

A Message From Our CEO

Dear Shareholders,

This year marks a significant milestone for Kearny Bank as we celebrate 140 years of service to our communities. Throughout the years, we have always stayed true to our guiding principles and strong values of ethics, integrity and giving back to the communities we serve.

Our employees have a long-standing history of community service, enhanced by the support of the KearnyBank Foundation, a charitable foundation which demonstrates Kearny Bank’s commitment to local communities.

Our Board of Directors and management team are committed to providing leadership in areas pertaining to our long-term financial sustainability, including relevant environmental, social and governance risks and opportunities. We are pleased to share this year’s highlights of our environmental, social and governance (“ESG”) areas of focus, continuing the tradition we started in 2021.

The diverse talent and skills of our employees remain the driving force behind our Company’s ability to deliver innovative and sustainable long-term value to our clients and shareholders. As a Company, we are committed to actively fostering workforce diversity and inclusion. With our appointment of a Director of Diversity, Equity and Inclusion (“DEI”) in 2023, we continue to focus on increasing diversity across the company and have created

programs to grow an inclusive workplace environment for all employees.

In 2024, we launched our first formal employee survey to assess and respond to employee satisfaction and engagement. The survey measured employees’ self-reported perceptions of various aspects of organizational culture and the impact to our mission and values. This feedback is invaluable as we strive to create a positive workplace experience, support individual career development and increase employee engagement.

Organizationally, the ESG Committee of the Board of Directors continues to oversee ESG matters and review our associated strategy, initiatives, policies and risk management. Additionally, our Board’s Enterprise Risk Management Committee collaborates with the ESG Committee to manage ESG-related risk as needed.

On a management level, our ESG Working Group, comprised of cross-functional leaders, drives the execution of initiatives and reports to the ESG Committee of the Board.

We look forward to sharing our progress with you as we continue on our ESG journey.



Craig L. Montanaro
Craig L. Montanaro
President and Chief Executive Officer

 **1884**
YEAR FOUNDED

 **\$7.7**
BILLION IN ASSETS

 **43**
BRANCHES

 **552**
EMPLOYEES

Our Social Impact



We are committed to delivering personalized services and continuing our community involvement. The Kearny Bank team will preserve a long-standing history of service.

Our People



We are committed to the development, engagement and recognition of our employees. We strive to create a diverse workforce reflective of our employees, clients and the communities in which we live and work.

The Environment

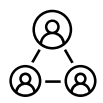


We are committed to advancing practices that reduce the impact of our operations on the environment and continue to look for ways to reduce our carbon footprint. We are also committed to managing the risks posed to our business due to the effects of climate change.

Responsible Business Practices



We are committed to the transparency, integrity and effectiveness of policy- and decision-making at the Board and management levels. We take legal and regulatory compliance very seriously and strive for the highest moral and ethical standards in conducting our business.



Our Social Impact

Our deep-rooted commitment to the communities we serve is an integral part of our success. Our support helps provide these communities with resources they need to grow and prosper. Kearny Bank was proud to be recognized for these efforts in 2024 by the New Jersey Bankers Association as a recipient of the Community Service Award.

KearnyBank Charitable Foundation

Through the KearnyBank Foundation, we fund charitable causes within Kearny Bank's market areas in New York and New Jersey. We also show our support through the hands-on volunteering efforts of many employees.

The Foundation focuses on organizations active in four areas: Education, Housing, Community Betterment (Arts, Culture, Stewardship) and Quality of Life.

During calendar 2023, a total of \$735,500 was donated to charities by the Foundation with the largest single donation to Junior Achievement of New Jersey in the amount of \$140,000. For the past five calendar years (2019-2023), the Foundation has contributed over \$3.6 million to charitable organizations.

Kearny Bank ChangeMakers Spotlight

The Kearny Bank ChangeMakers program, launched in 2023 in partnership with Rutgers University, empowers employees with the skills and resources to be leaders at Kearny Bank and within our local communities. Since inception, 35 employees have participated, receiving gender and leadership training, engaging in meaningful dialogue and bringing transferrable skills back to local women owned businesses. Program participants have developed educational content for these businesses on topics such as business grants, women's health, female entrepreneurship and how to apply for a business or commercial loan.

The Kearny Bank ChangeMakers have hosted several events since launching the program and continue to give back to the communities that we serve. Our ambassadors have volunteered with Table to Table, a community-based food rescue program that collects fresh, nutritious, perishable food that would otherwise be wasted and delivers it free to organizations serving the hungry in various New Jersey counties. They also supported a Dress for Success clothing drive, collecting clothing, shoes and accessories for women entering the workforce.

"We take great pleasure and pride in supporting a range of programs that help communities in which we conduct business," says Craig Montanaro, Kearny Bank President and CEO. "Since our founding 140 years ago, we have been committed to charitable giving."

Increasing Digital Access

As a community bank, we offer a comprehensive suite of personal and business banking services with options for personalization to meet the individual needs of our clients and help them succeed in their day-to-day lives.

We continue to focus heavily on leveraging technology to enhance client experience and to increase access to banking services.

While we recognize technology's ever-expanding reach and importance, we are also mindful that access is not always equally available. Our goal is to meet clients whether they are in-person, virtually or online.

By providing options to serve our clients' individual needs, they have the freedom to bank the way they want to bank.

Protecting our clients' personal and financial data has always been a top priority. Please refer to the Data Security and Client Privacy section of this report for more information.





Our People

It is our long-standing belief that our employees are what drive the success and longevity of Kearny Bank. Their dedication, collaboration and innovative thinking help Kearny Bank empower prosperity and deliver trust in our communities.

Training and Development

We recognize the importance of providing the tools required to help our employees thrive in today's competitive workplace. Our training and development strategy includes access to the Kearny Bank Learning Center with over 1,000 class offerings, career mentoring, tuition reimbursement and continuing education to ensure employees have the skills and support they need to build fulfilling careers. Our mentor program facilitates one-to-one mentoring relationships that connect mentees with leaders in the organization to enhance learning and development. We also maintain a senior women's leadership group that supports our female employees by expanding networks and sharing knowledge.

Recruiting and Retaining Employees

In partnership with our leadership team, our Director of DEI continues to lead and advocate for Kearny Bank's DEI efforts. This includes developing programs and forming partnerships with community groups to broaden the available pool of qualified candidates for employment consideration. Our recruiting staff also maintains professional certifications to ensure that we add diverse skill sets and perspectives to our team. We participate in career workshops for students to learn about careers in banking and provide them information and opportunities available in our industry.

2024 DEI Highlights

- Launched our first formal employee survey to assess employee engagement, satisfaction and inclusion
- Hosted a diversity lunch and learn series, which kicked off with a course on unconscious bias and agism
- Introduced an inclusive intranet site with learning opportunities for employees
- Developed a company-wide DEI calendar, which highlights important events that promote awareness and inclusivity

These efforts help to grow and maintain a culture of inclusivity among our employees and celebrate our diversity of thought and backgrounds.

Supporting Employee Health and Wellness

Kearny Bank is committed to supporting our employees and their families by providing access to a variety of health and wellness programs, including benefits that promote physical, mental and financial well-being. In 2024, we hosted an employee wellness week which provided an opportunity to highlight these programs within our workplace.

90% of our employee survey respondents indicated that they believe they have the flexibility needed to balance their work and personal lives.



Employee Spotlight

Veronica Ross

Veronica Ross is a Senior Vice President and the Director of DEI at Kearny Bank.

In this role, Veronica works closely with stakeholders across all departments on Kearny Bank's DEI strategy and initiatives to drive awareness and growth. Her goal is to continue to build an inclusive environment in which all employees and clients feel valued and respected. She leads the Senior Women's Leadership Employee Resource Group at Kearny Bank, as well as Kearny Bank ChangeMakers. Veronica is a passionate advocate for increasing the representation and retention of underrepresented employee segments.

Veronica's approach to her work is greatly influenced by her background and work experience. She was born in Cuba and immigrated to the United States with her parents and younger sisters at the age of four – a formative experience that instilled in her a strong work ethic and a unique appreciation for the opportunities that became available to her.

Veronica's professional experience is complemented by her long-standing devotion to charitable endeavors and her resolve to serve her community is an inspiration.



The Environment

We acknowledge our organization’s impact on the environment and will continue to take steps towards operating in a manner consistent with responsible environmental practices.

We are also committed to managing the risks posed to our business due to the effects of climate change. For more information, please refer to our [Environmental Mission Statement](#).

Environmental Risk Procedures

Our Board-approved lending policy requires both environmental assessments and risk reports to be prepared as applicable before commercial real estate loan transactions. Our Flood Disaster Protection Act Policy addresses flood hazard insurance requirements to ensure compliance with applicable laws.

Climate Risk Management

Kearny Bank conducted its first climate risk analysis in 2021 and has continued to do so on an annual basis. Developed by the Enterprise Risk Management (“ERM”) Department, our Climate Risk Dashboard reports and monitors various risks posed to Kearny Bank’s loans, branches and corporate locations as measured by the Federal Emergency Management Agency (FEMA)¹ National Risk Index (NRI).



Kearny Bank’s current loan portfolio continues to be exposed to only low to moderate risk of natural disasters. We are committed to conducting these risk assessments annually and analyzing data over time to identify any emerging risk patterns and quantify the potential risks posed to Kearny Bank by climate change. The findings of the analysis are reported to the ERM Committee of the Board no less than annually, with escalation of recommendations and emerging risks more frequently if necessary.

¹For more information on the FEMA NRI, please visit:
<https://www.fema.gov/flood-maps/products-tools/national-risk-index>



Environmental Management

Kearny Bank maintains an Energy Management System to monitor and reduce energy usage within our Corporate headquarters. We continue to explore additional initiatives to reduce our energy consumption. Other efforts we have taken in pursuit of minimizing our impact on the environment include:

- Using 100% LED lighting for all outdoor locations we control
- Utilizing occupancy sensor lighting in over 50% of our locations
- Sorting and recycling of waste through the use of single stream dumpsters at a majority of our locations
- Transitioning to paperless processes, relying heavily on electronic document systems
- Increasing the use of cloud technologies to reduce on-premise data center power consumption



The KearnyBank Foundation sponsored the Beach Sweeps program offered by Clean Ocean Action with Kearny Bank employees participating in clean-up efforts.



Responsible Business Practices

As stipulated in our [Code of Conduct](#), we strive for the highest moral and ethical standards in conducting our business. All employees are encouraged to report violations through our anonymous employee ethics hotline, their manager, Human Resources or Senior Management without fear of retaliation.

Non-Discrimination and Fair Lending Compliance

Kearny Bank prohibits discrimination in all aspects of our operations. To further ensure our policy of non-discriminatory lending, we maintain written guidelines in our Fair Lending Policy to promote the fair and equal treatment of all loan applicants. We continuously monitor adherence and periodically review this policy to ensure compliance with applicable laws, regulations and industry best practices.

Risk Management

Our Board of Directors ultimately oversees the Company's risk management and delegates oversight of the review of risk management policies and practices to the ERM Committee of the Board. Our Audit and Compliance Committee also works closely with individual business lines and the Senior Management team to advise and oversee specific risk management activities.

We conduct various stress tests including capital, liquidity, interest rate and credit risk, in order to assess our risk exposure and determine our risk appetite. This information also allows us to make more informed capital allocation decisions.

Data Security and Client Privacy

Under the oversight of our Chief Technology and Innovation Officer and Information Security team, our Board-approved Information Security Program integrates people, processes and layered technologies to safeguard our clients' sensitive information.

Highlights of our cybersecurity and privacy programs include:

- Alignment with security control frameworks such as the National Institute of Standards and Technology (NIST) Cybersecurity Framework and the Federal Financial Institutions Examination Council (FFIEC) Cybersecurity Assessment Toolkit
- Periodic Incident Response tabletop exercises over the course of each year to assess and enhance our response to high-risk events
- Annual mandatory security and fraud training for employees
- [Security Fraud Center](#) to educate clients on security best practices
- Annual internal and external audits of data privacy controls
- [Privacy Policy](#) that adheres to the provisions and intent of Privacy of Consumer Financial Information and the Gramm-Leach-Bliley Act

Vendor Management

We are committed to conducting our business ethically and expect all vendors we partner with to align with our principles, as stipulated in our [Vendor Code of Conduct \(the "Code"\)](#). We expect any vendor providing products or services to Kearny Bank to act in accordance with this Code and demonstrate commitment to responsible and ethical business and employment practices. Before delivering products and services to Kearny Bank or our clients, vendors are subject to review and assessment in accordance with our vendor management program.

Supplier Diversity

We support a diverse, equitable and inclusive culture and encourage vendors to demonstrate commitment to these principles in their business practices. We are exploring ways to allow more diverse suppliers the opportunity to participate in our vendor selection process.



ESG Framework & Standards

United Nations Sustainable Development Goals (SDGs)

The 17 United Nations SDGs are a collaborative, global effort to achieve a better and more sustainable future for all. Please refer to our [2022 ESG Highlights Report](#) which reflects alignment with our areas of influence and impact through our business strategy, products and services.



Forward-Looking Statements

Statements contained in this report that are not historical facts are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include but are not limited to factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date hereof, and the Company undertakes no obligation to update them in light of new information or future events.

The information provided in this report reflects the Company’s approach to ESG as of the date(s) referenced in this report and is subject to change without notice. We do not undertake to update such information in this report. No reports, documents or websites that are cited or referred to in this document shall be deemed to form part of this report.

Sustainability Accounting Standards Board (SASB)

In determining the ESG factors that are most relevant to our business, we align with SASB, now part of the International Financial Reporting Standards (IFRS) foundation. The following table includes the relevant accounting metrics for commercial banks.

TOPIC	ACCOUNTING METRIC	SASB CODE	MORE INFORMATION
Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	FN-CB-230a.1	Data Security and Client Privacy
	Description of approach to identifying and addressing data security risks	FN-CB-230a.2	
Financial Inclusion and Capacity Building	(1) Number and (2) amount of loans outstanding that qualify for programs designed to promote small business and community development	FN-CB-240a.1	Community Reinvestment Act (CRA) Public File
	(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programs designed to promote small business and community development	FN-CB-240a.2	
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	
Incorporation of Environmental, Social and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	FN-CB-410a.2	Climate Risk Management
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	Responsible Business Practices
	Description of whistleblower policies and procedures	FN-CB-510a.2	
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1	Not Applicable Risk Management
	Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities	FN-CB-550a.2	