cybersecurity threats by monitoring and evaluating our threat environment and our risk profile through various methods including, for example, using manual and automated tools, subscribing to threat intelligence reports and services, analyzing threats and threat actors, conducting scans of the threat environment, evaluating our industry's risk profile, utilizing internal and external audits and conducting threat and vulnerability assessments.

Technical Safeguards. Valley also deploys technical safeguards that are designed to protect Valley's information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, continuous scanning of our environments for potential weaknesses, behavioral-based protections against malware and filtering of inbound emails to protect the firm against phishing attacks. The effectiveness of these safeguards is evaluated through vulnerability assessments and cybersecurity threat intelligence with the goal of implementing improvements as needed.

Third-Party Risk Management. Valley maintains a risk-based approach to identifying and overseeing cybersecurity risks presented by vendors, service providers and other third parties, as well as the systems of third parties that could adversely impact its business in the event of a cybersecurity incident affecting those third-party systems. We have integrated security reviews into the third-party vendor management program. We assess third-party cybersecurity controls and include security and privacy provisions in our contracts where applicable. However, ultimately, we rely on the third parties we use to implement information security programs commensurate with the relevant risk, and we cannot ensure in all circumstances that their efforts will be successful.

Education and Awareness. Valley provides mandatory cybersecurity training at least annually for all employees, which is intended to equip them with tools to identify and address cybersecurity threats, and to communicate Valley's evolving information security policies, standards, processes and practices. We also require employees in certain roles to complete additional role-based, specialized cyber and information security training.

Incident Response and Recovery Planning. Valley maintains incident response and recovery plans that are intended to assist in Valley's response to a cyber or information security incident, and such plans are evaluated on a regular basis. In the event of an incident, we intend to follow our incident response plan, which outlines the steps to be followed from incident detection to eradication, recovery and notification, including notifying functional areas (e.g., legal), as well as senior

management and the Board, as appropriate. As part of these plans, we have also implemented controls and procedures providing for the prompt escalation of certain cybersecurity incidents so that decisions regarding the public disclosure and reporting of such incidents, including to regulators and governmental agencies, can be made by management in a timely manner.

Outside Consultants. While we have deployed personnel to perform testing and oversight functions internally, we also leverage external consultants and other tools to test the effectiveness of our operating environment and the protection of our data. We engage third parties to perform assessments on our cybersecurity measures, including information security maturity assessments, audits and reviews of our information security control environment and operating effectiveness. These assessment efforts include a wide range of activities such as tabletop exercises, vulnerability testing, and other exercises focused on evaluating the effectiveness of our cybersecurity measures and planning. The results of these assessments are reported to the Risk Committee and the Board. Valley adjusts its cyber and information security program as necessary based on the information provided by these assessments, audits and reviews.

Impact of Cybersecurity Threats

We are regularly subject to cybersecurity attacks. Cybersecurity threats, including as a result of any previous cybersecurity incidents, have not, to date, materially affected and are not reasonably likely to materially affect Valley, including our business strategy, results of operations or financial condition. Notwithstanding the comprehensive approach we take to cybersecurity, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse effect on us. For more information, see Item 1A. Risk Factors for further information about these risks.

Item 2. *Properties*

We conduct our business at 230 retail banking center locations in northern and central New Jersey, the New York City boroughs of Manhattan, Brooklyn and Queens, Long Island, Westchester County, New York, Florida, Alabama, California and Illinois. We own 96 of our banking center facilities and several non-branch operating facilities. The other properties are leased for various terms. Valley considers its properties to be suitable and adequate for its current business needs.

The following table summarizes our leased and owned retail banking centers in each state:

	Leased	Owned	Number of banking centers	% of Total
New Jersey				
Northern	60	40	100	43.5 %
Central	8	19	27	11.7
Total New Jersey	68	59	127	55.2
New York				
Manhattan, Brooklyn and Queens	15	7	22	9.6
Long Island	9	3	12	5.2
Westchester County	6	—	6	2.6
Staten Island	1	—	1	0.4
Total New York	31	10	41	17.8
Florida	26	16	42	18.3
Alabama	4	12	16	7.0
California	3	—	3	1.3
Illinois	1	—	1	0.4
Total	133	97	230	100.0 %

Our principal executive office is located at One Penn Plaza in New York, New York. Our corporate offices in New York City serve as the central hub for lending activities conducted by our senior executives and other commercial lenders. We also maintain two leased offices in New York City, primarily dedicated to commercial lending operations and to supporting our broker-dealer, VFM. Additionally, we lease several non-bank office facilities which are utilized for operational, executive, and lending activities.

During the third quarter 2023, Valley completed the sale of two corporate office buildings located in Wayne, New Jersey and relocated its headquarters to a new leased location at 70 Speedwell Avenue in Morristown, New Jersey.

Additional information regarding Valley's leased locations and owned facilities can be found within Note 5. "Leases" and Note 6. "Premises and Equipment, Net," respectively, in the Notes to the Consolidated Financial Statements contained in Item 8. Financial Statements and Supplementary Data.

Item 3. ***Legal Proceedings***

In the normal course of business, we are a party to various outstanding legal proceedings and claims. In the opinion of management, our financial condition, results of operations, and liquidity should not be materially affected by the outcome of such legal proceedings and claims. See Note 14 to the consolidated financial statements for additional information regarding Valley's legal proceedings.

Item 4. ***Mine and Safety Disclosures***

Not applicable.

PART II

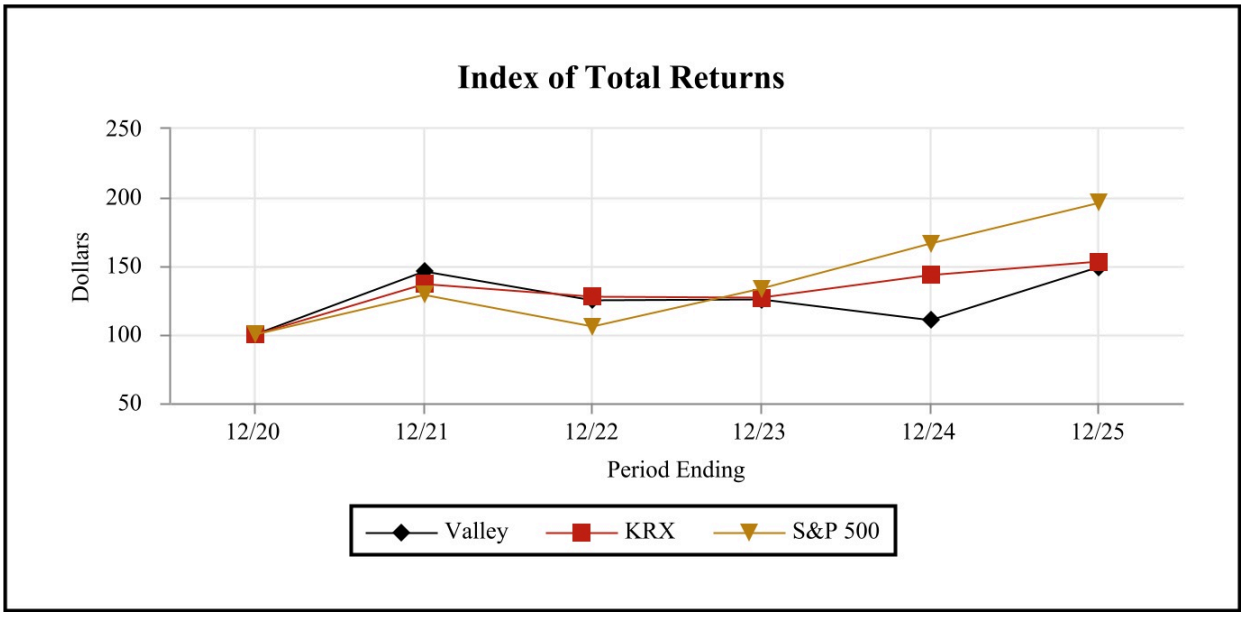
Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Our common stock is traded on the NASDAQ Global Select Market under the ticker symbol "VLY." There were 6,134 shareholders of record as of December 31, 2025.

We declared cash dividends of $0.11 per share in each of the first, second, third and fourth quarters of 2025. The declaration and payment of future dividends to holders of our common stock is at the discretion of our Board and depends upon many factors, including our financial condition, earnings, capital requirements, legal requirements, regulatory constraints and other factors that our Board deems relevant.

Performance Graph

The following graph compares the cumulative total return on a hypothetical $100 investment made on December 31, 2020 in: (a) Valley's common stock; (b) the KBW Regional Banking Index ("KRX"); and (c) the S&P 500 Stock Index ("S&P 500"). The graph is calculated assuming that all dividends are reinvested during the relevant periods. The graph shows how a $100 investment would increase or decrease in value over time based on dividends (stock or cash) and increases or decreases in the market price of the stock.



	12/20	12/21	12/22	12/23	12/24	12/25
Valley	$ 100.00	$ 145.78	$ 124.49	$ 125.35	$ 110.36	$ 148.78
KRX	100.00	136.65	127.19	126.69	143.42	152.74
S&P 500	100.00	128.68	105.36	133.03	166.28	195.98

The information under "Performance Graph" is not deemed to be "soliciting material" or to be "filed" with the SEC or subject to Section 18 of the Exchange Act, and the information shall not be deemed to be incorporated by reference in any filing by us under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, except to the extent specifically incorporated by reference into such a filing.

Issuer Repurchase of Equity Securities

The following table presents the repurchases of equity securities during the three months ended December 31, 2025:

Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans [2]	Maximum Number of Shares that May Yet Be Purchased Under the Plans [2]
October 1, 2025 to October 31, 2025	2,622,161	$ 11.02	2,600,000	20,617,315
November 1, 2025 to November 30, 2025	1,679,004	10.77	1,668,498	18,948,817
December 1, 2025 to December 31, 2025	11,663	11.15	—	18,948,817
Total	4,312,828	$ 10.92	4,268,498	

(1) Includes repurchases of 44,330 shares made in connection with the vesting of employee restricted stock awards.

(2) On February 21, 2024, Valley publicly announced a new stock repurchase program for up to 25 million shares of Valley common stock. The authorization to repurchase under the new repurchase program became effective on April 26, 2024 and will expire on April 26, 2026.

On February 24, 2026, Valley publicly announced a new stock repurchase program for up to 25 million shares of Valley common stock. The authorization to repurchase under the new repurchase program will be effective on April 27, 2026 and will expire on April 27, 2028.

Item 6. ***[Reserved]***

Item 7. ***Management's Discussion and Analysis (MD&A) of Financial Condition and Results of Operations***

The purpose of this analysis is to provide the reader with information relevant to understanding and assessing Valley's results of operations and financial condition for each of the past two years. In order to fully appreciate this analysis, the reader is encouraged to review the consolidated financial statements and accompanying notes thereto appearing under Item 8 of this Report, and statistical data presented in this document. For comparison of our results of operations for the years ended December 31, 2024 and 2023, please refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 28, 2025.

Cautionary Statement Concerning Forward-Looking Statements

This Report, both in MD&A and elsewhere, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are not historical facts and include expressions about management's confidence and strategies and management's expectations about our business, new and existing programs and products, acquisitions, relationships, opportunities, taxation, technology, market conditions and economic expectations. These statements may be identified by forward-looking terminology such as "intend," "should," "expect," "believe," "view," "opportunity," "allow," "continues," "reflects," "would," "could," "typically," "usually," "anticipate," "may," "estimate," "outlook," "project" or similar statements or variations of such terms. Such forward-looking statements involve certain risks and uncertainties. Factors, in addition to risk factors listed under Item 1A. of this Report, that may differ materially from those contemplated in these forward-looking statements include, but are not limited to:

- the impact of market interest rates and monetary and fiscal policies of the U.S. federal government and its agencies in connection with prolonged inflationary pressures, which could have a material adverse effect on our clients, our business, our employees, and our ability to provide services to our customers;

- the impact of unfavorable macroeconomic conditions or downturns, including instability or volatility in financial markets resulting from the impact of tariffs/import fees and other trade policies and practices, any retaliatory actions, related market uncertainty, or other factors; U.S. government debt default or rating downgrade; unanticipated loan delinquencies; loss of collateral; decreased service revenues; increased business disruptions or failures; reductions in employment; and other potential negative effects on our business, employees or clients caused by factors outside of our control, such as new legislation and policy changes under the current U.S. presidential administration, any shutdown of the U.S federal government, geopolitical instabilities or events, natural and other disasters, including severe weather events and other climate-related risks, health emergencies, acts of terrorism, or other external events;
- the impact of any potential instability within the U.S. financial sector or future bank failures, including the possibility of a run on deposits by a coordinated deposit base, and the impact of any actual or perceived concerns regarding the soundness, or creditworthiness, of other financial institutions, including any resulting disruption within the financial markets, increased expenses, including FDIC insurance assessments, or adverse impact on our stock price, deposits or our ability to borrow or raise capital;
- the impact of negative public opinion regarding Valley or banks in general that damages our reputation and adversely impacts business and revenues;
- changes in the statutes, regulations, policies, enforcement priorities, or composition of the federal bank regulatory agencies;
- the loss of or decrease in lower-cost funding sources within our deposit base;
- investigations, damage verdicts, settlements or restrictions related to existing or potential class action litigation or individual litigation arising from claims of violations of laws or regulations, contractual claims, breach of fiduciary responsibility, negligence, fraud, environmental laws, patent, trademark or other intellectual property infringement, misappropriation or other violation, employment-related claims, and other matters;
- a prolonged downturn and contraction in the economy, as well as any decline in commercial real estate values collateralizing a significant portion of our loan portfolio;
- higher or lower than expected income tax expense or tax rates, including increases or decreases resulting from changes in uncertain tax position liabilities, tax laws, regulations, and case law;
- the inability to grow customer deposits to keep pace with the level of loan growth;
- a material change in our allowance for credit losses due to forecasted economic conditions and/or unexpected credit deterioration in our loan and investment portfolios;
- the need to supplement debt or equity capital to maintain or exceed internal capital thresholds;
- changes in our business, strategy, market conditions or other factors that may negatively impact the estimated fair value of our goodwill and other intangible assets and result in future impairment charges;
- greater than expected technology-related costs due to, among other factors, prolonged or failed implementations, additional project staffing and obsolescence caused by continuous and rapid market innovations;
- increased competitive challenges and competitive pressure on pricing of our products and services;
- our ability to stay current with rapid technological changes and evolving legal and regulatory requirements in the financial services industry, including developments relating to the use of artificial intelligence, blockchain, digital currencies, stablecoins, and related regulatory developments, as well as our ability to effectively assess and monitor the effects of, and risks associated with, the implementation and use of such technology;
- cyberattacks, ransomware attacks, computer viruses, malware or other cybersecurity incidents that may breach the security of our or our third-party service providers' websites or other systems or networks to obtain unauthorized access to personal, confidential, proprietary or sensitive information, destroy data, disable or degrade service, or sabotage our systems or networks, and the increasing sophistication of such attacks and use of targeted tactics against the financial services industry;
- any disruption of our systems and network, or those of our third-party service providers, resulting from events that are wholly or partially beyond our control, including, for example, electrical, telecommunications, or other major service outages, or actions by employees, which may give rise to financial loss or liability;
- results of examinations by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Bank, the Consumer Financial Protection Bureau and other regulatory authorities, including the possibility that any such regulatory authority may, among other things, require us to increase our allowance for credit losses, write-down assets, reimburse customers, change the way we do business, or limit or eliminate certain other banking activities;
- application of heightened regulatory standards for certain large insured national banks, and the expenses we will incur to develop policies, programs, and systems that comply with the enhanced standards applicable to us;

- our inability or determination not to pay dividends at current levels, or at all, because of inadequate earnings, regulatory restrictions or limitations, changes in our capital requirements, or a decision to increase capital by retaining more earnings;
- unanticipated loan delinquencies, loss of collateral, decreased service revenues, and other potential negative effects on our business caused by severe weather and other climate-related risks, pandemics or other public health crises, acts of terrorism or other external events;
- our ability to successfully execute our business plan and strategic initiatives; and
- unexpected significant declines in the loan portfolio due to the lack of economic expansion, increased competition, large prepayments, risk mitigation strategies, changes in regulatory lending guidance or other factors.

We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations, except as required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Critical Accounting Estimates

Our accounting and reporting policies conform, in all material respects, to GAAP. In preparing the consolidated financial statements, management has made estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated statements of financial condition and results of operations for the periods indicated. Actual results could differ materially from those estimates.

Valley's accounting policies are fundamental to understanding management's discussion and analysis of its financial condition and results of operations. Our significant accounting policies are presented in Note 1 to the consolidated financial statements. We identified our policies for the allowance for credit losses, goodwill and other intangible assets, and income taxes to be critical because management has to make subjective and/or complex judgments about matters that are inherently uncertain and because it is likely that materially different amounts would be reported under different conditions or using different assumptions. Management has reviewed the application of these policies with the Audit Committee of the Board.

The judgments and estimates used by management in applying the critical accounting policies discussed below may be affected by significant changes in the economic environment, which may result in changes to future financial results. Specifically, subsequent evaluations of the loan portfolio, in light of the factors then prevailing, may result in material changes in the allowance for credit losses in future periods, and the inability to collect on outstanding loans could result in increased loan losses.

Allowance for Credit Losses. Determining the allowance for credit losses for loans has historically been identified as a critical accounting estimate. We estimate and recognize an allowance for lifetime expected credit losses for loans, unfunded credit commitments and HTM debt securities measured at amortized cost. See Notes 1, 3 and 4 to the consolidated financial statements for further discussion of our accounting policies and methodologies for establishing the allowance for credit losses.

The accounting estimate of the allowance for credit losses is a "critical accounting estimate" for the following reasons:

- Changes in the provision for credit losses can materially affect our financial results;
- Estimates relating to the allowance for credit losses require us to project future borrower performance, delinquencies and charge-offs, along with, when applicable, collateral values, based on a reasonable and supportable forecast period utilizing forward-looking economic scenarios in order to estimate probability of default and loss given default;
- The allowance for credit losses is influenced by factors outside of our control such as industry and business trends, geopolitical events and the effects of laws and regulations as well as economic conditions such as trends in GDP, unemployment, housing prices, interest rates, inflation, and energy prices; and
- Judgment is required to determine whether the models used to generate the allowance for credit losses produce an estimate that is sufficient to encompass the current view of lifetime expected credit losses.

Additionally, management's determination of the amount of the ACL is a critical accounting estimate because it requires significant reliance on the credit risk we ascribe to individual borrowers, the use of estimates and significant judgment as to the amount and timing of expected future cash flows on individually evaluated loans, significant reliance on historical loss rates on homogenous portfolios, consideration of our quantitative and qualitative evaluation of past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Changes in such estimates could significantly impact our allowance and provision for credit losses. Accordingly, our actual credit loss experience may not be in line with our expectations.

Changes in Our Allowance for Credit Losses for Loans

Valley considers it difficult to quantify the impact of changes in the economic forecast on its allowance for credit losses for loans. However, management believes the following discussion may enable investors to better understand the variables that drive the allowance for credit losses for loans, which totaled $596.1 million and $573.3 million at December 31, 2025 and 2024, respectively.

As discussed further in the "Allowance for Credit Losses" section in this MD&A, we incorporated a multi-scenario economic forecast for estimating lifetime expected credit losses at December 31, 2025 and 2024. The qualitative economic component of our reserves at December 31, 2025 increased by $17.6 million to approximately 10 percent of total allowance for credit losses for loans at December 31, 2025 as compared to 8 percent at December 31, 2024 partly due to moderate deterioration in some forecasted economic indicators, including lower GDP growth and higher unemployment, and a lower level of previously expected losses transitioning as realized losses (i.e., charge-offs) through our ACL model in 2025. Other qualitative non-economic reserves, largely based upon management judgments about certain inherent factors in the loan portfolios not reflected in our quantitative reserves, also increased $12.2 million and represented 6 percent of total allowance for credit losses for loans at December 31, 2025 as compared to 4 percent at December 31, 2024. The increase was mostly due to higher reserves related to an increase in qualitative factor scaling adjustments to account for the difference in incurred and expected lifetime expected losses at December 31, 2025. The total increase in these significant judgmental qualitative factors during 2025 were partially offset by a decline in the quantitative portion of our allowance based upon a transition matrix model which calculates an expected life of loan loss percentage for each loan pool by generating probability of default and loss given default metrics.

The allowance for credit losses for loans also included specific reserves totaling $82.0 million and $75.9 million, respectively, at December 31, 2025 and 2024. These reserves are largely based upon management's valuation of collateral, and, less often, the expected cash flows for collateral dependent loans.

Goodwill and Other Intangible Assets. We have significant goodwill and other intangible assets related to our acquisitions totaling $1.9 billion and $100.9 million at December 31, 2025, respectively. We record all acquired assets, including goodwill and other intangible assets, and assumed liabilities in purchase acquisitions at fair value as of the acquisition date, and expense all acquisition related costs as incurred as required by ASC Topic 805, "Business Combinations." The initial recording of goodwill and other intangible assets requires subjective judgments concerning estimates of the fair value of the acquired assets and assumed liabilities. Goodwill is subject to annual tests for impairment or more often, if events or circumstances indicate it may be impaired. Our determination of whether or not goodwill is impaired requires us to make significant judgments and to use significant estimates and assumptions regarding estimated future cash flows. If we change our strategy or if market conditions shift, our judgments may change, which may result in adjustments to the recorded goodwill balance. Other intangible assets are amortized over their estimated useful lives and are subject to impairment tests if events or circumstances indicate a possible inability to realize the carrying amount. Such evaluation of other intangible assets is based on undiscounted cash flow projections.

An impairment loss is recognized if the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, with the impairment loss not to exceed the amount of goodwill recorded. We perform our annual goodwill impairment test in the second quarter of each year, or more often if events or circumstances warrant. In addition to the annual impairment test, we assessed the immediate and long-term impact of significant market and bank regulatory changes, if applicable, on the macroeconomic variables and economic forecasts and how those might impact the fair value of our reporting units each quarter end. After consideration of these variables and evaluating relevant events, changes in circumstances, operating results, and other potential triggering factors, management concluded that no event or change had occurred that would make it more likely than not that the fair values of our three reporting units, Wealth Management, Consumer Banking, and Commercial Banking, were below their respective carrying amounts. Therefore, we concluded there were no triggering events that would require additional goodwill impairment test of the reporting units during 2025.

Fair value is determined using certain discounted cash flow and market multiple methods. Estimated cash flows may extend far into the future and, by their nature, are difficult to determine over an extended timeframe. Factors that may materially affect the estimates include, among others, macroeconomic conditions such as a deterioration in general economic conditions and economic forecasts, competitive forces, customer behaviors and attrition, changes in revenue growth trends, cost structures and technology, and changes in discount rates, growth rate, terminal values, and specific industry or market sector conditions. Additionally, we perform a market capitalization reconciliation to support the appropriateness of our reporting unit fair values and impairment test results. In performing this reconciliation, we compare the sum of fair value of the reporting units to our market capitalization, adjusted for the present value of estimated synergies which a market participant acquirer could reasonably expect to realize from a hypothetical acquisition of Valley.

To assist in assessing the impact of potential goodwill or other intangible assets impairment charges at December 31, 2025, the impact of a five percent impairment charge on these intangible assets would result in a reduction in pre-tax income of approximately $98.5 million. See Note 7 to the consolidated financial statements for additional information regarding goodwill and other intangible assets.

Income Taxes. We are subject to the income tax laws of the U.S., its states and municipalities. The income tax laws of the jurisdictions in which we operate are complex and subject to different interpretations by the taxpayer and the relevant government taxing authorities. In establishing a provision for income tax expense, we must make judgments and interpretations about the application of these inherently complex tax laws to our business activities, as well as the timing of when certain items may affect taxable income.

Our interpretations may be subject to review during examination by taxing authorities and disputes may arise over the respective tax positions. We attempt to resolve these disputes during the tax examination and audit process and ultimately through the court systems when applicable. We monitor relevant tax authorities and revise our estimate of accrued income taxes due to changes in income tax laws and their interpretation by the courts and regulatory authorities on a quarterly basis. Revisions of our estimate of accrued income taxes also may result from our own income tax planning and from the resolution of income tax controversies. Such revisions in our estimates may be material to our operating results for any given quarter.

The provision for income taxes is composed of current and deferred taxes. Deferred taxes arise from differences between assets and liabilities measured for financial reporting versus income tax return purposes. Deferred tax assets are recognized if, in management's judgment, their realizability is determined to be more likely than not. We perform regular reviews to ascertain the realizability of our deferred tax assets. These reviews include management's estimates and assumptions regarding future taxable income, which also incorporate various tax planning strategies. In connection with these reviews, if we determine that a portion of the deferred tax asset is not realizable, a valuation allowance is established. Management determined it is more likely than not that Valley will realize its net deferred tax assets, except for immaterial valuation allowances, as of December 31, 2025 and 2024.

We also maintain, when necessary, a reserve related to certain tax positions that management believes contain an element of uncertainty. An uncertain tax position is measured based on the largest amount of benefit that management believes is more likely than not to be realized. Our income tax expense reflected a decrease of $46.4 million in 2024 and an increase of $3.0 million in 2023 to our tax provision related to reserve for uncertain tax liability positions and/or accrued interest related to such positions during the years ended December 31, 2024 and 2023, respectively. We had no reserve for uncertain tax liability positions at both December 31, 2025 and 2024.

See Notes 1 and 12 to the consolidated financial statements and the "Executive Summary" and "Income Taxes" sections in this MD&A for an additional discussion on the accounting for income taxes.

New Authoritative Accounting Guidance. See Note 1 of the consolidated financial statements for a description of recent accounting pronouncements including the dates of adoption and the anticipated effect on our results of operations and financial condition.

Executive Summary

Company Overview. At December 31, 2025, Valley had consolidated total assets of $64.1 billion, total net loans of $49.6 billion, total deposits of $52.2 billion and total shareholders' equity of $7.8 billion. Our commercial bank operations include branch office locations in northern and central New Jersey, the New York City boroughs of Manhattan, Brooklyn and Queens, Long Island, Westchester County, New York, Florida, California, Alabama and Illinois. Of our current 230 branch network, 55 percent, 18 percent, and 18 percent of the branches are located in New Jersey, New York, and Florida, respectively, with the remaining 9 percent of the branches in Alabama, California and Illinois combined.

Financial Condition. During 2025, we continued to strengthen our balance sheet to best perform in the current economic environment, while also prudently managing and reducing the overall risk of our loan portfolio. The following items, including key balance sheet initiatives, are highlights at December 31, 2025.

- **Commercial Real Estate Loan Concentration:** Total commercial real estate loans (including construction loans) totaled $29.2 billion, or 58.3 percent of total loans at December 31, 2025 as compared to $29.6 billion, or 60.7 percent of total loans at December 31, 2024. While commercial real estate lending remains a key pillar of the success of our relationship banking model and our lending expertise, we continue to proactively diversify our loan portfolio by reducing new originations of certain types of transactional commercial real estate lending, such as non-owner occupied and multifamily loans to single-product borrowers. We remain focused on growing our commercial and industrial, owner occupied commercial real estate, and consumer loan portfolios. At December 31, 2025, our CRE loan concentration ratio declined

to 333 percent as compared to 362 percent and 474 percent at December 31, 2024 and 2023, respectively. Based on our current loan growth targets for 2026, we expect a continued, but more gradual reduction of the CRE loan concentration ratio over the next 12 months. See further details of our loan activities under the “Loan Portfolio” section below.

- **Allowance for Credit Losses:** The ACL for loans totaled $596.1 million and $573.3 million at December 31, 2025 and 2024, respectively, representing 1.19 percent and 1.17 percent of total loans at each respective date. The increase reflects, among other factors, commercial and industrial loan growth of 10.4 percent in 2025, increases in both the economic forecast and non-economic qualitative reserve components of the ACL for loans and moderately higher specific reserves associated with collateral dependent loans, partially offset by a decline in quantitative reserves as compared to December 31, 2024. Given our current projections for loan growth and credit trends within our loan portfolio, we anticipate the ACL will range between 1.15 and 1.20 percent of total loans through December 31, 2026. However, we can provide no assurance that our actual future ACL for loans required under our CECL methodology will not exceed this current projection due to the uncertain nature of our assumptions. See the “Allowance for Credit Losses" section for additional information.

- **Credit Quality:** Net loan charge-offs decreased $84.7 million to $116.9 million in 2025 as compared to $201.6 million in 2024. Total accruing past due loans (i.e., loans past due 30 days or more and still accruing interest) increased $42.1 million to $141.3 million, or 0.28 percent of total loans, at December 31, 2025 as compared to $99.2 million, or 0.20 percent of total loans, at December 31, 2024. The increase was mainly due to two larger well-secured commercial real estate loans within the 30 to 59 days past due delinquency category at December 31, 2025. Non-accrual loans increased $74.4 million to $433.9 million at December 31, 2025 as compared to December 31, 2024 largely due to an increase in non-accrual commercial real estate loans. Non-performing assets (NPAs) as a percentage of total loans and NPAs increased to 0.87 percent at December 31, 2025 as compared to 0.76 percent at December 31, 2024. See the “Non-Performing Assets” section for additional information.

- **Liquid Assets:** Our liquid assets totaled $6.1 billion at December 31, 2025, representing 10.3 percent of interest earning assets as compared with $5.5 billion, or 9.6 percent of interest earning assets at December 31, 2024. We continue to maintain significant access to readily available, diverse funding sources to fulfill both short-term and long-term funding needs. See the “Bank Liquidity” section for additional information.

- **Deposits:** Total deposits increased $2.1 billion to $52.2 billion at December 31, 2025 as compared to $50.1 billion at December 31, 2024. Meaningful growth in non-maturity interest bearing and non-interest bearing direct customer deposits throughout 2025 allowed us to reduce our reliance on high-cost indirect customer deposits. Total indirect customer deposits (including both brokered money market and time deposits) declined $1.7 billion to $5.4 billion at December 31, 2025 as compared with December 31, 2024. See the “Deposits and Other Borrowings” section for more details.

- **Investment Securities:** Total investment securities increased $808.0 million to $7.8 billion, or 12.1 percent of total assets, at December 31, 2025 as compared to December 31, 2024 mainly due to targeted purchases of residential mortgage backed securities and, to a lesser extent, corporate debt securities that were classified as AFS during the year ended December 31, 2025. See the “Investment Securities Portfolio” section for more details.

- **Regulatory Capital and Shareholders' Equity:** Total shareholders' equity increased $372.6 million to $7.8 billion at December 31, 2025 as compared to December 31, 2024. Valley's total risk-based capital, common equity Tier 1 capital, Tier 1 capital and Tier 1 leverage capital ratios were 13.77 percent, 10.99 percent, 11.69 percent, and 9.63 percent, respectively, at December 31, 2025 as compared to 13.87 percent, 10.82 percent, 11.55 percent and 9.16 percent, respectively, at December 31, 2024. During the year ended December 31, 2025, we repurchased a total of 6.1 million shares of our common stock at an average price of $10.41 under our current stock repurchase plan. Currently, we expect that Valley's common equity Tier 1 capital will range between 10.50 and 11.00 percent through December 31, 2026. See the "Capital Adequacy" section below for more information.

Annual Results. Net income for the year ended December 31, 2025 was $598.0 million, or $1.01 per diluted common share as compared to $380.3 million, or $0.69 per diluted common share for 2024. The $217.7 million increase in net income as compared to 2024 was mainly due to the following changes:

- a $134.9 million increase in net interest income mostly driven by lower interest rates on most interest bearing deposit products, a decrease in high-cost indirect customer deposits and additional interest income from investment security purchases, partially offset by lower yields on adjustable-rate loans and a decline in average loans mainly driven by our efforts to reduce our CRE loan concentration ratio during 2025 and 2024;

- a $169.1 million decrease in our provision for credit losses was mainly due to the impact of lower net loan charge-offs in 2025 and lower quantitative reserves in certain loan categories; and
- a $37.6 million increase in non-interest income largely due to higher volumes of transactional fees within capital markets income and increased treasury management service fees generated from commercial deposits within service charges on deposit accounts.

Which were partially offset by:

- a $87.6 million increase in income tax expense driven by higher pre-tax income; and
- a $36.3 million increase in non-interest expense mainly driven by additional tax credit investments and targeted acquisitions of key talent within our commercial and consumer banking teams that contributed to higher amortization of tax credit investments and salary and employee benefits expense, respectively, during 2025, partially offset by a reduction in our FDIC assessment and technology related expenses.

See the “Net Interest Income,” “Non-Interest Income,” “Non-Interest Expense,” and “Income Taxes” sections in this MD&A for more details on the items above and other non-core items impacting our 2025 annual results.

Operating Environment. Real GDP increased by 2.2 percent in 2025 as compared to 2.4 percent in 2024. The increase in real GDP in 2025 primarily reflected increases in consumer spending and investment. In the fourth quarter 2025, real GDP slowed to an annualized increase of 1.4 percent as compared to 4.4 percent in the third quarter 2025 largely due to the negative impact of the federal government shutdown in October and November 2025. Inflation decreased slightly with the change in the consumer price index on a year over year basis declining from 2.9 percent at December 31, 2024 to 2.7 percent at December 31, 2025.

Beginning in mid-September 2024, the Federal Reserve initiated a gradual easing cycle, lowering the target range for the federal funds rate over several FOMC meetings during 2024 and 2025. The target range declined from 5.25 to 5.50 percent to the current target of 3.50 to 3.75 percent in December 2025. At its January 2026 meeting, the FOMC maintained the existing target range, citing persistently elevated inflation levels, signs of stabilization in labor market conditions, and continued uncertainty in the broader economic outlook. As a result, the FOMC did not signal the timing of their next possible rate cut. However, most market economists currently project the federal funds rate to end 2026 within a target range of approximately 3.00 to 3.25 percent range.

The 10-year U.S. Treasury note yield decreased to 4.18 at December 31, 2025 from 4.58 percent one year ago, and the 2-year U.S. Treasury note yield decreased 78 basis points to 3.47 percent at December 31, 2025 as compared to December 31, 2024.

After yield curve inversion of more than two years, the normalization of interest rates (i.e., a positively sloped yield curve) during 2025 and into 2026 should be a catalyst for a stronger operating environment for banks. Expectations of moderating inflation and continued resilience in key sectors of the U.S. economy have also contributed to our positive outlook for 2026. However, heightened geopolitical risks, fiscal policy uncertainty, and evolving monetary policy considerations, including those recently noted by the Federal Reserve, continue to create uncertainty regarding the future direction of the economy. Should economic conditions deteriorate, causing business activity, spending and investment to decline, these and other factors may adversely impact our financial results, as highlighted in the remaining MD&A discussion below.

Deposits and Other Borrowings. We define cumulative deposit beta as the change in our cost of total deposits relative to the change in the average Fed Funds (upper bound) rate. We differentiate between the cumulative deposit beta during the rate increase cycle, which began in the first quarter 2022 and ended in the second quarter 2024, and the cumulative deposit beta during the rate decrease cycle which started in the third quarter 2024. Our cumulative deposit beta in the interest rate increase cycle (between December 31, 2021 and June 30, 2024) was approximately 58 percent. The Federal Reserve started an interest rate decrease cycle during the third quarter 2024. Our cumulative deposit beta in this current interest rate decrease cycle (between June 30, 2024 and December 31, 2025) was 49 percent. Our cumulative deposit beta for the fourth quarter 2025 was 55 percent. During the fourth quarter 2025, the Federal Reserve cut its target federal funds rate twice, each time by 25 basis points. The beta in the fourth quarter 2025 was mainly driven by a full quarter’s impact of the Federal Reserve's rate cut in September 2025 and our ability to broadly reduce costs of interest bearing deposit products coupled with the changes in deposit balances discussed further below. See the "Net Interest Income" section for additional details on the changes in our cost of deposits during the fourth quarter 2025.

Total average deposits increased by $626.3 million to $50.4 billion for the year ended December 31, 2025 as compared to 2024. Average savings, NOW and money market deposit balances increased $1.8 billion largely due to additional deposits generated from both commercial customer and governmental deposit accounts. Average non-interest bearing deposits increased $298.0 million to $11.5 billion for the year ended December 31, 2025 as compared to 2024 and the increase was mainly the result of our relationship-driven commercial banking efforts, and, to a much lesser extent, higher retail customer balances in 2025. These increases were partially offset by a $1.5 billion decrease in average time deposits balances due to our repayment of high-cost maturing indirect customer CDs during 2025. Average non-interest bearing deposits; savings, NOW and money market deposits; and time deposits represented approximately 23 percent, 53 percent and 24 percent of total deposits at December 31, 2025, respectively, as compared to 22 percent, 51 percent and 27 percent of total deposits at December 31, 2024, respectively.

Actual ending balances for deposits increased $2.1 billion to $52.2 billion at December 31, 2025 as compared to 2024 due to a $2.3 billion increase in savings, NOW and money market deposits and a $726.8 million increase in non-interest bearing deposits, partially offset by a $918.4 million decrease in time deposits. The increase in savings, NOW and money market deposits was largely due to deposit inflows from commercial customer and government deposit accounts and, to a lesser extent, increases in national specialized deposit accounts. The increase in non-interest bearing deposits was generated from the aforementioned holistic commercial relationship banking strategy of the Bank, as well as improved deposit inflows from our retail customers. The decrease in time deposits was mostly due to maturity and repayment of indirect customer CDs, partially offset by net positive inflows from new direct customer CD offerings during 2025. As a result, total indirect customer deposits (consisting of brokered CDs and money market deposits) decreased $1.7 billion to $5.4 billion at December 31, 2025 as compared to $7.1 billion at December 31, 2024. Non-interest bearing deposits; savings, NOW and money market deposits; and time deposits represented approximately 23 percent, 55 percent and 22 percent of total deposits as of December 31, 2025, respectively, as compared to 23 percent, 52 percent and 25 percent as of December 31, 2024, respectively.

The following table summarizes CDs included in time deposits in excess of the FDIC insurance limit by maturity at December 31, 2025:

	2025
	(in thousands)
Less than three months	$ 1,261,309
Three to six months	460,078
Six to twelve months	602,943
More than twelve months	336,677
Total	$ 2,661,007

Total estimated uninsured deposits, excluding collateralized government deposits and intercompany deposits (i.e., deposits eliminated in consolidation), totaled approximately $14.6 billion, or 28 percent of total deposits, at December 31, 2025 as compared to $12.6 billion, or 25 percent of total deposits, at December 31, 2024.

We currently expect to grow our total deposits by 5 to 7 percent during 2026 across our retail, commercial and other specialized deposit niches. While we maintained a diversified commercial and consumer deposit base at December 31, 2025, deposit gathering initiatives and our current deposit base could be unexpectedly challenged due to increased market competition, changes in customer behavior, including attractive non-deposit investment alternatives, and other factors. As a result, we cannot guarantee that we will be able to increase or maintain deposit levels at or near those reported at December 31, 2025. Management continuously monitors liquidity and all available funding sources including non-deposit borrowings discussed below. See the “Liquidity and Cash Requirements” section of this MD&A for additional information.

The following table presents average short-term and long-term borrowings for the years ended December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Average short-term borrowings:		
FHLB advances	$ 102,658	$ 375,505
Securities sold under repurchase agreements	62,343	64,946
Federal funds purchased	6,095	4,809
Total	$ 171,096	$ 445,260
Average long-term borrowings:		
FHLB advances	$ 2,421,560	$ 2,428,428
Subordinated debt	540,250	641,206
Junior subordinated debentures issued to capital trusts	57,631	57,283
Total	$ 3,019,441	$ 3,126,917

Average short-term borrowings decreased $274.2 million at December 31, 2025 as compared to 2024 mostly due to a reduction in the amount of short-term FHLB advances utilized for excess overnight liquidity and funding needs during 2025 that was driven, in part, by the growth in average deposits. Average long-term borrowings (including junior subordinated debentures issued to capital trusts which are presented separately on the consolidated statements of financial condition) moderately decreased $107.5 million at December 31, 2025 as compared to 2024. The decline was mostly due to a decrease in average subordinated debt balances driven by our full redemption of $215.0 million of subordinated notes in June 2025.

Actual ending balances for short-term borrowings increased $18.8 million to $91.5 million at December 31, 2025 as compared to 2024 mainly due to a moderate increase in securities sold under repurchase agreements. Long-term borrowings decreased $265.6 million to $2.9 billion at December 31, 2025 as compared to $3.2 billion at December 31, 2024 primarily due to the aforementioned subordinated notes redeemed in June 2025 and the net decrease from repayments and purchases of certain FHLB advances. See the “Net Interest Income” section below and Note 9 to the consolidated financial statements for additional details on our borrowed funds.

Non-GAAP Financial Measures. The table below presents selected performance indicators, their comparative non-GAAP measures and the (non-GAAP) efficiency ratio for the periods indicated. Valley believes that the non-GAAP financial measures provide useful supplemental information to both management and investors in understanding Valley's underlying operational performance, business, and performance trends, and may facilitate comparisons of our current and prior performance with the performance of others in the financial services industry. Management utilizes these measures for internal planning, forecasting, and analysis purposes. Management believes that Valley’s presentation and discussion of this supplemental information, together with the accompanying reconciliations to the GAAP financial measures, also allows investors to view performance in a manner similar to management. These non-GAAP financial measures should not be considered in isolation, as a substitute for or superior to financial measures calculated in accordance with GAAP. These non-GAAP financial measures may also be calculated differently from similar measures disclosed by other companies.

The following table presents our annualized performance ratios for the three years ended December 31, 2025, 2024 and 2023:

Selected Performance Indicators	2025	2024	2023
	($ in thousands, except for %)		
GAAP measures:			
Net income, as reported	$ 597,983	$ 380,271	$ 498,511
Return on average assets	0.96 %	0.61 %	0.82 %
Return on average shareholders' equity	7.89	5.51	7.60
Non-GAAP measures:			
Net income, as adjusted	$ 584,779	$ 343,559	$ 554,271
Return on average assets, as adjusted	0.94 %	0.55 %	0.91 %
Return on average shareholders' equity, as adjusted	7.71	4.98	8.45
Return on average tangible common shareholders' equity (ROATCE)	11.14	8.15	11.62
ROATCE, as adjusted	10.89	7.36	12.90
Efficiency ratio, as adjusted	54.44 %	57.98 %	56.62 %

	As of December 31,		
Common Equity Per Share Data:	**2025**	**2024**	**2023**
Book value per common share (GAAP)	$ 13.39	$ 12.67	$ 12.79
Tangible book value per common share (non-GAAP)	9.85	9.10	8.79

Non-GAAP Reconciliations to GAAP Financial Measures

Adjusted net income for the three years ended December 31, 2025, 2024 and 2023 is computed as follows:

	2025	2024	2023
		(in thousands)	
Net income, as reported (GAAP)	$ 597,983	$ 380,271	$ 498,511
Non-GAAP adjustments:			
Add: Restructuring charge [1]	5,284	2,039	9,969
Add: Loss on extinguishment of debt	922	—	—
Add: Provision for credit losses for available for sale securities [2]	—	—	5,000
Add: Merger related expenses [3]	—	—	14,133
Add: Litigation reserve [4]	773	—	3,540
Add: Net losses on the sale of commercial real estate loans [5]	—	13,660	—
Less: FDIC Special assessment [6]	(9,489)	8,757	50,297
Less: (Gains) losses on available for sale and held to maturity debt securities, net [7]	(17)	15	(401)
Less: Gain on sale of commercial premium finance lending division [8]	—	(3,629)	—
Less: Net gains on sales of office buildings [8]	—	—	(6,721)
Less: Litigation settlements [9]	—	(7,334)	—
Less: Income tax benefit [10]	(11,417)	(46,431)	—
Total non-GAAP adjustments to net income	(13,944)	(32,923)	75,817
Income tax adjustments related to non-GAAP adjustments [11]	740	(3,789)	(20,057)
Net income, as adjusted (non-GAAP)	$ 584,779	$ 343,559	$ 554,271

(1) Represents severance expense related to workforce reductions within salary and employee benefits expense.
(2) Included in provision for credit losses for available for sale and held to maturity securities (tax disallowed).
(3) Primarily represents data processing termination costs within technology, furniture and equipment expense.
(4) Represents the change in legal reserves and settlement charges included in professional and legal fees.
(5) Represents actual and mark to market losses on bulk performing commercial real estate loan sales included in gains (losses) on sales of loans, net.
(6) Represents the (decrease) increase in estimated special assessment losses included in the FDIC insurance assessment expense.
(7) Included in gains on securities transactions, net.
(8) Included in (losses) gains on sale of assets, net.
(9) Represents recoveries from legal settlements included in other income.
(10) Represent tax benefits from discrete tax events included in income tax expense.
(11) Calculated using the appropriate blended statutory tax rate for the applicable period.

In addition to the items used to calculate net income, as adjusted, in the table above, our net income is, from time to time, impacted by fluctuations in the overall level of capital markets fees, wealth management and trust fees, and net gains on sales of loans. These amounts can vary widely from period to period due to, among other factors, commercial loan customer demand for certain interest rate swap products, brokerage and tax credit investment advisory activities and the amount and timing of residential mortgage loans originated for sale. See the "Non-Interest Income" section below for more details.

Adjusted annualized return on average assets for the three years ended December 31, 2025, 2024 and 2023 is computed by dividing adjusted net income by average assets, as follows:

	2025	2024	2023
		($ in thousands)	
Net income, as adjusted (non-GAAP)	$ 584,779	$ 343,559	$ 554,271
Average assets (GAAP)	$ 62,484,314	$ 61,973,902	$ 61,065,897
Annualized return on average assets, as adjusted (non-GAAP)	0.94 %	0.55 %	0.91 %

Adjusted annualized return on average shareholders' equity for the three years ended December 31, 2025, 2024 and 2023 is computed by dividing adjusted net income by average shareholders' equity, as follows:

	2025	2024	2023
		($ in thousands)	
Net income, as adjusted (non-GAAP)	$ 584,779	$ 343,559	$ 554,271
Average shareholders' equity (GAAP)	$ 7,581,374	$ 6,900,204	$ 6,558,768
Annualized return on average shareholders' equity, as adjusted (non-GAAP)	7.71 %	4.98 %	8.45 %

ROATCE and adjusted ROATCE for the three years ended December 31, 2025, 2024 and 2023 are computed by dividing net income and adjusted net income, respectively, by average tangible common shareholders' equity calculated, as follows:

	2025	2024	2023
		($ in thousands)	
Net income available to common shareholders, as reported (GAAP)	$ 569,002	$ 358,902	$ 482,376
Add: Amortization of other intangible assets (net of tax), other than loan servicing rights	20,878	22,210	25,393
Net income available to common shareholders excluding intangible amortization (GAAP)	589,880	381,112	507,769
Average shareholders' equity (GAAP)	$ 7,581,374	$ 6,900,204	$ 6,558,768
Less: Average preferred shareholders equity	354,345	268,622	209,691
Less: Average goodwill and other intangible assets	1,858,851	1,859,614	1,860,899
Less: Average intangible assets (net of deferred tax liability), other than loan servicing rights	72,951	94,807	119,456
Average tangible common shareholders' equity (non-GAAP)	5,295,227	4,677,161	4,368,722
ROATCE (non-GAAP)	11.14 %	8.15 %	11.62 %
Net income available to common shareholders, as adjusted (non-GAAP)	$ 555,798	$ 322,190	$ 538,136
Add: Amortization of other intangible assets (net of tax), other than loan servicing rights	20,878	22,210	25,393
Net income available to common shareholders excluding intangible amortization (non-GAAP)	576,676	344,400	563,529
Average tangible common shareholders' equity (non-GAAP)	5,295,227	4,677,161	4,368,722
ROATCE, as adjusted (non-GAAP)	10.89 %	7.36 %	12.90 %

The efficiency ratio for the years ended December 31, 2025, 2024 and 2023 is computed as follows:

	2025	2024	2023
		($ in thousands)	
Total non-interest expense, as reported (GAAP)	$ 1,142,126	$ 1,105,860	$ 1,162,691
Less: Loss on extinguishment of debt	922	—	—
Less: FDIC Special assessment [1]	(9,489)	8,757	50,297
Less: Restructuring charge [2]	5,284	2,039	9,969
Less: Merger related expenses [3]	—	—	14,133
Less: Litigation reserve [4]	773	—	3,540
Less: Amortization of tax credit investments	41,792	18,946	18,009
Total non-interest expense, as adjusted (non-GAAP)	1,102,844	1,076,118	1,066,743
Net interest income, as reported (GAAP)	1,763,644	1,628,708	1,665,478
Total non-interest income, as reported (GAAP)	262,126	224,501	225,729
Add: Net losses on the sale of commercial real estate loans [5]	—	13,660	—
Less: Net gains on sales of office buildings [6]	—	—	(6,721)
Less: Gain on sale of commercial premium finance lending division [6]	—	(3,629)	—
Less: (Gains) losses on available for sale and held to maturity debt securities transactions, net [7]	(17)	15	(401)
Less: Litigation settlements [8]	—	(7,334)	—
Gross operating income, as adjusted (non-GAAP)	$ 2,025,753	$ 1,855,921	$ 1,884,085
Efficiency ratio (non-GAAP)	54.44 %	57.98 %	56.62 %

(1) Included in the FDIC insurance expense.
(2) Represents severance expense related to workforce reductions within salary and employee benefits expense.
(3) Primarily represents data processing termination costs within technology, furniture and equipment expense for 2023.
(4) Included in professional and legal fees.
(5) Included in gains (losses) on sales of loans, net.

(6) Included in (losses) gains on sales of assets, net.
(7) Included in gains on securities transactions, net.
(8) Represents recoveries from legal settlements included in other income.

Tangible book value per common share is computed by dividing shareholders' equity less preferred stock, goodwill and other intangible assets by common shares outstanding for the two years ended December 31, 2025 and 2024, as follows:

	2025	2024
	($ in thousands, except for share data)	
Common shares outstanding	556,618,021	558,786,093
Shareholders' equity (GAAP)	$ 7,807,698	$ 7,435,127
Less: Preferred stock	354,345	354,345
Less: Goodwill and other intangible assets	1,969,811	1,997,597
Tangible common shareholders' equity (non-GAAP)	$ 5,483,542	$ 5,083,185
Tangible book value per common share (non-GAAP)	$ 9.85	$ 9.10
Book value per common share (GAAP)	13.39	12.67

Net Interest Income

Net interest income consists of interest income and dividends earned on interest earning assets less interest expense on interest bearing liabilities and represents the main source of income for Valley. The net interest margin on a fully tax equivalent basis is calculated by dividing tax equivalent net interest income by average interest earning assets and is a key measurement used in the banking industry to measure income from interest earning assets.

Annual Period 2025. Net interest income on a tax equivalent basis increased by $134.7 million to $1.8 billion for 2025 as compared to 2024. Interest expense decreased by $259.9 million to $1.5 billion for 2025 as compared to 2024 mainly due to (i) our ability to lower rates on most interest bearing deposit products during the market interest rate decrease cycle since the second quarter 2024 and (ii) non-interest bearing deposit growth that has partially contributed to the repayment of higher-cost indirect customer deposits during the second half of 2025. Interest income on a tax equivalent basis decreased $125.2 million to $3.2 billion for 2025 as compared to 2024 largely due to downward repricing of adjustable rate loans, partially offset by additional interest income from the purchases of higher yielding taxable investment securities during 2025.

Average interest earning assets totaling $58.0 billion for the year ended December 31, 2025 increased $645.0 million, or 1.1 percent, as compared to 2024. The increase was mainly due to a $1.7 billion increase in average taxable investments mostly resulting from purchases of residential mortgage-backed securities classified as available for sale during year ended December 31, 2025. The increase in taxable investments was partially offset by a $884.3 million decrease in average loan balances mostly caused by our strategic efforts to reduce the level of transactional commercial real estate loans in our portfolio, including our bulk loan portfolio sales of such loans totaling $920.3 million in the fourth quarter 2024. Average interest bearing cash balances also declined by $128.2 million as compared to 2024 as we reduced the level of excess overnight cash balances.

Average interest bearing liabilities decreased $53.4 million to $42.1 billion for the year ended December 31, 2025 as compared to 2024. This decrease mainly reflects a decline in short-term average FHLB advances and our redemption of certain subordinated notes during the second quarter 2025, which were mostly offset by the increase in average interest bearing deposits. Average interest bearing deposits increased $328.3 million as compared to 2024 mainly driven by strong growth in non-maturity interest bearing and non-interest bearing deposit balances, partially offset by repayments of indirect customer time deposits in 2025. See additional information under "Deposits and Other Borrowings" in the Executive Summary section above.

Net interest margin on a tax equivalent basis was 3.05 percent for the year ended December 31, 2025 and increased 20 basis points as compared to 2024. The increase as compared to 2024 was mostly driven by a 61 basis point decline in the cost of average interest-bearing deposits, partially offset by the lower yield on average interest earning assets. The overall cost of average interest bearing liabilities decreased 61 basis points to 3.49 percent for the year ended December 31, 2025 as compared to 2024 mainly due to the decrease in higher cost time deposits, lower interest rates on most deposit products and, to a much lesser extent, the decline in short-term borrowings. The yield on average interest earning assets decreased by 28 basis points to 5.59 percent or 2025 as compared to 5.87 percent in 2024 largely due to the downward repricing of our adjustable rate loans, as well as the lower yield on overnight interest bearing cash balances, partially offset by the purchases of higher yielding investment securities during 2025.

Fourth Quarter 2025. Net interest income on a tax equivalent basis of $466.1 million for the fourth quarter 2025 increased $18.7 million and $41.9 million as compared to the third quarter 2025 and fourth quarter 2024, respectively, largely resulting from a decline in the cost of deposits and additional interest income from growth in average loans and taxable

investments. Total interest expense decreased $29.8 million to $350.9 million for the fourth quarter 2025 as compared to the third quarter 2025. The decrease was the result of (i) strong non-interest bearing deposit growth, (ii) lower interest rates offered on most interest bearing deposit products and (iii) the repayment of maturing higher-cost indirect customer time deposits during the second half of 2025. Interest income on a tax equivalent basis also decreased $11.1 million to $817.0 million for the fourth quarter 2025 as compared to the third quarter 2025. The decrease mostly resulted from downward repricing of adjustable rate loans, partially offset by the aforementioned additional interest income from both new loans and taxable investments in the fourth quarter 2025.

Net interest margin on a tax equivalent basis of 3.17 percent for the fourth quarter 2025 increased 12 basis points and 25 basis points from 3.05 percent and 2.92 percent, respectively, for the third quarter 2025 and fourth quarter 2024. The increase as compared to the third quarter 2025 was mostly due to a 24 basis point decrease in our cost of total average deposits to 2.45 percent for the fourth quarter 2025, partially offset by the negative impact of the lower yield on average interest earning assets. Our cost of total average deposits was 2.45 percent for the fourth quarter 2025 as compared to 2.69 percent and 2.94 percent for the third quarter 2025 and fourth quarter 2024, respectively. The overall cost of average interest bearing liabilities decreased by 27 basis points to 3.30 percent for the fourth quarter 2025 as compared to the linked third quarter 2025. The yield on average interest earning assets decreased by 9 basis points to 5.56 percent on a linked quarter basis largely due to downward repricing of our adjustable rate loans and the lower yield on overnight interest bearing cash balances, partially offset by higher yields on new loans and investment securities during the fourth quarter 2025.

Based upon our current projections, we anticipate net interest income growth of approximately 11 to 13 percent for the full year of 2026 as compared to 2025. Net interest margin is expected to reach 3.30 percent by the end of 2026 as we continue to benefit from loan growth and repricing. While we are optimistic about the projected net interest income for 2026, our forecasts include several uncertain assumptions, including projected loan growth and our ability to decrease funding costs over the next 12 months. Therefore, we cannot provide any assurances that our future net interest income or margin will meet our current estimates or remain near the levels reported for the fourth quarter 2025.

The following table reflects the components of net interest income for each of the three years ended December 31, 2025, 2024 and 2023:

ANALYSIS OF AVERAGE ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY AND NET INTEREST INCOME ON A TAX EQUIVALENT BASIS

	2025			2024			2023		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
					($ in thousands)				
Assets									
Interest earning assets:									
Loans [1][2]	$ 49,146,291	$ 2,881,381	5.86 %	$ 50,030,586	$ 3,079,958	6.16 %	$ 49,351,861	$ 2,887,026	5.85 %
Taxable investments [3]	7,429,931	295,789	3.98	5,741,591	206,898	3.60	4,990,942	154,847	3.10
Tax-exempt investments [1][3]	542,608	23,491	4.33	573,491	24,371	4.25	616,555	25,703	4.17
Interest bearing deposits with banks	844,070	36,847	4.37	972,258	51,482	5.30	1,541,170	76,809	4.98
Total interest earning assets	57,962,900	3,237,508	5.59	57,317,926	3,362,709	5.87	56,500,528	3,144,385	5.57
Allowance for loan losses	(589,106)			(502,236)			(452,713)		
Cash and due from banks	381,914			429,075			395,895		
Other assets	4,868,074			4,882,916			4,805,711		
Unrealized losses on securities available for sale, net	(139,468)			(153,779)			(183,524)		
Total assets	$ 62,484,314			$ 61,973,902			$ 61,065,897		
Liabilities and Shareholders' Equity									
Interest bearing liabilities:									
Savings, NOW and money market deposits	$ 26,930,256	$ 812,424	3.02 %	$ 25,148,637	$ 913,963	3.63 %	$ 23,228,453	$ 739,025	3.18 %
Time deposits	11,967,944	504,158	4.21	13,421,273	644,964	4.81	12,704,775	535,749	4.22
Total interest bearing deposits	38,898,200	1,316,582	3.38	38,569,910	1,558,927	4.04	35,933,228	1,274,774	3.55
Short-term borrowings	171,096	5,739	3.35	445,260	22,047	4.95	1,881,700	94,869	5.04
Long-term borrowings	3,019,441	146,519	4.85	3,126,917	147,815	4.73	2,227,578	103,770	4.66
Total interest bearing liabilities	42,088,737	1,468,840	3.49	42,142,087	1,728,789	4.10	40,042,506	1,473,413	3.68
Non-interest bearing deposits	11,506,092			11,208,053			12,558,441		
Other liabilities	1,308,111			1,723,558			1,906,182		
Shareholders' equity	7,581,374			6,900,204			6,558,768		
Total liabilities and shareholders' equity	$ 62,484,314			$ 61,973,902			$ 61,065,897		
Net interest income/interest rate spread [5]		1,768,668	2.10 %		1,633,920	1.77 %		1,670,972	1.89 %
Tax equivalent adjustment		(5,024)			(5,212)			(5,494)	
Net interest income, as reported		$ 1,763,644			$ 1,628,708			$ 1,665,478	
Net interest margin [6]			3.04 %			2.84 %			2.95 %
Tax equivalent effect			0.01			0.01			0.01
Net interest margin on a fully tax equivalent basis [6]			3.05 %			2.85 %			2.96 %

(1) Interest income is presented on a tax equivalent basis using a 21 percent federal tax rate.
(2) Loans are stated net of unearned income and include non-accrual loans.
(3) The yield for securities that are classified as AFS is based on the average historical amortized cost.
(4) Includes junior subordinated debentures issued to capital trusts which are presented separately on the consolidated statements of condition.
(5) Interest rate spread represents the difference between the average yield on interest earning assets and the average cost of interest bearing liabilities and is presented on a fully tax equivalent basis.
(6) Net interest income as a percentage of total average interest earning assets.

The following table demonstrates the relative impact on net interest income of changes in the volume of interest earning assets and interest bearing liabilities and changes in rates earned and paid by Valley on such assets and liabilities. Variances resulting from a combination of changes in volume and rates are allocated to the categories in proportion to the absolute dollar amounts of the change in each category.

CHANGE IN NET INTEREST INCOME ON A TAX EQUIVALENT BASIS

	2025 Compared to 2024			2024 Compared to 2023		
	Change Due to Volume	Change Due to Rate	Total Change	Change Due to Volume	Change Due to Rate	Total Change
	(in thousands)					
Interest income:						
Loans*	$ (53,737)	$ (144,840)	$ (198,577)	$ 40,137	$ 152,795	$ 192,932
Taxable investments	65,539	23,352	88,891	25,103	26,948	52,051
Tax-exempt investments*	(1,331)	451	(880)	(1,822)	490	(1,332)
Federal funds sold and other interest bearing deposits	(6,277)	(8,358)	(14,635)	(29,868)	4,541	(25,327)
Total increase (decrease) in interest income	4,194	(129,395)	(125,201)	33,550	184,774	218,324
Interest expense:						
Savings, NOW and money market deposits	61,511	(163,050)	(101,539)	64,286	110,652	174,938
Time deposits	(65,812)	(74,994)	(140,806)	31,428	77,787	109,215
Short-term borrowings	(10,702)	(5,606)	(16,308)	(71,155)	(1,667)	(72,822)
Long-term borrowings and junior subordinated debentures	(5,157)	3,861	(1,296)	42,492	1,553	44,045
Total (decrease) increase in interest expense	(20,160)	(239,789)	(259,949)	67,051	188,325	255,376
Increase (decrease) in net interest income	$ 24,354	$ 110,394	$ 134,748	$ (33,501)	$ (3,551)	$ (37,052)

* Interest income is presented on a tax equivalent basis using a 21 percent federal tax rate.

Non-Interest Income

Non-interest income represented 12.9 percent and 12.1 percent of total net interest income plus non-interest income for 2025 and 2024, respectively. For the year ended December 31, 2025, non-interest income increased $37.6 million as compared to the year ended December 31, 2024. See further details below.

The following table presents the components of non-interest income for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(in thousands)	
Wealth management and trust fees	$ 63,436	$ 62,616	$ 44,158
Insurance commissions	13,374	12,794	11,116
Capital markets	42,019	27,221	41,489
Service charges on deposit accounts	61,227	48,276	41,306
Gains on securities transactions, net	74	100	1,104
Fees from loan servicing	13,352	12,393	10,670
Gains (losses) on sales of loans, net	6,906	(5,840)	6,054
(Losses) gains on sales of assets, net	(3)	3,727	6,809
Bank owned life insurance	20,048	16,942	11,843
Other	41,693	46,272	51,180
Total non-interest income	$ 262,126	$ 224,501	$ 225,729

Capital markets income increased $14.8 million for the year ended December 31, 2025 as compared to 2024. The increase was mainly due to fee income growth from higher volumes of (i) interest rate swap transactions related to commercial lending activities and (ii) loan syndication transactions. Swap fee income totaled $21.1 million and $13.3 million for the years ended

December 31, 2025 and 2024, respectively. Loan syndication and participation fees totaled $8.2 million for the year ended December 31, 2025 as compared to $3.7 million for 2024.

Service charges on deposit accounts increased $13.0 million for the year ended December 31, 2025 as compared to 2024 mainly due to additional treasury management service related fees generated from commercial deposit accounts.

Net gains on sales of loans were $6.9 million for the year ended December 31, 2025 as compared to net losses of $5.8 million for 2024. Net gains for the year ended December 31, 2025 were driven, in part, by gains on sales of residential mortgage loans, partially offset by a $1.3 million loss on the sale of one non-performing commercial real estate loan classified as held for sale during the third quarter 2025. Net losses for the year ended December 31, 2024 were largely attributable to $13.7 million of realized losses resulting from the sale of performing commercial real estate loans in the fourth quarter 2024, partially offset by net gains on sales of residential mortgage loans originated for sale. Overall, our ability to generate net gains on residential mortgage loan sales continues to be constrained by several factors, including elevated mortgage interest rates, reduced customer demand for conforming loan products, and our strategic decision not to originate certain residential mortgage loans for sale. This decision can be influenced by multiple considerations, such as our current objective to reduce commercial real estate loan concentration and further diversify the loan portfolio. See further discussions of our residential mortgage loan origination activity under the “Loan Portfolio” section of this MD&A below.

Net gains on sales of assets decreased $3.7 million for the year ended December 31, 2025 as compared to 2024. Net gains on sales of assets for the year ended December 31, 2024, were mainly attributable to a $3.6 million net gain realized on the sale of our commercial premium finance lending business.

Bank owned life insurance income increased $3.1 million for the year ended December 31, 2025 as compared to 2024 driven by higher returns on the underlying investment securities during most of the 2025.

Other non-interest income decreased $4.6 million for the year ended December 31, 2025 as compared to 2024. The decline largely reflects $7.3 million in litigation settlement income recorded in the third quarter of 2024, partially offset by increases in card fee income during the year ended December 31, 2025 as compared to 2024.

During 2025, we continued to offer a robust suite of fee income product and services for our growing customer base, including treasury management services for commercial banking clients which have helped us generate additional fee income and attract new customers. During 2026, we plan to further leverage the investments that we have made in our treasury solutions, foreign exchange and syndication platforms, and continue to focus on growing revenues from service charges on deposits accounts, interest rate swap transactions and our broker dealer subsidiary.

Non-Interest Expense

Non-interest expense increased $36.3 million to $1.1 billion for the year ended December 31, 2025 as compared to 2024 due, in large part, to amortization expense related to additional tax credit investments and higher salary and employee benefits expenses resulting from strategic investments in our commercial and consumer banking teams and enhancements to our business operating model in 2025. See further details below.

The following table presents the components of non-interest expense for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Salary and employee benefits expense	$ 579,520	$ 558,595	$ 563,591
Net occupancy expense	102,294	102,124	101,470
Technology, furniture and equipment expense	123,876	135,109	150,708
FDIC insurance assessment	39,059	61,476	88,154
Amortization of other intangible assets	30,428	35,045	39,768
Professional and legal fees	86,747	70,315	80,567
Loss on extinguishment of debt	922	—	—
Amortization of tax credit investments	41,792	18,946	18,009
Other	137,488	124,250	120,424
Total non-interest expense	$ 1,142,126	$ 1,105,860	$ 1,162,691

Salary and employee benefits expense increased $20.9 million for the year ended December 31, 2025 as compared to 2024. The increase primarily reflects higher salary expense driven by rising salary costs due to inflation and our investment in new key talent in 2025. Severance expense related to workforce reductions totaled $5.3 million and $2.0 million for the years ended December 31, 2025 and 2024, respectively.

Technology, furniture and equipment expense decreased $11.2 million for the year ended December 31, 2025 as compared to 2024 primarily due to incremental decreases in data processing, depreciation and telecommunications expenses in 2025.

FDIC insurance assessment expense decreased $22.4 million for the year ended December 31, 2025 as compared to 2024. The decrease was largely driven by an $18.2 million decrease in the total estimated expense related to the FDIC special assessment applied to us to recover losses in the Deposit Insurance Fund from protecting uninsured depositors following two of the bank failures in 2023, and, amongst other factors, a decrease in our normal FDIC assessment resulting from improved levels of regulatory capital throughout 2025 as compared to 2024.

Amortization of other intangibles decreased $4.6 million for the year ended December 31, 2025 as compared to 2024 mainly due to lower amortization expense of core deposits and other intangible assets. See Note 7 to the consolidated financial statements for additional information.

Professional and legal fees increased $16.4 million for the year ended December 31, 2025 as compared to 2024 primarily due to higher consulting fees related to enhancements to our business operating model and other transformation efforts in 2025. During the fourth quarter 2025, our professional and legal fees totaled $26.8 million. We expect this higher level of professional and legal fees to continue into most of 2026.

Amortization of tax credit investments increased $22.8 million for the year ended December 31, 2025 as compared to 2024 mainly due to large purchases of tax-advantaged investments during 2025. See Note 13 for more details regarding our tax credit investments.

Other non-interest expense increased $13.2 million for the year ended December 31, 2025 as compared to 2024. The increase was due, in part, to a $6.0 million increase in OREO related losses on fair valuation write-down of two commercial real estate properties and several other incremental expenses within the category, including those related to Valley's new brand campaign and other general operating expenses.

Income Taxes

Income tax expense was $145.9 million for the year ended December 31, 2025, reflecting an effective tax rate of 19.6 percent, as compared to $58.2 million for the year ended December 31, 2024, reflecting an effective tax rate of 13.3 percent. The increase in income tax expense during 2025 was largely driven by (i) higher pre-tax income and (ii) a $46.4 million tax benefit realized in 2024 on the total reduction in our uncertain tax liability positions and related accrued interest due to statute of limitation expirations. In addition, income tax expense for 2025 reflected an $11.4 million tax refund benefit realized due to the closure of a federal audit during the fourth quarter 2025 and additional investments in tax credits as compared to 2024.

On July 4, 2025, the OBBBA was signed into law. The OBBBA extends or reinstates certain provisions of the 2017 Tax Cuts and Jobs Act, includes tax relief measures, modifies certain energy tax credits and sets various limits on tax deductions, among other key provisions. The enactment of the OBBBA did not have a material impact on our consolidated financial statements for the year ended December 31, 2025. Certain provisions of the OBBBA that are effective starting in 2026 are also not expected to have a material impact on our consolidated financial statements.

GAAP requires that any change in judgment or change in measurement of a tax position taken in a prior annual period be recognized as a discrete event in the quarter in which it occurs, rather than being recognized as a change in effective tax rate for the current year. Our adherence to these tax guidelines may result in volatile effective income tax rates in future quarterly and annual periods. Factors that could impact management’s judgment include changes in income, tax laws and regulations, and tax planning strategies. Based on the current information available, we anticipate that our effective tax rate will be in the range of 23 to 24 percent for 2026.

See additional information regarding our income taxes under our “— Critical Accounting Estimates” section above, as well as Note 12 to the consolidated financial statements.

Operating Segments

Valley manages its business operations under operating segments consisting of Consumer Banking and Commercial Banking. Activities not assigned to the operating segments are included in Treasury and Corporate Other.

The CEO of Valley is the CODM who assesses performance of each operating segment to better understand their cost, opportunity value and impact to Valley's consolidated earnings. Each operating segment is reviewed routinely for its asset growth, contribution to our income before income taxes, return on average interest earning assets and impairment (if events or circumstances indicate a possible inability to realize the carrying amount). Valley regularly assesses its strategic plans, operations, and reporting structures to identify its reportable segments.

The accounting for each operating segment and Treasury and Corporate Other includes internal accounting policies designed to measure consistent and reasonable financial reporting and may result in income and expense measurements that differ from amounts under GAAP. The financial reporting for each segment contains allocations and reporting in line with Valley's operations, which may not necessarily be comparable to those of any other financial institution. Furthermore, changes in management structure or allocation methodologies and procedures may result in changes in reported segment financial data. See Note 20 to the consolidated financial statements for additional information.

The following tables present the financial data for Valley's operating segments, and Treasury and Corporate Other for the years ended December 31, 2025 and 2024:

	2025			
	Consumer Banking	Commercial Banking	Treasury and Corporate Other	Total
	($ in thousands)			
Average interest earning assets	$ 10,675,089	$ 38,471,202	$ 8,816,609	$ 57,962,900
Interest income	$ 523,519	$ 2,352,838	$ 356,127	$ 3,232,484
Interest expense	270,518	974,900	223,422	1,468,840
Net interest income	253,001	1,377,938	132,705	1,763,644
(Credit) provision for credit losses	(630)	140,317	87	139,774
Net interest income after provision for credit losses	253,631	1,237,621	132,618	1,623,870
Non-interest income	139,321	101,168	21,637	262,126
Non-interest expense				
Salary and employee benefits expense	132,712	391,384	55,424	579,520
Net occupancy expense	19,109	67,704	15,481	102,294
Technology, furniture, and equipment expense	26,770	80,444	16,662	123,876
FDIC insurance assessment	10,545	38,001	(9,487)	39,059
Professional and legal fees	14,712	61,092	10,943	86,747
Other segment items *	54,172	72,873	83,585	210,630
Total non-interest expense	$ 258,020	$ 711,498	$ 172,608	$ 1,142,126
Income (loss) before income taxes	$ 134,932	$ 627,291	$ (18,353)	$ 743,870
Return on average interest earning assets (pre-tax)	1.26 %	1.63 %	(0.21)%	1.28 %
Net interest margin	2.37 %	3.59 %	1.51 %	3.05 %

	2024			
	Consumer Banking	Commercial Banking	Treasury and Corporate Other	Total
	($ in thousands)			
Average interest earning assets	$ 9,914,917	$ 40,115,669	$ 7,287,340	$ 57,317,926
Interest income	$ 478,680	$ 2,596,066	$ 282,751	$ 3,357,497
Interest expense	299,048	1,209,945	219,796	1,728,789
Net interest income	179,632	1,386,121	62,955	1,628,708
Provision for credit losses	24,561	284,827	(558)	308,830
Net interest income after provision for credit losses	155,071	1,101,294	63,513	1,319,878
Non-interest income	135,331	77,690	11,480	224,501
Non-interest expense				
Salary and employee benefits expense	118,953	389,622	50,020	558,595
Net occupancy expense	18,003	71,360	12,761	102,124
Technology, furniture, and equipment expense	25,681	93,811	15,617	135,109
FDIC insurance assessment	10,448	42,271	8,757	61,476
Professional and legal fees	11,254	52,666	6,395	70,315
Other segment items *	58,282	54,007	65,952	178,241
Total non-interest expense	$ 242,621	$ 703,737	$ 159,502	$ 1,105,860
Income (loss) before income taxes	$ 47,781	$ 475,247	$ (84,509)	$ 438,519
Return on average interest earning assets (pre-tax)	0.48 %	1.18 %	(1.16)%	0.77 %
Net interest margin	1.81 %	3.45 %	0.86 %	2.84 %

* Other segment items include amortization of intangible assets, amortization of tax credit investments and other general operating expenses.

Consumer Banking Segment. The Consumer Banking segment represented 19.8 percent of the total loan portfolio at December 31, 2025, and was mainly comprised of residential mortgage loans and automobile loans, and to a lesser extent, home equity loans, secured personal lines of credit and other consumer loans (including credit card loans). The duration of the residential mortgage loan portfolio (which represented 11.6 percent of our total loan portfolio at December 31, 2025) is subject to movements in the market level of interest rates and forecasted prepayment speeds. The weighted average life of the automobile loans portfolio (representing 4.4 percent of total loans at December 31, 2025) is relatively unaffected by movements in the market level of interest rates. However, the average life may be impacted by new loans as a result of the availability of credit within the automobile marketplace and consumer demand for purchasing new or used automobiles. Consumer Banking also includes the Wealth Management and Insurance Services Division, comprised of asset management advisory, brokerage, trust, personal and title insurance, tax credit advisory services, and our international and domestic private banking businesses.

Consumer Banking's average interest earning assets increased $760.2 million to $10.7 billion for the year ended December 31, 2025 as compared to 2024. The increase was mostly due to solid growth in both our automobile and residential mortgage loan portfolios over the last 12-month period and, to a lesser extent, moderate increases in average home equity loan and secured personal lines of credit balances for 2025.

Income before income taxes generated by the Consumer Banking segment increased $87.2 million to $134.9 million for the year ended December 31, 2025 as compared to $47.8 million for the year ended December 31, 2024. The increase was mostly driven by an increase in net interest income combined with a lower provision for credit losses, partially offset by higher non-interest expense as compared to 2024. Net interest income increased $73.4 million as compared to 2024 mainly due to additional interest income from the aforementioned growth in average loans coupled with lower funding costs. The provision for loan losses decreased $25.2 million from $24.6 million for 2024 partly due to the continued strong performance of the loan portfolio, specifically residential mortgage loans, and its positive impact on the quantitative reserves component of our ACL model, amongst other factors. See further details in the "Allowance for Credit Losses" section of this MD&A. Non-interest income increased $4.0 million as compared to 2024 mainly due to higher service charges on deposit accounts and card fee income. Non-interest expense increased $15.4 million to $258.0 million for the year ended December 31, 2025 as compared to

2024 largely driven by increases in salaries and employee benefits expense and professional and legal fees. See more details in the "Non-Interest Expense" section of this MD&A.

Net interest margin on the Consumer Banking portfolio increased 56 basis points to 2.37 percent for the year ended December 31, 2025 as compared to 2024 mainly due to a 49 basis point decrease in the costs associated with our funding sources combined with a 7 basis point increase in the yield on average loans. The decrease in our funding costs was mainly caused by gradually lower interest rates on most of our deposit products during 2025, as well as the maturity and repayment of higher cost time deposits. The 7 basis point increase in loan yield was largely due to higher yielding new loan originations and the repayment of lower yielding loans in 2025. See more details in the “Net Interest Income” section of this MD&A.

Commercial Banking Segment. The Commercial Banking segment is comprised of floating rate and adjustable rate commercial and industrial loans and construction loans, as well as fixed rate owner occupied and commercial real estate loans. Due to the portfolio’s interest rate characteristics, Commercial Banking is Valley’s operating segment that is most sensitive to movements in market interest rates. Commercial and industrial loans totaled approximately $11.0 billion and represented 21.9 percent of the total loan portfolio at December 31, 2025. Commercial real estate and construction loans totaled $29.2 billion and represented 58.3 percent of the total loan portfolio at December 31, 2025.

Average interest earning assets in Commercial Banking segment decreased $1.6 billion to $38.5 billion for the year ended December 31, 2025 as compared to 2024. This decrease mostly reflects the bulk sales of certain performing commercial real estate loans during the fourth quarter 2024, as well as repayment activity related to continued strategic runoff of non-relationship/transactional loans largely within the commercial real estate loan category, partially offset by organic loan growth within the commercial and industrial loan portfolio during the year ended December 31, 2025.

For the year ended December 31, 2025, income before income taxes for Commercial Banking increased $152.0 million to $627.3 million as compared to 2024. The increase was primarily attributable to a $144.5 million decrease in the provision for loan losses largely due to a decline in net loan charge-offs during 2025 and a reduction in quantitative reserves for certain commercial loan categories at December 31, 2025 as compared to December 31, 2024. Non-interest income increased $23.5 million in 2025 as compared to 2024 mostly due to both higher interest rate swap fee income and continued growth in treasury management service fees on commercial deposit accounts during 2025. Net interest income decreased $8.2 million in 2025 as compared to 2024 mainly due to downward repricing of adjustable rate loans and lower average loan balances in this segment, partially offset by our lower cost of funding sources. See details in the “Allowance for Credit Losses for Loans” and "Non-Interest Income" sections of this MD&A.

The net interest margin for this segment increased 14 basis points to 3.59 percent for the year ended December 31, 2025 as compared to 2024, due to a 49 basis point decrease in the cost of our funding sources, partially offset by a 35 basis point decrease in the yield on average loans.

Treasury and Corporate Other. Treasury and Corporate Other largely consists of the Treasury managed HTM debt securities and AFS debt securities portfolios mainly utilized for the liquidity management needs of our lending segments and income and expense items resulting from support functions not directly attributable to a specific segment. Interest income is generated through investments in various types of securities (mainly comprised of fixed rate securities) and interest-bearing deposits with other banks (primarily the Federal Reserve Bank of New York). Expenses related to the branch network, all other components of retail banking, along with the back office departments of the Bank are allocated from Treasury and Corporate Other to operating segments. Other non-interest income items and general expenses are allocated from Treasury and Corporate Other to each operating segment utilizing a methodology that involves an allocation of operating and funding costs based on each segment's respective mix of average interest earning assets outstanding for the period, number of deposits, or direct allocations to the segments based on the nature of income and expense.

Unallocated items included in Treasury and Corporate Other consist of net gains and losses on AFS and HTM securities transactions, amortization of tax credit investments, as well as other non-core items, including corporate restructuring charges, the FDIC special assessment, loss on extinguishment of debt, and income from litigation settlements.

Treasury and Corporate Other's average interest earning assets increased $1.5 billion to $8.8 billion for the year ended December 31, 2025 as compared to 2024 primarily due to additional purchases of residential mortgage-backed securities classified as AFS during 2025. The increase in average investment securities was partially offset by a $128.2 million decline in average interest bearing cash held overnight for the year ended December 31, 2025.

The net loss before taxes for this segment totaled $18.4 million for the year ended December 31, 2025 as compared to $84.5 million for 2024. The decrease in pre-tax loss was primarily driven by an increase in net interest income. Net interest income increased $69.8 million to $132.7 million for the year ended December 31, 2025 compared to 2024 largely due to the additional interest income generated from higher average taxable investment securities. Non-interest income increased $10.2

million for the year ended December 31, 2025 as compared to 2024, which was mostly due to the net effect of discrete infrequent items in 2024, including aggregate net realized losses of $13.7 million on the sales of performing commercial real estate loans and $7.3 million in litigation settlement income. Non-interest expense increased $13.1 million to $172.6 million for the year ended December 31, 2025 as compared to 2024 largely due to (i) a $22.8 million increase in the amortization of tax credit investments and (ii) increases in salaries and employee benefits expense and legal and professional fees, partially offset by (iii) a decrease of $18.2 million in the FDIC insurance special assessment allocated to Treasury and Other. See more details in the "Non-Interest Income" and "Non-Interest Expense" sections of this MD&A.

Treasury and Corporate Other's net interest margin increased 65 basis points to 1.51 percent for the year ended December 31, 2025 as compared to the same period in 2024 due to a 49 basis point decrease in cost of our funding source combined with a 16 basis point increase in the yield on average investments. The increase in yield on average investments as compared to 2024 was largely due to the higher yielding investments purchased during 2025.

ASSET/LIABILITY MANAGEMENT

Interest Rate Sensitivity

Our success is largely dependent upon our ability to manage interest rate risk. Interest rate risk can be defined as the exposure of our interest rate sensitive assets and liabilities to the movement in interest rates. Our Asset/Liability Management Committee is responsible for managing such risks and establishing policies that monitor and coordinate our sources and uses of funds. Asset/Liability management is a continuous process due to the constant change in interest rate risk factors. In assessing the appropriate interest rate risk levels for us, management weighs the potential benefit of each risk management activity within the desired parameters of liquidity, capital levels and management's tolerance for exposure to income fluctuations. Many of the actions undertaken by management utilize fair value analysis and attempt to achieve consistent accounting and economic benefits for financial assets and their related funding sources. We have predominantly focused on managing our interest rate risk by attempting to match the inherent risk and cash flows of financial assets and liabilities. Specifically, management employs multiple risk management activities, such as optimizing the level of new residential mortgage originations retained in our mortgage portfolio through increasing or decreasing loan sales in the secondary market, product pricing levels, the desired maturity levels for new originations, the composition levels of both our interest earning assets and interest bearing liabilities, as well as several other risk management activities.

We use a simulation model to analyze net interest income sensitivity to movements in interest rates. The simulation model projects net interest income based on various interest rate scenarios over a 12-month period. The model is based on the actual maturity and re-pricing characteristics of rate sensitive assets and liabilities. The model incorporates certain assumptions which management believes to be reasonable regarding the impact of changing interest rates, non-maturity deposit betas, and the prepayment assumptions of certain assets and liabilities as of December 31, 2025. The model assumes immediate changes in interest rates without any proactive change in the composition or size of the balance sheet, or other future actions that management might undertake to mitigate this risk. In the model, the forecasted shape of the yield curve remains static as of December 31, 2025. The impact of interest rate derivatives, such as interest rate swaps, is also included in the model.

Our simulation model is based on market interest rates and prepayment speeds prevalent in the market as of December 31, 2025. Although the size of Valley's balance sheet is forecasted to remain static as of December 31, 2025, in our model, the composition is adjusted to reflect new interest earning assets and funding originations coupled with rate spreads utilizing our actual originations during the fourth quarter 2025. The model utilizes an immediate parallel shift in market interest rates at December 31, 2025.

The assumptions used in the net interest income simulation are inherently uncertain. Actual results may differ significantly from those presented in the table below, due to the frequency and timing of changes in interest rates and changes in spreads between maturity and re-pricing categories. Overall, our net interest income is affected by changes in interest rates and cash flows from our loan and investment portfolios. We actively manage these cash flows in conjunction with our liability mix, duration, and interest rates to optimize the net interest income, while structuring the balance sheet in response to actual or potential changes in interest rates. Additionally, our net interest income is impacted by the level of competition within our marketplace. Competition can negatively impact the level of interest rates attainable on loans and increase the cost of deposits, which may result in downward pressure on our net interest margin in future periods. Other factors, including, but not limited to, the slope of the yield curve and projected cash flows will impact our net interest income results and may increase or decrease the level of asset sensitivity of our balance sheet.

Convexity is a measure of how the duration of a financial instrument changes as market interest rates change. Potential movements in the convexity of bonds held in our investment portfolio, as well as the duration of the loan portfolio may have a positive or negative impact on our net interest income in varying interest rate environments. As a result, the increase or decrease

in forecast net interest income may not have a linear relationship to the results reflected in the table below. Management cannot provide any assurance about the actual effect of changes in interest rates on our net interest income.

The following table reflects management's expectations of the change in our net interest income over the next 12- month period considering the aforementioned assumptions. While an instantaneous and severe shift in interest rates was used in this simulation model, we believe that any actual shift in interest rates would likely be more gradual and would therefore have a more modest impact than shown in the table below.

	Estimated Change in Future Net Interest Income	
Changes in Interest Rates	**Dollar Change**	**Percentage Change**
(in basis points)	**($ in thousands)**	
+300	$ 96,271	4.96 %
+200	65,540	3.38
+100	32,811	1.69
- 100	(28,355)	(1.46)
- 200	(57,832)	(2.98)
- 300	(58,161)	(3.00)

As noted in the table above, a 100 basis point immediate decrease in interest rates combined with a static balance sheet where the size, mix, and proportions of assets and liabilities remain unchanged is projected to decrease net interest income over the next 12-month period by 1.46 percent. Management believes the interest rate sensitivity of our balance sheet remains within an expected tolerance range at December 31, 2025. However, the level of net interest income sensitivity may increase or decrease in the future as a result of several factors, including potential changes in our balance sheet strategies, the slope of the yield curve and projected cash flows.

The following table sets forth the amounts of interest earning assets and interest bearing liabilities that were outstanding at December 31, 2025. The expected cash flows are categorized based on each financial instrument's anticipated maturity or interest rate reset date in each of the future periods presented.

INTEREST RATE SENSITIVITY ANALYSIS

	2026	2027	2028	2029	2030	Thereafter	Total Balance
				($ in thousands)			
Interest sensitive assets:							
Available for sale debt securities	$ 678,234	$ 697,130	$ 435,607	$ 413,733	$ 400,644	$ 1,576,870	$ 4,202,218
Held to maturity debt securities	404,085	269,602	258,603	218,806	205,318	2,140,157	3,496,571
Loans and loans held for sale	13,886,120	9,308,721	6,368,744	4,856,940	3,886,714	11,855,725	50,162,964
Interest bearing deposits with banks	1,268,399	—	—	—	—	—	1,268,399
Total interest sensitive assets	$ 16,236,838	$ 10,275,453	$ 7,062,954	$ 5,489,479	$ 4,492,676	$ 15,572,752	$ 59,156,388
Interest sensitive liabilities:							
Deposits:							
Savings, NOW and money market	$ 28,603,470	$ —	$ —	$ —	$ —	$ —	$ 28,603,470
Time	8,334,557	2,261,073	774,408	29,829	10,787	13,469	11,424,123
Short-term borrowings	91,475	—	—	—	—	—	91,475
Long-term borrowings	601,804	1,611,800	—	250,000	—	444,975	2,908,579
Junior subordinated debentures	—	—	—	—	—	57,803	57,803
Total interest sensitive liabilities	$ 37,631,306	$ 3,872,873	$ 774,408	$ 279,829	$ 10,787	$ 516,247	$ 43,085,450
Interest sensitivity gap	$ (21,394,468)	$ 6,402,580	$ 6,288,546	$ 5,209,650	$ 4,481,889	$ 15,056,505	$ 16,070,938
Ratio of interest sensitive assets to interest sensitive liabilities	0.43:1	2.65:1	9.12:1	19.62:1	416.49:1	30.17:1	1.37:1

The above table provides an approximation of the projected re-pricing of the applicable assets and liabilities at December 31, 2025 based on the contractual maturities, adjusted for anticipated prepayments of principal and scheduled rate adjustments. The prepayment experience reflected herein is based on historical experience combined with market consensus expectations derived from independent external sources. The actual repayments of these instruments could vary substantially if future prepayments differ from historical experience or current market expectations. While all non-maturity deposit liabilities

are reflected in the year 2026 column in the table above, management controls the re-pricing of the vast majority of the interest-bearing instruments within these liabilities.

The total gap re-pricing within one year as of December 31, 2025 was a negative $21.4 billion, representing a ratio of interest sensitive assets to interest sensitive liabilities of 0.43:1. The total gap re-pricing position, as reported in the table above, reflects the projected interest rate sensitivity of our principal cash flows based on market conditions as of December 31, 2025. As the market level of interest rates and associated prepayment speeds move, the total gap re-pricing position will change accordingly, but not likely in a linear relationship. Management does not view our one-year gap position as of December 31, 2025 as presenting an unusually high risk potential, although no assurances can be given that we are not at risk from interest rate increases or decreases or liquidity and cash requirements (discussed in the section below).

Liquidity and Cash Requirements

Bank Liquidity. Liquidity measures Valley's ability to satisfy its current and future cash flow needs. Our objective is to have liquidity available to fulfill loan demands, repay deposits and other liabilities, and execute balance sheet strategies in all market conditions while adhering to internal controls and income targets. Valley's liquidity program is managed by the Treasury Department and routinely monitored by the Asset and Liability Management Committee and Board Risk Committee. Among other actions, the Treasury Department actively monitors Valley's current liquidity profile, sources and stability of funding, availability of assets for pledging or sale, opportunities to gather additional funds, and anticipated future funding needs, including the level of unfunded commitments.

The Bank adheres to certain internal liquidity measures including ratios of loans to deposits below 105 percent and wholesale funding to total funding below 22.5 percent. Management maintains flexibility to temporarily exceed these internal limits in certain operating environments but also strives to outperform these limits when possible. The Bank was in compliance with the foregoing policies at December 31, 2025 as summarized in the table below.

The following table presents Valley's loans to deposits and wholesale funding to total funding ratios at December 31, 2025 and 2024:

	2025	2024
Loans to deposits	96.1%	97.5%
Wholesale funding to total funding	15.3	18.7

The following table summarizes maturities of contractual obligations of the Bank at December 31, 2025:

	One Year or Less	One to Three Years	Three to Five Years	Over Five Years	Total
			(in thousands)		
Time deposits	$ 8,334,557	$ 3,035,481	$ 40,616	$ 13,469	$ 11,424,123
Short-term borrowings	91,475	—	—	—	91,475
Long-term borrowings	601,804	1,611,800	250,000	450,000	2,913,604
Junior subordinated debentures issued to capital trusts	—	—	—	60,827	60,827
Lease obligations	55,979	97,254	91,444	127,771	372,448
Other purchase obligations	81,838	46,044	13,824	3,594	145,300
Total	$ 9,165,653	$ 4,790,579	$ 395,884	$ 655,661	$ 15,007,777

In the ordinary course of operations, the Bank enters into various financial obligations, including contractual obligations that may require future cash payments. As a financial services provider, we routinely enter into commitments to extend credit, including loan commitments, standby and commercial letters of credit. Such commitments are subject to the same credit policies and approval process accorded to loans made by the Bank. We enter into forward commitments for the future delivery of residential mortgage loans when interest rate lock commitments are entered into in order to economically hedge the effect of future changes in interest rates on the Bank's commitments to fund the loans, as well as on its portfolio of mortgage loans held for sale. Commitments to extend credit and standby letters of credit are subject to change since many of these commitments are expected to expire unused or only partially used based upon our historical experience; as such, the total amounts of these commitments do not necessarily reflect future cash requirements. At December 31, 2025, our off-balance sheet commitments totaled $13.8 billion, inclusive of commitments of $6.1 billion with a remaining term of 12 months or less. See Note 14 to the consolidated financial statements for further details.

Management believes the Bank has the ability to generate and obtain adequate amounts of cash to meet its short-term and long-term obligations as they come due by utilizing various cash resources described below.

On the asset side of the balance sheet, the Bank has numerous sources of liquid funds in the form of cash and due from banks, interest bearing deposits with banks (including the Federal Reserve Bank of New York) and other sources. The following table summarizes Valley's sources of liquid assets at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Cash and due from banks	$ 315,166	$ 411,412
Interest bearing deposits with banks	1,268,399	1,478,713
Held to maturity debt securities [1]	260,743	220,056
Available for sale debt securities [2]	4,202,218	3,369,724
Loans held for sale	26,236	25,681
Total liquid assets	$ 6,072,762	$ 5,505,586

[1] Represents securities that are maturing within 90 days or would otherwise qualify as maturities if sold (i.e., 85 percent of original cost basis has been repaid) within the held to maturity debt security portfolio.

[2] Includes approximately $1.3 billion and $1.8 billion of various investment securities that were pledged to counterparties to support our earning asset funding strategies at December 31, 2025 and 2024, respectively.

Total liquid assets represented 10.3 percent and 9.6 percent of interest earning assets at December 31, 2025 and 2024, respectively. The level of cash liquidity on the balance sheet at December 31, 2025 (as shown in the table above) decreased from December 31, 2024, but was slightly elevated as compared to normalized levels on an average basis for the year ended December 31, 2025 due to normal fluctuations in expected period end funding activities.

Other sources of funds on the asset side are derived from scheduled loan payments of principal and interest, as well as prepayments received. At December 31, 2025, estimated cash inflows from total loans are projected to be approximately $13.5 billion over the next 12-month period. As a contingency plan for any liquidity constraints, liquidity could also be derived from the sale of conforming residential mortgages from our loan portfolio or alleviated from the temporary curtailment of lending activities. We anticipate the receipt of approximately $1.1 billion in principal payments from securities in the total investment portfolio at December 31, 2025 over the next 12-month period due to normally scheduled principal repayments and expected prepayments of certain securities, primarily residential mortgage-backed securities.

On the liability side of the balance sheet, we utilize multiple sources of funds to meet liquidity needs, including commercial and consumer deposits, fully FDIC-insured indirect customer deposits, collateralized municipal deposits, and short-term and long-term borrowings. Our core deposit base, which generally excludes all fully insured indirect customer deposits, as well as retail certificates of deposit over $250 thousand, represents the largest of these sources. Average core deposits totaled approximately $42.4 billion and $39.1 billion for the years ended December 31, 2025 and 2024, respectively, representing 73.1 percent and 68.3 percent of average interest earning assets for the respective periods. The level of interest bearing deposits is affected by interest rates offered, which is often influenced by our need for funds, rates prevailing in the capital markets, competition, and the need to manage interest rate risk sensitivity.

In addition to customer deposits, the Bank has access to readily available borrowing sources to supplement its current and projected funding needs. The following table presents short-term borrowings outstanding at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Securities sold under agreements to repurchase	$ 91,475	$ 72,718

The following table summarizes the Bank's estimated unused available non-deposit borrowing capacities at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
FHLB borrowing capacity*	$ 6,020,343	$ 5,853,596
Unused FRB discount window*	10,145,000	11,509,000
Unused federal funds lines available from commercial banks	1,610,000	2,140,000
Unencumbered investment securities	4,694,183	3,415,834
Total	$ 22,469,526	$ 22,918,430

* Used and unused FHLB and FRB borrowings are collateralized by certain pledged securities, including but not limited to U.S. government and agency mortgage-backed securities and blanket qualifying first lien on certain real estate and residential mortgage secured loans.

Corporation Liquidity. Valley's recurring cash requirements primarily consist of dividends to preferred and common shareholders and interest expense on subordinated notes and junior subordinated debentures issued to capital trusts. As part of our ongoing asset/liability management strategies, Valley could also use cash to repurchase shares of its outstanding common stock under its share repurchase program or redeem its callable junior subordinated debentures and subordinated notes (similar to the redemption of $215 million of subordinated notes in June 2025). Valley's cash needs are routinely satisfied by dividends collected from the Bank. Projected cash flows from the Bank are expected to be adequate to pay preferred and common dividends, if declared, and interest expense payable to subordinated note holders and capital trusts, given the current capital levels and current profitable operations of the Bank. In addition to dividends received from the Bank, Valley can satisfy its cash requirements by utilizing its own cash and potential new funds borrowed from outside sources or capital issuances. Valley also has the right to defer interest payments on the junior subordinated debentures, and therefore distributions on its trust preferred securities for consecutive quarterly periods of up to five years, but not beyond the stated maturity dates, and subject to other conditions.

Investment Securities Portfolio

As of December 31, 2025, our investment securities portfolio consisted of equity and debt securities, with the debt securities classified as either AFS or HTM. The AFS and HTM debt securities portfolios, which comprise the majority of the securities we own, include U.S. Treasury securities, U.S. government agency securities, tax-exempt and taxable issuances of states and political subdivisions, residential mortgage-backed securities, single-issuer trust preferred securities principally issued by bank holding companies and high quality corporate bonds. Among other securities, our AFS debt securities include securities such as bank issued and other corporate bonds, as well as municipal special revenue bonds, which may pose a higher risk of future impairment charges to us as a result of the uncertain economic environment and its potential negative effect on the future performance of the security issuers. The equity securities consist of two publicly traded mutual funds, CRA investments and several other equity investments that we have made in companies that develop new financial technologies and in partnerships that invest in such companies. Our CRA and other equity investments are a mix of both publicly traded entities and privately held entities. We had no trading securities at December 31, 2025 and 2024.

The primary purpose of our AFS and HTM investment portfolios is to provide a source of earnings and liquidity, as well as serve as a tool for managing interest rate risk. The decision to purchase or sell securities is based upon the current assessment of long and short-term economic and financial conditions, including the interest rate environment and other statement of financial condition components. See additional information under "Interest Rate Sensitivity," "Liquidity and Cash Requirements" and "Capital Adequacy" sections elsewhere in this MD&A.

We continually evaluate our investment securities portfolio in response to established asset/liability management objectives, changing market conditions that could affect profitability, and the level of interest rate risk to which we are exposed. These evaluations may cause us to change the level of funds we deploy into investment securities, change the composition of our investment securities portfolio, and change the proportion of investments primarily made into the AFS and HTM debt securities portfolios.

Investment securities at December 31, 2025 and 2024 were as follows:

	2025	2024
	(in thousands)	
Equity securities	$ 82,774	$ 71,513
Available for sale debt securities		
U.S. Treasury securities	228,487	291,549
U.S. government agency securities	39,944	22,543
Obligations of states and political subdivisions:		
Obligations of states and state agencies	43,433	45,529
Municipal bonds	149,947	146,980
Total obligations of states and political subdivisions	193,380	192,509
Residential mortgage-backed securities	3,514,078	2,681,076
Corporate and other debt securities	226,329	182,047
Total available for sale debt securities	4,202,218	3,369,724
Total investment securities (fair value)	$ 4,284,992	$ 3,441,237
Held to maturity debt securities		
U.S. Treasury securities	$ —	$ 25,480
U.S. government agency securities	292,269	301,315
Obligations of states and political subdivisions:		
Obligations of states and state agencies	60,801	68,025
Municipal bonds	293,074	304,464
Total obligations of states and political subdivisions	353,875	372,489
Residential mortgage-backed securities	2,732,752	2,710,642
Trust preferred securities	36,103	36,081
Corporate and other debt securities	81,572	86,213
Total investment securities held to maturity (amortized cost)	3,496,571	3,532,220
Allowance for credit losses	734	647
Total investment securities held to maturity, net of allowance for credit losses	3,495,837	3,531,573
Total investment securities	$ 7,780,829	$ 6,972,810

During the year ended 2025, we purchased approximately $1.5 billion of residential mortgage backed securities mainly issued by Ginnie Mae within the AFS portfolio. The purchases were largely to utilize a portion of our excess cash liquidity partly from both loan repayments and higher average deposit balances during 2025, as well as our normal reinvestments of continued prepayments and repayments within both the available for sale and held to maturity portfolios. Approximately 53.2 percent, 30.3 percent, and 16.5 percent of our total residential mortgage-backed securities portfolio were issued and guaranteed by Ginnie Mae, Fannie Mae, and Freddie Mac, respectively, at December 31, 2025.

The following table presents the weighted-average yields, calculated on a yield-to-maturity basis, on the remaining contractual maturities (unadjusted for expected prepayments) of HTM debt securities at December 31, 2025:

	0-1 year	1-5 years	5-10 years	Over 10 years	Total
Held to maturity debt securities					
U.S. government agency securities	— %	— %	4.03 %	3.34 %	3.46 %
Obligations of states and political subdivisions: [1]					
Obligations of states and state agencies	—	4.84	4.43	4.56	4.54
Municipal bonds	3.92	4.10	4.12	4.47	4.37
Total obligations of states and political subdivisions	3.92	4.15	4.17	4.49	4.40
Residential mortgage-backed securities [2]	2.96	4.81	2.90	3.05	3.06
Trust preferred securities	—	—	5.55	6.76	6.21
Corporate and other debt securities	3.18	4.86	5.27	—	4.12
Total	3.31 %	4.66 %	3.99 %	3.21 %	3.29 %

(1) Average yields on obligations of states and political subdivisions are generally tax-exempt and calculated on a tax-equivalent basis using a statutory federal income tax rate of 21 percent.

(2) Residential mortgage-backed securities yields are shown using stated contractual maturity dates.

The residential mortgage-backed securities portfolio is a significant source of our liquidity through the monthly cash flow of principal and interest. Mortgage-backed securities, like all securities, are sensitive to changes in the interest rate environment, increasing and decreasing in value as interest rates fall and rise. As interest rates fall, the potential increase in prepayments can reduce the yield on the mortgage-backed securities portfolio and reinvestment of the proceeds will be at lower yields. Conversely, rising interest rates may reduce cash flows from prepayments and extend anticipated duration of these assets. We monitor the changes in interest rates, cash flows and duration, in accordance with our investment policies. Management seeks out investment securities with an attractive spread over our cost of funds.

Allowance for Credit Losses and Impairment Analysis

Available for sale debt securities. AFS debt securities in unrealized loss positions are evaluated for impairment related to credit losses at least quarterly. In assessing whether a credit loss exists, we compare the present value of cash flows expected to be collected from the security with the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis for the security, a credit loss exists and an allowance for credit losses is recorded, limited to the amount that the fair value is less than the amortized cost basis. Declines in fair value that have not been recorded through an allowance for credit losses, such as declines due to changes in market interest rates, are recorded through other comprehensive income, net of applicable taxes.

We have evaluated all AFS debt securities that are in an unrealized loss position as of December 31, 2025 and December 31, 2024 and determined that the declines in fair value are mainly attributable to changes in market volatility, due to factors such as interest rates and spread factors, but not attributable to credit quality or other factors. There was no impairment recognized within the AFS debt securities portfolio during the years ended December 31, 2025 and 2024.

We do not intend to sell any of the AFS debt securities in an unrealized loss position prior to recovery of our amortized cost basis, and we believe it is more likely than not that Valley will not be required to sell any of these securities prior to recovery of our amortized cost basis. None of the AFS debt securities were past due as of December 31, 2025 and there was no allowance for credit losses for AFS debt securities at December 31, 2025 and 2024.

Held to maturity debt securities. Valley estimates the expected credit losses on HTM debt securities that have loss expectations using a discounted cash flow model developed by a third party. Valley has a zero-loss expectation for certain securities within the HTM portfolio, including U.S. Treasury securities, U.S. agency securities, residential mortgage-backed securities issued by Ginnie Mae, Fannie Mae and Freddie Mac, and collateralized municipal bonds. To measure the expected credit losses on HTM debt securities that have loss expectations, we utilize a third-party discounted cash flow model. The assumptions used in the model for pools of securities with common risk characteristics include the historical lifetime probability of default and severity of loss in the event of default, with the model incorporating several economic cycles of loss history data to calculate expected credit losses given default at the individual security level. HTM debt securities were carried net of an allowance for credit losses totaling $734 thousand and $647 thousand at December 31, 2025 and 2024, respectively. There were no net charge-offs of HTM debt securities during the years ended December 31, 2025, 2024 and 2023.

Investment grades. The investment grades in the table below reflect the most current independent analysis performed by third parties of each security as of the date presented and not necessarily the investment grades at the date of our purchase of the securities. For many securities, the rating agencies may not have performed an independent analysis of the tranches owned by us, but rather an analysis of the entire investment pool. For this and other reasons, we believe the assigned investment grades may not accurately reflect the actual credit quality of each security and should not be viewed in isolation as a measure of the quality of our investment portfolio.

The following table presents available for sale and held to maturity debt investment securities by investment grades at December 31, 2025.

	2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(in thousands)			
Available for sale investment grades:*				
AAA/AA/A Rated	$ 4,047,487	$ 36,552	$ (121,019)	$ 3,963,020
BBB Rated	113,489	625	(989)	113,125
Non-investment grade	2,366	—	(302)	2,064
Not rated	127,300	1,104	(4,395)	124,009
Total	$ 4,290,642	$ 38,281	$ (126,705)	$ 4,202,218
Held to maturity investment grades:*				
AAA/AA/A Rated	$ 3,312,384	$ 11,616	$ (368,423)	$ 2,955,577
BBB Rated	3,000	—	(49)	2,951
Not rated	181,187	—	(10,112)	171,075
Total	$ 3,496,571	$ 11,616	$ (378,584)	$ 3,129,603

* Rated using external rating agencies. Ratings categories include entire range. For example, “A Rated” includes A+, A, and A-. Split rated securities with two ratings are categorized at the higher of the rating levels.

The unrealized losses in the AAA/AA/A rated categories of both the AFS and HTM debt securities portfolios (in the above table) were largely related to residential mortgage-backed securities issued by Ginnie Mae, Fannie Mae and Freddie Mac and continue to be driven by the higher level of market interest rates. The investment securities AFS and HTM debt securities included $127.3 million and $181.2 million, respectively, of investments not rated by the rating agencies with aggregate unrealized losses of $4.4 million and $10.1 million, respectively, at December 31, 2025. The unrealized losses within non-rated AFS debt securities mostly related to several large corporate bonds negatively impacted by higher interest rates during 2025, and not changes in underlying credit. The unrealized losses within non-rated HTM debt securities mainly related to four single-issuer bank trust preferred issuances with a combined amortized cost of $36.1 million with $5.4 million gross unrealized losses and several corporate debt securities that were negatively impacted by rising interest rates, and not changes in their underlying credit.

See Note 3 to the consolidated financial statements for additional information regarding our investment securities portfolio.

Loan Portfolio

The following table reflects the composition of the loan portfolio at December 31, 2025 and 2024:

	2025	2024
	($ in thousands)	
Commercial and industrial	$ 10,961,519	$ 9,931,400
Commercial real estate:		
Non-owner occupied	11,571,127	12,344,355
Multifamily [1]	8,571,713	8,299,250
Owner occupied	6,629,909	5,886,620
Total	26,772,749	26,530,225
Construction	2,471,233	3,114,733
Total commercial real estate	29,243,982	29,644,958
Residential mortgage	5,826,192	5,632,516
Consumer:		
Home equity	687,680	604,433
Automobile	2,184,600	1,901,065
Other consumer	1,232,755	1,085,339
Total consumer loans	4,105,035	3,590,837
Total loans [2]	$ 50,136,728	$ 48,799,711
As a percentage of total loans:		
Commercial and industrial	21.9 %	20.4 %
Commercial real estate:		
Non-owner occupied	23.1	25.2
Multifamily	17.1	17.0
Owner occupied	13.2	12.1
Construction	4.9	6.4
Total commercial real estate	58.3	60.7
Residential mortgage	11.6	11.5
Consumer loans	8.2	7.4
Total	100.0 %	100.0 %

(1) Includes loans collateralized by properties that are greater than 50 percent rent regulated totaling approximately $601 million and $553 million at December 31, 2025 and 2024, respectively.

(2) Includes net unearned discount and deferred loan fees of $17.4 million and $45.3 million at December 31, 2025 and 2024, respectively.

Total loans increased by $1.3 billion, or 2.7 percent to $50.1 billion at December 31, 2025 from December 31, 2024 mostly due $1.0 billion increase in commercial and industrial loans. Loans held for sale are presented separately from total loans on the consolidated statements of financial condition totaled $26.2 million and $25.7 million at December 31, 2025 and 2024, respectively. See Note 2 for additional information regarding loans held for sale.

Commercial and industrial loans. Commercial and industrial loans increased $1.0 billion to $11.0 billion at December 31, 2025 from December 31, 2024 largely due to our continued strategic focus on organic growth within this category. During 2025, new loan volumes continued to be from a diverse range of relationship-focused small to midsize clients in our primary markets combined with growth from certain specialty nationwide business lines. Consistent with this focus, we have specifically targeted a portion of our growth in healthcare lending and capital-call facilities within the fund finance sector, which we believe offer favorable risk-adjusted returns and align with our disciplined credit standards.

Commercial real estate loans. Commercial real estate loans (excluding construction loans) increased $242.5 million to $26.8 billion at December 31, 2025 from December 31, 2024 primarily due to focused growth in owner occupied loans and, to a lesser extent, an increase in multifamily loans, partially offset by a decrease in non-owner occupied loans. Owner occupied loans increased $743.3 million, or 12.6 percent as compared to December 31, 2024 mostly due to new loan origination volumes due to our focused lending efforts for this loan category and the migration of certain completed construction loan projects to

permanent financing in 2025. Multifamily loans also increased $272.5 million from December 31, 2024 mainly due to permanent financing of completed construction projects and select new loan volumes. Non-owner occupied decreased $773.2 million from December 31, 2024 largely driven by the continued targeted runoff of transactional loans that has outpaced our selective loan originations in this category. The CRE loan concentration ratio declined to 333 percent at December 31, 2025 from 362 percent and 474 percent at December 31, 2024 and 2023, respectively. Based on our current expectations for the mix of future loan growth and loan repayment activity over the next two year period, we believe that our CRE loan concentration ratio may gradually decline towards 300 percent by December 31, 2027. Overall, commercial real estate loans are well-diversified mainly across our footprint areas in New York (including Manhattan), Florida, and New Jersey with a combined weighted average loan to value ratio of 59 percent and debt service coverage ratio of 1.68 at December 31, 2025. Our loans collateralized by office buildings had a combined weighted average loan to value rate of 63 percent and debt service coverage ratio of 1.91 at December 31, 2025.

Construction loans. Construction loans decreased $643.5 million to $2.5 billion at December 31, 2025 from December 31, 2024 due to loans that moved to permanent financing primarily within the multifamily and owner occupied commercial real estate loan categories or were repaid during 2025.

Residential mortgage loans. Residential mortgage loans totaled $5.8 billion at December 31, 2025 and increased $193.7 million from December 31, 2024 as new loan originations for investment steadily outpaced repayment activity throughout 2025. During 2025, we retained approximately 77 percent of the total residential mortgages originations in our held for investment loan portfolio as compared to 67 percent in 2024. New and refinanced residential mortgage loan originations totaled $768.2 million for the year ended December 31, 2025 as compared to $611.7 million in 2024. In addition, we purchased $44.8 million of 1-4 family residential mortgage loans from an unrelated third party lenders to support our CRA objectives during 2025. While the volume of residential mortgage loan applications increased during 2025, they have remained relatively low compared to our historical activity due to the high level of mortgage interest rates and other factors negatively impacting the housing markets.

Consumer loans. Consumer loans increased $514.2 million to $4.1 billion at December 31, 2025 from December 31, 2024 due to growth across all consumer loan categories, but largely led by automobile loans. Automobile loans increased $283.5 million, or 14.9 percent to $2.2 billion at December 31, 2025 from December 31, 2024 mainly due to (i) efforts to expand our indirect auto dealer network within our market areas, (ii) continued strong high-quality consumer demand that was particularly elevated during the first half of 2025 due to fears of rising auto prices due to tariffs, partially offset by (iii) higher levels of prepayment activity within the portfolio during the second half of 2025. Other consumer loans increased $147.4 million to $1.2 billion at December 31, 2025 as compared to 2024 primarily due to increased originations and usage of collateralized personal lines of credit. Home equity loans increased $83.2 million to $687.7 million at December 31, 2025 from $604.4 million at December 31, 2024 largely driven by increased pre-existing lines of credit usage and an uptick in new originations during 2025.

Looking forward to 2026, we continue to proactively diversify our loan portfolio through relationship-focused lending within the commercial loan portfolios and reducing certain types of non-relationship/transactional commercial real estate lending, such as non-owner occupied and multifamily loans, through normal contractual run-off and being highly selective on new loan originations. We currently anticipate that our commercial and industrial loan portfolio will organically grow by 10 percent during 2026 as a result of recent investments in our commercial banking teams and the ability to further leverage our existing products and services, including treasury management solutions and capital markets products. Overall, we expect total loan growth to be within a range of the 4 to 6 percent for 2026. However, there can be no assurance that we will achieve such growth levels given the potential for unforeseen changes in the market and other conditions detailed in our risk factors set forth under Item 1A. Risk Factors of this Report.

The following table presents the contractual maturity distribution of loans by category at December 31, 2025:

	1 Year or Less	1 to 5 Years	5 to 15 Years	Over 15 Years	Total
			(in thousands)		
Commercial and industrial	$ 3,140,114	$ 4,665,346	$ 2,851,397	$ 304,662	$ 10,961,519
Commercial real estate	3,516,648	12,624,941	8,350,049	2,281,111	26,772,749
Construction	1,245,634	915,129	137,367	173,103	2,471,233
Residential mortgage	79,212	198,869	397,043	5,151,068	5,826,192
Consumer	94,524	1,146,334	2,784,388	79,789	4,105,035
Total loans	$ 8,076,132	$ 19,550,619	$ 14,520,244	$ 7,989,733	$ 50,136,728

We may renew loans at maturity when requested by a customer. In such instances, we generally conduct a review which includes an analysis of the borrower's financial condition and, if applicable, a review of the adequacy of collateral via a new appraisal from an independent, bank approved, certified or licensed property appraiser or readily available market resources. A rollover of the loan at maturity may require a principal reduction or other modified terms.

The following table presents the contractual maturities after one year for fixed and adjustable rate loans within each loan category at December 31, 2025:

	Loans Maturing After One Year		
	Fixed Rate	Adjustable Rate	Total
	(in thousands)		
Commercial and industrial	$ 2,834,667	$ 4,986,738	$ 7,821,405
Commercial real estate	10,489,458	12,766,643	23,256,101
Construction	174,253	1,051,346	1,225,599
Residential mortgage	4,291,301	1,455,679	5,746,980
Consumer	2,824,313	1,186,198	4,010,511
Total loans	$ 20,613,992	$ 21,446,604	$ 42,060,596

Non-performing Assets

NPAs include non-accrual loans, OREO, and other repossessed assets (which consist of automobiles and taxi medallions) at December 31, 2025. Loans are generally placed on non-accrual status when they become past due in excess of 90 days as to payment of principal or interest and/or the full and timely collection of principal and interest becomes uncertain. Exceptions to the non-accrual policy may be permitted if the loan is sufficiently collateralized and in the process of collection. OREO is acquired through foreclosure on loans secured by land or real estate. OREO and other repossessed assets are reported at lower of cost or fair value, less estimated cost to sell.

Our NPAs increased $66.4 million, or 17.8 percent, to $439.8 million at December 31, 2025 as compared to December 31, 2024. The increase was primarily driven by higher non-accrual commercial real estate and residential mortgage loan balances, partially offset by a decline in non-performing construction loans. NPAs represented 0.87 percent and 0.76 percent of total loans at December 31, 2025 and 2024, respectively, (as shown in the table below). Management believes that, despite the year-over-year increase in NPAs, total NPAs at December 31, 2025 remain within credit quality expectations for the loan portfolio and continue to reflect Valley's consistent application of underwriting standards to both originated loans and loans purchased from third parties.

Our lending strategy is based on underwriting standards designed to maintain high credit quality, and we remain optimistic regarding the overall future performance of our loan portfolio. During the year ended December 31, 2025, the majority of our borrowers continued to demonstrate resilience despite the impact of elevated borrowing costs, inflation, labor costs and other factors. We continue to proactively monitor our commercial loans for potential negative trends and borrower weakness due to the current operating environment, including the potential negative impact of current and future tariff/import fee actions, and internally risk rate them accordingly. Based on our most recent portfolio review, we believe that we have relatively modest direct exposure to customer businesses most influenced by changing tariff/import fee policies. However, management cannot provide assurance that the NPAs will not increase from the levels reported at December 31, 2025 due to the aforementioned or other factors potentially impacting our lending customers.

The following table sets forth by loan category, accruing past due and NPAs on the dates indicated in conjunction with our asset quality ratios at December 31, 2025 and 2024:

	2025	2024
	($ in thousands)	
Accruing past due loans		
30 to 59 days past due:		
Commercial and industrial	$ 11,177	$ 2,389
Commercial real estate	72,810	20,902
Residential mortgage	21,615	21,295
Total consumer	14,420	12,552
Total 30 to 59 days past due	120,022	57,138
60 to 89 days past due:		
Commercial and industrial	1,274	1,007
Commercial real estate	—	24,903
Residential mortgage	10,181	5,773
Total consumer	5,269	4,484
Total 60 to 89 days past due	16,724	36,167
90 or more days past due:		
Commercial and industrial	—	1,307
Commercial real estate	212	—
Residential mortgage	3,300	3,533
Total consumer	1,070	1,049
Total 90 or more days past due	4,582	5,889
Total accruing past due loans	$ 141,328	$ 99,194
Non-accrual loans:		
Commercial and industrial	$ 138,321	$ 136,675
Commercial real estate	236,221	157,231
Construction	9,140	24,591
Residential mortgage	44,424	36,786
Total consumer	5,832	4,215
Total non-accrual loans	433,938	359,498
Other real estate owned (OREO)	4,531	12,150
Other repossessed assets	1,286	1,681
Total non-performing assets (NPAs)	$ 439,755	$ 373,329
Total non-accrual loans as a % of loans	0.87 %	0.74 %
Total NPAs as a % of loans and NPAs	0.87	0.76
Total accruing past due and non-accrual loans as a % of loans	1.15	0.94
Allowance for loan losses as a % of non-accrual loans	134.44	155.45

Loans past due 30 to 59 days increased $62.9 million to $120.0 million at December 31, 2025 as compared to December 31, 2024 due to a few larger loans in the commercial real estate loan category. Commercial real estate loans within this delinquency category included three well-secured loans with a combined total balance of $59.5 million at December 31, 2025 in various states of collection, including one borrower's expected, but pending sale of the collateral and repayment of the loan.

Loans past due 60 to 89 days decreased $19.4 million to $16.7 million at December 31, 2025 as compared to December 31, 2024 due to mostly due to the subsequent renewal of an $18.6 million matured performing commercial real estate loan reported in this delinquency category at December 31, 2024 and a $4.5 million commercial real estate loan that was reclassified to the non-accrual category during the first quarter 2025.

Loans 90 days or more past due and still accruing decreased $1.3 million to $4.6 million at December 31, 2025 as compared to December 31, 2024 primarily driven by a decline in commercial and industrial loan delinquencies within this category. All the loans past due 90 days or more and still accruing are considered to be well secured and in the process of collection.

Non-accrual loans increased $74.4 million to $433.9 million at December 31, 2025 as compared to December 31, 2024 largely driven by increases in both non-performing commercial real estate and residential mortgage loan categories, partially offset by a decline in non-performing construction loans. Non-accrual commercial real estate loans increased $79.0 million at December 31, 2025 as compared to December 31, 2024 mostly due to five loan relationships totaling $47.8 million and one $9.2 million loan relationship classified as held for sale included in this category at December 31, 2025. Non-accrual construction loans decreased $15.5 million to $9.1 million at December 31, 2025 compared to December 31, 2024 mainly due to the full repayment of a $10.8 million loan relationship and the sale of a non-performing loan relationship classified as held for sale during the fourth quarter 2025.

Non-performing taxi medallion loans included in non-accrual commercial and industrial loans totaled $47.1 million at December 31, 2025 and had related reserves of $24.5 million, or 52.1 percent of such loans, within the allowance for loan losses as compared to $49.5 million of loans with related reserves of $25.8 million at December 31, 2024. During 2025, we continued to closely monitor the performance of our taxi medallion loans (primarily collateralized by New York City medallions). Due to the challenging operating environment for ride-for-hire services and uncertain borrower performance, all of the taxi medallion loans remain on non-accrual status at December 31, 2025. Potential further declines in the market valuation of taxi medallions as well as current operating environment mainly within New York City may negatively impact the performance of this portfolio.

OREO, consisting of five commercial properties, totaled $4.5 million at December 31, 2025 as compared to $12.2 million, primarily consisting of two commercial properties, at December 31, 2024. The decrease from December 31, 2024 was mostly due to the sale of one OREO property, which resulted in a $2.9 million loss, and a fair valuation write-down of $3.4 million recorded on one other OREO property in 2025. Residential loans in the process of foreclosure totaled $3.4 million and $4.6 million at December 31, 2025 and 2024, respectively. See Notes 1 and 2 to the consolidated financial statements for additional information regarding OREO.

Although the timing of collection is uncertain, management believes that the majority of the non-accrual loans at December 31, 2025, are well secured and largely collectible, based in part on our quarterly review of collateral dependent loans and the valuation of the underlying collateral, if applicable. Any estimated shortfall in the net realizable value for collateral dependent loans is charged-off when a loan is 90 or 120 days past due or sooner, if it is probable that a loan may not be fully collectible. If interest on non-accrual loans had been accrued in accordance with the original contractual terms, such interest income would have amounted to approximately $42.6 million, $32.5 million and $28.8 million for the years ended December 31, 2025, 2024 and 2023, respectively; none of these amounts were included in interest income during these periods.

Asset Concentration and Risk Elements

Valley lending is mostly concentrated within our primary markets located in northern and central New Jersey, New York City, Long Island, Westchester County, New York and Florida, and, to a lesser extent, California, Illinois, Alabama and attractive adjacent markets, such as Pennsylvania. Consistent with our business strategy, we also extend commercial loans to new customers in select states outside our traditional geographic footprint. In addition, automobile loans are originated across several contiguous states beyond our primary markets. To mitigate our geographic risks, we make efforts to maintain a diversified portfolio as to type of borrower and loan to guard against a potential downward turn in any one economic sector. Due to the level of our underwriting standards applied to all loans, management believes the out of market loans generally present no more risk than those made within the market. However, each loan or group of loans made outside of our primary markets poses different geographic risk profiles that are unique to their respective regions.

For our commercial loan portfolio, comprised of commercial and industrial loans, commercial real estate loans, and construction loans, a dedicated credit department is responsible for risk assessment and periodically evaluating overall creditworthiness of a borrower. Additionally, we make efforts to limit concentrations of credit to minimize the potential impact of adverse conditions in any single economic sector. We believe that our loan portfolio is diversified across borrower types and loan categories; however, loans secured by commercial or residential real estate represented approximately 71 percent of total loans at December 31, 2025. Most of the loans collateralized by real estate are in New Jersey, New York and Florida, which exposes the portfolio to heightened geographic risk in the event of significant broad-based deterioration in economic conditions within these regions. See Item 1A. Risk Factors—“Risks Related to the Operating Environment.”

Additionally, our commercial real estate portfolio includes credit risk exposures to loans collateralized by office buildings and multifamily properties in Manhattan and other markets. At December 31, 2025, total commercial real estate loans collateralized by office buildings were approximately $3.0 billion (including approximately $196.4 million located in Manhattan) of the total $26.8 billion portfolio. The majority of the office space loans are multi-tenant and dispersed geographically in Florida, Alabama, New Jersey and New York. Multifamily loans within the portfolio totaled $8.6 billion at December 31, 2025, and included $601 million of loans exposures to greater than 50 percent rent regulated buildings located mainly in Manhattan. We continue to closely monitor these loan types for elevated risks or weaknesses, and internally risk rate and reserve for them in our allowance for loan losses accordingly.

Consumer loans consist of residential mortgage loans, home equity loans, automobile loans, and other consumer loans. Residential mortgage loans are secured by 1-4 family properties, mostly located in New Jersey, New York, and Florida. While we also originate residential mortgage loans outside these primary markets, it has generally been limited to lending that supports existing customer relationships, as well as targeted purchases of certain loans guaranteed by third parties. Our mortgage loan originations include both jumbo (i.e., loans with balances above conventional conforming loan limits) and conventional loans based on underwriting standards that generally comply with Fannie Mae and/or Freddie Mac requirements. The average loan-to-value ratio and average FICO® score (independent objective criteria measuring the creditworthiness of a borrower) of all residential mortgage originations in 2025 were 72.0 percent and 762, respectively. Home equity and automobile loans are secured loans and are made based on an evaluation of the collateral and the borrower's creditworthiness.

Management realizes that some degree of risk must be expected in the normal course of lending activities. Allowances are maintained to absorb such lifetime expected credit losses inherent in the portfolio. See the "Loan Portfolio Risk Elements and Credit Risk Management" section in Note 4 to the consolidated financial statements for additional information.

Allowance for Credit Losses

The ACL for loans includes the allowance for loan losses and the reserve for unfunded credit commitments. Under CECL, our methodology to establish the allowance for loan losses has two basic components: (i) a collective reserve component for estimated expected credit losses for pools of loans that share common risk characteristics and (ii) an individually evaluated reserve component for loans that do not share risk characteristics, consisting of collateral dependent loans. Valley also maintains a separate allowance for unfunded credit commitments mainly consisting of undisbursed non-cancellable lines of credit, new loan commitments and commercial standby letters of credit.

Valley estimates the collective ACL using a current expected credit losses methodology which is based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the loan balances. In estimating the component of the allowance on a collective basis, we use a transition matrix model which calculates an expected life of loan loss percentage for each loan pool by using probability of default and loss given default metrics. The probability of default and loss given default metrics are adjusted using a scaling factor to incorporate a full economic cycle.

The expected life of loan loss percentages are determined by analyzing the migration of loans within the commercial and industrial loan categories from performing to loss by credit quality rating or delinquency categories using historical life-of-loan data for each loan portfolio pool, and by assessing the severity of loss based on the aggregate net lifetime losses incurred. The expected credit losses based on loss history are adjusted for qualitative factors. Among other things, these adjustments include and account for differences in: (i) the impact of the reasonable and supportable economic forecast, relative probability weightings and economic variables under each scenario and reversion period, (ii) other weighted asset specific risks to the extent that they do not exist in the historical loss information, and (iii) net expected recoveries of charged-off loan balances. These adjustments are based on qualitative factors not reflected in the transition matrix but are likely to impact the measurement of estimated credit losses. The expected lifetime loss rate is the life of loan loss percentage from the transition matrix model plus the impact of the adjustments for qualitative factors. The expected credit losses are the product of multiplying the model's expected lifetime loss rate by the exposure at default at period end on an undiscounted basis.

Valley utilizes a two-year reasonable and supportable forecast period followed by a one-year period over which estimated losses revert to historical loss experience on a straight-line basis for the remaining life of the loan. The forecast consists of multi-scenario economic forecasts to estimate future credit losses and are governed by a cross-functional committee. The committee meets each quarter to determine which economic scenarios developed by Moody's will be incorporated into the model, as well as the relative probability weightings of the selected scenarios, based upon all readily available information. The model projects economic variables under each scenario based on detailed statistical analyses. We have identified and selected key variables that most closely correlated to our historical credit performance, which include GDP, unemployment and the Case-Shiller Home Price Index.

Valley maintained the majority of its probability weighting used in the economic forecast to the Moody's Baseline scenario with less emphasis on the S-3 downside scenario and a smaller percentage weighting on the S-1 upside scenario. The probability weightings were unchanged from December 31, 2024. At December 31, 2025, the standalone Moody's Baseline scenario, reflected a slightly less optimistic outlook as compared to December 31, 2024 for several metrics, including a few highlighted below.

At December 31, 2025, the Moody's Baseline forecast included the following specific assumptions:

- GDP will slowly increase to 2.1 percent throughout 2026 before trending down to 1.9 percent in late 2027;
- An unemployment rate of 4.8 percent by the second half of 2026 and remaining within a range of 4.4 to 4.8 percent through the end of the forecast period in the fourth quarter 2027;
- The target federal funds rate range of 3.5 to 3.75 percent at December 31, 2025 is assumed to remain unchanged until early 2026; and then fall to an upper target rate below 3.00 percent by the end of 2027; and
- The inflation rate was 2.7 percent in December 2025 and is expected to remain above 2.0 percent through 2027.

The allowance for credit losses for loans methodology and accounting policy are fully described in Note 1 to the consolidated financial statements.

The following table summarizes the relationship among loans, loans charged-off, loan recoveries, the provision for credit losses and the allowance for credit losses for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
Allowance for credit losses for loans		($ in thousands)	
Beginning balance	$ 573,328	$ 465,550	$ 483,255
Impact of the adoption of ASU No. 2022-02	—	—	(1,368)
Beginning balance, adjusted	573,328	465,550	481,887
Loans charged-off:			
Commercial and industrial	(62,348)	(68,299)	(48,015)
Commercial real estate	(54,693)	(125,858)	(11,134)
Construction	(1,704)	(12,637)	(11,812)
Residential mortgage	(72)	(29)	(194)
Total Consumer	(8,891)	(8,289)	(4,298)
Total loan charge-offs	(127,708)	(215,112)	(75,453)
Charged-off loans recovered:			
Commercial and industrial	5,404	6,038	11,270
Commercial real estate	1,739	3,595	34
Construction	648	1,535	—
Residential mortgage	441	140	201
Total Consumer	2,561	2,194	1,986
Total loans recovered	10,793	13,502	13,491
Total net loan charge-offs	(116,915)	(201,610)	(61,962)
Provision for credit losses for loans	139,687	309,388	45,625
Ending balance	$ 596,100	$ 573,328	$ 465,550
Components of allowance for credit losses for loans:			
Allowance for loan losses	$ 583,400	$ 558,850	$ 446,080
Allowance for unfunded credit commitments	12,700	14,478	19,470
Allowance for credit losses for loans	$ 596,100	$ 573,328	$ 465,550
Components of provision for credit losses for loans:			
Provision for credit losses for loans	$ 141,465	$ 314,380	$ 50,755
(Credit) provision for unfunded credit commitments	(1,778)	(4,992)	(5,130)
Total provision for credit losses for loans	$ 139,687	$ 309,388	$ 45,625
Allowance for credit losses for loans as a % of total loans	1.19 %	1.17 %	0.93 %

The following table presents the relationship among net loans charged-off and recoveries, and average loan balances outstanding for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		($ in thousands)	
Net loan (charge-offs) recoveries			
Commercial and industrial	$ (56,944)	$ (62,261)	$ (36,745)
Commercial real estate	(52,954)	(122,263)	(11,100)
Construction	(1,056)	(11,102)	(11,812)
Residential mortgage	369	111	7
Total consumer	(6,330)	(6,095)	(2,312)
Total	$ (116,915)	$ (201,610)	$ (61,962)
Average loans outstanding			
Commercial and industrial	$ 10,542,177	$ 9,448,128	$ 8,999,783
Commercial real estate	26,183,952	27,838,032	27,610,042
Construction	2,812,992	3,642,785	3,849,473
Residential mortgage	5,728,183	5,642,067	5,498,563
Total consumer	3,878,987	3,459,574	3,394,000
Total	$ 49,146,291	$ 50,030,586	$ 49,351,861
Net loan charge-offs (recoveries) to average loans outstanding			
Commercial and industrial	0.54%	0.66%	0.41%
Commercial real estate	0.20	0.44	0.04
Construction	0.04	0.30	0.31
Residential mortgage	(0.01)	0.00	0.00
Total consumer	0.16	0.18	0.07
Total net loan charge-offs to total average loans outstanding	0.24	0.40	0.13

Net loan charge-offs decreased $84.7 million to $116.9 million in 2025 as compared to $201.6 million in 2024 primarily due to lower gross loan charge-offs within commercial loan categories.

Gross commercial and industrial loan charge-offs totaling $62.3 million for the year ended December 31, 2025 included (i) full charge-offs of $18.6 million related to two non-performing loan relationships which had $17.7 million of prior reserves within the allowance for loan losses, (ii) partial charge-offs of $28.9 million related to four loan relationships with combined prior specific reserves of $9.5 million, and (iii) several smaller partial loan charge-offs. Gross commercial real estate loan charge-offs totaling $54.7 million for the year ended December 31, 2025 and included (i) partial charge-offs of $22.2 million related to three non-performing loan relationships, as well as (ii) partial charge-offs of $3.6 million related to one non-performing loan relationship transferred to loans held for sale during the fourth quarter 2025.

Total net loan charge-offs to total average loans outstanding (as presented in the above table) for the year ended December 31, 2025 decreased to 0.24 percent in 2025 from 0.40 percent in 2024 and remained within management's expectations for credit quality. While we currently estimate that the level of total net loan charge-offs to average loans outstanding could decrease to approximately 0.15 to 0.20 percent in 2026, we can make no assurances that future net loan charge-offs will not be at or above the levels reported at December 31, 2025.

The following table summarizes the allocation of the allowance for credit losses to specific loan portfolio categories at December 31, 2025 and 2024:

	2025		2024	
	Allowance Allocation	Percent of Loan Category to Total Loans	Allowance Allocation	Percent of Loan Category to Total Loans
	($ in thousands)			
Loan Category:				
Commercial and industrial	$ 180,865	21.9 %	$ 173,002	20.4 %
Commercial real estate:				
Commercial real estate	271,890	53.4	251,351	54.4
Construction	55,536	4.9	52,797	6.3
Total commercial real estate	327,426	58.3	304,148	60.7
Residential mortgage	53,529	11.6	58,895	11.5
Total consumer	21,580	8.2	22,805	7.4
Total allowance for loan losses	583,400	100.0 %	558,850	100.0 %
Allowance for unfunded credit commitments	12,700		14,478	
Total allowance for credit losses for loans	$ 596,100		$ 573,328	

The allowance for credit losses for loans, comprised of our allowance for loan losses and unfunded credit commitments (including letters of credit), as a percentage of total loans was 1.19 percent at December 31, 2025 and 1.17 percent at December 31, 2024. The allowance for credit losses for loans increased $22.8 million at December 31, 2025 as compared to December 31, 2024.

The provision for credit losses for loans totaled $139.7 million and $309.4 million for the year ended December 31, 2025 and 2024, respectively. The decrease in the 2025 provision was mainly due to: (i) a significant decrease in net loan charge-offs, including charge-offs associated with the revaluation of collateral dependent commercial loans as compared to 2024 and (ii) stabilization and a moderate decrease in criticized and classified loans which reduced the impact of year over year changes in quantitative reserves for the commercial loan categories, partially offset by (iii) increases in the economic and non-economic qualitative reserve components of the allowance for credit losses and (iv) moderately higher specific reserves associated with collateral dependent loans.

See Note 4 to the consolidated financial statements for additional information regarding our allowance for credit losses for loans.

Loan Repurchase Contingencies

We engage in the origination of residential mortgages for sale into the secondary market. Our sales of residential mortgage loans originated for sale totaled approximately $182.2 million, $203.8 million and $202.5 million for 2025, 2024 and 2023, respectively. The level of loan sales is impacted by several factors, including consumer demand and preferences for certain mortgage products and our management of the interest rate risk and the mix of the interest earning assets on our balance sheet.

In connection with our loan sales, including both residential mortgage loans originated for sale and less frequent transfers and sales from our loans held for investment portfolio, we make representations and warranties, which, if breached, may require us to repurchase such loans, substitute other loans or indemnify the purchasers of such loans for actual losses incurred due to such loans. However, the performance of our loans sold has been historically strong due to our strict underwriting standards and procedures. Over the past several years, we have experienced a nominal amount of repurchase requests, only a few of which have actually resulted in repurchases by Valley (there were no loan repurchases in 2025 and 2024). None of the prior loan repurchases resulted in material loss. Accordingly, no reserves pertaining to loans sold were established on our consolidated financial statements at December 31, 2025 and 2024. See Item 1A. Risk Factors —"We may incur future losses in connection with repurchases and indemnification payments related to mortgages that we have sold into the secondary market" for additional information.

Capital Adequacy

A significant measure of the strength of a financial institution is its shareholders' equity. At December 31, 2025 and 2024, shareholders' equity totaled approximately $7.8 billion and $7.4 billion, or 12.2 percent and 11.9 percent of total assets, respectively.

During 2025, total shareholders' equity increased by $372.6 million, primarily due to the following:

- net income of $598.0 million,
- other comprehensive income of $81.0 million,
- a $35.2 million increase attributable to the effect of share issuances under our stock incentive plan.

partially offset by

- cash dividends declared on common and preferred stock totaling a combined $278.4 million and
- a total of $63.2 million used to repurchase shares of our common stock held in treasury stock.

Valley and the Bank are subject to the regulatory capital requirements administered by the Federal Reserve and the OCC. Quantitative measures established by regulation to ensure capital adequacy require Valley and the Bank to maintain minimum amounts and ratios of common equity Tier 1 capital, total and Tier 1 capital to risk-weighted assets, and Tier 1 capital to average assets, as defined in the regulations.

The following table presents the capital guidelines and actual ratios applicable to Valley as of December 31, 2025 and 2024:

			Actual Ratio	
	Minimum Ratio	Minimum Ratio plus Capital Conservation Buffer	2025	2024
Total Risk-based Capital	8.0 %	10.5 %	13.77 %	13.87 %
Common Equity Tier 1 Capital	4.5	7.0	10.99	10.82
Tier 1 Risk-based Capital	6.0	8.5	11.69	11.55
Tier 1 Leverage Capital	4.0	N/A	9.63	9.16

As of December 31, 2025 and 2024, Valley and the Bank exceeded all capital adequacy requirements. See Note 16 to the consolidated financial statements for Valley's and the Bank's regulatory capital positions and capital ratios.

Valley's total risk-based capital ratio decreased to 13.77 percent at December 31, 2025 as compared to 13.87 percent at December 31, 2024 which reflects, but is not limited to, the early redemption of our $115 million of 5.25 percent fixed-to-floating subordinated notes in June 2025, which were previously eligible for full regulatory capital treatment. See Note 9 to the consolidated financial statements for more details.

Typically, our primary source of capital growth is the retention of earnings. Our rate of earnings retention is calculated by dividing undistributed earnings per common share by earnings (or net income available to common shareholders) per common share. Our retention ratio was 56.4 percent and 36.2 percent for the years ended December 31, 2025 and 2024, respectively. The increase in the 2025 retention ratio was largely driven by higher net income available to common shareholders compared with 2024.

Cash dividends declared amounted to $0.44 per common share for both years ended December 31, 2025 and 2024. The Board is committed to examining and weighing relevant facts and considerations, including its commitment to shareholder value, each time it makes a cash dividend decision. The Federal Reserve has cautioned all bank holding companies about distributing dividends which may reduce the level of capital or not allow capital to grow considering the increased capital levels required under the Basel III rules. Prior to the date of this filing, Valley has received no objection or adverse guidance from the Federal Reserve or the OCC regarding the current level of its quarterly common stock dividend. However, the Federal Reserve has reiterated its long-standing guidance in recent years that banking organizations should consult them before declaring dividends in excess of earnings for the corresponding quarter. See Item 1A. Risk Factors of this Report for additional information.

We may from time to time offer and sell in one or more offerings, individually or in any combination, our common stock, preferred stock and other non-equity securities in order to pursue growth opportunities that may become available in the future and comply with any changes in the regulatory environment that call for increased capital requirements. Valley's ability, and any decision to issue and sell securities, is subject to market conditions and Valley's capital needs at such time. Additional

equity offerings may dilute the holdings of our existing shareholders or reduce the market price of our common stock, or both. Such offerings may be necessary in the future due to several reasons beyond management's control, including numerous external factors that could negatively impact the strength of the U.S. economy or our ability to maintain or increase the level of our net income. See Note 17 to the consolidated financial statements for additional information on Valley's common and preferred stock, including the most recent issuances in 2024.

Item 7A. ***Quantitative and Qualitative Disclosures About Market Risk***

Information regarding Quantitative and Qualitative Disclosures About Market Risk is discussed in the "Interest Rate Sensitivity" section contained in Item 7. MD&A and it is incorporated herein by reference.

Item 8. ***Financial Statements and Supplementary Data***

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2025	**2024**
	(in thousands except for share data)	
Assets		
Cash and due from banks	$ 315,166	$ 411,412
Interest bearing deposits with banks	1,268,399	1,478,713
Investment securities:		
Equity securities	82,774	71,513
Available for sale debt securities	4,202,218	3,369,724
Held to maturity debt securities (net of allowance for credit losses of $734 at December 31, 2025 and $647 at December 31, 2024)	3,495,837	3,531,573
Total investment securities	7,780,829	6,972,810
Loans held for sale (includes fair value of $8,212 at December 31, 2025 and $15,681 at December 31, 2024 for loans originated for sale)	26,236	25,681
Loans	50,136,728	48,799,711
Less: Allowance for loan losses	(583,400)	(558,850)
Net loans	49,553,328	48,240,861
Premises and equipment, net	330,757	350,796
Lease right of use assets	313,891	328,475
Bank owned life insurance	738,090	731,574
Accrued interest receivable	243,897	239,941
Goodwill	1,868,936	1,868,936
Other intangible assets, net	100,875	128,661
Other assets	1,592,321	1,713,831
Total Assets	$ 64,132,725	$ 62,491,691
Liabilities		
Deposits:		
Non-interest bearing	$ 12,155,500	$ 11,428,674
Interest bearing:		
Savings, NOW and money market	28,603,470	26,304,639
Time	11,424,123	12,342,544
Total deposits	52,183,093	50,075,857
Short-term borrowings	91,475	72,718
Long-term borrowings	2,908,579	3,174,155
Junior subordinated debentures issued to capital trusts	57,803	57,455
Lease liabilities	372,448	388,303
Accrued expenses and other liabilities	711,629	1,288,076
Total Liabilities	56,325,027	55,056,564
Shareholders' Equity		
Preferred stock, no par value; authorized 50,000,000 shares:		
Series A (4,600,000 shares issued at December 31, 2025 and December 31, 2024)	111,590	111,590
Series B (4,000,000 shares issued at December 31, 2025 and December 31, 2024)	98,101	98,101
Series C (6,000,000 shares issued at December 31, 2025 and December 31, 2024)	144,654	144,654
Common stock (no par value, authorized 650,000,000 shares; issued 560,878,750 shares at December 31, 2025 and 558,786,093 shares at December 31, 2024)	196,730	195,998
Surplus	5,464,845	5,442,070
Retained earnings	1,912,933	1,598,048
Accumulated other comprehensive loss	(74,379)	(155,334)
Treasury stock, at cost (4,260,729 common shares at December 31, 2025)	(46,776)	—
Total Shareholders' Equity	7,807,698	7,435,127
Total Liabilities and Shareholders' Equity	$ 64,132,725	$ 62,491,691

See accompanying notes to consolidated financial statements.

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,		
	2025	2024	2023
	(in thousands, except for share data)		
Interest Income			
Interest and fees on loans	$ 2,881,290	$ 3,079,864	$ 2,886,930
Interest and dividends on investment securities:			
Taxable	274,384	181,940	130,708
Tax-exempt	18,558	19,253	20,305
Dividends	21,405	24,958	24,139
Interest on federal funds sold and other short-term investments	36,847	51,482	76,809
Total interest income	3,232,484	3,357,497	3,138,891
Interest Expense			
Interest on deposits:			
Savings, NOW and money market	812,424	913,963	739,025
Time	504,158	644,964	535,749
Interest on short-term borrowings	5,739	22,047	94,869
Interest on long-term borrowings and junior subordinated debentures	146,519	147,815	103,770
Total interest expense	1,468,840	1,728,789	1,473,413
Net Interest Income	1,763,644	1,628,708	1,665,478
Provision (credit) for credit losses for available for sale and held to maturity securities	87	(558)	4,559
Provision for credit losses for loans	139,687	309,388	45,625
Net Interest Income After Provision for Credit Losses	1,623,870	1,319,878	1,615,294
Non-Interest Income			
Wealth management and trust fees	63,436	62,616	44,158
Insurance commissions	13,374	12,794	11,116
Capital markets	42,019	27,221	41,489
Service charges on deposit accounts	61,227	48,276	41,306
Gains on securities transactions, net	74	100	1,104
Fees from loan servicing	13,352	12,393	10,670
Gains (losses) on sales of loans, net	6,906	(5,840)	6,054
(Losses) gains on sales of assets, net	(3)	3,727	6,809
Bank owned life insurance	20,048	16,942	11,843
Other	41,693	46,272	51,180
Total non-interest income	262,126	224,501	225,729
Non-Interest Expense			
Salary and employee benefits expense	579,520	558,595	563,591
Net occupancy expense	102,294	102,124	101,470
Technology, furniture and equipment expense	123,876	135,109	150,708
FDIC insurance assessment	39,059	61,476	88,154
Amortization of other intangible assets	30,428	35,045	39,768
Professional and legal fees	86,747	70,315	80,567
Loss on extinguishment of debt	922	—	—
Amortization of tax credit investments	41,792	18,946	18,009
Other	137,488	124,250	120,424
Total non-interest expense	1,142,126	1,105,860	1,162,691
Income Before Income Taxes	743,870	438,519	678,332
Income tax expense	145,887	58,248	179,821
Net Income	597,983	380,271	498,511
Dividends on preferred stock	28,981	21,369	16,135
Net Income Available to Common Shareholders	$ 569,002	$ 358,902	$ 482,376
Earnings Per Common Share:			
Basic	$ 1.02	$ 0.70	$ 0.95
Diluted	1.01	0.69	0.95

See accompanying notes to consolidated financial statements.

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31,		
	2025	2024	2023
		(in thousands)	
Net income	$ 597,983	$ 380,271	$ 498,511
Other comprehensive income (loss), net of tax:			
Unrealized losses and gains on available for sale debt securities			
Net gains (losses) arising during the period	69,346	(18,397)	12,950
Amounts reclassified to earnings	(1)	1	(634)
Total	69,345	(18,396)	12,316
Unrealized gains and losses on derivatives (cash flow hedges)			
Net losses on derivatives arising during the period	—	—	(757)
Amounts reclassified to earnings	(825)	(869)	638
Total	(825)	(869)	(119)
Defined benefit pension and postretirement benefit plans			
Net gains arising during the period	12,882	10,609	5,442
Amortization of prior service cost	(99)	(97)	(90)
Amortization of actuarial net losses	(348)	(125)	(3)
Total	12,435	10,387	5,349
Total other comprehensive income (loss)	80,955	(8,878)	17,546
Total comprehensive income	$ 678,938	$ 371,393	$ 516,057

See accompanying notes to consolidated financial statements.

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Preferred Stock	Common Stock Shares	Common Stock Amount	Surplus	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity
	(in thousands, except for per share data)							
Balance - December 31, 2022	$ 209,691	506,374	$ 178,185	$ 4,980,231	$ 1,218,445	$ (164,002)	$ (21,748)	$ 6,400,802
Adjustment due to the adoption of ASU No. 2022-02	—	—	—	—	990	—	—	990
Balance - January 1, 2023	209,691	506,374	178,185	4,980,231	1,219,435	(164,002)	(21,748)	6,401,792
Net income	—	—	—	—	498,511	—	—	498,511
Other comprehensive income, net of tax	—	—	—	—	—	17,546	—	17,546
Cash dividends declared:								
Preferred stock, Series A, $1.56 per share	—	—	—	—	(7,188)	—	—	(7,188)
Preferred stock, Series B, $2.24 per share	—	—	—	—	(8,947)	—	—	(8,947)
Common Stock, $0.44 per share	—	—	—	—	(225,779)	—	—	(225,779)
Effect of stock incentive plan, net	—	1,309	2	9,758	(4,011)	—	18,049	23,798
Common stock issued	—	327	—	—	(650)	—	4,400	3,750
Common stock repurchased	—	(300)	—	—	—	—	(2,092)	(2,092)
Balance - December 31, 2023	209,691	507,710	178,187	4,989,989	1,471,371	(146,456)	(1,391)	6,701,391
Net income	—	—	—	—	380,271	—	—	380,271
Other comprehensive loss, net of tax	—	—	—	—	—	(8,878)	—	(8,878)
Cash dividends declared:								
Preferred stock, Series A, $1.56 per share	—	—	—	—	(7,188)	—	—	(7,188)
Preferred stock, Series B, $2.29 per share	—	—	—	—	(9,163)	—	—	(9,163)
Preferred stock, Series C, $0.84 per share	—	—	—	—	(5,018)	—	—	(5,018)
Common Stock, $0.44 per share	—	—	—	—	(232,225)	—	—	(232,225)
Effect of stock incentive plan, net	—	1,878	592	20,380	—	—	1,391	22,363
Preferred stock issued	144,654	—	—	—	—	—	—	144,654
Common stock issued	—	49,198	17,219	431,701	—	—	—	448,920
Balance - December 31, 2024	354,345	558,786	195,998	5,442,070	1,598,048	(155,334)	—	7,435,127
Net income	—	—	—	—	597,983	—	—	597,983
Other comprehensive income, net of tax	—	—	—	—	—	80,955	—	80,955
Cash dividends declared:								
Preferred stock, Series A, $1.83 per share	—	—	—		(8,423)	—	—	(8,423)
Preferred stock, Series B, $2.05 per share	—	—	—	—	(8,183)	—	—	(8,183)
Preferred stock, Series C, $2.06 per share	—	—	—	—	(12,375)	—	—	(12,375)
Common Stock, $0.44 per share	—	—	—	—	(249,369)	—	—	(249,369)
Effect of stock incentive plan, net	—	3,883	732	22,775	(4,748)	—	16,469	35,228
Common stock repurchased	—	(6,051)	—	—	—	—	(63,245)	(63,245)
Balance - December 31, 2025	$ 354,345	556,618	$ 196,730	$ 5,464,845	$ 1,912,933	$ (74,379)	$ (46,776)	$ 7,807,698

See accompanying notes to consolidated financial statements.

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2025	2024	2023
		(in thousands)	
Cash flows from operating activities:			
Net income	$ 597,983	$ 380,271	$ 498,511
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	38,290	43,789	43,437
Stock-based compensation	27,279	28,988	33,102
Provision for credit losses	139,774	308,830	50,184
Net accretion of discounts and amortization of premium on securities and borrowings	(9,237)	(3,399)	(2,145)
Amortization of other intangible assets	30,428	35,045	39,768
(Gains) losses on available for sale and held to maturity debt securities, net	(17)	15	(401)
Proceeds from sales of loans held for sale at fair value	185,226	253,749	205,575
(Gains) losses on sales of loans, net	(6,906)	5,840	(6,054)
Originations of loans held for sale	(173,493)	(244,710)	(204,686)
Losses (gains) on sales of assets, net	3	(3,727)	(6,809)
Loss on extinguishment of debt	922	—	—
Net deferred income tax expense (benefit)	10,896	(6,139)	(9,359)
Net change in:			
Fair value of financial instruments hedged by derivative transactions	11,174	13,402	4,810
Trading debt securities	—	3,973	9,465
Lease right of use assets	11,868	18,467	(37,125)
Cash surrender value of bank owned life insurance	(19,704)	(16,942)	(11,843)
Accrued interest receivable	(3,956)	5,557	(48,892)
Other assets	118,872	(263,375)	(173,512)
Accrued expenses and other liabilities	(615,570)	(11,094)	(5,834)
Net cash provided by operating activities	343,832	548,540	378,192
Cash flows from investing activities:			
Loans originated and purchased, net of principal collected	(1,476,923)	(137,723)	(3,346,633)
Equity securities:			
Purchases	(14,293)	(9,950)	(14,011)
Sales and capital returns	4,463	1,910	1,850
Held to maturity debt securities:			
Purchases	(320,460)	(103,256)	(302,774)
Maturities, calls and principal repayments	357,008	309,475	379,536
Available for sale debt securities:			
Purchases	(1,432,385)	(2,387,595)	(112,317)
Sales	—	—	18,779
Maturities, calls and principal repayments	704,152	296,860	78,588
Death benefit proceeds from bank owned life insurance	13,188	9,121	5,218
Proceeds from sales of real estate property and equipment	2,277	3,199	18,308
Proceeds from sales of loans not originated for sale	16,628	1,226,759	—
Proceeds from sale of commercial premium finance lending division	—	98,060	—
Purchases of real estate property and equipment	(18,098)	(16,144)	(76,046)
Net cash used in investing activities	$ (2,164,443)	$ (709,284)	$ (3,349,502)

VALLEY NATIONAL BANCORP
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

	Years Ended December 31,		
	2025	2024	2023
		(in thousands)	
Cash flows from financing activities:			
Net change in deposits	$ 2,106,612	$ 830,609	$ 1,605,915
Net change in short-term borrowings	18,757	(845,116)	779,105
Proceeds from issuance of long-term borrowings, net	210,000	1,001,800	1,251,804
Repayments of long-term borrowings	(488,000)	(165,000)	(475,000)
Proceeds from issuance of preferred stock, net	—	144,654	—
Cash dividends paid to preferred shareholders	(28,981)	(21,369)	(14,338)
Cash dividends paid to common shareholders	(248,885)	(228,228)	(225,411)
Purchase of common shares related to stock compensation plan activity	(9,801)	(8,867)	(9,383)
Purchase of common shares to treasury	(63,001)	—	(2,092)
Common stock issued, net	17,506	451,164	4,006
Other, net	(156)	(3)	(18)
Net cash provided by financing activities	1,514,051	1,159,644	2,914,588
Net change in cash and cash equivalents	(306,560)	998,900	(56,722)
Cash and cash equivalents at beginning of year	1,890,125	891,225	947,947
Cash and cash equivalents at end of year	$ 1,583,565	$ 1,890,125	$ 891,225
Supplemental disclosures of cash flow information:			
Cash payments for:			
Interest on deposits and borrowings	$ 1,529,721	$ 1,737,721	$ 1,359,534
Federal and state income taxes	53,461	89,701	236,503
Supplemental schedule of non-cash investing activities:			
Transfer of loans to other real estate owned, net	$ 878	$ 12,431	$ 974
Transfer of loans to loans held for sale, net	23,411	1,042,725	10,000
Lease right of use assets obtained in exchange for operating lease liabilities	35,504	21,501	81,727

See accompanying notes to consolidated financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Note 1)

Business

Valley National Bancorp, a New Jersey corporation, is a financial holding company that through its commercial bank subsidiary, Valley National Bank and its subsidiaries, provide a full range of commercial, retail, and trust and investment services largely through its offices and ATM network throughout northern and central New Jersey, the New York City boroughs of Manhattan, Brooklyn and Queens, Long Island, Westchester County, New York, Florida, Alabama, California and Illinois.

In addition to the Bank, Valley's consolidated subsidiaries include, but are not limited to: an insurance agency offering property and casualty, life and health insurance; an asset management adviser that is a registered investment adviser with the SEC; a securities broker-dealer registered with the SEC and member of FINRA, which is also licensed as an insurance agency to provide life and health insurance; a title insurance agency in New York, which also provides services in New Jersey; an advisory firm specializing in the investment and management of tax credits; and a subsidiary specializing in health care equipment lending and other commercial equipment leases.

Basis of Presentation

The consolidated financial statements of Valley include the accounts of the Bank and all other entities in which Valley has a controlling financial interest. All intercompany transactions and balances have been eliminated. The accounting and reporting policies of Valley conform to GAAP and general practices within the financial services industry. In accordance with GAAP, Valley does not consolidate statutory trusts established for the sole purpose of issuing trust preferred securities and related trust common securities. See Note 10 for more details. Certain prior period amounts have been reclassified to conform to the current presentation.

In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to fairly present Valley's financial position, results of operations, changes in shareholders' equity and cash flows at December 31, 2025 and for all periods presented have been made.

Significant Estimates. In preparing the consolidated financial statements in conformity with GAAP, management has made estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated statements of financial condition and results of operations for the periods indicated. Material estimates that require application of management's most difficult, subjective or complex judgment and are particularly susceptible to change include: the allowance for credit losses, the evaluation of goodwill and other intangible assets for impairment, and income taxes. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the consolidated financial statements in the period they are deemed necessary. While management uses its best judgment, actual amounts or results could differ significantly from those estimates. Current economic conditions increase uncertainty in these estimates, and actual results could differ materially. Also, future amounts and values may differ materially from those estimates due to changes in values and circumstances after the balance sheet date.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, interest bearing deposits in other banks (including the Federal Reserve Bank of New York) and, from time to time, overnight federal funds sold. Federal funds sold essentially represent an uncollateralized loan. Therefore, Valley regularly evaluates the credit risk associated with the other financial institutions to ensure that the Bank does not become exposed to any significant credit risk on these cash equivalents.

Investment Securities

Debt securities are classified at the time of purchase based on management's intention, such as securities HTM, securities AFS or trading securities. Investment securities classified as HTM are those that management has the positive intent and ability to hold until maturity. Investment securities HTM are carried at amortized cost, adjusted for amortization of premiums and accretion of discounts using the level-yield method over the contractual term of the securities, adjusted for actual prepayments, or to call date if the security was purchased at premium. Investment securities classified as AFS are carried at fair value with unrealized holding gains and losses reported as a component of other comprehensive income or loss, net of tax. Realized gains

or losses on AFS securities are recognized by the specific identification method and are included in net gains and losses on securities transactions within non-interest income.

Equity securities are presented on the statements of financial condition at fair value with any unrealized and realized gains and losses reported in non-interest income. See Notes 2 and 3 for additional information.

Investments in FHLB and FRB stock, which have limited marketability, are carried at cost in other assets. Security transactions are recorded on a trade-date basis.

Interest income on investments includes amortization of purchase premiums and discounts. Valley discontinues the recognition of interest on debt securities if the securities meet both of the following criteria: (i) regularly scheduled interest payments have not been paid or have been deferred by the issuer, and (ii) full collection of all contractual principal and interest payments is not deemed to be the most likely outcome.

Allowance for Credit Losses for Held to Maturity Debt Securities

Valley estimates and recognizes an allowance for credit losses for HTM debt securities using the CECL methodology. Valley has a zero-loss expectation for certain securities within the HTM portfolio, and therefore it is not required to estimate an allowance for credit losses related to these securities under the CECL standard. After an evaluation of qualitative factors, Valley identified the following securities types which it believes qualify for this exclusion: U.S. Treasury securities, U.S. government agency securities, residential mortgage-backed securities issued by Ginnie Mae, Fannie Mae and Freddie Mac, and collateralized municipal bonds.

To measure the expected credit losses on HTM debt securities that have loss expectations, Valley utilizes a third-party
discounted cash flow model. The assumptions used in the model for pools of securities with common risk characteristics include the historical lifetime probability of default and severity of loss in the event of default, with common risk characteristics include the historical lifetime probability of default and severity of loss in the event of default, with the model incorporating several economic cycles of loss history data to calculate expected credit losses given default at the individual security level. The model is adjusted for a probability weighted multi-scenario economic forecast to estimate future credit losses. Valley uses a two-year reasonable and supportable forecast period, followed by a one-year period over which estimated losses revert to historical loss experience for the remaining life of investment security. The economic forecast methodology and governance for debt securities is aligned with Valley's economic forecast used for the loan portfolio. Accrued interest receivable is excluded from the estimate of credit losses. See Note 3 for additional information.

Impairment of Available for Sale Debt Securities

The impairment model for AFS debt securities differs from the CECL methodology applied to HTM debt securities because the AFS debt securities are measured at fair value rather than amortized cost.

AFS debt securities in unrealized loss positions are evaluated for impairment related to credit losses on a quarterly basis.

In performing an assessment of whether any decline in fair value is due to a credit loss, Valley considers the extent to which the fair value is less than the amortized cost, changes in credit ratings, any adverse economic conditions, as well as all relevant information at the individual security level, such as credit deterioration of the issuer or collateral underlying the security. In assessing the impairment, Valley compares the present value of cash flows expected to be collected with the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis for the security, a credit loss exists and an allowance for credit losses is recorded, limited to the amount that the fair value is less than the amortized cost basis. The non-credit related decrease in the fair value, such as a decline due to changes in market interest rates, is recorded in other comprehensive income, net of tax. Valley also assesses the intent to sell the securities (as well as the likelihood of a near-term recovery). When Valley intends to sell an AFS debt security or it is more likely than not that Valley will be required to sell the security before recovery of the amortized cost, the entire fair value adjustment will immediately be recognized in earnings in the non-interest income. See Note 3 for additional information.

Loans Held for Sale

Loans held for sale generally consist of residential mortgage loans originated and intended for sale in the secondary market and are carried at their estimated fair value on an instrument-by-instrument basis as permitted by the fair value option election under GAAP. Changes in fair value are recognized in non-interest income in the accompanying consolidated statements of income as a component of net gains on sales of loans. Origination fees and costs related to loans originated for sale (and carried at fair value) are recognized as earned and as incurred. Loans held for sale are generally sold with loan servicing rights retained by Valley. Gains recognized on loan sales include the value assigned to the rights to service the loan. See the “Loan Servicing Rights” section below. Occasionally, Valley may elect to transfer certain loans at the lower of

unamortized cost or fair market value to loans held for sale from the held for investment loan portfolio. At December 31, 2025, loans held for sale consisted of several residential mortgage loans originated for sale and two non-performing commercial real estate loan relationships with a carrying value of $18.0 million.

Loans and Loan Fees

Loans are reported at their outstanding principal balance net of any unearned income, charge-offs, unamortized deferred fees and costs on originated loans and premium or discounts on purchased loans, except for PCD loans recorded at the purchase price, including non-credit discounts, plus the allowance for credit losses expected at the time of acquisition. Loan origination and commitment fees, net of related costs, are deferred and amortized as an adjustment of loan yield over the estimated life of the loans approximating the effective interest method.

Loans are deemed to be past due when the contractual principal and interest payments have not been received as they become due. Loans are placed on non-accrual status generally, when they become 90 days past due and/or the full and timely collection of principal and interest becomes uncertain. When a loan is placed on non-accrual status, interest accruals cease, and uncollected accrued interest is reversed and charged against current income. Cash collections from non-accrual loans are generally credited to the loan balance, and no interest income is recognized on these loans until the principal balance has been determined to be fully collectible. A loan in which the borrower's obligation has not been released in bankruptcy courts may be restored to an accruing basis when it becomes well secured and is in the process of collection, or all past due amounts become current under the loan agreement and collectability is no longer doubtful.

Loans classified as PCD loans are acquired loans, mainly through bank acquisitions, where there is evidence of more than insignificant credit deterioration since their origination. We consider various factors in connection with this determination, including past due or non-accrual status, credit risk rating declines, and any write downs recorded based on the collectability of the asset, among other factors. PCD loans are recorded at their purchase price plus an allowance estimated at the time of acquisition, which represents the amortized cost basis of the asset. The difference between this amortized cost basis and the par value of the loan is the non-credit discount or premium, which is amortized into interest income over the life of the loan. Subsequent increases and decreases in the allowance for credit losses related to purchased loans is recorded as provision expense.

Allowance for Credit Losses for Loans

Valley uses the CECL methodology to estimate an ACL for loans. The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the allowance when management believes the uncollectibility of a loan balance is confirmed. Provisions for credit losses for loans and recoveries on loans previously charged-off by Valley are added back to the allowance.

The ACL for loans includes the allowance for loan losses and the reserve for unfunded credit commitments. Under CECL, Valley's methodology to establish the allowance for loan losses has two basic components: (i) a collective reserve component for estimated lifetime expected credit losses for pools of loans that share common risk characteristics and (ii) an individually evaluated reserve component for loans that do not share common risk characteristics, consisting of collateral dependent loans. Valley also maintains a separate allowance for unfunded credit commitments mainly consisting of reserves for credit losses on undisbursed non-cancellable lines of credit, new loan commitments and commercial standby letters of credit.

Reserves for loans that share common risk characteristics. Valley estimates the collective ACL using a current expected credit losses methodology which is based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the loan balances. In estimating the component of the allowance on a collective basis, Valley uses a transition matrix model which calculates an expected life of loan loss percentage for each loan pool by using probability of default and loss given default metrics. The probability of default and loss given default metrics are adjusted using a scaling factor to incorporate a full economic cycle.

The expected life of loan loss percentages are determined by analyzing the migration of loans from performing to loss by credit quality rating or delinquency categories using historical life-of-loan data for each loan portfolio pool, and by assessing the severity of loss, based on the aggregate net lifetime losses incurred. The expected credit losses based on loss history are adjusted for qualitative factors. Among other things, these adjustments include and account for differences in: (i) the impact of the reasonable and supportable economic forecast, probability weightings and economic variables under each scenario and reversion period, (ii) other weighted asset specific risks to the extent they do not exist in the historical loss information, and (iii) net expected recoveries of charged off loan balances. These adjustments are based on qualitative factors not reflected in the transition matrix but are likely to impact the measurement of estimated credit losses. The expected lifetime loss rate is the life of loan loss percentage from the transition matrix model plus the impact of the adjustments for qualitative factors. The expected

credit losses are the product of multiplying the model's expected lifetime loss rate by the exposure at default at period end on an undiscounted basis.

Valley utilizes a two-year reasonable and supportable forecast period followed by a one-year period over which estimated losses revert to historical loss experience on a straight-line basis for the remaining life of the loan. The forecast consists of multi-scenario economic forecasts to estimate future credit losses that is governed by a cross-functional committee. The committee meets each quarter to determine which economic scenarios developed by Moody's will be incorporated into the model, as well as the relative probability weightings of the selected scenarios, based upon all readily available information. The model projects economic variables under each scenario based on detailed statistical analyses. Valley has identified and selected key variables that most closely correlated to its historical credit performance, which include GDP, unemployment and the Case-Shiller Home Price Index.

The loan credit quality data utilized in the transition matrix model is based on an internal credit risk rating system for the commercial and industrial loan and commercial real estate loan portfolio segments and delinquency aging status for the residential and consumer loan portfolio segments. Loans are risk-rated based on an internal credit risk grading process that evaluates, among other things: (i) the obligor's ability to repay; (ii) the underlying collateral, if any; and (iii) the economic environment and industry in which the borrower operates. This analysis is performed at the relationship manager level for all commercial and industrial loans, and commercial real estate loans, which are evaluated by the Loan Review Department on a test basis. Loans with a grade below a "Pass" grade are adversely classified. Once a loan becomes adversely classified, it automatically transitions from the "Pass" segment of the model to the corresponding adversely rated pool segment. Within the transition matrix model, each adverse classification or segment (Special Mention, Substandard, Doubtful, and Loss) has its own lifetime expected credit loss rate derived from loan-level historical transitions between the different loan risk ratings categories.

Reserves for loans that do not share common risk characteristics. Valley measures specific reserves for individual loans that do not share common risk characteristics with other loans, consisting of collateral dependent loans based on the amount of lifetime expected credit losses calculated on those loans and charge-offs of those amounts determined to be uncollectible. Certain individually evaluated loans where substantially all the repayment is expected from the collateral, are deemed collateral dependent, and the related expected credit losses are determined based on the fair value of the underlying collateral (less selling costs, if repayment or satisfaction of the loan depends on the sale of the collateral). Any amount deemed uncollectible related to a collateral dependent loan is immediately charged off to the allowance.

Valley elected to exclude accrued interest on loans from the amortized cost of loans held for investment. The accrued interest is presented separately in the consolidated statements of financial condition.

Allowance for Unfunded Credit Commitments. The allowance for unfunded credit commitments consists of reserves for credit losses on undisbursed non-cancellable lines of credit, new loan commitments and commercial letters of credit valued using a similar CECL methodology as used for loans. Management's estimate of expected losses inherent in these off-balance sheet credit exposures also incorporates estimated utilization rate over the commitment's contractual period or an expected pull-through rate for new loan commitments. The allowance for unfunded credit commitments is included in accrued expenses and other liabilities on the consolidated statements of financial condition.

Loan charge-offs. Loans rated as "loss" within Valley's internal rating system are charged-off. Commercial loans are generally assessed for full or partial charge-off to the net realizable value for collateral dependent loans when a loan is between 90 or 120 days past due or sooner if it is probable that a loan may not be fully collectable. Residential loans and home equity loans are generally charged-off to net realizable value when the loan is 120 days past due (or sooner when the borrowers' obligation has been released in bankruptcy). Automobile loans are fully charged-off when the loan is 120 days past due or partially charged-off to the net realizable value of collateral, if the collateral is recovered prior to such time. Unsecured consumer loans are generally fully charged-off when the loan is 150 days past due.

See Note 4 for a discussion of Valley's loan credit quality and additional allowance for credit losses.

Leases

Lessee Leasing Arrangements. Valley's lessee arrangements predominantly consist of operating leases for premises and equipment. The majority of the operating leases include one or more options to renew that can significantly extend the lease terms. Valley's leases have a wide range of lease expirations through the year 2062.

Operating and finance leases are recognized as ROU assets and lease liabilities in the consolidated statements of financial position. The ROU assets represent the right to use underlying assets for the lease terms and lease liabilities represent Valley's obligations to make lease payments arising from the lease. The ROU assets include any prepaid lease payments and initial direct costs, less any lease incentives. At the commencement dates of leases, ROU assets and lease liabilities are initially

recognized based on their net present values with the lease terms including options to extend or terminate the lease when Valley is reasonably certain that the options will be exercised to extend. ROU assets are amortized into net occupancy and equipment expense over the expected lives of the leases.

Lease liabilities are discounted to their net present values on the balance sheet based on incremental borrowing rates as determined at the lease commencement dates using quoted interest rates for readily available borrowings, such as fixed rate FHLB borrowings, with similar terms as the lease obligations. Lease liabilities are reduced by actual lease payments.

Lessor Leasing Arrangements. Valley's lessor arrangements primarily consist of direct financing and sales-type leases for equipment included in the commercial and industrial loan portfolio. Direct financing and sales-type leases are carried at the aggregate of lease payments receivable plus estimated residual value of the leased assets, net of unearned income, charge-offs and unamortized deferred costs of origination. Lease agreements may include options to renew and for the lessee to purchase the leased equipment at the end of the lease term.

See Note 5 for additional information on Valley's lease related assets and obligations.

Premises and Equipment, Net

Premises and equipment are stated at cost less accumulated depreciation computed using the straight-line method over the estimated useful lives of the related assets. Estimated useful lives range from 3 years for capitalized software to up to 40 years for buildings. Leasehold improvements are amortized over the term of the lease or estimated useful life of the asset, whichever is shorter. Major improvements are capitalized, while repairs and maintenance costs are charged to operations as incurred. Upon retirement or disposition, any gain or loss is credited or charged to operations. See Note 6 for further details.

Cash Surrender Value of Bank Owned Life Insurance

Valley owns bank owned life insurance to help offset the cost of employee benefits. Bank owned life insurance is recorded at its cash surrender value. Valley’s bank owned life insurance is invested primarily in U.S. Treasury securities and residential mortgage-backed securities issued by government-sponsored enterprises and Ginnie Mae. The change in the cash surrender value is included as a component of non-interest income and is exempt from federal and state income taxes as long as the policies are held until the death of the insured individuals.

Other Real Estate Owned

Valley acquires OREO through foreclosure on loans secured by real estate. OREO is reported at the lower of cost or fair value, as established by a current appraisal (less estimated costs to sell) and it is included in other assets. Any write-downs at the date of foreclosure are charged to the allowance for loan losses. Expenses incurred to maintain these properties, unrealized losses resulting from valuation write-downs after the date of foreclosure, and realized gains and losses upon sale of the properties are included in other non-interest expense.

OREO, consisting of commercial properties totaled $4.5 million at December 31, 2025 and $12.2 million, primarily consisting of commercial properties, at December 31, 2024. Residential mortgage and consumer loans secured by residential real estate properties for which formal foreclosure proceedings are in process totaled $3.4 million and $4.6 million at December 31, 2025 and 2024, respectively.

Goodwill

Intangible assets resulting from acquisitions under the acquisition method of accounting consist of goodwill and other intangible assets (see “Other Intangible Assets” below). Goodwill represents the excess of the cost of businesses acquired over the fair value of the net assets acquired and is not amortized. The initial recording of goodwill and other intangible assets requires subjective judgments concerning estimates of the fair value of the acquired assets and assumed liabilities. Goodwill is not amortized and is subject, at a minimum, to an annual impairment assessment, or more often, if events or circumstances indicate it may be impaired. An impairment loss is recognized if the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, with the impairment loss not to exceed the amount of goodwill allocated to the unit. Goodwill is allocated to Valley's reporting unit, which is an operating segment or one level below, at the date goodwill is recorded. Under current accounting guidance, Valley may choose to perform an optional qualitative assessment to determine whether it is necessary to perform the quantitative goodwill impairment test for one or more reporting units each annual period.

Valley reviews goodwill for impairment annually during the second quarter using a quantitative test, or more frequently if a triggering event indicates impairment may have occurred. Valley's determination of whether or not goodwill is impaired requires it to make judgments and use significant estimates and assumptions regarding estimated future cash flows. As part of the annual impairment test, Valley also performs a market capitalization reconciliation to support the appropriateness of its

results. In performing this reconciliation, Valley compares the sum of fair value of its reporting units to Valley's market capitalization, adjusted for a control premium to realize from a hypothetical acquisition of Valley. If Valley changed its strategy or if market conditions shifted, Valley's judgments may change, which may result in adjustments to the recorded goodwill balance.

Other Intangible Assets

Other intangible assets primarily consist of loan servicing rights (largely generated from loan servicing retained by the Bank on residential mortgage loan originations sold in the secondary market to government sponsored enterprises), core deposits (the portion of an acquisition purchase price which represents value assigned to the existing deposit base) and, to a much lesser extent, various other types of intangibles obtained through acquisitions. Other intangible assets are amortized using various methods over their estimated lives and are periodically evaluated for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable from future undiscounted cash flows.

Loan Servicing Rights

Loan servicing rights are recorded when originated mortgage loans are sold with servicing rights retained, or when servicing rights are purchased. Valley initially records the loan servicing rights at fair value. Subsequently, the loan servicing rights are carried at the lower of unamortized cost or market (i.e., fair value). The fair values of the loan servicing rights for each risk-stratified group of loan servicing rights are calculated using a fair value model from a third-party vendor that uses various inputs and assumptions, including but not limited to, prepayment speeds, internal rate of return (discount rate), servicing cost, ancillary income, float rate, tax rate, and inflation. The prepayment speed and the discount rate are considered two of the most significant inputs in the model.

Unamortized costs associated with acquiring loan servicing rights, net of any valuation allowances, are included in other intangible assets in the consolidated statements of financial condition and are accounted for using the amortization method. Valley amortizes the loan servicing assets in proportion to and over the period of estimated net servicing revenues. On a quarterly basis, Valley stratifies its loan servicing assets into groupings based on risk characteristics and assesses each group for impairment based on fair value. A valuation allowance is established through an impairment charge to earnings to the extent the unamortized cost of a stratified group of loan servicing rights exceeds its estimated fair value. Increases in the fair value of impaired loan servicing rights are recognized as a reduction of the valuation allowance, but not in excess of such allowance. The amortization of loan servicing rights is recorded in non-interest income.

Stock-Based Compensation

Compensation expense for RSUs, restricted stock and stock option awards (i.e., non-vested stock awards) is based on the fair value of the award on the date of the grant and is recognized ratably over the service period of the award. Valley's long-term incentive compensation plan includes a service period requirement for award grantees who are eligible for retirement pursuant to which an award will vest at one-twelfth per month after the grant date and requires the grantees to continue service with Valley for one year in order for the award to fully vest. Compensation expense for these awards is amortized monthly over a one year period after the grant date. The service period for non-retirement eligible employees is the shorter of the stated vesting period of the award or the period until the employee's retirement eligibility date. The fair value of each option granted is estimated using a binomial option pricing model. The fair value of RSUs and restricted stock awards is based upon the last sale price reported preceding the date of grant, except for performance-based stock awards with a market condition. The grant date fair value of a performance-based stock award that vests based on a market condition is determined by a third-party specialist using a Monte Carlo valuation model. There have been no changes to any of the key model characteristics, assumptions and parameters. See Note 11 for additional information.

Fair Value Measurements

Valley measures many of its assets and liabilities on a fair value basis in accordance with ASC Topic 820, "Fair Value Measurement." 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. In general, fair values of financial instruments are based upon quoted market prices, where available. When observable market prices and parameters are not fully available, management uses valuation techniques based upon internal and third-party models requiring more management judgment to estimate the appropriate fair value measurements. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value, including adjustments based on internal cash flow model projections that utilize assumptions similar to those incorporated by market participants. Other adjustments may include amounts to reflect counterparty credit quality and Valley's creditworthiness, among other things, as well as unobservable parameters. Any such valuation adjustments are applied consistently over time. See Note 2 for additional information.

Revenue From Contracts With Customers

Certain revenues included in Valley's non-interest income relate to fee-based income from contracts with customers. Revenue from contracts with customers within the scope of ASC Topic 606 is recognized when performance obligations, under the terms of the contract, are satisfied. This income is measured as the amount of consideration expected to be received in exchange for providing services. Contracts with customers can include multiple services, which are accounted for as separate "performance obligations" if they are determined to be distinct.

Valley's revenue contracts generally have a single performance obligation, as the promise to transfer the individual goods or services is not separately identifiable, or distinct from other obligations within the contracts. Valley does not have a material amount of long-term customer agreements that include multiple performance obligations requiring price allocation and differences in the timing of revenue recognition.

The following describes revenue within scope of ASC Topic 606:

Wealth management and trust fees. Wealth management and trust fees include brokerage fees and fees from investment management, investment advisory, trust, custody and other products. Brokerage fees are commissions related to the execution of market trades. Brokerage fee revenue is recognized on trade date, as the performance obligation is satisfied when the trade is executed. Trust and investment management fee income is received for providing wealth management and investment advisory services and is typically calculated based on a percentage of client assets under management and recognized over the term of the investment management agreement as services are provided to the client. Certain tax credit advisory fees are earned when the related performance criteria have been satisfied, and it is probable that the fees will be earned.

Insurance commissions. Insurance **c**ommissions are received on insurance product sales. Valley acts in the capacity of an agent between Valley's customer and the insurance carrier. Valley's performance obligation is satisfied over the term of the insurance policy.

Service charges on deposit accounts. Service charges on deposit accounts include commercial treasury management service fees, maintenance fees, overdraft fees, and other account related charges. Deposit account related fees are typically recognized at the time these services are performed for the customer, or on a monthly basis.

Other income. Revenue within the other category of non-interest income that is within the scope of ASC Topic 606 includes credit card and interchange fees, fees from wire transfers, ACH, and various other products and services income. These fees are either recognized immediately at the transaction date or over the period in which the related service is provided.

Revenue from capital markets transactions (including interest rate swap fees, foreign exchange fees and loan syndication fees), net gains and losses on securities transactions, fees from loan servicing, net gains on sales of loans, bank owned life insurance income, and certain fees within other income are excluded from the scope of ASC Topic 606 and are recognized under other applicable accounting guidance.

Income Taxes

Valley uses the asset and liability method to provide income taxes on all transactions recorded in the consolidated financial statements. This method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets or liabilities for book and tax purposes. Accordingly, a deferred tax asset or liability for each temporary difference is determined based on the enacted tax rates that will be in effect when the underlying items of income and expense are expected to be realized.

Valley's expense for income taxes includes the current and deferred portions of that expense. Deferred tax assets are recognized if, in management's judgment, their realizability is determined to be more likely than not. A valuation allowance is established to reduce deferred tax assets to the amount we expect to realize. Deferred income tax expense or benefit results from differences between assets and liabilities measured for financial reporting versus income-tax return purposes. The effect on deferred taxes of a change in tax rates is recognized in income tax expense in the period that includes the enactment date.

Valley may maintain a reserve related to certain tax positions that management believes contain an element of uncertainty. An uncertain tax position is measured based on the largest amount of benefit that management believes is more likely than not to be realized. Periodically, Valley evaluates each of its tax positions and strategies to determine whether a reserve is appropriate. See Note 12 for additional information.

On July 4, 2025, new federal legislation commonly known as the OBBBA was enacted into law. The OBBBA extends or reinstates certain provisions of the 2017 Tax Cuts and Jobs Act, includes tax relief measures, modifies certain energy tax credits

and sets various limits on tax deductions, among other key provisions. The enactment of the OBBBA did not have a material impact on Valley's consolidated financial statements for the year ended December 31, 2025. Additionally, Valley has evaluated certain provisions of the OBBBA that are effective starting in 2026, which are not expected to have a material impact on Valley's consolidated financial statements in future periods.

Comprehensive Income

Comprehensive income or loss is defined as the change in equity of a business entity during a period due to transactions and other events and circumstances, excluding those resulting from investments by and distributions to shareholders. Comprehensive income consists of net income and other comprehensive income or loss. Valley's components of other comprehensive income or loss, net of deferred tax, include: (1) unrealized gains and losses on AFS debt securities; (2) unrealized gains and losses on derivatives used in cash flow hedging relationships; and (3) the benefit adjustment for the unfunded portion of its various employee, officer, and director pension plans and other post-employment benefits. Income tax effects are released from accumulated other comprehensive income on an individual unit of account basis. Valley presents comprehensive income and its components in the consolidated statements of comprehensive income for all periods presented. See Note 18 for additional information.

Earnings Per Common Share

In Valley's computation of the earnings per common share, the numerator of both the basic and diluted earnings per common share is net income available to common shareholders (which is equal to net income less dividends on preferred stock). The weighted average number of common shares outstanding is used in the denominator for basic earnings per common share which is increased to determine the denominator used for diluted earnings per common share by the effect of potentially dilutive common stock equivalents utilizing the treasury stock method.

The following table shows the calculation of both basic and diluted earnings per common share for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
	(in thousands, except for share data)		
Net income available to common shareholders	$ 569,002	$ 358,902	$ 482,376
Basic weighted-average number of common shares outstanding	559,637,823	515,755,365	507,532,365
Plus: Common stock equivalents	4,194,727	2,236,436	1,713,403
Diluted weighted-average number of common shares outstanding	563,832,550	517,991,801	509,245,768
Earnings per common share:			
Basic	$ 1.02	$ 0.70	$ 0.95
Diluted	1.01	0.69	0.95

Common stock equivalents represent the dilutive effect of additional common shares issuable upon the assumed vesting or exercise, if applicable, of RSUs and stock options to purchase Valley's common shares. Stock options and RSUs with exercise and vesting prices that exceed the average market price of Valley's common stock during the periods presented may have an anti-dilutive effect on the diluted earnings per common share calculation and therefore are excluded from the diluted earnings per share calculation. Potential anti-dilutive weighted common shares totaled approximately 335 thousand, 3.5 million and 2.4 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Preferred and Common Stock Dividends

Valley issued 4.6 million, 4.0 million and 6.0 million shares of non-cumulative perpetual preferred stock in June 2015, August 2017 and August 2024, respectively, which were initially recorded at fair value. See Note 17 for additional details on the preferred stock issuances. The preferred shares have seniority over Valley's common stock, meaning that dividends for the current year must be paid to preferred shareholders before any dividends can be distributed to common shareholders. Preferred dividends declared are deducted from net income for calculating income available to common shareholders and earnings per common share computations.

Cash dividends to both preferred and common shareholders are payable and accrued when declared by the Board.

Treasury Stock

Treasury stock is recorded using the cost method and accordingly is presented as a reduction of shareholders' equity.

Derivative Instruments and Hedging Activities

As part of its asset/liability management strategies and to accommodate commercial borrowers, Valley has used interest rate swaps to hedge variability in cash flows or fair values caused by changes in interest rates. Valley also uses derivatives not designated as hedges for non-speculative purposes to (1) manage its exposure to interest rate movements related to a service for commercial lending customers, (2) share the risk of default on the interest rate swaps related to certain purchased or sold loan participations through the use of risk participation agreements, (3) manage the interest rate risk of mortgage banking activities with customer interest rate lock commitments and forward contracts to sell residential mortgage loans, (4) manage the exposure of foreign currency exchange rate fluctuation with foreign currency forward and option contracts primarily to accommodate our customers and (5) manage the credit risk of a select pool of automobile loans to enhance the risk profile of these assets for regulatory capital purposes.

Valley also has hybrid instruments, consisting of market linked certificates of deposit with an embedded swap contract. Valley records all derivatives including embedded derivatives as assets or liabilities at fair value on the consolidated statements of financial condition. Derivatives used to hedge the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Currently, Valley does not have any cash flow hedges. Derivatives used to hedge the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges.

Cash Flow Hedges. For derivatives designated as cash flow hedges, the effective portion of changes in the fair value of the derivative is initially reported in other comprehensive income or loss and subsequently reclassified to earnings when the hedged transaction affects earnings, and the ineffective portion of changes in the fair value of the derivative is recognized directly in earnings.

Fair Value Hedges. For derivatives designated as fair value hedges, changes in the fair value of the derivative and the hedged item related to the hedged risk are recognized in earnings. Valley calculates the credit valuation adjustments to the fair value of derivatives designated as fair value hedges on a net basis by counterparty portfolio, as an accounting policy election.

On a quarterly basis, Valley assesses the effectiveness of each hedging relationship by comparing the changes in cash flows or fair value of the derivative hedging instrument with the changes in cash flows or fair value of the designated hedged item or transaction. If a hedging relationship is terminated due to ineffectiveness, and the derivative instrument is not re-designated to a new hedging relationship, the subsequent change in fair value of such instrument is charged directly to earnings.

Interest Rate Contracts and Other Non-designated Hedges. Derivatives not designated as hedges do not meet the hedge accounting requirements under GAAP. Contracts in an asset position are included in other assets and contracts in a liability position are included in other liabilities. Changes in fair value of derivatives not designated in hedging relationships are recorded directly in earnings within other non-interest expense.

See Notes 14 and 15 for additional information on our derivative instruments.

New Authoritative Accounting Guidance

ASU No. 2025-09, "Derivatives and Hedging (Topic 815): Hedge Accounting Improvements," amends the existing requirement that cash flow hedges of groups of individual forecasted transactions that use a single derivative as the hedging instrument share the same risk exposure. Instead, the new guidance requires such groups to have a similar risk exposure. Additionally, ASU No. 2025-09 clarifies that the quantitative threshold for determining similar risk exposure aligns with the highly effective threshold used in assessing hedge effectiveness. ASU No. 2025-09 is effective for interim and annual reporting periods beginning after December 15, 2026 with early adoption permitted. The amendments should be applied prospectively to all hedging relationships beginning on or after the date of adoption. ASU No. 2025-09 is currently not expected to have a significant impact on Valley's consolidated financial statements.

ASU No. 2025-08, "Financial Instruments - Credit Losses (Topic 326): Purchased Loans," amends the guidance in ASC 326 on the accounting for certain purchased loans. Under the ASU No. 2025-8, entities must account for acquired loans that meet certain criteria of "purchased seasoned loans" at acquisition by recognizing them at their purchase price plus an allowance for expected credit losses (gross-up approach). The intent of amendments is to align the accounting for purchased seasoned loans with the current accounting guidance under ASC 326 for PCD assets. ASU No. 2025-08 is effective for interim and annual reporting periods beginning after December 15, 2026 with early adoption permitted. The amendments must be applied

prospectively. ASU No. 2025-08 is currently not expected to have a significant impact on Valley's consolidated financial statements.

ASU No. 2025-06, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): "Targeted Improvements to the Accounting for Internal-Use Software" clarifies and modernizes the accounting for costs related to internal-use software. The new guidance clarifies the threshold entities apply to begin capitalizing costs and removes all references to project stages in ASC Subtopic 350-40. ASU No. 2025-06 is effective for all entities for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years. The new guidance may be applied using a prospective, retrospective or modified transition approach with early adoption permitted. Valley is currently evaluating the impact of ASU No. 2025-06 on its consolidated financial statements.

ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. ASU No. 2024-03 does not change the expense captions an entity presents on the face of the income statement. ASU No. 2024-03 can be applied prospectively, and it is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption and retrospective application are permitted. Valley is currently evaluating the impact of ASU No. 2024-03 on its consolidated financial statements disclosures.

FAIR VALUE MEASUREMENT OF ASSETS AND LIABILITIES (Note 2)

ASC Topic 820, “Fair Value Measurement” establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- **Level 1** - Unadjusted exchange quoted prices in active markets for identical assets or liabilities, or identical liabilities traded as assets that the reporting entity has the ability to access at the measurement date.
- **Level 2** - Quoted prices in markets that are not active, or inputs that are observable either directly or indirectly (i.e., quoted prices on similar assets) for substantially the full term of the asset or liability.
- **Level 3** - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

Assets and Liabilities Measured at Fair Value on a Recurring Basis and Non-Recurring Basis

The following tables present the assets and liabilities that are measured at fair value on a recurring and non-recurring basis by level within the fair value hierarchy as reported on the consolidated statements of financial condition at December 31, 2025 and 2024. The assets presented under “non-recurring fair value measurements” in the table below are not measured at fair value on an ongoing basis but are subject to fair value adjustments under certain circumstances (e.g., when an impairment loss is recognized).

	2025	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(in thousands)		
Recurring fair value measurements:				
Assets				
Investment securities:				
Equity securities	$ 23,293	$ 23,293	$ —	$ —
Equity securities at net asset value (NAV)	10,110	—	—	—
Available for sale debt securities:				
U.S. Treasury securities	228,487	228,487	—	—
U.S. government agency securities	39,944	—	39,944	—
Obligations of states and political subdivisions	193,380	—	193,380	—
Residential mortgage-backed securities	3,514,078	—	3,514,078	—
Corporate and other debt securities	226,329	—	226,329	—
Total available for sale debt securities	4,202,218	228,487	3,973,731	—
Loans held for sale [1]	8,212	—	8,212	—
Other assets [2]	182,673	—	182,673	—
Total assets	$ 4,426,506	$ 251,780	$ 4,164,616	$ —
Liabilities				
Other liabilities [2]	$ 184,162	$ —	$ 184,162	$ —
Total liabilities	$ 184,162	$ —	$ 184,162	$ —
Non-recurring fair value measurements:				
Collateral dependent loans [3]	$ 105,107	$ —	$ —	$ 105,107
Foreclosed assets	5,680	—	—	5,680
Total	$ 110,787	$ —	$ —	$ 110,787

	2024	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(in thousands)		
Recurring fair value measurements:				
Assets				
Investment securities:				
Equity securities	$ 23,642	$ 23,642	$ —	$ —
Equity securities at net asset value (NAV)	11,000	—	—	—
Available for sale debt securities:				
U.S. Treasury securities	291,549	291,549	—	—
U.S. government agency securities	22,543	—	22,543	—
Obligations of states and political subdivisions	192,509	—	192,509	—
Residential mortgage-backed securities	2,681,076	—	2,681,076	—
Corporate and other debt securities	182,047	—	182,047	—
Total available for sale debt securities	3,369,724	291,549	3,078,175	—
Loans held for sale [1]	16,931	—	16,931	—
Other assets [2]	444,263	—	444,263	—
Total assets	$ 3,865,560	$ 315,191	$ 3,539,369	$ —
Liabilities				
Other liabilities [2]	$ 454,200	$ —	$ 454,200	$ —
Total liabilities	$ 454,200	$ —	$ 454,200	$ —
Non-recurring fair value measurements:				
Non-performing loans held for sale	$ 8,750	$ —	$ 8,750	$ —
Collateral dependent loans [3]	139,424	—	—	139,424
Foreclosed assets	13,852	—	—	13,852
Total	$ 162,026	$ —	$ 8,750	$ 153,276

(1) Represents residential mortgage loans originated for sale that are carried at fair value and had contractual unpaid principal balances totaling $8.1 million and $16.8 million at December 31, 2025 and 2024, respectively.
(2) Derivative financial instruments are included in this category.
(3) Net of specific reserve allocations reported within the allowance for loan losses totaling $82.0 million and $75.8 million at December 31, 2025 and 2024, respectively.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following valuation techniques were used for financial instruments measured at fair value on a recurring basis. All of the valuation techniques described below apply to the unpaid principal balance, excluding any accrued interest or dividends at the measurement date. Interest income and expense are recorded within the consolidated statements of income depending on the nature of the instrument using the effective interest method based on acquired discount or premium.

Equity securities. The equity securities consisted of two publicly traded mutual funds and CRA investments. These investments are reported at fair value utilizing Level 1 inputs.

Equity securities at NAV. Valley also has privately held CRA funds and investments in entities that develop new financial technologies, including limited liability companies and partnerships. These investments are at fair value measured at NAV using the most recently available financial information from the investee. Certain equity investments without readily determinable fair values are measured at NAV per share (or its equivalent) as a practical expedient, which are excluded from fair value hierarchy levels in the tables above.

Available for sale debt securities. U.S. Treasury securities are reported at fair value utilizing Level 1 inputs. The majority of other investment securities are reported at fair value utilizing Level 2 inputs. The prices for these instruments are obtained through an independent pricing service or dealer market participants with whom Valley has historically transacted both purchases and sales of investment securities. Prices obtained from these sources include prices derived from market quotations and matrix pricing. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions, among other things. Management reviews the data and assumptions used in pricing the securities by its third-party provider to ensure the highest level of significant inputs are derived from market observable data. In addition, Valley reviews the volume and level of activity for all AFS debt securities and attempts to identify transactions which may not be orderly or reflective of a significant level of activity and volume.

Loans held for sale. Residential mortgage loans originated for sale are reported at fair value using Level 2 inputs. The fair values were calculated utilizing quoted prices for similar assets in active markets. The market prices represent a delivery price, which reflects the underlying price each institution would pay Valley for an immediate sale of an aggregate pool of mortgages. Non-performance risk did not materially impact the fair value of mortgage loans held for sale at December 31, 2025 and 2024 based on the short duration these assets were held and their credit quality.

Derivatives. Derivatives are reported at fair value utilizing Level 2 inputs. The fair values of Valley's derivatives are determined using third-party prices that are based on discounted cash flow analysis using observed market inputs, such as the SOFR curve at December 31, 2025 and 2024. The fair value of mortgage banking derivatives, consisting of interest rate lock commitments to fund residential mortgage loans and forward commitments for the future delivery of such loans (including certain loans held for sale at December 31, 2025 and 2024), is determined based on the current market prices for similar instruments. The fair value of a credit default swap related to a portion of Valley's automobile loan portfolio is based on estimated discounted cash flows that incorporate market data for auto credit loss forecasts and anticipated cash outflows for the instrument's premium payments. The fair value of most of the derivatives incorporate credit valuation adjustments, which consider the impact of any credit enhancements to the contracts, to account for potential nonperformance risk of Valley and its counterparties. The credit valuation adjustments were not significant to the overall valuation of Valley's derivatives at December 31, 2025 and 2024. See Note 14 for additional details on Valley's derivatives.

Assets and Liabilities Measured at Fair Value on a Non-recurring Basis

The following valuation techniques were used for certain non-financial assets measured at fair value on a non-recurring basis, including collateral dependent loans reported at the fair value of the underlying collateral and foreclosed assets, which are reported at fair value upon initial recognition or subsequent impairment as described below.

Non-performing commercial real estate loan held for sale. During the year ended December 31, 2023, Valley transferred a non-performing construction loan totaling $10.0 million, net a $4.2 million of charge-offs to the allowance for loan losses, to loans held for sale. The fair value of the loan was determined using Level 2 inputs, including bids from a third-party broker engaged to solicit interest from potential purchasers. The broker coordinated loan level due diligence with interested parties and established a formal bidding process in which each participant was required to provide an indicative non-binding bid. Fair value was determined based on a non-binding sale agreement selected by Valley during the bidding process. During the year ended December 31, 2024, an additional $1.2 million write-down was recorded to earnings to reflect the loan's current estimated fair value of $8.8 million at December 31, 2024. The loan did not require remeasurement at fair value during the year ended December 31, 2025, as its estimated fair value, based on a current appraisal, exceeded its adjusted carrying balance of $8.8 million at December 31, 2025. Loans not originated for held for sale are measured at the lower of cost or market.

Collateral dependent loans. Collateral dependent loans are loans where foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and substantially all the repayment is expected from the sale of collateral. Collateral dependent loans are reported at the fair value of the underlying collateral when the fair value is lower than the recorded investment in the loan. Collateral values are estimated using Level 3 inputs, consisting of individual third-party appraisals that may be adjusted based on certain discounting criteria. Certain real estate appraisals may be discounted based on specific market data by location and property type. At December 31, 2025, collateral dependent loans were individually re-measured and reported at fair value (net carrying amount) through direct loan charge-offs to the allowance for loan losses based on the fair value of the underlying collateral. Collateral dependent loans with a total amortized cost of $187.1 million and $215.2 million at December 31, 2025 and 2024, respectively, (including taxi medallion loans totaling $47.1 million and $49.5 million at December 31, 2025 and 2024, respectively) were reduced by specific allowance for loan losses allocations totaling $82.0 million and $75.8 million to a reported total net carrying amount of $105.1 million and $139.4 million at December 31, 2025 and 2024, respectively.

Foreclosed assets. Certain foreclosed assets (consisting of other real estate owned and other repossessed assets included in other assets), upon initial recognition and transfer from loans, are re-measured and reported at fair value using Level 3 inputs, consisting of a third-party appraisal less estimated cost to sell. When an asset is acquired, the excess of the loan balance over fair value, less estimated selling costs, is charged to the allowance for loan losses. If further declines in the estimated fair value of an asset occur, the asset is re-measured and reported at fair value through a write-down recorded in non-interest expense. The re-measurement of foreclosed assets at fair value subsequent to their initial recognition resulted in $3.4 million of losses for the year ended December 31, 2025, included in non-interest expense. There were no write-downs of foreclosed assets during the years ended December 31, 2024 and 2023. There were no adjustments to the appraisals of foreclosed assets at December 31, 2025 and 2024.

Other Fair Value Disclosures

ASC Topic 825, "Financial Instruments," requires disclosure of the fair value of financial assets and financial liabilities, including those financial assets and financial liabilities that are not measured and reported at fair value on a recurring basis or non-recurring basis.

The fair value estimates presented in the following table were based on pertinent market data and relevant information on the financial instruments available as of the valuation date. These estimates do not reflect any premium or discount that could result from offering for sale at one time the entire portfolio of financial instruments. Because no market exists for a portion of the financial instruments, fair value estimates may be based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates are based on existing balance sheet financial instruments without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. For instance, Valley has certain fee-generating business lines (e.g., its mortgage servicing operations or Wealth Management reporting unit) that were not considered in these estimates since these activities are not financial instruments. In addition, the tax implications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in any of the estimates.

The carrying amounts and estimated fair values of financial instruments not measured and not reported at fair value on the consolidated statements of financial condition at December 31, 2025 and 2024 were as follows:

	Fair Value Hierarchy	2025		2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		(in thousands)			
Financial assets					
Cash and due from banks	Level 1	$ 315,166	$ 315,166	$ 411,412	$ 411,412
Interest bearing deposits with banks	Level 1	1,268,399	1,268,399	1,478,713	1,478,713
Equity securities [1]	Level 3	49,371	49,371	36,871	36,871
Held to maturity debt securities:					
U.S. Treasury securities	Level 1	—	—	25,480	25,461
U.S. government agency securities	Level 2	292,269	253,062	301,315	252,302
Obligations of states and political subdivisions	Level 2	353,875	333,834	372,489	346,361
Residential mortgage-backed securities	Level 2	2,732,752	2,431,987	2,710,642	2,292,148
Trust preferred securities	Level 2	36,103	30,689	36,081	29,145
Corporate and other debt securities	Level 2	81,572	80,031	86,213	82,867
Total held to maturity debt securities [2]		3,496,571	3,129,603	3,532,220	3,028,284
Net loans [3]	Level 3	49,571,352	47,868,967	48,240,861	46,634,654
Accrued interest receivable	Level 1	243,897	243,897	239,941	239,941
FRB and FHLB stock [4]	Level 2	339,484	339,484	328,497	328,497
Financial liabilities					
Deposits without stated maturities	Level 1	40,758,970	40,758,970	37,733,313	37,733,313
Deposits with stated maturities	Level 2	11,424,123	11,465,247	12,342,544	12,363,365
Short-term borrowings	Level 2	91,475	88,468	72,718	68,032
Long-term borrowings	Level 2	2,908,579	2,916,674	3,174,155	3,109,622
Junior subordinated debentures issued to capital trusts	Level 2	57,803	53,050	57,455	54,957
Accrued interest payable [5]	Level 1	89,683	89,683	150,564	150,564

[1] Represents equity securities without a readily determinable fair value, which are measured based on the price at which the investment was acquired plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments. Total changes in the valuation of equity securities for the year ended December 31, 2025 and 2024, respectively, were immaterial.

[2] The carrying amount is presented gross without the allowance for credit losses.

[3] Includes non-performing loans held for sale carried at lower of cost (or market) of $18.0 million at December 31, 2025.

[4] Included in other assets.

[5] Included in accrued expenses and other liabilities.

INVESTMENT SECURITIES (Note 3)

Equity Securities

Equity securities totaled $82.8 million and $71.5 million at December 31, 2025 and 2024, respectively. See Note 2 for further details on equity securities.

Available for Sale Debt Securities

The amortized cost, gross unrealized gains and losses and fair value of AFS debt securities at December 31, 2025 and 2024 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
December 31, 2025				
U.S. Treasury securities	$ 250,494	$ 226	$ (22,233)	$ 228,487
U.S. government agency securities	41,026	35	(1,117)	39,944
Obligations of states and political subdivisions:				
Obligations of states and state agencies	44,079	—	(646)	43,433
Municipal bonds	181,883	1	(31,937)	149,947
Total obligations of states and political subdivisions	225,962	1	(32,583)	193,380
Residential mortgage-backed securities	3,541,284	36,238	(63,444)	3,514,078
Corporate and other debt securities	231,876	1,781	(7,328)	226,329
Total	$ 4,290,642	$ 38,281	$ (126,705)	$ 4,202,218
December 31, 2024				
U.S. Treasury securities	$ 319,551	$ —	$ (28,002)	$ 291,549
U.S. government agency securities	24,636	20	(2,113)	22,543
Obligations of states and political subdivisions:				
Obligations of states and state agencies	46,211	—	(682)	45,529
Municipal bonds	179,284	—	(32,304)	146,980
Total obligations of states and political subdivisions	225,495	—	(32,986)	192,509
Residential mortgage-backed securities	2,784,895	3,796	(107,615)	2,681,076
Corporate and other debt securities	197,696	247	(15,896)	182,047
Total	$ 3,552,273	$ 4,063	$ (186,612)	$ 3,369,724

Accrued interest on investments, which is excluded from the amortized cost of AFS debt securities, totaled $18.2 million and $13.1 million at December 31, 2025 and 2024, respectively, and is presented within total accrued interest receivable on the consolidated statements of financial condition.

The age of unrealized losses and fair value of related AFS debt securities at December 31, 2025 and 2024 were as follows:

	Less than Twelve Months		More than Twelve Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
			(in thousands)			
December 31, 2025						
U.S. Treasury securities	$ —	$ —	$ 128,232	$ (22,233)	$ 128,232	$ (22,233)
U.S. government agency securities	—	—	20,754	(1,117)	20,754	(1,117)
Obligations of states and political subdivisions:						
Obligations of states and state agencies	—	—	5,453	(646)	5,453	(646)
Municipal bonds	—	—	141,083	(31,937)	141,083	(31,937)
Total obligations of states and political subdivisions	—	—	146,536	(32,583)	146,536	(32,583)
Residential mortgage-backed securities	118,263	(234)	650,985	(63,210)	769,248	(63,444)
Corporate and other debt securities	12,741	(9)	132,307	(7,319)	145,048	(7,328)
Total	$ 131,004	$ (243)	$ 1,078,814	$ (126,462)	$ 1,209,818	$ (126,705)
December 31, 2024						
U.S. Treasury securities	$ —	$ —	$ 291,549	$ (28,002)	$ 291,549	$ (28,002)
U.S. government agency securities	—	—	21,281	(2,113)	21,281	(2,113)
Obligations of states and political subdivisions:						
Obligations of states and state agencies	—	—	6,208	(682)	6,208	(682)
Municipal bonds	—	—	139,216	(32,304)	139,216	(32,304)
Total obligations of states and political subdivisions	—	—	145,424	(32,986)	145,424	(32,986)
Residential mortgage-backed securities	1,483,442	(22,242)	501,858	(85,373)	1,985,300	(107,615)
Corporate and other debt securities	—	—	166,800	(15,896)	166,800	(15,896)
Total	$ 1,483,442	$ (22,242)	$ 1,126,912	$ (164,370)	$ 2,610,354	$ (186,612)

Within the AFS debt securities portfolio, the total number of security positions in an unrealized loss position was 602 and 726 at December 31, 2025 and 2024, respectively.

As of December 31, 2025, the fair value of securities AFS that were pledged to secure public deposits, repurchase agreements, lines of credit, and for other purposes required by law, was $1.3 billion.

Contractual Maturities

The contractual maturities of AFS debt securities at December 31, 2025 are set forth in the following table. Contractual maturities may differ from actual maturities as borrowers may have the right to call or repay obligations with or without call or prepayment penalties. Residential mortgage-backed securities are not included in the maturity categories in the following maturity summary as actual maturities may differ from contractual maturities because the underlying mortgages may be called or prepaid without penalties.

	December 31, 2025	
	Amortized Cost	Fair Value
	(in thousands)	
Due in one year	$ 987	$ 981
Due after one year through five years	224,894	222,934
Due after five years through ten years	235,455	228,609
Due after ten years	288,022	235,616
Residential mortgage-backed securities	3,541,284	3,514,078
Total	$ 4,290,642	$ 4,202,218

The weighted average remaining expected life for AFS residential mortgage-backed securities was 6.60 years at December 31, 2025.

Impairment Analysis of Available for Sale Debt Securities

Valley's AFS debt securities portfolio includes corporate bonds and revenue bonds, among other securities. These securities may pose a higher risk of future impairment due to economic uncertainty and potential adverse effects on issuers' performance.

AFS debt securities in unrealized loss positions are evaluated for impairment related to credit losses on a quarterly basis. See Note 1 for further information regarding Valley's accounting policy. Valley also evaluated AFS debt securities that were in an unrealized loss position as of December 31, 2025 included in the tables above and has determined that the declines in fair value are mainly attributable to interest rates, credit spreads, market volatility and liquidity conditions, not credit quality or other factors. During 2023, Valley recognized a credit-related impairment of one corporate bond issued by a failed bank resulting in both a provision for credit losses and full charge-off security totaling $5.0 million. The credit-related impairment was based on a comparison of the present value of expected cash flows to the amortized cost. The bond was subsequently sold and the sale resulted in a $869 thousand gain during the fourth quarter 2023. There was no impairment recognized during the years ended December 31, 2025 and 2024.

Valley does not intend to sell any of its AFS debt securities in an unrealized loss position prior to recovery of their amortized cost basis, and it is more likely than not that Valley will not be required to sell any of these securities prior to recovery of their amortized cost basis. None of the AFS debt securities were past due as of December 31, 2025. As a result, there was no allowance for credit losses for AFS debt securities at December 31, 2025 and 2024.

Held to Maturity Debt Securities

The amortized cost, gross unrealized gains and losses and fair value of HTM debt securities at December 31, 2025 and 2024 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Allowance for Credit Losses	Net Carrying Value
			(in thousands)			
December 31, 2025						
U.S. government agency securities	$ 292,269	$ 19	$ (39,226)	$ 253,062	$ —	$ 292,269
Obligations of states and political subdivisions:						
Obligations of states and state agencies	60,801	504	(3,293)	58,012	2	60,799
Municipal bonds	293,074	43	(17,295)	275,822	134	292,940
Total obligations of states and political subdivisions	353,875	547	(20,588)	333,834	136	353,739
Residential mortgage-backed securities	2,732,752	11,050	(311,815)	2,431,987	—	2,732,752
Trust preferred securities	36,103	—	(5,414)	30,689	425	35,678
Corporate and other debt securities	81,572	—	(1,541)	80,031	173	81,399
Total	$ 3,496,571	$ 11,616	$ (378,584)	$ 3,129,603	$ 734	$ 3,495,837
December 31, 2024						
U.S. Treasury securities	$ 25,480	$ —	$ (19)	$ 25,461	$ —	$ 25,480
U.S. government agency securities	301,315	—	(49,013)	252,302	—	301,315
Obligations of states and political subdivisions:						
Obligations of states and state agencies	68,025	—	(5,335)	62,690	2	68,023
Municipal bonds	304,464	9	(20,802)	283,671	48	304,416
Total obligations of states and political subdivisions	372,489	9	(26,137)	346,361	50	372,439
Residential mortgage-backed securities	2,710,642	2,088	(420,582)	2,292,148	—	2,710,642
Trust preferred securities	36,081	—	(6,936)	29,145	414	35,667
Corporate and other debt securities	86,213	10	(3,356)	82,867	183	86,030
Total	$ 3,532,220	$ 2,107	$ (506,043)	$ 3,028,284	$ 647	$ 3,531,573

Accrued interest on investments, which is excluded from the amortized cost of HTM debt securities, totaled $12.3 million and $13.0 million at December 31, 2025 and 2024, respectively, and is presented within total accrued interest receivable on the consolidated statements of financial condition. HTM debt securities are carried net of an allowance for credit losses (as shown in the table above).

The age of unrealized losses and fair value of related HTM debt securities at December 31, 2025 and 2024 were as follows:

	Less than Twelve Months		More than Twelve Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
			(in thousands)			
December 31, 2025						
U.S. government agency securities	$ —	$ —	$ 235,027	$ (39,226)	$ 235,027	$ (39,226)
Obligations of states and political subdivisions:						
Obligations of states and state agencies	8,974	(161)	32,537	(3,132)	41,511	(3,293)
Municipal bonds	18,237	(1,777)	176,687	(15,518)	194,924	(17,295)
Total obligations of states and political subdivisions	27,211	(1,938)	209,224	(18,650)	236,435	(20,588)
Residential mortgage-backed securities	23,866	(152)	1,837,989	(311,663)	1,861,855	(311,815)
Trust preferred securities	—	—	30,689	(5,414)	30,689	(5,414)
Corporate and other debt securities	10,471	(29)	64,560	(1,512)	75,031	(1,541)
Total	$ 61,548	$ (2,119)	$ 2,377,489	$ (376,465)	$ 2,439,037	$ (378,584)
December 31, 2024						
U.S. Treasury securities	$ 25,461	$ (19)	$ —	$ —	$ 25,461	$ (19)
U.S. government agency securities	22,621	(75)	229,143	(48,938)	251,764	(49,013)
Obligations of states and political subdivisions:						
Obligations of states and state agencies	20,632	(517)	42,058	(4,818)	62,690	(5,335)
Municipal bonds	36,766	(440)	210,723	(20,362)	247,489	(20,802)
Total obligations of states and political subdivisions	57,398	(957)	252,781	(25,180)	310,179	(26,137)
Residential mortgage-backed securities	216,651	(2,687)	1,917,644	(417,895)	2,134,295	(420,582)
Trust preferred securities	—	—	29,145	(6,936)	29,145	(6,936)
Corporate and other debt securities	5,977	(23)	63,879	(3,333)	69,856	(3,356)
Total	$ 328,108	$ (3,761)	$ 2,492,592	$ (502,282)	$ 2,820,700	$ (506,043)

Within the HTM securities portfolio, the total number of security positions in an unrealized loss position was 667 and 798 at December 31, 2025 and 2024, respectively.

As of December 31, 2025, the fair value of HTM debt securities that were pledged to secure public deposits, repurchase agreements, lines of credit, and for other purposes required by law was $1.4 billion.

Contractual Maturities

The contractual maturities of investments in HTM debt securities at December 31, 2025 are set forth in the table below. Contractual maturities may differ from actual maturities as borrowers may have the right to call or repay obligations with or without call or prepayment penalties. Residential mortgage-backed securities are not included in the maturity categories in the following maturity summary as actual maturities may differ from contractual maturities because the underlying mortgages may be called or prepaid without penalties.

	December 31, 2025	
	Amortized Cost	Fair Value
	(in thousands)	
Due in one year	$ 49,575	$ 49,361
Due after one year through five years	33,202	33,124
Due after five years through ten years	156,014	150,240
Due after ten years	525,028	464,891
Residential mortgage-backed securities	2,732,752	2,431,987
Total	$ 3,496,571	$ 3,129,603

The weighted-average remaining expected life for HTM residential mortgage-backed securities was 9.06 years at December 31, 2025.

Credit Quality Indicators

Valley monitors the credit quality of the HTM debt securities utilizing the most current credit ratings from external rating agencies. The following table summarizes the amortized cost of HTM debt securities by external credit rating at December 31, 2025 and 2024.

	AAA/AA/A Rated	BBB rated	Non-rated	Total
		(in thousands)		
December 31, 2025				
U.S. government agency securities	$ 292,269	$ —	$ —	$ 292,269
Obligations of states and political subdivisions:				
Obligations of states and state agencies	47,458	—	13,343	60,801
Municipal bonds	239,905	—	53,169	293,074
Total obligations of states and political subdivisions	287,363	—	66,512	353,875
Residential mortgage-backed securities	2,732,752	—	—	2,732,752
Trust preferred securities	—	—	36,103	36,103
Corporate and other debt securities	—	3,000	78,572	81,572
Total	$ 3,312,384	$ 3,000	$ 181,187	$ 3,496,571
December 31, 2024				
U.S. Treasury securities	$ 25,480	$ —	$ —	$ 25,480
U.S. government agency securities	301,315	—	—	301,315
Obligations of states and political subdivisions:				
Obligations of states and state agencies	52,770	—	15,255	68,025
Municipal bonds	277,921	—	26,543	304,464
Total obligations of states and political subdivisions	330,691	—	41,798	372,489
Residential mortgage-backed securities	2,710,642	—	—	2,710,642
Trust preferred securities		—	36,081	36,081
Corporate and other debt securities	—	6,000	80,213	86,213
Total	$ 3,368,128	$ 6,000	$ 158,092	$ 3,532,220

Obligations of states and political subdivisions include municipal bonds and revenue bonds issued by various municipal corporations. At December 31, 2025, most of the obligations of states and political subdivisions were rated investment grade and a large portion of the “non-rated” category included municipal bonds secured by Ginnie Mae securities. Trust preferred securities consist of non-rated single-issuer securities issued by bank holding companies. Corporate bonds consist of debt primarily issued by banks.

Allowance for Credit Losses for Held to Maturity Debt Securities

Valley has a zero loss expectation for certain securities within the HTM portfolio, and therefore it is not required to estimate an allowance for credit losses related to these securities under the CECL standard. After an evaluation of qualitative factors, Valley identified the following security types which it believes qualify for this exclusion: U.S. Treasury securities, U.S. government agency securities, residential mortgage-backed securities issued by Ginnie Mae, Fannie Mae and Freddie Mac, and collateralized municipal bonds. To measure the expected credit losses on HTM debt securities that have loss expectations, Valley estimates the expected credit losses using a discounted cash flow model developed by a third-party. See Note 1 for further details.

HTM debt securities are carried net of an allowance for credit losses. The following table details the activity in the allowance for credit losses for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Beginning balance	$ 647	$ 1,205	$ 1,646
Provision (credit) for credit losses	87	(558)	(441)
Ending balance	$ 734	$ 647	$ 1,205

There were no net charge-offs of HTM debt securities in the respective periods presented in the table above.

Realized Gains and Losses

Gross gains and losses realized on sales, maturities and other securities transactions related to AFS securities and net gains and losses on trading debt securities included in earnings for the years ended December 31, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
		(in thousands)	
Sales transactions:			
Gross gains	$ —	$ —	$ 869
Total	—	—	869
Maturities and other securities transactions:			
Gross gains	29	3	21
Gross losses	(12)	(18)	(488)
Total	17	(15)	(467)
Net gains on trading debt securities	57	115	702
Gains on securities transactions, net	$ 74	$ 100	$ 1,104

The gross gains on sales transactions for the year ended December 31, 2023 resulted from the sale of a previously impaired and fully charged-off corporate bond issued by a bank that failed in 2023.

LOANS AND ALLOWANCE FOR CREDIT LOSSES FOR LOANS (Note 4)

The details of the loan portfolio as of December 31, 2025 and 2024 were as follows:

	2025	2024
	(in thousands)	
Loans:		
Commercial and industrial	$ 10,961,519	$ 9,931,400
Commercial real estate:		
Commercial real estate	26,772,749	26,530,225
Construction	2,471,233	3,114,733
Total commercial real estate loans	29,243,982	29,644,958
Residential mortgage	5,826,192	5,632,516
Consumer:		
Home equity	687,680	604,433
Automobile	2,184,600	1,901,065
Other consumer	1,232,755	1,085,339
Total consumer loans	4,105,035	3,590,837
Total loans	$ 50,136,728	$ 48,799,711

Total loans include net unearned discounts and deferred loan fees of $17.4 million and $45.3 million at December 31, 2025 and 2024, respectively.

Accrued interest on loans, which is excluded from the amortized cost of loans held for investment, totaled $209.5 million and $208.9 million at December 31, 2025 and 2024, respectively, and is presented within total accrued interest receivable on the consolidated statements of financial condition.

Loans Portfolio Sales and Transfers to Loans Held for Sale

Valley sells residential mortgage loans originated for sale (at fair value) primarily to Fannie Mae and Freddie Mac in the normal course of business. Under certain circumstances, Valley may decide to sell loans that were not originated with the intent to sell. During 2024, Valley sold $75.5 million of performing residential mortgage loans not originated for sale resulting in a modest net gain.

During 2025, Valley transferred non-performing construction and commercial real estate loan relationships totaling $14.1 million and $10.2 million, respectively, from the held for investment loan portfolio to loans held for sale. The construction loans sales resulted in a $1.3 million loss for the year ended December 31, 2025.

In February 2024, Valley completed the sale of its commercial premium finance lending business for $96.8 million. This asset sale included $95.5 million of assets, mainly consisting of $93.6 million of loans, and $2.8 million of related liabilities. The transaction generated a $3.6 million net gain for the year ended December 31, 2024.

During 2024, Valley transferred from the held for investment portfolio $151.0 million and $79.7 million of performing commercial real estate and construction loans, respectively, and sold them at par value through loan participation agreements with a related party, Bank Leumi Le-Israel B.M. Valley also transferred another pool of performing commercial real estate loans totaling $933.0 million, net of unearned fees, to loans held for sale in 2024. These performing loans were sold to an unrelated party during the fourth quarter 2024 and resulted in a $13.7 million net loss (due to transaction costs and a net market discount) for the year ended December 31, 2024.

Related Party Loans

In the ordinary course of business, Valley has granted loans to certain directors, executive officers, and their affiliates (collectively referred to as “related parties”). These loans were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other unaffiliated people and do not involve more than normal risk of collectibility. All loans to related parties are performing as of December 31, 2025.

The following table summarizes the changes in the total outstanding balances of loans and advances to the related parties during the year ended December 31, 2025:

	2025
	(in thousands)
December 31, 2024	$ 224,694
New loans and advances	11,983
Repayments	(2,523)
Effect of changes in status of related parties *	(130,935)
December 31, 2025	$ 103,219

* Changes in status represent individuals who were either added as related parties or ceased to be related parties during the year.

Loan Portfolio Risk Elements and Credit Risk Management

Credit risk management. Valley adheres to a credit policy designed to minimize credit risk while generating the maximum income given the level of risk appetite. Management reviews and approves these policies and procedures on a regular basis with subsequent approval by the Board annually. Credit authority relating to a significant dollar percentage of the overall portfolio is centralized and controlled by the Credit Risk Management Division and by the Credit Committee. Loan portfolio diversification is an important factor utilized by Valley to manage its risk across business sectors and through cyclical economic circumstances. Additionally, Valley does not accept crypto assets as loan collateral for any of its loan portfolio classes discussed further below.

Commercial and industrial loans. While a focused area for growth in the percentage mix of our total loan portfolio, a significant portion of Valley's commercial and industrial loan portfolio consists of loans to long standing customers of proven ability and strong repayment performance. Underwriting standards for both existing and new customers are based on cash flow from the operations of the business. While such recurring cash flow serves as the primary source of repayment, a significant number of the loans are secured by collateral such as business equipment, inventory, and real estate. Short-term loans may be made on an unsecured basis based on a borrower's financial strength and past performance. Whenever possible, Valley will obtain the personal guarantee of the borrower's principals to potentially help mitigate the risk.

Commercial real estate loans. Commercial real estate loans are subject to underwriting standards and processes similar to commercial and industrial loans but generally they involve larger principal balances and longer repayment periods as compared to commercial and industrial loans. Commercial real estate loans are viewed primarily as cash flow loans and secondarily as loans secured by real property. Repayment of most loans is dependent upon the cash flow generated from the property securing the loan or the business that occupies the property. Commercial real estate loans may be more adversely affected by conditions in the real estate markets or in the general economy and accordingly, conservative loan to value ratios are required at origination, as well as stress tested to evaluate the impact of market changes relating to key underwriting elements. The properties securing the commercial real estate portfolio represent diverse types, with most properties located within Valley's primary markets.

Construction loans. Valley originates and manages construction loans to developers and builders structured on either a revolving or non-revolving basis, depending on the nature of the underlying development project. These loans are generally secured by the real estate to be developed and may also be secured by additional real estate to mitigate the risk. Non-revolving construction loans often involve the disbursement of substantially all committed funds with repayment substantially dependent on the successful completion and sale, or lease, of the project. Sources of repayment for these types of loans may be from pre-committed permanent loans from other lenders, sales of developed property, or an interim loan commitment from Valley until permanent financing is obtained elsewhere. Revolving construction loans (generally relating to single-family residential construction) are controlled with loan advances dependent upon the presale of housing units financed. These loans are closely monitored by on-site inspections and are considered to have higher risks than other real estate loans due to their ultimate repayment being sensitive to interest rate changes, governmental regulation of real property, general economic conditions, and the availability of long-term financing.

Residential mortgages. Valley originates residential, first mortgage loans based on underwriting standards that generally comply with Fannie Mae and/or Freddie Mac requirements. In deciding whether to originate each residential mortgage, Valley considers the qualifications of the borrower as well as the value of the underlying property. Appraisals and valuations of real estate collateral are contracted directly with independent appraisers or from valuation services and not through appraisal management companies. Credit scoring, using FICO® and other proprietary credit scoring models are employed in the ultimate,

judgmental credit decision by Valley's underwriting staff. Residential mortgage loans include fixed and variable interest rate loans secured by one to four family homes.

Consumer loans. The consumer loan portfolio consists of a home equity, automobile, and other consumer loans. Home equity lending consists of both fixed and variable interest rate products. Valley mainly provides home equity loans to its residential mortgage customers within the footprint of its primary lending territory. Valley generally will not exceed a combined (i.e., first and second mortgage) loan-to-value ratio of 80 percent when originating a home equity loan. Automobile originations (including light truck and sport utility vehicles) are largely produced via indirect channels, originated through approved automobile dealers. Automotive collateral is generally a depreciating asset and there are times in the life of an automobile loan where the amount owed on a vehicle may exceed its collateral value. Additionally, automobile charge-offs will vary based on the strength or weakness of the used vehicle market, original advance rate, when in the life cycle of a loan a default occurs, and the condition of the collateral being liquidated. Where permitted by law, and subject to the limitations of the bankruptcy code, deficiency judgments are sought and acted upon to ultimately collect all money owed, even when a default resulted in a loss at collateral liquidation. Valley uses a third party to actively track collision and comprehensive risk insurance required of the borrower on the automobile and this third party provides coverage to Valley in the event of an uninsured collateral loss. Valley's other consumer loan portfolio includes direct consumer term loans, both secured and unsecured. The other consumer loan portfolio includes exposures in personal lines of credit (mainly those secured by cash surrender value of life insurance), credit card loans and personal loans.

Credit Quality

The following table presents past due, current, and non-accrual loans without an allowance for loan losses by loan portfolio class at December 31, 2025 and 2024:

	Past Due and Non-Accrual Loans							
	30-59 Days Past Due Loans	60-89 Days Past Due Loans	90 Days or More Past Due Loans	Non-Accrual Loans	Total Past Due Loans	Current Loans	Total Loans	Non-Accrual Loans Without Allowance for Loan Losses
	(in thousands)							
December 31, 2025								
Commercial and industrial	$ 11,177	$ 1,274	$ —	$ 138,321	$ 150,772	$ 10,810,747	$ 10,961,519	$ 21,132
Commercial real estate:								
Commercial real estate	72,810	—	212	236,221	309,243	26,463,506	26,772,749	177,372
Construction	—	—	—	9,140	9,140	2,462,093	2,471,233	—
Total commercial real estate loans	72,810	—	212	245,361	318,383	28,925,599	29,243,982	177,372
Residential mortgage	21,615	10,181	3,300	44,424	79,520	5,746,672	5,826,192	28,320
Consumer loans:								
Home equity	1,813	620	—	5,530	7,963	679,717	687,680	2,008
Automobile	10,827	1,328	611	279	13,045	2,171,555	2,184,600	—
Other consumer	1,780	3,321	459	23	5,583	1,227,172	1,232,755	—
Total consumer loans	14,420	5,269	1,070	5,832	26,591	4,078,444	4,105,035	2,008
Total	$ 120,022	$ 16,724	$ 4,582	$ 433,938	$ 575,266	$ 49,561,462	$ 50,136,728	$ 228,832

	Past Due and Non-Accrual Loans							
	30-59 Days Past Due Loans	60-89 Days Past Due Loans	90 Days or More Past Due Loans	Non-Accrual Loans	Total Past Due Loans	Current Loans	Total Loans	Non-Accrual Loans Without Allowance for Loan Losses
	(in thousands)							
December 31, 2024								
Commercial and industrial	$ 2,389	$ 1,007	$ 1,307	$ 136,675	$ 141,378	$ 9,790,022	$ 9,931,400	$ 15,947
Commercial real estate:								
Commercial real estate	20,902	24,903	—	157,231	203,036	26,327,189	26,530,225	91,095
Construction	—	—	—	24,591	24,591	3,090,142	3,114,733	5,002
Total commercial real estate loans	20,902	24,903	—	181,822	227,627	29,417,331	29,644,958	96,097
Residential mortgage	21,295	5,773	3,533	36,786	67,387	5,565,129	5,632,516	23,543
Consumer loans:								
Home equity	1,651	181	—	3,961	5,793	598,640	604,433	1,341
Automobile	8,583	1,346	407	230	10,566	1,890,499	1,901,065	—
Other consumer	2,318	2,957	642	24	5,941	1,079,398	1,085,339	—
Total consumer loans	12,552	4,484	1,049	4,215	22,300	3,568,537	3,590,837	1,341
Total	$ 57,138	$ 36,167	$ 5,889	$ 359,498	$ 458,692	$ 48,341,019	$ 48,799,711	$ 136,928

If interest on non-accrual loans had been accrued in accordance with the original contractual terms, such interest income would have amounted to approximately $42.6 million, $32.5 million, and $28.8 million for the years ended December 31, 2025, 2024 and 2023, respectively; none of these amounts were included in interest income during these periods.

Credit quality indicators. Valley utilizes an internal loan classification system as a means of reporting problem loans within commercial and industrial, commercial real estate, and construction loan portfolio classes. Under Valley's internal risk rating system, loan relationships could be classified as "Pass," "Special Mention," "Substandard," "Doubtful," or "Loss." Substandard loans include loans that exhibit well-defined weakness and are characterized by the distinct possibility that Valley will sustain some loss if the deficiencies are not corrected. Loans classified as Doubtful have all the weaknesses inherent in those classified as Substandard with the added characteristic that the weaknesses present make collection or liquidation in full, based on currently existing facts, conditions and values, highly questionable and improbable. Loans classified as Loss are those considered uncollectible with insignificant value and are charged-off immediately to the allowance for loan losses and, therefore, not presented in the table below. Loans that do not currently pose a sufficient risk to warrant classification in one of the aforementioned categories but pose weaknesses that deserve management's close attention are deemed Special Mention. Pass rated loans do not currently pose any identified risk and can range from the highest to average quality, depending on the degree of potential risk. Risk ratings are updated any time the situation warrants.

The following table presents the internal loan classification risk by loan portfolio class by origination year based on the most recent analysis performed at December 31, 2025 and 2024, as well as the gross loan charge-offs by year of origination for the years ended December 31, 2025 and 2024:

	Term Loans Amortized Cost Basis by Origination Year								
December 31, 2025	**2025**	**2024**	**2023**	**2022**	**2021**	**Prior to 2021**	**Revolving Loans Amortized Cost Basis**	**Revolving Loans Converted to Term Loans**	**Total**
					(in thousands)				
Commercial and industrial									
Risk Rating:									
Pass	$ 1,501,570	$ 1,333,581	$ 676,608	$ 511,649	$ 343,565	$ 500,972	$ 5,438,418	$ 8,600	$ 10,314,963
Special Mention	1,475	13,426	4,767	18,941	10,050	13,064	151,511	6,964	220,198
Substandard	3,071	4,735	26,196	60,885	3,327	78,607	172,627	23,988	373,436
Doubtful	—	—	4,717	—	—	46,631	1,574	—	52,922
Total commercial and industrial	$ 1,506,116	$ 1,351,742	$ 712,288	$ 591,475	$ 356,942	$ 639,274	$ 5,764,130	$ 39,552	$ 10,961,519
Commercial real estate									
Risk Rating:									
Pass	$ 3,179,469	$ 1,802,585	$ 2,501,008	$ 4,926,062	$ 3,406,631	$ 7,387,804	$ 576,394	$ 20,952	$ 23,800,905
Special Mention	4,617	90,876	218,532	154,578	112,038	305,609	116,595	30,943	1,033,788
Substandard	—	98,560	175,780	312,117	365,371	818,034	125,261	—	1,895,123
Doubtful	—	—	3,060	—	29,133	10,740	—	—	42,933
Total commercial real estate	$ 3,184,086	$ 1,992,021	$ 2,898,380	$ 5,392,757	$ 3,913,173	$ 8,522,187	$ 818,250	$ 51,895	$ 26,772,749
Construction									
Risk Rating:									
Pass	$ 712,797	$ 494,598	$ 215,960	$ 266,072	$ 50,397	$ 50,442	$ 368,005	$ 17,474	$ 2,175,745
Special Mention	4,261	31,142	9,329	2,859	28,205	—	78,494	6,973	161,263
Substandard	—	390	—	39,077	1,638	8,535	51,620	32,965	134,225
Total construction	$ 717,058	$ 526,130	$ 225,289	$ 308,008	$ 80,240	$ 58,977	$ 498,119	$ 57,412	$ 2,471,233
Gross loan charge-offs	$ 1,979	$ 7,048	$ 4,031	$ 21,122	$ 15,471	$ 29,715	$ 23,458	$ 15,921	$ 118,745

December 31, 2024	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans	Total
	2024	2023	2022	2021	2020	Prior to 2020			
					(in thousands)				
Commercial and industrial									
Risk Rating:									
Pass	$ 1,769,585	$ 828,087	$ 703,962	$ 476,091	$ 246,992	$ 392,834	$ 4,804,095	$ 6,006	$ 9,227,652
Special Mention	30,755	3,553	59,434	11,646	270	72,514	147,254	10,762	336,188
Substandard	24,613	13,479	9,415	4,296	2,813	7,382	201,053	39,011	302,062
Doubtful	—	8,911	4	928	—	52,064	3,591	—	65,498
Total commercial and industrial	$ 1,824,953	$ 854,030	$ 772,815	$ 492,961	$ 250,075	$ 524,794	$ 5,155,993	$ 55,779	$ 9,931,400
Commercial real estate									
Risk Rating:									
Pass	$ 2,097,314	$ 2,941,270	$ 5,310,807	$ 3,883,333	$ 2,302,480	$ 6,086,608	$ 597,266	$ 78,621	$ 23,297,699
Special Mention	156,394	380,852	289,669	192,614	55,739	327,732	141,164	—	1,544,164
Substandard	84,410	107,944	387,638	288,906	236,927	520,858	11,167	—	1,637,850
Doubtful	—	3,060	—	35,756	9,813	1,883	—	—	50,512
Total commercial real estate	$ 2,338,118	$ 3,433,126	$ 5,988,114	$ 4,400,609	$ 2,604,959	$ 6,937,081	$ 749,597	$ 78,621	$ 26,530,225
Construction									
Risk Rating:									
Pass	$ 545,597	$ 680,260	$ 334,899	$ 92,765	$ 17,955	$ 45,161	$ 1,224,698	$ 58,644	$ 2,999,979
Special Mention	13,278	—	664	5,069	—	2,504	16,691	—	38,206
Substandard	9,835	—	8,950	4,942	—	—	43,474	—	67,201
Doubtful	—	—	2,074	—	7,273	—	—	—	9,347
Total construction	$ 568,710	$ 680,260	$ 346,587	$ 102,776	$ 25,228	$ 47,665	$ 1,284,863	$ 58,644	$ 3,114,733
Gross loan charge-offs	$ 706	$ 31,809	$ 7,523	$ 44,610	$ 66,632	$ 49,436	$ 3,930	$ 2,148	$ 206,794

For residential mortgage, home equity, automobile and other consumer loan portfolio classes, Valley evaluates credit quality based on the aging status of the loan and by payment activity. The following table presents the amortized cost in those loan classes based on payment activity by origination year as of December 31, 2025 and 2024, as well as the gross loan charge-offs by year of origination for the years ended December 31, 2025 and 2024:

	Term Loans Amortized Cost Basis by Origination Year								
December 31, 2025	**2025**	**2024**	**2023**	**2022**	**2021**	**Prior to 2021**	**Revolving Loans Amortized Cost Basis**	**Revolving Loans Converted to Term Loans**	**Total**
					(in thousands)				
Residential mortgage									
Performing	$ 604,433	$ 373,656	$ 384,909	$ 1,222,224	$ 1,339,378	$ 1,792,530	$ 83,562	$ —	$ 5,800,692
90 days or more past due	—	3,829	1,053	1,956	4,435	13,546	—	681	25,500
Total residential mortgage	$ 604,433	$ 377,485	$ 385,962	$ 1,224,180	$ 1,343,813	$ 1,806,076	$ 83,562	$ 681	$ 5,826,192
Consumer loans									
Home equity									
Performing	$ 23,659	$ 18,041	$ 23,970	$ 33,368	$ 9,142	$ 51,005	$ 518,208	$ 7,566	$ 684,959
90 days or more past due	—	98	498	1,004	—	558	—	563	2,721
Total home equity	23,659	18,139	24,468	34,372	9,142	51,563	518,208	8,129	687,680
Automobile									
Performing	$ 1,036,932	$ 594,866	$ 219,316	$ 209,781	$ 98,805	$ 24,078	$ —	$ —	$ 2,183,778
90 days or more past due	170	184	137	85	79	167	—	—	822
Total automobile	1,037,102	595,050	219,453	209,866	98,884	24,245	—	—	2,184,600
Other consumer									
Performing	$ 5,327	$ 10,098	$ 17,242	$ 12,441	$ 4,563	$ 62,516	$ 1,100,473	$ 19,962	$ 1,232,622
90 days or more past due	—	—	5	2	—	17	—	109	133
Total other consumer	5,327	10,098	17,247	12,443	4,563	62,533	1,100,473	20,071	1,232,755
Total consumer	$ 1,066,088	$ 623,287	$ 261,168	$ 256,681	$ 112,589	$ 138,341	$ 1,618,681	$ 28,200	$ 4,105,035
Gross loan charge-offs	$ 760	$ 2,181	$ 1,163	$ 1,041	$ 466	$ 2,727	$ —	$ 625	$ 8,963

December 31, 2024	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans	Total
	2024	2023	2022	2021	2020	Prior to 2020			
	(in thousands)								
Residential mortgage									
Performing	$ 428,138	$ 413,528	$ 1,282,524	$ 1,420,835	$ 494,430	$ 1,490,512	$ 75,479	$ 954	$ 5,606,400
90 days or more past due	530	771	1,030	1,533	5,286	16,285	—	681	26,116
Total residential mortgage	$ 428,668	$ 414,299	$ 1,283,554	$ 1,422,368	$ 499,716	$ 1,506,797	$ 75,479	$ 1,635	$ 5,632,516
Consumer loans									
Home equity									
Performing	$ 22,947	$ 29,445	$ 38,774	$ 10,302	$ 3,340	$ 50,613	$ 438,817	$ 9,061	$ 603,299
90 days or more past due	—	48	51	1	—	855	—	179	1,134
Total home equity	22,947	29,493	38,825	10,303	3,340	51,468	438,817	9,240	604,433
Automobile									
Performing	$ 863,281	$ 343,203	$ 363,901	$ 211,294	$ 59,288	$ 59,512	$ —	$ —	$ 1,900,479
90 days or more past due	71	122	140	70	2	181	—	—	586
Total automobile	863,352	343,325	364,041	211,364	59,290	59,693	—	—	1,901,065
Other consumer									
Performing	$ 15,164	$ 25,884	$ 15,787	$ 1,588	$ 337	$ 53,917	$ 956,339	$ 15,917	$ 1,084,933
90 days or more past due	—	59	61	—	—	38	—	248	406
Total other consumer	15,164	25,943	15,848	1,588	337	53,955	956,339	16,165	1,085,339
Total consumer	$ 901,463	$ 398,761	$ 418,714	$ 223,255	$ 62,967	$ 165,116	$ 1,395,156	$ 25,405	$ 3,590,837
Gross loan charge-offs	$ 1,014	$ 1,883	$ 1,511	$ 1,015	$ 519	$ 2,245	$ —	$ 131	$ 8,318

Loan modifications to borrowers experiencing financial difficulty. From time to time, Valley may extend, restructure, or otherwise modify the terms of existing loans, on a case-by-case basis, to remain competitive and retain certain customers, as well as assist other customers who may be experiencing financial difficulties.

The following table shows the amortized cost basis of loans to borrowers experiencing financial difficulty at December 31, 2025 and 2024 that were modified during the years ended December 31, 2025 and 2024, disaggregated by class of financing receivable and type of modification.

	Interest Rate Reduction	Term Extension	Term Extension and Interest Rate Reduction	Term Extension and Principal Forgiveness	Other Than Insignificant Payment Delay	Total	% of Total Loan Class
	($ in thousands)						
2025							
Commercial and industrial	$ —	$ 34,553	$ 10,165	$ —	$ 19,017	$ 63,735	0.58 %
Commercial real estate	—	38,337	985	20,388	108,520	168,230	0.63
Residential mortgage	—	1,843	—	—	—	1,843	0.03
Total	$ —	$ 74,733	$ 11,150	$ 20,388	$ 127,537	$ 233,808	0.47
2024							
Commercial and industrial	$ 825	$ 111,998	$ —	$ —	$ —	$ 112,823	1.14 %
Commercial real estate	3,223	82,206	16,198	—	173,780	275,407	1.04
Construction	—	—	—	—	2,505	2,505	0.08
Residential mortgage	—	1,041	—	—	1,136	2,177	0.04
Home equity	—	—	—	—	44	44	0.01
Total	$ 4,048	$ 195,245	$ 16,198	$ —	$ 177,465	$ 392,956	0.81

The following table describes the types of modifications made to borrowers experiencing financial difficulty during the years ended December 31, 2025 and 2024:

	Weighted Average Interest Rate Reduction	Weighted Average Term Extension (in months)	Principal Forgiveness (in thousands)	Weighted Average Payment Deferral (in months)
2025				
Commercial and industrial	0.13 %	14	$ —	28
Commercial real estate	5.50	14	17,500 *	3
Residential mortgage	—	62	—	—
2024				
Commercial and industrial	3.10 %	10	$ —	—
Commercial real estate	0.91	12	—	10
Construction	—	—	—	43
Residential mortgage	—	145	—	7
Home equity	—	120	—	5

* Relates to one loan that was partially charged off during the fourth quarter 2024 with the subsequent execution of the corresponding principal forgiveness completed in the first quarter 2025.

Valley closely monitors the performance of modified loans to borrowers experiencing financial difficulty to understand the effectiveness of modification efforts. The following table presents the aging analysis of loans that have been modified within the previous 12 months at December 31, 2025 and 2024.

	Current	30-89 Days Past Due	90 Days Or More Past Due	Total
	(in thousands)			
December 31, 2025				
Commercial and industrial	$ 63,735	* $ —	$ —	$ 63,735
Commercial real estate	168,230	* —	—	168,230
Residential mortgage	1,710	—	133	1,843
Total	$ 233,675	$ —	$ 133	$ 233,808
December 31, 2024				
Commercial and industrial	$ 110,761	$ 2,062	$ —	$ 112,823
Commercial real estate	275,361	—	46	275,407
Construction	2,505	—	—	2,505
Residential mortgage	1,898	184	95	* 2,177
Home equity	—	44	—	44
Total	$ 390,525	$ 2,290	$ 141	$ 392,956

* Includes non-accrual loans.

The following table provides the amortized cost basis of financing receivables that had a payment default during the years ended December 31, 2025 and 2024 and were modified in the 12 months before default to borrowers experiencing financial difficulty.

	Term Extension	Other than Insignificant Payment Delay
	(in thousands)	
2025		
Residential mortgage	$ 133	$ —
Total	$ 133	$ —
2024		
Commercial real estate	$ 46	$ —
Residential mortgage	868	95
Total	$ 914	$ 95

Valley did not extend any commitments to lend additional funds to borrowers experiencing financial difficulty whose loans had been modified during the years ended December 31, 2025 and 2024.

Collateral dependent loans. Loans are collateral dependent when the debtor is experiencing financial difficulty and repayment is expected to be provided substantially through the sale or operation of the collateral. When Valley determines that repayment or satisfaction of the loan depends on the sale of the collateral, the collateral dependent loan balances are written down to the estimated current fair value (less estimated selling costs) resulting in an immediate charge-off to the allowance, excluding any consideration for personal guarantees that may be pursued in the Bank's collection process.

The following table presents collateral dependent loans by class as of December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Collateral dependent loans:		
Commercial and industrial *	$ 159,594	$ 131,898
Commercial real estate	225,982	156,825
Construction	—	15,841
Total commercial real estate loans	225,982	172,666
Residential mortgage	28,569	23,797
Home equity	2,008	1,341
Total	$ 416,153	$ 329,702

* Includes non-accrual loans collateralized by taxi medallions totaling $47.1 million and $49.5 million at December 31, 2025 and 2024, respectively.

Allowance for Credit Losses for Loans

The following table summarizes the allowance for credit losses for loans at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Components of allowance for credit losses for loans:		
Allowance for loan losses	$ 583,400	$ 558,850
Allowance for unfunded credit commitments	12,700	14,478
Total allowance for credit losses for loans	$ 596,100	$ 573,328

The following table summarizes the provision for credit losses for loans for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Components of provision for credit losses for loans:			
Provision for loan losses	$ 141,465	$ 314,380	$ 50,755
(Credit) provision for unfunded credit commitments	(1,778)	(4,992)	(5,130)
Total provision for credit losses for loans	$ 139,687	$ 309,388	$ 45,625

The following table details the activity in the allowance for loan losses by portfolio segment for the years ended December 31, 2025 and 2024:

	Commercial and Industrial	Commercial Real Estate	Residential Mortgage	Consumer	Total
			(in thousands)		
December 31, 2025					
Allowance for loan losses:					
Beginning balance	$ 173,002	$ 304,148	$ 58,895	$ 22,805	$ 558,850
Loans charged-off	(62,348)	(56,397)	(72)	(8,891)	(127,708)
Charged-off loans recovered	5,404	2,387	441	2,561	10,793
Net (charge-offs) recoveries	(56,944)	(54,010)	369	(6,330)	(116,915)
Provision (credit) for loan losses	64,807	77,288	(5,735)	5,105	141,465
Ending balance	$ 180,865	$ 327,426	$ 53,529	$ 21,580	$ 583,400
December 31, 2024					
Allowance for loan losses:					
Beginning balance	$ 133,359	$ 249,598	$ 42,957	$ 20,166	$ 446,080
Loans charged-off	(68,299)	(138,495)	(29)	(8,289)	(215,112)
Charged-off loans recovered	6,038	5,130	140	2,194	13,502
Net (charge-offs) recoveries	(62,261)	(133,365)	111	(6,095)	(201,610)
Provision for loan losses	101,904	187,915	15,827	8,734	314,380
Ending balance	$ 173,002	$ 304,148	$ 58,895	$ 22,805	$ 558,850

The following table represents the allocation of the allowance for loan losses and the related loans by loan portfolio segment disaggregated based on the allowance measurement methodology for the years ended December 31, 2025 and 2024.

	Commercial and Industrial	Commercial Real Estate	Residential Mortgage	Consumer	Total
			(in thousands)		
December 31, 2025					
Allowance for loan losses:					
Individually evaluated for credit losses	$ 71,188	$ 10,777	$ 22	$ —	$ 81,987
Collectively evaluated for credit losses	109,677	316,649	53,507	21,580	501,413
Total	$ 180,865	$ 327,426	$ 53,529	$ 21,580	$ 583,400
Loans:					
Individually evaluated for credit losses	$ 159,594	$ 225,982	$ 28,569	$ 2,008	$ 416,153
Collectively evaluated for credit losses	10,801,925	29,018,000	5,797,623	4,103,027	49,720,575
Total	$ 10,961,519	$ 29,243,982	$ 5,826,192	$ 4,105,035	$ 50,136,728
December 31, 2024					
Allowance for loan losses:					
Individually evaluated for credit losses	$ 59,603	$ 16,225	$ 27	$ —	$ 75,855
Collectively evaluated for credit losses	113,399	287,923	58,868	22,805	482,995
Total	$ 173,002	$ 304,148	$ 58,895	$ 22,805	$ 558,850
Loans:					
Individually evaluated for credit losses	$ 131,898	$ 172,666	$ 23,797	$ 1,341	$ 329,702
Collectively evaluated for credit losses	9,799,502	29,472,292	5,608,719	3,589,496	48,470,009
Total	$ 9,931,400	$ 29,644,958	$ 5,632,516	$ 3,590,837	$ 48,799,711

LEASES (Note 5)

The following table presents the components of the ROU assets and lease liabilities in the consolidated statements of financial condition by lease type at December 31, 2025 and 2024.

	2025	2024
	(in thousands)	
ROU assets:		
Operating leases	$ 313,107	$ 324,975
Finance leases	784	3,500
Total	$ 313,891	$ 328,475
Lease liabilities:		
Operating leases	$ 371,610	$ 384,745
Finance leases	838	3,558
Total	$ 372,448	$ 388,303

The following table presents the components by lease type, of total lease cost recognized in the consolidated statements of income for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Finance lease cost:			
Amortization of ROU assets	$ 152	$ 53	$ 16
Interest on lease liabilities	31	12	—
Operating lease cost	50,124	49,875	48,241
Short-term lease cost	1,383	1,498	1,930
Variable lease cost	125	201	177
Sublease income	(4,132)	(3,316)	(3,303)
Total lease cost (primarily included in net occupancy expense)	$ 47,683	$ 48,323	$ 47,061

The following table presents supplemental cash flow information related to leases for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 52,524	$ 51,581	$ 49,007
Operating cash flows from finance leases	31	—	—
Financing cash flows from finance leases	156	3	18

The following table presents supplemental information related to leases at December 31, 2025 and 2024:

	2025	2024
Weighted-average remaining lease term		
Operating leases	11.4 years	11.9 years
Finance leases	4.1 years	5.1 years
Weighted-average discount rate		
Operating leases	3.98 %	3.88 %
Finance leases	4.32 %	4.33 %

The following table presents a maturity analysis of lessor and lessee arrangements outstanding as of December 31, 2025:

	Lessor	Lessee	
	Direct Financing and Sales-Type Leases	Operating Leases	Finance Leases
		(in thousands)	
2026	$ 274,420	$ 55,754	$ 225
2027	212,129	49,271	223
2028	151,398	47,537	223
2029	104,338	46,183	223
2030	58,673	45,020	18
Thereafter	24,405	231,477	—
Total lease payments	825,363	475,242	912
Less: present value discount	(86,280)	(103,632)	(74)
Total	$ 739,083	$ 371,610	$ 838

The total net investment in direct financing and sales-type leases was $739.1 million and $746.5 million at December 31, 2025 and 2024, respectively, comprised of $733.6 million and $741.0 million in lease receivables and $5.5 million and $5.5 million in non-guaranteed residuals, respectively. Total lease income was $42.7 million, $39.8 million and $40.1 million for the years ended December 31, 2025, 2024 and 2023, respectively.

PREMISES AND EQUIPMENT, NET (Note 6)

At December 31, 2025 and 2024, premises and equipment, net consisted of:

	2025	2024
	(in thousands)	
Land	$ 79,919	$ 79,919
Buildings	199,719	196,801
Leasehold improvements	175,697	170,500
Furniture and equipment	169,968	174,035
Total premises and equipment	625,303	621,255
Accumulated depreciation and amortization	(294,546)	(270,459)
Total premises and equipment, net	$ 330,757	$ 350,796

Depreciation and amortization of premises and equipment included in net occupancy expense for the years ended December 31, 2025, 2024 and 2023 was approximately $38.1 million, $43.7 million and $43.4 million, respectively.

GOODWILL AND OTHER INTANGIBLE ASSETS (Note 7)

The following table presents carrying amounts of goodwill allocated to Valley's reporting units at December 31, 2025 and 2024.

	Reporting Unit *			
	Wealth Management	Consumer Banking	Commercial Banking	Total
		(in thousands)		
Goodwill	$ 78,142	$ 349,646	$ 1,441,148	$ 1,868,936

* The Wealth Management and Consumer Banking reporting units are both components of the overall Consumer Banking operating segment, which is further described in Note 20.

During the second quarter 2025, Valley performed the annual goodwill impairment test at its normal assessment date. During the year ended December 31, 2025, there were no triggering events that would more likely than not reduce the fair value of any reporting unit below its carrying amount. There was no impairment of goodwill recognized during the years ended December 31, 2025, 2024 and 2023.

The following tables summarize other intangible assets at December 31, 2025 and 2024:

	Gross Intangible Assets	Accumulated Amortization	Net Intangible Assets
		(in thousands)	
December 31, 2025			
Loan servicing rights	$ 128,603	$ (108,833)	$ 19,770
Core deposits	215,620	(159,128)	56,492
Other	50,393	(25,780)	24,613
Total other intangible assets	$ 394,616	$ (293,741)	$ 100,875
December 31, 2024			
Loan servicing rights	$ 125,961	$ (104,833)	$ 21,128
Core deposits	215,620	(138,080)	77,540
Other	50,393	(20,400)	29,993
Total other intangible assets	$ 391,974	$ (263,313)	$ 128,661

Core deposits are amortized using an accelerated method over a period of 10.0 years.

The line item labeled “Other” included in the table above primarily consists of customer lists, certain financial asset servicing contracts and covenants not to compete, which are amortized over their expected lives generally using a straight-line method and have a weighted average amortization period of 13.6 years.

Valley evaluates core deposits and other intangibles for impairment when an indication of impairment exists. No impairment was recognized during the years ended December 31, 2025, 2024 and 2023.

The following table summarizes the change in loan servicing rights during the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Beginning balance	$ 21,128	$ 21,950	$ 23,807
Origination of loan servicing rights	2,642	3,375	2,643
Amortization expense	(4,000)	(4,197)	(4,500)
Ending balance	$ 19,770	$ 21,128	$ 21,950

Loan servicing rights are accounted for using the amortization method. There was no valuation allowance at December 31, 2025, 2024 and 2023 and no net impairment recognized during the years ended December 31, 2025, 2024 and 2023.

The Bank services residential mortgage loans for others and is compensated for loan administrative services performed. The aggregate principal balances of residential mortgage loans serviced by the Bank for others approximated $3.1 billion at December 31, 2025 and $3.3 billion at December 31, 2024 and 2023, respectively. The outstanding balance of loans serviced for others is not included in the consolidated statements of financial condition.

Valley recognized amortization expense on other intangible assets of $30.4 million, $35.0 million and $39.8 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The following table presents the estimated amortization expense of other intangible assets over the next five-year period:

Year	Loan Servicing Rights	Core Deposits	Other
		(in thousands)	
2026	$ 2,578	$ 17,223	$ 4,805
2027	2,265	13,544	4,205
2028	1,965	10,117	3,633
2029	1,711	7,500	3,081
2030	1,495	4,914	2,584

DEPOSITS (Note 8)

The scheduled maturities of time deposits as of December 31, 2025 were as follows:

Year	Amount
	(in thousands)
2026	$ 8,334,557
2027	2,261,073
2028	774,408
2029	29,829
2030	10,787
Thereafter	13,469
Total time deposits	$ 11,424,123

The following table presents additional information about deposits at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Certificates of deposit in excess of the FDIC limit included in time deposits	$ 2,661,007	$ 2,366,648
Deposits from certain directors, executives, and other affiliates	89,725	67,835

BORROWED FUNDS (Note 9)

Short-Term Borrowings

Short-term borrowings at December 31, 2025 and 2024 consisted of the following:

	2025	2024
	(in thousands)	
Securities sold under agreements to repurchase	$ 91,475	$ 72,718

Long-Term Borrowings

Long-term borrowings at December 31, 2025 and 2024 consisted of the following:

	2025	2024
	(in thousands)	
FHLB advances, net	$ 2,463,604	$ 2,526,608
Subordinated debt, net *	444,975	647,547
Total long-term borrowings	$ 2,908,579	$ 3,174,155

* Subordinated debt is reported net of debt issuance costs and fair value hedging adjustments at both December 31, 2025 and 2024.

FHLB Advances. Long-term FHLB advances had a weighted average interest rate of 4.42 percent and 4.20 percent at December 31, 2025 and 2024, respectively. FHLB advances are secured by pledges of certain eligible collateral, including but not limited to, U.S. government and agency mortgage-backed securities and a blanket assignment of qualifying first lien mortgage loans, consisting of both residential mortgage and commercial real estate loans.

The long-term FHLB advances at December 31, 2025 are scheduled for contractual balance repayments as follows:

Year	Amount
	(in thousands)
2026	$ 601,804
2027	1,066,800
2028	545,000
2029	250,000
Total long-term FHLB advances	$ 2,463,604

The FHLB advances reported in the table above are not callable for early redemption.

Subordinated Debt. On June 15, 2025, Valley redeemed in full $115 million of 5.25 percent fixed-to-floating rate subordinated notes issued in June 2020 and due in June 2030. The transaction was accounted for as an early debt extinguishment and resulted in a $922 thousand pre-tax loss reported within non-interest expense for the year ended December 31, 2025. Valley also repaid $100 million of 4.55 percent fixed rate subordinated notes that matured on June 30, 2025. There were no new issuances or other maturities, calls or principal repayments of subordinated debt during the years ended December 31, 2025 and 2024.

At December 31, 2025, Valley had the following subordinated debt outstanding by its maturity date:

- $300 million of 3.00 percent Fixed-to-Floating Rate subordinated notes issued in May 2021 and due June 15, 2031. The subordinated notes are callable in whole or in part on or after June 15, 2026 or upon the occurrence of certain events. Interest on the subordinated notes during the initial five-year term through June 15, 2026 is payable semi-annually on June 15 and December 15. Thereafter, interest is expected to be set based on three-month Term SOFR plus 236 basis points and paid quarterly through maturity of the notes. In June 2021, Valley executed an interest rate swap to hedge the change in the fair value of the $300 million in subordinated notes. The subordinated notes had a carrying value of $295.8 million and $285.0 million, net of unamortized debt issuance costs and fair value of hedging adjustment at December 31, 2025 and 2024, respectively. See Note 14 for additional details.

- $150 million of 6.25 percent fixed-to-floating rate subordinated notes issued on September 20, 2022 and due September 30, 2032. Interest on the subordinated notes during the initial five year term through September 30, 2027, is payable semi-annually in arrears on March 30 and September 30, commencing on March 30, 2023. Thereafter, interest will be set based on three-month Term SOFR plus 278 basis points and paid quarterly through maturity of the notes. The subordinated notes had a net carrying value of $149.2 million and $148.6 million, net of unamortized debt issuance costs at December 31, 2025 and 2024, respectively.

Pledged Securities. The fair value of securities pledged to secure public deposits, repurchase agreements, lines of credit, FHLB advances and for other purposes required by law approximated $2.7 billion and $3.0 billion for December 31, 2025 and 2024, respectively.

JUNIOR SUBORDINATED DEBENTURES ISSUED TO CAPITAL TRUSTS (Note 10)

All of the statutory trusts presented in the table below were acquired in bank acquisitions. These trusts were established for the sole purpose of issuing trust preferred securities and related trust common securities. The proceeds from such issuances were used by the trust to purchase an equivalent amount of junior subordinated debentures issued by the acquired bank, and assumed by Valley. The junior subordinated debentures, the sole assets of the trusts, are unsecured obligations of Valley, and are subordinate and junior in right of payment to all present and future senior and subordinated indebtedness and certain other financial obligations of Valley. Valley does not consolidate its capital trusts based on GAAP but wholly owns all of the common securities of each trust.

The table below summarizes the outstanding callable junior subordinated debentures and the related trust preferred securities issued by each trust as of December 31, 2025 and 2024:

	GCB Capital Trust III	State Bancorp Capital Trust I	State Bancorp Capital Trust II	Aliant Statutory Trust II
	($ in thousands)			
Junior Subordinated Debentures:				
December 31, 2025				
Carrying value [1]	$ 24,743	$ 9,625	$ 9,253	$ 14,182
Contractual principal balance	24,743	10,310	10,310	15,464
Annual interest rate [2]	3-mo. SOFR + spread adj.+1.4%	3-mo. SOFR + spread adj.+ 3.45%	3-mo. SOFR + spread adj.+2.85%	3-mo.SOFR + spread adj.+1.8%
December 31, 2024				
Carrying value [1]	$ 24,743	$ 9,525	$ 9,122	$ 14,065
Contractual principal balance	24,743	10,310	10,310	15,464
Annual interest rate	3-mo. SOFR + spread adj.+1.4%	3-mo. SOFR + spread adj.+3.45%	3-mo. SOFR + spread adj.+2.85%	3-mo. SOFR+spread adj.+1.8%
Stated maturity date	July 30, 2037	November 7, 2032	January 23, 2034	December 15, 2036
Trust Preferred Securities:				
December 31, 2025 and 2024				
Face value	$ 24,000	$ 10,000	$ 10,000	$ 15,000
Annual distribution rate[2]	3-mo. SOFR+spread adj.+ 1.4%	3-mo. SOFR+ spread adj.+ 3.45%	3-mo. SOFR+ spread adj.+2.85%	3-mo. SOFR+ spread adj.+1.8%
Issuance date	July 2, 2007	October 29, 2002	December 19, 2003	December 14, 2006
Distribution dates [3]	Quarterly	Quarterly	Quarterly	Quarterly

(1) The carrying values include unamortized purchase accounting adjustments at December 31, 2025 and 2024.
(2) The 3-month Term SOFR rate is adjusted for the 0.26161 percent spread.
(3) All cash distributions are cumulative.

The trust preferred securities are subject to mandatory redemption, in whole or in part, upon repayment of the junior subordinated debentures at the stated maturity date or upon early redemption. The trusts' ability to pay amounts due on the trust preferred securities is solely dependent upon Valley making payments on the related junior subordinated debentures. Valley's obligation under the junior subordinated debentures and other relevant trust agreements, in aggregate, constitutes a full and unconditional guarantee by Valley of the trusts' obligations under the trust preferred securities issued. Under the junior subordinated debenture agreements, Valley has the right to defer payment of interest on the debentures and, therefore, distributions on the trust preferred securities, for up to five years, but not beyond the stated maturity dates in the table above. Currently, Valley has no intention to exercise its right to defer interest payments on the debentures.

The trust preferred securities are included in Valley's total risk-based capital (as Tier 2 capital) for regulatory purposes at December 31, 2025 and 2024.

BENEFIT PLANS (Note 11)

Defined Benefit Pension and Postretirement Benefit Plans

The Bank had offered a qualified non-contributory defined benefit plan and a non-qualified supplemental retirement plan to eligible employees and key executives who met certain age and service requirements, as well as a non-qualified directors' retirement plan. The qualified and non-qualified plans were frozen effective December 31, 2013. Consequently, participants in each plan will not accrue further benefits and their pension benefits were immediately vested and determined based on their compensation and service as of December 31, 2013.

In 2022, Valley assumed a qualified non-contributory defined benefit pension plan (frozen to both benefits and new participants) covering certain former employees of Bank Leumi USA. Valley also assumed other post-employment medical and life insurance benefit ("OPEB") plans from Bank Leumi USA mostly covering retired former employees. The OPEB plans are active, but closed to new participants.

Collectively, all qualified and non-qualified plans are referred to as the "Pension" in the tables below unless indicated otherwise.

The following table sets forth the change in the projected benefit obligation, the change in fair value of plan assets and the funded status and amounts recognized in Valley's consolidated financial statements for the Pension and OPEB plans at December 31, 2025 and 2024, if applicable:

	Pension		OPEB	
	2025	2024	2025	2024
	(in thousands)			
Change in projected benefit obligation:				
Projected benefit obligation at beginning of year	$ 170,523	$ 179,918	$ 5,153	$ 5,451
Interest cost	8,780	8,542	244	245
Actuarial gain (loss)	5,217	(6,017)	685	178
Benefits paid	(13,345)	(11,920)	(1,011)	(721)
Projected benefit obligation at end of year	$ 171,175	$ 170,523	$ 5,071	$ 5,153
Change in fair value of plan assets:				
Fair value of plan assets at beginning of year	$ 351,723	$ 302,860	$ —	$ —
Actual return on plan assets	46,816	30,595	—	—
Employer contributions	1,602	30,188	1,011	721
Benefits paid	(13,345)	(11,920)	(1,011)	(721)
Fair value of plan assets at end of year *	$ 386,796	$ 351,723	$ —	$ —
Funded status of the plan				
Assets (liabilities) recognized	$ 215,621	$ 181,200	$ (5,071)	$ (5,153)
Accumulated benefit obligation	171,175	170,523	5,071	5,153

* Pension assets include accrued interest receivables of $1.2 million and $986 thousand as of December 31, 2025 and 2024, respectively.

Amounts recognized as a component of accumulated other comprehensive loss at end of year that have not been recognized as a component of the net periodic pension expense for Valley's Pension and OPEB plans are presented in the following table:

	Pension		OPEB	
	2025	2024	2025	2024
	(in thousands)			
Net actuarial loss (gain)	$ 13,519	$ 31,227	$ (8)	$ (749)
Prior service cost	145	180	—	—
Deferred tax (benefit) expense	(3,787)	(8,630)	4	206
Total	$ 9,877	$ 22,777	$ (4)	$ (543)

The non-qualified plans presented within Pension in the tables above had a projected benefit obligation, accumulated benefit obligation, and fair value of plan assets at December 31, 2025 and 2024 as follows:

	2025	2024
	(in thousands)	
Projected benefit obligation	$ 11,760	$ 13,418
Accumulated benefit obligation	11,760	13,418
Fair value of plan assets	—	—

In determining the discount rate assumptions, management looks to current rates on fixed-income corporate debt securities that receive a rating of AA or higher from either Moody's or S&P with durations equal to the expected benefit payment streams required of each plan. The weighted average discount rate used in determining the actuarial present value of benefit obligations for the Pension plans was 5.28 percent and 5.57 percent as of December 31, 2025 and 2024, respectively, and 5.17 percent and 5.51 percent for the OPEB plans as of December 31, 2025 and 2024, respectively.

The net periodic benefit (income) cost for the Pension and OPEB plans were reported within other non-interest expense included the following components for the years ended December 31, 2025, 2024 and 2023:

	Pension			OPEB		
	2025	2024	2023	2025	2024	2023
	(in thousands)					
Interest cost	$ 8,780	$ 8,542	$ 8,923	$ 244	$ 245	$ 279
Expected return on plan assets	(24,426)	(22,327)	(22,792)	—	—	—
Amortization of net loss (gain)	535	234	58	(56)	(60)	(54)
Amortization of prior service cost	135	135	135	—	—	—
Net periodic benefit (income) cost	$ (14,976)	$ (13,416)	$ (13,676)	$ 188	$ 185	$ 225

Valley estimated the interest cost component of net periodic benefit (income) cost (as shown in the table above) using a spot rate approach for the plans by applying the specific spot rates along the yield curve to the relevant projected cash flows. Valley believes this provides a better estimate of interest costs than a single weighted average discount rate derived from the yield curve used to measure the benefit obligation at the beginning of the applicable period.

Other changes in plan assets and benefit obligations recognized in other comprehensive (income) loss for the years ended December 31, 2025 and 2024 were as follows:

	Pension		OPEB	
	2025	2024	2025	2024
	(in thousands)			
Net actuarial (gain) loss	$ (17,173)	$ (14,285)	$ 685	$ 178
Amortization of prior service cost	(135)	(135)	—	—
Amortization of actuarial (loss) gain	(535)	(234)	56	60
Total recognized in other comprehensive loss	$ (17,843)	$ (14,654)	$ 741	$ 238
Total recognized in net periodic benefit (income) cost and other comprehensive (income) loss (before tax)	$ (32,819)	$ (28,070)	$ 929	$ 423

The benefit payments, which reflect expected future service, (as appropriate) expected to be paid in future years, are presented in the following table:

Year	Pension	OPEB
	(in thousands)	
2026	$ 13,482	$ 310
2027	13,369	337
2028	13,373	318
2029	13,432	321
2030	13,325	323
Thereafter	64,034	1,620

The weighted average assumptions used to determine net periodic benefit (income) cost for the years ended December 31, 2025, 2024 and 2023 were as follows:

	Pension			OPEB		
	2025	2024	2023	2025	2024	2023
Discount rate - projected benefit obligation	5.57 %	5.00 %	5.31 %	5.17 %	4.96 %	5.29 %
Discount rate - interest cost	5.78 %	4.92 %	5.23 %	5.50 %	4.96 %	5.29 %
Expected long-term return on plan assets	7.25 %	7.25 %	7.50 %	N/A	N/A	N/A
Assumed healthcare cost trend rate *	N/A	N/A	N/A	7.75 %	7.00 %	5.50 %

*The assumed healthcare cost trend rate used to measure the expected cost of benefits covered by the OPEB plans for 2026 is 7.75 percent. The rate to which the healthcare cost trend rate is assumed to decline (ultimate trend rate) along with the year that the ultimate trend rate will be reached is 4.50 percent in 2039.

The expected long-term rate of return on qualified plan assets is the average rate of return expected to be realized on funds invested or expected to be invested to provide for the benefits included in the benefit obligation. The expected long-term rate of return on plan assets is established at the beginning of the year based upon historical and projected returns for each asset category. The expected rate of return on plan assets assumption is based on the concept that it is a long-term assumption independent of the current economic environment and changes would be made in the expected return only when long-term inflation expectations change, asset allocations change materially or when asset class returns are expected to change for the long-term.

The Bank Retirement Plans Committee, assisted by an independent non-discretionary investment consulting firm, (1) determines the qualified plans' investment goals, objectives and risk parameters, (2) directs the diversification of the investments into various suitable investment options and asset types, and (3) regularly monitors the performance of the assets. Individual asset managers are granted full discretion to buy, sell, invest and reinvest the portions of the asset portfolio assigned to them consistent with the Bank Retirement Plans Committee's policy and guidelines.

The long-term strategic assets allocation targets reflect investment return requirements and risk tolerances specific to each plan. The asset allocation targets are generally divided into approximately equal weightings (50 percent) of growth assets, including U.S. and International marketable equity securities, and fixed income assets, largely comprised of high-quality U.S. bonds of both intermediate and long duration plus cash equivalents. The plans' investments are well-diversified in terms of industry, economic sector, market capitalization and asset type.

Although much depends upon market conditions, the absolute investment objective for the equity portion is to earn at least a mid-to-high single digit return, after adjustment by the CPI, over rolling five-year periods. Relative performance should be above the median of a suitable grouping of other equity portfolios and a suitable index over rolling three-year periods. For the fixed income portion of the plan assets, the absolute objective is to earn a positive annual real return, after adjustment by the CPI, over rolling five-year periods.

The following tables present the weighted-average asset allocations by asset category for the defined benefit pension plans that are measured at fair value by level within the fair value hierarchy at December 31, 2025 and 2024. See Note 2 for further details regarding the fair value hierarchy.

			Fair Value Measurements at Reporting Date Using:		
	% of Total Investments	December 31, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
			($ in thousands)		
Assets:					
Investments:					
Mutual funds	30 %	$ 119,638	$ 119,638	$ —	$ —
Corporate bonds	26	99,621	—	99,621	—
U.S. Treasury securities	21	79,903	79,903	—	—
Equity securities	19	72,009	72,009	—	—
U.S. government agency securities	2	8,167	—	8,167	—
Cash and money market funds	2	6,300	6,300	—	—
Total investments	100 %	$ 385,638	$ 277,850	$ 107,788	$ —

	% of Total Investments	December 31, 2024	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
			($ in thousands)		
Assets:					
Investments:					
Mutual funds	31 %	$ 109,951	$ 109,951	$ —	$ —
Corporate bonds	21	73,599	—	73,599	—
U.S. Treasury securities	14	50,573	50,573	—	—
Equity securities	17	58,474	58,474	—	—
Commingled funds	12	41,277	—	41,277	—
U.S. government agency securities	3	9,780	—	9,780	—
Cash and money market funds	2	7,083	7,083	—	—
Total investments	100 %	$ 350,737	$ 226,081	$ 124,656	$ —

The following is a description of the valuation methodologies used for assets measured at fair value:

Equity securities, U.S. Treasury securities and cash and money market funds are valued at fair value in the tables above utilizing Level 1 inputs. Mutual funds are measured at their respective net asset values, which represent fair values of the securities held in the funds based on Level 1 inputs.

Corporate bonds and U.S. government agency securities are reported at fair value utilizing Level 2 inputs. The prices for these investments are derived from market quotations and matrix pricing obtained through an independent pricing service. Such fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond’s terms and conditions, among other things.

Commingled funds are valued based on the NAV as reported by the trustee of the funds. The funds' underlying investments, which primarily comprise fixed-income debt securities and open-end mutual funds, are valued using quoted market prices in active markets or unobservable inputs for similar assets. Therefore, commingled funds are classified as Level 2 within the fair value hierarchy. Transactions may occur daily within the fund. The commingled funds were divested in 2025 and the net proceeds were allocated and reinvested in the other types of investment securities (as reflected in the table above at December 31, 2025).

Based upon actuarial estimates, Valley does not expect to make contributions to the defined benefit pension plans in 2026. Funding requirements for subsequent years are uncertain and will significantly depend on whether the plans' actuary changes any assumptions used to calculate plan funding levels, the actual return on plan assets, changes in the employee groups covered by the plans, and any legislative or regulatory changes affecting plan funding requirements.

Other Non-Qualified Plan

Valley assumed, in the Oritani acquisition on December 1, 2019, certain obligations under non-qualified retirement plans, including a SERP for the former Chief Executive Officer of Oritani. The SERP is a retirement benefit with a minimum payment period of 20 years upon death, disability, normal retirement, early retirement or separation from service after a change in control. Distributions from the plan began on July 1, 2020. The obligation under the SERP totaled $8.8 million and $9.1 million at December 31, 2025 and 2024, respectively. Investments in money market mutual funds are held in a trust to be used for the sole purpose of funding the obligation. These trust assets are classified as equity securities on the consolidated statements of financial condition and totaled $11.5 million and $11.8 million at December 31, 2025 and 2024, respectively. The net periodic cost related to the valuation of the SERP for the years ended December 31, 2025, 2024 and 2023 was immaterial.

Bonus Plan

Valley National Bank and its subsidiaries may award cash incentive and merit bonuses to its officers and employees based upon a percentage of the covered employees’ compensation as determined by the achievement of certain performance objectives. Amounts charged to salary expense for cash incentive awards were $62.4 million, $54.5 million and $57.4 million during 2025, 2024 and 2023, respectively.

Savings and Investment Plan

Valley National Bank maintains a 401(k) plan that covers eligible employees of the Bank and its subsidiaries and allows employees to contribute a percentage of their salary, with the Bank matching a certain percentage of the employee contribution in cash invested in accordance with each participant's investment elections. The Bank recorded $16.9 million, $15.7 million and $16.0 million in expense for contributions to the plan for the years ended December 31, 2025, 2024 and 2023, respectively.

Deferred Compensation Plan

Valley has a non-qualified, unfunded deferred compensation plan maintained for the purpose of providing deferred compensation for selected employees participating in the 401(k) plan whose contributions are limited as a result of the limitations under Section 401(a)(17) of the Internal Revenue Code. Each participant in the plan is permitted to defer per calendar year, up to five percent of the portion of the participant's salary and cash bonus above the limit in effect under the Company's 401(k) plan and receive employer matching contributions that become fully vested after two years of participation in the plan. Plan participants also receive an annual interest crediting on their balances held as of December 31 each year. Benefits are generally paid to a participant in a single lump sum following the participant's separation from service with Valley. Starting in 2026, plan participants can elect a single lump sum or annual installment payments from two to five years for benefits related to each plan year after 2025. Valley recorded plan expenses of $733 thousand, $770 thousand and $747 thousand for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025 and 2024, Valley had an unsecured general liability of $5.1 million and $4.8 million, respectively, included in accrued expenses and other liabilities in connection with this plan.

Stock Based Compensation

Valley maintains an incentive compensation plan to provide long-term incentives to officers, employees and non-employee directors whose contributions are essential to the continued growth and success of Valley. Under the plan, Valley may issue awards in amounts up to 14.5 million shares, subject to certain adjustments. As of December 31, 2025, 6.7 million shares of common stock were available for issuance under the plan.

Valley recorded total stock-based compensation expense of $27.3 million, $29.0 million and $33.1 million for the years ended December 31, 2025, 2024 and 2023, respectively. The stock-based compensation expense included $2.4 million, $3 million and $2.3 million for 2025, 2024 and 2023 related to stock awards granted to retirement eligible employees. Compensation expense for awards to retirement eligible employees is amortized monthly over a one year required service period after the grant date. The fair values of all other stock awards are expensed over the shorter of the vesting or required service period. As of December 31, 2025, the unrecognized amortization expense for all stock-based compensation totaled approximately $37.3 million and will be recognized over an average remaining vesting period of approximately 1.8 years.

RSUs. RSUs are awarded as performance-based RSUs and time-based RSUs. Performance based RSUs vest based on (i) growth in tangible book value per share plus dividends and (ii) total shareholder return as compared to our peer group. The performance based RSUs "cliff" vest after three years based on the cumulative performance of Valley during that time period. Generally, time-based RSUs vest ratably in one-third increments each year over a three-year vesting period. The RSUs earn dividend equivalents (equal to cash dividends paid on Valley's common shares) over the applicable performance or service period. Dividend equivalents, per the terms of the agreements, are accumulated and paid to the grantee at the vesting date, or forfeited if the applicable performance or service conditions are not met.

The table below summarizes average grant date fair values of RSUs for the years ended December 31, 2025, 2024, and 2023:

	Restricted Stock Units Average Grant Date Fair Values		
	2025	2024	2023
Average grant date fair value per share:			
Performance-based RSUs	$ 10.91	$ 7.88	$ 12.80
Time-based RSUs	$ 9.88	$ 8.46	$ 11.25

The following table sets forth the changes in RSUs outstanding for the years ended December 31, 2025, 2024 and 2023:

	Restricted Stock Units Outstanding		
	2025	2024	2023
Outstanding at beginning of year	6,822,555	5,694,330	5,196,609
Granted	4,135,125	4,573,601	2,944,837
Vested	(2,766,589)	(2,616,787)	(2,110,120)
Forfeited	(444,305)	(828,589)	(336,996)
Outstanding at end of year	7,746,786	6,822,555	5,694,330

Restricted Stock. A restricted stock award is a grant of shares of Valley common stock subject to certain vesting and other restrictions. Compensation expense is measured based on the grant-date fair value of the shares.

The following table sets forth the changes in restricted stock awards outstanding for the year ended December 31, 2023. There were no restricted stock awards outstanding during the years ended December 31, 2025 and 2024.

	Restricted Stock Awards Outstanding
	2023
Outstanding at beginning of year	5,245
Vested	(5,245)
Outstanding at end of year	—

Stock Options. The fair value of each option granted on the date of grant is estimated using a binomial option pricing model. The fair values are estimated using assumptions for dividend yield based on the annual dividend rate; the stock volatility, based on Valley's historical and implied stock price volatility; the risk-free interest rates, based on the U.S. Treasury constant maturity bonds, in effect on the actual grant dates, with a remaining term approximating the expected term of the options; and expected exercise term calculated based on Valley's historical exercise experience.

The following table summarizes stock option activity as of December 31, 2025, 2024 and 2023 and changes during the years ended on those dates:

	2025		2024		2023	
Stock options	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of year	2,623,120	$ 8	2,914,829	$ 8	2,927,031	$ 8
Exercised	(2,102,481)	8	(259,709)	8	(12,202)	6
Forfeited or expired	—	—	(32,000)	10	—	—
Outstanding at end of year	520,639	8	2,623,120	8	2,914,829	8
Exercisable at year-end	520,639	8	2,623,120	8	2,914,829	8

The following table summarizes information about stock options outstanding and exercisable at December 31, 2025:

	Options Outstanding and Exercisable		
Range of Exercise Prices	Number of Options	Weighted Average Remaining Contractual Life in Years	Weighted Average Exercise Price
$4-6	27,102	0.2	$ 6
6-8	75,617	0.7	7
8-10	392,320	1.1	8
10-12	25,600	2.7	10
	520,639	1.1	8

INCOME TAXES (Note 12)

Income tax expense for the years ended December 31, 2025, 2024 and 2023 consisted of the following:

	2025	2024	2023
		(in thousands)	
Current expense:			
Federal	$ 70,830	$ 26,308	$ 123,569
State	64,161	38,079	65,611
	134,991	64,387	189,180
Deferred expense (benefit):			
Federal	7,096	(6,966)	(8,035)
State	3,800	827	(1,324)
	10,896	(6,139)	(9,359)
Total income tax expense	$ 145,887	$ 58,248	$ 179,821

The tax effects of temporary differences that gave rise to the significant portions of the deferred tax assets and liabilities as of December 31, 2025 and 2024 were as follows:

	2025	2024
	(in thousands)	
Deferred tax assets:		
Allowance for credit losses	$ 164,781	$ 157,629
Employee benefits	40,597	41,808
Investment securities	23,871	48,652
Net operating loss carryforwards	7,124	9,078
Purchase accounting	40,806	47,932
FDIC special assessment	1,544	10,673
Other	10,556	23,744
Total deferred tax assets	289,279	339,516
Deferred tax liabilities:		
Pension plans	62,547	52,783
Depreciation	13,539	12,314
Other investments	27,369	17,088
Core deposit intangibles	15,683	21,287
Other intangibles	5,302	6,493
Goodwill	10,085	9,322
Other	10,734	15,356
Total deferred tax liabilities	145,259	134,643
Valuation allowance	—	1,263
Net deferred tax asset (included in other assets)	$ 144,020	$ 203,610

Valley's federal net operating loss carryforwards totaled $23.7 million at December 31, 2025, and expire during the period from 2029 through 2034. State net operating loss carryforwards totaled $49.3 million at December 31, 2025, and expire during the period from 2029 through 2038.

Based upon taxes paid and projections of future taxable income over the periods in which the net deferred tax assets are deductible, management believes that it is more likely than not that Valley will realize the benefits of these deductible differences and loss carryforwards.

Reconciliation between the reported income tax expense and the amount computed by multiplying consolidated income before taxes by the statutory federal income tax rate of 21 percent for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
	(in thousands)					
U.S. federal statutory tax rate	$ 156,213	21.0 %	$ 92,089	21.0 %	$ 142,450	21.0 %
Increase (decrease) due to:						
State income tax expense, net of federal tax effect *	53,689	7.2	30,736	7.0	50,787	7.5
Tax credits						
New market tax credits	(50,699)	(6.8)	(28,041)	(6.4)	(18,722)	(2.8)
Other tax credits	(5,908)	(0.8)	(4,063)	(0.9)	(4,286)	(0.6)
Nontaxable or non-deductible items						
Disallowed FDIC insurance premiums	10,195	1.3	11,071	2.5	7,950	1.2
Other nontaxable or non-deductible	(4,029)	(0.5)	(1,075)	(0.2)	(1,291)	(0.2)
Changes in unrecognized tax benefits	—	—	(46,431)	(10.6)	—	—
Other adjustments						
Federal tax refund	(11,417)	(1.5)	—	—	—	—
Other adjustments	(2,157)	(0.3)	3,962	0.9	2,933	0.4
Income tax expense	$ 145,887	19.6 %	$ 58,248	13.3 %	$ 179,821	26.5 %

* State taxes in New York, New York City, and New Jersey made up the majority (greater than 50 percent) of the tax effect in this category.

A reconciliation of Valley's gross unrecognized tax benefits for the years ended December 31, 2024 and 2023 is presented in the table below:

	2024	2023
	(in thousands)	
Beginning balance	$ 30,359	$ 30,359
Reductions due to expiration of statute of limitations	(30,359)	—
Ending balance	$ —	$ 30,359

Valley did not have an unrecognized tax benefit recorded as of December 31, 2025. Valley's policy is to report interest and penalties, if any, related to unrecognized tax benefits in income tax expense. Valley monitors its tax positions for the underlying facts, circumstances, and information available including changes in tax laws, case law, and regulations that may necessitate subsequent de-recognition of previous tax benefits.

The following table presents income taxes paid for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Federal taxes paid	$ 26,484	$ 54,227	$ 162,502
State and city taxes paid:			
New York	13,054	12,447	25,718
New Jersey	400	7,475	19,006
New York City	8,533	8,407	13,307
Other	4,990	7,145	15,970
Total state and city taxes paid	26,977	35,474	74,001
Total income taxes paid	$ 53,461	$ 89,701	$ 236,503

Valley files income tax returns in U.S. federal and various state jurisdictions. With few exceptions, Valley is no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2020. Valley is under routine examination by various state jurisdictions. Valley expects all current examinations to be completed within the next 12 months.

Valley has considered, for all open audit examinations, any potential adjustments needed in establishing a reserve for unrecognized tax benefits as of December 31, 2025. No reserve was deemed necessary during 2025.

TAX CREDIT INVESTMENTS (Note 13)

Valley's tax credit investments are related to investments promoting qualified affordable housing projects and other investments related to community development, largely consisting of new market tax credit investments. Some of these tax-advantaged investments support Valley's regulatory compliance with the CRA. Valley's investments in these entities generate a return primarily through the realization of federal income tax credits and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods. These tax credits and deductions are recognized as a reduction of income tax expense.

Valley's tax credit investments are carried in other assets on the consolidated statements of financial condition. Certain liabilities related to the tax credit investments are carried in accrued expenses and other liabilities on the consolidated statements of financial condition. Valley recognizes amortization of tax credit investments, including impairment losses, within non-interest expense in the consolidated statements of income using the equity method of accounting. After initial measurement, the carrying amounts of tax credit investments with non-readily determinable fair values are increased to reflect Valley's share of income of the investee and are reduced to reflect its share of losses of the investee, dividends received and impairments, if applicable. See the "Impairment Analysis" section below.

The following table presents the balances of Valley's affordable housing tax credit investments and other tax credit investments at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Other assets:		
Affordable housing tax credit investments, net	$ 28,665	$ 22,742
Other tax credit investments, net	471,961	278,468
Total tax credit investments, net	$ 500,626	$ 301,210

The following table presents other information relating to Valley's affordable housing tax credit investments and other tax credit investments for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
		(in thousands)	
Components of income tax expense:			
Affordable housing tax credits and other tax benefits	$ 7,435	$ 5,319	$ 5,872
Other tax credit investment credits and tax benefits	60,873	32,091	20,069
Total reduction in income tax expense	$ 68,308	$ 37,410	$ 25,941
Amortization of tax credit investments:			
Affordable housing tax credit investment losses	$ 4,172	$ 3,501	$ 3,198
Affordable housing tax credit investment impairment losses	1,281	983	2,466
Other tax credit investment losses	8,300	5,143	1,266
Other tax credit investment impairment losses	28,039	9,319	11,079
Total amortization of tax credit investments recorded in non-interest expense	$ 41,792	$ 18,946	$ 18,009

Impairment Analysis

An impairment loss is recognized when the fair value of the tax credit investment is less than its carrying value. The determination of whether a decline in value of a tax credit investment is other-than-temporary requires significant judgment and is performed separately for each investment. The tax credit investments are reviewed for impairment quarterly, or whenever events or changes in circumstances indicate that the carrying amount of the investment might not be recoverable. These circumstances can include, but are not limited to, the following factors:

- Evidence that Valley does not have the ability to recover the carrying amount of the investment;
- The inability of the investee to sustain earnings;

- A current fair value of the investment based upon cash flow projections that is less than the carrying amount; and
- Change in the economic or technological environment that could adversely affect the investee's operations.

On a periodic basis, Valley obtains financial reporting on its underlying tax credit investment assets for each fund. The financial reporting is reviewed for deterioration in the financial condition of the fund, the level of cash flows and any significant losses or impairment charges. Valley also regularly reviews the condition and continuing prospects of the underlying operations of the investment with the fund manager, including any observations from site visits and communications with the Fund Sponsor, if available. Annually, Valley obtains the audited financial statements prepared by an independent accounting firm for each investment, as well as the annual tax returns. Generally, none of the aforementioned review factors are individually conclusive and the relative importance of each factor varies based on facts and circumstances. However, the longer the expected period of recovery, the stronger and more objective the positive evidence needs to be in order to overcome the presumption that the impairment is other than temporary. If management determines that a decline in value is other than temporary as a result of its quarterly and annual reviews, including current probable cash flow projections, the applicable tax credit investment is written down to its estimated fair value through an impairment charge to earnings, which establishes the new cost basis of the investment.

COMMITMENTS AND CONTINGENCIES (Note 14)

Financial Instruments with Off-balance Sheet Risk

In the ordinary course of business, meeting the financial needs of its customers, Valley, through its subsidiary Valley National Bank, is a party to various financial instruments, which are not reflected in the consolidated financial statements. These financial instruments include standby and commercial letters of credit, unused portions of lines of credit and commitments to extend various types of credit. These instruments involve, to varying degrees, elements of credit risk in excess of the amounts recognized in the consolidated financial statements. The commitment or contract amount of these instruments is an indicator of the Bank's level of involvement in each type of instrument as well as the exposure to credit loss in the event of non-performance by the other party to the financial instrument. The Bank seeks to limit any exposure of credit loss by applying the same credit policies in making commitments as it does for on-balance sheet lending facilities.

The following table provides a summary of financial instruments with off-balance sheet risk at December 31, 2025 and 2024:

	2025	2024
	(in thousands)	
Commitments under commercial loans and lines of credit	$ 10,740,227	$ 10,303,607
Home equity and other revolving lines of credit	2,145,350	1,913,626
Standby letters of credit	575,325	524,108
Outstanding residential mortgage loan commitments	143,285	111,696
Commitments under unused lines of credit - credit card	154,953	146,832
Commitments to sell loans	13,020	28,561
Commercial letters of credit	11,408	26,639
Total	$ 13,783,568	$ 13,055,069

Obligations to advance funds under commitments to extend credit, including commitments under unused lines of credit, are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have specified expiration dates, which may be extended upon request, or other termination clauses and generally require payment of a fee. These commitments do not necessarily represent future cash requirements, as it is anticipated that many of these commitments will expire without being fully drawn upon. The Bank's lending activity for outstanding loan commitments is primarily to customers within the states of New York, Florida and New Jersey.

Standby letters of credit represent the guarantee by the Bank of the obligations or performance of the bank customer in the event of the default of payment or nonperformance to a third-party beneficiary.

Loan sale commitments represent contracts for the sale of residential mortgage loans to third parties in the ordinary course of the Bank's business. These commitments require the Bank to deliver loans within a specific period to the third party. The risk to the Bank is its non-delivery of loans required by the commitment, which could lead to financial penalties. The Bank has not defaulted on its loan sale commitments.

Legal Proceedings

In the ordinary course of business, Valley is or may be subject to various pending and threatened lawsuits, claims and proceedings. Any determination or estimate relating to the future resolution of such matters is inherently uncertain and involves significant judgment. This is especially true in the early stages of a legal matter, where the claimants seek large or indeterminate damages, present novel legal theories, involve a large number of parties, or where additional claims or other actions involving similar factual or legal issues may be possible. Accordingly, Valley may not be able to determine whether a favorable or unfavorable outcome is remote, reasonably possible, or probable, or to estimate the amount or range of a probable or reasonably possible loss, until relatively late in the course of a legal matter, sometimes not until a number of years have elapsed. Valley's judgments and estimates relating to claims may also change over time in light of developments, and actual outcomes will differ, and may differ materially, from estimates. Based on Valley's current knowledge and advice of counsel, management presently does not believe that the liabilities arising from legal and regulatory matters will be material to Valley's consolidated financial position.

Derivative Instruments and Hedging Activities

Valley is exposed to certain risks arising from both its business operations and economic conditions. Valley principally manages its exposure to a wide variety of business and operational risks through management of its core business activities. Valley manages economic risks, including interest rate and liquidity risks, primarily by managing the amount, sources, and duration of its assets and liabilities and, from time to time, the use of derivative financial instruments. Specifically, Valley enters into derivative financial instruments to manage exposures that arise from business activities that result in the payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Valley's derivative financial instruments are used to manage differences in the amount, timing, and duration of Valley's known or expected cash receipts and its known or expected cash payments related to assets and liabilities as outlined below.

Cash Flow Hedges of Interest Rate Risk. Valley's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, Valley has used interest rate swaps, from time to time, as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the payment of either fixed or variable-rate amounts in exchange for the receipt of variable or fixed-rate amounts from a counterparty, respectively.

During 2023, Valley terminated six interest rate swaps with a total notional amount of $600 million. The terminated swaps, originally maturing from November 2024 to November 2026, were used to hedge the changes in cash flows associated with certain variable rate loans. The transaction resulted in an initial pre-tax gain totaling $3.6 million reported in accumulated other comprehensive income (loss) within shareholders' equity that is amortized to interest income over the life of the previously hedged loans through November 2026.

Fair Value Hedges of Fixed Rate Assets and Liabilities. Valley is exposed to changes in the fair value of certain fixed-rate assets and liabilities due to changes in interest rates and uses interest rate swaps to manage the exposure to changes in fair value. For derivatives that are designated and qualify as fair value hedges, the gain or loss on the derivative as well as the loss or gain on the hedged item attributable to the hedged risk are recognized in earnings.

During 2024, Valley terminated interest rate swaps with a total notional amount of $500 million used to hedge the fair value of certain fixed rate residential loans. The terminated swaps had original maturity dates in the fourth quarter 2025. The carrying amount of the hedged assets included an immaterial cumulative loss adjustment at the date of termination that was amortized to earnings during the year ended December 31, 2025.

During 2024, Valley entered into 11 forward-starting interest rate swap agreements with notional amounts totaling $480.3 million to hedge the changes in fair value of certain fixed rate brokered time deposits. Under the swap agreement, beginning in January 2025,Valley receives fixed rate amounts ranging from approximately 4.12 percent to 4.65 percent, in exchange for variable-rate payments based on the Floating SOFR Overnight Indexed Swap compound rate. The swaps have expiration dates ranging from April 2026 to June 2027.

During 2021, Valley entered into a $300 million forward-starting interest rate swap agreement with a notional amount of $300 million, maturing in June 2026, to hedge the change in the fair value of the 3.00 percent subordinated debt issued on May 28, 2021. Under the swap agreement, beginning in January 2022, Valley receives fixed rate payments and pays variable rate amounts based on SOFR plus 2.187 percent.

Non-designated Hedges. Derivatives not designated as hedges may be used to manage Valley's exposure to interest rate movements or to provide a service to customers but do not meet the requirements for hedge accounting under GAAP.

Derivatives not designated as hedges are not entered into for speculative purposes. Valley executes interest rate swaps with commercial lending customers to facilitate their respective risk management strategies. These interest rate swaps with customers are simultaneously offset by interest rate swaps that Valley executes with a third-party, such that Valley minimizes its net risk exposure resulting from such transactions. As these interest rate swaps do not meet the strict hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings.

Valley sometimes enters into risk participation agreements with external lenders where the banks are sharing their risk of default on the interest rate swaps on participated loans. Valley either pays or receives a fee depending on the type of participation. Risk participation agreements are credit derivatives not designated as hedges. Credit derivatives are not speculative and are not used to manage interest rate risk in assets or liabilities. Changes in the fair value in credit derivatives are recognized directly in earnings. At December 31, 2025, Valley had 65 credit swaps with an aggregate notional amount of $959.9 million related to risk participation agreements.

At December 31, 2025, Valley had two “steepener” swaps, each with a current notional amount of $10.4 million where the receive rate on the swap mirrors the pay rate on the brokered deposits and the rates paid on these types of hybrid instruments are based on a formula derived from the spread between the long and short ends of the Constant Maturity Swap rate curve. Although these types of instruments do not meet the hedge accounting requirements, the change in fair value of both the bifurcated derivative and the stand alone swap tend to move in opposite directions with changes in the three-month Term SOFR rate and, therefore, provide an effective economic hedge.

Valley regularly enters into mortgage banking derivatives which are non-designated hedges. These derivatives include interest rate lock commitments provided to customers to fund certain residential mortgage loans to be sold into the secondary market and forward commitments for the future delivery of such loans. Valley enters into forward commitments for the future delivery of residential mortgage loans when interest rate lock commitments are entered into in order to economically hedge the effect of future changes in interest rates on Valley's commitments to fund the loans as well as on its portfolio of mortgage loans held for sale.

Valley enters into foreign currency forward and option contracts, primarily to accommodate our customers, that are not designated as hedging instruments. Upon the origination of certain foreign currency denominated transactions (including foreign currency holdings and non-U.S. dollar denominated loans) with a client, we enter into a respective hedging contract with a third-party financial institution to mitigate the economic impact of foreign currency exchange rate fluctuation.

During 2024, Valley entered into a credit default swap related to $1.5 billion in automobile loans primarily to enhance the risk profile of these assets for regulatory capital purposes. The covered loans have a total remaining balance of approximately $653.5 million within Valley's $2.2 billion automobile loan portfolio at December 31, 2025. The credit default swap is a freestanding contract measured at fair value with resulting gains or losses recognized in non-interest expense. The premium amortization expense and other transaction costs associated with the credit protection totaling $6.9 million and $6.8 million for the years ended December 31, 2025 and 2024, respectively, were recorded in other expense reported in non-interest expense.

Amounts included in the consolidated statements of financial condition related to the fair value of Valley's derivative financial instruments were as follows at December 31, 2025 and 2024:

	2025			2024		
	Fair Value			Fair Value		
	Other Assets	Other Liabilities	Notional Amount	Other Assets	Other Liabilities	Notional Amount
			(in thousands)			
Derivatives designated as hedging instruments:						
Fair value hedge interest rate swaps	$ 1,319	$ 4,088	$ 780,322	$ 2,419	$ 13,993	$ 780,322
Total derivatives designated as hedging instruments	$ 1,319	$ 4,088	$ 780,322	$ 2,419	$ 13,993	$ 780,322
Derivatives not designated as hedging instruments:						
Interest rate swaps and other contracts *	$ 162,191	$ 161,911	$ 18,685,777	$ 423,683	$ 423,492	$ 16,209,499
Foreign currency derivatives	19,140	18,031	2,343,733	18,011	16,488	1,688,338
Mortgage banking derivatives	23	78	25,718	150	192	45,752
Credit default swap	—	54	653,459	—	35	1,142,026
Total derivatives not designated as hedging instruments	$ 181,354	$ 180,074	$ 21,708,687	$ 441,844	$ 440,207	$ 19,085,615
Total derivative financial instruments	$ 182,673	$ 184,162	$ 22,489,009	$ 444,263	$ 454,200	$ 19,865,937

* Other derivative contracts include risk participation agreements.

Gains (losses) included in the consolidated statements of income and in other comprehensive income (loss), on a pre-tax basis, related to interest rate derivatives designated as hedges of cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(in thousands)	
Amount of gain (loss) reclassified from accumulated other comprehensive loss to interest expense	$ 1,136	$ 1,204	$ (891)
Amount of loss recognized in other comprehensive income (loss)	—	—	(1,093)

The accumulated net after-tax gains and losses related to effective cash flow hedges included in accumulated other comprehensive loss were $420 thousand and $1.2 million at December 31, 2025 and 2024, respectively.

Amounts reported in accumulated other comprehensive loss related to cash flow interest rate derivatives are reclassified to interest income and expense as interest payments are received and paid on the hedged variable interest rate assets and liabilities. The reclassification amounts for the years ended December 31, 2025 and 2024 represent amortization of the gain recognized from the termination of interest rate swaps during 2023. The entire after-tax gain of $420 thousand will be reclassified as a $581 thousand (before tax) increase to interest income during 2026.

Gains (losses) included in the consolidated statements of income related to interest rate derivatives designated as hedges of fair value for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(in thousands)	
Derivative - interest rate swaps:			
Interest income	$ —	$ 3,170	$ (3,877)
Interest expense	10,569	9,765	8,473
Hedged items - loans, time deposits and subordinated debt:			
Interest income	$ (482)	$ (3,396)	$ 3,877
Interest expense	(10,692)	(10,005)	(8,687)

The changes in the fair value of the hedged item designated as a qualifying hedge are captured as an adjustment to the carrying amount of the hedged item (basis adjustment). The following table presents the hedged items related to interest rate derivatives designated as fair value hedges and the cumulative basis fair value adjustment included in the net carrying amount of the hedged items at December 31, 2025 and 2024:

Line Item in the Statement of Financial Condition in Which the Hedged Item is Included	Net Carrying Amount of the Hedged Asset/Liability	Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount of the Hedged Asset/Liability
	(in thousands)	
December 31, 2025		
Time deposits	$ 483,348	$ 3,044
Long-term borrowings *	295,842	(3,790)
December 31, 2024		
Time deposits	$ 482,723	$ 2,419
Long-term borrowings *	284,966	(13,859)

* Net carrying amount includes unamortized debt issuance costs of $368 thousand and $1.2 million at December 31, 2025 and 2024, respectively.

The net losses included in the consolidated statements of income related to derivative instruments not designated as hedging instruments for the years ended December 31, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
		(in thousands)	
Non-designated hedge interest rate and credit derivatives			
Other non-interest expense	$ (7,214)	$ (4,796)	$ (1,590)

Capital markets income reported in non-interest income included fee income related to non-designated hedge derivative interest rate swaps executed with commercial loan customers and foreign exchange contracts (not designated as hedging instruments) with a combined total of $33.8 million, $23.5 million and $35.7 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Collateral Requirements and Credit Risk Related Contingency Features. By using derivatives, Valley is exposed to credit risk if counterparties to the derivative contracts do not perform as expected. Management attempts to minimize counterparty credit risk through credit approvals, limits, monitoring procedures and obtaining collateral where appropriate. Credit risk exposure associated with derivative contracts is managed at Valley in conjunction with Valley's consolidated counterparty risk management process. Valley's counterparties and the risk limits monitored by management are periodically reviewed and approved by the Board.

Valley has agreements with its derivative counterparties providing that if Valley defaults on any of its indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender, then Valley could also be declared in default on its derivative counterparty agreements. Additionally, Valley has an agreement with several of its derivative counterparties that contains provisions that require Valley's debt to maintain an investment grade credit rating from each of the major credit rating agencies from which it receives a credit rating. If Valley's credit rating is reduced below investment grade, or such rating is withdrawn or suspended, then the counterparties could terminate the derivative positions, and Valley would be required to settle its obligations under the agreements. As of December 31, 2025, Valley was in compliance with all of the provisions of its derivative counterparty agreements. The total combined fair value of all derivative financial instruments with credit risk-related contingent features was in a net asset position at December 31, 2025. Valley has derivative counterparty agreements that require minimum collateral posting thresholds for certain counterparties.

BALANCE SHEET OFFSETTING (Note 15)

Some financial instruments, including certain OTC derivatives (mostly interest rate swaps), may be eligible for offset in the consolidated statements of financial condition and/or subject to master netting arrangements or similar agreements. OTC derivatives include interest rate swaps executed and settled bilaterally with counterparties without the use of an organized exchange or central clearing house (presented in the table below). The credit risk associated with bilateral OTC derivatives is managed through obtaining collateral and enforceable master netting agreements.

Valley is party to master netting arrangements with its financial institution counterparties; however, Valley does not offset assets and liabilities under these arrangements for financial statement presentation purposes. The master netting arrangements provide for a single net settlement of all swap agreements, as well as collateral, in the event of default on, or termination of, any one contract. Collateral, usually in the form of cash or marketable investment securities, is posted by or received from the counterparty with net liability or asset positions, respectively, in accordance with contract thresholds. Master repurchase agreements, which include "right of set-off" provisions, generally have a legally enforceable right to offset recognized amounts. In such cases, the collateral would be used to settle the fair value of the swap or repurchase agreement should Valley be in default. The total amount of collateral held or pledged cannot exceed the net fair values of derivatives with the counterparty.

The table below presents information about Valley's financial instruments that are eligible for offset in the consolidated statements of financial condition as of December 31, 2025 and 2024.

				Gross Amounts Not Offset		
	Gross Amounts Recognized	Gross Amounts Offset	Net Amounts Presented	Financial Instruments	Cash Collateral *	Net Amount
	(in thousands)					
December 31, 2025						
Assets:						
Interest rate swaps and other contracts	$ 163,510	$ —	$ 163,510	$ —	$ (152,030)	$ 11,480
Liabilities:						
Interest rate swaps and other contracts	$ 165,999	$ —	$ 165,999	$ —	$ (44,844)	$ 121,155
December 31, 2024						
Assets:						
Interest rate swaps and other contracts	$ 426,102	$ —	$ 426,102	$ 32,571	$ (358,520)	$ 100,153
Liabilities:						
Interest rate swaps and other contracts	$ 437,485	$ —	$ 437,485	$ (32,571)	$ —	$ 404,914

* Cash collateral received from or pledged to our counterparties in relation to market value exposures of OTC derivative contracts in an asset/liability position.

REGULATORY AND CAPITAL REQUIREMENTS (Note 16)

Valley's primary source of cash is dividends from the Bank. Valley National Bank, a national banking association, is subject to certain restrictions on the amount of dividends that it may declare without prior regulatory approval. In addition, the dividends declared cannot be in excess of the amount which would cause the subsidiary bank to fall below the minimum required for capital adequacy purposes.

Valley and Valley National Bank are subject to the regulatory capital requirements administered by the Federal Reserve and the OCC. Failure to meet minimum capital requirements can initiate certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have a direct significant impact on Valley's consolidated financial statements. Under capital adequacy guidelines Valley and Valley National Bank must meet specific capital guidelines that involve quantitative measures of Valley's assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. Capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require Valley and Valley National Bank to maintain minimum amounts and ratios of common equity Tier 1 capital, total and Tier 1 capital to risk-weighted assets, and Tier 1 capital to average assets, as defined in the regulations.

Valley and the Bank are required to maintain minimum ratios, including a 2.5 percent capital conservation buffer, of (i) CET1 to risk-weighted assets of 7.0 percent or greater, (ii) Tier 1 capital to risk-weighted assets of 8.5 percent or greater, and (iii) total capital to risk-weighted assets of 10.5 percent or greater, as well as a minimum leverage ratio of 4.0 percent for capital adequacy purposes. As of December 31, 2025 and 2024, Valley and Valley National Bank exceeded all capital adequacy requirements (see table below).

The following table presents Valley's and Valley National Bank's actual capital positions and ratios under the Basel III risk-based capital guidelines at December 31, 2025 and 2024:

	Actual		Minimum Capital Requirements		To Be Well Capitalized Under Prompt Corrective Action Provision	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	($ in thousands)					
As of December 31, 2025						
Total Risk-based Capital						
Valley	$ 6,965,724	13.77 %	$ 5,311,534	10.50 %	N/A	N/A
Valley National Bank	6,841,494	13.54	5,306,493	10.50	$ 5,053,803	10.00 %
Common Equity Tier 1 Capital						
Valley	5,558,508	10.99	3,541,023	7.00	N/A	N/A
Valley National Bank	6,297,558	12.46	3,537,662	7.00	3,284,972	6.50
Tier 1 Risk-based Capital						
Valley	5,912,750	11.69	4,299,813	8.50	N/A	N/A
Valley National Bank	6,297,558	12.46	4,295,733	8.50	4,043,042	8.00
Tier 1 Leverage Capital						
Valley	5,912,750	9.63	2,455,946	4.00	N/A	N/A
Valley National Bank	6,297,558	10.27	2,453,670	4.00	3,067,088	5.00
As of December 31, 2024						
Total Risk-based Capital						
Valley	$ 6,703,186	13.87 %	$ 5,076,004	10.50 %	N/A	N/A
Valley National Bank	6,535,892	13.53	5,071,696	10.50	$ 4,830,187	10.00 %
Common Equity Tier 1 Capital						
Valley	5,230,632	10.82	3,384,002	7.00	N/A	N/A
Valley National Bank	6,041,434	12.51	3,381,131	7.00	3,139,621	6.50
Tier 1 Risk-based Capital						
Valley	5,584,699	11.55	4,109,146	8.50	N/A	N/A
Valley National Bank	6,041,434	12.51	4,105,659	8.50	3,864,149	8.00
Tier 1 Leverage Capital						
Valley	5,584,699	9.16	2,438,649	4.00	N/A	N/A
Valley National Bank	6,041,434	9.91	2,438,511	4.00	3,048,139	5.00

COMMON AND PREFERRED STOCK (Note 17)

Repurchase Plan. Purchases of Valley's common shares may be made from time to time in the open market or in privately negotiated transactions generally not exceeding prevailing market prices. Repurchased shares are held in treasury and are expected to be used for general corporate purposes. Valley currently maintains a common stock repurchase program, which was publicly announced in February 2024 and became effective on April 26, 2024. Under the repurchase program, Valley can repurchase up to 25 million shares of Valley common stock through the program's expiration date of April 26, 2026. Valley repurchased 6.1 million common shares on the open market at an average price of $10.41 during the year ended December 31, 2025. There were no repurchases of Valley's common shares under the plan during the year ended December 31, 2024. During 2023, Valley repurchased 300 thousand common shares on the open market at an average price of $6.97 under a previously announced stock purchase plan that was terminated in 2024.

Other Stock Repurchases. Valley purchases shares directly from its employees in connection with employee elections to withhold taxes related to the vesting of stock awards. During the years ended December 31, 2025, 2024 and 2023, Valley purchased approximately 986 thousand, 998 thousand and 814 thousand shares, respectively, of its outstanding common stock at average prices of $9.94, $8.88 and $11.53, respectively, for such purpose.

Common Stock

Common Stock Issuance. On November 12, 2024, Valley issued and sold 49,197,860 shares of its common stock in a registered public offering, including 6,417,112 shares purchased under an over-allotment option exercised in full by the underwriters at the public offering price of $9.35 per share. The net proceeds of the offering, after deducting underwriting discounts and commissions and offering expenses payable by Valley, were $448.9 million and were used for additional investment in the Bank as regulatory capital during the fourth quarter 2024.

Preferred Stock

Series A Issuance. On June 19, 2015, Valley issued 4.6 million shares of its Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A, no par value per share, with a liquidation preference of $25 per share. Dividends on the preferred stock accrue and are payable quarterly in arrears, at a fixed rate per annum equal to 6.25 percent from the original issue date to, but excluding, June 30, 2025, and thereafter at a floating rate per annum equal to three-month SOFR plus an adjustment of 0.26161 percent plus a spread of 3.85 percent. The net proceeds from the preferred stock offering totaled $111.6 million. Commencing June 30, 2025, Valley may redeem the preferred shares at the liquidation preference plus accrued and unpaid dividends, subject to certain conditions.

Series B Issuance. On August 3, 2017, Valley issued 4.0 million shares of its Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series B, no par value per share, with a liquidation preference of $25 per share. Dividends on the preferred stock will accrue and be payable quarterly in arrears, at a fixed rate per annum equal to 5.50 percent from the original issuance date to, but excluding, September 30, 2022, and thereafter at a floating rate per annum equal to three-month SOFR plus an adjustment of 0.26161 percent plus a spread of 3.578 percent. The net proceeds from the preferred stock offering totaled $98.1 million. Valley may redeem the preferred shares at the liquidation preference plus accrued and unpaid dividends, subject to certain conditions.

Series C Issuance. On August 5, 2024, Valley issued 6.0 million shares of its Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series C, no par value per share, with a liquidation preference of $25 per share. Dividends on the preferred stock will accrue and be payable quarterly in arrears, at a fixed rate per annum equal to 8.25 percent from the date of original issue to, but excluding September 30, 2029, and thereafter at a rate per annum equal to the five-year U.S. treasury rate as of the most recent dividend payment date plus a spread of 4.182 percent. Net proceeds from the preferred stock offering totaled $144.7 million. Commencing September 30, 2029, Valley may redeem the preferred shares at the liquidation preference plus accrued and unpaid dividends, subject to certain conditions.

Preferred stock is included in Valley's (additional) Tier 1 capital and total risk-based capital at December 31, 2025 and 2024.

OTHER COMPREHENSIVE INCOME (Note 18)

The following table presents the tax effects allocated to each component of other comprehensive income (loss) for the years ended December 31, 2025, 2024 and 2023. Components of other comprehensive income (loss) include changes in net unrealized gains and losses on debt securities AFS; unrealized gains and losses on derivatives used in cash flow hedging relationships; and the defined benefit pension and postretirement benefit plan adjustments for the unfunded portion of various employee, officer and director benefit plans.

	2025			2024			2023		
	Before Tax	Tax Effect	After Tax	Before Tax	Tax Effect	After Tax	Before Tax	Tax Effect	After Tax
					(in thousands)				
Unrealized gains and losses on available for sale debt securities									
Net gains (losses) arising during the period	$ 94,126	$ (24,780)	$ 69,346	$ (24,687)	$ 6,290	$ (18,397)	$ 19,514	$ (6,564)	$ 12,950
Amounts reclassified to earnings [1]	(1)	—	(1)	1	—	1	(863)	229	(634)
Net change	94,125	(24,780)	69,345	(24,686)	6,290	(18,396)	18,651	(6,335)	12,316
Unrealized gains and losses on derivatives (cash flow hedges)									
Net losses arising during the period	—	—	—	—	—	—	(1,093)	336	(757)
Amounts reclassified to earnings [2]	(1,136)	311	(825)	(1,204)	335	(869)	891	(253)	638
Net change	(1,136)	311	(825)	(1,204)	335	(869)	(202)	83	(119)
Defined benefit pension and postretirement benefit plans									
Net gains arising during the period	17,716	(4,834)	12,882	14,725	(4,116)	10,609	8,035	(2,593)	5,442
Amortization of prior service cost [3]	(135)	36	(99)	(135)	38	(97)	(135)	45	(90)
Amortization of net loss [3]	(479)	131	(348)	(174)	49	(125)	(4)	1	(3)
Net change	17,102	(4,667)	12,435	14,416	(4,029)	10,387	7,896	(2,547)	5,349
Total other comprehensive income (loss)	$ 110,091	$ (29,136)	$ 80,955	$ (11,474)	$ 2,596	$ (8,878)	$ 26,345	$ (8,799)	$ 17,546

[1] Included in gains on securities transactions, net.
[2] Included in interest and fees on loans.
[3] Included in other non-interest expense. See Note 11 for details.

The following table presents the after-tax changes in the balances of each component of accumulated other comprehensive (loss) income for the years ended December 31, 2025, 2024 and 2023:

	Components of Accumulated Other Comprehensive Loss			Total Accumulated Other Comprehensive Loss
	Unrealized Gains and Losses on AFS Securities	Unrealized Gains and Losses on Derivatives	Defined benefit pension and postretirement benefit plans	
	(in thousands)			
Balance-December 31, 2022	$ (127,818)	$ 2,233	$ (38,417)	$ (164,002)
Other comprehensive income (loss) before reclassifications	12,950	(757)	5,442	17,635
Amounts reclassified to earnings	(634)	638	(93)	(89)
Other comprehensive income (loss), net	12,316	(119)	5,349	17,546
Balance-December 31, 2023	(115,502)	2,114	(33,068)	(146,456)
Other comprehensive (loss) income before reclassifications	(18,397)	—	10,609	(7,788)
Amounts reclassified to earnings	1	(869)	(222)	(1,090)
Other comprehensive (loss) income, net	(18,396)	(869)	10,387	(8,878)
Balance-December 31, 2024	(133,898)	1,245	(22,681)	(155,334)
Other comprehensive income (loss) before reclassifications	69,346	—	12,882	82,228
Amounts reclassified to earnings	(1)	(825)	(447)	(1,273)
Other comprehensive income (loss) , net	69,345	(825)	12,435	80,955
Balance-December 31, 2025	$ (64,553)	$ 420	$ (10,246)	$ (74,379)

PARENT COMPANY INFORMATION (Note 19)

Condensed Statements of Financial Condition

	December 31,	
	2025	2024
	(in thousands)	
Assets		
Cash	$ 121,967	$ 277,072
Equity securities	49,371	37,076
Investments in and receivables due from subsidiaries	8,214,565	7,905,565
Other assets	4,807	8,306
Total Assets	$ 8,390,710	$ 8,228,019
Liabilities and Shareholders' Equity		
Dividends payable to shareholders	$ 65,401	$ 64,917
Long-term borrowings	444,975	647,547
Junior subordinated debentures issued to capital trusts	57,803	57,455
Accrued expenses and other liabilities	14,833	22,973
Shareholders' equity	7,807,698	7,435,127
Total Liabilities and Shareholders' Equity	$ 8,390,710	$ 8,228,019

Condensed Statements of Income

	Years Ended December 31,		
	2025	2024	2023
		(in thousands)	
Income			
Dividends from subsidiary	$ 400,000	$ 300,000	$ 425,000
Net gains (losses) on equity securities	2,305	(1,581)	1,036
Other income and interest	44	7,360	5,730
Total Income	402,349	305,779	431,766
Total Expenses	45,281	53,147	56,072
Income before income tax and equity in undistributed earnings of subsidiary	357,068	252,632	375,694
Income tax benefit	(12,952)	(54,017)	(10,961)
Income before equity in undistributed earnings of subsidiary	370,020	306,649	386,655
Equity in undistributed earnings of subsidiary	227,963	73,622	111,856
Net Income	597,983	380,271	498,511
Dividends on preferred stock	28,981	21,369	16,135
Net Income Available to Common Shareholders	$ 569,002	$ 358,902	$ 482,376

Condensed Statements of Cash Flows

	Years Ended December 31,		
	2025	2024	2023
		(in thousands)	
Cash flows from operating activities:			
Net Income	$ 597,983	$ 380,271	$ 498,511
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in undistributed earnings of subsidiaries	(227,963)	(73,622)	(111,856)
Stock-based compensation	27,279	28,988	33,104
Net amortization of premiums and accretion of discounts on borrowings	1,786	1,947	2,058
(Gains) losses on equity securities, net	(2,305)	1,581	(1,036)
Loss on extinguishment of debt	922	—	—
Net change in:			
Other assets	3,499	4,167	13,472
Accrued expenses and other liabilities	1,846	(37,661)	(8,501)
Net cash provided by operating activities	403,047	305,671	425,752
Cash flows from investing activities:			
Purchases of equity securities	(12,951)	(9,253)	(11,261)
Sales and capital returns of equity securities	2,961	—	—
Capital contributions to subsidiary	—	(550,000)	(20)
Other, net	—	52	5,098
Net cash used in investing activities	(9,990)	(559,201)	(6,183)
Cash flows from financing activities:			
Repayment of long-term borrowings	(215,000)	—	(125,000)
Proceeds from issuance of preferred stock, net	—	144,654	—
Dividends paid to preferred shareholders	(28,981)	(21,369)	(14,338)
Dividends paid to common shareholders	(248,885)	(228,228)	(225,411)
Purchase of common shares related to stock compensation plan activity	(9,801)	(8,867)	(9,383)
Purchase of common shares to treasury	(63,001)	—	(2,092)
Common stock issued, net	17,506	451,164	4,006
Net cash (used in) provided by financing activities	(548,162)	337,354	(372,218)
Net change in cash and cash equivalents	(155,105)	83,824	47,351
Cash and cash equivalents at beginning of year	277,072	193,248	145,897
Cash and cash equivalents at end of year	$ 121,967	$ 277,072	$ 193,248

OPERATING SEGMENTS (Note 20)

Valley manages its business operations under operating segments consisting of Consumer Banking and Commercial Banking. Activities not assigned to the operating segments are included in Treasury and Corporate Other.

The CEO of Valley is the CODM who assesses performance of each operating segment to better understand their cost, opportunity value and impact to Valley's consolidated earnings. Each operating segment is reviewed routinely for its asset growth, contribution to our income before income taxes, return on average interest earning assets and impairment (if events or circumstances indicate a possible inability to realize the carrying amount). Valley regularly assesses its strategic plans, operations, and reporting structures to identify its reportable segments. No changes to the operating segments were determined necessary during the year ended December 31, 2025.

The Consumer Banking segment is mainly comprised of residential mortgages and automobile loans, and to a lesser extent, secured personal lines of credit, home equity loans and other consumer loans. The duration of the residential mortgage loan portfolio is subject to movements in the market level of interest rates and forecasted prepayment speeds. The average weighted life of the automobile loans within the portfolio is relatively unaffected by movements in the market level of interest

rates. However, the average life may be impacted by new loans as a result of the availability of credit within the automobile marketplace and consumer demand for purchasing new or used automobiles. Consumer Banking also includes the Wealth Management and Insurance Services Division, comprised of asset management advisory, brokerage, trust, personal and title insurance, tax credit advisory services, and international and domestic private banking businesses.

The Commercial Banking segment is comprised of floating rate and adjustable rate commercial and industrial loans and construction loans, as well as adjustable and fixed rate owner occupied and commercial real estate loans. Due to the portfolio's interest rate characteristics, Commercial Banking is Valley's operating segment that is most sensitive to movements in market interest rates.

Treasury and Corporate Other largely consists of the Treasury managed HTM debt securities and AFS debt securities portfolios mainly utilized in the liquidity management needs of our lending segments and income and expense items resulting from support functions not directly attributable to a specific segment. Interest income is generated through investments in various types of securities (mainly comprised of fixed rate securities) and interest-bearing deposits with other banks (primarily the Federal Reserve Bank of New York). Expenses related to the branch network, all other components of retail banking, along with the back office departments of the Bank are allocated from Treasury and Corporate Other to operating segments. Other non-interest income items and general expenses are allocated from Treasury and Corporate Other to each operating segment utilizing a methodology that involves an allocation of operating and funding costs based on each segment's respective mix of average interest earning assets outstanding for the period, number of deposits, or direct allocation to the segments based on the nature of income and expense. Unallocated items included in Treasury and Corporate Other consist of net gains and losses on AFS and HTM securities transactions, amortization of tax credit investments, as well as other non-core items, including loss on extinguishment of debt, corporate restructuring charges, the FDIC special assessment, and income from litigation settlements.

The accounting for each operating segment and Treasury and Corporate Other includes internal accounting policies designed to measure consistent and reasonable financial reporting and may result in income and expense measurements that differ from amounts under GAAP. The financial reporting for each segment contains allocations and reporting in line with Valley's operations, which may not necessarily be comparable to any other financial institution. Furthermore, changes in management structure or allocation methodologies and procedures may result in changes in reported segment financial data.

The following tables represent the financial data for Valley's operating segments, and Treasury and Corporate Other for the years ended December 31, 2025, 2024 and 2023:

	2025			
	Consumer Banking	Commercial Banking	Treasury and Corporate Other	Total
	($ in thousands)			
Average interest earning assets	$ 10,675,089	$ 38,471,202	$ 8,816,609	$ 57,962,900
Interest income	$ 523,519	$ 2,352,838	$ 356,127	$ 3,232,484
Interest expense	270,518	974,900	223,422	1,468,840
Net interest income	253,001	1,377,938	132,705	1,763,644
(Credit) provision for credit losses	(630)	140,317	87	139,774
Net interest income after provision for credit losses	253,631	1,237,621	132,618	1,623,870
Non-interest income	139,321	101,168	21,637	262,126
Non-interest expense				
Salary and employee benefits expense	132,712	391,384	55,424	579,520
Net occupancy expense	19,109	67,704	15,481	102,294
Technology, furniture, and equipment expense	26,770	80,444	16,662	123,876
FDIC insurance assessment	10,545	38,001	(9,487)	39,059
Professional and legal fees	14,712	61,092	10,943	86,747
Other segment items *	54,172	72,873	83,585	210,630
Total non-interest expense	$ 258,020	$ 711,498	$ 172,608	$ 1,142,126
Income (loss) before income taxes	$ 134,932	$ 627,291	$ (18,353)	$ 743,870
Return on average interest earning assets (pre-tax)	1.26 %	1.63 %	(0.21)%	1.28 %
Net interest margin	2.37 %	3.59 %	1.51 %	3.05 %

	2024			
	Consumer Banking	Commercial Banking	Treasury and Corporate Other	Total
	($ in thousands)			
Average interest earning assets	$ 9,914,917	$ 40,115,669	$ 7,287,340	$ 57,317,926
Interest income	$ 478,680	$ 2,596,066	$ 282,751	$ 3,357,497
Interest expense	299,048	1,209,945	219,796	1,728,789
Net interest income	179,632	1,386,121	62,955	1,628,708
Provision (credit) for credit losses	24,561	284,827	(558)	308,830
Net interest income after provision for credit losses	155,071	1,101,294	63,513	1,319,878
Non-interest income	135,331	77,690	11,480	224,501
Non-interest expense				
Salary and employee benefits expense	118,953	389,622	50,020	558,595
Net occupancy expense	18,003	71,360	12,761	102,124
Technology, furniture, and equipment expense	25,681	93,811	15,617	135,109
FDIC insurance assessment	10,448	42,271	8,757	61,476
Professional and legal fees	11,254	52,666	6,395	70,315
Other segment items *	58,282	54,007	65,952	178,241
Total non-interest expense	$ 242,621	$ 703,737	$ 159,502	$ 1,105,860
Income (loss) before income taxes	$ 47,781	$ 475,247	$ (84,509)	$ 438,519
Return on average interest earning assets (pre-tax)	0.48 %	1.18 %	(1.16)%	0.77 %
Net interest margin	1.81 %	3.45 %	0.86 %	2.84 %

	2023			
	Consumer Banking	Commercial Banking	Treasury and Corporate Other	Total
	($ in thousands)			
Average interest earning assets	$ 9,620,508	$ 39,731,353	$ 7,148,667	$ 56,500,528
Interest income	$ 415,585	$ 2,471,345	$ 251,961	$ 3,138,891
Interest expense	250,882	1,036,109	186,422	1,473,413
Net interest income	164,703	1,435,236	65,539	1,665,478
Provision for credit losses	6,162	39,463	4,559	50,184
Net interest income after provision for credit losses	158,541	1,395,773	60,980	1,615,294
Non-interest income	105,282	93,618	26,829	225,729
Non-interest expense				
Salary and employee benefits expense	111,748	389,666	62,177	563,591
Net occupancy expense	19,313	69,780	12,377	101,470
Technology, furniture, and equipment expense	25,661	98,716	26,331	150,708
FDIC insurance assessment	7,380	30,477	50,297	88,154
Professional and legal fees	13,016	56,755	10,796	80,567
Other segment items *	48,650	56,188	73,363	178,201
Total non-interest expense	$ 225,768	$ 701,582	$ 235,341	$ 1,162,691
Income (loss) before income taxes	$ 38,055	$ 787,809	$ (147,532)	$ 678,332
Return on average interest earning assets (pre-tax)	0.40 %	1.98 %	(2.06)%	1.20 %
Net interest margin	1.71 %	3.61 %	0.91 %	2.95 %

* Other segment items include amortization of intangible assets, amortization of tax credit investments loss on extinguishment of debt and other general operating expenses.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Valley National Bancorp:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial condition of Valley National Bancorp and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 27, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for loan losses

As discussed in Notes 1 and 4 to the consolidated financial statements, the Company's total allowance for loan losses (the ALL) as of December 31, 2025 was $583.4 million, of which $501.4 million related to the loans collectively evaluated for credit losses (the collective ALL). The collective ALL includes the measure of expected credit losses on a collective basis for those loans that share similar risk characteristics. In estimating the collective ALL, the Company uses a transition matrix model which calculates an expected life of loan loss percentage for each loan pool by using probability of default (PD) and loss given default (LGD) metrics. The PD and LGD metrics are adjusted using a scaling factor to incorporate a full economic cycle. The expected life of loan loss percentages are determined by analyzing the migration of loans from performing to loss by credit quality rating or delinquency categories using historical life-of-loan data for each loan portfolio pool, and by assessing the severity of loss, based on the aggregate net lifetime losses incurred. The expected credit losses are adjusted for qualitative factors not reflected in the transition matrix model but are likely to impact the measurement of estimated credit losses. The qualitative factors include a two-year reasonable and supportable forecast period followed by a one-year period over which estimated losses revert to historical loss experience on a straight-line basis for the remaining life of the loan. The forecast consists of multi-scenario economic forecasts which are assigned relative probability weightings and projects economic variables under each scenario. The expected lifetime loss rates are the life of loan loss percentages from the transition matrix

model plus the impact of the adjustments for the qualitative factors. The expected credit losses are the product of multiplying the model's lifetime loss rates by the exposure at default at period end.

We identified the assessment of the collective ALL as a critical audit matter. A high degree of audit effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment of the ALL due to estimation uncertainty. Specifically, the assessment of the collective ALL encompassed the evaluation of the collective ALL methodology and the transition matrix model used to estimate the expected life of loan loss percentages and its significant assumptions, including the scaling factor. The assessment of the collective ALL also included an evaluation of the conceptual soundness and performance of the transition matrix model utilized to derive the expected life of loan loss percentages. In addition, the assessment also encompassed the conceptual soundness of the methodology utilized to estimate the qualitative factors and their related significant assumptions, including the selection of the multi-scenario economic forecasts and related weightings, and weightings of certain qualitative factors. In addition, auditor judgment was required to evaluate the sufficiency of audit evidence obtained.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's measurement of the collective ALL estimate, including controls over the:

- development of the collective ALL methodology
- continued use and appropriateness of the transition matrix model
- performance monitoring of the transition matrix model
- identification and determination of the significant assumptions used in the transition matrix model
- identification of qualitative factors and development of the qualitative framework, including the significant assumptions used in the measurement of the qualitative factors
- analysis of the collective ALL results, trends and ratios.

We evaluated the Company's process to develop the collective ALL by testing certain sources of data, factors, and assumptions that the Company used, and considered the relevance and reliability of such data, factors and assumptions. In addition, we involved credit risk professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's collective ALL methodology for compliance with U.S. generally accepted accounting principles
- evaluating the judgments made by the Company relative to the assessment and performance monitoring of the transition matrix model used to calculate the expected life of loan loss percentages by comparing them to Company-specific metrics and trends and the applicable industry and regulatory practices
- testing the conceptual soundness and performance of the transition matrix model by inspecting the model documentation to determine whether the model is suitable for the intended use
- evaluating the judgments made by management relative to the Company's scaling factor by inspecting documentation to determine whether the assumption is suitable to incorporate a full economic cycle
- evaluating the selection of the multi-scenario economic forecasts and economic variables and related weightings by comparing them to the Company's business environment and relevant industry practices
- evaluating the methodology used to develop the qualitative factors and their significant assumptions and the effect of those factors on the collective ALL by comparing to the specific portfolio risk characteristics, trends and relevant industry practices and identified limitations of the underlying quantitative models.

We also assessed the sufficiency of the audit evidence obtained related to the collective ALL estimate by evaluating the cumulative results of the audit procedures, qualitative aspects of the Company's accounting practices and potential bias in the accounting estimate.

/s/ KPMG LLP

We have served as the Company's auditor since 2008.

New York, New York
February 27, 2026

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Valley maintains disclosure controls and procedures which, consistent with Rule 13a-15(e) under the Exchange Act, are defined to mean controls and other procedures that are designed to ensure that information required to be disclosed in the reports that Valley files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and to ensure that such information is accumulated and communicated to Valley's management, including its Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure.

Valley's management, with the participation of the CEO and CFO, has evaluated the effectiveness of Valley's disclosure controls and procedures. Based on such evaluation, Valley's CEO and CFO have concluded that such disclosure controls and procedures were effective as of December 31, 2025 (the end of the period covered by this Report).

Valley's management, including the CEO and CFO, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A system of internal control, no matter how well conceived and operated, provides reasonable, not absolute, assurance that the objectives of the system of internal control are met. The design of a system of internal control reflects resource constraints and the benefits of controls must be considered relative to their costs. Because there are inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Valley have been or will be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns occur because of a simple error or mistake. Controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of internal control is based in part upon certain assumptions about the likelihood of future events. There can be no assurance that any design will succeed in achieving its stated goals under all future conditions; over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the policies or procedures. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Management's Report on Internal Control over Financial Reporting

Valley's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Valley's internal control over financial reporting is a process designed by, or under the supervision of, Valley's CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2025, management assessed the effectiveness of Valley's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of Valley's internal control over financial reporting and testing of the operating effectiveness of its internal control over financial reporting. Management reviewed the results of its assessment with the Audit Committee.

Based on this assessment, management determined that, as of December 31, 2025, Valley's internal control over financial reporting was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

KPMG LLP, the independent registered public accounting firm that audited Valley's December 31, 2025 consolidated financial statements included in this Report, has issued an audit report expressing an opinion on the effectiveness of Valley's internal control over financial reporting as of December 31, 2025. The report is included in this item under the heading "Report of Independent Registered Public Accounting Firm."

Changes in Internal Control over Financial Reporting

There have been no changes in Valley's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the year ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, Valley's internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Valley National Bancorp:

Opinion on Internal Control Over Financial Reporting

We have audited Valley National Bancorp and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial condition of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated February 27, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

New York, New York
February 27, 2026

Item 9B. ***Other Information***

a. None
b. None
c. During the fourth quarter 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. ***Disclosure Regarding Foreign Jurisdictions that Prevent Inspections***

Not applicable.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

Certain information regarding executive officers is included under the section captioned "Information about our Executive Officers" in Item 1. Business of this Report. The information set forth under the captions "Director Biographies," "Delinquent Section 16(a) Reports," "Code of Conduct and Ethics and Corporate Governance Guidelines," "Nomination of Directors," "Board Meetings and Attendance," "Committees of the Board of Directors,"and "Our Securities Trading Policy" in the 2026 Proxy Statement is incorporated herein by reference.

Item 11. ***Executive Compensation***

The information set forth under the captions "Compensation of Directors," "Compensation Committee Interlocks and Insider Participation," "Equity Grant Procedures" and "Advisory Vote on Our Named Executive Officer Compensation" in the 2026 Proxy Statement is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters***

The information set forth under the captions "Equity Compensation Plan Information" and "Stock Ownership of Management and Principal Shareholders" in the 2026 Proxy Statement is incorporated herein by reference.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information set forth under the captions "Certain Transactions with Management" and "Director Independence" in the 2026 Proxy Statement is incorporated herein by reference.

Item 14. ***Principal Accountant Fees and Services***

Our independent registered public accounting firm is KPMG LLP, New York, NY, Auditor Firm ID: 185.

The information set forth under the caption "Ratification of the Selection of Independent Registered Public Accounting Firm" in the 2026 Proxy Statement is incorporated herein by reference.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) Financial Statements and Schedules:
The following financial statements and supplementary data are filed as part of this Report:

	Page
Consolidated Statements of Financial Condition	80
Consolidated Statements of Income	81
Consolidated Statements of Comprehensive Income	82
Consolidated Statements of Changes in Shareholders' Equity	83
Consolidated Statements of Cash Flows	84
Notes to Consolidated Financial Statements	86
Report of Independent Registered Public Accounting Firm	149

All financial statement schedules are omitted because they are either not applicable or not required, or because the required information is included in the consolidated financial statements or notes thereto.

(b) Exhibits (numbered in accordance with Item 601 of Regulation S-K):

(2) Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession:

A. Agreement and Plan of Merger, dated as of September 22, 2021, by and among Valley National Bancorp, Bank Leumi Le-Israel Corporation, a New York corporation and Volcano Merger Sub Corporation, a New York corporation and subsidiary of Valley, incorporated herein by reference to Exhibit 2.1 to the Registrant's Form 8-K Current Report filed on September 27, 2021.

(3) Articles of Incorporation and By-laws:

A. Restated Certificate of Incorporation of the Registrant, incorporated herein by reference to Exhibit 3.1 to the Registrant's Form 10-Q Quarterly Report filed on August 7, 2020.

B. Certificate of Amendment to the Restated Certificate of Incorporation of the Company, incorporated herein by reference to Exhibit 3.1 to the Company's Form 8-K Current Report filed on August 5, 2024.

C. By-laws of the Registrant, as amended and restated, incorporated herein by reference to Exhibit 3.1 to the Registrant's Form 8-K Current Report filed on October 24, 2018.

(4) Instruments Defining the Rights of Security Holders:

A. Indenture, dated as of June 19, 2015, by and between Valley and The Bank of New York Mellon Trust Company, N.A., as Trustee, incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K Current Report filed on June 19, 2015. (Valley 4.55% sub debt due July 30, 2025).

B. First Supplemental Indenture, dated as of June 19, 2015, by and between Valley and The Bank of New York Mellon Trust Company, N.A., as Trustee, including the form of the Notes attached as Exhibit A thereto, incorporated herein by reference to Exhibit 4.2 to the Registrant's Form 8-K Current Report filed on June 19, 2015 (Valley 4.55% sub debt due July 30, 2025).

C. Agreement to provide SEC with Indentures not filed. (Item 601(b)(4)(iii)(A)), incorporated herein by reference to Exhibit 4G to the Registrant's Form 10-K Annual Report filed on February 28, 2017.

D. Description of Valley Securities, incorporated herein by reference to Exhibit 4D to the Registrant's Form 10-K Annual Report filed on February 27, 2025.

E. Indenture, dated as of June 5, 2020, between Valley and The Bank of New York Mellon Trust Company, N.A., as Trustee, incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K Current Report filed on June 5, 2020.

F. First Supplemental Indenture, dated as of June 5, 2020, between Valley and The Bank of New York Mellon Trust Company, N.A., as Trustee, including the form of Notes attached as Exhibit A thereto, incorporated herein by reference to Exhibit 4.2 to the Registrant's Form 8-K Current Report filed on June 5, 2020 (Valley 5.25% sub debt due June 15, 2030).

G. Indenture, dated as of May 28, 2021, between Valley and U. S. Bank, N.A., as Trustee, incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K Current Report filed on May 28, 2021.

H. First Supplemental Indenture, dated as of May 28, 2021, between Valley and U. S. Bank, N.A., as Trustee, including the form of Notes attached thereto, incorporated by reference to Exhibit 4.2 to the Registrant's Form 8-K Current Report filed on May 28, 2021 (Valley 3.00% sub debt due June 15, 2031).

I. Second Supplemental Indenture, dated as of September 20, 2022, between Valley and U.S. Bank Trust Company, National Association, as Trustee, including the form of Notes attached thereto, incorporated by reference to Exhibit 4.2 to the Registrant's Form 8-K Current Report filed on September 20, 2022 (Valley 6.25% sub debt due September 30, 2032).

(10) Material Contracts:

A. The Valley National Bancorp Benefit Equalization Plan, as Amended and Restated, incorporated herein by reference to Exhibit 10 to the Registrant's Form 10-Q Quarterly Report filed on November 6, 2015.+

B. Form of Participant Agreement for the Benefit Equalization Plan, incorporated herein by reference to Exhibit 10.J to the Registrant's Form 10-K Annual Report for the year ended December 31, 2011 (No. 001-11277).+

C. Valley National Bancorp Deferred Compensation Plan, dated October 23, 2023.+ *

D. First Amendment to Valley National Bancorp Deferred Compensation Plan, dated December 8, 2025.+*

E. Severance Letter Agreement, dated as of September 21, 2016, between Valley National Bank, Valley and Ira Robbins, incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K Current Report filed on September 27, 2016.+

F. Severance Letter Agreement, dated as of September 21, 2016, between Valley National Bank, Valley and Thomas A. Iadanza, incorporated herein by reference to Exhibit 10.3 to the Registrant's Form 8-K Current Report filed on September 27, 2016.+

G. Consulting Agreement, dated as of May 1, 2022, by and between Valley National Bancorp and Alrem LLC, incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q Quarterly Report filed on August 9, 2022.+

H. First Amendment to Consulting Agreement, effective as of May 1, 2023, by and between Valley National Bancorp and Alrem LLC, incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q Quarterly Report filed on May 8, 2024. +

I. Second Amendment to Consulting Agreement, effective as of May 1, 2024, by and between Valley National Bank and Alrem LLC, incorporated herein by reference to Exhibit 10.H to the Registrant's Form 10-K Annual Report filed on February 27, 2025. +

J. Bank Leumi Le-Israel Corporation 2018 Stock Option Plan, incorporated herein by reference to Exhibit 4.1 to the Registrant's Form S-8 Registration Statement filed on April 1, 2022.+

K. Restricted Stock Unit Agreement, effective as of January 6, 2022, between Bank Leumi Le-Israel Corporation and Avner Mendelson, incorporated herein by reference to Exhibit 4.2 to the Registrant's Form S-8 Registration Statement filed April 1, 2022.+

L. Form of Change in Control Agreement for Executive Vice President, dated January 16, 2019, incorporated herein by reference to Exhibit CC to the Registrant's Form 10-K filed on February 28, 2019. +

M. Form of Change in Control Agreement for Senior Executive Vice President, dated January 16, 2019, incorporated herein by reference to Exhibit DD to the Registrant's Form 10-K filed on February 28, 2019. +

N. Form of Agreement to Reduce Change in Control Severance, effective January 1, 2023 (applicable to Ira Robbins and Thomas A. Iadanza), incorporated herein by reference to Exhibit EE to the Registrant's Form 10-K filed on February 28, 2019. +

O. Form of Change in Control Agreement for President and Chief Executive Officer, dated January 16, 2019 and effective January 1, 2023 (applicable to Ira Robbins), incorporated herein by reference to Exhibit FF to the Registrant's Form 10-K filed on February 28, 2019. +

P. Form of Change in Control Agreement for Senior Executive Vice President, effective January 1, 2023 (covering Thomas A. Iadanza), incorporated herein by reference to Exhibit II to the Registrant's Form 10-K filed on February 28, 2019. +

Q. Oritani Financial Corp. 2011 Equity Incentive Plan, incorporated by reference to Appendix A of the proxy statement for the Special Meeting of Oritani Stockholders (Commission File No. 001-34786) filed by Oritani under the Securities Exchange Act of 1934, as amended, on June 27, 2011.+

R. Employment Agreement, dated as of July 25, 2017, by and among Joseph V. Chillura, Valley National Bancorp and Valley National Bank, incorporated herein by reference to Exhibit 10.1 of the Registrant's Form 10-Q filed on August 7, 2020. +

S. Valley National Bancorp 2021 Incentive Compensation Plan, incorporated herein by reference to Exhibit 10.1 of the Registrant's Form 10-Q filed on May 7, 2021. +

T. Form of Valley National Bancorp Director Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2021 Incentive Compensation Plan, incorporated herein by reference to Exhibit 10.4 of the Registrant's Form 10-Q filed on May 7, 2021. +

U. Form of Valley National Bancorp Time-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2021 Incentive Compensation Plan, incorporated herein by reference to Exhibit 10.DD to the Registrant's Form 10-K Annual Report filed on February 28, 2022. +

V. Form of Valley National Bancorp Performance-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2021 Incentive Compensation Plan, incorporated herein by reference to Exhibit 10.EE to the Registrant's Form 10-K Annual Report filed on February 28, 2022. +

W. Investor Rights Agreement, dated as of April 1, 2022, between Valley National Bancorp and Bank Leumi Le-Israel B.M., incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K Current Report filed on April 1, 2022.

X. Valley National Bancorp 2023 Incentive Compensation Plan, incorporated herein by reference to Exhibit 10.1 of the Registrant's Form 10-Q filed on August 7, 2023. +

Y. Form of Valley National Bancorp Time-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2023 Incentive Compensation Plan (approved February 2024), incorporated herein by reference to Exhibit 10.AA to the Registrant's Form 10-K Annual Report filed on February 29, 2024.+

Z. Form of Valley National Bancorp Performance-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2023 Incentive Compensation Plan (approved February 2024), incorporated herein by reference to Exhibit 10.BB to the Registrant's Form 10-K Annual Report filed on February 29, 2024.+

AA. Underwriting Agreement, dated July 29, 2024, by and among the Company, Valley National Bank, and Morgan Stanley & Co. LLC, BofA Securities, Inc., J.P. Morgan Securities LLC, UBS Securities LLC, Wells Fargo Securities, LLC and Keefe, Bruyette & Woods, Inc., as representatives of the underwriters named therein, incorporated herein by reference to Exhibit 1.1 to the Company's Form 8-K Current Report filed on July 31, 2024. +

BB. Underwriting Agreement, dated November 7, 2024, by and among the Company, the Bank and J.P. Morgan Securities LLC, as representative of the Underwriters listed on Schedule A thereto, incorporated herein by reference to Exhibit 1.1 to the Company's Form 8-K Current Report filed on November 12, 2024.+

CC. Separation Agreement and General Release, dated October 30, 2024, between Valley National Bank and Michael Hagedorn, incorporated herein by reference to Exhibit 10.BB to the Registrant's Form 10-K Annual Report filed on February 27, 2025.+

DD. Executive Severance Plan, effective as of January 1, 2025, covering Russell Barrett, Mitchell L. Crandell, John P. Regan, Mark Saeger and Yvonne M. Surowiec, incorporated herein by reference to Exhibit 10.CC to the Registrant's Form 10-K Annual Report filed on February 27, 2025.+

EE. Form of Valley National Bancorp Time-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2023 Incentive Compensation Plan, approved December 2024, incorporated herein by reference to Exhibit 10.DD to the Registrant's Form 10-K Annual Report filed on February 27, 2025.+

FF. Form of Valley National Bancorp Performance-Based Restricted Stock Unit Award Agreement, in connection with Valley National Bancorp 2023 Incentive Compensation Plan, approved December 2024, incorporated herein by reference to Exhibit 10.EE to the Registrant's Form 10-K Annual Report filed on February 27, 2025.+

(19) Valley National Bancorp Securities Trading Policy, incorporated herein by reference to Exhibit 19 to the Registrant's Form 10-K Annual Report filed on February 27, 2025.

(21) List of Subsidiaries as of December 31, 2025:

	Name	Jurisdiction of Incorporation	Percentage of Voting Securities Owned by the Parent Directly or Indirectly
(a)	Subsidiaries of Valley:		
	Valley National Bank	United States	100%
	Aliant Statutory Trust II	Delaware	100%
	GCB Capital Trust III	Delaware	100%
	State Bancorp Capital Trust I	Delaware	100%
	State Bancorp Capital Trust II	Delaware	100%
	Dudley Ventures, LLC	Delaware	100%
	Valley Growth Capital LLC	Delaware	100%
(b)	Subsidiaries of Valley National Bank:		
	Valley Wealth Managers, Inc.	New Jersey	100%
	Highland Capital Corp.	New Jersey	100%
	Valley Insurance Services, Inc.	New York	90%
	Metro Title and Settlement Agency, Inc.	New York	100%
	Valley Securities Holdings (NY) LLC	New York	100%
	VNB New York, LLC	New York	100%
	DV Community Investment, LLC	Delaware	100%
	Valley Financial Management, Inc.	New York	100%
(c)	Subsidiaries of Valley Securities Holdings (NY) LLC:		
	SAR II (NY) LLC	New York	100%
	Shrewsbury Capital Corporation	New Jersey	100%
	Valley Investments, Inc.	New Jersey	100%
	Oritani Investment Corp.	New Jersey	100%
(d)	Subsidiary of Oritani Investment Corp.:		
	Oritani Asset Corp.	New Jersey	100%
(e)	Subsidiary of SAR II (NY) LLC:		
	VNB Realty, Inc.	New Jersey	100%
(f)	Subsidiary of VNB Realty, Inc.:		
	VNB Capital Corp.	New York	100%

Excluded from the list are certain subsidiaries that, if considered in the aggregate, would not constitute a significant subsidiary under SEC rules as of December 31, 2025.

(23)	Consent of KPMG LLP.*
(24)	Power of Attorney of Certain Directors and Officers of the Company.*
(31.1)	Certification of Ira Robbins, Chairman of the Board and Chief Executive Officer of the Company, pursuant to Securities Exchange Rule 13a-14(a).*
(31.2)	Certification of Travis Lan, Senior Executive Vice President and Chief Financial Officer of the Company, pursuant to Securities Exchange Rule 13a-14(a).*
(32)	Certification, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed by Ira Robbins, Chairman of the Board and Chief Executive Officer of the Company and Travis Lan, Senior Executive Vice President and Chief Financial Officer of the Company.*
(97)	Valley National Bancorp Clawback Policy in the Event of a Financial Restatement, incorporated herein by reference to Exhibit 97 to the Registrant's Form 10-K Annual Report filed on February 29, 2024.+
(101)	Interactive Data File (XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document) *
(104)	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) *

* Filed herewith.

\+ Management contract and compensatory plan or arrangement.

Item 16. ***Form 10-K Summary***

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

VALLEY NATIONAL BANCORP

By: /s/ IRA ROBBINS
Ira Robbins, *Chairman of the Board and Chief Executive Officer*

By: /s/ TRAVIS LAN
Travis Lan, Senior Executive Vice President and *Chief Financial Officer*

Dated: February 27, 2026

Pursuant to the requirements of the Exchange Act, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated:

Signature	Title	Date
/s/ IRA ROBBINS **Ira Robbins**	Chairman of the Board and Chief Executive Officer and Director (Principal Executive Officer)	February 27, 2026
/s/ TRAVIS LAN **Travis Lan**	Senior Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 27, 2026
/s/ MITCHELL L. CRANDELL **Mitchell L. Crandell**	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 27, 2026
ERIC P. EDELSTEIN* **Eric P. Edelstein**	Director	February 27, 2026
EYAL EFRAT* **Eyal Efrat**	Director	February 27, 2026
PETER V. MAIO* **Peter V. Maio**	Director	February 27, 2026
KATHLEEN C. PERROTT* **Kathleen C. Perrott**	Director	February 27, 2026
NITZAN SANDOR* **Nitzan Sandor**	Director	February 27, 2026
SURESH L. SANI* **Suresh L. Sani**	Director	February 27, 2026
LISA J. SCHULTZ* **Lisa J. Schultz**	Director	February 27, 2026
JENNIFER W. STEANS* **Jennifer W. Steans**	Director	February 27, 2026

Signature	Title	Date
CARLOS VAZQUEZ*	Director	February 27, 2026
Carlos Vazquez		
JEFFREY S. WILKS*	Director	February 27, 2026
Jeffrey S. Wilks		
DR. SIDNEY S. WILLIAMS, JR.*	Director	February 27, 2026
Dr. Sidney S. Williams, Jr.		

*

By: /s/ TRAVIS LAN — February 27, 2026

Travis Lan, attorney-in fact

EXHIBIT 10.C

VALLEY NATIONAL BANCORP

DEFERRED COMPENSATION PLAN

(Amended and Restated as of October 23, 2023)

SECTION 1
DEFINITIONS

1.01 Whenever used in the Plan, the following terms shall have the respective meanings set forth below unless otherwise expressly provided in the Plan:

(a) ***"401(k) Plan"*** shall mean the Valley National Bank 401(k) Plan.

(b) ***"Administrator"*** shall mean the Compensation and Human Resources Committee of the Board of Directors, or any other committee that may be designated as such by the Board of Directors.

(c) ***"Benefit"*** shall mean the amount due to a Participant under the terms of this Plan.

(d) "***Beneficiary***" shall mean one or more persons, trusts, estates or other entities specifically designated by the Participant on a beneficiary designation form filed with the Administrator to receive benefits under this Plan upon his or her death. In the absence of a valid beneficiary designation form, the Participant's estate shall be his or her Beneficiary.

(e) ***"Board of Directors"*** shall mean the Board of Directors of Valley National Bancorp.

(f) ***"Code"*** means the Internal Revenue Code of 1986 as amended.

(g) ***"Company"*** shall mean Valley National Bancorp, Valley National Bank, any successors thereto, and any of the Company's subsidiaries which adopt the Plan with the consent of the Board of Directors.

(h) ***"Company Matching Contribution"*** shall mean the Company matching contribution made in accordance with Section 3.02(b).

(i) ***"Deferral Election Agreement"*** shall mean the written (or electronic) form submitted by a Participant to the Administrator before the relevant Election Date, in which the Participant indicates the amount, if any, by which his or her Eligible Compensation shall be reduced and deferred under this Plan. A Deferral Election Agreement shall remain in effect until such time as it is amended or revoked by the Participant and any such amendment or revocation shall only apply to Eligible Compensation earned by the Participant after the next relevant Election Date.

(j) ***"Effective Date"*** shall mean January 1, 2017.

(k) ***"Election Date"*** shall mean the date which is no later than thirty (30) days following the date on which an Eligible Employee is first designated as a Participant, and in all other circumstances shall mean December 31st of any calendar year.

(l) ***"Eligible Class"*** shall mean an Employee of the Company who is a member of a select group of management or highly compensated employees as defined by ERISA and who serves in one of the following positions: Corporate Executive Vice President; Senior Executive Vice President; President; or Chief Executive Officer.

(m) ***"Eligible Compensation"*** shall mean a Participant's base and cash bonus compensation earned in any Plan Year from the Company without regard to Section 401(a)(17) of the Code, including any deferrals and amounts of such compensation

that the Company contributes to a plan on behalf of a Participant pursuant to a salary reduction agreement and which are not includible in the Participant's gross income under Section 125, 402(e)(3), 402(h) and 403(b) of the Code. Eligible Compensation for purposes of this Plan, however, shall not include Eligible Compensation that does not exceed the Section 401(a)(17) compensation limit.

(n) "***Eligible Employee***" shall mean an Employee of the Company who is a participant in the 401(k) Plan, whose compensation does or is expected to exceed the limit on compensation under Section 401(a)(17) of the Code, and who is a member of the Eligible Class of Employees.

(o) ***"Employee"*** shall mean a person who is an employee of the Company, excluding any individual retained by the Company to perform services for the Company (for either a definite or indefinite duration) and is characterized thereby as a fee-for-service worker or independent contractor or in a similar capacity (rather than in the capacity of an employee), regardless of such individual's status under common law, including, without limitation, any such individual who is or has been determined by a third party, including, without limitation, a government agency or board or court or arbitrator, to be an employee of the Company for any purpose, including, without limitation, for purposes of any employee benefit plan of the Company or for purposes of federal, state or local tax withholding, employment tax or employment law.

(p) ***"ERISA"*** shall mean the Employee Retirement Income Security Act of 1974, as amended.

(q) "***Participant***" shall mean an Eligible Employee who is designated a Participant in this Plan by the Administrator in accordance with Section 3.01.

(r) ***"Participant Deferral Contributions"*** shall mean the Participant's deferrals of Eligible Compensation made in accordance with Section 3.02(a).

(s) ***"Periodic Adjustment Rate"*** shall mean, unless otherwise determined by the Administrator with respect to a Plan Year, the one-month CME Term Secured Overnight Financing Rate (SOFR) plus the Alternative Reference Rates Committee (ARRC) spread adjustment of 11.448 basis points plus 300 basis points.

(t) ***"Plan"*** shall mean this Valley National Bancorp Deferred Compensation Plan, amended and restated as of October 23, 2023, as may be subsequently amended pursuant to Section 6.

(u) ***"Plan Year"*** shall mean the calendar year.

(v) ***"Separation from Service"*** shall mean a separation from service with the Company, and all related entities, as determined by the Administrator in accordance with Section 409A of the Code and the regulations issued thereunder. A Separation from Service does not include military leave, sick leave or other bona fide leave of absence if the period of leave does not exceed six (6) months, or if longer, so long as the Participant's right to reemployment is guaranteed by statute or contract. In the event the leave of absence described in the preceding sentence is for a period in excess of six (6) months and the individual's right to reemployment is not guaranteed, the Separation from Service will be deemed to have occurred on the first date immediately following such six (6) month period.

SECTION 2
ESTABLISHMENT OF THE PLAN

2.01 Establishment of the Plan

(a) The Company hereby establishes the Valley National Bancorp Deferred Compensation Plan for the benefit of certain Eligible Employees, effective as of the Effective Date.

(b) The Plan is intended to constitute a nonqualified, unfunded plan for federal tax purposes and for purposes of Title I of ERISA. The Plan is maintained for the purpose of providing deferred compensation for selected employees participating in the 401(k) Plan whose contributions are limited as a result of the limitations under section 401(a)(17) of the Code on the amount of compensation which can be taken into account under the 401(k) Plan and who elect to defer a portion of their income pursuant to this Plan. The Plan shall function as a "top hat plan" providing deferred compensation for a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(3), and 401(a)(1) of ERISA. As such, this Plan is subject to limited ERISA reporting and disclosure requirements, and is exempt from all other ERISA requirements.

SECTION 3
PARTICIPATION

3.01 General Participation Rule

(a) An Eligible Employee of the Company shall become a Participant upon the Administrator's designation of the Eligible Employee as a Participant in the Plan and execution by the Eligible Employee of the Deferral Election Agreement.

(b) Upon the designation of an Eligible Employee as a Participant, such Employee shall complete such forms and/or make such elections as the Administrator may require. In particular, in order to defer any Eligible Compensation earned in any Plan Year under the Plan, a Participant must make, prior to the commencement of that year, an irrevocable deferral election pursuant to a Deferral Election Agreement. A Participant's annual election to make deferrals of Eligible Compensation shall be irrevocable for the Plan Year.

(c) If an Employee becomes newly eligible to participate in the Plan mid-year as a result of being newly qualified to participate in the Plan (e.g., promotion), such newly Eligible Employee shall have 30 days from the date he or she becomes eligible to make an irrevocable election pursuant to a Deferral Election Agreement for the remainder of the current Plan Year.

(d) A Participant's Deferral Election Agreement shall remain in effect until it is amended or revoked, and such amendment or revocation shall only apply with respect to Eligible Compensation during the next following Plan Year.

(e) In the event that a Participant ceases to be a member of the Eligible Class, then he or she shall not be eligible to make a Deferral Election with respect to the next following (or any future) Plan Year.

3.02 Contributions

(a) **Participant Deferral Contributions**. Each Participant shall be permitted to defer, as specified in the applicable Deferral Election Agreement for that Plan Year, up to five percent (5%) of the portion of the Participant's Eligible Compensation above the limit in effect for that Plan Year under Section 401(a)(17) of the Code. The Administrator shall have the authority to increase or decrease the above percentage limit, but any such change shall only apply to Plan Years beginning after such action is taken by the Administrator. No deferrals shall be effected hereunder until a Participant's Eligible Compensation for such Plan Year is in excess of the limit in effect under Section 401(a)(17) of the Code.

(b) **Company Matching Contributions**. Each Plan Year, the Company shall match 100% of a Participant's Deferral Contributions under the Plan. Notwithstanding the immediately preceding sentence, matching contribution shall not be made on Participant deferrals that exceed five percent (5%) of such Participant's Eligible Compensation, unless the Administrator provides otherwise.

SECTION 4
BENEFITS

4.01 Bookkeeping Accounts

(a) A bookkeeping account shall be established for each Plan Participant to record his or her interest in the Plan. Each Participant's account shall be divided into a Participant Deferral Contribution subaccount, a Company Matching Contribution subaccount, and such other subaccounts as the Administrator determines are necessary to keep track of Participants' interests under the Plan.

(b) A Participant shall always be 100% vested in his or her Participant Deferral Contribution subaccount.

(c) A Participant shall vest in the Company Matching Contribution subaccount at the same rate and in the same manner as he or she vests in the corresponding subaccount under the 401(k) Plan.

4.02 Benefit Credits

Each Plan Year, the Company shall credit to a Participant's notional account an amount equal to the following credits:

(a) the Participant Deferral Contribution, as elected in accordance with Section 3.02;

(b) the Company Matching Contribution.

4.03 Investment Credits and Adjustments

Except as otherwise provided in Section 4.05, Participant Deferral Contributions and Company Matching Contributions shall be adjusted at the end of each Plan Year by an amount equal to the Periodic Adjustment Rate for the applicable Plan Year, multiplied by the balance in the Participant's notional account at the end of the Plan Year.

4.04 Amount of Benefit

Except as otherwise provided in Section 4.05, the amount payable to the Participant shall equal the amount credited to the Participant's notional account as of the Participant's Separation from Service, net of all applicable employment and income tax withholdings.

4.05 Form and Time of Payment

A Benefit shall be paid in a single cash lump sum distribution, net of all applicable employment and income tax withholdings, and shall represent a complete discharge of any obligation under the Plan and no further benefits shall be due the Participant or any Beneficiary. Except as provided in the following paragraph, payment shall be made within thirty (30) days following the earlier of (i) the Participant's Separation from Service, or (ii) the date on which a change of control occurs with respect to the Company. For purposes of the preceding sentence only, a change of control shall be defined as a change in the ownership or effective control, or a change in the ownership of a substantial portion of the assets, of the Employer, all as determined under Treas. Reg. Section 1.409A-3(i)(5).

Notwithstanding the foregoing, if the Participant is determined by the Administrator to be a "specified employee' within the meaning of Section 409A(a)(2)(B)(i) of the Code, payment of such Participant's Benefit shall be delayed until the first day of the seventh (7th) month following the Participant's Separation from Service. In the event the Participant's Benefit is delayed, the Participant's notional account shall continue to be adjusted in accordance with Section 4.03 until the Participant's Benefit is payable.

In the event that the Participant is not living at the time of distribution, his or her Beneficiary shall receive the Benefit, within sixty (60) days following death.

4.06 Benefits Are Paid from General Assets

All Benefits under the Plan shall be payable only from the general assets of the Company and only to the extent that the assets of the Company are sufficient for this purpose. Each Participant shall look solely to the Company for any Benefit under the Plan, and each Participant shall remain a general unsecured creditor of the Company. Nothing in this Plan shall prohibit the Administrator at a subsequent date from establishing a grantor trust or other arrangement to provide for benefits under the Plan provided the assets, if any, under the arrangement are subject to the general creditors of the Company.

4.07 Non-Alienation of the Right to Receive Payments

Except as may be expressly permitted by law, none of the Benefits or rights of any person hereunder shall be subject to any claim of any creditor, and in particular, shall not be subject to attachment or garnishment or legal process by any creditor, nor shall such person have any right to alienate, anticipate, sell, transfer, pledge, encumber, or assign any of the Benefits which he or she may expect to receive under the Plan; provided, however, that the Company shall have the authority, unless prohibited by applicable law, to direct the application of any Benefits hereunder to the satisfaction of a Participant's legal liability, if any, to the Company.

4.08 Procedure for Claiming a Payment

(a) Any claim for a Benefit hereunder shall be filed by a Participant or Beneficiary (claimant) of this Plan on the form prescribed for such purpose with the Administrator, or in lieu thereof, by written communication which is made by the claimant or the claimant's authorized representative which is reasonably calculated to bring the claim to the attention of the Administrator.

(b) If a claim for a Benefit is wholly or partially denied, notice of the decision shall be furnished to the claimant by the Administrator within ninety (90) days after receipt of the claim by the Administrator, unless special circumstances require an extension of time for processing, in which case a decision shall be reached within a reasonable period of time, but not later than one hundred eighty (180) days after receipt of the claim by the Administrator.

(c) Any claimant who is denied a claim for Benefit shall be furnished written notice setting forth:

(1) the specific reason or reasons for the denial;

(2) specific reference to the pertinent Plan provisions upon which the denial is based;

(3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;

(4) an explanation of the Plan's claim review procedure

The notice described in this Section 4.08(c) of the Plan shall provide, in addition to a description of the Plan's claims review procedure, the time limitations applicable to such procedures, and a statement of the claimant's right to bring an arbitration action described in Section 7.06 below if the claim denial is appealed to the Administrator and the Administrator fully or partially denies the claim.

(d) In order that a claimant may appeal denial of a claim, a claimant or his or her duly authorized representative:

(1) may request a review by written application to the Administrator not later than sixty (60) days after receipt by the claimant of written notification of denial of a claim;

(2) may review pertinent documents; and

(3) may submit issues and comments in writing.

(e) A decision on review of a denied claim shall be made not later than sixty (60) days after the Plan's receipt of a request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered within a reasonable period of time, but not later than one hundred twenty (120) days after receipt of a request for review.

The decision on review shall be in writing and shall include the specific reason(s) for the decision and the specific reference(s) to the pertinent Plan provisions on which the decision is based.

The notice described in this Section 4.08(e) of the Plan shall provide, in addition to the specific reasons for the denial of the claim and specific reference to pertinent provisions of the Plan on which the denial is based, a statement of the claimant's right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits and a statement informing the claimant about the right to bring a civil action under ERISA.

SECTION 5
ADMINISTRATION OF THE PLAN

5.01 Plan Administration

The Administrator shall administer the Plan and shall establish, adopt or revise such rules and regulations as it may deem necessary or advisable. The Administrator may appoint one or more individuals and delegate such of its powers and duties as it deems desirable to any such individuals.

The Administrator:

(a) Shall have all powers, duties, responsibilities and obligations imposed by law and by the provisions of the Plan for the administration of the Plan, including the discretionary authority to interpret its provisions and supply omissions, to authorize payments, to establish and enforce such rules and regulations as it shall deem proper for the administration of the Plan, and to determine the amount of Benefits which shall be payable to any person in accordance with the provisions of the Plan;

(b) Shall have authority to engage counsel and consultants in order to fulfill its responsibilities, and to rely on the advice of same;

(c) Shall have responsibility with respect to reporting and disclosure requirements, if any, under ERISA;

(d) Shall from time to time execute such Plan amendments as the Company or the Administrator may deem appropriate;

(e) Upon written request to it by any Participant pursuant to Section 4.08 hereof, shall have final authority under the Plan with respect to the Benefits and the amount or form thereof payable under the Plan to any such person;

(f) Shall be authorized, in its discretion, to allocate responsibilities among one or more of its members and to delegate responsibilities to any person or persons selected by it; and

(g) May establish a trust fund hereunder and appoint a trustee to manage the assets of such trust, provided such trust is a grantor trust within the meaning of Sections 671 through 679 of the Code.

5.02 Administrator Actions

Any action taken by the Administrator shall be taken by a majority of its members at a meeting or by written instrument signed by such majority in the absence of a meeting. A written resolution attested to by any member of the Administrator shall be sufficient evidence to any person of any action taken by the Administrator.

5.03 Accounts and Records

The accounts and all records necessary for the administration of the Plan shall be maintained by the Administrator and shall accurately disclose the history and status of payments made to each Participant or other person under the Plan.

5.03 Expenses

The expenses of administering the Plan shall be paid out of the general funds of the Company.

SECTION 6
AMENDMENT OR TERMINATION OF THE PLAN

6.01 Amendment

The Plan may, at any time and from time to time, be amended or modified in whole or in part by action of the Board. No Plan amendment or modification shall deprive a Participant of any portion of those vested Benefits to which he or she is entitled as of the date of such amendment or modification.

6.02 Termination

The Plan may be suspended or terminated prospectively at any time by action of the Board; provided, however, that all Participants with respect to whom the Plan has been terminated shall receive the Benefits accrued under the Plan, as provided in Section 4 hereof, as of the date of any suspension or termination. Notwithstanding the foregoing, the Plan may be terminated only if such termination is effected in accordance with the requirements of Section 409A of the Code.

SECTION 7
MISCELLANEOUS PROVISIONS

7.01 Effect of Mistake

In the event of a mistake or misstatement as to the eligibility of any person, or the amount or kind of payments made or to be made to a Participant, the Administrator shall, to the extent it deems possible, make such adjustments as will in its judgment accord to such Participant the payments to which he or she is properly entitled under the Plan, and upon the Administrator's determination, the Company shall be entitled to recover any over- payments made under the Plan.

7.02 Non-Expansion of Rights

Nothing contained in this Plan shall give any Participant the right to be retained as an employee of the Company or serve as consideration for, or an inducement or condition of, the service of any Employee. Neither the provisions of this Plan nor any act of the Company hereunder shall be construed as giving to any Participant or other person any legal or equitable right or claim against the Company for the payment of any Benefits hereunder except as otherwise specifically provided.

7.03 Headings of Sections and Subsections

The headings of Sections and subsections are included solely for convenience of reference, and if there is any conflict between such headings and the text of the Plan, the text shall control.

7.04 Severability

The invalidity of any particular provision of this Plan shall not affect the other provisions of this Plan, but the Plan shall be construed in all respects as if such invalid provision were omitted.

7.05 Applicable Law

This Plan shall be governed by the laws of the State of New Jersey, except to the extent preempted by federal law.

7.06 Arbitration

The parties agree that any dispute or claim arising out of or relating to this Plan, including whether such disputes or claims are subject to arbitration, will be settled by binding arbitration. The arbitration proceeding will be conducted before a single arbitrator at a location within the State of New Jersey convenient to the parties and under the rules of the American Arbitration Association. The decision or award of the Arbitrator made under these rules shall be exclusive, final and binding on both parties, their beneficiaries, executors, administrators, successors and assigns. The arbitration procedure may be invoked by written notice to the American Arbitration Association stating with particularity the issue proposed for arbitration. A copy of that written notice shall be served upon the other party by registered mail.

7.07 Indemnification

In addition to any other indemnification that a fiduciary, including but not limited to a member of the Plan Administrator, is entitled to, the Company shall indemnify such fiduciary from all claims for liability, loss or damage, including payment of expenses in connection with defense against such claim) arising from any act or failure to act which constitutes a breach of such individual's fiduciary responsibility with respect to this Plan.

7.08 No Guarantee of Non-Taxability

Neither the Company nor the Administrator guarantees that any Benefit or any contribution is or shall remain non-taxable during the deferral period. If it is determined at some time that the amounts deferred hereunder are taxable, the Participant shall be responsible for any tax or penalties due with respect to amounts contributed on his or her behalf.

7.09 Plan Subject to Section 409A of the Code

The Plan is intended to comply with Section 409A of the Code and the regulations issued thereunder, and any ambiguities shall be interpreted consistent with this intent. Without affecting the validity of any other provision of the Plan, to the extent that any Plan provision does not meet the requirements of Section 409A of the Code and the regulations issued thereunder, the Plan shall be construed and administered as necessary to comply with such requirements until the Plan is appropriately amended to comply with such requirements.

IN WITNESS WHEREOF, the Company, acting by its undersigned officer, duly authorized, hereby executes the Plan to be effective as herein provided.

VALLEY NATIONAL BANCORP

By: _____

EXHIBIT 10.D

AMENDMENT NO. 1 TO THE

VALLEY NATIONAL BANCORP DEFERRED COMPENSATION PLAN

WHEREAS, Valley National Bancorp (the "Company") maintains the Valley National Bancorp Deferred Compensation Plan (the "Plan"), amended and restated as of October 23, 2023, for the benefit of certain eligible employees of the Company, Valley National Bank (the "Bank") and any subsidiary of the Company which adopts the Plan with the consent of the Company's Board of Directors; and

WHEREAS, the Plan provides that the Compensation and Human Resources Committee of the Company's Board of Directors (the "Committee") as the administrator of the Plan; and

WHEREAS, the Committee previously delegated its authority to administer the Plan to the Company's Chief People Officer (the "Administrator"); and

WHEREAS, Section 5.01 of the Plan provides that the Administrator shall, from time to time, execute such Plan amendments as the Company or the Administrator may deem appropriate; and

WHEREAS, at the Committee's December 8, 2025 meeting, the Committee approved amending the Plan to: (i) allow a Participant to elect to have his or her Benefit paid in the form of a single cash lump sum or in annual installments over a period of two, three, four or five years, but only with respect to Participant Deferral Contributions and Company Matching Contributions credited to a Participant's account on or after January 1, 2026; (ii) provide that a Participant's election to defer a percentage of Eligible Compensation to the Plan will remain in effect from year to year unless and until such election is amended or revoked; (iii) provide that a Participant's election as to form of payment (single cash lump sum or annual installments) will not remain in effect from year to year but rather will be defaulted to a single cash lump sum unless an alternate form of payment is affirmatively and timely elected by the Participant; and (iv) allow the Administrator to accelerate payment of a Participant's vested Benefit to the extent that the aggregate amount of the Participant's Benefit does not exceed the applicable dollar amount under Section 402(g)(1)(B) of the Internal Revenue Code of 1986, as amended, and such payment results in the termination of the Participant's entire interest in the Plan.

NOW, THEREFORE, the Plan is hereby amended, effective as of January 1, 2026, as follows:

1. Section 1.01(i) (definition of Deferral Election Agreement) is hereby amended by adding the following sentence to the end thereof:

"Notwithstanding the foregoing, effective January 1, 2026, Deferral Election Agreement shall mean the written (or electronic) form submitted by a Participant to the Administrator before the relevant Election Date, in which the Participant specifies a Deferral Percentage Election and a Payment Form Election."

2. Section 1.01 is hereby amended by adding the following new subsection (j) (and updating subsequent section lettering accordingly):

(j) ***"Deferral Percentage Election"*** shall mean the amount, if any, by which a Participant elects to have his or her Eligible Compensation earned during the next following Plan Year reduced and deferred under this Plan. A Participant's Deferral Percentage Election shall remain in effect from year to year until such time as it is amended or revoked by the Participant and any such amendment or revocation shall only apply to Eligible Compensation earned by the Participant after the next relevant Election Date.

3. Section 1.01 is hereby further amended by adding the following new subsection (t) (and updating subsequent section lettering accordingly):

(t) ***"Payment Form Election"*** shall mean the form of payment (a single cash lump sum or annual installments over a period of two, three, four or five years) in which a Participant elects to have his deferrals made after the next relevant Election Date paid upon a payment event. A Participant's Payment Form Election shall not remain in effect from year to year. If a Participant does not make a timely Payment Form Election prior to the next relevant Election Date, deferrals made after such Election Date shall be paid in a single cash lump sum.

4. Section 3.01(d) is hereby amended by adding the following new language to the end thereof:

"Effective January 1, 2026, a Participant's Deferral Percentage Election shall remain in effect from year to year until such time as it is amended or revoked by the Participant and any such amendment or revocation shall only apply to Eligible Compensation earned by the Participant after the next relevant Election Date. However, a Participant's Payment Form Election shall not remain in effect from year to year. If a Participant does not make a timely Payment Form Election prior to the next relevant Election Date, deferrals made after such Election Date shall be paid in a single cash lump sum."

5. Section 4.05 is hereby deleted in its entirety and replaced with the following language:

"***4.05 Form and Time of Payment***

A Benefit shall be paid in a single cash lump sum distribution, net of all applicable employment and income tax withholdings, and shall represent a complete discharge of any obligation under the Plan and no further benefits shall be due the Participant or any Beneficiary. Notwithstanding the foregoing, effective for Deferral Election Agreements that apply with respect to Eligible Compensation earned on or after January 1, 2026, a Participant shall be permitted to make a Payment Form Election to have Participant Deferral Contributions and Company Matching Contributions paid in a single cash lump sum or in annual installments over a period of two, three, four or five years, in all cases net of all applicable employment and income tax withholdings. The amount of each installment payment will equal the balance of a Participant's account attributable to Participant Deferral Contributions and Company Matching Contributions that are subject to such installment distribution election divided by the number of installment payments remaining to be made. In the absence of a valid Payment Form Election, amounts will be paid in a single cash lump sum. For the avoidance of doubt, a Participant shall not be permitted to make a Payment Form Election or otherwise change the form of payment for any portion of the Participant's Benefit attributable to Participant Deferral Contributions and Company Matching Contributions credited prior to January 1, 2026 (which shall be paid in a single cash lump sum).

Except as provided in the following paragraph, payment shall be made (or commence, in the case of any amounts for which the Participant has elected annual installments) within thirty (30) days following the earlier of (i) the Participant's Separation from Service, or (ii) the date on which a change of control occurs with respect to the Company. For purposes of the preceding sentence only, a change of control shall be defined as a change in the ownership or effective control, or a change in the ownership of a substantial portion of the assets, of the Employer, all as determined under Treas. Reg. Section 1.409A-3(i)(5).

Notwithstanding the foregoing, if the Participant is determined by the Administrator to be a 'specified employee' within the meaning of Section 409A(a)(2)(B)(i) of the Code, payment of such Participant's Benefit shall be delayed until the first day of the seventh (7th) month following the Participant's Separation from Service. In the event the Participant's Benefit is delayed, the Participant's notional account shall continue to be adjusted in accordance with Section 4.03 until the Participant's Benefit is payable. If any portion of the Participant's Benefit is payable in

installments, the second installment payment shall be made within thirty (30) days of the first anniversary of the Participant's Separation from Service.

In the event that the Participant is not living at the time of distribution, payment shall be made (or commence, in the case of any amounts for which the Participant has elected annual installments) to his or her Beneficiary, within sixty (60) days following death.

For purposes of this Section 4.05, all payments, including annual installment payments, shall be treated as separate payments under Section 409A of the Code."

6. Section 4 of the Plan is further amended by adding the following new Section 4.09:

"***4.09 Limited Cashouts***

If, at the time payment is due pursuant to Section 4.05, the aggregate amount of a Participant's Benefit does not exceed the applicable dollar amount under Section 402(g)(1)(B) of the Code, the Participant's vested Benefit shall be accelerated and paid in a single cash lump sum, provided that the payment results in the termination of the Participant's entire interest in the Plan and any plans that are aggregated with the Plan pursuant to Treasury Regulation Section 1.409A-1(c)(2)."

* * *

_____ _____

ADMINISTRATOR DATE

EXHIBIT 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (Nos. 333-255364, 333-235333, 333-222345, 333-211060, 333-264071 and 333-271428) on Form S-8 and the registration statements (Nos. 333-278527 and 333-287440) on Form S-3ASR of our reports dated February 27, 2026, with respect to the consolidated financial statements of Valley National Bancorp and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

New York, New York
February 27, 2026

EXHIBIT 24

POWER OF ATTORNEY

We, the undersigned directors and officers of Valley National Bancorp, hereby severally constitute and lawfully appoint Ira Robbins and Travis Lan, and each of them singly, our true and lawful attorneys-in-fact with full power to them and each of them to sign for us, in our names in the capacities indicated below, the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 of Valley National Bancorp and any and all amendments thereto, and to file the same with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Signature	Title	Date
/s/ Ira Robbins **Ira Robbins**	Chairman of the Board, Chief Executive Officer, and Director (Principal Executive Officer)	February 27, 2026
/s/ Travis Lan **Travis Lan**	Senior Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 27, 2026
/s/ Mitchell L. Crandell **Mitchell L. Crandell**	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 27, 2026
/s/ Eric P. Edelstein **Eric P. Edelstein**	Director	February 27, 2026
/s/ Eyal Efrat **Eyal Efrat**	Director	February 27, 2026
/s/ Peter V. Maio **Peter V. Maio**	Director	February 27, 2026
/s/ Kathleen C. Perrott **Kathleen C. Perrott**	Director	February 27, 2026
/s/ Nitzan Sandor **Nitzan Sandor**	Director	February 27, 2026
/s/ Suresh L. Sani **Suresh L. Sani**	Director	February 27, 2026
/s/ Lisa J. Schultz **Lisa J. Schultz**	Director	February 27, 2026
/s/ Jennifer W. Steans **Jennifer W. Steans**	Director	February 27, 2026
/s/ Carlos Vazquez **Carlos Vazquez**	Director	February 27, 2026
/s/ Jeffrey S. Wilks **Jeffrey S. Wilks**	Director	February 27, 2026
/s/ Dr. Sidney S. Williams, Jr **Dr. Sidney S. Williams, Jr.**	Director	February 27, 2026

EXHIBIT 31.1

CERTIFICATIONS

I, Ira Robbins, certify that:

1 I have reviewed this Annual Report on Form 10-K of Valley National Bancorp;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2026

/s/ Ira Robbins

Ira Robbins

Chairman of the Board
and Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, Travis Lan, certify that:

1 I have reviewed this Annual Report on Form 10-K of Valley National Bancorp;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2026

/s/ Travis Lan

Travis Lan

Senior Executive Vice President and
Chief Financial Officer

(Principal Financial Officer)

EXHIBIT 32

CERTIFICATION OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Valley National Bancorp (the "Company") for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Ira Robbins, as Chief Executive Officer of the Company, and Travis Lan, as Chief Financial Officer of the Company, each hereby certify, pursuant to 18 U.S.C. (section) 1350, as adopted pursuant to (section) 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ira Robbins

Ira Robbins
Chairman of the Board
and Chief Executive Officer
(Principal Executive Officer)
February 27, 2026

/s/ Travis Lan

Travis Lan
Senior Executive Vice President
and Chief Financial Officer
(Principal Financial Officer)
February 27, 2026