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, 2024

OR

☐ 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: 000-16772



PEOPLES BANCORP INC.

(Exact name of registrant as specified in its charter)

Ohio	**31-0987416**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
138 Putnam Street, P.O. Box 738, Marietta, Ohio	**45750-0738**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(740) 373-3155**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares, without par value	PEBO	The Nasdaq Stock Market

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	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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 . ☐

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 Act). Yes ☐ No ☒

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter:

As of June 30, 2024 (the last business day of the registrant's most recently completed second fiscal quarter), the aggregate market value of the registrant's common shares (the only common equity of the registrant) held by non-affiliates was $1,002,781,000 based upon the closing price as reported on the Nasdaq Global Select Market®. For this purpose, executive officers and directors of the registrant are considered affiliates.

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the latest practicable date: 35,670,204 common shares, without par value, at February 26, 2025.

Document Incorporated by Reference:
Portions of Registrant's definitive Proxy Statement relating to the Annual Meeting of Shareholders to be held on April 24, 2025 (the "2025 Annual Meeting of Shareholders"), are incorporated by reference into Part III of this Annual Report on Form 10-K.

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As used in this Annual Report on Form 10-K (this "Form 10-K"), "Peoples" refers to Peoples Bancorp Inc. and its consolidated subsidiaries collectively, except where the context indicates the reference relates solely to the registrant, Peoples Bancorp Inc. Unless otherwise indicated, all note references contained in this Form 10-K refer to the Notes to the Consolidated Financial Statements included immediately following "ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS" of this Form 10-K.

PART I

ITEM 1 BUSINESS

The disclosures set forth in this Item are qualified by "ITEM 1A RISK FACTORS" and the section captioned "Forward-Looking Statements" in "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K and other cautionary statements set forth elsewhere in this Form 10-K.

Corporate Overview

Peoples Bancorp Inc. is a financial holding company, which was organized in 1980. Peoples operates principally through its wholly-owned subsidiary, Peoples Bank, an Ohio state-chartered bank that was first chartered in 1902. Peoples' other wholly-owned subsidiary is Peoples Investment Company ("PIC"). Peoples also holds all of the common securities of NB&T Statutory Trust III, FNB Capital Trust One, Ascencia Statutory Trust I, and Porter Statutory Trusts II-IV. Peoples Bank's operating subsidiaries include Peoples Insurance Agency, LLC ("Peoples Insurance") and Vantage Financial, LLC ("Vantage"), a nationwide provider of equipment financing.

Business Overview

Peoples makes available a complete line of commercial and consumer banking, trust and investment, insurance, premium financing solutions, equipment leases and equipment financing agreements through its financial subsidiaries – Peoples Bank, Peoples Insurance and Vantage. These products and services include the following:

- various demand deposit accounts, savings accounts, money market accounts, certificates of deposit and governmental deposits;
- commercial loans, residential real estate loans, home equity lines of credit, consumer loans and overdraft services;
- insurance premium financing;
- commercial equipment leasing;
- technology equipment leasing;
- debit and automated teller machine ("ATM") cards;
- credit cards for individuals and businesses;
- merchant credit card transaction processing services;
- person-to-person and business-to-business payment processing via Zelle®, FedNow®, and Real-Time Payments®;
- mobile banking features including check deposit, alert notifications, Apple Pay® and Samsung Pay®;
- interactive teller machines ("ITMs");
- safe deposit rental facilities;
- money orders and cashier's checks;
- a full range of life, health, and property and casualty insurance products;
- third-party insurance administration services;
- brokerage services;
- custom-tailored fiduciary and trust services;
- asset management and administration services; and
- employee benefit, retirement, and healthcare plan administration services.

Peoples' financial products and services are primarily offered through its financial service offices, ATMs, and ITMs in Ohio, West Virginia, Kentucky, Virginia, Washington, D.C. and Maryland, as well as through online resources that are web-based and mobile-based. Peoples' premium financing and commercial and technology equipment leasing services are offered nationwide. Brokerage services are offered exclusively through an unaffiliated registered broker-dealer located at Peoples Bank's offices. Indirect consumer lending activities are provided through approved dealerships. Peoples Bank's credit card and merchant processing services are provided through joint marketing arrangements with third parties.

Peoples' business activities are currently limited to one reporting unit and reportable operating segment, which is community banking. For a discussion of Peoples' financial performance for the fiscal year ended December 31, 2024, see Peoples' Consolidated Financial Statements and Notes to the Consolidated Financial Statements.

Peoples has a history of expanding its business, including its customer base and primary market area, through a combination of organic growth and targeted acquisitions. The organic growth may include opening *de novo* banking and loan production offices ("LPOs") located in or near Peoples' existing market area. Acquisitions have consisted of traditional banking offices and LPOs, both individually and as part of entire financial institutions, insurance agencies, financial advisory books of business, insurance premium

financing and equipment leasing services. The primary objectives of Peoples' expansion efforts include: (1) providing opportunities to integrate non-traditional products and services, such as insurance, investment administration and management, insurance premium financing and commercial equipment leasing options, along with the traditional banking products offered to Peoples' clients; (2) increasing market share in existing markets; (3) expanding Peoples' core financial service businesses of banking, insurance, investment and investment management, insurance premium financing and commercial equipment leasing services; and (4) improving operating efficiency by directing resources toward offices and markets with the greatest earnings opportunities.

Recent Corporate Developments

On October 25, 2022, Peoples announced the signing of a definitive Agreement and Plan of Merger providing for Peoples' acquisition, in an all-stock merger, of Limestone Bancorp Inc. ("Limestone"), a bank holding company headquartered in Louisville, Kentucky, and the parent company of Limestone Bank. Under the terms of the Agreement and Plan of Merger, Limestone merged with and into Peoples, and Limestone Bank merged with and into Peoples' wholly-owned subsidiary, Peoples Bank (collectively, the "Limestone Merger"). The Limestone Merger closed as of the close of business on April 30, 2023. As consideration, Limestone shareholders received 0.90 common shares of Peoples for each full share of Limestone that was owned at the merger date, resulting in the issuance of 6,827,668 common shares by Peoples, or aggregate consideration of $177.9 million. Peoples recorded goodwill in the amount of $68.8 million and core deposit other intangible assets in the amount of $27.7 million related to this transaction.

On January 28, 2021, Peoples' Board of Directors approved a share repurchase program authorizing Peoples to purchase up to an aggregate of $30.0 million of Peoples' outstanding common shares, replacing the February 27, 2020 share repurchase program which had authorized Peoples to purchase up to an aggregate of $40.0 million of Peoples' outstanding common shares. Peoples repurchased an aggregate of 100,905 of its common shares totaling $3.0 million during 2024, an aggregate of 107,219 of its common shares totaling $3.0 million during 2023, and an aggregate of 263,183 of its common shares totaling $7.4 million during 2022, under the share repurchase program authorized on January 28, 2021.

Primary Market Area and Customers

Peoples considers its primary market area to be those counties with a physical branch presence and their contiguous counties. This includes Ohio, West Virginia, Kentucky, Virginia, Washington, D.C. and Maryland. Peoples currently operates 67 offices in Ohio, 29 offices in West Virginia, 43 offices in Kentucky, three offices in Virginia, two offices in Washington D.C., one office in Maryland, an insurance premium finance lending office in Missouri, an equipment leasing office in Vermont, and an equipment leasing office in Minnesota. Peoples' market area consists of rural, small urban and metropolitan markets in which Peoples serves a diverse group of industries and consumers. Principal industries served in Peoples' primary market area include manufacturing, distribution, commercial real estate, healthcare, education, municipal, agricultural, automotive, wholesale and retail trade, franchise, and service-related industries. This broad-based economic area provides diversity, which helps prevent Peoples' revenue and earnings from being largely dependent upon any single industry segment.

Lending Activities

Peoples Bank originates various types of loans, including commercial loans (comprised of commercial and industrial loans, commercial real estate loans, and construction loans), premium finance loans, residential real estate loans, home equity lines of credit, consumer loans (comprised of both indirect and direct loans) and overdraft services. Peoples Bank's lending activities are focused principally on lending opportunities within its primary market area, except for its premium finance lending and equipment leasing businesses, which originate loans and leases nationwide. However, Peoples Bank may occasionally originate loans outside its primary market area. In general, Peoples Bank retains the majority of the loans and leases it originates; however, certain longer-term fixed-rate mortgage loan originations, primarily one-to-four family residential mortgages, and portions of select commercial real estate loans and commercial and industrial loans are sold into the secondary market or to other financial institutions.

Peoples Bank's loans consist of credit extensions to consumers and other borrowers spread over a broad range of industrial classifications. At December 31, 2024, Peoples Bank had no concentration of loans to borrowers engaged in the same or similar industries that exceeded 10% of total loans (also referred to as "loans, net of deferred fees and costs"), nor did Peoples Bank have any loans outstanding to non-United States ("U.S.") entities.

Commercial Lending

Commercial loans include commercial and industrial loans, commercial real estate loans, construction loans, and commercial credit card loans. Commercial loans represented the largest portion of Peoples Bank's total loan portfolio, comprising approximately 60.3% and 60.8% of total loans at December 31, 2024, and at December 31, 2023, respectively. Commercial lending inherently carries a significant risk of loss since commercial loan relationships generally involve larger loan balances than other loan classes.

Commercial loan terms include amortization schedules and interest rates commensurate with the purpose of each loan, the identified source of repayment, and the risk involved. The majority of Peoples Bank's commercial loans carry variable interest rates equal to an underlying index rate plus a margin. However, Peoples Bank also originates commercial loans with fixed interest rates for periods generally ranging from three to ten years. At December 31, 2024, the commercial loan portfolio consisted of

61.1% in variable interest rate loans and 38.9% in fixed interest rate loans. In determining whether to grant a commercial loan, Peoples Bank primarily reviews a schedule of cash flows to evaluate whether the borrower's anticipated future cash flows will be adequate to service both interest and principal due.

Peoples Bank also originates variable rate loans with interest rate swaps, where the customer enters into an interest rate swap with Peoples Bank on terms that match the terms of the loan. By entering into the interest rate swap with the customer, the customer synthetically fixes the rate on the variable rate loan. Peoples Bank offsets its exposure in each such swap by entering into an offsetting interest rate swap with an unaffiliated financial institution. These interest rate swaps do not qualify as designated hedges; therefore, each swap is accounted for as a standalone derivative instrument.

Peoples Bank evaluates all commercial loan relationships whose aggregate credit exposure is greater than $1.0 million on an annual basis for possible credit deterioration. This internal loan review process provides Peoples Bank with opportunities to identify potential problem loans and take proactive actions to assure repayment of the loan or minimize Peoples Bank's risk of loss, such as reviewing the relationship more frequently based upon the loan quality rating and aggregate outstanding exposure. Upon detection of the reduced ability of a borrower to meet cash flow obligations, the loan is reviewed for possible downgrade in the loan quality rating or placement on nonaccrual status. Peoples Bank also completes evaluation procedures for a selection of larger loan relationships on a quarterly basis. Loan relationships whose aggregate credit exposure to Peoples Bank is equal to or less than $1.0 million are reviewed on an event-driven basis. Triggers for review include a borrower's request to renew a maturing loan or line of credit, actual knowledge of adverse events affecting the borrower's business, receipt of financial statements indicating deteriorating credit quality, or other similar events.

Commercial and Industrial Loans

Commercial and industrial loans are loans to operating companies for purposes of financing working capital needs, fixed asset purchases, acquisitions of other businesses, and other business activities. Typically, these loans are secured with business assets and, in some cases, owner-occupied real estate and are personally guaranteed by the owners of the operating companies. The primary source of repayment of this type of loan is generally cash flows generated from operations of the business, which can be susceptible to adverse changes in economic conditions of the general economy as a whole or within a specific industry. At December 31, 2024, commercial and industrial loans comprised 21.2% of Peoples Bank's total loan portfolio, compared to 19.2% at December 31, 2023.

Commercial Real Estate Loans

Peoples Bank's portfolio of commercial real estate loans comprised 33.9% of total loans at December 31, 2024, and 35.7% at December 31, 2023. Peoples Bank originates commercial real estate loans for both owner-occupied commercial real estate and non-owner-occupied investment commercial real estate. Generally, the real estate securing these loans is stabilized and typically the loans are personally guaranteed by the owners of the borrowing entities. Normally, owner-occupied commercial real estate loans are secured by office buildings, warehouses, manufacturing facilities, and other commercial and industrial properties occupied by operating companies. The source of repayment for this type of loan is typically cash flow from the operating company occupying the real estate. Investment commercial real estate generally includes multifamily complexes, office buildings and complexes, retail facilities, land under development, and industrial properties, as well as other commercial or industrial real estate. Typically, the primary source of repayment of this type of loan is rental income generated from leasing activities.

Construction Loans

Peoples Bank originates construction loans to provide temporary financing during the construction phase for commercial and residential properties. Peoples Bank's construction lending is focused primarily on commercial and residential projects of select real estate developers. These projects include the construction of apartment, office, retail, industrial complexes, and other commercial and residential projects. The underwriting criteria for construction loans are generally the same as for non-construction loans. Construction loans comprised 5.2% of Peoples Bank's total loan portfolio at December 31, 2024 and 5.9% at December 31, 2023.

Construction financing is generally considered to involve higher credit risk than other types of loans since Peoples Bank is dependent largely upon the accuracy of the initial estimate of the property's value at the completion of construction and the estimated cost (including interest) of construction. If the estimated construction cost proves to be inaccurate, Peoples Bank may be required to advance funds beyond the amount originally committed to enable completion of the project. If the estimate of a property's value upon completion proves inaccurate, Peoples Bank may be confronted, at or prior to the maturity of the loan, with a property having a value insufficient to ensure full repayment, should the borrower default. In the event a default on a construction loan occurs and foreclosure follows, Peoples Bank must take control of the project and attempt to either arrange for completion of construction or sell the collateral of the unfinished project. In certain cases, such as real estate development projects, repayment of construction loans occurs as a result of subsequent sale of the developed real estate. Additional risk exists in these cases as the developer may lack funds to repay the loan if the property is not sold upon completion.

To mitigate the risk of construction lending, Peoples Bank requires periodic site inspections, typically completed by an independent third party, to ensure appropriate completion of the project prior to any disbursements. Construction loans are

structured to provide sufficient time to complete construction, giving consideration to weather or other variables that influence completion time. Peoples Bank typically requires the term of its construction loans to be less than three years.

Insurance Premium Finance Loans

Based in Lee Summit, Missouri, Peoples Premium Finance originates insurance premium finance loans through independent insurance agency partners nationwide that provide funding for the purchase by borrowers of property and casualty insurance policies from the insurance agency partners. Peoples Bank's portfolio of insurance premium finance loans comprised 4.2% of total loans at December 31, 2024, and 3.3% of total loans at December 31, 2023, with the original portfolio having been acquired during 2020. The loans are secured by the refundable, unearned premiums with respect to the underlying insurance policies. These loans require a 10% to 20% down payment followed by no less than nine consecutive, equal monthly payments of principal plus interest. This type of lending is relatively low risk, as the loan amount is generally less than the refundable, unearned premiums of the underlying insurance policy. If the loan becomes delinquent, the underlying insurance policy is cancelled, and the unearned premiums are refunded directly to Peoples Bank.

Commercial Equipment Leases and Equipment Financing Agreements

Peoples Bank originates leases and equipment financing agreements through its North Star Leasing division and through its wholly-owned subsidiary, Vantage. Peoples Bank's portfolio of leases comprised 6.4% of total loans at December 31, 2024, and 6.7% of total loans at December 31, 2023.

Based in Burlington, Vermont, the North Star Leasing division underwrites, originates and services equipment leases and equipment financing agreements primarily to small businesses throughout the U.S. Based in Excelsior, Minnesota, Vantage underwrites, originates and services primarily technology equipment leases to medium and large businesses throughout the U.S. Both North Star Leasing's and Vantage's leases transfer substantially all of the benefits and much of the risks of equipment ownership to the lessee. The present value of future lease payments and the estimated residual value are recorded where leases are classified as sales-type or direct finance leases. For those leases classified as operating, the original cost of the equipment, which is subsequently depreciated over the life of the asset, is recorded on Peoples' Consolidated Balance Sheet. For leases classified as sales-type or direct finance, revenue is recognized as a constant percentage return on the lease's carrying value. For leases classified as operating, lease income is recognized ratably over the life of the lease. Lease origination costs are deferred and amortized as an adjustment of the related lease's yield.

Residential Real Estate Loans

Peoples Bank's portfolio of residential real estate loans comprised 13.2% of total loans at December 31, 2024, and 12.9% of total loans at December 31, 2023. The residential real estate loans originated by Peoples Bank may either be retained in its loan portfolio, or sold into the secondary market with servicing either retained by Peoples Bank or sold with the loan. Peoples Bank also had $2.3 million of residential real estate loans held for sale and was servicing $346.2 million of loans, consisting primarily of one-to-four family residential mortgages, which had previously been sold into the secondary market, in each case, at December 31, 2024. Peoples Bank also originates and retains jumbo residential mortgage loans for primary and secondary residences, which are nonconforming loans that have higher loan amounts than those acceptable for sale to the government-sponsored enterprises to which Peoples Bank typically sells residential mortgage loans.

Peoples Bank originates both fixed rate and variable rate residential real estate loans. From time to time, Peoples Bank sells its longer-term fixed rate real estate loans into the secondary market; however, Peoples Bank may retain certain fixed rate real estate loans. Peoples bank also offers fixed rate home equity installment loans with five-year to 20-year terms.

Peoples Bank typically requires residential real estate loan amounts to be no more than 80% of the purchase price or the appraised value of the real estate securing the loan, whichever is lower, unless private mortgage insurance is obtained by the borrower for the percentage exceeding 80%. In limited circumstances, Peoples Bank may lend up to 100% of the appraised value of the real estate, although such lending currently is limited to loans that qualify under established federally-backed rural housing programs or through a designated low-to-moderate income loan program. Numerous risk factors attributable to real estate lending are considered during underwriting for the purposes of establishing an interest rate commensurate with the inherent risks of the loan.

Residential real estate loans are typically secured by first mortgages with evidence of title in favor of Peoples Bank in the form of an attorney's opinion of title or a title insurance policy. Peoples Bank requires insurance, with Peoples Bank named as the mortgagee and loss payee. Peoples Bank requires evidence of insurance at the time of the loan closing. Additionally, Peoples Bank has a blanket insurance policy to cover loans secured by real estate with outstanding balances of less than $1.0 million that do not include an insurance escrow account. For loans secured by real estate with outstanding balances over $1.0 million or those that include an insurance escrow account, Peoples Bank force-places an insurance policy to cover the residential real estate loan when the borrower fails to maintain adequate insurance. Licensed appraisals are required for all residential real estate loans, and are completed by an independent third party. A compliance officer assigned to the line of business is responsible for working with the management team to identify, implement and test regulatory compliance controls.

Home Equity Lines of Credit

Peoples Bank originates home equity lines of credit that provide consumers with greater flexibility in financing personal expenditures. At December 31, 2024, outstanding home equity lines of credit comprised 3.7% of Peoples Bank's total loans, compared to 3.4% at December 31, 2023. Peoples Bank currently offers home equity lines of credit with a prime-based variable rate for the entire 10-year term, with interest-only payments and a balloon payment at maturity. At December 31, 2024, Peoples Bank's home equity loan portfolio consisted of 99.2% in variable interest rate loans and 0.8% in fixed interest rate loans. At December 31, 2024, 18.7% of the total home equity loan portfolio was represented by convertible rate home equity lines of credit, with total outstanding principal balances and available credit amounts of $44.0 million and $57.9 million, respectively, and a weighted-average remaining maturity of 6.7 years. The average original loan amount under these convertible rate home equity lines of credit was $51,000 at December 31, 2024.

Home equity lines of credit are generally made as second mortgages by Peoples Bank. The maximum amount of a home equity line of credit is generally limited to 80% of the appraised value of the property less the balance of the first mortgage. Peoples Bank may lend up to 90% of the appraised value of the property (less the balance of the first mortgage) at higher interest rates that are commensurate with the additional risk being assumed in these situations. The home equity lines of credit are written with 10-year terms and are subject to a new underwriting review upon request for renewal.

Consumer Lending

Peoples Bank's consumer lending activities include consumer indirect loans, consumer credit card loans, and consumer direct loans, which primarily involve loans secured by automobiles, motorcycles, recreational vehicles and other personal property, as well as unsecured loans and personal lines of credit. Consumer loans generally involve more risk as to collectability than real estate mortgage loans because of the type and nature of the collateral or, in certain instances, the absence of collateral. As a result, consumer lending collections are dependent upon the borrower's continued financial stability, and are at more risk from adverse changes in personal circumstances. In addition, application of various state and federal laws, including bankruptcy and insolvency laws, could limit the amount that may be recovered under these loans. Credit approval for consumer loans typically requires demonstration of sufficiency of income to repay principal and interest due, stability of employment, an established credit record and sufficient collateral for secured loans. It is the policy of Peoples Bank to review its consumer loan portfolio monthly and to charge-off loans that do not meet its ongoing standards, while strictly adhering to all laws and regulations governing consumer lending. A compliance officer assigned to the line of business is responsible for working with the management team to identify, implement and test regulatory compliance controls.

Consumer Indirect Loans

Peoples Bank originates consumer indirect loans through select dealerships, which generally include loans secured by automobiles, motorcycles and recreational vehicles. At December 31, 2024, consumer indirect loans comprised 10.5% of Peoples Bank's total loan portfolio, compared to 10.8% at December 31, 2023.

Consumer indirect loans are originated at the point of sale, or dealership, and are subject to the same pricing structure and underwriting process as consumer loans originated through the retail branch channel. Consumer indirect lending offers Peoples Bank the opportunity to access additional customers outside of its primary office locations. Peoples Bank offers consumer indirect lending for new and pre-owned vehicles through approved franchise or independent dealerships. These dealerships undergo an approval process whereby Peoples Bank reviews the dealership licensing and industry experience, evaluates customer experience with the dealership, and completes an inspection of the inventory, showroom, and general facilities. On an ongoing basis, the dealerships are monitored based on production volume, application approval rates, portfolio default rates, adherence to loan pricing guidelines, compliance with fair lending laws and consumer protection regulations, including unfair and deceptive acts and practices ("UDAP") under Section 5 of the FTC Act or unfair, deceptive or abusive acts and practices ("UDAAP") pursuant to the Dodd-Frank Act.

Consumer Direct Loans

Peoples Bank originates consumer direct loans primarily through its office locations. Consumer direct loans generally include loans secured by automobiles, motorcycles, recreational vehicles and other personal property; unsecured loans; and personal lines of credit. Consumer direct loans differ from consumer indirect loans as they include expanded products, such as unsecured loans, or loans secured by stock or deposits. Consumer direct loans comprised 1.7% of Peoples Bank's total loan portfolio at December 31, 2024, compared to 2.1% at December 31, 2023.

Overdraft Services

Peoples Bank grants overdraft services to qualified customers, which provides overdraft protection to deposit customers, both individual and business, by establishing an overdraft amount. After a 60-day waiting period to verify account activity, each new checking account usually receives an overdraft amount of $400, $700 or $1,000 based on the type of account and other parameters, such as previous charge-off history or credit loss. Customers also have the ability to opt out of the overdraft services offered by Peoples. Once established, customers are permitted to overdraw their checking account at Peoples Bank's discretion, up to their overdraft limit, with each item being charged Peoples Bank's regular overdraft fee, with a maximum of five charges per day when the customer's account is overdrawn more than $5. Customers repay the overdraft with their next deposit. Peoples'

overdraft services are designed to allow Peoples Bank to fill the void between traditional overdraft protection, such as a line of credit, and non-bank "check cashing services." Under federal banking regulations, Peoples Bank is required to obtain the consent of its customers in order to apply Peoples' overdraft services to ATM and one-time debit card transactions. While the overdraft services generate fee income, these fees may be partially offset by additions to the provision for credit losses necessary to ensure the maintenance of an appropriate allowance for credit losses against overdrafts deemed uncollectable. This allowance, along with net charge-offs, was included in determining Peoples Bank's allowance for credit losses. At December 31, 2024, the unfunded commitment related to overdraft services was $79.6 million.

Investment Activities

At December 31, 2024, investment securities comprised 20.7% of Peoples' total assets, compared to 19.6% at December 31, 2023. The majority of Peoples' investment activities are conducted through Peoples Bank, although Peoples and its non-banking subsidiary, PIC, also may engage in investment activities from time to time. Investment activity by Peoples Bank is subject to certain regulatory guidelines and limitations on the types of securities eligible for purchase. As a result, the investment securities owned by Peoples Bank at December 31, 2024, included obligations of agencies and corporations of the U.S. government, including mortgage-backed securities, obligations of U.S. government sponsored agencies, bank eligible obligations of states and political subdivisions in the U.S., and bank eligible corporate obligations, including private-label mortgage-backed securities. Peoples Bank also invests in tax credit funds. The investments owned by PIC consist of tax credit funds, municipal obligations, privately issued mortgage-backed securities, and subordinated debt issued by a non-related banking entity.

Peoples Bank's investment activities are governed internally by a policy approved by the Board of Directors of Peoples Bank, which is administered by Peoples Bank's Asset-Liability Management Committee ("ALCO"). The primary purpose of Peoples Bank's investment portfolio is to: (1) employ excess funds not needed to support loan demand; (2) provide a source of liquid assets to accommodate unanticipated deposit and loan fluctuations, and overall liquidity needs; (3) provide eligible securities to secure public and trust funds; and (4) earn the maximum overall return commensurate with Peoples Bank's risk appetite and liquidity needs. Investment strategies to achieve these objectives are reviewed by the ALCO. In its evaluation of investment strategies, the ALCO considers various factors, including the interest rate environment, balance sheet mix, actual and anticipated loan demand, funding opportunities and Peoples Bank's overall interest rate sensitivity. The ALCO also has much broader responsibilities, which are discussed in the "Interest Rate Sensitivity and Liquidity" section of "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K.

Funding Sources

Peoples' primary sources of funds for lending and investing activities are interest-bearing and non-interest-bearing deposits. Cash flows from both the loan and investment portfolios, which include scheduled payments, as well as prepayments, calls and maturities, also provide a relatively stable source of funds. Peoples also utilizes a variety of short-term borrowings and long-term borrowings to fund asset growth and satisfy liquidity needs. Peoples also hedges 90-day brokered deposits and Federal Home Loan Bank of Cincinnati ("the FHLB") advances with interest rate swaps as part of its funding strategy. The swaps pay a fixed rate of interest while receiving variable interest based on the three-month Secured Overnight Financing Rate ("SOFR"), which offsets the rate on the brokered deposits or FHLB advances. Peoples' funding sources are managed through Peoples' asset-liability management process and monitored by the ALCO, which is discussed further in the "Interest Rate Sensitivity and Liquidity" section of "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K.

The following is a brief description of the various sources of funds utilized by Peoples:

Deposits

Peoples Bank obtains deposits principally from individuals and businesses within its primary market area by offering a broad selection of deposit products to clients. Deposit products for individuals have account terms that vary with respect to the minimum balance required, the time the funds must remain on deposit, and service charge schedules. Interest rates paid on specific deposit types are determined based on (1) the interest rates offered by competitors, (2) the anticipated amount and timing of funding needs, (3) the availability and cost of alternative sources of funding, and (4) the anticipated future economic conditions and interest rates. Business deposits, which include deposits from traditional commercial businesses as well as governmental entities, are obtained through an offering of multiple deposit account types as well as cash management solutions. Depending on the need of the entity, these deposits could be either interest-bearing or non-interest-bearing. The ability of Peoples Bank to offer competitive cash management solutions to its customers, enables it to obtain valuable operating account funds as well as non-operating account funds. Retail and business deposits are attractive sources of funding because of their stability and cost, relative to wholesale funding alternatives, in addition to providing opportunities for Peoples to build long-term client relationships through the cross-selling of its other products and services.

Peoples Bank also offers its customers the ability to receive multi-million dollar federal deposit insurance coverage for certificates of deposit ("CDs") through the Certificate of Deposit Account Registry Service ("CDARS") program and money market deposit accounts through the Insured Cash Sweep ("ICS") services network. Under these programs, funds from large customer deposits are placed into accounts issued by other members of the CDARS program or ICS network in increments below

the federal deposit insurance limits to ensure both principal and interest remain eligible for insurance. Peoples Bank also purchases certain "one-way buy" CDARS deposits, and overnight ICS network deposits which are utilized as a wholesale funding source. CDARS one-way buys are classified as brokered deposits in "Note 8 Deposits". ICS overnight deposits are classified as other short-term borrowings in "Note 9 Short-Term Borrowings."

Peoples Bank occasionally obtains deposits from clients outside its primary market area, generally in the form of CDs, and has the ability, if determined to be appropriate, to obtain deposits from deposit brokers. These deposits are used to supplement Peoples Bank's deposits to fund loans originated to customers located outside Peoples Bank's primary market area, as well as provide diversity in funding sources as they do not require Peoples Bank to secure the funds with collateral, unlike most other borrowed funds.

Additional information regarding the amounts and composition of Peoples Bank's deposits can be found in the "Deposits" section of "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K and in "Note 8 Deposits."

Borrowed Funds

Peoples obtains funds through a variety of short-term borrowings and long-term borrowings, which typically include advances from the Federal Home Loan Bank ("FHLB") and repurchase agreements. Peoples also has the ability to obtain funds, if determined to be appropriate, through federal funds purchased and advances from the Federal Reserve Discount Window. Peoples utilized the Bank Term Funding Program ("BTFP") through November of 2024, which was created by the Federal Reserve Bank to support American businesses and households by making additional funding available to eligible depository institutions to help assure banks have the ability to meet the needs of all their depositors. The BTFP offers loans of up to one year in length. In addition, Peoples has the ability to obtain funds from unrelated financial institutions in the form of term loans or revolving lines of credit. Short-term borrowings are used generally to manage Peoples' daily liquidity needs since they typically may be repaid, in whole or part, at any time without a penalty. In recent years, Peoples has utilized interest rate swaps to obtain short-term borrowings at long-term fixed rates, effectively replacing maturing long-term borrowings. Long-term borrowings provide cost-effective options for funding asset growth and satisfying capital needs, due to the variety of pricing and maturity options available.

Additional information regarding the amounts and composition of Peoples' borrowed funds can be found in the "Borrowed Funds" section of "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K and in "Note 9 Short-Term Borrowings" and "Note 10 Long-Term Borrowings."

Competition

Peoples experiences intense competition within its primary market area due to the presence of several national, regional and local financial institutions and other service providers, including finance companies, financial technology companies ("fintechs"), insurance agencies and mutual fund providers. Competition within the financial services and insurance industries continues to increase as a result of mergers between, and expansion of, financial services and insurance providers within and outside of Peoples' primary market area. In addition, the deregulation of the financial services industry (see the discussion of the Gramm-Leach-Bliley Act of 1999 in the section of this item captioned "Supervision and Regulation – Bank Holding Company Regulation") has allowed securities firms and insurance companies that have elected to become financial holding companies to acquire commercial banks and other financial institutions, which can create additional competitive pressure. In addition, fintechs are also providing nontraditional, but increasingly strong, competition for our borrowers, depositors, and other customers.

Peoples primarily competes based on client service, convenience and responsiveness to customer needs, product characteristics, interest rates on loans, insurance premium financing, leases and deposits, and the availability and pricing of fiduciary, employee benefit plan, brokerage and insurance services. However, some competitors may have greater resources, including additional technology offerings and higher lending limits than Peoples, which may adversely affect Peoples' ability to compete. Peoples' business strategy includes the use of a "needs-based" sales and service approach to serve customers and is intended to promote customers' continued use of multiple financial products and services. Peoples continues to emphasize the integration of traditional commercial banking products with non-traditional financial products, such as insurance and investment products. In addition, Peoples continuously works to improve its online and mobile capabilities to ensure customers are able to use its products and services utilizing many channels.

Historically, Peoples has focused on providing its full range of products and services in smaller metropolitan markets and certain major metropolitan areas. Management believes Peoples has developed a level of expertise in serving the financial service needs of all communities. Peoples' primary market area has expanded into larger metropolitan and other areas, such as central, southwestern and northeastern Ohio along with Kentucky, eastern Virginia, southern Maryland, Minnesota, Vermont, West Virginia, and Washington, D.C. Peoples also competes nationally when providing insurance premium financing and commercial equipment leases and equipment financing arrangements. These larger areas typically contain entrenched service providers with existing customer bases much larger than Peoples' current position. As a result, Peoples may be forced to compete more aggressively in order to grow its market share in these areas, which could reduce current and future profit potential derived from such markets.

Human Capital Resources

At December 31, 2024, Peoples had 1,479 full-time equivalent employees, compared to 1,478 at December 31, 2023. Peoples makes it a priority to provide a first class workplace for its employees, focusing on providing quality benefits, recognizing and rewarding performance, cultivating diversity, promoting a culture of learning and coaching in every direction. Peoples offers paid time off, medical, dental and vision insurance, along with wellness programs, a 401(k) program, an employee stock purchase program, programs to assist with education-related costs, reward and recognition programs, as well as various other programs and benefits. Peoples has also implemented a $15 minimum wage throughout the organization and all associates were at or above this threshold as of January 2023. Peoples Bank has been recognized by Newsweek as one of America's Best Workplaces in 2024 and one of America's Best Regional Banks in 2024, and Peoples Bank has been recognized as a "Best Bank to Work For" by American Banker in each of 2021, 2022, 2023, and 2024.

Peoples strives to be an inclusive and diverse workplace, free of harassment, and encourages employees to voice their opinions. Peoples works to attract and retain top quality talent, and in doing so, promotes a learning environment where positive constructive feedback can be given at any level of the organization. Employees are encouraged to communicate their thoughts, whether it is with a co-worker, management or the Human Resources Department. Peoples also provides an anonymous ethics hotline for employees to report any issues that they may feel uncomfortable reporting to management. Peoples maintains many reward programs for employees and management to recognize contributions by individuals and teams within the organization. Peoples provides internal training throughout the organization, as well as opportunities to attend external and online training events. Managers complete quarterly performance reviews with employees, and semi-annual employee satisfaction pulse surveys are completed. Peoples tracks and monitors employee turnover and conducts exit interviews to better understand why employees choose to leave the organization.

Peoples maintains a high level of commitment to its communities, which is shown both through employees volunteering and with donations made to many organizations within the Peoples footprint.

Intellectual Property and Proprietary Rights

Peoples has registered the service marks "Peoples Bank (with logo)," "Peoples Bancorp," "Peoples Bank," Peoples in motion logo consisting of three arched ribbons, "Working Together. Building Success.", "Peoples Insurance (with logo)", "Peoples Investment Services", "Peoples Premium Finance", "North Star Leasing" and "peoplesbancorp.com" with the U.S. Patent and Trademark Office (the "USPTO"). Additionally, Peoples is the owner of "tradeIT", a registered service mark of Vantage. These service marks currently have expiration dates ranging from 2025 to 2031.

Peoples may renew the registrations of service marks with the USPTO generally for additional five-year to 10-year periods indefinitely, provided it continues to use the service marks and files appropriate maintenance and renewal documentation with the USPTO at the times required by the federal trademark laws and regulations. Peoples intends to continue to use its registered service marks and to timely renew the registration of each of them.

Peoples has proprietary interests in the Internet domain names "pebo.com", "peoplespf.com", "northstarleasing.com", "vantagefncl.com" and "peoplesbancorp.com." Internet domain names in the U.S. and in foreign countries are regulated, but the laws and regulations governing the Internet are continually evolving.

Supervision and Regulation

Peoples and its subsidiaries are subject to extensive supervision and regulation by federal and state agencies. The regulation of financial holding companies and their subsidiaries is intended primarily for the protection of consumers, depositors, borrowers, the Deposit Insurance Fund (the "DIF") of the Federal Deposit Insurance Corporation (the "FDIC") and the banking system as a whole, and not for the protection of shareholders. Applicable laws and regulations restrict permissible activities and investments, and require actions to protect loan, deposit, brokerage, fiduciary and other customers, as well as the DIF. Such laws and regulations may also restrict Peoples' ability to repurchase its common shares or to receive dividends from Peoples Bank, and may impose capital adequacy and liquidity requirements. The following is a summary of the regulatory agencies, statutes and related regulations that have, or could have, a material impact on Peoples' business. This discussion is qualified in its entirety by reference to such regulations and statutes.

Financial Holding Company

Peoples is a legal entity separate and distinct from its subsidiaries and affiliated companies. As a financial holding company, Peoples is subject to regulation under the Bank Holding Company Act of 1956, as amended (the "BHC Act"), and to inspection, examination and supervision by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board").

The Federal Reserve Board has extensive enforcement authority over financial holding companies. In general, the Federal Reserve Board may initiate enforcement actions for violations of laws and regulations and unsafe or unsound practices. The Federal Reserve Board may assess civil money penalties, issue cease and desist or removal orders, and require that a financial holding company divest subsidiaries, including subsidiary banks. Peoples is routinely required to file reports and other information with the Federal Reserve Board regarding Peoples' business operations and those of its subsidiaries.

Subsidiary Bank

Peoples Bank is subject to regulation and examination primarily by the Ohio Division of Financial Institutions (the "ODFI") and the Federal Reserve Bank of Cleveland (the "FRB"). Peoples Bank must also follow the regulations promulgated by the Consumer Financial Protection Bureau (the "CFPB"), which regulates consumer financial products and services and certain financial services providers.

Various requirements and restrictions under the laws of the U.S., and the states of Ohio, Kentucky, West Virginia, Virginia, Washington, D.C., Maryland, Minnesota,Vermont and Missouri affect the operations of Peoples Bank, including requirements to maintain reserves against deposits, restrictions on the nature and amount of loans that may be made and the interest that may be charged thereon, restrictions relating to investments and other activities, limitations on credit exposure to correspondent banks, limitations on activities based on capital and surplus, limitations on transactions between Peoples Bank and Peoples, limitations on the payment of dividends, and limitations on branching. Consumer laws and regulations that are designed to prevent unfair, deceptive and abusive acts and practices and that ensure that consumers have access to fair, transparent and competitive markets for consumer financial products and services also affect the services provided by Peoples Bank.

Non-Banking Subsidiaries

Peoples' non-banking subsidiaries are also subject to regulation by the Federal Reserve Board and other applicable federal and state agencies. Peoples Insurance, as a licensed insurance agency, is subject to regulation by the Ohio Department of Insurance and the state insurance regulatory agencies of the other states where it conducts business.

Other Regulatory Agencies

Securities and Exchange Commission ("SEC") and the Nasdaq Global Select Market® ("Nasdaq")

Peoples is also under the jurisdiction of the SEC and certain state securities commissions for matters relating to the offering and sale of its securities. Peoples is subject to the registration, disclosure, reporting and regulatory requirements of the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the regulations promulgated under each of the Securities Act and the Exchange Act, as administered by the SEC. Peoples' common shares are listed with Nasdaq under the symbol "PEBO" and Peoples is subject to the rules for Nasdaq listed companies.

Federal Home Loan Bank ("FHLB")

Peoples Bank is a member of the FHLB, which provides credit to its members in the form of advances. As a member of the FHLB, Peoples Bank must maintain an investment in the capital stock of the FHLB in a specified amount. Upon the origination or renewal of a loan or an advance, the FHLB is required by law to obtain and maintain a security interest in certain types of collateral. The FHLB is required to establish standards of community investment or service that its members must maintain for continued access to long-term advances from the FHLB. The standards take into account a member's performance under the Community Reinvestment Act of 1977, as amended (the "CRA"), and the member's record of lending to first-time homebuyers.

Federal Deposit Insurance Corporation ("FDIC")

The FDIC is an independent federal agency which insures the deposits, up to prescribed statutory limits, of federally-insured banks and savings associations, and safeguards the safety and soundness of the financial institution industry. Peoples Bank's deposits are insured up to applicable limits by the DIF of the FDIC and Peoples Bank is subject to deposit insurance assessments to maintain the DIF. The general insurance limit is $250,000 per separately insured depositor. This insurance is backed by the full faith and credit of the U.S. government.

As insurer, the FDIC is authorized to conduct examinations of and to require routine reporting by insured institutions, including Peoples Bank, to prohibit any insured institution from engaging in any activity the FDIC determines by regulation or order to pose a threat to the DIF, and to take enforcement actions against insured institutions. The FDIC may terminate insurance of deposits of any insured institution if the FDIC finds that the insured institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition, or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC or any other regulatory agency.

Insured depository institutions are required to remit quarterly deposit insurance premiums to the FDIC, which are used to fund the DIF. Insurance premiums for each insured depository institution are determined based upon the institution's capital level and supervisory rating provided to the FDIC by the institution's primary federal regulator and other information the FDIC determines to be relevant to the risk posed to the DIF by the insured depository institution. The assessment rate determined by considering such information is then applied to the amount of the insured depository institution's average assets minus average tangible equity to determine the insured depository institution's insurance premium. An increase in the assessment rate could have a material adverse effect on the earnings of the affected insured depository institution, depending on the amount of the increase.

The FDIC assesses a quarterly deposit insurance premium on each insured depository institution based on perceived risk characteristics of the insured institution to the DIF, with institutions deemed less risky paying lower rates. Currently, assessments for institutions of less than $10 billion of total assets are based on financial measures and supervisory ratings derived from statistical models estimating the probability of failure within three years. The FDIC may increase or decrease the range of

assessments uniformly, except that no adjustments can deviate more than two basis points from the base assessment without notice and comment rule making. The FDIC may also impose special assessments in emergency situations. The FDIC has established 2.0% as the designated reserve ratio ("DRR"), which is the amount in the DIF as a percentage of all DIF insured deposits. In March 2016, the FDIC adopted final rules designed to meet the statutory minimum DRR of 1.35% by September 30, 2020, the deadline imposed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended (the "Dodd-Frank Act"). The Dodd-Frank Act required the FDIC to offset the effect on insured institutions with assets of less than $10 billion of the increase in statutory minimum DRR to 1.35% from the former statutory minimum of 1.15%. Although the FDIC's rules reduced assessment ratio on all banks, they imposed a surcharge on banks with assets of $10 billion or more to be paid until the DRR reached 1.35%. At September 30, 2018, the DRR met the statutory minimum of 1.35%. As a result, the previous surcharge imposed on banks with assets of $10 billion or more was lifted. In addition, preliminary assessment credits were determined by the FDIC for banks with assets of less than $10 billion, which had previously contributed to the increase of the DRR to 1.35%. On June 30, 2019, the DRR reached 1.40%, and the FDIC applied credits for banks with assets of less than $10 billion. On June 30, 2020, the DRR fell below the statutory minimum to 1.30%. This resulted in the FDIC adopting a restoration plan designed to restore the DRR to 1.35% within eight years, by September 30, 2028. As part of this restoration plan, all scheduled assessment rates for all insured institutions were maintained.

In the semiannual update for the Restoration Plan in June 2022, the FDIC projected that the reserve ratio was at risk of not reaching the statutory minimum of 1.35% by September 30, 2028, the statutory deadline to restore the reserve ratio. Based on this update, the FDIC Board approved an Amended Restoration Plan, and concurrently proposed an increase in initial base deposit insurance assessment rate schedules uniformly by two basis points (from three basis points to five basis points), applicable to all insured depository institutions. In October 2022, the FDIC Board finalized the increase with an effective date of January 1, 2023, applicable to the first quarterly assessment period of 2023 (i.e., January 1 through March 31, 2023). The revised assessment rate schedules are intended to increase the likelihood that the reserve ratio of the DIF reaches the statutory minimum level of 1.35% percent by September 30, 2028. Since the previous semiannual update, the DIF reserve ratio increased by 6 basis points—from 1.15 percent as of December 31, 2023, to 1.21 percent as of June 30, 2024, due to growth in the DIF balance and slower-than-average insured deposit growth. The FDIC staff projects that the reserve ratio remains on track to reach the statutory minimum of 1.35% ahead of the deadline of September 30, 2028.

On November 16, 2023, the FDIC adopted a final rule implementing a special assessment to recover the loss to the DIF arising from the protection of uninsured depositors following the failures of Silicon Valley Bank and Signature Bank. The assessment base for the special assessment is equal to an insured depository institution's estimated uninsured deposits reported for the quarter ended December 31, 2022, adjusted to exclude the first $5 billion in estimated uninsured deposits. The FDIC will collect the special assessment at an annual rate of approximately 13.4 basis points, over eight quarterly assessment periods, beginning with the first quarter of 2024. Because Peoples Bank's uninsured deposits were less than $5 billion for the quarter ended December 31, 2022, Peoples Bank will not be subject to this special assessment.

Bank Holding Company Regulation

In general, the BHC Act limits the business of bank holding companies to banking, managing or controlling banks, and other activities that the Federal Reserve Board determines to be so closely related to banking as to be a proper incident thereto. As a result of the Gramm-Leach-Bliley Act of 1999 – also known as the Financial Services Modernization Act of 1999 – which amended the BHC Act, bank holding companies that are financial holding companies may engage in any activity, or acquire and retain the shares of a company engaged in any activity, that is either (1) financial in nature or incidental to such financial activity (as determined by the Federal Reserve Board in consultation with the Secretary of the Treasury), or (2) complementary to a financial activity, and that does not pose a substantial risk to the safety and soundness of depository institutions or the financial system generally. Activities that are financial in nature include securities underwriting and dealing, insurance underwriting and making merchant banking investments. In 2002, Peoples elected, and received approval from the Federal Reserve Board, to become a financial holding company.

In order for a financial holding company to commence any new activity permitted by the BHC Act, or to acquire a company engaged in any new activity permitted by the BHC Act, the financial holding company must be "well managed" and "well capitalized," and each insured depository institution subsidiary of the financial holding company must be well capitalized under the prompt corrective action provisions, be well managed and have received a rating of at least "satisfactory" in its most recent examination under the CRA. The CRA is more fully discussed in the section captioned "Community Reinvestment Act" included later in this Item. In addition, financial holding companies, such as Peoples, are permitted to acquire companies engaged in activities that are financial in nature and in activities that are incidental and complementary to financial activities without prior Federal Reserve Board approval.

The BHC Act and other federal and state statutes regulate acquisitions of commercial banks. The BHC Act requires the prior approval of the Federal Reserve Board for the direct or indirect acquisition of more than 5% of the voting shares of a commercial bank or its parent holding company. Under the federal Bank Merger Act, as amended, the prior approval of the Federal Reserve Board is required for a state-chartered, Federal Reserve Bank member bank to merge with another bank or purchase the assets or assume the deposits of another bank. In reviewing an application seeking approval of a merger or acquisition transaction, the bank

regulatory authorities consider, among other factors, the competitive effect and public benefits of the transaction, the capital position of the combined organization, the applicant's performance record under the CRA and fair housing laws, and the effectiveness of the subject organizations in combating money laundering activities.

A financial holding company is required by law and Federal Reserve Board policy to act as a source of financial strength to each subsidiary bank and to commit resources to support each subsidiary bank. The Federal Reserve Board may require a financial holding company to contribute additional capital to an undercapitalized subsidiary bank and may disapprove of the payment of dividends to shareholders if the Federal Reserve Board believes the payment of such dividends would be an unsafe or unsound practice.

Federal Reserve System

The Federal Reserve Board requires all depository institutions to maintain reserves at specified levels against their transaction accounts, primarily checking accounts. In response to the COVID-19 pandemic ("COVID-19"), the Federal Reserve reduced reserve requirement ratios to 0% effective on March 26, 2020, to support lending to households and businesses. The reserve requirement ratio remained at 0% as of December 31, 2024.

Transactions with Affiliates, Directors, Executive Officers and Shareholders

Sections 23A and 23B of the Federal Reserve Act and Federal Reserve Board Regulation W generally:

- limit the extent to which a bank or its subsidiaries may engage in "covered transactions" with any one affiliate to an amount equal to 10.0% of the bank's capital stock and surplus;
- limit the extent to which a bank or its subsidiaries may engage in "covered transactions" with all affiliates to an amount equal to 20.0% of the bank's capital stock and surplus; and
- require that all such transactions be on terms substantially the same, or at least as favorable to the bank or subsidiary, as those provided to a non-affiliate.

Under Regulation W, an affiliate of a bank is generally any company that controls the bank, any company under common control with the bank, and any financial subsidiary of the bank. The term "covered transaction" includes the making of loans to the affiliate, the purchase of assets from the affiliate, the issuance of a guarantee on behalf of the affiliate, the purchase of securities issued by the affiliate and other similar types of transactions.

A bank's authority to extend credit to executive officers, directors and greater than 10.0% shareholders, as well as entities such persons control, is subject to Sections 22(g) and 22(h) of the Federal Reserve Act and Regulation O promulgated under the Federal Reserve Act by the Federal Reserve Board. Among other things, these loans must be made on terms (including interest rates charged and collateral required) substantially similar to those offered to unaffiliated individuals, or be made as part of a benefit or compensation program and on terms widely available to employees, and must not involve a greater than normal risk of repayment. In addition, the amount of loans a bank may make to these persons is based, in part, on the bank's capital position, and specified approval procedures must be followed in making loans which exceed specified amounts.

The Coronavirus Aid, Relief, and Economic Security Act of 2020 (the "CARES Act") and Initiatives Related to COVID-19

In response to the novel COVID-19 pandemic, the CARES Act was signed into law on March 27, 2020, to provide national emergency economic relief measures. Section 1102 of the CARES Act amended the loan program of the SBA, in which Peoples Bank participated, to create a guaranteed, unsecured loan program, the Paycheck Protection Program ("PPP"), to fund operational costs of eligible businesses, organizations and self-employed persons during COVID-19. These loans were eligible to be forgiven if certain conditions are satisfied and are fully guaranteed by the SBA. In June 2020, the Paycheck Protection Program Flexibility Act was enacted, which, among other things, gave borrowers additional time and flexibility to use PPP loan proceeds. After previously being extended by Congress, the application deadline for PPP loans expired on May 31, 2021. No collateral or personal guarantees were required for PPP loans. In addition, neither the government nor lenders were permitted to charge the recipients of PPP loans any fees. On December 27, 2020, the President signed into law the Consolidated Appropriates Act, 2021, which included the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the "HHSB Act"). Among other things, the HHSB Act renewed the PPP, allocating $284.5 billion for both new first-time PPP loans under the existing PPP and the expansion of existing PPP loans for certain qualified, existing PPP borrowers. The PPP program ended May 31, 2021 and no new loans can be originated under that program.

Capital Adequacy and Prompt Corrective Action

The Federal Deposit Insurance Corporation Improvement Act of 1991, as amended ("FDICIA"), identifies five capital categories for insured depository institutions and requires the applicable regulatory agencies to implement systems for "prompt corrective action" for insured depository institutions that do not meet minimum capital requirements within such categories. The regulatory agencies, including the Federal Reserve Board, the FDIC, the ODFI, and the Office of the Comptroller of the Currency (the "OCC"), have adopted substantially similar regulatory capital guidelines and regulations consistent with the requirements of FDICIA, and have established a system of prompt corrective action to resolve certain problems of undercapitalized institutions. This system is based on five capital level categories for insured depository institutions: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized," and "critically undercapitalized."

The regulatory agencies may (or in some cases must) take certain supervisory actions depending upon a bank's capital level. For example, the banking agencies must appoint a receiver or conservator for a bank within 90 days after the bank becomes "critically undercapitalized" unless the bank's primary regulator determines, with the concurrence of the FDIC, that other action would better achieve regulatory purposes. Banking operations otherwise may be significantly affected depending on a bank's capital category. For example, a bank that is not "well capitalized" generally is prohibited from accepting brokered deposits and offering interest rates on deposits higher than the prevailing rate in its market, and the holding company of any undercapitalized bank must guarantee, in part, specific aspects of the bank's capital plan for the plan to be acceptable.

The Federal Reserve Board has adopted risk-based capital guidelines for financial holding companies and other bank holding companies, as well as state member banks. The guidelines provide a systematic analytical framework which makes regulatory capital requirements sensitive to differences in risk profiles among banking organizations, takes off-balance sheet exposures expressly into account in evaluating capital adequacy, and minimizes disincentives to holding liquid, low-risk assets. Capital levels, as measured by these standards, are also used to categorize financial institutions for purposes of certain prompt corrective action regulatory provisions.

The Basel III Capital Rules include: (a) a minimum common equity tier 1 capital ratio of 4.5%; (b) a minimum tier 1 risk-based capital ratio of 6.0%; (c) a minimum total risk-based capital ratio of 8.0%; and (d) a minimum tier 1 leverage ratio of 4.0%.

Common equity for the common equity tier 1 capital ratio generally consists of common stock (plus related surplus), retained earnings, accumulated other comprehensive income/loss ("AOCI" for income, "AOCL" for loss) (unless an institution elects to exclude such income from regulatory capital), and limited amounts of minority interests in the form of common stock, subject to applicable regulatory adjustments and deductions.

Tier 1 capital generally consists of common equity as defined for the common equity tier 1 capital ratio, plus certain non-cumulative preferred stock and related surplus, cumulative preferred stock and related surplus, trust preferred securities that have been grandfathered (but which are not otherwise permitted), and limited amounts of minority interests in the form of additional tier 1 capital instruments, less certain deductions.

Tier 2 capital, which can be included in the total capital ratio, generally consists of other preferred stock and subordinated debt meeting certain conditions plus limited amounts of the allowance for credit losses, subject to specified eligibility criteria, less applicable deductions.

The deductions from common equity tier 1 capital include goodwill and other intangibles, certain deferred tax assets, mortgage-servicing assets above certain levels, gains on sale in connection with a securitization, investments in a banking organization's own capital instruments and investments in the capital of unconsolidated financial institutions (above certain levels).

Under the guidelines, capital is compared to the relative risk included in the balance sheet. To derive the risk included in the balance sheet, one of several risk weights is applied to different balance sheet and off-balance sheet assets, primarily based on the relative credit risk of the counterparty. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

The Basel III Capital Rules also place restrictions on the payment of capital distributions, including dividends and share repurchases, and certain discretionary bonus payments to executive officers if the banking organization does not hold a capital conservation buffer of greater than 2.5% composed of common equity tier 1 capital above its minimum risk-based capital requirements, or if its eligible retained income is negative in that quarter and its capital conservation buffer ratio was less than 2.5% at the beginning of the quarter.

In October 2021, effective in November 2021, the FDIC issued a final rule to incorporate the Community Bank Leverage Ratio rule into the Real Estate Lending Standards. This rule calculates the ratio of loans in excess of the supervisory loan-to-value limits ("LTV Limits") using Tier 1 capital plus the appropriate allowance for credit losses in the denominator. This rule was adopted to allow a consistent approach for calculating the ratio of loans in excess of the supervisory LTV Limits at all FDIC supervised institutions, and to avoid any regulatory burden that could arise if an FDIC supervised institution subsequently decides to switch between different capital frameworks.

In December 2018, the federal banking agencies issued a final rule to address regulatory capital treatment of credit loss allowances under the current expected credit loss ("CECL") model (accounting standard). The rule revises the federal banking agencies' regulatory capital rules to identify which credit loss allowances under the CECL model are eligible for inclusion in regulatory capital and to provide banking organizations the option to phase in over three years the day-one adverse effects on regulatory capital that may result from the adoption of the CECL model. During 2020, regulatory agencies issued guidance allowing additional phase-in periods for the impact of the CECL model for regulatory capital purposes. This additional phase-in period includes a 25% deferment of the impact on regulatory capital of the estimated increase in the allowance for credit losses related to the CECL model, which is applied during the first two years of application. For the first two years of the phase-in period, 100% of the transition adjustment due to the implementation of the CECL model is excluded for regulatory capital purposes, along with 25% of the increase in the allowance for credit losses compared to the January 1, 2020 allowance for credit

losses. In year three of the phase-in, 75% of the transition adjustment, and the cumulative 25% increase in the allowance for credit losses compared to January 1, 2020, are excluded from regulatory capital, while 50% and 25% of these amounts are excluded in years four and five, respectively, under this phase-in period. Additional information on the impact of Peoples' adoption of the CECL methodology can be found under the "FINANCIAL CONDITION - Allowance for Credit Losses" section of "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K.

In order to be "well capitalized," a bank must have a common equity tier 1 capital ratio of at least 6.5%, a tier 1 risk-based capital ratio of at least 8.0%, a total risk-based capital of at least 10.0%, and a tier 1 leverage ratio of at least 5.0%, and the bank must not be subject to any written agreement, order, capital directive or prompt corrective action directive to meet and maintain a specific capital level for any capital measures. Peoples' management believes that Peoples Bank meets the ratio requirements to be deemed "well capitalized" according to the guidelines described above. Additional information regarding Peoples' regulatory matters can be found in "Note 17 Regulatory Matters."

Safety and Soundness Regulations

In accordance with the Federal Deposit Insurance Act (the "FDIA"), the federal bank regulatory agencies adopted safety and soundness guidelines establishing general standards relating to internal controls, information systems, internal audit systems, loan documentation, credit underwriting, interest rate risk exposure, asset growth, asset quality, earnings, compensation, fees and benefits. In general, the guidelines require, among other things, appropriate systems and practices to identify, monitor, and manage the risks and exposures specified in the guidelines. The guidelines prohibit excessive compensation as an unsafe and unsound practice and describe compensation as excessive when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer, employee, director or principal shareholder. In addition, regulations adopted by the federal bank regulatory agencies authorize the agencies to require that an institution that has been given notice that it is not satisfying any of such safety and soundness standards to submit a compliance plan. If, after being so notified, the institution fails to submit an acceptable compliance plan or fails in any material respect to implement an accepted compliance plan, the agency must issue an order directing corrective actions and may issue an order directing other actions of the types to which an undercapitalized institution is subject under the "prompt corrective action" provisions of the FDIA. If the institution fails to comply with such an order, the agency may seek to enforce such order in judicial proceedings and to impose civil money penalties.

Community Reinvestment Act

The CRA requires depository institutions to assist in meeting the credit needs of their market areas consistent with safe and sound banking practice. Under the CRA, each depository institution is required to help meet the credit needs of its market areas by, among other things, providing credit or other financial assistance to low-income and moderate-income individuals and communities. Depository institutions are periodically examined for compliance with the CRA and are assigned ratings that must be publicly disclosed. Peoples Bank received an overall rating of "Satisfactory" pursuant to its most recent CRA rating assigned by the Federal Reserve Board.

On October 24, 2023, the federal banking agencies, including the Federal Reserve Board, issued a final rule designed to strengthen and modernize the regulations implementing the CRA. The changes are designed to encourage banks to expand access to credit, investment and banking services in low- and moderate-income communities, adapt to changes in the banking industry, including mobile and internet banking, provide greater clarity and consistency in the application of the CRA regulations, and tailor CRA evaluations and data collection to bank size and type. The applicability date for the majority of the changes to the CRA regulations is January 1, 2026. Peoples cannot predict the impact the changes to the CRA will have on its operations at this time.

Dividend Restrictions

Current banking regulations impose restrictions on Peoples Bank's ability to pay dividends to Peoples. These restrictions include a limit on the amount of dividends that may be paid in a given year without prior approval of the Federal Reserve Board and a prohibition on paying dividends that would cause Peoples Bank's total capital to be less than the required minimum levels under the capital requirements imposed by the Federal Reserve Board and the amount of the capital conservation buffer. Ohio law also limits the amount of dividends that may be paid in any given year without prior approval of the Ohio Superintendent of Financial Institutions. Peoples Bank may not declare or pay a dividend if the total of all dividends declared during the calendar year, including the proposed dividend, exceeds the sum of Peoples Bank's net income during the current calendar year and the retained net income of the prior two calendar years, unless the dividend has been approved by the ODFI and the Federal Reserve Board. Peoples Bank's regulators may prohibit the payment of dividends at any time if the regulators determine the dividends represent unsafe and/or unsound banking practices, or reduce Peoples Bank's total capital below adequate levels. For further discussion regarding regulatory restrictions on dividends, refer to "Note 17 Regulatory Matters."

Peoples' ability to pay dividends to its shareholders may also be restricted. Current Federal Reserve Board policy requires a financial holding company to act as a source of financial strength to each of its banking subsidiaries. Under this policy, the Federal Reserve Board may require Peoples to commit resources or contribute additional capital to Peoples Bank, which could restrict the amount of cash available for dividends.

The Federal Reserve Board has also issued a policy statement with regard to the payment of cash dividends by financial holding companies and other bank holding companies. The policy statement provides that, as a matter of prudent banking, a financial holding company or bank holding company should not maintain a rate of cash dividends unless its net income available to common shareholders over the past year has been sufficient to fully fund the dividends, and the prospective rate of earnings retention appears to be consistent with the financial holding company's or bank holding company's capital needs, asset quality and overall financial condition. Accordingly, a financial holding company or bank holding company should not pay cash dividends that exceed its net income or that can only be funded in ways that weaken the financial holding company's or bank holding company's financial health, such as by borrowing.

Peoples also has entered into certain agreements that place restrictions on dividends. Specifically, Peoples Bank is prohibited from paying dividends in an amount greater than permitted by law without requiring prior Federal Reserve Board or other regulatory approval. In addition, if Peoples were to elect to defer payments of interest on the subordinated debt securities held by NB&T Statutory Trust III, FNB Capital Trust One, Ascencia Statutory Trust I or Porter Statutory Trusts II-IV or an event of default were to occur under the indenture governing those subordinated debt securities, Peoples will be prohibited from declaring or paying any dividends on Peoples' common shares. Even where the declaration or payment of a dividend would not otherwise be restricted under applicable laws, Peoples or Peoples Bank may decide to limit the payment of dividends in order to retain earnings for corporate use.

Customer Privacy and Other Consumer Protections

Peoples Bank is subject to regulations limiting the ability of financial institutions to disclose non-public information about consumers to nonaffiliated third parties. These limitations require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a nonaffiliated party. Peoples Bank is also subject to numerous federal and state laws aimed at protecting consumers, including the Home Mortgage Disclosure Act, the Real Estate Settlement Procedures Act, the Fair Housing Act, the Equal Credit Opportunity Act, the Truth in Lending Act, the Bank Secrecy Act, the Truth in Savings Act, the Electronic Funds Transfer Act, the Fair Credit Reporting Act and the authority granted to banking regulators under the Federal Trade Commission Act with respect to unfair, deceptive, or abusive acts or practices.

The CFPB issued its final small dollar loan rule related to payday, vehicle title and certain high cost installment loans (the "Final Small Dollar Rule") on July 22, 2020. The Final Small Dollar Rule rescinds the Mandatory Underwriting Provisions of the 2017 Payday Rule after re-evaluating the legal and evidentiary bases for these provisions and finding them to be insufficient. The Final Small Dollar Rule does not rescind or alter the Payments Provisions of the 2017 Payday Rule. Specifically, in the Final Small Dollar Rule, the CFPB revoked provisions that: (i) provide that it is an unfair and abusive practice for a lender to make a covered short-term or longer term balloon-payment loan, including payday and vehicle title loans, without reasonably determining that consumers have the ability to repay those loans according to their terms; (ii) prescribe mandatory underwriting requirements for making the ability-to-repay determination; (iii) exempt certain loans from the mandatory underwriting requirements; and (iv) establish related definitions, reporting, and recordkeeping requirements. The effective date for compliance with the Final Small Dollar Rule is March 30, 2025.

The federal bank regulatory agencies also issued interagency guidance on May 20, 2020, to encourage banks, savings associations, and credit unions to offer responsible small-dollar loans to customers for consumer and small business purposes.

Office of Foreign Assets Control Regulation

The U.S. Treasury Department's Office of Foreign Assets Control ("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 countries. Peoples is 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 financial, 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. Regulatory authorities have imposed cease and desist orders and civil money penalties against institutions found to be violating these obligations.

Anti-Money Laundering Act

The Anti-Money Laundering Act of 2020 (the "AMLA"), which amends the Bank Secrecy Act of 1970 (the "BSA"), was enacted in January 2021. The AMLA is intended to be a comprehensive reform and modernization to U.S. bank secrecy and anti-money laundering laws. Among other things, it codifies a risk-based approach to anti-money laundering compliance for financial institutions; requires the development of standards for evaluating technology and internal processes for BSA compliance; and expands enforcement-related and investigation-related authority, including increasing available sanctions for certain BSA violations and instituting BSA whistleblower initiatives and protections.

USA Patriot Act

The Uniting and Strengthening of America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA Patriot Act"), and related regulations, among other things, require financial institutions to establish programs specifying procedures for obtaining identifying information from customers seeking to establish new accounts and establishing enhanced due diligence policies, procedures and controls designed to detect and report suspicious activity. Peoples Bank has established policies and procedures that Peoples believes comply with the requirements of the USA Patriot Act.

Monetary Policy

The Federal Reserve Board regulates money, credit conditions and interest rates in order to influence general economic conditions primarily through open market operations in U.S. government securities, changes in the discount rate on bank borrowings, and changes in the reserve requirements against deposits of depository institutions. These policies and regulations significantly affect the overall growth and distribution of loans, investments and deposits, as well as interest rates charged on loans and paid on deposits.

The monetary policies of the Federal Reserve Board have had a significant effect on the operating results of financial institutions in the past and are expected to continue to have significant effects in the future. In light of the changing conditions in the U.S. economy, including with respect to inflation and the failure of the federal government to raise the federal debt ceiling, the money markets and the activities of monetary and fiscal authorities, Peoples can make no definitive predictions as to future changes in interest rates, credit availability or deposit levels.

Executive and Incentive Compensation

The Dodd-Frank Act requires that the federal banking agencies, including the Federal Reserve Board, 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 Form 10-K, been adopted, but a proposed rule was published in 2016, and again in 2024, that expanded upon a prior proposed rule published in 2011. The proposed rule is intended to: (i) prohibit incentive-based payment arrangements that the banking agencies determine could encourage certain financial institutions to take inappropriate risks by providing excessive compensation or that could lead to material financial loss; (ii) require the board of directors of those financial institutions to take certain oversight actions related to incentive-based compensation; and (iii) require those financial institutions to disclose information concerning incentive-based compensation arrangements to the appropriate federal regulator. Although a final rule has not been issued, Peoples and Peoples Bank have undertaken efforts to ensure that their incentive compensation plans do not encourage inappropriate risks, consistent with the principles identified above.

In June 2010, the Federal Reserve Board, the OCC and the FDIC issued comprehensive final guidance on incentive compensation policies intended to ensure that the incentive compensation policies of banking organizations do not undermine the safety and soundness of such organizations by encouraging excessive risk-taking. The guidance, which covers all employees that have the ability to materially affect the risk profile of an organization, either individually, or as a part of a group, is based upon the key principles that a banking organization's incentive compensation arrangements should (i) provide incentives that do not encourage risk-taking beyond the organization's ability to effectively identify and manage risks, (ii) be compatible with effective internal controls and risk management and (iii) be supported by strong corporate governance, including active and effective oversight by the organization's board of directors. These three principles are incorporated into the proposed joint compensation regulations under the Dodd-Frank Act, described above.

The Federal Reserve Board reviews, as part of its regular, risk-focused examination process, the incentive compensation arrangements of banking organizations, such as Peoples Bank, that are not "large, complex banking organizations." 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. Deficiencies will be incorporated into the organization's supervisory ratings, which can affect the organization's ability to make acquisitions and take other actions. Enforcement actions may be taken against a banking organization if its incentive compensation arrangements, or related risk-management control or governance processes, pose a risk to the organization's safety and soundness and the organization is not taking prompt and effective measures to correct the deficiencies.

Public company compensation committee members must meet heightened independence requirements and consider the independence of compensation consultants, legal counsel and other advisors to the compensation committee. A compensation committee must have the authority to hire advisors, and the public company must fund the reasonable compensation of such advisors.

SEC regulations require public companies such as Peoples to provide various disclosures about executive compensation in annual reports and proxy statements, and to present to their shareholders a non-binding vote on the approval of executive compensation.

Following the adoption of additional listing requirements in 2023 to comply with the Dodd-Frank Act and rules adopted by the SEC in October 2022, public companies are now required to adopt and implement "clawback" policies for incentive compensation payments and to disclose the details of the procedures which allow recovery of incentive compensation that was paid on the basis of erroneous financial information necessitating an accounting restatement due to material noncompliance with

financial reporting requirements. This clawback policy is intended to apply to compensation paid within the three completed fiscal years immediately preceding the date the issuer is required to prepare a restatement and would cover all executives (including former executives) who received incentive awards. Peoples has implemented a clawback policy and it is posted under the "Governance – Governance Documents" tab of the "Investor Relations" page of Peoples' Internet website at www.peoplesbancorp.com.

Cybersecurity

In March 2015, federal regulators issued two related statements regarding cybersecurity. One statement indicates that financial institutions should design multiple layers of security controls to establish several lines of defense and to ensure that their risk management processes also address the risk posed by compromised customer credentials, including security measures to reliably authenticate customers accessing Internet-based services of the financial institution. The other statement indicates that a financial institution's management is expected to maintain sufficient business continuity planning processes to ensure the rapid recovery, resumption and maintenance of the financial institution's operations after a cybersecurity attack involving destructive malware. A financial institution is also expected to develop appropriate processes to enable recovery of data and business operations and address rebuilding network capabilities and restoring data if the financial institution or its critical service providers fall victim to this type of cybersecurity attack. If Peoples Bank fails to observe the regulatory guidance, it could be subject to various regulatory sanctions, including financial penalties.

In November 2021, the federal bank regulatory agencies issued a final rule, that became effective in May 2022, requiring banking organizations that experience a computer-security incident to notify certain entities. A computer-security incident occurs when actual or potential harm to the confidentiality, integrity or availability of information or the information system occurs, or there is a violation or imminent threat of a violation to banking security policies and procedures. The affected bank must notify its respective federal regulator of the computer-security incident as soon as possible and no later than 36 hours after the bank determines a computer-security incident that rises to the level of a notification incident has occurred. These notifications are intended to promote early awareness of threats to banking organizations and will help banks react to those threats before they manifest into larger incidents. This rule also requires bank service providers to notify their bank organization customers of a computer-security incident that has occurred, or is reasonably likely to cause, a material service disruption or degradation for four or more hours.

State regulators have also been increasingly active in implementing privacy and cybersecurity standards and regulations. Recently, several states have adopted regulations requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs, including data encryption requirements. Many states have also recently implemented or modified their data breach notification and data privacy requirements. Peoples expects this trend of state-level activity in those areas to continue, and continues to monitor developments in the states in which Peoples' customers are located.

Furthermore, once final rules are adopted, the Cyber Incident Reporting for Critical Infrastructure Act, enacted in March 2022, will require certain covered entities to report a covered incident to the U.S. Department of Homeland Security's Cybersecurity & Infrastructure Security Agency ("CISA") within 72 hours after a covered entity reasonably believes an incident has occurred. Separate reporting to CISA will also be required within 24 hours if a ransom payment is made as a result of a ransomware attack.

On July 26, 2023, the SEC adopted final rules that require public companies to promptly disclose material cybersecurity incidents in a Current Report on Form 8-K and detailed information regarding their cybersecurity risk management, strategy, and governance on an annual basis in its Annual Reports on Form 10-K. Companies are required to report on Form 8-K any cybersecurity incident they determine to be material within four business days of making that determination. See "ITEM 1C CYBERSECURITY" of this Form 10-K. These SEC rules, and any other regulatory guidance, are in addition to notification and disclosure requirements under state and federal banking law and regulations.

In the ordinary course of business, Peoples relies on electronic communications and information systems to conduct its operations and to store sensitive data. Peoples employs an in-depth, layered, defensive approach that leverages people, processes, and encryption and multi-factor authentication technology to manage and maintain cybersecurity controls. Peoples employs a variety of preventative and detective tools to monitor, block, and provide alerts regarding suspicious activity, as well as to report on any suspected advanced persistent threats. Notwithstanding the strength of Peoples' defensive measures, the threat from cybersecurity attacks is severe, attacks are sophisticated and increasing in volume, and attackers respond rapidly to changes in defensive measures. While to date, Peoples has not detected a significant compromise, significant data loss or any material financial losses related to cybersecurity attacks, Peoples' systems and those of its customers and third-party service providers are under constant threat and it is possible that Peoples could experience a significant event in the future. Risks and exposures related to cybersecurity attacks are expected to remain high for the foreseeable future due to the rapidly evolving nature and sophistication of these threats, as well as due to the expanding use of Internet banking, mobile banking and other technology-based products and services by Peoples and Peoples' customers. See "ITEM 1A RISK FACTORS" for a further discussion of risks related to cybersecurity.

Volcker Rule

In December 2013, five federal agencies adopted a final regulation implementing the Volcker Rule provision of the Dodd-Frank Act (the "Volcker Rule"). The Volcker Rule placed limits on the trading activity of insured depository institutions and entities affiliated with depository institutions, subject to certain exceptions. Such trading activity included the purchase or sale as principal of a security, derivative, commodity future, option or similar instrument in order to benefit from short-term price movements or to realize short-term profits. The Volcker Rule exempted trading in specified U.S. government, agency, state and/or municipal obligations. The Volcker Rule also excepted (i) trading conducted in certain capacities; (ii) trading to satisfy a debt previously contracted; (iii) trading under certain repurchase and securities lending agreements; and (iv) trading in connection with risk-mitigating hedging activities.

In addition, the Volcker Rule prohibited a banking entity from having an ownership interest in, or substantial relationships with, a hedge fund or private equity fund, also known as "covered funds", subject to a number of exceptions.

In July 2019, the federal bank regulatory agencies that adopted the Volcker Rule adopted a final rule to exempt certain community banks, including Peoples Bank, from the Volcker Rule, consistent with the Economic Growth, Regulatory Relief, and Consumer Protection Act. Under the final rule, community banks with $10 billion or less in total consolidated assets and total trading assets and liabilities of 5.0% or less of total consolidated assets were excluded from the restrictions of the Volcker Rule. On June 25, 2020, the federal bank regulatory agencies also finalized a rule modifying the Volcker Rule's prohibition on banking entities investing in or sponsoring covered funds. Such rule permits certain banking entities to offer financial services and engage in other activities that do not raise concerns that the Volcker Rule was originally intended to address.

To the extent that Peoples Bank engages in any of the trading activities or has any ownership interest in or relationship with any of the types of funds regulated by the Volcker Rule, Peoples Bank believes that its activities and relationships comply with such rule, as amended.

Effect of Environmental Regulation

Compliance with federal, state and local provisions regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, has not had a material effect upon the capital expenditures, earnings or competitive position of Peoples and Peoples' subsidiaries. Peoples believes the nature of the operations of Peoples' subsidiaries has little, if any, environmental impact. As a result, Peoples anticipates no material capital expenditures for environmental control facilities for Peoples' current fiscal year or for the foreseeable future.

Peoples believes its primary exposure to environmental risk is through the lending activities of Peoples Bank. Peoples limits its exposure to environmental risk by lending to a diverse range of consumer and commercial customers. In cases where management believes environmental risk potentially exists, Peoples Bank mitigates its environmental risk exposure by requiring environmental site assessments at the time of loan origination to confirm collateral quality as to commercial real estate parcels posing higher than normal potential for environmental impact, as determined by reference to present and past uses of the subject property and adjacent sites. In addition, environmental assessments are typically required prior to any foreclosure activity involving non-residential real estate collateral.

Future Legislation and Administrative Rulemaking

Various and significant legislation affecting financial institutions and the financial industry is from time to time introduced by the U.S. Congress. For example, as a result of the COVID-19 pandemic, the U.S. Congress enacted the CARES Act and other legislation during 2020 that provided significant funding for PPP loans for businesses and fiscal stimulus funding for individuals, as well as updates related to reporting for troubled debt restructurings and other various changes. Additionally, there were sweeping reforms in the Dodd-Frank Act adopted in 2010, and the rollback of the Dodd-Frank Act that began in 2018. Many of the regulations mentioned above were adopted or amended pursuant to the guidance issued. Such legislation and administrative rulemaking may continue to change banking statutes and regulations, and the operating environment of Peoples and its subsidiaries in substantial and unpredictable ways, and such legislation could significantly increase or decrease costs of doing business, limit or expand permissible activities, and/or affect the competitive balance among financial institutions. The enactment of the Dodd-Frank Act, the subsequent rollback and the continuing implementation of final rules and regulations thereunder, makes the nature and extent of future legislative and regulatory changes affecting financial institutions unpredictable.

Website Access to Peoples' SEC Filings

Peoples maintains an Internet website at www.peoplesbancorp.com (this uniform resource locator, or URL, is an inactive textual reference only and is not intended to incorporate Peoples' Internet website into this Form 10-K). Peoples makes available free of charge on or through its website, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as well as Peoples' definitive proxy statement filed pursuant to Section 14 of the Exchange Act, as soon as reasonably practicable after Peoples electronically files each such report, amendment or proxy statement with, or furnishes it to, the SEC.

ITEM 1A RISK FACTORS

The following are certain risks that management believes are specific to Peoples' business. This should not be viewed as an all-inclusive list of risks or presenting the risk factors listed in any particular order. Additional risks that are not presently known or that Peoples presently deems to be immaterial could also have a material adverse impact on Peoples' business, financial condition or results of operations.

Economic, Political, Environmental and Market Risks

- **Changes in economic and political conditions could adversely affect Peoples' earnings and capital through declines in deposits, quality of investment securities, loan demand, the ability of Peoples' borrowers to repay loans and the value of the collateral securing Peoples' loans.**

  Peoples' success depends, in part, on local and national economic and political conditions, as well as governmental fiscal and monetary policies. Conditions such as inflation, recession, unemployment, changes in interest rates, fiscal and monetary policy, an increasing federal government budget deficit, the failure of the federal government to raise the federal debt ceiling, slowing gross domestic product, tariffs, a U.S. withdrawal from or significant renegotiation of trade agreements, trade wars, and other factors beyond Peoples' control may adversely affect Peoples Bank's deposit levels and composition, the quality of investment securities available for purchase, the demand for loans, the ability of Peoples Bank's borrowers to repay their loans, and the value of the collateral securing the loans Peoples Bank makes. Disruptions in U.S. and global financial markets and changes in oil production in the Middle East also affect the economy and stock prices in the U.S., which can affect Peoples' earnings and capital, as well as the ability of Peoples Bank's customers to repay loans.

  The local economies of the majority of Peoples' market areas historically have been less robust than the economy of the nation as a whole and typically are not subject to the same extent of fluctuations as the national economy. In general, a favorable business environment and economic conditions are characterized by, among other factors, economic growth, efficient capital markets, low inflation, low unemployment, high business and investor confidence, and strong business earnings. Unfavorable or uncertain economic and market conditions can be caused by declines in economic growth, business activity, or investor or business confidence; limitations on the availability or increases in the cost of credit and capital; increases in inflation or interest rates; high unemployment; volatility in pricing and availability of natural resources; natural disasters; or a combination of these or other factors.

  The continued impact on economic conditions caused by rising inflation and changes in market interest rates could have an adverse effect on Peoples' asset quality, deposit levels and loan demand, and, therefore, Peoples' financial condition and results of operations. Because a significant amount of Peoples Bank's loans are secured by either commercial or residential real estate, decreases in real estate values could adversely affect the value of property used as collateral and Peoples Bank's ability to sell the collateral upon foreclosure.

- **Changes in interest rates may adversely affect Peoples' profitability.**

  Peoples' earnings and cash flows are dependent to a significant degree on net interest income, which is the amount by which interest income exceeds interest expense. Interest rates are highly sensitive to many factors that are beyond Peoples' control, including general economic conditions and the policies of various governmental and regulatory agencies and, in particular, the Federal Reserve Board. Changes in monetary policy, including changes in interest rates, not only could influence the interest Peoples receives on loans and securities, and the amount of interest Peoples pays on deposits and borrowings, but such changes could also affect (1) Peoples' ability to originate loans and obtain deposits, (2) the fair value of Peoples' financial assets and liabilities, and (3) the average duration of Peoples' mortgage-backed securities portfolio. If the interest rates paid on deposits and borrowings increase at a faster rate than the interest rates received on loans and other investments, Peoples' net interest income and, therefore, earnings, could be adversely affected. Earnings could also be adversely affected if the interest rates received on loans and other investments fall more quickly than the interest rates paid on deposits and borrowings.

  Changes in interest rates may also negatively affect the ability of Peoples' borrowers to repay their loans, particularly as interest rates rise and adjustable-rate loans become more expensive.

  Peoples' management uses various measures to monitor interest rate risk and believes it has implemented effective asset and liability management strategies to reduce the potential effects of changes in interest rates on Peoples' results of operations. Peoples' management also periodically adjusts the mix of assets and liabilities to manage interest rate risk. However, any substantial, unexpected, prolonged change in market interest rates could have a material adverse effect on Peoples' financial condition and results of operations.

  A prolonged period of extremely volatile and unstable market conditions has the potential to increase Peoples' funding costs and negatively affect market risk mitigation strategies. Higher revenue volatility from changes in interest rates and spreads to benchmark indices could cause a loss of future net interest income and a decrease in the fair market values of Peoples' assets. Fluctuations in interest rates will impact both the level of income and expense recorded on most of Peoples' assets and liabilities

and the market value of all interest-earning assets and interest-bearing liabilities, which in turn could have a material adverse effect on Peoples' net income, results of operations and financial condition. Peoples cannot predict the nature or timing of future changes in monetary policies or the precise effects that they may have on Peoples' activities and financial results.

See the sections captioned "Net Interest Income" and "Interest Rate Sensitivity and Liquidity" in "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K for further discussion related to Peoples' interest rate risk.

- **Changes in market rates and economic conditions could cause the interest rate swaps Peoples Bank has entered into to become ineffective.**

The accounting treatment of the interest rate swaps entered into by Peoples as part of Peoples' interest rate management strategy may change if the hedging relationship is not as effective as currently anticipated. These interest rate swaps are designated as cash flow hedges and involve the receipt of variable rate amounts from a counterparty in exchange for fixed payments from Peoples. At December 31, 2024, Peoples had eight effective interest rate swaps, with an aggregate notional value of $75.0 million, which were designated as cash flow hedges of brokered deposits, and which are expected to be extended every 90 days through the maturity dates of the swaps.

Although Peoples expects that the hedging relationships described above will be highly effective, such relationships could prove ineffective. At December 31, 2024, the termination value of derivative financial instruments in a net liability position was $17.0 million, which included accrued interest but excluded any adjustment for nonperformance risk. At December 31, 2024, Peoples had no collateral posted with its derivative counterparties and the derivative financial counterparties had $12.3 million of cash pledged and $1.9 million of investment securities pledge. If Peoples had breached any of the provisions of the derivative financial instruments at December 31, 2024, Peoples could have been required to settle its obligations under the derivative financial agreements at the termination value.

- **Instability in global economic conditions and geopolitical matters, as well as volatility in financial markets, could have a material adverse effect on Peoples' results of operations and financial condition.**

The macroeconomic environment in the U.S. is susceptible to global events and volatility in financial markets. In addition, trade negotiations between the U.S. and other nations remain uncertain and could adversely impact economic and market conditions for Peoples and its clients and counterparties. Instability in global economic conditions and geopolitical matters, as well as volatility in financial markets, could have a material adverse effect on the Peoples' results of operations and financial condition.

For example, on February 24, 2022, Russian military forces invaded Ukraine, and sustained conflict and disruption in the region have occurred and remains likely to continue. In addition, the October 7, 2023 attack by Hamas in Israel has resulted in prolonged conflict and disruption in the Middle East. Although the length, impact and outcome of the ongoing war in Ukraine and the conflict in the Middle East are highly unpredictable, these conflicts have resulted, and could continue to result, in significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences, as well as increases in cyberattacks and espionage. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and Peoples' business for an unknown period of time.

- **Inflation may have an adverse impact on Peoples' business and on its customers.**

Inflation and rapid increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. In addition, inflation generally increases the cost of goods and services Peoples uses in its business operations, such as electricity and other utilities, which increases non-interest expenses. Furthermore, Peoples' 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 ability to repay their loans.

Any of the above-mentioned factors could affect Peoples' business, financial condition and operating results. Any such disruptions may also magnify the impact of other risks described in this Form 10-K.

Business Operations Risks

- **Peoples is exposed to operational risk.**

Similar to any large organization, Peoples is exposed to many types of operational risk, including those discussed in more detail elsewhere in this Item, such as reputational risk, cybersecurity risk, legal and compliance risk, the risk of fraud or theft by employees or outsiders, unauthorized transactions by employees or operational errors, including clerical or record-keeping errors or those resulting from faulty or disabled computer or telecommunications systems.

Peoples may be subject to disruptions of its operating systems arising from events that are wholly or partially beyond its control, which may include, for example, computer viruses, cyber-attacks, spikes in transaction volume and/or customer activity, electrical or telecommunications outages, or natural disasters. Peoples could be adversely affected by operating systems disruptions if new or upgraded business management systems are defective, not installed properly or not properly integrated into existing operating systems. Although Peoples has programs in place related to business continuity, disaster recovery and information security to maintain the confidentiality, integrity and availability of its operating systems, business applications and customer information, such disruptions may give rise to interruptions in service to customers, loss of data privacy and loss or liability to Peoples.

Any failure or interruption in Peoples' operating or information systems, or any security or data breach, could cause reputational damage, jeopardize the confidentiality of customer information, result in a loss of customer business, subject Peoples to regulatory intervention or expose Peoples to civil litigation and financial loss or liability, any of which could have a material adverse effect on Peoples.

Negative public opinion can result from Peoples' actual or alleged conduct in any number of activities, including lending practices, corporate governance, acquisitions, social media and other marketing activities, and the implementation of environmental, social, and governance practices, and from actions taken by governmental regulators and community organizations in response to any of the foregoing. Negative public opinion could adversely affect Peoples' ability to attract and keep customers, could expose Peoples to potential litigation or regulatory action, and could have a material adverse effect on the price of Peoples' common shares or result in heightened volatility.

Given the volume of transactions Peoples processes, certain errors may be repeated or compounded before they are discovered and successfully rectified. Peoples' necessary dependence upon automated systems to record and process its transaction volume may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may give rise to disruption of service to customers and to financial loss or liability. Peoples is further exposed to the risk that its external vendors may be unable to fulfill their contractual obligations (or will be subject to the same risk of fraud or operational errors by their respective employees as Peoples is) or that Peoples' (or its vendors') consumer compliance business continuity, and data security systems will prove to be inadequate.

Any future restrictions on the access of Peoples' workforce to its facilities could limit Peoples' ability to meet customer service expectations and have a material adverse effect on operations. Peoples relies on business processes and branch activity that largely depend on people and technology, including access to information technology systems as well as information, applications, payment systems and other services provided by third parties.

- **Failures or material breaches in security of Peoples' systems and telecommunications networks, or those of a third-party service provider, may have a material adverse effect on Peoples' results of operations and financial condition and the price of Peoples' common shares.**

Peoples collects, processes and stores sensitive consumer data by utilizing computer systems and telecommunications networks operated by both Peoples and third-party service providers. Peoples' dependence upon automated systems to record and process Peoples' transactions poses the risk that technical system flaws, employee errors, tampering or manipulation of those systems, or attacks by third parties will result in losses and may be difficult to detect. Peoples has security and backup and recovery systems in place, as well as a business continuity plan, designed to ensure the computer systems will not become inoperable, to the extent possible. Peoples also routinely reviews documentation of such controls and backups related to third-party service providers. Peoples' inability to use or access these information systems at critical points in time could unfavorably impact the timeliness and efficiency of Peoples' business operations.

Information security risks have increased due to the sophistication and activities of organized crime, hackers, terrorists and other external parties and the use of online, telephone, and mobile banking channels by clients. In recent years, several banks have experienced denial of service attacks in which individuals or organizations flood the bank's website with extraordinarily high volumes of traffic, with the goal and effect of disrupting the ability of the bank to process transactions. Other businesses have been victims of ransomware attacks in which the business becomes unable to access the business' own information and is presented with a demand to pay a ransom in order to once again have access to the business' information. Peoples could be adversely affected if one of its employees or a third-party service provider causes a significant operational break-down or failure, either as a result of human error or where an individual purposefully sabotages or fraudulently manipulates Peoples' operations or systems. Peoples may not be able to prevent employee or third-party errors or misconduct, and the precautions Peoples takes to detect this type of activity might prove ineffective. Peoples is further exposed to the risk that the third-party service providers may be unable to fulfill their contractual obligations (or will be subject to the same risks as Peoples is). These disruptions may interfere with service to Peoples' customers, cause additional regulatory scrutiny and result in a financial loss or liability.

Any compromise to Peoples' information security could impair Peoples' reputation and deter Peoples' clients from using Peoples' banking services. Information security breaches can also disrupt the operation of information systems on which Peoples and its customers depend, adversely affecting business operations. Such events can result in costly remediation measures and litigation or governmental investigation and responding to security breaches can place unanticipated demands on the time and

attention of management. Peoples relies on security systems to provide the protection and authentication necessary to secure transmission of data against damage by theft, fire, power loss, telecommunications failure or similar catastrophic event, as well as from security breaches, ransomware, denial of service attacks, viruses, worms, and other disruptive problems caused by hackers. Computer break-ins, phishing and other disruptions of customer or vendor systems could also jeopardize the security of information stored in and transmitted through Peoples' computer systems and network infrastructure.

Peoples' associates also confront the risk of being compromised by emails sent by perpetrators posing as company executives or vendors in order to dupe Peoples' personnel into sending large sums of money to accounts controlled by the perpetrators. Peoples requires all employees to complete annual information security awareness training to increase their awareness of these risks and to engage them in Peoples' mitigation efforts. If these precautions are not sufficient to protect Peoples' systems from data breaches or compromises, Peoples' reputation and business could be adversely affected.

In addition, there have been instances where financial institutions have been victims of fraudulent activity in which criminals pose as customers to initiate wire and automated clearinghouse transactions out of customer accounts. Although Peoples has policies and procedures in place to verify the authenticity of its customers, Peoples cannot ensure that such policies and procedures will prevent all fraudulent transfers.

Peoples depends on the services of a variety of third-party vendors to meet data processing and communication needs, and Peoples has contracted with third parties to run their proprietary software on Peoples' behalf. While Peoples performs reviews of security controls instituted by the vendor in accordance with industry standards and institutes Peoples' own internal security controls, Peoples relies on continued maintenance of the controls by the outside party to safeguard customer data.

Additionally, Peoples issues debit cards which are susceptible to compromise at the point of sale via the physical terminal through which transactions are processed and by other means of hacking. The security and integrity of these transactions are dependent upon the retailers' vigilance and willingness to invest in technology and upgrades. Issuing debit cards to Peoples' clients exposes Peoples to potential losses which, in the event of a data breach at one or more major retailers may adversely affect Peoples' business, financial condition, and results of operations.

Peoples is also at risk of the impact of natural disasters, terrorism and international hostilities on Peoples' systems or from the effects of outages or other failures involving power or communications systems operated by others.

Peoples has implemented security controls to prevent unauthorized access to its computer systems, and Peoples requires that its third-party service providers maintain similar controls. However, Peoples' management cannot be certain that these measures will be successful. A security breach of the computer systems and loss of confidential information, such as customer account numbers and related information, could result in a loss of customers' confidence and, thus, loss of business. Peoples could also lose revenue if competitors gain access to confidential information about Peoples' business operations and use such confidential information to compete with Peoples. While Peoples maintains specific "cyber" insurance coverage, which would apply in the event of various breach scenarios, the amount of coverage may not be adequate in any particular case. Furthermore, because cyber threat scenarios are inherently difficult to predict and can take many forms, some breaches may not be covered under Peoples' cyber insurance coverage.

Further, Peoples may be affected by data breaches at retailers and other third parties who participate in data interchanges with Peoples and its customers that involve the theft of customer credit and debit card data, which may include the theft of Peoples' consumer and business debit card PIN numbers and commercial card information used to make purchases at such retailers and other third parties. Such data breaches could result in Peoples incurring significant expenses to reissue debit cards and cover losses, which could result in a material adverse effect on Peoples' operations.

All of the types of cybersecurity incidents discussed above could result in damage to Peoples' reputation, loss of customer business, increased costs of incentives to customers or business partners in order to maintain their relationships, litigation, increased regulatory scrutiny and potential enforcement actions, repairs of system damage, increased investments in cybersecurity (such as obtaining additional technology, making organizational changes, deploying additional personnel, training personnel and engaging consultants), increased insurance premiums, and loss of investor confidence and a reduction in the price of Peoples' common shares, all of which could result in financial loss and material adverse effects on Peoples' results of operations and financial condition.

- **Noncompliance with the BSA and other anti-money laundering statutes and regulations could cause Peoples to incur a material financial loss.**

The BSA and the USA Patriot Act contain anti-money laundering and financial transparency provisions intended to detect and prevent the use of the U.S. financial system for money laundering and terrorist financing activities. The BSA, as amended by the USA Patriot Act and the AMLA, requires depository institutions and their holding companies to undertake activities including maintaining an anti-money laundering program, verifying the identity of clients, monitoring for and reporting suspicious transactions, reporting on cash transactions exceeding specified thresholds, and responding to requests for information by regulatory authorities and law enforcement agencies. The Financial Crimes Enforcement Network (also known as FinCEN), a unit of the U.S. Department of the Treasury that administers the BSA, is authorized to impose significant civil money penalties for

violations of those requirements and has recently engaged in coordinated enforcement efforts with the federal bank regulatory agencies, as well as the U.S. Department of Justice, the U.S. Drug Enforcement Administration, and the U.S. Internal Revenue Service. The AMLA is intended to be a comprehensive reform and modernization to U.S. bank secrecy and anti-money laundering laws, which includes a codified risk-based approach to anti-money laundering compliance for financial institutions; requires the development of standards for evaluating technology and internal processes for BSA compliance; and expands enforcement-related and investigation-related authority, including increasing available sanctions for certain BSA violations and instituting BSA whistleblower incentives and protections.

There is also increased scrutiny of compliance with the rules enforced by OFAC. If Peoples' policies, procedures, and systems are deemed deficient, or if the policies, procedures, and systems of the financial institutions that Peoples has already acquired or may acquire in the future are deficient, Peoples may be subject to liability, including fines and regulatory actions such as restrictions on Peoples' ability to pay dividends and the necessity to obtain regulatory approvals to proceed with certain planned business activities, including acquisition plans, which could negatively impact Peoples' business, financial condition, and results of operations. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for Peoples.

For a more complete discussion of the BSA, the USA Patriot Act and the AMLA as well as OFAC, see the section captioned "Supervision and Regulation" in "ITEM 1 BUSINESS" of this Form 10-K.

- **Peoples' business could be adversely affected through events impacting third parties who perform significant operational services on behalf of Peoples.**

The third parties performing operational services for Peoples are subject to risks similar to those faced by Peoples relating to cybersecurity, breakdowns or failures of their own systems, or misconduct of their employees. Like many other community bank organizations, Peoples relies, in significant part, on a single vendor for the systems which allow Peoples to provide banking services to Peoples' customers, with the systems being maintained on Peoples' behalf by this single vendor.

One or more of the third parties utilized by Peoples may experience a cybersecurity event or operational disruption and, if any such event or disruption does occur, it may not be adequately addressed, either operationally or financially, by such third party. Certain of these third parties may have limited indemnification obligations to Peoples in the event of a cybersecurity event or operational disruption, or may not have the financial capacity to satisfy their indemnification obligations.

Financial or operational difficulties of a third-party provider could also impair Peoples' operations if those difficulties interfere with such third party's ability to serve Peoples. If a critical third-party provider is unable to meet the needs of Peoples in a timely manner, or if the services or products provided by such third party are terminated or otherwise delayed, and if Peoples is not able to develop alternative sources for these services and products quickly and in a cost-effective manner, Peoples' business could be materially adversely affected.

Additionally, regulatory guidance adopted by federal and state bank regulators addressing how banks select, engage and manage their third-party relationships, could affect the circumstances and conditions under which Peoples works with third parties and the cost of managing such relationships.

- **Peoples' failure to be in compliance with any material provision or covenant of its debt instruments could have a material adverse effect on Peoples' liquidity and operations.**

Peoples has a Loan Agreement (the "U.S. Bank Loan Agreement") with U.S. Bank National Association that provides Peoples with a revolving line of credit. A Sixth Amendment to the U.S. Bank Loan Agreement, entered into on March 31, 2024, extended the maturity from April 1, 2024 to March 31, 2025. The U.S. Bank Loan Agreement imposes operating and financial covenants on Peoples. These restrictions may affect Peoples' operations and may limit the ability to take advantage of potential business opportunities as they arise. Peoples' ability to comply with the covenants contained in the U.S. Bank Loan Agreement may be affected by events beyond Peoples' control, including deteriorating economic conditions, and these events could require Peoples to seek waivers or amendments of such covenants, or alternative sources of financing. Peoples' ability to obtain such waivers, amendments or alternative financing, may be on terms unfavorable to Peoples.

A breach of any of the covenants or restrictions contained in any of the existing or future financing agreements, including financial covenants, could result in an event of default under the agreements. Such a default could allow the lenders under the financing agreements, if the agreements so provide, to discontinue lending, to accelerate the related debt, and/or to declare all borrowings outstanding thereunder to be due and payable. In addition, the lenders could terminate any commitments they have to provide Peoples with further funds. If any of these events occur, Peoples may not have sufficient funds available to pay in full the total amount of obligations that become due as a result of any such acceleration, or Peoples may not be able to find additional or alternative financing to refinance any such accelerated obligations. Even if additional or alternative financing is obtained, it may be on terms that are unfavorable to Peoples.

- **Peoples' exposure to credit risk could adversely affect Peoples' earnings and financial condition.**

There are certain risks inherent in making loans. These risks include interest rate changes over the time period in which loans are to be repaid, risks resulting from changes in the economy, risks that Peoples will have inaccurate or incomplete information about borrowers, risks that borrowers will become unable to repay loans, and, in the case of loans secured by collateral, risks resulting from uncertainties about the future value of the collateral.

Commercial loans comprise a significant portion of Peoples' loan portfolio. Commercial loans generally are viewed as having a higher degree of credit risk than residential real estate or consumer loans because commercial loans usually involve larger loan balances to a single borrower and are more susceptible to a risk of default during an economic downturn. Since Peoples' loan portfolio contains a significant number of commercial loans, the deterioration of one or a few of these loans could cause a significant increase in nonperforming loans, and ultimately could have a material adverse effect on Peoples' earnings and financial condition. Peoples may also have credit exposures concentrated in a particular industry, resulting in a risk of a material adverse effect on earnings or financial condition, if there is an event adversely affecting such industry.

Peoples' risks of timely loan repayment and the value of collateral supporting the loans are affected by the strength of the business of Peoples' commercial borrowers and the financial circumstances of Peoples' consumer borrowers. Economic conditions, including high inflation and elevated interest rates, and political climate could cause business shutdowns and slowdowns, limitations on commercial activity and financial transactions, labor shortages, supply chain interruptions, increased unemployment and commercial property vacancy rates, reduced profitability and ability for property owners to make mortgage, auto and other consumer loan payments, overall economic and financial market instability, which may affect individuals, households and business differently, and decreased consumer confidence generally, all of which may cause Peoples' customers to be unable to make scheduled loan payments.

Additional information regarding Peoples' credit exposure concentration at December 31, 2024 can be found in the section captioned "Loan Concentration" in "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K.

- **Peoples' allowance for credit losses may be insufficient to absorb the expected, lifetime losses in its loan portfolio.**

Peoples maintains an allowance for credit losses that is believed to be a reasonable estimate of the expected losses based on management's quarterly analysis of its loan portfolio. The determination of the allowance for credit losses requires management to make various assumptions and judgments about the collectability of Peoples' loans, including the creditworthiness of its borrowers and the value of the real estate and other assets serving as collateral for the repayment of loans. Additional information regarding Peoples' allowance for credit losses methodology and the sensitivity of the estimates can be found in the discussion of "Critical Accounting Policies" included in "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K.

Peoples' estimate of future credit losses is susceptible to changes in economic, operating and other conditions, including changes in regulations and interest rates, which may be beyond Peoples' control, and the losses may exceed current estimates. Peoples cannot be assured of the amount or timing of losses, nor whether the allowance for credit losses will be adequate in the future.

If Peoples' assumptions prove to be incorrect, Peoples' allowance for credit losses may not be sufficient to cover the expected losses from its loan portfolio, resulting in the need for additions to the allowance for credit losses which could have a material adverse impact on Peoples' financial condition and results of operations. In addition, bank regulators periodically review Peoples' allowance for credit losses as part of their examination process and may require management to increase the allowance or recognize further loan charge-offs based on judgments different than those of management.

Under the CECL model, Peoples is required to use historical information, current conditions and reasonable and supportable forecasts to estimate the expected credit losses. If the methodologies and assumptions used by Peoples in the CECL model prove to be incorrect, or inadequate, the allowance for credit losses may not be sufficient, resulting in the need for additional allowance for credit losses to be established, which could have a material adverse impact on Peoples' financial condition and results of operations. Additionally, the time horizon over which Peoples is required to estimate future credit losses expanded under CECL, which could result in increased volatility in future provisions for credit losses. Peoples may also experience a higher or more volatile provision for credit losses due to higher levels of nonperforming loans and net charge-offs if commercial and consumer customers are unable to make scheduled loan payments.

- **Peoples' accounting estimates and risk management processes rely on analytical and forecasting models.**

The processes Peoples uses to estimate its expected credit losses and to measure the fair value of financial instruments, as well as the processes used to estimate the effects of changing interest rates and other market measures on Peoples' financial condition and results of operations, depend upon the use of analytical and, in some cases, forecasting models. These models reflect assumptions that may not be accurate, particularly in times of market stress or other unforeseen circumstances. Even if these assumptions are accurate, the model may prove to be inadequate or inaccurate because of other flaws in their design or their

implementation. If the model Peoples uses for interest rate risk and asset-liability management is inadequate, Peoples may incur increased or unexpected losses upon changes in market interest rates or other market measures. If the model used by Peoples for determining its expected credit losses is inadequate, the allowance for credit losses may not be sufficient to support future charge-offs. If the model used by Peoples to measure the fair value of financial instruments is inadequate, the fair value of such financial instruments may fluctuate unexpectedly or may not accurately reflect what Peoples could realize upon sale or settlement of such financial instruments. Any such failure in Peoples' analytical or forecasting models could have a material adverse effect on Peoples' business, financial condition and results of operations.

- **Peoples and Peoples Bank may elect or be compelled to seek additional capital in the future, but such capital may not be available when needed.**

  Peoples and Peoples Bank are required by federal and state regulatory authorities to maintain adequate levels of capital to support their operations. Federal bank regulators have adopted extensive changes to their capital requirements, including raising required amounts and eliminating the inclusion of certain instruments from the calculation of capital. If Peoples Bank experiences significant losses, additional capital may be needed. In addition, Peoples and Peoples Bank may elect to raise additional capital to support the businesses or to finance acquisitions, if any, or for other unanticipated reasons. The ability to raise additional capital, if needed, will depend on financial performance, conditions in the capital markets, economic conditions and a number of other factors, many of which are outside of Peoples' control. Therefore, there can be no assurance that additional capital will be available or that additional capital will be available on acceptable terms. The inability to raise additional capital may have a material adverse effect on Peoples' financial condition, results of operations or potential acquisitions.

- **Peoples and Peoples Bank operate in a highly regulated industry, and the laws and regulations that govern Peoples' operations, corporate governance, executive compensation, financial accounting and financial reporting, including changes in, or failure to comply with, such laws and regulations may adversely affect Peoples.**

  The banking industry is highly regulated. Peoples is subject to supervision, regulation and examination by various federal and state regulators, including the Federal Reserve Board, the SEC, the CFPB, the FDIC, Financial Industry Regulatory Authority, Inc. (also known as FINRA), and various state regulatory agencies. The statutory and regulatory framework that governs Peoples is generally designed to protect depositors and customers, the DIF, the U.S. banking and financial system, and financial markets as a whole and not to protect Peoples' shareholders. These laws and regulations, among other matters, prescribe minimum capital requirements, restrict the ability of Peoples Bank to guarantee Peoples' debt, and impose limitations on Peoples Bank's business activities (including foreclosure and collection practices), limit the dividends or distributions that Peoples Bank can pay, and impose certain specific accounting requirements that may be more restrictive and may result in greater or earlier charges to earnings or reductions in capital than would otherwise be required under U.S. generally accepted accounting principles ("US GAAP"). Compliance with laws and regulations can be difficult and costly, and changes to laws and regulations often impose additional compliance costs. Both the scope of the laws and regulations, and the intensity of the supervision to which Peoples is subject, have increased in recent years in response to the perceived state of the financial services industry, as well as other factors such as technological and market changes. Such regulation and supervision may increase Peoples' costs and limit its ability to pursue business opportunities. Further, Peoples' failure to comply with these laws and regulations, even if the failure was inadvertent or reflects a difference in interpretation, could subject Peoples to restrictions on business activities, fines, and other penalties, any of which could adversely affect the results of operations, the capital base, and the price of Peoples' common shares. Further, any new laws, rules, or regulations could make compliance more difficult or expensive or otherwise adversely affect Peoples' business and financial condition.

- **Peoples may not be able to adapt to technological change.**

  The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services. The effective use of technology increases efficiency and enables financial institutions to better serve customers while reducing costs. Peoples' future success depends, in part, upon its ability to address customer needs by using technology to provide products and services that will satisfy customer demands, as well as to create additional efficiencies in its operations. This could include the development, implementation, and adaptation of digital or cryptocurrency, blockchain, and other "fintech" technology. Peoples may not be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to Peoples' customers. Failure to successfully keep pace with technological changes affecting the financial services industry could negatively affect Peoples' growth, revenue and net income.

- **Peoples may not be able to attract and retain key employees.**

  Peoples' success depends, in large part, on its ability to attract, retain, motivate and develop key employees. Competition for key employees is ongoing and Peoples may not be able to attract, retain or hire the key employees who are wanted or needed, which may also negatively impact Peoples' ability to execute identified business strategies. Many of Peoples' offices are located in rural areas, resulting in the possible need for Peoples to offer higher compensation equal to or greater than what is offered in metropolitan areas to attract or retain key employees, which may adversely affect salaries and employee benefit costs.

Various restrictions on the compensation which may be paid to certain executive officers were imposed under the Dodd-Frank Act and other legislation and regulations. In addition, Peoples' incentive compensation structure is subject to review by regulators, who may identify deficiencies in the structure or issue additional guidance on Peoples' compensation practices, causing Peoples to make changes that may affect its ability to offer competitive compensation to these individuals or that place Peoples at a disadvantage to non-financial service competitors. Peoples' ability to attract and retain talented employees may be affected by these restrictions, or any new executive compensation limits or regulations.

- **Peoples' ability to pay dividends is limited, and Peoples may not be in the position to pay dividends in the future.**

Although Peoples has paid dividends on its common shares in the past, Peoples may, at the discretion of Peoples' Board of Directors, reduce or eliminate dividends in the future, for any reason, including a determination to use funds for other purposes, or due to regulatory constraints. Peoples is a separate and distinct legal entity from Peoples' subsidiaries. Peoples receives nearly all of its liquidity from dividends from Peoples Bank, which are limited by federal and state banking laws and regulations. These dividends also serve as the primary source of funds to pay dividends on Peoples' common shares. The inability of Peoples Bank to pay sufficient dividends to Peoples could have a material, adverse effect on its business. Further discussion of Peoples' ability to pay dividends can be found under the caption "Supervision and Regulation – Dividend Restrictions" in "ITEM 1 BUSINESS" of this Form 10-K and "Note 17 Regulatory Matters."

- **Peoples depends upon the accuracy and completeness of information about customers and counterparties.**

In deciding whether to extend credit or enter into other transactions with customers and counterparties, Peoples may rely on information provided by customers and counterparties, including financial statements and other financial information. Peoples may also rely on representations of customers and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit to a business, Peoples Bank may assume that the customer's audited financial statements conform with US GAAP and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Peoples Bank may also rely on the audit report covering those financial statements. Peoples' financial condition, results of operations and cash flows could be negatively impacted to the extent that Peoples Bank relies on financial statements that do not comply with US GAAP or on financial statements and other financial information that are materially misleading.

- **Peoples Bank may be required to repurchase loans it has sold or to indemnify loan purchasers under the terms of the sale agreements, which could adversely affect Peoples' liquidity, results of operations and financial condition.**

When Peoples Bank sells a mortgage loan, it may agree to repurchase or substitute a mortgage loan if Peoples Bank is later found to have breached any representation or warranty Peoples Bank made about the loan or if the borrower is later found to have committed fraud in connection with the origination of the loan. While Peoples Bank has underwriting policies and procedures designed to avoid breaches of representations and warranties and borrower fraud, there can be no assurance that a breach or fraud will not occur. Required repurchases, substitutions or indemnifications could have an adverse effect on Peoples' liquidity, results of operations and financial condition.

- **Peoples and its subsidiaries are subject to examinations and challenges by tax authorities.**

In the normal course of business, Peoples and its subsidiaries are routinely subject to examinations and challenges from federal and state tax authorities regarding positions taken regarding their respective tax returns. State tax authorities have become increasingly aggressive in challenging tax positions taken by financial institutions, especially those positions relating to tax compliance and calculation of taxes subject to apportionment. Any challenge or examination by a tax authority may result in adjustments to the timing or amount of taxable net worth or taxable income, or deductions or the allocation of income among tax jurisdictions.

Management believes it has taken appropriate positions with respect to all tax returns and does not anticipate that any examination would have a material impact on Peoples' Consolidated Financial Statements. However, the outcome of any such examination and the ultimate resolution of any resulting assessments are inherently difficult to predict. Thus, no assurance can be given that Peoples' tax liability for any tax year open to examination will be as reflected in Peoples' current and historical Consolidated Financial Statements.

- **Peoples could experience an unexpected inability to obtain needed liquidity which could adversely affect its business, profitability, and viability as a going concern.**

Liquidity measures the ability to meet current and future cash flow needs as they become due. The liquidity of a financial institution reflects its ability to meet loan requests, to accommodate possible outflows in deposits, and to take advantage of interest rate market opportunities and is essential to a financial institution's business. The ability of a financial institution to meet its current financial obligations is a function of its balance sheet structure, its ability to liquidate assets, and its access to alternative sources of funds. The bank failures in 2023 exemplify the potential serious results of the unexpected inability of insured depository institutions to obtain needed liquidity to satisfy deposit withdrawal requests, including how quickly such requests can accelerate once uninsured depositors lose confidence in an institution's ability to satisfy its obligations to depositors.

Peoples seeks to ensure its funding needs are met by maintaining a level of liquidity through asset and liability management. If Peoples becomes unable to obtain funds when needed, it could have a material adverse effect on Peoples' business, financial condition, and results of operations.

Legislative, Regulatory and Tax Change Risks

- **Legislative or regulatory changes or actions could adversely impact Peoples or the businesses in which it is engaged.**

The financial services industry is heavily regulated under both federal and state law. Peoples is subject to regulation and supervision by the Federal Reserve Board, and Peoples Bank is subject to regulation and supervision by the ODFI, the Federal Reserve Board, and the FDIC, and the regulations of the CFPB. These regulations are primarily intended to protect depositors and the DIF, not Peoples' shareholders. Peoples' non-bank subsidiaries are also subject to the supervision of the Federal Reserve Board, in addition to other regulatory and self-regulatory agencies, including the SEC, and state securities and insurance regulators.

Regulations affecting banks and financial services businesses are undergoing continuous change, and Peoples' management cannot predict the effect of those changes. The impact of any changes to laws and regulations or other actions by regulatory agencies could adversely affect Peoples' business. Regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities, including the imposition of restrictions on the operation of an institution, the classification of assets held by an institution, the appropriateness of an institution's allowance for credit losses and the ability to complete acquisitions. Additionally, actions by regulatory agencies or significant litigation against Peoples could cause Peoples to devote significant time and resources to defending its business and may lead to penalties that materially affect Peoples and its shareholders. Even the reduction of regulatory restrictions could have an adverse effect on Peoples and its shareholders if such lessening of restrictions increases competition within the financial services industry or Peoples' market area.

Further information about government regulation of Peoples' business can be found under the caption "Supervision and Regulation" in "ITEM 1 BUSINESS" of this Form 10-K.

- **Changes in accounting standards, policies, estimates or procedures may impact Peoples' reported financial condition or results of operations.**

The entities responsible for setting accounting standards, including the Financial Accounting Standards Board ("FASB"), the SEC and other regulatory bodies, periodically change the financial accounting and reporting standards that govern the preparation of Peoples' Consolidated Financial Statements. The pace of change continues to accelerate and changes in accounting standards can be difficult to predict and can materially impact how Peoples records and reports its financial condition and results of operations. In some cases, Peoples could be required to apply a new or revised guidance retroactively, resulting in the restatement of prior period financial statements.

The preparation of consolidated financial statements in conformity with US GAAP requires management to make significant estimates that affect the financial statements. Due to the inherent nature of these estimates, actual results may vary materially from management's estimates. Additional information regarding Peoples' critical accounting policies and the sensitivity of estimates can be found in the section captioned "Critical Accounting Policies" in "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" and "Note 1 Summary of Significant Accounting Policies" of this Form 10-K.

- **Regulatory capital standards may have an adverse effect on its profitability, lending, and ability to pay dividends.**

Peoples is subject to capital adequacy guidelines and other regulatory requirements specifying minimum amounts and types of capital that Peoples must maintain. From time to time, regulators implement changes to these regulatory capital adequacy guidelines. If Peoples fail to meet these minimum capital guidelines and/or other regulatory requirements, its financial condition would be materially and adversely affected. The Basel III capital framework requires Peoples to maintain significantly more capital as a result of higher required capital levels and more demanding regulatory capital risk weightings and calculations. Satisfying capital requirements may require Peoples to limit its banking operations, retain net income or reduce dividends to improve regulatory capital levels, which could negatively affect its business, financial condition and results of operations.

- **Increases in FDIC insurance premiums may have a material adverse effect on Peoples' earnings.**

Peoples Bank has limited ability to control the amount of premiums it is required to pay for FDIC insurance. The DIF is funded by fees assessed on insured depository institutions, such as Peoples Bank. If the costs of future bank failures increase, deposit insurance premiums may also increase. Increases in FDIC insurance premiums may have a material adverse effect on Peoples' results of operations and ability to continue to pay dividends on its common shares at the current rate or at all.

On November 16, 2023, the FDIC Board adopted a final rule implementing a special assessment to recover the loss to the DIF arising from the protection of uninsured depositors following the failures of Silicon Valley Bank and Signature Bank. The assessment base for the special assessment is equal to an insured depository institution's estimated uninsured deposits reported for the quarter ended December 31, 2022, adjusted to exclude the first $5 billion in estimated uninsured deposits. The FDIC will

collect the special assessment at an annual rate of approximately 13.4 basis points, over eight quarterly assessment periods, beginning with the first quarter of 2024. Because Peoples Bank's uninsured deposits were less than $5 billion for the quarter ended December 31, 2022, Peoples Bank was not subject to this special assessment. However, there can be no assurance that assessments may not be changed in the future and/or that additional special assessments may not be imposed in the future by the FDIC, either in response to additional bank failures or otherwise, that could increase the amount of premiums required to be paid to the FDIC by Peoples Bank. Federal deposit insurance is described in more detail in the section captioned "Supervision and Regulation" in "ITEM 1 BUSINESS" of this Form 10-K.

Strategic Risks

- **Peoples' ability to complete acquisitions and integrate completed acquisitions may be unsuccessful or more difficult, time-consuming or costly than expected, which could have an adverse effect on Peoples' business, earnings and financial condition.**

Peoples actively evaluates opportunities to acquire other businesses. However, Peoples may not have the opportunity to make suitable acquisitions on favorable terms in the future, which could negatively impact the growth of its business. Peoples expects that other banking and financial companies, many of which have significantly greater resources, will compete to acquire compatible businesses. This competition could increase prices for acquisitions that Peoples would likely pursue, and its competitors may have greater resources to pay such acquisition prices. In addition, acquisitions of regulated businesses, such as banks, are subject to various regulatory approvals. If Peoples fails to receive the appropriate regulatory approvals, it will not be able to consummate an acquisition that it believes is in its best interest.

Peoples may not be able to integrate new acquisitions without encountering difficulties, including the loss of key employees and customers, the disruption of ongoing businesses or possible inconsistencies in standards, controls, procedures and policies. Peoples may not be able to fully achieve the strategic objectives and operating efficiencies anticipated in the acquisitions it completes. Future acquisitions may also result in other unforeseen difficulties, including in the integration of the combined companies. Further, benefits such as enhanced earnings anticipated from the acquisitions may not develop and future results of the combined companies may be materially below those estimated. In addition, Peoples may issue equity securities in connection with acquisitions, which could dilute the economic and voting interests of Peoples' shareholders. Recent changes in the stock price of financial institutions could impact the valuation of potential target companies and, therefore, Peoples' ability to compete for acquisitions.

- **Changes in retail distribution strategies and consumer behavior may adversely impact Peoples' investments in its financial service office premises and equipment and other assets, and may lead to increased expenditures to change its retail distribution channel.**

Peoples has significant investments in financial service office premises and equipment for its financial service office network, including 20 financial service offices, consisting of LPOs and limited service locations, as well as its retail work force and other financial service office banking assets. Advances in technology such as e-commerce, telephone, internet and mobile banking, and in-branch self-service technologies including ATMs, ITMs, and other equipment, as well as changing customer preferences for these other methods of accessing Peoples' products and services, could affect the value of Peoples' financial service office network or other retail distribution assets and may cause Peoples to change its retail distribution strategy, close and/or sell certain financial service offices and restructure or reduce its remaining financial service offices and work force. Further advances in technology and/or changes in customer preferences including those related to social media, digital or cryptocurrency, blockchain and other "fintech" technologies could result in additional changes in Peoples' retail distribution strategy and/or financial service office network. These actions could lead to losses on these assets or could adversely impact the carrying value of other long-lived assets and may lead to increased expenditures to renovate and reconfigure remaining financial service offices or to otherwise reform Peoples' retail distribution channel.

- **Anti-takeover provisions may delay or prevent an acquisition or change in control by a third party.**

Provisions in the Ohio General Corporation Law, Peoples' Amended Articles of Incorporation and Peoples' Code of Regulations, including a supermajority vote requirement for significant corporate changes, could discourage potential takeover attempts and make attempts by shareholders to remove Peoples' Board of Directors and management more difficult. These provisions may also have the effect of delaying or preventing a transaction or change in control that might be in the best interests of Peoples' shareholders.

General Risks

- **Adverse changes in the financial markets may adversely impact Peoples' results of operations.**

While Peoples generally invests in securities issued by U.S. government agencies and sponsored entities and domestic state and local governments with limited credit risk, certain investment securities held by Peoples possess higher credit risk since they represent beneficial interests in structured investments collateralized by residential mortgages, debt obligations and other similar

asset-backed assets. Even securities issued by governmental agencies and sponsored entities may entail risk depending on political and economic changes. Regardless of the level of credit risk, all investment securities are subject to changes in market value due to changing interest rates, implied credit spreads and credit ratings.

- **Peoples is subject to environmental liability risk associated with lending activities.**

A significant portion of Peoples' loan portfolio is secured by real property. During the ordinary course of business, Peoples forecloses on and takes 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, Peoples may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws and evolving regulation may require Peoples to incur substantial expenses and may materially reduce the affected property's value or limit Peoples' ability to use or sell the affected property. In addition, future laws and regulations or more stringent interpretations or enforcement policies with respect to existing laws or regulations may increase Peoples' exposure to environmental liability. Environmental reviews of real property before initiating foreclosure actions 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 Peoples' business, financial condition and results of operations.

- **The value of Peoples' goodwill and other intangible assets may decline in the future.**

A significant decline in expected future cash flows, a significant adverse change in the business climate, slower growth rates or a significant and sustained decline in the price of Peoples' common shares may necessitate taking charges in the future related to the impairment of goodwill and other intangible assets. If Peoples were to conclude that a future write-down of goodwill and other intangible assets is necessary, the appropriate charge will be recorded, which could have a material adverse effect on Peoples' business, financial condition and results of operations.

- **Peoples is at risk of increased losses from fraud.**

Criminals are committing fraud at an increasing rate and are using more sophisticated techniques. In some cases, these individuals are part of larger criminal rings, which allow them to be more effective. Such fraudulent activity has taken many forms, ranging from wire fraud, debit card fraud, check fraud, mechanical devices attached to ATMs, ITMs, social engineering and phishing attacks to obtain personal information, or impersonation of clients through the use of falsified or stolen credentials. Additionally, an individual or business entity may properly identify itself, yet seek to establish a business relationship for the purpose of perpetrating fraud. An emerging type of fraud even involves the creation of synthetic identification in which fraudsters "create" individuals for the purpose of perpetrating fraud. In addition to fraud committed directly against Peoples, Peoples may suffer losses as a result of fraudulent activity committed against third parties. Increased deployment of technologies, such as chip card technology, defray and reduce certain aspects of fraud; however, criminals are turning to other sources to steal personally identifiable information, such as unaffiliated healthcare providers and government entities, in order to impersonate consumers and thereby commit fraud.

- **Peoples may not be able to remain competitive.**

Peoples experiences significant competition in originating loans, obtaining deposits, and maintaining and growing insurance and trust customers, principally from other commercial banks, savings associations, credit unions, trust and brokerage companies, insurance agencies, fintechs and online service providers. Several of Peoples' competitors have greater resources, larger branch systems and wider arrays of banking and non-banking services. This competition could reduce Peoples' net income by decreasing the number and size of loans that Peoples originates and the interest rates it can charge on these loans. Moreover, technology and other changes are allowing businesses and individuals to utilize alternative methods to complete financial transactions that historically have involved banks. For example, consumers can now maintain funds that have historically been held as bank deposits in brokerage accounts, mutual funds, or high yield savings accounts with online banks. Consumers can also complete transactions such as paying bills and/or transferring funds directly without the assistance of banks. Digital or cryptocurrencies, blockchain, and other "fintech" technologies are designed to enhance transactional security and have the potential to disrupt the financial industry, change the way banks do business, and reduce the need for banks as financial deposit-keepers and intermediaries. The process of eliminating the use of banks to complete financial transactions could result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and lower cost deposits as a source of funding could have a material adverse effect on Peoples' financial condition and results of operations. If Peoples is unable to compete effectively, Peoples will lose market share, which could reduce income generated from deposits, loans and other products. For a more complete discussion of Peoples' competitive environment, see the section captioned "Competition" in "ITEM 1 BUSINESS" of this Form 10-K.

- **Increasing scrutiny and evolving expectations from customers, regulators, investors, and other stakeholders with respect to Peoples' environmental, social and governance practices may impose additional costs on Peoples or expose Peoples to new or additional risks.**

Financial institutions are facing increasing scrutiny from customers, regulators, investors, and other stakeholders related to their environmental, social, and governance ("ESG") practices and disclosure. Investor advocacy groups, investment funds, and

influential investors are also increasingly focused on these practices, especially as they relate to the environment, health and safety, diversity, labor conditions, and human rights. Increased ESG-related compliance costs for Peoples as well as among its suppliers, vendors and various other parties within its supply chain could result in increases to its overall operational costs. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact its reputation, ability to do business with certain partners, access to capital, and the price of its common shares. New government regulations could also result in new or more stringent forms of ESG oversight and expanding mandatory and voluntary reporting, diligence, and disclosure.

- **Climate change, severe weather, natural disasters, acts of war or terrorism, the emergence of a pandemic and other adverse external events could significantly impact Peoples' business.**

  Natural disasters, including severe weather events of increasing strength and frequency due to climate change, acts of war or terrorism, pandemics or concern about a possible pandemic, and other adverse external events could have a significant impact on Peoples' ability to conduct business or upon third parties who perform operational services for Peoples or its customers. Such events could affect the stability of Peoples' deposit base, impair the ability of borrowers to repay outstanding loans, impair the value of collateral securing loans, cause significant property damage, disrupt the infrastructure that supports Peoples' business and the communities Peoples is located in, negatively impact financial markets and interest rates, result in lost revenue or cause Peoples to incur additional expenses.

- **Peoples or one of its subsidiaries may be a defendant from time to time in a variety of litigation and other actions, which could have a material adverse effect on Peoples' financial condition, results of operations and cash flows.**

  Peoples and its subsidiaries may be involved from time to time in a variety of litigation arising out of each entity's respective business. The risk of litigation increases in times of increased troubled loan collection activity. Peoples' insurance may not cover all claims that may be asserted against Peoples and its subsidiaries, and any claims asserted against them, regardless of merit or eventual outcome, may harm their respective reputations. Should the ultimate judgments or settlements in any litigation exceed the applicable insurance coverage, they could have a material adverse effect on Peoples' financial condition, results of operations and cash flows. In addition, Peoples or one of its subsidiaries may not be able to obtain appropriate types or levels of insurance in the future or to obtain adequate replacement policies with acceptable terms.

- **The impact of larger or similar-sized financial institutions encountering problems may adversely affect Peoples' business, earnings and financial condition.**

  Many financial institutions and their related operations are closely intertwined, and the soundness of such financial institutions may, to some degree, be interdependent. As a result, concerns about, or a default or threatened default by, one financial institution could lead to significant market-wide liquidity and credit problems and/or losses or defaults by other financial institutions. This "systemic risk" may adversely affect Peoples' business.

  Peoples is exposed to the risk that when a peer financial institution experiences financial difficulties, there could be an adverse impact on the regional banking industry and the business environment in which Peoples operates. For example, the bank failures of Silicon Valley Bank in California, Signature Bank in New York, First Republic Bank in California, and Heartland Tri-State Bank in Kansas during 2023 caused a degree of panic and uncertainty in the investor community and among bank customers generally. Peoples will continue to monitor potential bank failures and volatility within the banking industry generally, together with any responsive measures taken by the banking regulators to mitigate or manage potential turmoil in the banking industry.

- **Economic and other conditions may cause volatility in the price of Peoples' common shares.**

  The price of Peoples' common shares can fluctuate widely in response to a variety of factors, including: actual or anticipated variations in the Peoples' quarterly operating results; recommendations by securities analysts; significant acquisitions or business combinations; strategic partnerships, joint ventures or capital commitments; operating and stock price performance of other companies that investors deem comparable to Peoples; new technology used or services offered by Peoples' competitors; news reports relating to trends, concerns and other issues in the banking and financial services industry; and changes in government regulations. General market fluctuations, industry factors and general economic and political conditions and external events, including terrorist attacks, increased inflation, economic slowdowns or recessions, interest rate changes, credit loss trends or currency fluctuations, could also cause the price of Peoples' common shares to decrease, regardless of Peoples' operating results.

- **Changes in tax laws could adversely affect Peoples' performance.**

  Peoples is subject to extensive federal, state and local taxes, including income, excise, sales/use, payroll, franchise, withholding and ad valorem taxes. Changes to tax laws could have a material adverse effect on Peoples' results of operations, fair values of net deferred tax assets and obligations of states and political subdivisions held in Peoples' investment securities portfolio. In addition, Peoples' customers are subject to a wide variety of federal, state and local taxes. Changes in taxes paid by Peoples' customers may adversely affect their ability to purchase homes or consumer products, which could adversely affect their demand for loans and deposit products. In addition, such negative effects on Peoples' customers could result in defaults on the loans made by Peoples Bank and decrease the value of mortgage-backed securities in which Peoples has invested.

ITEM 1B UNRESOLVED STAFF COMMENTS

None.

ITEM 1C CYBERSECURITY

Risk Management and Strategy

Peoples has a comprehensive Enterprise Risk Management program ("ERM Program"), which includes policies and processes for assessing, identifying and managing material risks from cybersecurity threats to Peoples and its customers. Peoples' information security policy and procedures are reviewed and assessed on an annual basis and as needed throughout the year by the Risk Committee of the Board. Peoples assesses itself against the Federal Financial Institutions Examination Council's ("FFIEC") Cybersecurity Assessment Tool ("CAT") on a quarterly basis. Beginning in 2025, Peoples will assess itself using the Cyber Risk Institute Tool ("CRIT") on at least an annual basis. Additional assessment of Peoples' cybersecurity capabilities is performed by consultants and regulators annually. Identified risks resulting from these assessments are documented, rated and mitigated by Peoples Bank's Chief Information Security Officer ("CISO"), with oversight by the Risk Committee.

Peoples also has a third-party risk management program pursuant to which Peoples performs annual reviews of third-party vendors as to their cybersecurity and business continuity capabilities to ensure they meet the stated requirements and the risk appetite of Peoples as documented in Peoples' information security policy. Vendors not meeting Peoples' risk requirements are notified of necessary improvements and, if the vendors cannot mitigate the identified risks, Peoples looks to identify alternative vendors. Documentation of performance of the third-party risk assessments is retained and acknowledged by appropriate Risk and Information Security employees of Peoples.

Roles and Responsibilities

Peoples' Board of Directors provides oversight of risks from cybersecurity threats primarily through the Risk Committee of the Board. The Risk Committee is comprised of all of the independent directors of the Board, along with Peoples' Chief Executive Officer ("CEO"), and is responsible for oversight of Peoples' risk management policies, programs and processes. The Risk Committee is organized and conducts its business pursuant to a written charter adopted by the Board. At least annually, the Risk Committee reviews and reassesses the adequacy of its charter and recommends any proposed changes to the full Board as necessary to reflect changes in regulatory requirements, authoritative guidance and evolving practices. On at least a quarterly basis, Peoples' Chief Risk Officer provides a report to the Risk Committee regarding the overall risk condition of Peoples and whether it is within Peoples' stated risk appetite.

Peoples' Chief Risk Officer ("CRO") reports to the Risk Committee and the CEO and has primary responsibility for the design and implementation of the ERM Program. The ERM Program establishes Peoples' risk appetite, monitors key risk and performance indicators, identifies key risks within the firm, designs and executes specific risk initiatives and monitors risk mitigation efforts and control processes. The CRO updates the Risk Committee quarterly on the overall risk condition of Peoples inclusive of any cybersecurity issues or threats.

Peoples Bank also has an executive governance structure which includes the Capital and Risk Management Committee ("CRMC"). The CRMC, which is comprised of individuals representing each of the functional areas of Peoples and its subsidiaries, meets monthly and is responsible for the review of risk issues faced by Peoples, including material risks from cybersecurity threats. Summaries of the topics and discussions at CRMC meetings are provided to the Risk Committee along with an overview and recommendations regarding key risks and mitigating actions.

The CISO has primary responsibility for assessing and responding to material risks from cybersecurity threats. The current CISO is an experienced Information Security and Information Technology professional with over 25 years of experience specializing in cyber defense, vulnerability management, security operations, recovery management and as a Windows system engineer. On a quarterly basis, the CISO updates the Risk Committee on the state of cybersecurity and potential risks to Peoples' to be considered by the Risk Committee.

Assessment and Response to Cybersecurity Threats

Peoples employs an in-depth, layered, defensive approach that leverages people, processes, and encryption and multi-factor authentication technology to manage and mitigate cybersecurity threats. Peoples employs a variety of preventative and detective tools to monitor, block, and provide alerts regarding suspicious activity, as well as to report on any suspected advanced persistent threats. Peoples and the CISO leverage several technologies and a third-party Managed Security Service Provider to monitor and respond to cybersecurity threats. In the event that the CISO assesses a material risk from a potential cybersecurity threat, the CISO immediately notifies and works with Peoples' Crisis Management Team, which includes Peoples' General Counsel, to appropriately respond and mitigate the threat. If necessary, third-party resources will be engaged, with the support of Peoples' cyber insurance provider, to mitigate the cybersecurity threat, perform forensic activities and distribute appropriate notifications to impacted parties and/or regulators. In the event a material cybersecurity incident occurs that requires notification to the Board of Directors, the General Counsel and CEO will coordinate notifications to the Board of Directors and provide updates to the Board of Directors as needed.

While Peoples has implemented security controls and processes to mitigate against cybersecurity threats, Peoples cannot be certain that these measures will be successful. The threat from cybersecurity attacks is severe, attacks are sophisticated and increasing in volume, and attackers respond rapidly to changes in defensive measures. While to date, Peoples has not detected a significant compromise, significant data loss or any material financial losses related to cybersecurity attacks, Peoples' systems and those of its customers and third-party service providers are under constant threat and it is possible that Peoples could experience a significant event in the future. Risks and exposures related to cybersecurity attacks are expected to remain high for the foreseeable future due to the rapidly evolving nature and sophistication of these threats, as well as due to the expanding use of Internet banking, mobile banking and other technology-based products and services by Peoples and Peoples' customers. Any breach, compromise or disruption of its information security or systems as a result of a cybersecurity incident or threat could result in damage to Peoples' reputation, loss of customer business, increased costs of incentives to customers or business partners in order to maintain their relationships, litigation, increased regulatory scrutiny and potential enforcement actions, repairs of system damage, increased investments in cybersecurity (such as obtaining additional technology, making organizational changes, deploying additional personnel, training personnel and engaging consultants), increased insurance premiums, and loss of investor confidence and a reduction in the price of Peoples' common shares, all of which could result in financial loss and material adverse effects on Peoples' results of operations and financial condition.

ITEM 2 PROPERTIES

Peoples' sole banking subsidiary, Peoples Bank, generally owns its offices, related facilities and unimproved real property. At December 31, 2024, Peoples Bank operated 67 offices in Ohio, 43 offices in Kentucky, 29 offices in West Virginia, three offices in Virginia, two offices in Washington D.C., one office in Maryland, an insurance premium finance lending office in Missouri, an equipment leasing office in Vermont, and a leasing office in Minnesota. Of these 148 offices, 67 are leased and the rest are owned by Peoples Bank.

Peoples Bank's subsidiary, Peoples Insurance, rents office space in various Peoples Bank offices, and also leases office space from third parties in Inez and Pikeville, Kentucky. Peoples Bank's subsidiary, Vantage, rents office space in Excelsior, Minnesota, Cherry Hill, New Jersey, Holmdel, New Jersey, Austin, Texas, Grafton, Wisconsin, and Guilford, Connecticut.

Rent expense on the leased properties totaled $4.1 million in 2024 and $3.3 million in 2023, which excludes intercompany rent expense. The following properties have a lease term expiring on or before June 2025:

Location	Address	Lease Expiration Date
Cherry Hill	4 Haddonfield Road, Suite 217 Cherry Hill, NJ	February 2025 (b)
Guilford (Vantage) CT	The Monroe Building, 87 Whitfield Street, Office 5 Guilford,	March 2025 (e)
Dupont Cir. -17th St. Wash. DC	1604 17th St NW Washington, DC	March 2025 (a)
Worthington	250 E Wilson Bridge Rd, Ste. 230 Worthington, OH	March 2025 (a)
Caldwell ATM	17010 St Rt 78 Caldwell, OH	June 2025 (c)
Akron Business Office Parking	354 S Main Street Akron, OH	June 2025 (a)
Akron Business Office	348 S Main St Akron, OH	June 2025 (a)
GWB Oil & Gas - Storage Bldg	2013-B State Route 821 Marietta, OH	June 2025 (c)
North Canton-LPO	125 S. Main Street North Canton, OH	June 2025 (d)
Waynesville Parking Easement	826 Franklin Rd Waynesville, OH	June 2025 (c)

(a) Current lease agreement has no remaining extensions available.
(b) Current lease agreement will switch to a month to month lease at expiration.
(c) Current lease agreement will auto-renew for 1 year periods until terminated by one of the parties.
(d) Current lease agreement has one one-year extension remaining.
(e) Current lease agreement has one two-year extension remaining.

Peoples considers its offices and related facilities to be suitable and adequate for the present needs of Peoples and its subsidiaries. Peoples evaluates on a continuing basis the suitability and adequacy of its offices and related facilities, and has opened, relocated, remodeled or closed them as appropriate to maintain efficient and attractive premises.

Additional information concerning the property and equipment owned or leased by Peoples and its subsidiaries is incorporated herein by reference from "Note 5 Bank Premises and Equipment."

ITEM 3 LEGAL PROCEEDINGS

Peoples or one of its subsidiaries from time to time is engaged in various litigation matters including the defense of claims of improper loan or deposit practices or lending violations. In addition, in the ordinary course of their respective businesses or operations, Peoples or one of its subsidiaries may be named as a plaintiff, a defendant, or a party to a legal proceeding or any of their respective properties may be subject to various pending and threatened legal proceedings and various actual and potential claims. In view of the inherent difficulty of predicting the outcome of such matters, Peoples cannot state what the eventual outcome of any such matters will be; however, based on management's current knowledge and after consultation with legal counsel, Peoples' management believes that damages, if any, and other amounts related to pending legal proceedings will not have a material adverse effect on the consolidated financial position, results of operations or liquidity of Peoples.

ITEM 4 MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5 MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Peoples' common shares are traded on The Nasdaq Global Select Market® under the symbol PEBO. At December 31, 2024, Peoples had 4,219 shareholders of record.

Peoples currently plans to continue to pay quarterly cash dividends comparable to those paid historically, subject to certain regulatory restrictions described in "Note 17 Regulatory Matters," as well as in the section captioned "Supervision and Regulation – Dividend Restrictions" of "ITEM 1 BUSINESS" of this Form 10-K.

Issuer Purchases of Equity Securities

The following table details repurchases by Peoples and purchases by "affiliated purchasers" as defined in Rule 10b-18(a)(3) under the Exchange Act of Peoples' common shares during the three months ended December 31, 2024:

Period	(a) Total Number of Common Shares Purchased		(b) Average Price Paid per Common Share		(c) Total Number of Common Shares Purchased as Part of Publicly Announced Plans or Programs [1]	(d) Maximum Number (or Approximate Dollar Value) of Common Shares that May Yet Be Purchased Under the Plans or Programs [1]
October 1 – 31, 2024	1,448	[2][3]	$ 30.98	[2][3]	—	$ 16,616,711
November 1 – 30, 2024	77	[3]	$ 30.83	[3]	—	$ 16,616,711
December 1 – 31, 2024	1,213	[2][3]	$ 35.08	[2][3]	—	$ 16,616,711
Total	**2,738**		**$ 32.79**		**—**	**$ 16,616,711**

(1) On January 29, 2021, Peoples announced that on January 28, 2021, Peoples' Board of Directors approved a share repurchase program authorizing Peoples to purchase up to an aggregate of $30.0 million of its outstanding common shares, replacing the February 27, 2020 share repurchase program which terminated on January 28, 2021.

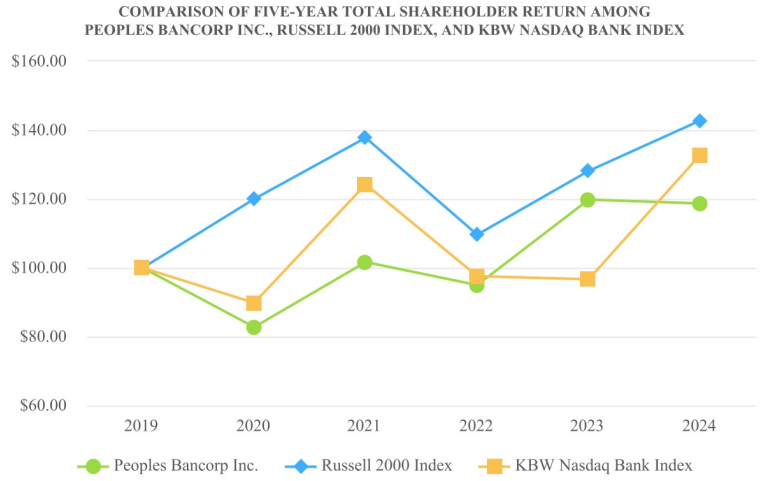
(2) Information includes 1,118 and 1,055 common shares purchased in open market transactions during October and December 2024, respectively, by Peoples Bank under the Rabbi Trust Agreement. The Rabbi Trust Agreement establishes a rabbi trust that holds assets to provide funds for the payment of the benefits under the Peoples Bancorp Inc. Third Amended and Restated Deferred Compensation Plan for Directors of Peoples Bancorp Inc. and Subsidiaries.

(3) Information reported includes an aggregate of 330, 77, and 158 common shares withheld to satisfy income taxes associated with restricted common shares which were granted under the Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan and vested during October, November, and December 2024, respectively.

Performance Graph

The following Performance Graph and related information shall not be deemed to be "soliciting material" or to be "filed" with the SEC, nor shall such information be deemed to be incorporated by reference into any future filing under the Securities Act or the Exchange Act, except to the extent that Peoples specifically incorporates the Performance Graph by reference into such filing.

The following line graph compares the five-year cumulative total shareholder return of Peoples' common shares, based on an initial investment of $100 on December 31, 2019, and assuming reinvestment of dividends, against two indices. The first is the Russell 2000 Index, which is a leading benchmark for small cap domestic stocks and is comprised of the stocks ranked 1,001 to 2,000 in order of descending market capitalization in the Russell 3000 Index. The second is the KBW Nasdaq Bank Index, which is designed to track the performance of the leading banks and thrifts that are publicly-traded in the U.S. The KBW Nasdaq Bank Index includes 24 banking stocks representing the large U.S. national money centers, regional banks and thrift institutions.



	At December 31,					
	2019	2020	2021	2022	2023	2024
Peoples Bancorp Inc.	$ 100.00	$ 82.73	$ 101.62	$ 94.87	$ 119.81	$ 118.64
Russell 2000 Index	$ 100.00	$ 119.93	$ 137.67	$ 109.50	$ 127.98	$ 142.73
KBW Nasdaq Bank Index	$ 100.00	$ 89.69	$ 124.08	$ 97.53	$ 96.66	$ 132.63

ITEM 6 [RESERVED]

ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

Certain statements made in this Form 10-K, which are not historical fact, are forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "estimate," "may," "feel," "expect," "believe," "plan," "will," "will likely," "would," "should," "could," "project," "goal," "target," "potential," "seek," "intend," "continue," "remain," and similar expressions are intended to identify these forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. Factors that might cause such a difference include, but are not limited to:

(1) the effects of interest rate policies, changes in the interest rate environment due to economic conditions and/or the fiscal and monetary policy measures undertaken by the U.S. government and the Federal Reserve Board, including changes in the Federal Funds Target Rate, in response to such economic conditions, which may adversely impact interest rates, the interest rate yield curve, interest margins, loan demand and interest rate sensitivity;

(2) the effects of inflationary pressures on borrowers' liquidity and ability to repay;

(3) the success, impact, and timing of the implementation of Peoples' business strategies and Peoples' ability to manage strategic initiatives, including the interest rate policies of the Federal Reserve Board, the completion and successful integration of acquisitions, and the expansion of commercial and consumer lending activities;

(4) competitive pressures among financial institutions, or from non-financial institutions, which may increase significantly, including product and pricing pressures, which can in turn impact Peoples' credit spreads, changes to third-party relationships and revenues, changes in the manner of providing services, customer acquisition and retention pressures, and Peoples' ability to attract, develop and retain qualified professionals;

(5) uncertainty regarding the nature, timing, cost, and effect of legislative or regulatory changes or actions, or deposit insurance premium levels, promulgated and to be promulgated by governmental and regulatory agencies, including the ODFI, the FDIC, the Federal Reserve Board, and the CFPB, which may subject Peoples, its subsidiaries, or one or more acquired companies to a variety of new and more stringent legal and regulatory requirements;

(6) the effects of easing restrictions on participants in the financial services industry;

(7) current and future local, regional, national and international economic conditions (including the impact of persistent inflation, supply chain issues or labor shortages, supply-demand imbalances affecting local real estate prices, high unemployment rates in the local or regional economies in which Peoples operates and/or the U.S. economy generally, an increasing federal government budget deficit, the failure of the federal government to raise the federal debt ceiling, potential or imposed tariffs, a U.S. withdrawal from or significant renegotiation of trade agreements, trade wars and other changes in trade regulations, and changes in the relationship of the U.S. and U.S. global trading partners), and changes in the federal, state, and local government policy and the impact these conditions may have on Peoples, Peoples' customers and Peoples' counterparties, and Peoples' assessment of the impact, which may be different than anticipated;

(8) Peoples may issue equity securities in connection with future acquisitions, which could cause ownership and economic dilution to Peoples' current shareholders;

(9) changes in prepayment speeds, loan originations, levels of nonperforming assets, delinquent loans, charge-offs, and customer and other counterparties' performance and creditworthiness generally, which may be less favorable than expected in light of recent inflationary pressures and continued elevated interest rates, and may adversely impact the amount of interest income generated;

(10) Peoples may have more credit risk and higher credit losses to the extent there are loan concentrations by location or industry of borrowers or collateral;

(11) future credit quality and performance, including expectations regarding future credit losses and the allowance for credit losses;

(12) changes in accounting standards, policies, estimates or procedures may adversely affect Peoples' reported financial condition or results of operations;

(13) the impact of assumptions, estimates and inputs used within models, which may vary materially from actual outcomes, including under the CECL model;

(14) adverse changes in the conditions and trends in the financial markets, including recent inflationary pressures, which may adversely affect the fair value of securities within Peoples' investment portfolio, the interest rate sensitivity of Peoples' consolidated balance sheet, and the income generated by Peoples' trust and investment activities;

(15) the volatility from quarter to quarter of mortgage banking income, whether due to interest rates, demand, the fair value of mortgage loans, or other factors;

(16) Peoples' ability to receive dividends from Peoples' subsidiaries;

(17) Peoples' ability to maintain required capital levels and adequate sources of funding and liquidity;

(18) the impact of larger or similar-sized financial institutions encountering problems, such as the failure in 2024 of Republic First Bank, and closures in 2023 of Silicon Valley Bank in California, Signature Bank in New York, First Republic Bank in California, and Heartland Tri-State Bank in Kansas, which may adversely affect the banking industry and/or Peoples' business generation and retention, funding and liquidity, including Peoples' continued ability to grow deposits or maintain adequate deposit levels, and may further result in potential increased regulatory requirements, increase reputational risk and potential impacts to macroeconomic conditions;

(19) Peoples' ability to secure confidential information and deliver products and services through the use of computer systems and telecommunications networks, including those of Peoples' third-party vendors and other service providers, which may prove inadequate, and could adversely affect customer confidence in Peoples and/or result in Peoples incurring a financial loss;

(20) any misappropriation of the confidential information which Peoples possesses could have an adverse impact on Peoples' business and could result in regulatory actions, litigation and other adverse effects;

(21) Peoples' ability to anticipate and respond to technological changes, and Peoples' reliance on, and the potential failure of, a number of third-party vendors to perform as expected, including Peoples' primary core banking system provider, which can impact Peoples' ability to respond to customer needs and meet competitive demands;

(22) operational issues stemming from and/or capital spending necessitated by the potential need to adapt to industry changes in information technology systems on which Peoples and Peoples' subsidiaries are highly dependent;

(23) changes in consumer spending, borrowing and saving habits, whether due to changes in retail distribution strategies, consumer preferences and behavior, changes in business and economic conditions, legislative or regulatory initiatives, or other factors, which may be different than anticipated;

(24) the adequacy of Peoples' internal controls and risk management program in the event of changes in strategic, reputational, market, economic, operational, cybersecurity, compliance, legal, asset/liability repricing, liquidity, credit and interest rate risks associated with Peoples' business;

(25) the impact on Peoples' businesses, personnel, facilities or systems of losses related to acts of fraud, theft, misappropriation or violence;

(26) the impact on Peoples' businesses, as well as on the risks described above, of various domestic or international widespread natural or other disasters including severe weather events, pandemics, cybersecurity attacks, system failures, civil unrest, military or terrorist activities or international conflicts (including Russia's war in Ukraine and the ongoing conflicts in the Middle East);

(27) the potential deterioration of the U.S. economy due to financial, political or other shocks;

(28) the potential influence on the U.S. financial markets and economy from the effects of climate change, including any enhanced regulatory, compliance, credit and reputational risks and costs;

(29) the impact on Peoples' businesses and operating results of any costs associated with obtaining rights in intellectual property claimed by others and adequately protecting Peoples' intellectual property;

(30) risks and uncertainties associated with Peoples' entry into new geographic markets and risks resulting from Peoples' inexperience in these new geographic markets;

(31) the risk that expected revenue synergies and cost savings from the Limestone Merger may not be fully realized or realized within the expected time frame;

(32) changes in laws or regulations imposed by Peoples' regulators impacting Peoples' capital actions, including dividend payments and share repurchases;

(33) the vulnerability of Peoples' network and online banking portals, and the systems of parties with whom Peoples contracts, to unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches;

(34) regulatory and legal matters, including the failure to resolve outstanding matters on a timely basis and the potential of new regulatory matters, litigation, or other legal actions, which may result in, among other things, additional costs, fines, penalties, restrictions on our business activities, reputational harm, or other adverse consequences;

(35) Peoples' business may be adversely affected by increased political and regulatory scrutiny of corporate ESG practices;

(36) the effect of a fall in stock market prices on the asset and wealth management business; and

(37) other risk factors relating to the banking industry or Peoples as detailed from time to time in Peoples' reports filed with the SEC, including those risk factors included in the disclosures under the heading "ITEM 1A RISK FACTORS" of this Form 10-K.

All forward-looking statements speak only as of the filing date of this Form 10-K and are expressly qualified in their entirety by the cautionary statements. Although management believes the expectations in these forward-looking statements are based on reasonable assumptions within the bounds of management's knowledge of Peoples' business and operations, it is possible that actual results may differ materially from these projections. Additionally, Peoples undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the filing date of this Form 10-K or to reflect the occurrence of unanticipated events except as may be required by applicable legal requirements. Copies of documents filed with the SEC are available free of charge at the SEC's website at www.sec.gov and/or through Peoples' website – www.peoplesbancorp.com under the "Investor Relations" section.

The following discussion and analysis of Peoples' Consolidated Financial Statements is presented to provide insight into management's assessment of the financial position and results of operations for the periods presented. This discussion and analysis should be read in conjunction with the audited Consolidated Financial Statements and Notes thereto, as well as the ratios and statistics, contained elsewhere in this Form 10-K.

Summary of Significant Transactions and Events

The following is a summary of transactions or events that have impacted or are expected by management to impact Peoples' results of operations or financial condition:

Mergers and Acquisitions

- During 2024, Peoples incurred $0.2 million of acquisition-related expenses, compared to $17.0 million for 2023 and $3.0 million for 2022. The acquisition-related expenses in 2024 and 2023 were related to the Limestone Merger. The acquisition-related expenses in 2022 were related to the Vantage acquisition (defined below), the merger with Premier Financial Bancorp, Inc ("Premier Merger"), and the Limestone Merger.
- On October 25, 2022, Peoples announced the Limestone Merger, a transaction valued at $177.9 million. The Limestone Merger closed as of the close of business on April 30, 2023. Peoples acquired Limestone's loan portfolio totaling $1.1 billion, $1.2 billion of deposits, $172.7 million of total investment securities, an aggregate of $99.5 million of short-term and long-term borrowings, and $93.5 million of total cash and cash equivalents. Peoples also recorded goodwill in the amount of $68.8 million and other intangible assets of $27.7 million, which consisted of core deposit intangibles.
- On April 1, 2022, Peoples Insurance acquired substantially all of the assets and rights of an insurance agency with five locations in eastern Kentucky and certain rights to related customer accounts, which were previously developed and maintained by Elite Agency, Inc. ("Elite"), pursuant to an Asset Purchase Agreement between Peoples Insurance and Elite. Total consideration for this transaction was $4.4 million. Peoples recognized intangibles of $2.1 million, primarily comprised of a customer relationship intangible.
- On March 7, 2022, Peoples Bank purchased 100% of the equity of Vantage, a nationwide provider of equipment financing headquartered in Excelsior, Minnesota (the "Vantage acquisition"). Peoples Bank acquired assets comprising Vantage's lease business, including $154.9 million in leases and certain third-party debt in the amount of $106.9 million. Peoples Bank paid cash consideration of $54.0 million and also repaid approximately $28.9 million in recourse debt on behalf of Vantage. Vantage offers mid-ticket equipment leases, primarily for business essential information technology equipment across a wide array of industries. Upon completion of the Vantage transaction, Vantage became a subsidiary of Peoples Bank. As a subsidiary, Vantage has continued to operate under the name Vantage Financial, which leverages Vantage's strong brand recognition within the equipment finance industry. Peoples recorded goodwill in the amount of $27.2 million and other intangible assets of $13.2 million, which included a customer relationship intangible, a trade-name intangible and non-compete agreements related to this transaction.

Other Significant Developments

- During 2024, Peoples recorded a provision for credit losses of $24.8 million, compared to a provision for credit losses of $15.2 million for 2023 and a recovery of credit losses of $3.5 million for 2022. The provision for credit losses during 2024 was driven by (i) higher net charge-offs, (ii) an increase in reserves for individually analyzed loans and leases, (iii) economic forecast deterioration and (iv) loan growth. The provision for credit losses during 2023 was primarily driven by (i) the

addition of the provision for the loans acquired in the Limestone Merger, (ii) loan growth and (iii) an increase in charge-offs, partially offset by a release of reserves on individually analyzed loans and the use of updated loss drivers.

- During the third quarter of 2023, Peoples terminated its pension plan by settling the remaining benefit obligation of $7.7 million. The pension plan had been closed to new entrants since January 1, 2010. Peoples recorded a settlement charge of $2.4 million in the third quarter of 2023 in relation to the termination of the pension plan. Peoples incurred $185,000 in pension settlement charges in 2022, compared to $143,000 in 2021, due to the aggregate amount of lump-sum distributions to participants in Peoples' defined benefit pension plan exceeding the threshold for recognizing settlement charges during the period.
- On January 28, 2021, Peoples' Board of Directors approved a share repurchase program authorizing Peoples to purchase up to an aggregate of $30.0 million of Peoples' outstanding common shares, replacing the February 27, 2020 share repurchase program which had authorized Peoples to purchase up to an aggregate of $40.0 million of Peoples' outstanding common shares. During 2024, Peoples repurchased 100,905 common shares totaling $3.0 million under the share repurchase program. During 2023, Peoples repurchased 107,219 common shares totaling $3.0 million under the share repurchase program. During 2022, Peoples repurchased 263,183 common shares totaling $7.4 million under the share repurchase program.
- On April 3, 2019, Peoples entered into the U.S. Bank Loan Agreement. A Sixth Amendment to the U.S. Bank Loan Agreement, entered into on March 31, 2024, extended the maturity from April 1, 2024 to March 31, 2025. The U.S. Bank Loan Agreement provides Peoples with a revolving line of credit in the maximum aggregate principal amount of $30.0 million that may be used: (i) for working capital purposes; (ii) to finance dividends or other distributions (other than stock dividends and stock splits) on or in respect of Peoples' capital stock and redemptions, repurchases or other acquisitions of any of Peoples' capital stock permitted under the U.S. Bank Loan Agreement; and (iii) to finance acquisitions permitted under the U.S. Bank Loan Agreement.
- To combat the effects of ongoing inflationary pressures, the Federal Reserve Board increased the Federal Funds Target Rate range to 0.25% to 0.50% beginning on March 16, 2022, and continued to raise rates up to 5.50% on July 27, 2023. The Federal Reserve Board had kept rates unchanged since July 2023, before beginning to cut rates in September 2024.

The impact of these transactions, where material, is discussed in the applicable sections of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

Critical Accounting Policies

The accounting and reporting policies of Peoples conform to US GAAP and to general practices within the financial services industry. A summary of significant accounting policies is contained in "Note 1 Summary of Significant Accounting Policies." While all of these policies are important to understanding the Consolidated Financial Statements, certain accounting policies require management to exercise judgment and make estimates or assumptions that affect the amounts reported in the Consolidated Financial Statements and accompanying Notes. These estimates and assumptions are based on information available as of the date of the Consolidated Financial Statements; accordingly, as this information changes, the Consolidated Financial Statements could reflect different estimates or assumptions.

Management has identified four accounting policies as those that, due to the judgments, estimates and assumptions inherent in the policies, are critical to an understanding of Peoples' Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations. The four accounting policies identified were the allowance for credit losses, business combinations, goodwill and fair value measurements. These four accounting policies are described in further detail below.

Allowance for Credit Losses

The allowance for credit losses represents Peoples' estimate of expected credit losses over the expected contractual life of the existing loan portfolio. The allowance for credit losses is estimated by management using relevant available information, from both internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The allowance for credit losses is measured on a pool basis, with loans collectively evaluated when similar risk characteristics exist. Peoples evaluated risk characteristics, including but not limited to: internal or third-party credit scores or credit ratings, risk ratings or classifications, financial asset type, collateral type, loan size, effective interest rate, term, geographical location, industry of the borrower, vintage, historical or credit loss patterns, and reasonable and supportable forecast periods. Peoples identified 20 segments for which it believes there are similar risk characteristics and utilized a discounted cash flow methodology in determining an allowance for credit losses for each segment.

In estimating credit losses, Peoples uses a loss driver method, which analyzes one or more economic variables to the change in default rate using a regression analysis. Variables that had a strong correlation were selected as economic factors, or variables, for the model. If a single variable was not found to be strongly correlated, additional variables were included. Peoples utilizes U.S. unemployment and Ohio unemployment as economic factors in modeling.

In general, Peoples completes a quarterly evaluation based on several qualitative factors to determine if there should be adjustments made to the allowance for credit losses. These factors include economic conditions, collateral, concentrations, troubled assets, Peoples' loss trends, peer loss trends, delinquency trends, portfolio composition and loan growth, underwriting, and certain other risks.

Loans that do not share similar risk characteristics are evaluated on an individual basis. The allowance for credit losses related to these specific loans was based on management's estimate of potential losses as determined by (1) the present value of expected future cash flows, (2) the fair value of collateral if the loan is determined to be collateral dependent, or (3) the loan's observable market price.

Peoples also completes a quarterly evaluation for unfunded commitments for loans that are not unconditionally cancellable, which includes construction loans, floor plan lines of credit, home equity lines of credit, other credit lines and letters of credit. Peoples performed a study to determine the historical funding rates of unadvanced portions of loans, and applied these funding rates to the unfunded commitments at period end. The loss rates, including qualitative factors, in determining the allowance for credit losses were applied at the segment level to the unfunded commitment amounts to determine the allowance for credit loss liability for unfunded commitments.

There can be no assurance that the allowance for credit losses will be adequate to cover all losses, but management believes the allowance for credit losses at December 31, 2024 was adequate to provide for expected losses from existing loans based on information available at that time. While management uses available information to estimate losses, the ultimate collectability of a substantial portion of the loan portfolio, and the need for future additions to the allowance, will be based on changes in economic conditions and other relevant factors. As such, adverse changes in economic conditions could reduce currently estimated cash flows for both commercial and consumer borrowers, which would likely cause Peoples to experience increases in problem assets, delinquencies and losses on loans in the future.

To demonstrate the sensitivity to key economic parameters used in the measurement of the allowance for credit losses at December 31, 2024, management calculated the difference between the modeled allowance for credit losses at December 31, 2024, compared to one based on an adverse scenario. The adverse scenario reflected increases of 100 basis points in both U.S. and Ohio unemployment. Excluding consideration of general reserve adjustments, this sensitivity analysis would result in a hypothetical increase in the allowance for credit losses of approximately $6.9 million at December 31, 2024.

Business Combinations

Peoples utilizes the acquisition method of accounting for business combinations. As of the acquisition date, Peoples records the acquired company's net assets at fair value. The determination of fair value as of the acquisition date requires management to consider various factors that involve judgment and estimation, including the application of discount rates, prepayment rates, attrition rates, future estimates of interest rates, as well as many other assumptions. These assumptions can have a material impact on the estimated fair value, and as a result, the goodwill recorded in a business combination. ASC 805 allows for a measurement period of 12 months beyond the acquisition date to finalize the fair value measurement of the acquired company's net assets as additional information existing as of the acquisition date becomes available. Measurement period adjustments are recorded through goodwill.

Based on recent acquisitions, loans and leases acquired through business combinations have comprised the majority of purchase accounting adjustments in arriving at the fair values of acquired assets and liabilities, with the most significant adjustments relating to the creditworthiness of the acquired portfolios. The assumptions and inputs impacting the allowance for credit losses are discussed in the above paragraphs of this section of Management's Discussion and Analysis. Those same judgments drive the measurement of the credit adjustments of acquired loan and lease portfolios when arriving at fair value. For further information regarding business combination accounting, please refer to "Note 20 Acquisitions."

Goodwill

Peoples records goodwill as a result of acquisitions accounted for under the acquisition method of accounting. Under the acquisition method, Peoples is required to allocate the consideration paid for an acquired company to the assets acquired, including identified intangible assets, and liabilities assumed based on their estimated fair values at the date of acquisition. Goodwill represents the excess cost over the fair value of net assets acquired and is not amortized but is tested for impairment when indicators of impairment exist, and, in any case, at least annually. For further information regarding the fair values of assets and liabilities recently acquired in business combinations, please refer to "Note 20 Acquisitions."

The value of recorded goodwill is supported by revenue that is driven by the volume of business transacted and Peoples' ability to provide quality, cost-effective services in a competitive market place. A decline in earnings as a result of a lack of growth or the inability to deliver cost-effective services over sustained periods can lead to impairment of goodwill that could adversely impact earnings in future periods. Goodwill impairment exists when the carrying value of the reporting unit (as defined by US GAAP) exceeds its fair value and an impairment loss is recognized in earnings in an amount equal to that excess, limited to the total amount of goodwill allocated to the reporting unit.

The process of evaluating goodwill for impairment involves highly subjective and complex judgments, estimates and assumptions regarding the fair value of Peoples' reporting unit and, in some cases, goodwill itself. As a result, changes to these judgments, estimates and assumptions in future periods could result in materially different results.

Peoples currently maintains a single reporting unit for goodwill impairment testing. While quoted market prices exist for Peoples' common shares since they are publicly traded, these market prices do not necessarily reflect the value associated with gaining control of an entity. Thus, management takes into account all appropriate fair value measurements in determining the estimated fair value of the reporting unit.

Peoples performs its required annual impairment test as of October 1st each year. Peoples first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of the reporting unit is less than its carrying amount, including goodwill. In this evaluation, Peoples assesses relevant events and circumstances, which may include macroeconomic conditions, industry and market conditions, cost factors, overall financial performance, events specific to Peoples, significant changes in the reporting unit, or a sustained decrease in stock price. If Peoples determines that it is more-likely-than-not that the fair value of the reporting unit is greater than its carrying amount, then performing the quantitative impairment test is unnecessary.

None of the indicators noted above triggered the quantitative test, but management felt it was prudent to perform a quantitative test given the time since Peoples' prior quantitative test. At October 1, 2024, management completed a quantitative assessment of goodwill. This test resulted in management concluding that the fair value of the reporting unit exceeded its carrying value.

Peoples is required to perform interim tests for goodwill impairment in subsequent quarters if events occur or circumstances change that indicate potential goodwill impairment exists, such as adverse changes to Peoples' business or a significant decline in Peoples' market capitalization. For further information regarding goodwill, refer to "Note 7 Goodwill and Other Intangible Assets."

Fair Value Measurements

As a financial services company, the carrying value of certain financial assets and liabilities is impacted by the application of fair value measurements, either directly or indirectly. In certain cases, an asset or liability is measured and reported at fair value on a recurring basis, such as available-for-sale investment securities. In other cases, management must

rely on estimates or judgments to determine if an asset or liability not measured at fair value warrants an impairment write-down or whether a valuation reserve should be established. Given the inherent volatility, the use of fair value measurements may have a significant impact on the carrying value of assets or liabilities, or result in material changes to the Consolidated Financial Statements, from period to period.

Detailed information regarding fair value measurements can be found in "Note 2 Fair Value of Financial Instruments."

New Accounting Guidance Pending Adoption

ASU 2023-09 - Income Taxes (Topic 740): Improvements to Income Tax Disclosures: The FASB issued ASU 2023-09 on December 14, 2023. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. ASU 2023-09 applies to all entities subject to income taxes. For public business entities, the new requirements were effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively with early adoption is permitted. Peoples does not expect the update will have a material impact on its consolidated financial statements.

EXECUTIVE SUMMARY

Net income for the year ended December 31, 2024 was $117.2 million, compared to $113.4 million for 2023 and $101.3 million for 2022, representing earnings per diluted common share of $3.31, $3.44 and $3.60, respectively. The increases in 2024 earnings when compared to 2023 and 2022 were driven by increases in net interest income, partially offset by increases in non-interest expenses. Non-core items, and the related tax effect of each, negatively impacted earnings per diluted common share by $0.07 for 2024 compared to $0.59 for 2023 and $0.11 for 2022.

Net interest income increased 3% to $348.7 million for 2024, compared to $339.4 million for 2023, and $253.4 million for 2022. Net interest margin was 4.21% in 2024, compared to 4.55% in 2023 and 3.96% in 2022. The increases in net interest income when compared to 2023 were driven by increases in market interest rates and the full year impact of net interest income from the Limestone Merger. Net interest margin for 2024 decreased 34 basis points when compared to 2023, which was primarily driven by higher borrowings costs, which offset higher earning asset yields. Net interest margin increased during 2023 when compared to 2022 largely due to increases in market interest rates, additional net interest income stemming from the Limestone Merger, and improvements in investment yields. Accretion income, net of amortization expense, from acquisitions totaled $25.2 million for 2024, $25.2 million for 2023, and $11.6 million for 2022, adding 30 basis points, 34 basis points, and 19 basis points, respectively, to the net interest margin.

The provision for credit losses for 2024 was $24.8 million, compared to a provision of credit losses of $15.2 million for 2023 and a recovery of credit losses of $3.5 million for 2022. Net charge-offs for 2024 were $23.2 million, compared to $8.5 million for 2023 and $7.3 million for 2022. Net charge-offs as a percent of average total loans were 0.37% for 2024, 0.15% for 2023 and 0.16% for 2022. The provision for credit losses during 2024 was mainly a result of (i) higher net charge-offs, (ii) an increase in reserves for individually analyzed loans and leases, (iii) economic forecast deterioration and (iv) loan growth. The provision for credit losses during 2023 compared to the provision for credit losses during 2022 was primarily driven by the addition of the provision for loans acquired in the Limestone Merger. The increase in net-charge-offs as a percent of average total loans was driven by charge-offs on small-ticket leases primarily occurring in the second half of 2024.

Total non-interest income, excluding gains and losses, for 2024 increased $9.1 million, or 10%, when compared to 2023. The increase was driven by (i) a $2.6 million increase in lease income, primarily attributable to operating lease income, (ii) a $2.4 million increase in trust and investment income driven by an increase in assets under administration and management, (iii) a $1.4 million increase in insurance income driven by higher contingency income and market increases for premiums, (iv) a $0.9 million increase in deposit account service charge income, and (vi) a $0.7 million increase in mortgage banking income. Total non-interest income for 2023 increased $8.6 million, or 11% when compared to 2022. The increase was driven by growth of $4.1 million in electronic banking income, $2.3 million in insurance income, and $2.1 million in deposit account services charges.

Total non-interest expense for 2024 and 2023, was impacted by the Limestone Merger and acquisition-related non-interest expenses, which added $0.2 million and $17.0 million, respectively, across various line-items within non-interest expense. The table below summarizes the amount of acquisition-related expenses for each line item that is a component of non-interest expense. Acquisition-related expenses are considered a non-core non-interest expense by Peoples. This information is used by Peoples to provide information useful to investors in understanding Peoples' operating performance and trends.

(Dollars in thousands)	2024	2023	2022
Non-interest expense:			
Salaries and employee benefit costs	**$ 150,041**	$ 144,031	112,690
Data processing and software expense	**25,221**	21,607	14,241
Net occupancy and equipment expense	**24,151**	21,368	19,516
Professional fees	**12,109**	17,041	12,094
Amortization of other intangible assets	**11,161**	11,222	7,763
Electronic banking expense	**7,548**	7,150	9,231
Marketing expense	**3,914**	5,017	3,728
FDIC insurance premiums	**4,929**	4,785	3,702
Franchise tax expense	**3,222**	3,540	3,487
Other loan expenses	**4,147**	2,859	2,735
Communication expense	**3,145**	2,834	2,484
Operating lease expense	**3,539**	1,687	—
Travel and entertainment expense	**2,656**	2,401	1,400
Other non-interest expense	**18,033**	20,945	14,076
Total non-interest expense	**273,816**	266,487	207,147
Acquisition-related non-interest expense:			
Salaries and employee benefit costs	**16**	5,827	29
Data processing and software expense	**(252)**	1,850	410
Net occupancy and equipment expense	**36**	109	50
Professional fees	**38**	6,062	2,407
Electronic banking expense	**(100)**	115	(92)
Marketing expense	**11**	81	51
Other loan expenses	**—**	2	(4)
Communication expense	**—**	1	2
Travel and entertainment expense	**84**	326	—
Other non-interest expense	**336**	2,597	163
Total acquisition-related non-interest expense	**169**	16,970	3,016
Non-interest expense excluding acquisition-related expense:			
Salaries and employee benefit costs	**150,025**	138,204	112,661
Data processing and software expense	**25,473**	19,757	13,831
Net occupancy and equipment expense	**24,115**	21,259	19,466
Professional fees	**12,071**	10,979	9,687
Amortization of other intangible assets	**11,161**	11,222	7,763
Electronic banking expense	**7,648**	7,035	9,323
Marketing expense	**3,903**	4,936	3,677
FDIC insurance premiums	**4,929**	4,785	3,702
Franchise tax expense	**3,222**	3,540	3,487
Other loan expenses	**4,147**	2,857	2,739
Communication expense	**3,145**	2,833	2,482
Operating lease expense	**3,539**	1,687	—
Travel and entertainment expense	**2,572**	2,075	1,400
Other non-interest expense	**17,697**	18,348	13,913
Total non-interest expense excluding acquisition-related expense	**$ 273,647**	$ 249,517	$ 204,131

Total non-interest expense was $273.8 million for 2024, an increase of $7.3 million, or 3%, compared to 2023. Excluding acquisition-related expenses, non-interest expenses increased $24.1 million, or 10%, due to increases in all non-interest expense line items except for marketing expense, franchise tax expense and amortization of other intangible assets, which decreased $1.0 million, $0.3 million, and $0.1 million, respectively, when compared to 2023. The increases were primarily driven by recent growth, including

through acquisitions. Total non-interest expense was $266.5 million for 2023, an increase of $59.3 million compared to 2022. The growth was driven by increases of (i) $31.3 million in salaries and employee benefit costs, (ii) $7.4 million in data processing and software expenses, (iii) $4.9 million in professional fees, and (iv) $3.5 million in intangible asset amortization. These increases were primarily attributable to the Limestone Merger, as well as organic growth.

Peoples' efficiency ratio, which is calculated as total non-interest expense less amortization of other intangible assets divided by fully tax-equivalent ("FTE") net interest income, plus total non-interest income, excluding all gains and losses, was 58.0% for 2024, compared to 58.7% for 2023 and 59.6% for 2022. The efficiency ratio improved when compared to prior periods due to increased revenue. The efficiency ratio, when adjusted for non-core items, was 57.9% for 2024, 54.4% for 2023 and 58.6% for 2022. The increase in the efficiency ratio, adjusted for non-core items, for 2024 compared to 2023 was driven by higher non-interest expense. The efficiency ratio and the efficiency ratio, adjusted for non-core items for 2023 improved when compared to 2022, due to higher net interest income driven by the Limestone Merger, increases in market interest rates, and higher non-interest income.

Income tax expense totaled $32.3 million for 2024, compared to $31.8 million for 2023 and $27.3 million for 2022. The effective tax rate for 2024 was 21.6%, 21.9% for 2023 and 21.3% for 2022. The increased expense for 2024 compared to 2023 and 2022 was driven by higher pre-tax income. Peoples' effective tax rate has increased primarily due to apportionment in additional states due to recent acquisitions, but was lower in 2024 due to a one-time benefit relating to a prior year amended return.

Total assets increased 1% to $9.25 billion at December 31, 2024, compared to $9.16 billion at year-end 2023. The increase was primarily due to increases of $198.8 million in loans and leases and $123.1 million in investment securities, partially offset by a decrease of $209.1 million in cash and cash equivalents. The increase in loans and leases compared to December 31, 2023 was driven by growth of $162.7 million and $66.3 million in the commercial and industrial and premium finance segments, respectively, which was partially offset by a reduction of $40.9 million in commercial real estate. The decrease in cash and cash equivalents is primarily related to investing activity and the purchase of both available-for-sale and held-to-maturity securities, partially offset by cash provided by operating activities. The increase in investment securities from at December 31, 2023 was driven by purchases of longer duration, higher yielding held-to-maturity investment securities. Management underwent investment portfolio restructurings during 2023 to increase portfolio yield and reduce Peoples' sensitivity to falling intermediate and long-term interest rates. The allowance for credit losses increased to $63.3 million, or 1.00% of total loans, net of deferred fees and costs, compared to $62.0 million and 1.01%, respectively, at December 31, 2023. The increase in the allowance balance at December 31, 2024 when compared to at December 31, 2023 was driven by an increase in reserves for individually analyzed loans and leases, as well as loan growth. The decrease in the ratio of the allowance for credit losses to total loans was due to loan growth.

Total liabilities were $8.14 billion at December 31, 2024, an increase of $38.8 million since December 31, 2023, primarily due to an increase of $487.3 million in total deposits which was driven primarily by promotional offerings on retail CDs, partially offset by a decrease in $435.2 million in total borrowings due to the payoff of the BTFP and lower FHLB overnight borrowings. Total demand deposit accounts comprised 34% and 38% of total deposits at December 31, 2024, and at December 31, 2023, respectively.

Total stockholders' equity was $1.11 billion at December 31, 2024, an increase of $58.1 million, or 6%, from December 31, 2023 due to net income of $117.2 million for the full year of 2024, partially offset by an increase in other comprehensive loss of $8.8 million and dividends paid of $56.3 million. The increase in other comprehensive loss was the result of changes in the market value of available-for-sale investment securities, which were primarily driven by changes in market interest rates.

Peoples continued to exceed the capital required by the Federal Reserve Board to be deemed "well capitalized." Peoples' tier 1 capital ratio was 12.39% at December 31, 2024, versus 12.37% at December 31, 2023, while the total capital ratio was 13.58% at December 31, 2024, versus 13.17% at December 31, 2023. The common equity tier 1 risk-based capital ratio was 11.95% at December 31, 2024 compared to 11.56% at December 31, 2023. Compared to at December 31, 2023, the tier 1 risk-based capital and the total risk-based capital ratios improved due to higher net income, partially offset by dividends paid. Peoples' book value and tangible book value per share were $31.26 and $19.94, respectively, at December 31, 2024, compared to $29.83 and $18.16, respectively, at December 31, 2023. Additional information regarding capital requirements can be found in "Note 17 Regulatory Matters."

RESULTS OF OPERATIONS

Net Interest Income

Peoples earns interest income on investments, loans and leases, and incurs interest expense on interest-bearing deposits and borrowed funds. Net interest income, the amount by which interest income exceeds interest expense, remains Peoples' largest source of revenue and was 77% of total revenue during 2024. The amount of net interest income earned by Peoples is affected by various factors, including changes in market interest rates due primarily to the Federal Reserve Board's monetary policy, the level and degree of pricing competition for both loans and deposits in Peoples' markets, and the amount and composition of Peoples' earning assets and interest-bearing liabilities.

Peoples monitors net interest income performance and manages its balance sheet composition through regular ALCO meetings. The asset-liability management process employed by the ALCO is intended to mitigate the impact of future interest rate changes on Peoples' net interest income and earnings. However, the frequency and/or magnitude of changes in market interest rates are difficult to predict, and may have a greater impact on net interest income than management is able to mitigate through the asset-liability management process.

As part of the analysis of net interest income, management converts tax-exempt income earned on obligations of states and political subdivisions to the pre-tax equivalent of taxable income using a federal statutory corporate income tax rate of 21% for all periods presented. Management believes the resulting FTE net interest income allows for a more meaningful comparison of tax-exempt income and yields to their taxable equivalents. Net interest margin, which is calculated by dividing FTE net interest income by average interest-earning assets, serves as an important measurement of the net revenue stream generated by the volume, mix and pricing of earning assets and interest-bearing liabilities.

The following table details the calculation of FTE net interest income for the years ended December 31:

(Dollars in thousands)	**2024**	**2023**	**2022**
Net interest income	$ 348,701	$ 339,374	$ 253,442
Taxable equivalent adjustments	1,308	1,503	1,459
FTE net interest income	**$ 350,009**	**$ 340,877**	**$ 254,901**

The following table details Peoples' average balance sheets, with corresponding income/expense and yield/cost, for the years ended December 31:

	2024			2023			2022		
(Dollars in thousands)	Average Balance	Income/ Expense	Yield/Cost	Average Balance	Income/Expense	Yield/Cost	Average Balance	Income/ Expense	Yield/Cos
Short-term investments (a)	$ 125,112	$ 6,810	5.44 %	$ 57,464	$ 2,763	4.81 %	$ 178,781	$ 1,710	0.96
Investment securities (b) (c):									
Taxable	1,696,965	59,113	3.48 %	1,621,852	49,463	3.05 %	1,481,368	29,086	1.96
Nontaxable	180,913	5,016	2.77 %	190,479	5,475	2.87 %	199,279	5,287	2.65
Total investment securities	1,877,878	64,129	3.42 %	1,812,331	54,938	3.03 %	1,680,647	34,373	2.05
Loans (c)(d):									
Construction	330,989	25,791	7.66 %	347,317	27,833	7.90 %	223,197	10,732	4.74
Commercial real estate, other	2,058,450	146,077	6.98 %	1,757,676	120,479	6.76 %	1,327,064	65,405	4.86
Commercial and industrial	1,237,068	95,609	7.60 %	1,052,647	79,449	7.44 %	875,754	41,335	4.66
Premium finance	259,374	22,134	8.39 %	168,077	12,155	7.13 %	150,135	6,789	4.46
Leases	416,728	47,498	11.21 %	371,809	42,931	11.39 %	271,349	34,720	12.62
Residential real estate (e)	921,725	47,017	5.10 %	913,069	43,647	4.78 %	881,136	37,851	4.30
Home equity lines of credit	227,046	18,414	8.11 %	194,415	14,722	7.57 %	170,567	8,300	4.87
Consumer, indirect	666,083	39,912	5.99 %	656,736	33,263	5.06 %	563,887	23,029	4.08
Consumer, direct	120,607	8,694	7.21 %	128,707	8,726	6.78 %	111,148	6,769	6.09
Total loans	6,238,070	451,146	7.14 %	5,590,453	383,205	6.79 %	4,574,237	234,930	5.09
Allowance for credit losses	(64,491)			(57,391)			(55,233)		
Net loans	6,173,579	451,146	7.22 %	5,533,062	383,205	6.86 %	4,519,004	234,930	5.15
Total earning assets	8,176,569	522,085	6.32 %	7,402,857	440,906	5.90 %	6,378,432	271,013	4.21
Goodwill and other intangible assets	406,619			384,172			322,639		
Other assets	539,655			511,748			393,636		
Total assets	**$ 9,122,843**			**$ 8,298,777**			**$ 7,094,707**		
Interest-bearing deposits:									
Savings accounts	$ 882,748	$ 885	0.10 %	$ 1,034,713	$ 1,394	0.13 %	$ 1,069,097	$ 356	0.03
Government deposit accounts	799,195	21,872	2.74 %	709,887	12,252	1.73 %	701,587	2,172	0.31
Interest-bearing demand accounts	1,089,688	2,118	0.19 %	1,156,953	1,605	0.14 %	1,165,106	583	0.05
Money market accounts	845,547	21,434	2.53 %	684,015	9,986	1.46 %	632,364	1,015	0.16
Retail certificates of deposit	1,774,419	74,509	4.20 %	948,310	25,198	2.66 %	580,660	2,978	0.51
Brokered deposits (f)	492,390	21,295	4.32 %	483,483	21,712	4.49 %	88,234	2,067	2.34
Total interest-bearing deposits	5,883,987	142,113	2.42 %	5,017,361	72,147	1.44 %	4,237,048	9,171	0.22
Borrowed funds:									
Short-term FHLB advances (f)	121,739	6,675	5.48 %	353,532	18,058	5.11 %	83,356	2,386	2.86
Repurchase agreements and other	179,567	8,870	5.36 %	107,935	1,664	1.54 %	113,434	275	0.24
Total short-term borrowings	301,306	15,545	5.16 %	461,467	19,722	4.27 %	196,790	2,661	1.35
Long-term FHLB advances	130,674	5,213	3.99 %	54,457	1,779	3.27 %	53,102	984	1.85
Long-term notes payable	49,456	3,446	6.97 %	45,038	2,560	5.43 %	56,865	2,562	4.51
Other borrowings	54,342	5,759	10.42 %	44,121	3,821	8.97 %	13,718	734	5.27
Total long-term borrowings	234,472	14,418	6.11 %	143,616	8,160	5.68 %	123,685	4,280	3.46
Total borrowed funds	535,778	29,963	5.57 %	605,083	27,882	4.59 %	320,475	6,941	2.15
Total interest-bearing liabilities	6,419,765	172,076	2.68 %	5,622,444	100,029	1.78 %	4,557,523	16,112	0.35
Non-interest-bearing deposits	1,491,019			1,598,009			1,637,690		
Other liabilities	128,267			137,527			101,510		
Total liabilities	8,039,051			7,357,980			6,296,723		
Stockholders' equity	1,083,792			940,797			797,984		
Total liabilities and stockholders' equity	**$ 9,122,843**			**$ 8,298,777**			**$ 7,094,707**		
Interest rate spread (b)		**$ 350,009**	3.64 %		**$ 340,877**	4.12 %		**$ 254,901**	3.86
Net interest margin (b)			**4.21 %**			**4.55 %**			**3.96**

(a) Balances are primarily composed of interest bearing demand deposits at the FRB and FHLB.
(b) Average balances are based on carrying value.
(c) Interest income and yields are presented on a fully tax-equivalent basis, using a federal statutory corporate income tax rate of 21% for all periods presented.

(d) Average balances include nonaccrual, impaired loans, and loans held for sale. Interest income includes interest earned and received on nonaccrual loans prior to the loans being placed on nonaccrual status. Loan fees included in interest income were immaterial for all periods presented.
(e) Loans held for sale are included in the average loan balances listed. Related interest income on loans originated for sale prior to the loan being sold is included in loan interest income.
(f) Interest related to interest rate swap transactions is included, as appropriate to the transaction, in interest expense on short-term FHLB advances and interest expense on brokered deposits for the periods presented in which FHLB advances and brokered deposits were being utilized.

Peoples' average balances compared to prior periods have been impacted by recent acquisitions, which included: (i) the Limestone Merger as of the close of business on April 30, 2023, which added to average short-term investments, average total investment securities, and average loans, deposit and borrowed funds balances and (ii) the acquisition of Vantage on March 7, 2022, which added to average lease and borrowed funds balances. Peoples' cash balances have decreased primarily due to a decrease in interest-bearing deposits in other banks, mostly with the FRB. The increases in market interest rates have increased asset yields and increased borrowing costs.

The following table provides an analysis of the changes in FTE net interest income:

(Dollars in thousands)	Changes from 2023 to 2024			Changes from 2022 to 2023		
Increase (decrease) in:	**Rate**	**Volume**	**Total [a]**	**Rate**	**Volume**	**Total [a]**
INTEREST INCOME:						
Short-term investments	$ 328	$ 3,718	$ 4,046	$ 2,900	$ (1,847)	$ 1,053
Investment securities (b):						
Taxable	7,280	2,371	9,651	17,396	2,981	20,377
Nontaxable	(190)	(269)	(459)	430	(242)	188
Total investment income	7,090	2,102	9,192	17,826	2,739	20,565
Loans (b):						
Construction	(800)	(1,242)	(2,042)	9,323	7,778	17,101
Commercial real estate, other	4,083	21,515	25,598	30,089	24,985	55,074
Commercial and industrial	1,744	14,416	16,160	28,493	9,621	38,114
Premium finance	2,450	7,529	9,979	4,474	892	5,366
Leases	(646)	5,213	4,567	(3,577)	11,788	8,211
Residential real estate	2,953	417	3,370	4,387	1,409	5,796
Home equity lines of credit	1,098	2,594	3,692	5,132	1,290	6,422
Consumer, indirect	6,170	479	6,649	6,071	4,163	10,234
Consumer, direct	534	(567)	(33)	818	1,139	1,957
Total loan income	17,586	50,354	67,940	85,210	63,065	148,275
Total interest income	**25,004**	**56,174**	**81,178**	**105,936**	**63,957**	**169,893**
INTEREST EXPENSE:						
Deposits:						
Savings accounts	584	(75)	509	1,049	(11)	1,038
Government deposit accounts	(10,457)	836	(9,621)	10,054	26	10,080
Interest-bearing demand accounts	(448)	(65)	(513)	1,026	(4)	1,022
Money market accounts	(12,239)	791	(11,448)	8,881	90	8,971
Retail certificates of deposit	(37,267)	(12,044)	(49,311)	19,297	2,923	22,220
Brokered deposit	122	82	204	3,338	16,307	19,645
Total deposit cost	(59,705)	(10,475)	(70,180)	43,645	19,331	62,976
Borrowed funds:						
Short-term borrowings	1,209	3,181	4,390	4,455	12,606	17,061
Long-term borrowings	(3,590)	(2,666)	(6,256)	2,806	1,074	3,880
Total borrowed funds cost	(2,381)	515	(1,866)	7,261	13,680	20,941
Total interest expense	**(62,086)**	**(9,960)**	**(72,046)**	**50,906**	**33,011**	**83,917**
Net interest income	**$ (37,082)**	**$ 46,214**	**$ 9,132**	**$ 55,030**	**$ 30,946**	**$ 85,976**

(a) The change in interest due to both rate and volume has been allocated to rate and volume changes in proportion to the relationship of the dollar amounts of the changes in each.
(b) Interest income and yields are presented on a fully tax-equivalent basis, using a federal statutory corporate income tax rate of 21% for all periods presented.

FTE net interest income increased $9.1 million, or 3%, for 2024 when compared to 2023, and net interest margin decreased 34 basis points to 4.21%. The increase in net interest income was driven by increases in market interest rates and an additional four months of income from the Limestone Merger. The decrease in net interest margin for 2024 compared to 2023 was primarily driven by higher borrowings costs, which offset higher earning asset yields. Accretion income, net of amortization expense, from acquisitions was $25.2 million for 2024 and 2023, which added 30 and 34 basis points to net interest margin for 2024 and 2023, respectively.

During 2023, FTE net interest income increased $85.9 million, or 34%, when compared to 2022, and net interest margin increased 59 basis points to 4.55%. The increase in net interest income was driven by increase in market interest rates, additional net interest income from the Limestone Merger, and improved investment yields. Accretion income, net of amortization expense, from acquisitions was $25.2 million for 2023, which added 34 basis points to net interest margin for 2023 and was primarily driven by the Limestone Merger.

Detailed information regarding changes in the Consolidated Balance Sheets can be found under appropriate captions of the "FINANCIAL CONDITION" section of this discussion. Additional information regarding Peoples' interest rate risk and the potential impact of interest rate changes on Peoples' results of operations and financial condition can be found later in this discussion under the caption "Interest Rate Sensitivity and Liquidity."

Provision for Credit Losses

The following table details Peoples' provision for credit losses recognized for the years ended December 31:

(Dollars in thousands)	2024		2023		2022	
Provision for (Recovery of) other credit losses	$ 23,524		$ 14,236		$ (4,560)	
Provision for checking account overdrafts	1,263		938		1,050	
Provision for (Recovery of) credit losses	**$ 24,787**		**$ 15,174**		**$ (3,510)**	
As a percent of average total loans	0.40	%	0.27	%	(0.08)	%

The provision for credit losses represents the amount needed to maintain the appropriate level of the allowance for credit losses based on management's formal quarterly analysis of the loan portfolio and procedural methodology that estimates the amount of probable credit losses. The CECL methodology utilized by Peoples relies on economic forecasts, as well as other key assumptions including prepayments, probability of default and loss given default.

For 2024, the increase in the provision for credit losses compared to 2023 was mainly a result of (i) higher net charge-offs, (ii) an increase in reserves for individually analyzed loans and leases, (iii) economic forecast deterioration and (iv) loan growth.

During 2023, the provision for credit losses was driven by (i) the addition of the provision for the loans acquired in the Limestone Merger, (ii) loan growth and (iii) an increase in charge-offs, partially offset by a release of reserves on individually analyzed loans and the use of updated loss drivers.

During 2022, the recovery of credit losses was driven by improvements in economic forecasts, coupled with loan pay-offs.

Additional information regarding changes in the allowance for credit losses and loan credit quality can be found later in this discussion under the caption "Allowance for Credit Losses."

Net Losses Included in Total Non-Interest Income

Net losses include and losses on investment securities, asset disposals and other transactions, which are recognized in total non-interest income.

The following table details the net losses for the years ended December 31 recognized by Peoples:

(Dollars in thousands)	2024	2023	2022
Net loss on investment securities	$ (416)	$ (3,700)	$ (61)
Net loss on asset disposals and other transactions:			
Net loss on other assets	$ (1,928)	$ (1,143)	$ (326)
Net loss on OREO	(1,230)	(1,623)	(139)
Net loss on other transactions	(152)	(71)	(151)
Net loss on asset disposals and other transactions	**$ (3,310)**	**$ (2,837)**	**$ (616)**

For 2024, Peoples' net loss on investment securities was primarily due to the loss recorded on a contingent call of a security in the second quarter of 2024. During the first quarter of 2023, Peoples executed sales of $96.7 million of lower yielding available-for-sale investment securities for a pre-tax loss of $2.0 million. Proceeds from sales were used to pay down overnight borrowings. During the fourth quarter of 2023, Peoples executed the sales of an additional $36.5 million of lower yielding available-for-sale investment securities for a pre-tax loss of $1.7 million. Proceeds from the sales were used to purchase higher yielding agency investment securities.

The loss on the sales of these available-for-sale investment securities had a nominal impact on tangible book value as such loss was previously reflected in capital through accumulated other comprehensive loss. The realized losses recognized in 2023 due to the first quarter transactions were earned back within the 2023 fiscal year, and the realized losses recognized due to the fourth quarter transactions were earned back by December 31, 2024.

Peoples' net loss on asset disposals and other transactions during 2024 was primarily driven by $1.8 million of net losses on repossessed assets and a $1.2 million write-down of an OREO property.

During 2023, Peoples' net loss on asset disposals was primarily driven by a $1.6 million write-down of an OREO property and net losses on repossessed assets.

During 2022, net losses on asset disposals and other transactions were primarily driven by losses on repossessed assets.

Total Non-Interest Income Excluding Net Gains and Losses

Peoples generates total non-interest income excluding net gains and losses from four primary sources: electronic banking income ("e-banking"); trust and investment income; insurance income; and deposit account service charges. Peoples continues to focus on revenue growth from non-interest income sources in order to maintain a diversified revenue stream through greater reliance on total non-interest income excluding net gains and losses. Total non-interest income excluding net gains and losses accounted for 22.8% of Peoples' total revenues (defined as net interest income plus total non-interest income excluding net gains and losses) in 2024, compared to 21.7% in 2023 and 23.9% in 2022.

The increase in Peoples' total non-interest income excluding net gains and losses, as a percent of total revenue during 2024 compared to 2023, was largely due to the growth in lease income, primarily attributable to operating lease income, and growth in trust and investment income, and insurance income.

E-banking income comprised the largest portion of Peoples' total non-interest income excluding net gains and losses, for 2024. The following table shows Peoples' e-banking income for the years ended December 31:

(Dollars in thousands)	**2024**	**2023**	**2022**
E-banking income	$ 25,142	$ 25,210	$ 21,094

Peoples' e-banking services include ATM and debit cards, direct deposit services, internet and mobile banking, and remote deposit capture, and serve as alternative delivery channels to traditional sales offices for providing services to clients. Revenue is derived largely from ATM and debit cards, as other services are mainly provided at no charge to the customers. The amount of e-banking income is largely dependent on the timing and volume of customer activity. For 2024, e-banking income was relatively flat when compared to 2023. For 2023 compared to 2022, e-banking income increased 20%, primarily due to additional customers from the Limestone Merger as well as organic growth. In 2024, Peoples' customers used their debit cards to complete $2.0 billion of transactions, up from $1.9 billion in 2023 and $1.7 billion in 2022.

Peoples' fiduciary and brokerage revenues continue to be based primarily upon the value of assets under administration and management. The following table details Peoples' trust and investment income for the years ended December 31:

(Dollars in thousands)	**2024**	**2023**	**2022**
Fiduciary	$ 8,355	$ 7,537	$ 7,508
Brokerage	8,017	6,865	6,343
Employee benefit plan fees	3,141	2,758	2,540
Trust and investment income	**$ 19,513**	**$ 17,160**	**$ 16,391**

For 2024, trust and investment income increased primarily due to increases in fiduciary and brokerage income, primarily reflecting an increase in assets under management and market performance. For 2023, trust and investment increased compared to

2022 due to increases in brokerage income, as Peoples added new accounts and the underlying market values of assets under administration and management grew, and employee benefit plan fees.

The following table details Peoples' assets under administration and management at December 31:

(Dollars in thousands)	2024	2023	2022
Trust	$ 2,061,267	$ 2,021,249	$ 1,764,639
Brokerage	1,614,189	1,473,814	1,211,868
Total	**$ 3,675,456**	**$ 3,495,063**	**$ 2,976,507**
Annual average	$ 3,617,882	$ 3,236,449	$ 2,965,985

The increase in total assets under administration and management at December 31, 2024, compared to December 31, 2023, was primarily due to market value increases in 2024. During 2023, Peoples' assets under administration and management increased primarily driven by market performance, new account activity, and an acquisition of an independent financial advisor in January of 2023 which increased brokerage assets by $30 million.

The following table details Peoples' insurance income for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Property and casualty insurance commissions	$ 14,423	$ 13,852	$ 11,986
Performance-based commissions	2,218	1,634	1,424
Life and health insurance commissions	2,760	2,530	2,317
Insurance income	**$ 19,401**	**$ 18,016**	**$ 15,727**

Insurance income for 2024 increased compared to 2023, primarily driven by higher commissions and market increases for premiums. Peoples Insurance increased its clientele throughout 2024, which drove the increases in commissions. Insurance income for 2023 increased compared to 2022, primarily due to increases in (i) property and casualty insurance commissions, (ii) performance-based commissions and (iii) life and health insurance commissions.

Deposit account service charges are based on the costs associated with services provided by Peoples. The following table details deposit account service charges for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Overdraft and non-sufficient funds fees	$ 9,412	$ 9,016	$ 8,324
Account maintenance fees	6,939	6,425	5,323
Other fees and charges	1,233	1,241	936
Deposit account service charges	**$ 17,584**	**$ 16,682**	**$ 14,583**

The amount of deposit account service charges, particularly fees for overdrafts and non-sufficient funds, is largely dependent on the timing and volume of customer activity. Management periodically evaluates these fees to ensure they are reasonable based on operational costs and similar to fees charged in Peoples' markets by competitors. Deposit account service charges in 2024 increased compared to 2023 due to an increase in customer activity. Deposit account service charges in 2023 increased compared to 2022 due to increased customers added in conjunction with the Limestone Merger, as well as organic growth.

The following table details the other items included within Peoples' total non-interest income for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Lease income	$ 10,408	$ 7,844	$ 4,267
Bank owned life insurance income	4,216	4,151	2,624
Mortgage banking income	1,788	1,078	1,397
Other non-interest income	5,040	3,809	3,430

Lease income is primarily comprised of (i) gains on the early termination of leases, net of any associated purchase accounting adjustments, (ii) month-to-month lease payments in excess of net investment in the lease, (iii) fees received for referrals, (iv) gains and losses recognized on the sales of residual assets, (v) syndication income, and (vi) operating leases. The increase in lease income for 2024 when compared to 2023 was driven primarily by an increase in operating lease income from Vantage. The 2023 increase in lease income when compared to 2022 was due month-to-month lease income from Vantage.

Bank owned life insurance income ("BOLI") for 2024 remained flat when compared to 2023. BOLI income for 2023 increased when compared to 2022 due to a $0.4 million death benefit related to the cash surrender value of the underlying policy in the fourth

quarter of 2023, and additional income from policies acquired in the Limestone Merger. Peoples purchased no additional BOLI policies during 2023 or 2024.

Mortgage banking income is comprised mostly of net gains from the origination and sale of long-term, fixed-rate real estate loans in the secondary market, as well as servicing income for sold loans. As a result, the amount of income recognized by Peoples is largely dependent on customer demand and long-term interest rates for residential real estate loans offered in the secondary market. Mortgage banking income increased for 2024 when compared to 2023 primarily driven by higher production. Mortgage banking income declined for 2023 when compared to 2022 due to lower volumes of new loan originations as a result of the rising market interest rate environment. In 2024, Peoples sold approximately $24.1 million of loans to the secondary market with servicing retained and sold approximately $40.7 million in loans with servicing released, compared to approximately $2.7 million and $30.7 million, respectively, in 2023. Peoples sold $18.5 million of loans to the secondary market with servicing retained and $31.1 million of loans with servicing released during 2022. The volume of sales has a direct impact on the amount of mortgage banking income.

For 2024, other non-interest income increased when compared to 2023 due primarily to increased swap fee income which is driven by customer demand. Other non-interest income increased during 2023, compared to 2022, primarily due to swap fee income and other operating income.

Total Non-Interest Expense

Salaries and employee benefit costs remain Peoples' largest non-interest expense, accounting for over half of total non-interest expense. The following table details Peoples' salaries and employee benefit costs for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Base salaries and wages	$ 98,743	$ 95,604	$ 74,593
Sales-based and incentive compensation	22,445	23,085	18,732
Employee benefit costs	17,956	16,249	13,654
Employee stock-based compensation	6,973	5,476	3,819
Deferred personnel costs	(4,978)	(4,517)	(4,975)
Payroll taxes and other employment costs	8,902	8,134	6,867
Salaries and employee benefit costs	**$ 150,041**	**$ 144,031**	**$ 112,690**
Full-time equivalent employees:			
Actual at end of the period	1,479	1,478	1,267
Average during the period	1,491	1,411	1,245

Base salaries and wages increased for 2024 compared to 2023, driven by an additional four months of salary expense associated with employees added from the Limestone Merger, coupled with annual merit increases. Base salaries and wages increased in 2023 compared to 2022, driven by the additional salaries associated with the Limestone Merger, including $5.8 million in acquisition-related salary and employee benefit expenses related to the Limestone Merger in 2023. Base salaries and wages were impacted by merit increases, as well as movement towards a $15 per hour minimum wage throughout Peoples' organization. The $15 per hour minimum was phased in and fully implemented by January of 2023.

The decrease in sales-based and incentive compensation for 2024 compared to 2023 was primarily due to the overall company performance measures used in calculating incentive awards. Sales-based and incentive compensation increased in 2023 compared to 2022, due primarily to the overall company performance measures used in calculating incentive awards and $1.3 million in Vantage-related sales-based and incentive compensation. Peoples' sales-based and incentive compensation plans are designed to grow core earnings while managing risk, while not encouraging unnecessary and excessive risk-taking that could threaten the value of Peoples. The sales-based and incentive compensation plans are designed to reward employees for appropriate behaviors and include provisions addressing inappropriate practices with respect to Peoples and its customers, including clawbacks for executives.

The increase in employee benefit costs for 2024 compared to 2023 was due to increased medical and 401(k) costs reflecting a full year of expenses in 2024 for the additional employees added in the Limestone Merger. Employee benefit costs in 2023 increased compared to 2022 due to higher medical and 401(k) costs from additional employees added in the Limestone Merger.

Employee stock-based compensation is generally recognized over the vesting period, which generally ranges from immediate vesting to vesting at the end of three years, with an adjustment made at the vesting date to reverse expense for forfeited awards. The majority of Peoples' stock-based compensation is attributable to annual equity-based incentive awards to employees, which are awarded in the first quarter and based upon Peoples achieving certain performance goals during the prior year. During the years presented in the table above, Peoples granted restricted common shares to officers and key employees with performance-based vesting periods and time-based vesting periods, generally with a three-year cliff vesting. Employee stock-based compensation for 2024 increased when compared to 2023 due to additional employees primarily as a result of the full year impact from the Limestone Merger. Employee stock-based compensation increased for 2023 compared to 2022 due to additional employees primarily as a result of the Limestone Merger, as well as a full year with Vantage employees.

Deferred personnel costs represent the portion of current period salaries and employee benefit costs considered to be direct loan origination costs. These costs are capitalized and recognized over the life of the loan as a yield adjustment in interest income. As a result, the amount of deferred personnel costs for each period corresponds directly with the volume of loan originations, coupled with the average deferred costs per loan that are updated annually at the beginning of each year. Deferred personnel costs in 2024 increased compared to 2023, primarily due to an increase in business loan origination volume. Lower deferred personnel costs in 2023 compared to 2022 were primarily due to an decrease in loan origination volume. Additional information regarding Peoples' loan activity can be found later in this discussion under the caption "Loans" within "FINANCIAL CONDITION."

For 2024, payroll taxes and other employment costs increased compared to 2023, primarily due to the employees added from the Limestone Merger coupled with annual merit increases. Payroll taxes and other employee costs increased during 2023 compared to 2022, primarily due to the employees added from the Limestone Merger.

Peoples' net occupancy and equipment expense for the years ended December 31 was comprised of the following:

(Dollars in thousands)	2024	2023	2022
Depreciation expense	$ 8,587	$ 7,724	$ 7,015
Repairs and maintenance costs	6,923	6,037	5,323
Net rent expense	4,177	2,780	2,974
Property taxes, utilities and other costs	4,464	4,827	4,204
Net occupancy and equipment expense	**$ 24,151**	**$ 21,368**	**$ 19,516**

For 2024, net occupancy and equipment expense increased when compared to 2023 due to the full year impact of the Limestone Merger and a prior period one-time benefit to rent expense in 2023. Net occupancy and equipment expense grew during 2023 when compared to 2022 due to the additional locations and equipment added in the Limestone Merger.

The following table details the other items included within Peoples' total non-interest expense for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Data processing and software expense	$ 25,221	$ 21,607	$ 14,241
Professional fees	12,109	17,041	12,094
Amortization of other intangible assets	11,161	11,222	7,763
E-banking expense	7,548	7,150	9,231
FDIC insurance expense	4,929	4,785	3,702
Other loan expenses	4,147	2,859	2,735
Marketing expense	3,914	5,017	3,728
Franchise tax expense	3,222	3,540	3,487
Communication expense	3,145	2,834	2,484
Operating lease expense	3,539	1,687	—
Travel and entertainment expense	2,656	2,401	1,400
Other non-interest expense	$ 18,033	$ 20,945	$ 14,076

Data processing and software expense includes software support, maintenance and depreciation expense. Data processing and software expense for 2024 increased relative to 2023, driven by software upgrades and implementation of new systems, coupled with the increased size of Peoples' organization as a result of the Limestone Merger. During 2023, data processing and software expense grew when compared to 2022 was driven by (i) software upgrades, (ii) implementation of new systems, (iii) growth from the Limestone Merger, and (iv) $1.9 million in acquisition-related expenses related to the Limestone Merger.

Professional fees decreased for 2024 when compared to 2023, primarily driven by a $6.0 million decrease in acquisition-related expenses, due to expenses related to the Limestone Merger in 2023. Professional fees during 2023 increased when compared 2022, primarily driven by a $3.7 million increase in acquisition-related expenses, due to increased expenses related to the Limestone Merger in 2023.

Amortization of other intangible assets remained relatively flat for 2024 when compared to 2023. During 2023, amortization of other intangible assets increased when compared to 2022 due to the increased intangible assets recognized as a result of the Limestone Merger.

Peoples' e-banking expense is comprised of costs associated with debit and ATM cards, as well as Internet and mobile banking costs. E-banking expense increased for 2024 when compared to 2023 due to increased processing fees. E-banking expense decreased for 2023 when compared to 2022 due to decreased costs for Peoples' online banking platform.

Marketing expense, which includes advertising, donations, marketing campaigns, and other public relations costs, for 2024 decreased when compared to 2023, primarily driven by decreased advertising expense. Marketing expense increased for 2023 compared to 2022, which was driven by increased marketing related to the Limestone Merger, an increase in donations, and a full year of expenses from Vantage.

FDIC insurance premiums for 2024 increased when compared to 2023 due to organic growth. FDIC insurance expense increased during 2023 compared to 2022 due to organic and acquisitive growth, in addition to an increase in rates assessed by the FDIC. The FDIC quarterly assessment rate is applied to average total assets less average tangible equity, and is based on the leverage ratio, net income before taxes, nonperforming loans as a percent of total assets, OREO, loan mix and asset growth. Additional information regarding Peoples' FDIC insurance assessments may be found in "ITEM 1 BUSINESS" of this Form 10-K in the section captioned "Supervision and Regulation."

Peoples is subject to state franchise taxes, which are based largely on Peoples' equity at year-end, in the states where Peoples has a physical presence. Franchise tax expense also includes the Ohio Financial Institution Tax ("FIT"), which is a business privilege tax that is imposed on financial institutions organized for profit and doing business in Ohio. Franchise tax expense decreased for 2024 when compared to 2023 primarily driven by the Ohio FIT, which decreased due to lower apportionment in the state. The Ohio FIT is based on the total equity capital in proportion to the taxpayer's gross receipts in Ohio. Franchise tax expense was relatively flat in 2023 compared to 2022.

Other loan expenses during 2024 increased when compared to 2023 primarily due to increases in collection and underwriting costs. Other loans expenses increased in 2023 compared to 2022, primarily due to Limestone-related expenses and increases in business loan expenses and credit bureau expenses.

Communications expense increased during 2024 when compared to 2023 and increased during 2023 when compared to 2022, in each case due to upgraded networking to certain branches (including new branches acquired in acquisitions and mergers) and increased costs compared to the prior period among certain vendors that provide communication services.

Other non-interest expense for 2024 decreased when compared to 2023 due to higher acquisition costs and pension expense in the prior year of $2.5 million and $2.1 million, respectively, both of which were partially offset by an increase in miscellaneous expenses of $1.9 million, which was primarily attributable to one-time corporate expenses. Other non-interest expense increased for 2023 when compared to 2022, primarily due to $2.8 million in additional acquisition-related expenses related to the Limestone Merger and a $2.4 million settlement charge in relation to the termination of the pension plan.

Income Tax Expense

A key driver for the amount of income tax expense or benefit recognized by Peoples each year is the amount of pre-tax income. In addition to the expense recognized, Peoples receives tax benefits from tax-exempt investments and loans, BOLI income, common share awards that settled or vested during the year, and investments in tax credit funds, which reduce Peoples' effective tax rate. A reconciliation of Peoples' recorded income tax expense/benefit and effective tax rate to the statutory tax rate can be found in "Note 13 Income Taxes."

For the full year of 2024, income tax expense totaled $32.3 million, compared to $31.8 million in 2023, and $27.3 million in 2022, and the effective tax rate for 2024 was 21.6%, compared to 21.9% for 2023, and 21.3% for 2022. Income tax was positively impacted by a $1.1 million one-time benefit recognized in 2024 related to a prior year amended return. Income tax expense increased during 2023 when compared to 2022, which was driven by higher pre-tax income.

Peoples also recorded a tax benefit of $48,000 in 2024, $128,000 in 2023, and $5,000 in 2022 related to common share awards that settled or vested during the year, with the substantial majority recorded in the first quarter of each year.

Pre-Provision Net Revenue (non-US GAAP)

Pre-provision net revenue ("PPNR") has become a key financial measure used by state and federal bank regulatory agencies when assessing the capital adequacy of financial institutions. PPNR is defined as net interest income plus total non-interest income, excluding all gains and losses, minus total non-interest expense. PPNR excludes income tax expense. As a result, PPNR represents the earnings capacity that can be either retained in order to build capital or used to absorb unexpected losses and preserve existing capital. PPNR represents a non-US GAAP financial measure since it excludes the provision for credit losses and all gains and losses included in earnings.

The following table provides a reconciliation of this non-US GAAP financial measure to the amounts of income before income taxes reported in Peoples' Consolidated Financial Statements for the periods presented:

(Dollars in thousands)	2024	2023	2022
Pre-Provision Net Revenue:			
Income before income taxes	$ 149,464	$ 145,126	$ 128,641
Add: provision for credit losses	24,787	15,174	—
Add: net loss on OREO	1,230	1,623	138
Add: net loss on investment securities	416	3,700	61
Add: net loss on other assets	1,928	1,143	326
Add: net loss on other transactions	152	71	151
Less: recovery of credit losses	—	—	3,510
Pre-provision net revenue	**$ 177,977**	**$ 166,837**	**$ 125,807**

PPNR increased in 2024 when compared to 2023 mostly due to increased net interest income and increased non-interest income driven by higher rates and the additional four months of income from the Limestone Merger. During 2023, PPNR grew when compared to 2022 mostly due to (i) the impact of the Limestone Merger in improving net interest income, (ii) increases in market interest rates, and (iii) higher non-interest income.

Core Non-Interest Expense (non-US GAAP)

Core non-interest expense is a financial measure used to evaluate Peoples' recurring expense stream. This measure is a non-US GAAP financial measure since it excludes the impact of all COVID-19-related expenses, pension settlement charges, and acquisition-related expenses.

The following table provides a reconciliation of this non-US GAAP financial measure to the amounts of total non-interest expense reported in Peoples' Consolidated Financial Statements for the years presented:

(Dollars in thousands)	2024	2023	2022
Core non-interest expense:			
Total non-interest expense	$ 273,816	$ 266,487	$ 207,147
Less: COVID-19-related expenses	—	—	134
Less: pension settlement charges	—	2,424	185
Less: acquisition-related expenses	169	16,970	3,016
Add: COVID-19 Employee Retention Credit	—	548	—
Core non-interest expense	**$ 273,647**	**$ 247,641**	**$ 203,812**

Efficiency Ratio (non-US GAAP)

The efficiency ratio is a key financial measure used to monitor performance. The efficiency ratio is calculated as total non-interest expense (less amortization of other intangible assets) as a percentage of FTE net interest income plus total non-interest income excluding net gains and losses. This financial measure is non-US GAAP since it excludes amortization of other intangible assets and all gains and/or losses included in earnings, and uses FTE net interest income.

The following table provides a reconciliation of this non-US GAAP financial measure to the amounts of total non-interest income and total non-interest expense reported in Peoples' Consolidated Financial Statements for the years presented:

(Dollars in thousands)	2024		2023		2022	
Efficiency ratio:						
Total non-interest expense	$ 273,816		$ 266,487		$ 207,147	
Less: amortization of other intangible assets	11,161		11,222		7,763	
Adjusted total non-interest expense	262,655		255,265		199,384	
Total non-interest income	99,366		87,413		78,836	
Less: net loss on investment securities	(416)		(3,700)		(61)	
Less: net (loss) gain on asset disposals and other transactions	(3,310)		(2,837)		(616)	
Total non-interest income excluding net gains and losses	103,092		93,950		79,513	
Net interest income	348,701		339,374		253,442	
Add: fully-tax-equivalent adjustment (a)	1,308		1,703		1,644	
Net interest income on a fully-tax equivalent basis	350,009		341,077		255,086	
Adjusted revenue	$ 453,101		$ 435,027		$ 334,599	
Efficiency ratio	**57.97**	**%**	**58.68**	**%**	**59.59**	**%**
Efficiency ratio adjusted for non-core items:						
Core non-interest expense	$ 273,647		$ 247,641		$ 203,812	
Less: amortization of other intangible assets	11,161		11,222		7,763	
Adjusted core non-interest expense	262,486		236,419		196,049	
Core non-interest income excluding net gains and losses	103,092		93,950		79,513	
Net interest income on a fully-tax-equivalent basis	350,009		341,077		255,086	
Adjusted core revenue	$ 453,101		$ 435,027		$ 334,599	
Efficiency ratio adjusted for non-core items	**57.93**	**%**	**54.35**	**%**	**58.59**	**%**

(a) Based on 21% statutory federal corporate income tax rate.

The efficiency ratio for 2024 improved when compared to 2023 due to increased revenue. The increase in the efficiency ratio, adjusted for non-core items for 2024 when compared to 2023 was due to higher non-interest expense. The efficiency ratio and the efficiency ratio adjusted for non-core items for 2023 improved when compared to 2022, due to higher net interest income driven by the Limestone Merger, increases in market interest rates, and higher non-interest income.

Managing expenses has been a major focus over recent years; however, during this time Peoples has continued to make meaningful investments in its infrastructure and systems. Peoples was primarily impacted in 2024 by the competition for deposits impacting funding costs; whereas, 2023 and 2022 net interest income was positively impacted by rising market interest rate environment.

Return on Average Assets Adjusted for Non-Core Items (non-US GAAP)

In addition to return on average assets, management uses return on average assets adjusted for non-core items to monitor performance. The return on average assets ratio adjusted for non-core items represents a non-US GAAP financial measure since it excludes the after-tax impact of all gains and losses, acquisition-related expenses, and pension settlement charges included in net income.

The following table provides a reconciliation of this non-US GAAP financial measure to the amounts of net income reported in Peoples' Consolidated Financial Statements for the years presented:

(Dollars in thousands)	2024		2023		2022	
Net income adjusted for non-core items:						
Net income	$ 117,205		$ 113,363		$ 101,292	
Add: net loss on investment securities	416		3,700		61	
Less: tax effect of net loss on investment securities (a)	87		777		13	
Add: net loss on asset disposals and other transactions	3,310		2,837		616	
Less: tax effect of net loss on asset disposals and other transactions (a)	695		596		129	
Add: acquisition-related expenses	169		16,970		3,016	
Less: tax effect of acquisition-related expenses (a)	35		3,564		633	
Add: pension settlement charges	—		2,424		185	
Less: tax effect of pension settlement charges (a)	—		509		39	
Add: COVID-19-related expenses	—		—		134	
Less: tax effect of COVID-19-related expenses (a)	—		—		28	
Net income adjusted for non-core items (after tax)	$ 120,283		$ 133,848		$ 104,462	
Return on average assets:						
Net income	$ 117,205		$ 113,363		$ 101,292	
Total average assets	9,122,843		8,298,777		7,094,707	
Return on average assets	1.28	%	1.37	%	1.43	%
Return on average assets adjusted for non-core items:						
Net income adjusted for non-core items	$ 120,283		$ 133,848		$ 104,462	
Total average assets	9,122,843		8,298,777		7,094,707	
Return on average assets adjusted for non-core items	1.32	%	1.61	%	1.47	%

(a) Based on a 21% statutory federal corporate income tax rate.

The decrease in the return on average assets for 2024 compared to 2023 was primarily driven by the assets acquired in the Limestone Merger. The decrease in return on average assets adjusted for non-core items for 2024 compared to 2023 was primarily driven by higher non-interest expense, and the assets acquired in the Limestone Merger. The decrease in the return on average assets for 2023 compared to 2022 was attributable to a greater impact from non-core items, primarily due to (i) an increase in net acquisition-related expenses as a result of the Limestone Merger, (ii) higher net losses on investment securities and asset disposals and other transactions, and (iii) pension settlement charges of $2.4 million in relation to the termination of the pension plan.

Return on Average Tangible Equity (non-US GAAP)

The return on average tangible equity ratio is a key financial measure used to monitor performance. The return on tangible equity is calculated as net income (less after-tax impact of amortization of other intangible assets) divided by tangible equity. This measure is non-US GAAP since it excludes amortization of other intangible assets from earnings and the impact of goodwill and other intangible assets acquired through acquisitions on total stockholders' equity.

The following table provides a reconciliation of this non-US GAAP financial measure to the amounts of total average stockholders' equity and the return on average stockholders' equity ratios reported in Peoples' Consolidated Financial Statements for the years presented:

(Dollars in thousands)	2024	2023	2022
Net income excluding amortization of other intangible assets:			
Net income	$ 117,205	$ 113,363	$ 101,292
Add: amortization of other intangible assets	11,161	11,222	7,763
Less: tax effect of amortization of other intangible assets (a)	2,344	2,357	1,630
Net income excluding amortization of other intangible assets	126,022	122,228	107,425
Average tangible equity:			
Total average stockholders' equity	$ 1,083,792	$ 940,797	$ 797,984
Less: average goodwill and other intangible assets	406,619	384,172	322,639
Average tangible equity	$ 677,173	$ 556,625	$ 475,345
Return on average stockholders' equity ratio:			
Net income	$ 117,205	$ 113,363	$ 101,292
Average stockholders' equity	$ 1,083,792	$ 940,797	$ 797,984
Return on average stockholders' equity	10.81 %	12.05 %	12.69 %
Return on average tangible equity ratio:			
Net income excluding amortization of other intangible assets	$ 126,022	$ 122,228	$ 107,425
Average tangible equity	$ 677,173	$ 556,625	$ 475,345
Return on average tangible equity	18.61 %	21.96 %	22.60 %

(a) Based on a 21% statutory federal corporate income tax rate.

The return on total average stockholders' equity and average tangible equity ratios decreased in 2024 when compared to 2023, due to higher average stockholders' equity driven by the full year impact of the Limestone Merger. Return on total average stockholders' equity and average tangible equity ratios were lower in 2023 relative to 2022 due to (i) the issuance of 6.8 million common shares as consideration in the Limestone Merger, (ii) an increase in acquisition-related expenses, and (iii) an increase in the provision for credit losses due to the initial provision for the non-purchase credit deteriorated ("PCD") loans acquired from Limestone, partially offset by an increase in total net interest income driven by the recent increases in market interest rates and additional net interest income resulting from the Limestone Merger. At the same time, average tangible equity for 2023 was negatively impacted by the Limestone Merger, for which Peoples recorded additional goodwill and other intangible assets.

FINANCIAL CONDITION

Cash and Cash Equivalents

Peoples considers cash and cash equivalents to consist of federal funds sold, cash and balances due from banks, interest-bearing balances in other institutions and other short-term investments that are readily liquid. The amount of cash and cash equivalents fluctuates on a daily basis due to customer activity and Peoples' liquidity needs. At December 31, 2024, excess cash reserves at the FRB were $104.7 million, compared to $309.8 million at December 31, 2023. The amount of excess cash reserves maintained is dependent upon Peoples' daily liquidity position, which is driven primarily by changes in deposits, loan balances and unpledged securities.

In 2024, Peoples' total cash and cash equivalents decreased $209.1 million, due to cash used in investing activities of $344.3 million and financing activities of $7.9 million, which were partially offset by cash provided by operating activities of $143.2 million. Peoples' investing activities reflected a net increase of $199.2 million in loans held for investment and $584.8 million in purchases of available-for-sale investment securities and held-to-maturity investment securities, which were partially offset by $446.6 million in net proceeds from sales, principal payments, calls and prepayments on available-for-sale and held-to-maturity investment securities. Financing activities included a net increase of $437.7 million in deposits, a decrease of $457.0 million in short-term borrowings, a net increase of $20.6 million in long-term borrowings, as well as $55.8 million of cash dividends paid.

In 2023, Peoples' total cash and cash equivalents increased $272.7 million, due to cash provided by financing activities of $262.0 million and cash provided by operating activities of $143.6 million, partially offset by cash used in investing activities of $132.9 million. Peoples' investing activities reflected a net increase of $356.1 million in loans held for investment and $282.8 million in purchases of available-for-sale investment securities and held-to-maturity investment securities, which were more than offset by $434.1 million in net proceeds from sales, principal payments, calls and prepayments on available-for-sale and held-to-maturity investment securities. Financing activities included a net increase of $201.4 million in deposits, an increase of $41.0 million in short-term borrowings, a net increase of $74.9 million in long-term borrowings, as well as $51.8 million of cash dividends paid.

Further information regarding the management of Peoples' liquidity position can be found later in this discussion under "Interest Rate Sensitivity and Liquidity."

Investment Securities

The following table provides information regarding Peoples' investment portfolio at December 31:

(Dollars in thousands)	Weighted average yield		2024	2023	2022
Available-for-sale securities, at fair value:					
Obligations of:					
U.S. Treasury and government agencies	6.27	%	$ 15,196	$ 30,296	$ 152,422
U.S. government sponsored agencies	3.45	%	209,083	118,607	88,115
States and political subdivisions	2.57	%	196,301	213,296	225,882
Residential mortgage-backed securities	2.48	%	601,802	628,924	604,653
Commercial mortgage-backed securities	2.09	%	55,065	51,234	50,049
Bank-issued trust preferred securities	4.42	%	6,108	5,965	10,278
Total fair value			**$ 1,083,555**	**$ 1,048,322**	**$ 1,131,399**
Total amortized cost			$ 1,229,382	$ 1,184,288	$ 1,300,719
Net unrealized loss			$ (145,827)	$ (135,966)	$ (169,320)
Held-to-maturity securities, at amortized cost:					
Obligations of:					
U.S. government sponsored agencies	4.83	%	$ 233,302	$ 188,475	$ 132,366
States and political subdivisions (a)	2.24	%	142,691	144,258	145,022
Residential mortgage-backed securities	4.21	%	300,290	248,559	176,215
Commercial mortgage-backed securities	2.50	%	98,754	102,365	106,609
Total amortized cost			**$ 775,037**	**$ 683,657**	**$ 560,212**
Other investment securities			**$ 60,132**	**$ 63,421**	**$ 51,609**
Total investment securities:					
Amortized cost			$ 2,064,551	$ 1,931,366	$ 1,912,540
Carrying value			$ 1,918,724	$ 1,795,400	$ 1,743,220

(a) Amortized cost is presented net of the allowance for credit losses of $237 at December 31, 2024, $238 at December 31, 2023 and $241 at December 31, 2022.

At December 31, 2024, Peoples' investment securities represented approximately 20.7% of total assets, compared to 19.6% at December 31, 2023. For 2024, total investment securities increased compared to the prior year, largely due to purchases of higher yielding, longer duration securities designated as held-to-maturity. During 2023, total investment securities increased compared to the prior year, largely due to purchases of held-to-maturity securities, partially offset by available-for-sale securities sold, both of which were part of portfolio restructurings throughout 2023. During the first quarter of 2023, Peoples executed the sales of $96.7 million of its lower yielding available-for-sale investment securities for an after-tax loss of $1.6 million. Proceeds from the sales were used to pay down overnight borrowings. During the fourth quarter of 2023, Peoples executed the sales of an additional $36.5 million of its lower yielding available-for-sale investment securities for an after-tax loss of $1.3 million. Proceeds from the sales were used to purchase higher yielding agency investment securities.

Peoples designates certain securities as "held-to-maturity" at the time of their purchase if management determines Peoples would have the intent and ability to hold the purchased securities until maturity. The unrealized gain or loss related to held-to-maturity investment securities does not directly impact total stockholders' equity, in contrast to the impact from the available-for-sale investment securities portfolio.

Additional information regarding Peoples' investment portfolio can be found in "Note 3 Investment Securities."

Loans

The following table provides information regarding outstanding loan balances at or for the year ended December 31:

(Dollars in thousands)	2024	2023	2022
Originated loans:			
Construction	$ 271,975	$ 279,335	$ 212,869
Commercial real estate, other	1,310,127	1,209,204	919,531
Commercial real estate	1,582,102	1,488,539	1,132,400
Commercial and industrial	1,162,777	938,659	835,178
Premium finance	269,435	203,177	159,197
Leases	382,074	357,217	226,438
Residential real estate	448,884	418,570	384,262
Home equity lines of credit	182,831	148,155	132,093
Consumer, indirect	669,857	666,472	629,426
Consumer, direct	101,062	112,292	98,706
Consumer	770,919	778,764	728,132
Deposit account overdrafts	1,253	986	722
Total originated loans	**$ 4,800,275**	**$ 4,334,067**	**$ 3,598,422**
Acquired loans:			
Construction	$ 56,413	$ 84,684	$ 34,072
Commercial real estate, other	845,886	987,753	503,987
Commercial real estate	902,299	1,072,437	538,059
Commercial and industrial	184,868	246,327	57,456
Leases	24,524	56,843	118,693
Residential real estate	386,217	372,525	339,098
Home equity lines of credit	49,830	60,520	45,765
Consumer, direct	9,990	16,477	9,657
Total acquired loans (a)	**$ 1,557,728**	**$ 1,825,129**	**$ 1,108,728**
Total loans	**$ 6,358,003**	**$ 6,159,196**	**$ 4,707,150**
Average total loans	6,238,070	5,590,453	4,574,237
Average allowance for credit losses	(64,491)	(57,391)	(55,233)
Average loans, net of average allowance for credit losses	**$ 6,173,579**	**$ 5,533,062**	**$ 4,519,004**
Percent of loans to total loans:			
Construction	5.2 %	5.9 %	5.2 %
Commercial real estate, other	33.9 %	35.7 %	30.2 %
Commercial real estate	39.1 %	41.6 %	35.4 %
Commercial and industrial	21.2 %	19.2 %	19.0 %
Premium finance	4.2 %	3.3 %	3.4 %
Leases	6.4 %	6.7 %	7.3 %
Residential real estate	13.2 %	12.9 %	15.4 %
Home equity lines of credit	3.7 %	3.4 %	3.8 %
Consumer, indirect	10.5 %	10.8 %	13.4 %
Consumer, direct	1.7 %	2.1 %	2.3 %
Consumer	12.2 %	12.9 %	15.7 %
Deposit account overdrafts (b)	NM	NM	NM

(Dollars in thousands)	2024		2023		2022	
Total percentage	**100.0**	**%**	**100.0**	**%**	**100.0**	**%**
Residential real estate loans being serviced for others	**$ 346,189**		**$ 356,784**		**$ 392,364**	

(a) Includes all loans acquired, and related loan discount recorded as part of acquisition accounting, in 2012 and thereafter. Loans that were acquired and subsequently re-underwritten are reported as originated upon execution of such credit actions (for example, renewals, and increase in lines of credit).

(b) NM represents "not meaningful."

As of December 31, 2024, total loans increased $198.8 million, compared to at December 31, 2023, due to organic growth in our commercial and industrial and premium finance portfolios which increased by $162.7 million and $66.3 million, respectively, and were partially offset by a decrease in commercial real estate loans of $40.9 million.

As of December 31, 2023, total loans increased $1.5 billion, compared to at December 31, 2022, primarily due to the Limestone Merger. Excluding the loans acquired in the Limestone Merger, the period-end loan and lease balance increased $472.2 million, or 10%, driven by increases of $203.6 million in other commercial real estate loans, $78.2 million in commercial and industrial loans, $68.9 million in leases, $44.0 million in premium finance loans, $37.9 million in construction loans, and $37.0 million in indirect consumer loans, respectively.

The following table details the maturities of Peoples' loan portfolio at December 31, 2024:

(Dollars in thousands)	Due in One Year or Less	Due in One to Five Years	Due in Five to Fifteen Years	Due After Fifteen Years	Total	% of Total
Construction:						
Fixed	$ 501	$ 45,689	$ 2,479	$ —	$ 48,669	14.8
Variable	109,208	132,288	34,032	4,191	279,719	85.2
Total	109,709	177,977	36,511	4,191	328,388	100.0
Commercial real estate, other:						
Fixed	62,449	488,238	350,590	49,542	950,819	44.1
Variable	230,639	372,925	449,830	151,800	1,205,194	55.9
Total	293,088	861,163	800,420	201,342	2,156,013	100.0
Commercial and industrial:						
Fixed	218,277	180,409	90,564	384	489,634	36.3
Variable	244,763	196,933	404,569	11,746	858,011	63.7
Total	463,040	377,342	495,133	12,130	1,347,645	100.0
Premium finance:						
Fixed	269,435	—	—	—	269,435	100.0
Leases:						
Fixed	64,242	330,184	12,172	—	406,598	100.0
Residential real estate:						
Fixed	107,007	16,464	138,165	325,673	587,309	70.3
Variable	6,490	7,620	66,075	167,607	247,792	29.7
Total	113,497	24,084	204,240	493,280	835,101	100.0
Home equity lines of credit:						
Fixed	49	95	1,629	297	2,070	0.9
Variable	4,934	34,952	185,257	5,448	230,591	99.1
Total	4,983	35,047	186,886	5,745	232,661	100.0
Consumer, indirect:						
Fixed	4,695	381,380	283,782	—	669,857	100.0
Consumer, direct:						
Fixed	8,020	60,529	32,740	121	101,410	91.3
Variable	3,778	4,254	1,511	99	9,642	8.7
Total	11,798	64,783	34,251	220	111,052	100.0

Loan Concentration

Peoples categorizes its commercial loans according to standard industry classifications and monitors for concentrations in a single industry or multiple industries that could be impacted by changes in economic conditions in a similar manner. Peoples' commercial lending activities continue to be spread over a diverse range of businesses from all sectors of the economy, with no single industry comprising over 10% of Peoples' total loan portfolio.

Loans secured by commercial real estate, including commercial construction loans, continue to comprise the largest portion of Peoples' loan portfolio.

The following table provides information regarding the largest concentrations of commercial real estate loans within the loan portfolio at December 31, 2024:

(Dollars in thousands)	Outstanding Balance	Available Loan Commitments	Total Exposure	% of Total Exposure
Construction:				
Apartment complexes	$ 188,036	$ 223,982	$ 412,018	60.8 %
Land development	36,214	15,458	51,672	7.6 %
Residential property	30,573	19,693	50,266	7.4 %
Land only	7,881	26,626	34,507	5.1 %
Lodging and lodging related	10,313	13,916	24,229	3.6 %
Assisted living facilities and nursing homes	6,567	16,972	23,539	3.5 %
Warehouse facilities	331	16,315	16,646	2.5 %
Student housing	14,288	712	15,000	2.2 %
Other (a)	34,185	15,198	49,383	7.3 %
Construction	**$ 328,388**	**$ 348,872**	**$ 677,260**	**100.0 %**
Commercial real estate, other:				
Apartment complexes	365,215	2,352	367,567	16.5 %
Retail facilities:				
Owner occupied	41,225	1,385	42,610	1.9 %
Non-owner occupied	207,119	500	207,619	9.3 %
Total retail	248,344	1,885	250,229	11.2 %
Light industrial facilities:				
Owner occupied	138,279	7,290	145,569	6.5 %
Non-owner occupied	112,458	3,317	115,775	5.2 %
Total light industrial facilities	250,737	10,607	261,344	11.7 %
Office buildings and complexes:				
Owner occupied	75,417	2,454	77,871	3.5 %
Non-owner occupied	118,030	2,954	120,984	5.4 %
Total office buildings and complexes	193,447	5,408	198,855	8.9 %
Lodging and lodging related:				
Owner occupied	30,407	—	30,407	1.4 %
Non-owner occupied	121,443	1	121,444	5.5 %
Total lodging and lodging related	151,850	1	151,851	6.9 %
Assisted living facilities and nursing homes	119,687	855	120,542	5.4 %
Warehouse facilities:				
Owner occupied	38,643	521	39,164	1.7 %
Non-owner occupied	35,312	216	35,528	1.6 %
Total warehouse facilities	73,955	737	74,692	3.3 %
Restaurant/bar facilities:				
Owner occupied	39,737	—	39,737	1.8 %
Non-owner occupied	31,057	—	31,057	1.4 %
Total restaurant/bar facilities	70,794	—	70,794	3.2 %
Healthcare:				
Owner occupied	40,109	127	40,236	1.8 %
Non-owner occupied	15,241	583	15,824	0.7 %
Total healthcare facilities	55,350	710	56,060	2.5 %
Mixed commercial use facilities:				
Owner occupied	43,598	1,837	45,435	2.0 %
Non-owner occupied	27,323	1,541	28,864	1.3 %
Total mixed commercial use facilities	70,921	3,378	74,299	3.3 %
Other (a)	555,713	45,093	600,806	27.1 %
Commercial real estate, other	**$ 2,156,013**	**$ 71,026**	**$ 2,227,039**	**100.0 %**

(a) All other total exposures by industry are less than 2% of the Total Exposure.

Peoples' commercial lending activities continue to focus on lending opportunities inside its primary and secondary market areas within Ohio, Kentucky, West Virginia, Virginia, Washington, D.C. and Maryland. In all other states, the aggregate outstanding balances of commercial loans in each state were less than 4% of total loans at both December 31, 2024 and December 31, 2023.

Additional information regarding Peoples' loan portfolio can be found in "Note 4 Loans and Leases, and Allowance for Credit Losses."

Allowance for Credit Losses

The amount of the allowance for credit losses at the end of each period represents management's estimate of expected credit losses from existing loans based upon its formal quarterly analysis of the loan portfolio described in the "Critical Accounting Policies" section of this discussion. While this process involves making allocations to specific loans and pools of loans, the entire allowance is available for all losses incurred within the loan portfolio.

The following details management's allocation of the allowance for credit losses at December 31:

(Dollars in thousands)	2024	2023	2022
Construction	$ 878	$ 699	$ 1,250
Commercial real estate	16,256	20,915	17,710
Commercial and industrial	13,283	10,490	8,229
Premium finance	662	484	344
Leases	12,893	10,850	8,495
Residential real estate	6,491	5,937	6,357
Home equity lines of credit	1,792	1,588	1,693
Consumer, indirect	8,576	8,590	7,448
Consumer, direct	2,396	2,343	1,575
Deposit account overdrafts	121	115	61
Allowance for credit losses	**$ 63,348**	**$ 62,011**	**$ 53,162**
As a percent of total loans	1.00 %	1.01 %	1.13 %

The increase in the allowance balance at December 31, 2024 when compared to at December 31, 2023 was driven by an increase in reserves for individually analyzed loans and leases, as well as loan growth.

The increase in the allowance balance at December 31, 2023 when compared to at December 31, 2022 was driven by (i) the additional allowance related to the loans acquired in the Limestone Merger, (ii) loan growth and (iii) an increase in charge-offs, partially offset by a release of reserves on individually analyzed loans and the use of updated loss drivers.

Additional information regarding Peoples' allowance for credit losses can be found in "Note 1 Summary of Significant Accounting Policies" and "Note 4 Loans and Leases, and Allowance for Credit Losses."

The following table summarizes the changes in the allowance for credit losses for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Allowance for credit losses, January 1	**$ 62,011**	**$ 53,162**	**$ 63,967**
Gross charge-offs:			
Construction	—	9	16
Commercial real estate, other	431	614	489
Commercial and industrial	668	851	943
Premium finance	209	122	124
Leases	15,106	3,997	2,585
Residential real estate	288	170	668
Home equity lines of credit	11	110	88
Consumer, indirect	6,179	4,030	2,233
Consumer, direct	678	416	363
Consumer	6,857	4,446	2,596
Deposit account overdrafts	1,542	1,161	1,246
Total gross charge-offs	25,112	11,480	8,755
Recoveries:			
Commercial real estate, other	127	965	297
Commercial and industrial	58	552	49

Premium finance	28	24	13
Leases	528	362	420
Residential real estate	254	192	84
Home equity lines of credit	7	1	45
Consumer, indirect	552	487	328
Consumer, direct	50	73	47
Consumer	602	560	375
Deposit account overdrafts	285	277	200
Total recoveries	1,889	2,933	1,483
Net charge-offs (recoveries):			
Construction	—	9	16
Commercial real estate, other	304	(351)	192
Commercial and industrial	610	299	894
Premium finance	181	98	111
Leases	14,578	3,635	2,165
Residential real estate	34	(22)	584
Home equity lines of credit	4	109	43
Consumer, indirect	5,627	3,543	1,905
Consumer, direct	628	343	316
Consumer	6,255	3,886	2,221
Deposit account overdrafts	1,257	884	1,046
Total net charge-offs	**$ 23,223**	**$ 8,547**	**$ 7,272**
Provision for (recovery of) credit losses, December 31 (a)	24,560	15,345	(2,904)
Initial allowance for PCD assets	$ —	$ 2,051	$ (629)
Allowance for credit losses, December 31	**$ 63,348**	**$ 62,011**	**$ 53,162**
Net charge-offs (recoveries) as a percent of average total loans:			
Construction	— %	— %	— %
Commercial real estate, other	0.01 %	(0.01) %	0.01 %
Commercial and industrial	0.01 %	0.01 %	0.02 %
Premium finance	— %	— %	— %
Leases	0.23 %	0.06 %	0.05 %
Residential real estate	— %	— %	0.01 %
Home equity lines of credit	— %	— %	— %
Consumer, indirect	0.09 %	0.06 %	0.04 %
Consumer, direct	0.01 %	0.01 %	0.01 %
Consumer	0.10 %	0.07 %	0.05 %
Deposit account overdrafts	0.02 %	0.02 %	0.02 %
Total	**0.37 %**	**0.15 %**	**0.16 %**

(a) Amount does not include the provision for unfunded commitment liability.

Net charge-offs as a percent of average total loans for 2024 increased to 0.37% compared to 0.15% at 2023. The increase over all periods presented was due to an increase in charge-offs on small-ticket leases that occurred during the second half of 2024.

During 2023, net charge-offs as a percent of average total loans decreased to 0.15%, compared to 0.16% for 2022. The decrease was due to (i) an increase in average loan balances, primarily driven by the loans acquired in the Limestone Merger, (ii) decreases in net charge-offs of residential real estate loan balances and commercial and industrial loan balances, and (iii) net recoveries in 2023 compared to net charge-offs in 2022 of other commercial real estate loan balances, mostly offset by increases in net charge-offs related to total consumer loan balances and lease balances.

The following table details Peoples' nonperforming assets at December 31:

(Dollars in thousands)	2024		2023		2022	
Loans 90+ days past due and accruing:						
Commercial real estate, other	227		78		167	
Commercial and industrial	78		316		130	
Premium finance	4,947		1,355		504	
Leases	803		3,826		3,041	
Residential real estate	2,166		877		917	
Home equity lines of credit	213		171		58	
Consumer, indirect	159		68		—	
Consumer, direct	44		25		25	
Consumer	203		93		25	
Total loans 90+ days past due and accruing	8,637		6,716		4,842	
Nonaccrual loans:						
Construction	—		—		12	
Commercial real estate, other	7,136		2,816		12,121	
Commercial and industrial	6,809		2,758		3,462	
Leases	8,850		8,436		3,178	
Residential real estate	7,329		7,921		9,496	
Home equity lines of credit	1,498		1,022		820	
Consumer, indirect	2,374		2,412		2,176	
Consumer, direct	133		112		208	
Consumer	2,507		2,524		2,384	
Total nonaccrual loans	34,129		25,477		31,473	
Total nonperforming loans ("NPLs")	42,766		32,193		36,315	
OREO:						
Commercial	5,891		7,118		8,730	
Residential	279		56		165	
Total OREO	6,170		7,174		8,895	
Total nonperforming assets ("NPAs")	**$ 48,936**		**$ 39,367**		**$ 45,210**	
Criticized loans (a)	$ 241,302		$ 235,239		$ 191,355	
Classified loans (b)	128,815		120,027		89,604	
Asset Quality Ratios:						
Nonaccrual loans as a percent of total loans (c)	0.54	%	0.41	%	0.67	%
NPLs as a percent of total loans (c)(d)	0.67	%	0.52	%	0.77	%
NPAs as a percent of total assets (c)(d)	0.53	%	0.43	%	0.63	%
NPAs as a percent of total loans and OREO (c)(d)	0.77	%	0.64	%	0.96	%
Allowance for credit losses as a percent of nonaccrual loans (c)	185.61	%	245.79	%	168.91	%
Allowance for credit losses as a percent of NPLs (c)(d)	148.13	%	194.38	%	146.39	%
Criticized loans as a percent of total loans (a)(c)	3.80	%	3.82	%	4.07	%
Classified loans as a percent of total loans (b)(c)	2.03	%	1.95	%	1.90	%

(a) Includes loans categorized as special mention, substandard or doubtful.
(b) Includes loans categorized as substandard or doubtful.
(c) Data presented as of the end of the year indicated.
(d) Nonperforming loans include loans 90+ days past due and accruing, troubled debt restructured loans and nonaccrual loans. Nonperforming assets include nonperforming loans and OREO.

Peoples' NPAs increased to 0.53% of total assets at December 31, 2024, compared to 0.43% of total assets at December 31, 2023. This was driven by an increase in nonaccrual balances for commercial real estate and commercial and industrial loans, partially offset by a decrease in commercial OREO. Loans 90+ days past due and accruing at December 31, 2024 increased compared to at December 31, 2023, driven by higher administrative delinquencies on premium finance loans. Past due premium finance loans carry low credit risk, due to the ability to cancel premiums and recover the majority of the receivable from the insurer. During 2024, both criticized and classified loans increased when compared to 2023, primarily due to loan downgrades.

Nonperforming assets decreased to 0.43% of total assets at December 31, 2023 compared to 0.63% of total assets at December 31, 2022. Loans 90+ days past due and accruing at December 31, 2023 increased compared to at December 31, 2022, primarily due to the

loans acquired in the Limestone Merger and an increase in leases and premium finance loans 90+ days past due and accruing. During 2023, both criticized and classified loans increased when compared to 2022, primarily due to criticized and classified loans acquired in the Limestone Merger.

The majority of Peoples' nonaccrual commercial real estate loans consists of owner occupied commercial properties. In general, management believes repayment of these loans is dependent on the sale of the underlying collateral. As such, the carrying values of these loans are ultimately supported by management's estimate of the net proceeds Peoples would receive upon the sale of the collateral. These estimates are based in part on market values provided by independent, licensed or certified appraisers periodically, but no less frequently than annually. Given the volatility in commercial real estate values, management continues to monitor changes in real estate values from quarter-to-quarter and updates its estimates as needed based on observable changes in market prices and/or updated appraisals for similar properties.

Peoples discontinues the accrual of interest on a loan when conditions cause management to believe collection of all or any portion of the loan's contractual interest is doubtful. Such conditions may include the borrower being 90 days or more past due on any contractual payments or the availability of updated information regarding the borrower's financial condition and repayment ability. All unpaid accrued interest deemed uncollectable is reversed, which would reduce Peoples' net interest income. Interest received on nonaccrual loans is included in income only if principal recovery is reasonably assured. Interest income on loans classified as nonaccrual and renegotiated at each year-end that would have been recorded under the original terms of the loans was $1.9 million for 2024, $0.8 million for 2023 and $1.7 million for 2022. No portion of these amounts were recorded during 2024, 2023 or 2022.

Overall, management believes the allowance for credit losses was appropriate at December 31, 2024, based on all significant information currently available. Still, there can be no assurance that the allowance for credit losses will be adequate to cover future losses in Peoples' loan portfolio.

Additional information regarding Peoples' allowance for credit losses can be found in "Note 4 Loans and Leases, and Allowance for Credit Losses."

Deposits

The following table details Peoples' deposit balances at December 31:

(Dollars in thousands)	2024	2023	2022
Non-interest-bearing deposits (a)	$ 1,507,661	$ 1,567,649	$ 1,589,402
Interest-bearing deposits:			
Interest-bearing demand accounts (a)	1,085,158	1,144,357	1,160,182
Savings accounts	866,959	919,244	1,068,547
Retail CDs	1,921,415	1,443,417	530,236
Money market deposit accounts	878,254	775,488	617,029
Governmental deposit accounts	775,782	726,713	625,965
Brokered deposits	554,976	526,053	125,580
Total interest-bearing deposits	6,082,544	5,535,272	4,127,539
Total deposits	**$ 7,590,205**	**$ 7,102,921**	**$ 5,716,941**

(a) The sum of amounts presented are considered total demand deposits.

The increase in total deposits between December 31, 2024 and December 31, 2023 was primarily driven by special promotional rates over the past year on retail CDs. Total demand deposits comprised 34% and 38% of total deposits at December 31, 2024 and at December 31, 2023, respectively.

The increase in total deposits between December 31, 2023 and December 31, 2022 was primarily due to deposits acquired in the Limestone Merger. Excluding Limestone deposit balances, total deposits at December 31, 2023 increased $565.9 million, or 10%, compared to at December 31, 2022, primarily due to increases of $785.6 million in retail CDs and $351.1 million in brokered deposits, partially offset by decreases of $226.8 million, $223.3 million, and $193.7 million, in non-interest bearing deposits, savings accounts, and interest-bearing demand deposit accounts, respectively. Total demand deposits comprised 38% and 48% of total deposits at December 31, 2023 and December 31, 2022, respectively.

As part of its funding strategy, Peoples hedges 90-day brokered deposits with interest rate swaps. The swaps pay a fixed rate of interest while receiving three-month SOFR, which offsets the rate on the brokered deposits. As of December 31, 2024, Peoples had eight effective interest rate swaps, with an aggregate notional value of $75.0 million, which were designated as cash flow hedges of brokered deposits, and are expected to be extended every 90 days through the maturity dates of the swaps. Peoples continually evaluates the overall balance sheet position given the interest rate environment.

Peoples' governmental deposit accounts represent savings and interest-bearing transaction accounts from state and local governmental entities. These funds are subject to periodic fluctuations based on the timing of tax collections and subsequent expenditures or disbursements. Peoples normally experiences an increase in balances annually during the first and third quarters,

corresponding with tax collections, with declines normally in the second and fourth quarters of each year, corresponding with expenditures by the governmental entities. Peoples continues to emphasize growth of low-cost deposits, while continuing to migrate these customers to ICS network deposits that do not require Peoples to pledge assets as collateral.

The maturities of retail CDs with total balances of $100,000 or more at December 31 were as follows:

(Dollars in thousands)	2024	2023	2022
3 months or less	$ 454,711	$ 135,806	$ 54,471
Over 3 to 6 months	334,579	239,057	39,031
Over 6 to 12 months	239,110	353,433	58,342
Over 12 months	30,431	86,489	110,972
Total	**$ 1,058,831**	**$ 814,785**	**$ 262,816**

Additional information regarding Peoples' deposits can be found in "Note 8 Deposits."

Borrowed Funds

The following table details Peoples' short-term and long-term borrowings at December 31:

(Dollars in thousands)	2024	2023	2022
Short-term borrowings:			
FHLB overnight borrowings	$ 175,000	$ 369,000	$ 400,000
Repurchase agreements	18,367	99,121	100,138
Bank Term Funding Program ("BTFP")	—	133,000	—
Other short-term borrowings	107	49,376	—
Total short-term borrowings	193,474	650,497	500,138
Long-term borrowings:			
FHLB advances	131,868	112,865	34,158
Vantage non-recourse debt	51,330	49,572	53,147
Other long-term borrowings	54,875	53,804	13,788
Total long-term borrowings	238,073	216,241	101,093
Total borrowed funds	**$ 431,547**	**$ 866,738**	**$ 601,231**

Total borrowed funds, which include overnight borrowings, are mainly a function of loan growth and changes in total deposit balances. Other long-term borrowings include trust preferred securities held for investments and floating rate subordinated deferrable interest debentures. Peoples continually evaluates its overall balance sheet position given the interest rate environment and liquidity needs. Total borrowed funds decreased at December 31, 2024 compared to at December 31, 2023 due to lower FHLB overnight borrowings and the payoff of the BTFP borrowing as of December 31, 2024. Peoples' borrowed funds increased at December 31, 2023 compared to at December 31, 2022 due to the addition of $133.0 million of BTFP borrowings at December 31, 2023, an increase in FHLB long-term advances, and an increase in other long-term borrowings assumed in the Limestone Merger.

On April 3, 2019, Peoples entered into the U.S. Bank Loan Agreement with U.S. Bank National Association, the term of which has been extended to March 31, 2025 through an amendment in March 2024. The U.S. Bank Loan Agreement provides Peoples with a revolving line of credit in the maximum aggregate principal amount of $30.0 million.

Additional information regarding Peoples' borrowed funds can be found in "Note 9 Short-Term Borrowings" and "Note 10 Long-Term Borrowings."

Capital/Stockholders' Equity

Peoples' total stockholders' equity at December 31, 2024 increased $58.1 million, or 6%, when compared to at December 31, 2023, which was due to net income of $117.2 million for 2024, partially offset by an increase in other comprehensive loss of $8.8 million and dividends paid of $56.3 million. The increase in other comprehensive loss was the result of changes in the fair market value of available-for-sale investment securities, which were driven by changes in market interest rates. At December 31, 2024, capital levels for both Peoples and Peoples Bank remained substantially higher than the minimum amounts needed to be considered "well capitalized" under banking regulations. These higher capital levels reflect Peoples' desire to maintain a strong capital position.

During 2023, total stockholders' equity increased 34% when compared to 2022 due to (i) 6.8 million common shares (valued at $177.9 million) issued in the Limestone Merger, (ii) net income of $113.4 million for 2023, and (iii) a decrease in other comprehensive loss of $25.5 million, partially offset by dividends paid of $52.1 million and share repurchases of $3.0 million. The

decrease in other comprehensive loss was the result of changes in the fair market value of available-for-sale investment securities, which were driven by changes in market interest rates.

On January 1, 2020, Peoples recorded a one-time transition adjustment to reduce retained earnings by $3.7 million. This adjustment reflected the increase in the allowance for credit losses for loans (excluding the gross up of loan balances related to the establishment of an allowance for credit losses for PCD loans, the allowance for credit losses for held-to-maturity investment securities and the addition of an unfunded commitment liability, net of statutory federal corporate income taxes). Peoples elected to utilize the five-year phase-in period for the transition adjustment due to the implementation of ASU 2016-13. This phase-in period also includes a 25% deferment of the impact on regulatory capital of the estimated increase in the allowance for credit losses related to the CECL model, which was applied during the first two years of application. For the first two years of the phase-in period, 100% of the transition adjustment due to ASU 2016-13 was excluded for regulatory capital purposes, along with 25% of the increase in the allowance for credit losses compared to the January 1, 2020 allowance for credit losses. In year three of the phase-in (i.e., 2022), 75% of the transition adjustment, and the cumulative 25% increase in the allowance for credit losses compared to January 1, 2020, were excluded from regulatory capital, while 50% and 25% of these amounts were excluded in years four and five, respectively, under this phase-in period.

Under the risk-based capital rules, in order to avoid limitations on dividends, equity repurchases and compensation, Peoples must exceed the three minimum required ratios by at least a capital conservation buffer of 2.50%. These three minimum required ratios are the common equity tier 1 capital ratio, tier 1 risk-based capital ratio and total risk-based capital ratio. Peoples had a capital conservation buffer of 5.58% at December 31, 2024, 5.17% at December 31, 2023 and 5.06% at December 31, 2022. As such, Peoples exceeded the minimum ratios, including the capital conservation buffer, at December 31, 2024.

The following table details Peoples' actual risk-based capital levels and corresponding ratios at December 31:

(Dollars in thousands)	2024	2023	2022
Capital Amounts:			
Common equity tier 1	$ 833,128	$ 766,692	$ 604,644
Tier 1	863,974	820,496	618,432
Total (tier 1 and tier 2)	946,724	873,226	662,499
Net risk-weighted assets	$ 6,971,490	$ 6,630,945	$ 5,071,240
Capital Ratios:			
Common equity tier 1	11.95 %	11.56 %	11.92 %
Tier 1	12.39 %	12.37 %	12.19 %
Total (tier 1 and tier 2)	13.58 %	13.17 %	13.06 %
Tier 1 leverage ratio	9.73 %	9.48 %	8.96 %

In addition to traditional capital measurements, management uses tangible capital measures to evaluate the adequacy of Peoples' total stockholders' equity. Such financial measures represent non-US GAAP financial information since they exclude the impact of goodwill and other intangible assets acquired through acquisitions on the Consolidated Balance Sheets. Peoples' management believes this information is useful to investors since it facilitates the comparison of Peoples' operating performance, financial condition and trends to peers, especially those without a level of intangible assets similar to that of Peoples. Further, intangible assets generally are difficult to convert into cash, especially during a financial crisis, and could decrease substantially in value should there be deterioration in the overall franchise value. As a result, tangible equity represents a conservative measure of the capacity for Peoples to incur losses but remain solvent.

The following table reconciles the calculation of the identified non-US GAAP financial measures to amounts reported in Peoples' Consolidated Financial Statements at December 31:

(Dollars in thousands)	2024	2023	2022
Tangible equity:			
Total stockholders' equity	$ 1,111,590	$ 1,053,534	$ 785,328
Less: goodwill and other intangible assets	402,422	412,172	326,329
Tangible equity	$ 709,168	$ 641,362	$ 458,999
Tangible assets:			
Total assets	$ 9,254,247	$ 9,157,382	$ 7,207,304
Less: goodwill and other intangible assets	402,422	412,172	326,329
Tangible assets	$ 8,851,825	$ 8,745,210	$ 6,880,975
Tangible book value per common share:			
Tangible equity	$ 709,168	$ 641,362	$ 458,999
Common shares outstanding	35,563,590	35,314,745	28,287,837
Tangible book value per common share	$ 19.94	$ 18.16	$ 16.23
Tangible equity to tangible assets ratio:			
Tangible equity	$ 709,168	$ 641,362	$ 458,999
Tangible assets	$ 8,851,825	$ 8,745,210	$ 6,880,975
Tangible equity to tangible assets	8.01 %	7.33 %	6.67 %

Tangible book value per common share increased to $19.94 at December 31, 2024 from $18.16 at December 31, 2023 and was primarily due to net income over the last twelve months.

The increase in tangible book value per common share at December 31, 2023 from at December 31, 2022 was due to tangible equity increasing as a result of common shares issued throughout 2023, including shares issued due to the Limestone Merger, a decrease in other comprehensive losses recognized on available-for-sale investment securities, which was driven by changes in market interest rates, and net income for 2023.

Future Outlook

Peoples improved its performance for the third consecutive year during 2024, recording record annual net income despite the challenges that were presented to the banking industry due to the bank failures in 2023. In 2025, Peoples expects to generate positive operating leverage for the year, compared to 2024.

For 2025, Peoples expects net interest margin to be between 4.00% and 4.20% for the full year, which is assuming another 50 basis point reduction by the Federal Reserve, spread over the first nine months of 2025. These projections will vary depending on the timing and magnitude of the anticipated rate cuts and the level of competition for deposits.

Peoples projects growth in total non-interest income, excluding net gains and losses, to be in the mid-to-high single-digits in 2025 compared to 2024. Total non-interest expenses are expected to be between $69 million and $71 million for the second, third and fourth quarters of 2025, with the first quarter of 2025 being higher due to annual expenses typically recognized during the first quarter of each year. The efficiency ratio is projected to be between 55% and 60% for 2025.

Peoples will continue to place importance on loan growth. Peoples anticipates that the annual loan growth for 2025 will be between 4% and 6%. Provision for credit losses is expected to be at a similar quarterly run rate compared to 2024, with a modest reduction in our net charge-off rate compared to 2024. The balance sheet mix of Peoples will be continually evaluated in an effort to mitigate exposure risk during 2025.

Total deposit balances are expected to grow by approximately 1% in 2025. Peoples expects continued growth despite increased competition in its markets plus additional upward pressure on rates paid. Throughout 2024, deposits balances increased primarily due to special promotional offerings on retail CDs throughout the year.

Management believes Peoples is in position to maintain strong asset quality metrics and continued growth into 2025. Peoples came through 2024 with positive financial results despite the challenging economic environment and believes it will continue this trend into 2025.

For more information regarding risks and uncertainties that could impact the projections described above, please refer to "ITEM 1A RISK FACTORS" of this Form 10-K.

Interest Rate Sensitivity and Liquidity

While Peoples is exposed to various business risks, the risks relating to interest rate sensitivity and liquidity are major risks that can materially impact future results of operations and financial condition due to their complexity and dynamic nature. The objective of Peoples' asset-liability management function is to measure and manage these risks in order to optimize net interest income within the constraints of prudent capital adequacy, liquidity and safety. This objective requires Peoples to focus on interest rate risk exposure and adequate liquidity through its management of the mix of assets and liabilities, their related cash flows and the rates earned and paid on those assets and liabilities. Ultimately, the asset-liability management function is intended to guide management in the acquisition and disposition of earning assets and selection of appropriate funding sources.

Interest Rate Risk

Interest rate risk ("IRR") is one of the most significant risks arising in the normal course of business of financial services companies like Peoples. IRR is the potential for economic loss due to future interest rate changes that can impact the earnings stream, as well as market values, of financial assets and financial liabilities. Peoples' exposure to IRR is due primarily to differences in the maturity or repricing of earning assets and interest-bearing liabilities. In addition, other factors, such as prepayments of loans and investment securities, or early withdrawal of deposits, can affect Peoples' exposure to IRR and increase interest costs or reduce revenue streams.

Peoples has assigned overall management of IRR to the ALCO, which has established an IRR management policy that sets minimum requirements and guidelines for monitoring and managing the level of IRR. The objective of Peoples' IRR management policy is to assist the ALCO in its evaluation of the impact of changing interest rate conditions on earnings and the economic value of equity, as well as assist with the implementation of strategies intended to reduce Peoples' IRR. The management of IRR involves either maintaining or changing the level of risk exposure by changing the repricing and maturity characteristics of the cash flows for specific assets or liabilities. Additional oversight of Peoples' IRR is provided by the Board of Directors of Peoples Bank, which reviews and approves Peoples' IRR management policy at least annually.

The ALCO uses various methods to assess and monitor the current level of Peoples' IRR and the impact of potential strategies or other changes. However, the ALCO predominantly relies on simulation modeling in its overall management of IRR since it is a dynamic measure. Simulation modeling also estimates the impact of potential changes in interest rates and balance sheet structures on future earnings and projected economic value of equity. The methods used by ALCO to assess IRR remain largely unchanged from those disclosed for the year ended December 31, 2023.

The modeling process starts with a base case simulation using the current balance sheet and current interest rates held constant for the next twenty-four months. Alternate scenarios are prepared which simulate the impact of increasing and decreasing market interest rates, assuming parallel yield curve shifts. Comparisons produced from the simulation data, showing the changes in net interest income from the base interest rate scenario, illustrate the risks associated with the current balance sheet structure. Additional simulations, when deemed appropriate or necessary, are prepared using different interest rate scenarios from those used with the base case simulation and/or possible changes in balance sheet composition. The additional simulations include non-parallel shifts in interest rates whereby the direction and/or magnitude of changes in short-term interest rates is different from the changes applied to longer-term interest rates. Comparisons showing the net interest income and economic value of equity variances from the base case are provided to the ALCO for review and discussion.

The ALCO has established limits on changes in the twelve-month net interest income forecast and the economic value of equity from the base case. The ALCO may establish risk tolerances for other parallel and non-parallel rate movements, as deemed necessary. The following table details the current policy limits used to manage the level of Peoples' IRR:

Immediate and Sustained Shift in Interest Rates	Net Interest Income	Economic Value of Equity
+/- 100 basis points	-5%	-10%
+/- 200 basis points	-10%	-15%
+/- 300 basis points	-15%	-20%

The following table shows the estimated changes in net interest income and the economic value of equity based upon a standard, parallel shock analysis with balances held constant (dollars in thousands):

Increase (Decrease) in Interest Rates (in Basis Points)	Estimated Increase (Decrease) in Net Interest Income						Estimated (Decrease) Increase in Economic Value of Equity					
	December 31, 2024			December 31, 2023			December 31, 2024			December 31, 2023		
300	10,471	3.0	%	15,063	4.6	%	(127,697)	(7.2)	%	(157,625)	(9.4)	%
200	7,090	2.0	%	10,282	3.1	%	(88,238)	(5.0)	%	(107,620)	(6.4)	%
100	3,678	1.0	%	5,468	1.7	%	(45,430)	(2.6)	%	(53,585)	(3.2)	%
(100)	(9,700)	(2.7)	%	(7,427)	(2.3)	%	12,016	0.7	%	31,722	1.9	%
(200)	(19,818)	(5.6)	%	(15,446)	(4.7)	%	(3,009)	(0.2)	%	46,537	2.8	%
(300)	(19,964)	(5.6)	%	(16,822)	(5.1)	%	(25,823)	(1.5)	%	47,198	2.8	%

This table uses a standard, parallel shock analysis for assessing the IRR to net interest income and the economic value of equity. A parallel shock assumes all points on the yield curve (one year, two year, three year, etc.) are directionally changed by the same degree. Management regularly assesses the impact of both increasing and decreasing interest rates. The table above shows the impact of upward and downward parallel shocks of 100, 200 and 300 basis points.

Estimated changes in net interest income and the economic value of equity are partially driven by assumptions regarding the rate at which non-maturity deposits will reprice given a move in short-term interest rates. These assumptions are monitored closely by Peoples and are reviewed at least semi-annually. At December 31, 2024, the actual deposit betas experienced by Peoples in the repricing of non-maturity deposits were lower than those used in Peoples' interest rate risk modeling.

While parallel interest rate shock scenarios are useful in assessing the level of IRR inherent in the balance sheet, interest rates typically move in a nonparallel manner with differences in the timing, direction and magnitude of changes in short-term and long-term interest rates. Thus, any impact that might occur as a result of the Federal Reserve Board decreasing short-term interest rates in the future could be offset by an inverse movement in long-term rates, and vice versa. For this reason, Peoples considers other interest rate scenarios in addition to analyzing the impact of parallel yield curve shifts. These include various flattening and steepening scenarios in which short-term and long-term rates move in different directions with varying magnitude. Peoples believes these scenarios to be more reflective of how interest rates change versus the severe parallel rate shocks described above. Given the shape of market yield curves at December 31, 2024, consideration of the bull steepener and bear steepener scenarios provide insights which were not captured by parallel shifts.

The bull steepener scenario highlights the risk to net interest income and the economic value of equity when short-term rates fall faster than long-term rates. In such a scenario, Peoples' deposit and short-term borrowing costs, which are correlated with short-term rates, decrease, while long-term asset yields and long-long term borrowing costs, which are correlated with long-term rates remain constant. Decreased deposit and funding costs increase net interest income over a longer horizon; resulting in an increased amount of net income and net interest margin over a 24-month period. At December 31, 2024, the bull steepener scenario resulted in a decline in net interest income of 0.73%, as the impact of recent term funding mitigates the impact of lower short-term rates over a 12-month horizon, and an increase in economic value of equity of 1.90%.

The bear steepener scenario highlights the risk to net interest income and the economic value of equity when short-term rates remain constant while long-term rates rise. In such a scenario, Peoples' deposit and borrowing costs, which are generally correlated with short-term interest rates, remain constant, while asset yields, which are correlated with long-term interest rates, rise. At December 31, 2024, the bear steepener scenario resulted in an increase in net interest income of 0.79% and an increase in economic value of equity of 5.60%

During 2024, Peoples' was positioned to benefit from rising interest rates in terms of the potential impact on net interest income. The table above illustrates this point as net interest income increases in the rising rate scenarios and decreases in the falling rate scenarios.

Peoples has entered into interest rate swaps as part of its interest rate risk management strategy. These interest rate swaps are designated as cash flow hedges and involve the receipt of variable rate amounts from a counterparty in exchange for Peoples making fixed payments. As of December 31, 2024, Peoples had eight interest rate swap contracts, with an aggregate notional value of $75.0 million. Additional information regarding Peoples' interest rate swaps can be found in "Note 15 Derivative Financial Instruments."

An asset/liability model used to produce the analysis above requires assumptions to be made such as prepayment rates on interest-earning assets and repricing impact on non-maturity deposits. These business assumptions are based on business plans, economic and market trends, and available industry data. Management believes that its methodology for developing such assumptions is reasonable; however, there can be no assurance that modeled results will be achieved or are indicative of future results. The asset/liability model along with key modeling assumptions are subjected to a third-party review annually for effectiveness and regulatory compliance.

Liquidity

In addition to IRR management, another major objective of the ALCO is to ensure sufficient levels of liquidity are maintained. The ALCO defines liquidity as the ability to meet anticipated and unanticipated operating cash needs, loan demand and deposit withdrawals without incurring a sustained negative impact on profitability.

A primary source of liquidity for Peoples is deposits. Liquidity is also provided by cash generated from earning assets such as loans and investment securities. Peoples also uses various wholesale funding sources to supplement funding from customer deposits. These external sources provide Peoples with the ability to obtain large quantities of funds in a relatively short time period in the event of sudden unanticipated cash needs. However, an over-utilization of external funding sources can expose Peoples to greater liquidity risk, as these external sources may not be accessible during times of market stress. Additionally, Peoples may be exposed to the risk associated with providing excess collateral to external funding providers, commonly referred to as counterparty risk. As a result, the ALCO's liquidity management policy sets limits on the net liquidity position and the concentration of non-core funding sources, which includes wholesale funding and brokered deposits.

In addition to external sources of funding, Peoples considers certain types of deposits to be less stable or "volatile funding." These deposits include special money market products, large CDs and public funds. Peoples has established volatility factors for these various deposit products, and the liquidity management policy establishes a limit on the total level of volatile funding. Additionally, Peoples measures the maturities of external sources of funding for periods of one month, three months, six months and twelve months, and has established policy limits for the amounts maturing in each of these periods. The purpose of these limits is to minimize exposure to what is commonly termed rollover risk.

An additional strategy used by Peoples in the management of liquidity risk is maintaining a targeted level of liquid assets. Management defines liquid assets as unencumbered cash (including cash on deposit at the FRB), and the market value of unpledged U.S. government and agency securities. Excluded from this definition are pledged securities, non-government securities, non-agency securities, municipal securities and loans. Management has established a minimum level of liquid assets in the liquidity management policy, which is expressed as a percentage of total loans and unfunded loan commitments. At December 31, 2024, Peoples maintained liquid assets of $696.9 million, representing 6.6% of total assets plus unfunded loan commitments. Peoples has also established a policy limit around the level of liquefiable assets expressed as a percentage of total loans and unfunded loan commitments. Liquefiable assets are defined as liquid assets plus the market value of unpledged securities not included in the liquid asset measurement. At December 31, 2024, Peoples maintained liquefiable assets of $857.1 million, representing 8.1% of total assets plus unfunded loan commitments.

An essential element in the management of liquidity risk is a forecast of the sources and uses of anticipated cash flows. On a monthly basis, Peoples forecasts sources and uses of cash for the next twelve months. To assist in the management of liquidity, management has established a liquidity coverage ratio, which is defined as the total sources of cash divided by the total uses of cash. A ratio of greater than 1.0 times indicates that forecasted sources of cash are adequate to fund forecasted uses of cash. The liquidity management policy establishes a minimum limit of 1.0 times. At December 31, 2024, Peoples had a ratio of 8.69 times, which was within policy limits. Peoples also forecasts secondary or contingent sources of cash, and this includes external sources of funding and liquid assets. These sources of cash would be required if and when the forecasted liquidity coverage ratio dropped below the policy limit of 1.0 times. An additional liquidity measurement used by management includes the total forecasted sources of cash and the contingent sources of cash divided by the forecasted uses of cash. Management has established a minimum ratio of 3.0 times for this liquidity management policy limit. At December 31, 2024, Peoples had a ratio of 10.14 times, which was within policy limits.

Peoples maintains multiple contingent sources of liquidity including secured wholesale funding lines and unsecured brokered deposit networks. Peoples' primary sources of secured wholesale funding are the FHLB of Cincinnati and the FRB. As of December 31, 2024, Peoples had unused collateral-based borrowing capacities of $388.6 million and $416.9 million, respectively, available with the FHLB of Cincinnati and the FRB. Together, these unused borrowing capacities represent 7.6% of total assets and unfunded loan commitments. Additionally, Peoples had $230.0 million of unpledged loan collateral eligible to secure additional borrowing capacity with the FRB as of December 31, 2024.

Disruptions in the sources and uses of cash can occur which can drastically alter the actual cash flows and negatively impact Peoples' ability to access internal and external sources of cash. Such disruptions might occur due to increased withdrawals of deposits, increases in the funding required for loan commitments, a decrease in the ability to access external funding sources and other factors that would increase the need for funding and limit Peoples' ability to access needed funds. As a result, Peoples maintains a liquidity contingency funding plan ("LCFP") that considers various degrees of disruptions and develops action plans around these scenarios.

Peoples' LCFP identifies scenarios where funding disruptions might occur and creates scenarios of varying degrees of severity. The disruptions considered include an increase in funding of unfunded loan commitments, unanticipated withdrawals of deposits, decreases in the renewal of maturing CDs, and reductions in cash earnings. Additionally, the LCFP creates stress scenarios where access to external funding sources, or contingency funding, is suddenly limited, which includes a significant increase in the margin requirements where securities or loans are pledged, limited access to funding from other banks and limited

access to funding from the FHLB of Cincinnati and the FRB. Peoples' LCFP scenarios include a base scenario, a mild stress scenario, a moderate stress scenario and a severe stress scenario. Each of these is defined as to the related severity and action plans are developed around each.

Liquidity management also requires the monitoring of risk indicators that may alert the ALCO to a developing liquidity situation or crisis. Early detection of stress scenarios allows Peoples to take actions to help mitigate the impact to Peoples Bank's business operations. The LCFP contains various indicators, termed key risk indicators ("KRIs"), that are monitored on a monthly basis, at a minimum. The KRIs include both internal and external indicators and include loan delinquency levels, criticized and classified loan levels, the ratios of non-performing loans to loans and to total assets, the total loan to total deposit ratio, the level of net non-core funding dependence, the level of contingency funding sources, the liquidity coverage ratio, changes in regulatory capital levels, forecasted operating loss, negative media concerning Peoples, irrational competitor pricing that persists, and an increase in rates for external funding sources. The LCFP establishes levels that define each of these KRIs under base, mild, moderate and severe scenarios.

The LCFP is reviewed and updated at least on an annual basis by the ALCO and Peoples Bank's Board of Directors. Additionally, testing of the LCFP is required on an annual basis. Various stress scenarios and the related actions are simulated according to the LCFP. The results are reviewed and discussed and changes or revisions are made to the LCFP accordingly. Additionally, the LCFP is subjected to a third-party review annually for effectiveness and regulatory compliance.

Starting at March 31, 2020, there was an increase in deposit balances due to the influx of funds from fiscal stimulus, the PPP and other government actions that persisted throughout 2021. During 2022, deposit balances declined due to customers returning to pre-COVID-19 pandemic balances as well as rising market interest rates due to high levels of inflation. During 2023, the Federal Reserve continued a historically aggressive rate-hiking campaign, leading to higher interest rates and higher competition for deposits. As inflationary pressures cooled during 2024, the Federal Reserve began to lower rates starting the second half of the calendar year. Peoples continued to offer various CD special rates to retain current clients and attract new clients.

Overall, management believes the current balance of cash and cash equivalents, anticipated investment portfolio cash flows and the availability of other funding sources will allow Peoples to meet anticipated cash obligations, as well as special needs and off-balance sheet commitments.

Off-Balance Sheet Activities and Contractual Obligations

Peoples routinely engages in activities that involve, to varying degrees, elements of risk that are not reflected in whole or in part in the Consolidated Financial Statements. These activities are part of Peoples' normal course of business and include traditional off-balance sheet credit-related financial instruments, interest rate contracts, operating lease obligations, and commitments to make additional capital contributions in low-income housing tax credit investments.

The following is a summary of Peoples' significant off-balance sheet activities and contractual obligations. Detailed information regarding these activities and obligations can be found in the Notes to the Consolidated Financial Statements.

Activity or Obligation	Note
Off-balance sheet credit-related financial instruments	16
Interest rate contracts	15
Operating lease obligations	6
Long-term borrowing obligations	10

Traditional off-balance sheet credit-related financial instruments are primarily commitments to extend credit and standby letters of credit. These activities are necessary to meet the financing needs of customers and could require Peoples to make cash payments to third parties in the event certain specified future events occur. The contractual amounts represent the extent of Peoples' exposure in these off-balance sheet activities. However, since certain off-balance sheet commitments, particularly standby letters of credit, are expected to expire or be only partially used, the total amount of commitments does not necessarily represent future cash requirements.

Peoples continues to lease certain facilities and equipment under noncancellable operating leases with terms providing for fixed monthly payments over periods generally ranging from two to 25 years. Several of Peoples' leased facilities are inside retail shopping centers or office buildings and, as a result, are not available for purchase. Management believes these leased facilities increase Peoples' visibility within its markets and afford sales associates additional access to current and potential clients.

For certain acquisitions, often those involving insurance businesses and wealth management books of business, a portion of the consideration is contingent upon revenue metrics being achieved. US GAAP requires that the amounts be recorded upon acquisition based on the best estimate of the future amounts to be paid at the time of acquisition. Any subsequent adjustment to the estimate is recorded in net income. Based on the acquisitions completed to date, management does not expect contingent consideration to have a material impact on Peoples' future performance.

Management does not anticipate that Peoples' current off-balance sheet activities will have a material impact on its future results of operations and financial condition based on historical experience and recent trends.

Effects of Inflation on Financial Statements

Substantially all of Peoples' assets relate to banking and are monetary in nature. As a result, inflation does not impact Peoples to the same degree as companies in capital-intensive industries in a replacement cost environment. During a period of rising prices, a net monetary asset position results in a loss in purchasing power and conversely a net monetary liability position results in an increase in purchasing power. The opposite would be true during a period of decreasing prices. In the banking industry, monetary assets typically exceed monetary liabilities.

ITEM 7A QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Refer to the section captioned "Interest Rate Sensitivity and Liquidity" under "ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Form 10-K, which is incorporated herein by reference.

ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Consolidated Financial Statements and accompanying notes, and the report of independent registered public accounting firm, are set forth immediately following "ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS" of this Form 10-K.

ITEM 9 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

No response required.

ITEM 9A CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Peoples' management, with the supervision and participation of Peoples' President and Chief Executive Officer and Peoples' Executive Vice President, Chief Financial Officer and Treasurer, has evaluated the effectiveness of Peoples' disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of December 31, 2024. Based upon that evaluation, Peoples' President and Chief Executive Officer, and Peoples' Executive Vice President, Chief Financial Officer and Treasurer, have concluded that:

(a) information required to be disclosed by Peoples in this Form 10-K and other reports Peoples files or submits under the Exchange Act would be accumulated and communicated to Peoples' management, including its President and Chief Executive Officer, and its Executive Vice President, Chief Financial Officer and Treasurer, as appropriate to allow timely decisions regarding required disclosure;
(b) information required to be disclosed by Peoples in this Form 10-K and other reports Peoples files or submits under the Exchange Act would be recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms; and
(c) Peoples' disclosure controls and procedures were effective as of the end of the period covered by this Form 10-K.

Management's Annual Report on Internal Control Over Financial Reporting

The "Report of Management's Assessment of Internal Control Over Financial Reporting" required by Item 308(a) of SEC Regulation S-K is included on page 78 of this Form 10-K.

Attestation Report of Independent Registered Public Accounting Firm

The "Report of Independent Registered Public Accounting Firm" required by Item 308(b) of SEC Regulation S-K is included on page 80 of this Form 10-K.

Ernst & Young LLP (U.S. PCAOB Auditor Firm I.D.: 42), the independent registered public accounting firm that audited Peoples' consolidated financial statements included in this Form 10-K, has issued an attestation report on the effectiveness of Peoples' internal control over financial reporting as of December 31, 2024. The report, which expresses the opinion that Peoples' management has maintained effective internal control over financial reporting as of December 31, 2024, is included in the "Report of Independent Registered Public Accounting Firm."

Changes in Internal Control Over Financial Reporting

There were no changes in Peoples' internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the fiscal quarter ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, Peoples' internal control over financial reporting.

ITEM 9B OTHER INFORMATION

(a) None.

(b) The following details the activity in respect of the adoption, modification or termination of 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) by any director or any officer (as defined in Rule 16a-1(f) under the Exchange Act) of Peoples during the three months ended December 31, 2024:

				Trading Agreement		
	Action	Date	Rule 10-b5-1*		Total Common Shares to be Sold	Expiration Date
Craig Beam	Director	Adopt	November 25, 2024	X	4,000	April 01, 2026

*Intended to satisfy the affirmative defense of Rules 10b5-1(c)

ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

Report of Management's Assessment of Internal Control Over Financial Reporting

Peoples' 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 Securities Exchange Act of 1934, as amended. Peoples' internal control over financial reporting has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation, integrity, and fair presentation of Peoples' Consolidated Financial Statements for external purposes in accordance with United States generally accepted accounting principles.

With the supervision and participation of Peoples' President and Chief Executive Officer and Peoples' Executive Vice President, Chief Financial Officer and Treasurer, Peoples' management evaluated the effectiveness of Peoples' internal control over financial reporting as of December 31, 2024, using the Internal Control-Integrated Framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on the results of its evaluation, Peoples' management has concluded that Peoples' internal control over financial reporting was effective at a reasonable assurance level as of December 31, 2024.

No matter how well designed, internal control over financial reporting may not prevent or detect all misstatements. Projection of the evaluation of effectiveness to future periods is subject to risks, including but not limited to (a) controls may become inadequate due to changes in conditions; (b) a deterioration may occur in the degree of compliance with policies or procedures; and (c) the possibility of control circumvention or override occurring, any of which may lead to misstatements due to undetected error or fraud. Effective internal control over financial reporting can provide only a reasonable assurance with respect to financial statement preparation and financial reporting.

Peoples' management assessed the effectiveness of Peoples' internal control over financial reporting as of December 31, 2024, and, based on this assessment, has concluded Peoples' internal control over financial reporting was effective at a reasonable assurance level as of that date.

Peoples' independent registered public accounting firm, Ernst & Young LLP has audited the Consolidated Financial Statements included in this Annual Report on Form 10-K and has issued an audit report on Peoples' internal control over financial reporting.

By: /s/ TYLER WILCOX	By: /s/ KATIE BAILEY
Tyler Wilcox	Katie Bailey
President and Chief Executive Officer	Executive Vice President,
	Chief Financial Officer and Treasurer

February 27, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Peoples Bancorp Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Peoples Bancorp Inc. and subsidiaries' internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Peoples Bancorp Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and our report dated February 27, 2025 expressed an unqualified opinion thereon.

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 Report of Management's Assessment of 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 included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and 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/ Ernst & Young LLP

Chicago, Illinois

February 27, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Peoples Bancorp Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Peoples Bancorp Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, 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, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's 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 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 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter 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.

Accounting for the Allowance for Credit Losses

Description of the Matter

As discussed in Note 1 and Note 4 of the financial statements, management estimates the allowance for credit losses (ACL) based on relevant available information, from both internal and external sources, relating to past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The ACL is made up of both a quantitative modeled component as well as a qualitative component. The methodology for determining the quantitative component includes (1) a pooled component for loans that exhibit similar risk characteristics and (2) a specific component for those loans that do not exhibit similar risk characteristics. For loans exhibiting similar risk characteristics, the Company uses a loss driver method, which analyzes one or more economic variables to the change in default rate using a regression analysis, and a discounted cash flow methodology in determining an ACL for each loan segment. Management applies judgment in determining the extent of qualitative factors used in the qualitative component to adjust the loss rates for loan segments to reflect the impact these factors may have on expected losses in the loan portfolio. These include economic conditions, collateral, concentrations, troubled assets, Peoples' loss trends, peer loss trends, delinquency trends, portfolio composition and loan growth, underwriting, and certain other risks. The Company's loan and lease portfolio totaled $6.36 billion as of December 31, 2024, and the associated ACL was $63.3 million.

Auditing management's estimate of the ACL involves a high degree of subjectivity due to the judgment required in assessing whether the economic forecast used is reasonable and supportable. Management's determination of the economic forecast used in calculating the modeled ACL is highly judgmental and has a significant effect on the ACL.

How We Addressed the Matter in Our Audit	We obtained an understanding of the Company's processes for establishing the ACL through the year ended December 31, 2024. We evaluated the design and tested the operating effectiveness of the Company's controls over the ACL process, which included, among others, management's review and approval controls designed to assess and challenge whether the economic forecast used is reasonable and supportable. To test whether the economic forecast utilized by the Company in calculating the ACL was reasonable and supportable, our audit procedures included, among others, the following: 1) We obtained corroborative information, including employment statistics, economic reports and alternative economic forecasts, and considered any contrary evidence; 2) We evaluated the reliability of the external information source used by the Company in determining the economic forecast; 3) We verified the economic variables from the external information source were accurately input into the Company's model used in estimating the ACL; 4) We compared the total ACL to the Company's historical losses, considering changes in the current economic environment to evaluate whether the ACL appropriately reflected losses expected in the portfolio; and 5) We evaluated whether the total ACL appropriately reflected losses expected in the loan portfolio by comparing to peer bank data.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1995.

Chicago, Illinois

February 27, 2025

-PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)	December 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents:		
Cash and due from banks	$ 108,721	$ 111,680
Interest-bearing deposits in other banks	108,943	315,042
Total cash and cash equivalents	217,664	426,722
Available-for-sale investment securities, at fair value (amortized cost of $1,229,382 at December 31, 2024 and $1,184,288 at December 31, 2023) (a)	1,083,555	1,048,322
Held-to-maturity investment securities, at amortized cost (fair value of $692,499 at December 31, 2024 and $612,022 at December 31, 2023) (a)	774,800	683,657
Other investment securities	60,132	63,421
Total investment securities (a)	1,918,487	1,795,400
Loans and leases, net of deferred fees and costs (b)	6,358,003	6,159,196
Allowance for credit losses	(63,348)	(62,011)
Net loans and leases	6,294,655	6,097,185
Loans held for sale	2,348	1,866
Bank premises and equipment, net of accumulated depreciation	103,669	103,856
Bank owned life insurance	143,710	140,554
Goodwill	363,199	362,169
Other intangible assets	39,223	50,003
Other assets	171,292	179,627
Total assets	**$ 9,254,247**	**$ 9,157,382**
Liabilities		
Deposits:		
Non-interest-bearing	$ 1,507,661	$ 1,567,649
Interest-bearing	6,082,544	5,535,272
Total deposits	7,590,205	7,102,921
Short-term borrowings	193,474	650,497
Long-term borrowings	238,073	216,241
Accrued expenses and other liabilities	120,905	134,189
Total liabilities	8,142,657	8,103,848
Stockholders' Equity		
Preferred shares, no par value, 50,000 shares authorized and no shares issued at December 31, 2024 and December 31, 2023	—	—
Common shares, no par value, 50,000,000 shares authorized, 36,782,601 shares issued at December 31, 2024 and 36,736,041 shares issued at December 31, 2023, including shares held in treasury	866,844	865,227
Retained earnings	388,109	327,237
Accumulated other comprehensive loss, net of deferred income taxes	(110,385)	(101,590)
Treasury stock, at cost, 1,311,175 common shares at December 31, 2024 and 1,511,348 common shares at December 31, 2023	(32,978)	(37,340)
Total stockholders' equity	1,111,590	1,053,534
Total liabilities and stockholders' equity	**$ 9,254,247**	**$ 9,157,382**

(a) Available-for-sale investment securities and held-to-maturity investment securities are presented net of allowance for credit losses of $0 and $237, respectively, at December 31, 2024 and $0 and $238, respectively, at December 31, 2023.
(b) Also referred to throughout this Form 10-K as "total loans" and "loans held for investment."

See Notes to the Consolidated Financial Statements

PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)	2024	2023	2022
Interest income:			
Interest and fees on loans	$ 450,996	$ 383,032	$ 234,765
Interest and dividends on taxable investment securities	59,008	49,282	28,903
Interest on tax-exempt investment securities	3,963	4,326	4,176
Other interest income	6,809	2,763	1,710
Total interest income	520,776	439,403	269,554
Interest expense:			
Interest on deposits	142,114	71,934	9,171
Interest on short-term borrowings	15,545	19,935	2,661
Interest on long-term borrowings	14,416	8,160	4,280
Total interest expense	172,075	100,029	16,112
Net interest income	348,701	339,374	253,442
Provision for (recovery of) credit losses (a)	24,787	15,174	(3,510)
Net interest income after provision for (recovery of) credit losses	323,914	324,200	256,952
Non-interest income:			
Electronic banking income	25,142	25,210	21,094
Trust and investment income	19,513	17,160	16,391
Insurance income	19,401	18,016	15,727
Deposit account service charges	17,584	16,682	14,583
Lease income	10,408	7,844	4,267
Bank owned life insurance income	4,216	4,151	2,624
Mortgage banking income	1,788	1,078	1,397
Net loss on asset disposals and other transactions	(3,310)	(2,837)	(616)
Net loss on investment securities	(416)	(3,700)	(61)
Other non-interest income (b)	5,040	3,809	3,430
Total non-interest income	99,366	87,413	78,836
Non-interest expense:			
Salaries and employee benefit costs	150,041	144,031	112,690
Net occupancy and equipment expense	24,151	21,368	19,516
Data processing and software expense	25,221	21,607	14,241
Professional fees	12,109	17,041	12,094
Amortization of other intangible assets	11,161	11,222	7,763
Electronic banking expense	7,548	7,150	9,231
Marketing expense	3,914	5,017	3,728
FDIC insurance expense	4,929	4,785	3,702
Franchise tax expense	3,222	3,540	3,487
Other loan expenses	4,147	2,859	2,735
Communication expense	3,145	2,834	2,484
Operating lease expense	3,539	1,687	—
Travel and entertainment expense	2,656	2,401	1,400
Other non-interest expense	18,033	20,945	14,076
Total non-interest expense	273,816	266,487	207,147
Income before income taxes	149,464	145,126	128,641
Income tax expense	32,259	31,763	27,349
Net income	**$ 117,205**	**$ 113,363**	**$ 101,292**
Earnings per common share – basic	**$ 3.34**	**$ 3.46**	**$ 3.61**
Earnings per common share – diluted	**$ 3.31**	**$ 3.44**	**$ 3.60**
Weighted-average number of common shares outstanding – basic	**34,779,548**	**32,533,086**	**27,908,022**
Weighted-average number of common shares outstanding – diluted	**35,147,354**	**32,760,808**	**27,999,602**

(a) The provision for credit losses includes changes related to the allowance for credit losses on loans, held-to-maturity investment securities, and the unfunded commitment liability.
(b) Includes realized and unrealized gains on equity investment securities recorded in other non-interest income of $50 for the year ended December 31, 2024, and realized and unrealized losses on equity investment securities of $141 for the year ended December 31, 2023, and realized and unrealized gains on equity investment securities of $2 for the year ended December 31, 2022.

See Notes to the Consolidated Financial Statements

4PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Dollars in thousands)	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
Balance, December 31, 2021	**$ 686,282**	**$ 207,076**	**$ (11,619)**	**$ (36,714)**	**$ 845,025**
Net income	—	101,292	—	—	101,292
Other comprehensive loss, net of tax	—	—	(115,517)	—	(115,517)
Cash dividends declared	—	(42,432)	—	—	(42,432)
Reissuance of treasury stock for common share awards	(4,989)	—	—	4,989	—
Reissuance of treasury stock for deferred compensation plan for Boards of Directors	—	—	—	78	78
Repurchase of treasury stock in connection with employee incentive program and compensation plan for Boards of Directors	—	—	—	(1,745)	(1,745)
Common shares repurchased under share repurchase program	—	—	—	(7,407)	(7,407)
Common shares issued under dividend reinvestment plan	1,272	—	—	—	1,272
Common shares issued under compensation plan for Boards of Directors	83	—	—	423	506
Stock-based compensation	3,707	—	—	—	3,707
Common shares issued under employee stock purchase plan	95	—	—	454	549
Balance, December 31, 2022	**$ 686,450**	**$ 265,936**	**$ (127,136)**	**$ (39,922)**	**$ 785,328**
Net income	—	113,363	—	—	113,363
Other comprehensive loss, net of tax	—	—	25,546	—	25,546
Cash dividends declared	—	(52,062)	—	—	(52,062)
Reissuance of treasury stock for common share awards	(5,944)	—	—	5,944	—
Reissuance of treasury stock for deferred compensation plan for Boards of Directors	—	—	—	115	115
Repurchase of treasury stock in connection with employee incentive program and compensation plan for Boards of Directors	—	—	—	(1,769)	(1,769)
Common shares repurchased under share repurchase program	—	—	—	(3,030)	(3,030)
Common shares issued under dividend reinvestment plan	1,324	—	—	—	1,324
Common shares issued under compensation plan for Boards of Directors	62	—	—	486	548
Stock-based compensation	5,337	—	—	—	5,337
Common shares issued under employee stock purchase plan	69	—	—	836	905
Issuance of common shares related to merger with Limestone Bancorp, Inc.	177,929	—	—	—	177,929
Balance, December 31, 2023	**$ 865,227**	**$ 327,237**	**$ (101,590)**	**$ (37,340)**	**$ 1,053,534**

PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (CONTINUED)

(Dollars in thousands)	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
Net income	$ —	$ 117,205	$ —	$ —	$ 117,205
Other comprehensive income, net of tax	—	—	(8,795)	—	(8,795)
Cash dividends declared	—	(56,333)	—	—	(56,333)
Reissuance of treasury stock for common share awards	(6,880)	—	—	6,880	—
Reissuance of treasury stock for deferred compensation plan for Boards of Directors	—	—	—	342	342
Repurchase of treasury stock in connection with employee incentive program and compensation plan for Boards of Directors	—	—	—	(1,309)	(1,309)
Common shares repurchased under share repurchase program	—	—	—	(3,000)	(3,000)
Common shares issued under dividend reinvestment plan	1,501	—	—	—	1,501
Common shares issued under compensation plan for Boards of Directors	86	—	—	406	492
Common shares issued under employee stock purchase plan	236	—	—	1,043	1,279
Stock-based compensation	6,674	—	—	—	6,674
Balance, December 31, 2024	**$ 866,844**	**$ 388,109**	**$ (110,385)**	**$ (32,978)**	**$ 1,111,590**

See Notes to the Consolidated Financial Statements

PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Dollars in thousands)	2024	2023	2022
Net income	$ 117,205	$ 113,363	$ 101,292
Other comprehensive income (loss):			
Available-for-sale investment securities:			
Gross unrealized holding (losses) gains arising in the period	(10,276)	29,655	(161,730)
Related tax benefit (expense)	2,350	(6,817)	37,733
Reclassification adjustment for net loss included in net income	416	3,700	61
Related tax expense	(97)	(864)	(14)
Net effect on other comprehensive income (loss)	(7,607)	25,674	(123,950)
Defined benefit plans:			
Net (loss) gain arising during the period	—	(303)	76
Related tax benefit (expense)	—	71	(18)
Amortization of unrecognized loss on service benefit plans	—	9	63
Related tax benefit	—	(2)	(15)
Realized loss due to settlement and curtailment	—	2,424	185
Related tax benefit	—	(566)	(43)
Net effect on other comprehensive income	—	1,633	248
Cash flow hedges:			
Net (losses) gains arising during the period	(1,550)	(2,293)	10,606
Related tax benefit (expense)	362	532	(2,421)
Net effect on other comprehensive income (loss)	(1,188)	(1,761)	8,185
Total other comprehensive income (loss), net of tax	(8,795)	25,546	(115,517)
Total comprehensive income (loss)	**$ 108,410**	**$ 138,909**	**$ (14,225)**

See Notes to the Consolidated Financial Statements

PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)	2024	2023	2022
Operating activities:			
Net income	$ 117,205	$ 113,363	$ 101,292
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization and accretion, net	3,514	3,668	17,319
Provision for (recovery of) credit losses	24,787	15,174	(3,510)
Bank owned life insurance income	(4,216)	(4,151)	(2,624)
Net loss on investment securities	416	3,700	61
Fair value adjustment on equity investment securities	(50)	141	(2)
Loans originated for sale	(65,356)	(33,196)	(48,081)
Proceeds from sales of loans	65,984	34,041	50,442
Net gains on sales of loans	(1,376)	(659)	(994)
Deferred income tax (benefit) expense	6,973	(238)	18,566
(Decrease) increase in accrued expenses	(4,216)	13,194	(4,692)
Decrease (increase) in interest receivable	1,293	(6,443)	(5,836)
Increase in other assets	5,626	962	1,629
Increase (decrease) in interest payable	(1,674)	6,621	(420)
Increase in operating lease assets	(16,217)	(13,817)	—
Change in lease right-of-use assets and lease liabilities	158	(335)	(38)
Stock-based compensation	7,324	6,025	4,325
Other, net	3,012	5,593	(7,598)
Net cash provided by operating activities	143,187	143,643	119,839
Investing activities:			
Available-for-sale investment securities:			
Purchases	(331,274)	(75,351)	(246,155)
Proceeds from sales	28,369	198,893	28,663
Proceeds from principal payments, calls and prepayments	255,744	151,047	190,143
Held-to-maturity investment securities:			
Purchases	(253,546)	(207,428)	(206,768)
Proceeds from principal payments	162,497	84,116	19,033
Other investment securities:			
Purchases	(28,431)	(27,206)	(23,632)
Proceeds from sales	32,049	21,281	5,784
Net (increase) decrease in loans held for investment	(199,243)	(356,075)	(58,142)
Net expenditures for premises and equipment	(6,822)	(13,458)	(6,753)
Proceeds from sales of other real estate owned	9	129	572
Investment in bank owned life insurance	—	—	(30,000)
Proceeds from bank owned life insurance	1,060	227	689
Business acquisitions, net of cash received	(1,579)	92,594	(85,791)
Investment in limited partnership and tax credit funds	(3,142)	(1,699)	(1,857)
Net cash used in investing activities	(344,309)	(132,930)	(414,214)
Financing activities:			
Net (decrease) increase in non-interest-bearing deposits	(59,988)	(284,480)	(52,020)
Net increase (decrease) in interest-bearing deposits	547,098	436,545	(93,082)
Net (decrease) increase in short-term borrowings	(457,023)	90,359	328,611
Proceeds from long-term borrowings	55,277	115,108	24,804
Payments on long-term borrowings	(34,641)	(40,165)	(125,345)
Cash dividends paid	(55,828)	(51,845)	(42,372)
Repurchase of treasury stock under share repurchase program	(3,000)	(3,030)	(7,407)
Purchase of treasury stock in connection with employee incentive program and compensation plan for Boards of Directors to be held as treasury stock	(1,309)	(1,769)	(1,745)
Proceeds from issuance of common shares	1,478	1,264	1,226
Net cash (used in) provided by financing activities	(7,936)	261,987	32,670
Net (decrease) increase in cash and cash equivalents	(209,058)	272,700	(261,705)
Cash and cash equivalents at beginning of period	426,722	154,022	415,727
Cash and cash equivalents at end of period	**$ 217,664**	**$ 426,722**	**$ 154,022**

PEOPLES BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(Dollars in thousands)	**2024**	**2023**	**2022**
Supplemental cash flow information:			
Interest paid	$ 172,712	$ 90,367	$ 16,270
Income taxes paid	28,489	30,073	4,131
Supplemental noncash disclosures:			
Transfers from loans to other real estate owned	$ 235	$ 31	$ 110
Noncash recognition of new leases	1,660	4,428	880

See Notes to the Consolidated Financial Statements

PEOPLES BANCORP INC. AND SUBSIDIARIES
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Peoples Bancorp Inc. is a financial holding company that offers a full range of financial services and products primarily offered through its 148 financial service offices and ATMs, including 129 full-service branches in Ohio, Kentucky, West Virginia, Washington, D.C., Virginia, and Maryland as of December 31, 2024, as well as through online resources that are web-based and mobile-based. Peoples' insurance, premium financing and equipment leasing services are offered nationwide. Brokerage services are offered exclusively through an unaffiliated registered broker-dealer located at Peoples Bank's offices. Indirect consumer lending activities are provided through approved dealerships. Peoples Bank's credit card and merchant processing services are provided through joint marketing arrangements with third parties.

Note 1 Summary of Significant Accounting Policies

The accounting and reporting policies of Peoples Bancorp Inc. and subsidiaries ("Peoples" refers to Peoples Bancorp Inc. and its consolidated subsidiaries collectively, except where the context indicates the reference relates solely to Peoples Bancorp Inc.) conform to U.S. generally accepted accounting principles ("US GAAP") and to general practices within the banking industry. The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain items in prior financial statements have been reclassified to conform to the current presentation, which had no impact on net income, total comprehensive income, net cash provided by operating activities or total stockholders' equity.

The following is a summary of significant accounting policies followed in the preparation of the financial statements:

Business Combinations: Business combinations are accounted for using the acquisition method of accounting. Under this accounting method, the acquired company's net assets are recorded at fair value on the date of acquisition, and the results of operations of the acquired company are combined with those of Peoples from the acquisition date forward. Costs related to the acquisition are expensed as incurred. The purchase price paid over the fair value of the net assets acquired, including intangible assets with finite lives, is recorded as goodwill.

Consolidation: Peoples' Consolidated Financial Statements include subsidiaries in which Peoples has a controlling financial interest, principally defined as owning a voting interest of greater than 50%.

The Consolidated Financial Statements include the accounts of Peoples and its consolidated subsidiaries, Peoples Bank (along with its wholly-owned subsidiaries, Peoples Insurance Agency, LLC ("Peoples Insurance") and Vantage Financial, LLC ("Vantage")), Peoples Investment Company, and NB&T Statutory Trust III, FNB Capital Trust One, Ascencia Statutory Trust I, and Porter Statutory Trusts II-IV, for which Peoples holds all of the common securities. All intercompany accounts and transactions have been eliminated.

Fair Value Measurements: The measurement of fair value under US GAAP uses a hierarchy intended to maximize the use of observable inputs and minimize the use of unobservable inputs. This hierarchy uses three levels of inputs to measure the fair value of assets and liabilities as follows:

Level 1: Quoted prices in active exchange markets for identical assets or liabilities; also includes certain U.S. Treasury and other U.S. government and agency securities actively traded in over-the-counter markets.

Level 2: Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data; also includes derivative financial instruments whose value is determined using a pricing model with observable market inputs or can be derived principally from, or corroborated by, observable market data. This category generally includes certain U.S. government and agency securities, corporate debt securities, derivative instruments, and residential mortgage loans held for sale.

Level 3: Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as financial instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for single dealer nonbinding quotes not corroborated by observable market data. This category generally includes certain private equity investments, retained interests from securitization, and certain collateralized debt obligations.

Operating Segments: As a community banking entity, Peoples offers its customers a full range of products including a complete line of banking, leasing, insurance, investment and trust solutions. Peoples' business activities are currently confined to a single reportable operating segment, which is community banking. Peoples' single operating segment was determined based on the similar economic characteristics shared by the components of community banking. Peoples' chief operating decision maker ("CODM") is composed of its President and Chief Executive Officer, and its Chief Financial Officer. Peoples' CODM considers all components of consolidated interest income, interest expense, non-interest income, and non-interest expense as presented in Peoples' Consolidated Statements of Income for the purposes of assessing performance of Peoples' single reportable segment and

allocating resources within its reportable segment. The CODM does not review segment revenue or expense information at a lower level than what is included in Peoples' Consolidated Statements of Income.

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand, balances due from other banks, interest-bearing deposits in other banks, federal funds sold and other short-term investments with original maturities of 90 days or less. At December 31, 2024 and at December 31, 2023, Peoples had no restricted funds held in interest-bearing deposits in other banks which were being used as collateral and not available for withdrawal.

Investment Securities: Investment securities are recorded initially at cost, which includes premiums and discounts if purchased at other than par or face value. Peoples amortizes premiums and accretes discounts as an adjustment to interest income on a level yield basis. The cost of investment securities sold, excluding equity investment securities, and any resulting gain or loss, is based on the specific identification method and recognized as of the trade date. The cost of equity investment securities is based on the weighted-average method.

Peoples determines the appropriate classification of investment securities at the time of purchase. Held-to-maturity securities are those securities that Peoples has the positive intent and ability to hold to maturity and are recorded at amortized cost. Available-for-sale securities are those securities that would be available to be sold in the future in response to Peoples' liquidity needs, changes in market interest rates, and asset-liability management strategies, among other considerations. Available-for-sale securities are reported at fair value, with unrealized gains and losses reported in total stockholders' equity as a separate component of accumulated other comprehensive loss ("AOCL"), net of applicable deferred income taxes.

Certain restricted equity investment securities that do not have readily determinable fair values and for which Peoples does not exercise significant influence, are carried at cost. These cost method securities are reported in "Other investment securities" on the Consolidated Balance Sheets and consist primarily of shares of the Federal Home Loan Bank of Cincinnati (the "FHLB") and the Federal Reserve Bank of Cleveland (the "FRB").

Peoples evaluates available-for-sale investment securities on a quarterly basis to determine how much, if any, allowance for credit losses is required. Peoples reviews available-for-sale investment securities at an unrealized loss position, with potential exposure to a credit event (which excludes U.S. government and U.S. government sponsored agency securities) to determine if the unrealized loss was credit-related. An allowance for credit losses is recorded to the extent that the unrealized loss was credit-related and likely to be permanent.

Peoples evaluates held-to-maturity investment securities on a quarterly basis in determining an allowance for credit losses. Peoples has determined that the loss given default for U.S. government sponsored enterprise investment securities is zero, due to the fact that it is unlikely the ultimate guarantor (the U.S. government) would not perform on its implicit guarantee in the event of default. The remaining securities are included in the calculation of the allowance for credit losses for held-to-maturity investment securities.

Loans and Leases: Loans originated by Peoples that Peoples has the positive intent and ability to hold for the foreseeable future or to maturity or payoff are reported at the principal balance outstanding, net of deferred loan fees and costs, purchase premiums and discounts, charge-offs and an allowance for credit losses. Leases originated by Peoples are reported at the net investment of the lease, net of initial direct costs, charge-offs and an allowance for credit losses. Throughout this Form 10-K, loans and leases are referred to as "total loans" and "loans held for investment." The foreseeable future is based upon current market conditions and business strategies, as well as balance sheet management and liquidity. As the conditions change, so may management's view of the foreseeable future.

Peoples considers loans and leases past due if any required principal and interest payments have not been received as of the date such payments were required to be made under the terms of the loan or lease agreement. Upon detection of the reduced ability of a borrower or lessee to meet cash flow obligations, consumer and residential real estate loans and leases are typically charged down to the net realizable value, with the residual balance placed on nonaccrual status. Loans and leases deemed to be uncollectable are charged against the allowance for credit losses, while recoveries of previously charged off amounts are credited to the allowance for credit losses.

Loans and leases acquired in a business combination that have evidence of more than insignificant credit deterioration, which includes loans and leases that Peoples believes it is probable that Peoples will be unable to collect all contractually required payments, are considered purchase credit deteriorated ("PCD") loans or leases. These loans are recorded at the purchase price, and an allowance for credit losses is determined using the same methodology as for other loans or leases. The initial allowance for credit losses determined on a collective basis is allocated to individual loans or leases. The total of the purchase price and allowance for credit losses is the net amount expected to be collected for PCD loans or leases. The variance between the initial amortized cost basis and the par value of the loan is considered an interest premium or discount, which is amortized or accreted into interest income on a level yield method over the life of the loan. The variance between the initial amortized cost basis and the fair value of a lease is considered an interest premium or discount, which is amortized or accreted into interest income on a level yield method over the life of the lease.

Loans and leases acquired in a business combination that are not considered PCD are recorded at fair value and the difference

between the acquisition date fair value and the contractual amounts due at the acquisition date represents the discount or premium to each loan's or lease's cost basis and is accreted or amortized to interest income over the loan's or lease's remaining life using the level yield method. At the acquisition date, Peoples records provision for credit losses to establish the allowance for credit losses for these acquired loans and leases.

Loans Held for Sale: Loans originated by Peoples and intended to be sold in the secondary market, generally one-to-four family residential loans, are carried at the lower of cost or estimated fair value determined on an aggregate basis. Gains and losses on sales of loans held for sale are included in mortgage banking income.

Loans originated by Peoples with the intent to be held in the portfolio are subsequently transferred to held for sale when a decision is made to sell these loans. At the time of a loan's transfer to the held for sale classification, the loan is recorded at the lower of cost or its fair value. Any reduction in the loan's fair value is reflected as a write-down of the recorded investment resulting in a new cost basis, with a corresponding charge against the allowance for credit losses. If the fair value of a loan classified as held for sale in subsequent periods is less than its cost basis, the carrying value of the loan is adjusted accordingly, with the corresponding loss recognized in income.

Allowance for Credit Losses: The allowance for credit losses includes both the allowance for credit losses for loans and leases and the allowance for credit losses on lending-related commitments. The allowance for credit losses is a valuation reserve established through the provision for credit losses charged against income. The allowance for credit losses is estimated by management using relevant available information, from both internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts.

The allowance for credit losses is measured on a pool basis, with loans collectively evaluated when similar risk characteristics exist. Peoples evaluated risk characteristics, including but not limited to: internal or third-party credit scores or credit ratings, risk ratings or classifications, financial asset type, collateral type, size, effective interest rate, term, geographical location, industry of the borrower, vintage, historical or credit loss patterns and reasonable and supportable forecast periods. Peoples identified 20 segments for which it believes there are similar risk characteristics and utilized a discounted cash flow methodology in determining an allowance for credit losses for each segment.

In management's estimation of expected credit losses, Peoples' uses a one year reasonable and supportable period across all segments. Following the reasonable and supportable period, Peoples reverts the macroeconomic variables to their long run average over a four-quarter reversion period. In estimating credit losses, Peoples uses a loss driver method, which analyzes one or more economic variables to the change in default rate using a regression analysis. Variables that had a strong correlation were selected as economic factors, or variables, for the model. If a single variable was not found to be strongly correlated, additional variables were included. Peoples utilizes the U.S. unemployment and Ohio unemployment rates as economic factors in modeling.

Probabilities of default are used in the loss driver model and are analyzed on a quarterly basis to assess reasonableness. Peoples measured loss given default at the segment level due to statistical considerations using historical information. Peoples also utilized peer data due to somewhat volatile loss history in certain segments to normalize default curves, which provided more meaningful results.

Peoples modeled amortizing loans with a prepayment rate annualized to one year. The prepayment rates were calculated using Peoples' historical data, at the segment level. Peoples models extensions of contractual terms in the following situations: when a loan is 60 days or more past due; when a partial charge-off has occurred, if the loan is in nonaccrual status; or if the loan is grade 5 or higher. When any of these criteria are met and the loan matures within the next 12 months, the loan will be modeled to extend for an additional 12 months.

In general, Peoples completes a quarterly evaluation based on several qualitative factors to determine if there should be adjustments made to the allowance for credit losses. These factors include economic conditions, collateral, concentrations, troubled assets, Peoples' loss trends, peer loss trends, delinquency trends, portfolio composition and loan growth, underwriting, and certain other risks.

The allowance for credit losses related to specific loans was based on management's estimate of potential losses on impaired loans as determined by (1) the present value of expected future cash flows, (2) the fair value of collateral if the loan is determined to be collateral dependent, or (3) the loan's observable market price.

Peoples categorizes loans involving commercial borrowers into risk categories based upon an established grading matrix. This system is used to manage the risk within Peoples' commercial lending activities, evaluate changes in the overall credit quality of the loan portfolio and evaluate the appropriateness of the allowance for credit losses. Loan grades are assigned at the time a new loan or lending commitment is extended by Peoples and may be changed at any time when circumstances warrant. Commercial loans to borrowers with an aggregate unpaid principal balance in excess of $1.0 million are reviewed at least on an annual basis for possible credit deterioration. Commercial leases, as well as loan relationships whose aggregate credit exposure to Peoples is equal to or less than $1.0 million, are reviewed at least on an event driven basis. Triggers for review include knowledge of adverse events affecting the borrower's business, receipt of financial statements indicating deteriorating credit quality or other similar events. Adversely classified loans are reviewed on a quarterly basis.

The primary factors considered when assigning a risk grade to a loan include (1) reliability and sustainability of the primary source of repayment, (2) past, present and projected financial condition of the borrower, and (3) current economic and industry conditions. Other factors that could influence the risk grade assigned include the type and quality of collateral and the strength of any guarantors. The primary source of repayment for commercial real estate loans and commercial and industrial loans is normally the operating cash flow of the business available to repay debt. Management's analysis of operating cash flow for commercial real estate loans secured by non-owner occupied properties takes into account factors such as rent rolls and vacancy statistics. Management's analysis of operating cash flow for commercial real estate loans secured by owner occupied properties and all commercial and industrial loans considers the profitability, liquidity and leverage of the business. The evaluation of construction loans includes consideration of the borrower's ability to complete construction within the established budget.

The primary factors considered when classifying residential real estate loans, home equity lines of credit and consumer loans include the loan's past due status and any declaration of bankruptcy by the borrower(s). The classification of residential real estate loans and home equity lines of credit also takes into consideration the current value of the underlying collateral.

Peoples has elected the practical expedient not to measure allowance for credit losses for accrued interest receivables and reverses accrued interest on nonperforming loans against interest income in a timely manner.

Unfunded Commitments: Peoples also completes a quarterly evaluation for unfunded commitments for loans that are not unconditionally cancellable, which includes construction loans, floor plan lines of credit, home equity lines of credit, other credit lines and letters of credit. Peoples performed a study to determine the historical funding rates of unadvanced portions of loans, and applied these funding rates to the unfunded commitments at period end. The loss rates, including qualitative factors, in determining the allowance for credit losses were applied at the segment level to the unfunded commitment amount to determine the allowance for credit loss liability for unfunded commitments.

Nonaccrual Loans: Peoples discontinues the accrual of interest on a loan when conditions cause management to believe collection of all or any portion of the loan's contractual interest is doubtful. Such conditions may include the borrower being 90 days or more past due on any contractual payments, or current information regarding the borrower's financial condition and repayment ability. All unpaid accrued interest deemed uncollectable is reversed, which reduces Peoples' net interest income. Interest received on nonaccrual loans is included in income only if principal recovery is reasonably assured.

Bank Premises and Equipment: Bank premises and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets owned. Major improvements to leased facilities are capitalized and included in bank premises at cost less accumulated depreciation, which is calculated on the straight-line method over the lesser of the remaining term for the leased facility or the estimated economic life of the improvement.

Goodwill and Other Intangible Assets: Goodwill represents the excess of the cost of an acquisition or business combination over the fair value of the net assets acquired in the acquisition or business combination. Goodwill is not amortized but is tested for impairment when indicators of impairment exist, or at least annually on October 1.

Peoples' other intangible assets include customer relationship intangible assets, core deposit intangible assets, indefinite-lived trade name and servicing rights representing the net present value of future economic benefits to be earned from acquired customer relationships with definite useful lives. These intangible assets are amortized on an accelerated basis over their estimated lives ranging from 7 to 10 years.

Servicing Rights: Servicing rights represent the right to service loans sold to third-party investors. Loans that are sold are primarily mortgage loans, but also include small business and agricultural loans. Servicing rights are recognized separately as a servicing asset whenever Peoples undertakes an obligation to service financial assets. Servicing rights are reported in other intangible assets on the Consolidated Balance Sheets. Serviced loans that have been completely sold are not included on the Consolidated Balance Sheets. Loan servicing income included in mortgage banking income includes servicing fees received from the third-party investors and certain charges collected from the borrowers.

Peoples initially records servicing rights at fair value at the time of the sale of the loans to the third-party investor. Peoples follows the amortization method for the subsequent measurement of each class of separately recognized servicing assets and liabilities. Under the amortization method, Peoples amortizes the value of servicing assets or liabilities utilizing a straight-line basis approach over the period of estimated net servicing income or net servicing loss, and assesses servicing assets or liabilities for impairment or increased obligation based on the fair value at each reporting date. The fair value of the servicing rights is determined by using a discounted cash flow model, which estimates the present value of the future net cash flows of the servicing portfolio based on various factors, such as servicing costs, expected prepayment speeds and discount rates.

Derivatives: Peoples enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known or expected cash amounts, the value of which is determined by interest rates. Peoples' derivative financial instruments are used to manage differences in the amount, timing and duration of Peoples' known or expected cash receipts and its known or expected cash payments principally related to certain variable rate borrowings. Peoples also has interest rate derivative financial instruments that result from a service provided to certain qualifying customers and, therefore, are not used to manage interest rate risk in Peoples' assets or liabilities. Peoples manages a matched book with respect to customer-

related derivative financial instruments in order to minimize its net risk exposure resulting from such transactions. Amounts reported in AOCL related to derivatives are reclassified to interest income or expense as interest payments are made or received on Peoples' variable-rate assets or liabilities. Peoples assesses the effectiveness of each hedging relationship by comparing the changes in cash flows of the derivative hedging instrument with the changes in cash flows of the designated hedged transaction. If the derivative financial instruments designated as cash flow hedges are deemed effective, changes in the fair value of each derivative financial instrument are reported in AOCL (outside of earnings), net of tax, and subsequently reclassified to earnings when the hedged transaction affects earnings. If the derivative financial instruments designated as cash flow hedges are deemed ineffective, changes in the fair value of the derivative financial instrument are recognized directly in earnings.

Interest Rate Lock Commitments: Peoples enters into interest rate lock commitments with borrowers and best efforts commitments with investors on mortgage loans originated for sale into the secondary markets to manage the inherent interest rate and pricing risk associated with selling loans. An interest rate lock commitment generally terminates once the loan is funded, the lock period expires or the borrower decides not to contract for the loan. A best efforts commitment generally terminates once the loan is sold, the commitment period expires or the borrower decides not to contract for the loan. These commitments are considered derivatives. The valuation of such commitments considers the servicing release premium, but does not consider other expected cash flows related to the servicing of the future loan. Management determined these derivatives did not have a material effect on Peoples' financial position, results of operations or cash flows at December 31, 2024.

Investments in Affordable Housing Limited Partnerships: Investments in affordable housing consist of investments in limited partnerships that operate qualified affordable housing projects or that invest in other limited partnerships formed to operate affordable housing projects. These investments are considered variable interest entities for which Peoples is not the primary beneficiary. Peoples generally utilizes the proportional amortization method to account for these investments with the tax credits, net of the amortization of the investment, reflected in the Consolidated Statements of Income as a reduction in income tax expense. The unamortized amount of the investments is recorded in "Other assets" and totaled $11.1 million and $13.1 million at December 31, 2024 and 2023, respectively.

Other Real Estate Owned ("OREO"): OREO, included in "Other assets" on the Consolidated Balance Sheets, is comprised primarily of commercial and residential real estate properties acquired by Peoples in satisfaction of a loan. OREO obtained in satisfaction of a loan is recorded at the lower of cost or estimated fair value, less estimated costs to sell the property. Peoples had OREO totaling $6.2 million at December 31, 2024 and $7.2 million at December 31, 2023.

Securities Sold Under Agreements to Repurchase ("Repurchase Agreements"): Peoples enters into Repurchase Agreements with customers and other financial services companies, which are considered financings. As such, these obligations are recorded as a liability on the Consolidated Balance Sheets and disclosed in "Note 9 Short-Term Borrowings" and "Note 10 Long-Term Borrowings," as appropriate. Securities pledged as collateral under Repurchase Agreements are included in investment securities on the Consolidated Balance Sheets and are disclosed in "Note 3 Investment Securities." The fair value of the collateral pledged to a third party is continually monitored and additional collateral is pledged or returned, as deemed appropriate.

Interest Income Recognition: Interest income on loans and investment securities is recognized by methods that result in level rates of return on principal amounts outstanding. This includes yield adjustments resulting from the amortization of premiums on investment securities, loan costs and premiums, and accretion of discounts on investment securities, loan fees and discounts. Loans that have been placed on nonaccrual, and are subsequently returned to accruing status, recognize interest income similar to other accruing loans once they return to accruing status. Prior accrued interest that was reversed when the loan was placed on nonaccrual is recognized when received, after all of the principal of the loan outstanding has been paid. Since mortgage-backed securities comprise a sizable portion of Peoples' investment portfolio, a significant increase in principal payments on those securities can impact interest income due to the corresponding acceleration of premium amortization or discount accretion.

Lease income: Lease income presented in "Non-interest income" includes (i) operating lease income, (ii) gains on the early termination of leases, net of any associated purchase accounting adjustments, (iii) month-to-month lease payments in excess of net investment on the lease, (iv) fees received for referrals, (v) gains and losses recognized on the sales of residual assets, and (vi) syndication income. Income on operating leases is recognized on a straight-line basis. Depreciation expense related to operating leases is recognized on a straight-line basis in "other non-interest expense." Peoples began originating operating leases in 2023. Gains on syndicated leases and other fees are recognized over time on a monthly basis.

Revenue Recognition: Peoples recognizes revenues as they are earned based on contractual terms, or as services are provided and collectability is reasonably assured. Peoples' principal source of revenue is interest income, which is recognized on an accrual basis primarily according to the terms in written contracts, such as loan agreements or securities contracts.

Estimates of variable consideration are included in revenue to the extent that it is probable that a significant reversal of cumulative revenue will not occur, once the uncertainty is resolved. Peoples' contracts with customers are short-term in nature, and were recognized under the following revenue streams:

Electronic Banking Income: Electronic banking income consists of two revenue streams related to interchange income, and promotional and usage income.

Peoples recognizes interchange income over time, on a monthly basis, which is based on the transactional volume of debit card and credit card activity completed by its customers during the month in which income is recognized. Peoples is obligated, based on its contracts with third parties, to meet certain volumes of debit card and credit card activities, which are performed by Peoples' customers, over a certain period of time. Interchange income is variable as it is based on the transaction volume of debit card activity completed by Peoples' customers. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due for all PIN transactions from the vendor within one month of the completed customer debit card and credit card activity, while all other interchange transaction fees are earned and recorded on a daily basis. Peoples has elected to apply a practical expedient of right to invoice when recognizing interchange income, as Peoples has fulfilled the required performance obligations, the vendor has consumed the service, and Peoples has a right to the related income.

Peoples also recognizes promotional and usage income over time, on a monthly basis, which is related to branding of debit cards and promotion or use of certain services provided by third-party vendors. Peoples is obligated to brand its debit cards in a certain manner, and promote and use services provided by third-party vendors. Promotional and usage income is variable as it is based on certain metrics achieved for promotion and usage of services provided by the third-party vendors. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due from the third-party vendors within 45 days of the monthly fulfillment of Peoples' performance obligation. Peoples has elected to apply a practical expedient of right to invoice when recognizing promotional and usage income, as Peoples has fulfilled the required performance obligations, the vendor has consumed the service, and Peoples has a right to the related income.

Trust and Investment Income: Trust and investment income consists of revenue from fiduciary and brokerage activities, which includes fees for services such as asset management, record keeping, retirement services and estate management, and investment commissions and fees related to the sale of investments. Trust and investment income is recognized over time, which reflects the duration of the contract period for which services have been provided. Trust and investment income is variable as it is based on the value of assets under administration and management, and specific transactions. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due from the customer when billed, which is typically a monthly or quarterly billing for services rendered in the most recent period, for which the performance obligation has been satisfied. Peoples has elected to apply a practical expedient of right to invoice when recognizing trust and investment income, as Peoples has fulfilled the performance obligation, the customer has consumed the service, and Peoples has a right to the related income. Peoples has also elected to apply a practical expedient related to capitalizable costs, which are the commissions paid to financial advisors, and will expense these commissions paid to financial advisors as incurred, as these costs are related to the trust and investment income and would have been amortized within one year or less if they had been capitalized, the same period over which the income was earned.

Insurance Income: Insurance income generally consists of commissions and fees from the sale of insurance policies, fees related to third-party administration services and performance-based commissions from insurance companies.

Peoples recognizes commission income from the sale of insurance policies when it acts as an agent between the insurance carrier and policyholder, arranging for the insurance carrier to provide policies to policyholders, and acts on behalf of the insurance carrier by providing customer service to the policyholders during the respective policy periods. Commission income is recognized over time, using the output method of time elapsed, which corresponds with the underlying insurance policy period, during which Peoples is obligated to perform under contract with the insurance carrier. Commission income is variable, as it is comprised of a certain percentage of the underlying policy premium. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods, based upon historical experience. Payment is due from the insurance carrier for commission income once the insurance policy has been sold. Peoples has elected to apply a practical expedient related to capitalizable costs, which are the commissions paid to insurance producers, and will expense these commissions paid to insurance producers as incurred, as these costs are related to the commission income and would have been amortized within one year or less if they had been capitalized, the same period over which the commission income was earned.

Fees related to third-party administration services performed are recognized over time, during the period in which services have been provided, and are recognized monthly in the month the services were performed.

Performance-based commissions from insurance companies are recognized at a point in time, when received, and no contingencies remain.

Deposit Account Service Charges: Deposit account service charges consist of two revenue streams related to ongoing maintenance fees for deposit accounts and transactional-based fees.

Ongoing maintenance fees are recognized on a monthly basis, generally with the monthly period beginning on the day of the month on which the account was opened. Ongoing maintenance fee income is variable as these fees can be reduced if a customer meets certain qualifying metrics. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. For accounts that are assessed maintenance fees

through the account analysis process, payment is due from the customer within one month after the monthly period in which the account activity occurred. For all other accounts, monthly maintenance fees are assessed to the account on the last day of the monthly period. Peoples has elected to apply a practical expedient of right to invoice when recognizing ongoing maintenance fees for deposit accounts, as Peoples has fulfilled the required performance obligations, the customer has consumed the service, and Peoples has a right to the related income.

Transactional-based fees are recognized at a point in time, which is at the completion of the relevant transaction. Peoples is obligated to perform certain transactions as requested by its consumer and business deposit account customers, which are outside of the normal maintenance requirements. Transactional-based fee income is variable as these fees are directly related to a service request from the customer. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due from the customer at the time of completion of the requested transaction. Overdraft fees are considered transactional-based fees and accounted for as described herein.

Other Non-Interest Income: Other non-interest income includes certain revenues that are transactional-based, such as wire transfer fees, money order fees and other ancillary fees or services. These transactional-based fees are recognized as income at a point in time, at the completion of the relevant transaction. Transactional-based fee income is variable as these fees are directly related to a service request from the customer. Peoples estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due from the customer at the time of completion of the requested transaction.

Also included in other non-interest income are commercial loan swap fees, which consist of income related to transactions in which Peoples Bank originates variable rate loans with interest rate swaps, where the customer enters into an interest rate swap with Peoples Bank on terms that match the terms of the loan. By entering into the interest rate swap with the customer, Peoples Bank effectively provides the customer with a fixed rate loan while creating a variable rate asset for Peoples Bank. Peoples Bank offsets its exposure in the swap by entering into an offsetting interest rate swap with an unaffiliated financial institution. Commercial loan swap fees are recognized at a point in time, when the transaction has been completed, and there is no recourse or further performance obligation required of Peoples Bank. Commercial loan swap fees are variable as these fees are a certain percentage of the total swap fee collected on a completed transaction. Peoples Bank estimates the variable consideration based upon the "most likely amount" method, and does not expect or anticipate a significant reversal of revenue in future periods. Payment is due from the customer at the time of completion of the requested transaction.

Stock-Based Compensation: Stock-based compensation for restricted common share awards is measured at the fair value of these awards on their grant date. Stock-based compensation is recognized over the restriction period for restricted common share awards. Only the expense for the portion of the awards expected to vest is recognized. For service-based awards, stock-based compensation for awards granted to employees who are eligible for retirement is recognized on the date the employee is first eligible to retire.

Advertising Costs: Advertising costs are expensed as incurred.

Income Taxes: Peoples and its subsidiaries file a consolidated federal income tax return. Deferred income tax assets and liabilities reflect the temporary differences between the tax basis of an asset or liability and its reported amount in the Consolidated Financial Statements at the blended federal and state corporate income tax rate. A valuation allowance, if needed, reduces deferred tax assets to the expected amount most likely to be realized. Realization of deferred tax assets is dependent upon the generation of a sufficient level of future taxable income and recoverable taxes paid in prior years.

A tax position is initially recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities. Such tax positions are initially and subsequently measured as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and all relevant facts. Penalties and interest incurred under the applicable tax law are classified as income tax expense. Further, the amount of net interest and penalties related to unrecognized tax benefits was immaterial for all periods presented. The amounts of Peoples' uncertain income tax positions and unrecognized benefits are disclosed in "Note 13 Income Taxes."

Earnings per Share ("EPS"): Basic EPS and diluted EPS are calculated using the two-class method since Peoples has issued share-based payment awards that are considered participating securities because they entitle holders the rights to dividends during the vesting term. The two-class method is an earnings allocation formula that determines net income per share for each class of common stock and participating security according to dividends declared and participation rights in undistributed earnings. Basic EPS is computed by dividing net earnings allocated to common shareholders by the weighted-average number of common shares outstanding. Diluted EPS is computed by dividing net earnings allocated to common shareholders by the weighted-average number of common shares outstanding adjusted to include the effect of potentially dilutive common shares. Potentially dilutive common shares include non-vested restricted common shares using the treasury stock method.

Recent Adoptions of New Accounting Guidance: From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by Peoples as of the required effective dates. Unless otherwise discussed, management believes the impact of any recently issued standards, including those issued but not yet effective, will not have a material impact on Peoples' Consolidated Financial Statements taken as a whole.

ASU 2023-07 - Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures: The FASB issued ASU 2023-07 on November 27, 2023. The amendments "improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses." In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The purpose of the amendments is to enable "investors to better understand an entity's overall performance" and assess "potential future cash flows."

The ASU applies to all public entities that are required to report segment information in accordance with ASC 280. The enhanced segment disclosure requirements apply "retrospectively to all prior periods presented in the financial statements." The significant segment expense and other segment item amounts "disclosed in prior periods shall be based on the significant segment expense categories identified and disclosed in the period of adoption." The amendments in ASU 2023-07 were effective for all public entities for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. Peoples adopted the expanded disclosure requirements beginning with the fiscal year ending December 31, 2024. The guidance did not have a material impact on Peoples' consolidated financial statements.

Note 2 Fair Value of Financial Instruments

Fair value represents the amount expected to be received to sell an asset or paid to transfer a liability in its principal or most advantageous market in an orderly transaction between market participants at the measurement date. In accordance with fair value accounting guidance, Peoples measures, records and reports various types of assets and liabilities at fair value on either a recurring or a non-recurring basis in the Consolidated Financial Statements. Those assets and liabilities are presented below in the sections entitled "Assets and Liabilities Required to be Measured and Reported at Fair Value on a Recurring Basis" and "Assets and Liabilities Required to be Measured and Reported at Fair Value on a Non-Recurring Basis."

Depending on the nature of the asset or liability, Peoples uses various valuation methodologies and assumptions to estimate fair value. The measurement of fair value under US GAAP uses a hierarchy, which is described in "Note 1 Summary of Significant Accounting Policies."

Assets and liabilities are assigned to a level within the fair value hierarchy based on the lowest level of significant input used to measure fair value. Assets and liabilities may change levels within the fair value hierarchy due to market conditions or other circumstances. Those transfers are recognized on the date of the event that prompted the transfer. There were no transfers of assets or liabilities required to be measured at fair value on a recurring basis between levels of the fair value hierarchy during the periods presented in the Consolidated Financial Statements.

Assets and Liabilities Required to be Measured and Reported at Fair Value on a Recurring Basis

The following table provides the fair value for assets and liabilities required to be measured and reported at fair value on a recurring basis on the Consolidated Balance Sheets by level in the fair value hierarchy. At December 31, 2024 and at December 31, 2023, there were no assets or liabilities measured on a recurring basis that were considered Level 3 measurements.

	Recurring Fair Value Measurements at Reporting Date			
	December 31, 2024		December 31, 2023	
(Dollars in thousands)	Level 1	Level 2	Level 1	Level 2
Assets:				
Available-for-sale investment securities:				
Obligations of:				
U.S. Treasury and government agencies	$ 15,196	$ —	$ 30,296	$ —
U.S. government sponsored agencies	—	209,083	—	118,607
States and political subdivisions	—	196,301	—	213,296
Residential mortgage-backed securities	—	601,802	—	628,924
Commercial mortgage-backed securities	—	55,065	—	51,234
Bank-issued trust preferred securities	—	6,108	—	5,965
Total available-for-sale securities	15,196	1,068,359	30,296	1,018,026
Equity investment securities (a)	197	244	191	237
Derivative assets (b)	—	18,743	—	22,304
Liabilities:				
Derivative liabilities (c)	—	17,046	$ —	$ 19,122

(a) Included in "Other investment securities" on the Consolidated Balance Sheets. For additional information, see "Note 3 Investment Securities."
(b) Included in "Other assets" on the Consolidated Balance Sheets. For additional information, see "Note 15 Derivative Financial Instruments."
(c) Included in "Accrued expenses and other liabilities" on the Consolidated Balance Sheets. For additional information, see "Note 15 Derivative Financial Instruments."

Available-for-Sale Investment Securities: The fair values used by Peoples are obtained from an independent pricing service and represent either quoted market prices for the identical securities (Level 1) or fair values determined by pricing models using a market approach that considers observable market data, such as interest rate volatility, SOFR (or other relevant) yield curves, credit spreads and prices from market makers and live trading systems (Level 2). Management reviews the valuation methodology and quality controls utilized by the pricing services in management's overall assessment of the reasonableness of the fair values provided, and challenges prices when management believes a material discrepancy in pricing exists.

Equity Investment Securities: The fair values of Peoples' equity investment securities are obtained from quoted prices in active exchange markets for identical assets or liabilities (Level 1) or quoted prices in less active markets (Level 2).

***Derivative Assets and Liabilities*:** Derivative assets and liabilities are recognized on the Consolidated Balance Sheets at their fair value within "Other assets" and "Accrued expenses and other liabilities," respectively. The fair value for derivative financial instruments is determined based on market prices, broker-dealer quotations on similar products, or other related input parameters (Level 2).

Assets and Liabilities Required to be Measured and Reported at Fair Value on a Non-Recurring Basis

The following table provides the fair value for each class of assets and liabilities required to be measured and reported at fair value on a non-recurring basis on the Consolidated Balance Sheets by level in the fair value hierarchy. At December 31, 2024 and at December 31, 2023, there were no assets or liabilities measured on a non-recurring basis that were considered Level 1 measurements.

	Non-Recurring Fair Value Measurements at Reporting Date			
	December 31, 2024		December 31, 2023	
(Dollars in thousands)	Level 2	Level 3	Level 2	Level 3
Collateral dependent loans	$ —	$ 4,375	$ —	$ 501
Loans held for sale (a)	1,499	—	1,663	—
Other real estate owned ("OREO")	—	5,891	—	7,118

(a) Loans held for sale are presented gross of a valuation allowance of $166 and $163 at December 31, 2024 and at December 31, 2023, respectively.

Collateral Dependent Loans: Loans for which repayment is dependent upon the operation or sale of collateral, as the borrower is experiencing financial difficulty, are considered collateral dependent. Peoples utilizes outside third-party appraisal services to value the underlying collateral, for which Peoples uses to report the loans at their fair value (Level 3).

Loans Held for Sale: Loans originated and intended to be sold in the secondary market, generally one-to-four family residential loans, are carried, in aggregate, at the lower of cost or estimated fair value. Peoples uses a valuation model using quoted market prices of similar instruments in arriving at the fair value (Level 2).

Other Real Estate Owned: OREO, included in "Other assets" on the Consolidated Balance Sheets, is comprised primarily of commercial and residential real estate properties acquired by Peoples in satisfaction of a loan. OREO obtained in satisfaction of a loan is recorded at the lower of cost or estimated fair value, less estimated costs to sell the property. The carrying value of OREO is not re-measured to fair value on a recurring basis, but is based on recent real estate appraisals which are updated at least annually. These appraisals may utilize a single valuation approach or a combination of approaches including the comparable sales approach and the income approach. Adjustments are routinely made in the appraisal process by the independent appraisers to adjust for differences between the comparable sales and income data available (Level 3).

Financial Instruments Not Required to be Measured and Reported at Fair Value

The following table provides the carrying amount for each class of assets and liabilities, and the fair value for certain financial instruments that are not required to be measured or reported at fair value on the Consolidated Balance Sheets.

		Fair Value Measurements of Other Financial Instruments			
		December 31, 2024		December 31, 2023	
(Dollars in thousands)	Fair Value Hierarchy Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:					
Cash and cash equivalents	1	$ 217,664	$ 217,664	$ 426,722	$ 426,722
Held-to-maturity investment securities:					
Obligations of:					
U.S. government sponsored agencies	2	233,302	223,294	188,475	180,825
States and political subdivisions (a)	2	142,691	110,848	144,496	114,288
Residential mortgage-backed securities	2	300,290	276,278	248,559	231,620
Commercial mortgage-backed securities	2	98,754	82,079	102,365	85,289
Total held-to-maturity securities		775,037	692,499	683,895	612,022
Other investment securities:					
Other investment securities at cost:					
Federal Home Loan Bank ("FHLB") stock	N/A	24,606	24,606	29,949	29,949
Federal Reserve Bank ("FRB") stock	N/A	27,114	27,114	26,896	26,896
Total other investment securities at cost		51,720	51,720	56,845	56,845
Other investment securities at fair value:					
Nonqualified deferred compensation (b)	1	4,898	4,898	3,162	3,162
Other investment securities (c)	2	3,073	3,073	2,985	2,985
Total other investment securities at fair value		59,691	59,691	62,992	62,992
Loans and leases, net of deferred fees and costs (d)	3	6,358,003	6,240,751	6,159,196	6,064,999
Bank owned life insurance	2	143,710	143,710	140,554	140,554
Financial liabilities:					
Deposits	2	$ 7,590,205	$ 6,713,360	$ 7,102,921	$ 6,270,496
Short-term borrowings	2	193,474	204,577	650,497	668,956
Long-term borrowings	2	238,073	251,736	216,241	222,376

(a) Held-to-maturity investment securities are presented gross of an allowance for credit losses of $237 and $238, at December 31, 2024 and at December 31, 2023, respectively.
(b) Nonqualified deferred compensation includes underlying investments in mutual funds.
(c) "Other investment securities," as reported on the Consolidated Balance Sheets, also included equity investment securities at December 31, 2024 and at December 31, 2023, which are reported in the Assets and Liabilities Required to be Measured and Reported at Fair Value on a Recurring Basis table above and not included in this table.
(d) Loans and leases, net of deferred fees and costs are presented gross of an allowance for credit losses of $63.3 million and $62.0 million, as of December 31, 2024 and December 31, 2023, respectively.

Peoples used the following methods and assumptions in estimating the fair value of the following financial instruments:

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand, balances due from other banks, interest-bearing deposits in other banks, federal funds sold and other short-term investments with original maturities of 90 days or less. The carrying amount for cash on hand and balances due from banks is a reasonable estimate of fair value (Level 1).

Held-to-Maturity Investment Securities: The fair values used by Peoples are obtained from an independent pricing service and represent fair values determined by pricing models using a market approach that considers observable market data, such as interest rate volatility, relevant yield curves, credit spreads and prices from market makers and live trading systems (Level 2). When observable market data is absent, the independent pricing service estimates prices based on underlying cash flow characteristics and discount rates as derived from comparable securities (Level 3). Management reviews the valuation methodology and quality controls utilized by the pricing services in management's overall assessment of the reasonableness of the fair values provided, and challenges prices when management believes a material discrepancy in pricing exists.

Other Investment Securities: Other investment securities at cost are not recorded at fair value as they are not marketable securities. FHLB and FRB stock are both recorded at cost. Other investment securities at fair value are valued using quoted prices in an active market (Level 1) or quoted prices in less active markets (Level 2).

Loans and Leases, Net of Deferred Fees and Costs: The fair value of portfolio loans and leases assumes sale of the underlying notes to a third-party financial investor. Accordingly, this value is not necessarily the value to Peoples if the notes were held to maturity. Peoples considers interest rate, credit and market factors in estimating the fair value of loans and leases (Level 3). Fair values for loans and leases are estimated using a discounted cash flow methodology. The discount rates take into account interest rates currently being offered to customers for loans and leases with similar terms, the credit risk associated with the loans and leases and other market factors, including liquidity.

Bank Owned Life Insurance: Peoples' bank owned life insurance policies are recorded at their cash surrender value (Level 2). Peoples recognizes tax-exempt income from the periodic increases in the cash surrender value of these policies and from death benefits.

Deposits: The fair value of fixed-maturity CDs is estimated using a discounted cash flow calculation based on current rates offered for deposits of similar remaining maturities (Level 2). Demand and other non-fixed-maturity deposits are estimated using a discounted cash flow calculation based on maturity, attrition and re-pricing assumptions.

Short-term Borrowings: The fair value of short-term borrowings is estimated using a discounted cash flow analysis based on rates currently available to Peoples for borrowings with similar terms (Level 2).

Long-term Borrowings: The fair value of long-term borrowings is estimated using a discounted cash flow analysis based on rates currently available to Peoples for borrowings with similar terms (Level 2).

Certain financial assets and financial liabilities that are not required to be measured or reported at fair value can be subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment). These financial assets and liabilities include the following: customer relationships, the deposit base, and other information required to compute Peoples' aggregate fair value, which are not included in the above information. Accordingly, the above fair values are not intended to represent the aggregate fair value of Peoples.

Note 3 Investment Securities

Available-for-sale

The following table summarizes Peoples' available-for-sale investment securities at December 31:

(Dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2024				
Obligations of:				
U.S. Treasury and government agencies	$ 15,317	$ 87	$ (208)	$ 15,196
U.S. government sponsored agencies	224,167	53	(15,137)	209,083
States and political subdivisions	225,074	16	(28,789)	196,301
Residential mortgage-backed securities	693,886	1,391	(93,475)	601,802
Commercial mortgage-backed securities	64,438	36	(9,409)	55,065
Bank-issued trust preferred securities	6,500	—	(392)	6,108
Total available-for-sale securities	**$ 1,229,382**	**$ 1,583**	**$ (147,410)**	**$ 1,083,555**
2023				
Obligations of:				
U.S. Treasury and government agencies	$ 30,999	$ 292	$ (995)	$ 30,296
U.S. government sponsored agencies	128,500	639	(10,532)	118,607
States and political subdivisions	239,906	485	(27,095)	213,296
Residential mortgage-backed securities	717,772	1,819	(90,667)	628,924
Commercial mortgage-backed securities	60,611	5	(9,382)	51,234
Bank-issued trust preferred securities	6,500	—	(535)	5,965
Total available-for-sale securities	**$ 1,184,288**	**$ 3,240**	**$ (139,206)**	**$ 1,048,322**

The unrealized losses related to residential mortgage-backed securities at December 31, 2024 and 2023 were attributable to changes in market interest rates and spreads since the securities were purchased.

The gross gains and gross losses realized by Peoples from sales of available-for-sale securities for the years ended December 31 were as follows:

(Dollars in thousands)	2024	2023	2022
Gross gains realized	$ 1,140	$ 1,550	$ 314
Gross losses realized	1,556	5,250	375
Net loss realized	**$ (416)**	**$ (3,700)**	**$ (61)**

The cost of investment securities sold, and any resulting gain or loss, were based on the specific identification method and recognized as of the trade date.

The following table presents a summary of available-for-sale investment securities that had unrealized losses at December 31, aggregated by major security type and length of time in a continuous unrealized loss position:

	Less than 12 Months			12 Months or More			Total	
(Dollars in thousands)	Fair Value	Unrealized Loss	No. of Securities	Fair Value	Unrealized Loss	No. of Securities	Fair Value	Unrealized Loss
2024								
Obligations of:								
U.S. Treasury and government agencies	$ 10,003	$ 174	11	$ 2,299	$ 34	10	$ 12,302	$ 208
U.S. government sponsored agencies	130,518	5,816	27	70,982	9,321	13	201,500	15,137
States and political subdivisions	28,400	1,188	55	160,210	27,601	138	188,610	28,789
Residential mortgage-backed securities	85,043	2,300	69	482,609	91,175	256	567,652	93,475
Commercial mortgage-backed securities	2,868	93	5	46,619	9,316	24	49,487	9,409
Bank-issued trust preferred securities	493	7	1	5,614	385	3	6,107	392
Total	**$ 257,325**	**$ 9,578**	**168**	**$ 768,333**	**$ 137,832**	**444**	**$ 1,025,658**	**$ 147,410**
2023								
Obligations of:								
U.S. Treasury and government agencies	$ 8,568	$ 83	22	$ 11,631	$ 912	5	$ 20,199	$ 995
U.S. government sponsored agencies	14,439	35	4	74,211	10,497	15	88,650	10,532
States and political subdivisions	18,268	136	32	167,346	26,959	138	185,614	27,095
Residential mortgage-backed securities	58,671	1,150	66	529,895	89,517	238	588,566	90,667
Commercial mortgage-backed securities	6,000	112	7	44,656	9,270	21	50,656	9,382
Bank-issued trust preferred securities	1,984	16	1	3,981	519	3	5,965	535
Total	**$ 107,930**	**$ 1,532**	**132**	**$ 831,720**	**$ 137,674**	**420**	**$ 939,650**	**$ 139,206**

Management evaluates available-for-sale investment securities for an allowance of credit losses on a quarterly basis. At December 31, 2024, management concluded that no individual securities at an unrealized loss position required an allowance for credit losses. At December 31, 2024, Peoples did not have the intent to sell, nor was it more-likely-than-not that Peoples would be required to sell, any of the securities with an unrealized loss prior to recovery. Further, the unrealized losses at both December 31, 2024 and 2023 were largely attributable to changes in market interest rates and spreads since the securities were purchased. Accrued interest receivable is not included in the investment securities balances, and is presented in the "Other assets" line of the Consolidated Balance Sheets, with no recorded allowance for credit losses.

The unrealized losses with respect to the three bank-issued trust preferred securities that had been in an unrealized loss position for twelve months or more at December 31, 2024 were primarily attributable to the subordinated nature of the debt.

The table below presents the amortized cost, fair value and total weighted-average yield of available-for-sale securities by contractual maturity at December 31, 2024. The weighted-average yields are based on the amortized cost and are computed on a fully taxable-equivalent basis using a blended federal and state corporate income tax rate of 23.3%. In some cases, the issuers may have the right to call or prepay obligations without call or prepayment penalties prior to the contractual maturity date.

(Dollars in thousands)	Within 1 Year	1 to 5 Years	5 to 10 Years	Over 10 Years	Total
Amortized cost					
Obligations of:					
U.S. Treasury and government agencies	$ 1,044	$ 1,755	$ 6,880	$ 5,638	$ 15,317
U.S. government sponsored agencies	—	60,304	81,845	82,018	224,167
States and political subdivisions	7,437	41,113	73,235	103,289	225,074
Residential mortgage-backed securities	15	4,680	48,876	640,315	693,886
Commercial mortgage-backed securities	—	11,106	30,031	23,301	64,438
Bank-issued trust preferred securities	2,000	1,500	3,000	—	6,500
Total available-for-sale securities	**$ 10,496**	**$ 120,458**	**$ 243,867**	**$ 854,561**	**$ 1,229,382**
Fair value					
Obligations of:					
U.S. Treasury and government agencies	$ 1,040	$ 1,740	$ 6,904	$ 5,512	$ 15,196
U.S. government sponsored agencies	—	55,725	77,448	75,910	209,083
States and political subdivisions	7,392	38,477	61,518	88,914	196,301
Residential mortgage-backed securities	15	4,567	44,939	552,281	601,802
Commercial mortgage-backed securities	—	10,213	25,236	19,616	55,065
Bank-issued trust preferred securities	1,998	1,470	2,640	—	6,108
Total available-for-sale securities	**$ 10,445**	**$ 112,192**	**$ 218,685**	**$ 742,233**	**$ 1,083,555**
Total weighted-average yield	**3.64 %**	**2.10%**	**2.82 %**	**2.76 %**	**2.71 %**

Held-to-Maturity

The following table summarizes Peoples' held-to-maturity investment securities at December 31:

(Dollars in thousands)	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2024					
Obligations of:					
U.S. government sponsored agencies	$ 233,302	$ —	$ 219	$ (10,227)	$ 223,294
States and political subdivisions	142,691	(237)	110	(31,716)	110,848
Residential mortgage-backed securities	300,290	—	281	(24,293)	276,278
Commercial mortgage-backed securities	98,754	—	—	(16,675)	82,079
Total held-to-maturity securities	**$ 775,037**	**$ (237)**	**$ 610**	**$ (82,911)**	**$ 692,499**
2023					
Obligations of:					
U.S. government sponsored agencies	$ 188,475	$ —	$ 489	$ (8,139)	$ 180,825
States and political subdivisions	144,496	(238)	134	(30,104)	114,288
Residential mortgage-backed securities	248,559	—	1,643	(18,582)	231,620
Commercial mortgage-backed securities	102,365	—	—	(17,076)	85,289
Total held-to-maturity securities	**$ 683,895**	**$ (238)**	**$ 2,266**	**$ (73,901)**	**$ 612,022**

There were no sales of held-to-maturity securities during the years ended December 31, 2024 and December 31, 2023.

Management evaluates held-to-maturity investment securities for an allowance for credit losses on a quarterly basis. The majority of Peoples' held-to-maturity investment securities are residential mortgage-backed securities, for which an allowance for credit losses was not recorded. Peoples calculated the allowance for credit losses for states and political subdivisions using cumulative default rate averages for municipal securities.

The following table presents a summary of held-to-maturity investment securities that had unrealized losses at December 31, aggregated by major security type and length of time in a continuous unrealized loss position:

	Less than 12 Months			12 Months or More			Total	
(Dollars in thousands)	Fair Value	Unrealized Loss	No. of Securities	Fair Value	Unrealized Loss	No. of Securities	Fair Value	Unrealized Loss
2024								
Obligations of:								
U.S. government sponsored agencies	$ 150,390	$ 2,464	29	$ 38,901	$ 7,763	11	$ 189,291	$ 10,227
States and political subdivisions	957	44	1	106,716	31,672	66	107,673	31,716
Residential mortgage-backed securities	116,576	2,808	27	130,556	21,485	43	247,132	24,293
Commercial mortgage-backed securities	9,603	1,381	5	70,476	15,294	29	80,079	16,675
Total	**$ 277,526**	**$ 6,697**	**62**	**$ 346,649**	**$ 76,214**	**149**	**$ 624,175**	**$ 82,911**
2023								
Obligations of:								
U.S. government sponsored agencies	$ 64,487	$ 356	14	$ 86,071	$ 7,783	18	$ 150,558	$ 8,139
States and political subdivisions	—	—	—	111,040	30,104	67	111,040	30,104
Residential mortgage-backed securities	44,379	1,105	14	117,654	17,477	34	162,033	18,582
Commercial mortgage-backed securities	13,919	1,845	6	71,370	15,231	31	85,289	17,076
Total	**$ 122,785**	**$ 3,306**	**34**	**$ 386,135**	**$ 70,595**	**150**	**$ 508,920**	**$ 73,901**

The table below presents the amortized cost, fair value and total weighted-average yield of held-to-maturity securities by contractual maturity at December 31, 2024. The weighted-average yields are based on the amortized cost and are computed on a fully taxable-equivalent basis using a blended federal and state corporate income tax rate of 23.3%. In some cases, the issuers may have the right to call or prepay obligations without call or prepayment penalties prior to the contractual maturity date.

(Dollars in thousands)	Within 1 Year	1 to 5 Years	5 to 10 Years	Over 10 Years	Total
Amortized cost					
Obligations of:					
U.S. government sponsored agencies	$ 2,500	$ 6,442	$ 69,186	$ 155,174	$ 233,302
States and political subdivisions	998	7,629	20,724	113,340	142,691
Residential mortgage-backed securities	—	207	3,919	296,164	300,290
Commercial mortgage-backed securities	—	12,907	34,149	51,698	98,754
Total held-to-maturity securities	**$ 3,498**	**$ 27,185**	**$ 127,978**	**$ 616,376**	**$ 775,037**
Fair value					
Obligations of:					
U.S. government sponsored agencies	$ 2,500	$ 6,143	$ 68,638	$ 146,013	$ 223,294
States and political subdivisions	1,014	7,305	16,742	85,787	110,848
Residential mortgage-backed securities	—	205	3,443	272,630	276,278
Commercial mortgage-backed securities	—	11,880	29,086	41,113	82,079
Total held-to-maturity securities	**$ 3,514**	**$ 25,533**	**$ 117,909**	**$ 545,543**	**$ 692,499**
Total weighted-average yield	**3.24 %**	**1.92 %**	**3.79 %**	**3.91 %**	**3.82 %**

Other Investment Securities

Peoples' "Other investment securities" on the Consolidated Balance Sheets consist largely of shares of FHLB and FRB stock, and other equity investment securities.

The following table summarizes the carrying value of Peoples' Other investment securities at December 31:

(Dollars in thousands)	2024	2023
FHLB stock	$ 24,606	$ 29,949
FRB stock	27,114	26,896
Nonqualified deferred compensation	4,898	3,162
Equity investment securities	2,645	2,545
Other investment securities	869	869
Total other investment securities	**$ 60,132**	**$ 63,421**

Peoples redeemed $31.7 million and $21.2 million of FHLB stock in 2024 and 2023, respectively, in order to be in compliance with the requirements of the FHLB. Peoples purchased $26.4 million and $18.9 million of additional FHLB stock during 2024 and 2023, respectively, as a result of the FHLB's capital requirements on FHLB advances during the year. During the year ended December 31, 2024 and December 31, 2023, Peoples purchased $0.2 million and $5.7 million, respectively, of FRB stock as a result of capital requirements.

During 2024, Peoples recorded the change in the fair value of equity investment securities held at December 31, 2024 in "Other non-interest income," resulting in an unrealized gain of $50,000. During 2023, Peoples recorded the change in the fair value of equity investment securities held at December 31, 2023 in "Other non-interest income," resulting in unrealized loss of $141,000.

At December 31, 2024, Peoples' investment in equity investment securities was comprised largely of common stocks issued by various unrelated bank holding companies. There were no equity investment securities of a single issuer that exceeded 10% of Peoples' stockholders' equity at December 31, 2024.

Pledged Securities

At December 31, 2024 and 2023, Peoples had pledged available-for-sale investment securities and held-to-maturity investment securities to secure public and trust department deposits, and Repurchase Agreements in accordance with federal and state requirements. Peoples also pledged available-for-sale investment securities and held-to-maturity investment securities to secure additional borrowing capacity at the FHLB and the FRB.

The following table summarizes the carrying value of Peoples' pledged investment securities as of December 31:

	Carrying Amount	
(Dollars in thousands)	2024	2023
Securing public and trust department deposits, and Repurchase Agreements:		
Available-for-sale	$ 505,963	$ 713,033
Held-to-maturity	563,014	559,142
Securing additional borrowing capacity at the FHLB and the FRB:		
Available-for-sale	3,119	85,899
Held-to-maturity	1,215	39,607

Accrued Interest

Accrued interest receivable is not included in investment securities balances, and is presented in the "Other assets" line of the Consolidated Balance Sheet, with no recorded allowance for credit loss. Interest receivable on investment securities was $9.9 million and $9.5 million at December 31, 2024 and 2023, respectively.

Note 4 Loans and Leases, and Allowance for Credit Losses

Peoples' loan portfolio consists of various types of loans and leases originated primarily as a result of lending opportunities within Peoples' footprint. Peoples also originates insurance premium finance loans nationwide through its Peoples Premium Finance division, and originates leases nationwide through its NSL division and its Vantage subsidiary. Throughout this Form 10-K, loans and leases are referred to as "total loans" and "loans held for investment."

The major classifications of loan balances (in each case, net of deferred fees and costs) excluding loans held for sale, were as follows at December 31:

(Dollars in thousands)	2024	2023
Construction	$ 328,388	$ 364,019
Commercial real estate, other	2,156,013	2,196,957
Commercial and industrial	1,347,645	1,184,986
Premium finance	269,435	203,177
Leases	406,598	414,060
Residential real estate	835,101	791,095
Home equity lines of credit	232,661	208,675
Consumer, indirect	669,857	666,472
Consumer, direct	111,052	128,769
Deposit account overdrafts	1,253	986
Total loans, at amortized cost	**$ 6,358,003**	**$ 6,159,196**

Net deferred loan origination costs were $20.2 million and $21.7 million at December 31, 2024 and 2023, respectively. The remaining unamortized net discount included in the amortized cost of loans and leases was $19.5 million and $43.0 million at December 31, 2024 and 2023, respectively.

Accrued interest receivable is not included within the loan balances, but is presented in the "Other assets" line of the Consolidated Balance Sheets, with no recorded allowance for credit losses. Total interest receivable on loans was $23.1 million at December 31, 2024 and $24.5 million at December 31, 2023.

Nonaccrual and Past Due Loans

A loan is considered past due if any required principal and interest payments have not been received as of the date such payments were required to be made under the terms of the loan agreement. A loan may be placed on nonaccrual status regardless of whether or not such loan is considered past due.

The amortized cost of loans on nonaccrual status and loans delinquent for 90 days or more and accruing were as follows at December 31:

	2024		2023	
(Dollars in thousands)	Nonaccrual [(a)]	Accruing Loans 90+ Days Past Due	Nonaccrual [(a)]	Accruing Loans 90+ Days Past Due
Commercial real estate, other	$ 7,136	$ 227	$ 2,816	$ 78
Commercial and industrial	6,809	78	2,758	316
Premium finance	—	4,947	—	1,355
Leases	8,850	803	8,436	3,826
Residential real estate	7,329	2,166	7,921	877
Home equity lines of credit	1,498	213	1,022	171
Consumer, indirect	2,374	159	2,412	68
Consumer, direct	133	44	112	25
Total loans, at amortized cost	**$ 34,129**	**$ 8,637**	**$ 25,477**	**$ 6,716**

(a) There were $5.7 million of nonaccrual loans for which there was no allowance for credit losses at December 31, 2024 and $1.2 million of such loans at December 31, 2023.

The following tables present the aging of the recorded investment in past due loans at December 31:

(Dollars in thousands)	Loans Past Due 30 – 59 days	60 – 89 days	90 + Days	Total	Current	Total
2024						
Construction	$ —	$ —	$ —	$ —	$ 328,388	$ 328,388
Commercial real estate, other	1,300	1,585	6,008	8,893	2,147,120	2,156,013
Commercial and industrial	1,651	583	4,551	6,785	1,340,860	1,347,645
Premium finance	3,863	456	4,947	9,266	260,169	269,435
Leases	10,941	5,241	9,575	25,757	380,841	406,598
Residential real estate	11,481	3,038	5,271	19,790	815,311	835,101
Home equity lines of credit	1,473	317	1,093	2,883	229,778	232,661
Consumer, indirect	7,568	1,522	1,326	10,416	659,441	669,857
Consumer, direct	884	113	138	1,135	109,917	111,052
Deposit account overdrafts	—	—	—	—	1,253	1,253
Total loans, at amortized cost	**$ 39,161**	**$ 12,855**	**$ 32,909**	**$ 84,925**	**$ 6,273,078**	**$ 6,358,003**
2023						
Construction	$ 13	$ 52	$ —	$ 65	$ 363,954	$ 364,019
Commercial real estate, other	2,728	4,556	1,572	8,856	2,188,101	2,196,957
Commercial and industrial	1,717	1,491	3,052	6,260	1,178,726	1,184,986
Premium finance	1,288	867	1,355	3,510	199,667	203,177
Leases	12,743	4,932	12,014	29,689	384,371	414,060
Residential real estate	14,021	2,733	4,481	21,235	769,860	791,095
Home equity lines of credit	1,561	691	683	2,935	205,740	208,675
Consumer, indirect	7,488	1,550	1,230	10,268	656,204	666,472
Consumer, direct	536	282	43	861	127,908	128,769
Deposit account overdrafts	—	—	—	—	986	986
Total loans, at amortized cost	**$ 42,095**	**$ 17,154**	**$ 24,430**	**$ 83,679**	**$ 6,075,517**	**$ 6,159,196**

Delinquency trends remained stable, with 98.7% and 98.6% of Peoples' portfolio considered "current" at December 31, 2024 and at December 31, 2023, respectively.

Pledged Loans

Peoples has pledged certain loans secured by one-to-four family and multifamily residential mortgages, commercial real estate and home equity lines of credit under a blanket collateral agreement to secure borrowings from the FHLB. Peoples also has pledged commercial loans to secure borrowings with the FRB. Loans pledged at December 31 are summarized in the following table:

(Dollars in thousands)	2024	2023
Loans pledged to FHLB	$ 1,218,496	$ 1,206,134
Loans pledged to FRB	527,989	419,245

Related Party Loans

In the normal course of its business, Peoples Bank has granted loans to certain directors and officers of Peoples, including their affiliates, families and entities in which they are principal owners. At December 31, 2024, no related party loan was past due 90 or more days or on nonaccrual status. Activity in related party loans is presented in the table below. Other changes primarily consist of changes in related party status, and the addition and exit of directors during the year, as applicable.

(Dollars in thousands)	
Balance, December 31, 2023	$ 20,166
New loans and disbursements	3,527
Repayments	(21,159)
Balance, December 31, 2024	**$ 2,534**

Quality Indicators

As discussed in "Note 1 Summary of Significant Accounting Policies," Peoples categorizes the majority of its loans into risk categories based upon an established risk grading matrix using a scale of 1 to 8. Loan grades are assigned at the time a new loan or lending commitment is extended by Peoples and may be changed at any time when circumstances warrant. Commercial loans to borrowers with an aggregate unpaid principal balance in excess of $1.0 million are reviewed at least on an annual basis for possible credit deterioration. Commercial leases, as well as loan relationships whose aggregate credit exposure to Peoples is equal to or less than $1.0 million are reviewed on an event driven basis. Triggers for review include knowledge of adverse events affecting the borrower's business, receipt of financial statements indicating deteriorating credit quality, or other similar events. Adversely classified loans are reviewed on a quarterly basis. A description of the general characteristics of the risk grades used by Peoples follows:

"Pass" (grades 1 through 4): Loans in this risk category are to borrowers of acceptable-to-strong credit quality and risk who have the apparent ability to satisfy their loan obligations. Loans in this risk category would possess sufficient mitigating factors, such as adequate collateral or strong guarantors possessing the capacity to repay the loans if required, for any weakness that may exist.

"Special Mention" (grade 5): Loans in this risk category are the equivalent of the regulatory "Other Assets Especially Mentioned" classification. Loans in this risk category possess some credit deficiency or potential weakness, which requires a high level of management attention. Potential weaknesses include declining trends in operating earnings and cash flows and/or reliance on the secondary source of repayment. If left uncorrected, these potential weaknesses may result in noticeable deterioration of the repayment prospects for the loans or in Peoples' credit position.

"Substandard" (grade 6): Loans in this risk category are inadequately protected by the borrower's current financial condition and payment capability, or by the collateral pledged, if any. Loans so classified have one or more well-defined weaknesses that jeopardize the orderly repayment of the loans. They are characterized by the distinct possibility that Peoples will sustain some loss if the deficiencies are not corrected.

"Doubtful" (grade 7): Loans in this risk category have all the weaknesses inherent in those classified as substandard, with the added characteristic that the weaknesses make collection or orderly repayment in full, on the basis of current existing facts, conditions and values, highly questionable and improbable. Possibility of loss is extremely high, but because of certain important and reasonably specific factors that may work to the advantage and strengthening of the exposure, classification of these loans as an estimated loss is deferred until their more exact status may be determined.

"Loss" (grade 8): Loans in this risk category are considered to be non-collectible and of such little value that their continuance as bankable assets is not warranted. This does not mean each such loan has absolutely no recovery value, but rather it is neither practical nor desirable to defer writing off the loan, even though partial recovery may be obtained in the future. Charge-offs against the allowance for credit losses are taken in the period in which the loan becomes uncollectable. Consequently, Peoples typically does not maintain a recorded investment in loans within this risk category.

Consumer loans and other smaller-balance loans are evaluated and categorized as "substandard," "doubtful" or "loss" based upon the regulatory definition of these classes and consistent with regulatory requirements. All other loans not evaluated individually, nor meeting the regulatory conditions to be categorized as described above, would be considered as being "not rated."

The following tables summarize the risk category of Peoples' loan portfolio based upon the then most recent analysis performed at December 31, 2024:

(Dollars in thousands)	Term Loans at Amortized Cost by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans	Revolving Loans Converted to Term	Total Loans
Construction									
Pass	$ 69,862	$ 162,605	$ 47,133	$ 30,592	1,845	$ 13,540	$ —	$ —	$ 325,57
Special mention	—	—	—	—	—	115	—	—	11
Substandard	—	1,161	1,535	—	—	—	—	—	2,69
Total	69,862	163,766	48,668	30,592	1,845	13,655	—	—	328,38
Current period gross charge-offs	—	—	—	—	—	—			-
Commercial real estate, other									
Pass	130,971	219,105	366,256	337,905	201,367	751,415	41,122	—	2,048,14
Special mention	271	2,923	11,876	7,197	5,107	10,689	288	—	38,35
Substandard	145	1,073	2,460	18,851	9,234	37,136	612	—	69,51
Doubtful	—	—	—	—	—	10	—	—	1
Total	131,387	223,101	380,592	363,953	215,708	799,250	42,022	—	2,156,01
Current period gross charge-offs	—	—	376	—	—	55			43
Commercial and industrial									
Pass	311,631	202,929	134,558	148,288	66,102	152,143	229,821	4,779	1,245,47
Special mention	779	9,019	10,886	4,449	12,049	13,537	19,465	—	70,18
Substandard	200	99	4,791	11,429	3,850	4,430	5,045	49	29,84
Doubtful	—	—	1,987	—	—	158	—	—	2,14
Total	312,610	212,047	152,222	164,166	82,001	170,268	254,331	4,828	1,347,64
Current period gross charge-offs	—	14	—	17	105	532			66
Premium finance									
Pass	265,504	3,837	94	—	—	—	—	—	269,43
Total	265,504	3,837	94	—	—	—	—	—	269,43
Current period gross charge-offs	67	109	33	—	—	—			20
Leases									
Pass	175,449	125,664	61,064	24,181	4,661	2,153	—	—	393,17
Special mention	791	1,529	1,140	365	5	—	—	—	3,83
Substandard	351	2,108	1,777	193	8	—	—	—	4,43
Doubtful	170	2,127	1,859	624	110	269	—	—	5,15
Total	176,761	131,428	65,840	25,363	4,784	2,422	—	—	406,59
Current period gross charge-offs	1,315	5,623	5,421	2,308	301	138			15,10
Residential real estate									
Pass	77,130	66,712	85,045	128,359	52,090	414,574	—	—	823,91
Substandard	321	1,088	161	980	306	8,087	—	—	10,94
Loss	—	4	—	—	—	244	—	—	24
Total	77,451	67,804	85,206	129,339	52,396	422,905	—	—	835,10
Current period gross charge-offs	—	—	46	5	—	237			28
Home equity lines of credit									
Pass	54,724	37,417	37,752	27,430	16,583	57,303	24	731	231,23
Substandard	—	138	163	16	34	1,069	—	—	1,42
Loss	—	—	—	—	—	8	—	—	
Total	54,724	37,555	37,915	27,446	16,617	58,380	24	731	232,66
Current period gross charge-offs	—	—	—	—	—	11			1
Consumer, indirect									
Pass	239,584	176,115	148,210	56,846	30,231	16,129	—	—	667,11
Substandard	269	557	681	618	312	251	—	—	2,68
Loss	14	—	16	14	—	10	—	—	5
Total	239,867	176,672	148,907	57,478	30,543	16,390	—	—	669,85
Current period gross charge-offs	497	2,207	1,880	691	141	763			6,17
Consumer, direct									
Pass	45,978	25,605	21,544	9,614	4,180	3,884	—	—	110,80
Substandard	18	65	46	29	4	73	—	—	23
Loss	—	4	—	—	—	8	—	—	1
Total	45,996	25,674	21,590	9,643	4,184	3,965	—	—	111,05
Current period gross charge-offs	2	154	212	51	12	247			67
Deposit account overdrafts	1,253	—	—	—	—	—	—	—	1,25
Current period gross charge-offs	1,542	—	—	—	—	—			1,54
Total loans, at amortized cost	**$ 1,375,415**	**$ 1,041,884**	**$ 941,034**	**$ 807,980**	**$ 408,078**	**$ 1,487,235**	**$ 296,377**	**$ 5,559**	**$ 6,358,00**
Total current period gross charge-offs	**$ 3,423**	**$ 8,107**	**$ 7,968**	**$ 3,072**	**$ 559**	**$ 1,983**			**$ 25,11**

The following tables summarize the risk category of Peoples' loan portfolio based upon the then most recent analysis performed at December 31, 2023:

(Dollars in thousands)	Term Loans at Amortized Cost by Origination Year								
	2023	2022	2021	2020	2019	Prior	Revolving Loans	Revolving Loans Converted to Term	Total Loans
Construction									
Pass	$ 80,273	$ 141,245	$ 85,913	$ 27,169	9,995	$ 12,723	$ —	$ —	$ 357,318
Special mention	—	3,757	—	—	—	123	—	—	3,880
Substandard	1,200	1,590	—	—	—	31	—	—	2,821
Total	81,473	146,592	85,913	27,169	9,995	12,877	—	—	364,019
Current period gross charge-offs	—	—	9	—	—	—			9
Commercial real estate, other									
Pass	199,565	327,762	366,752	227,604	262,099	650,265	37,177	189	2,071,224
Special mention	999	12,975	4,850	10,324	7,074	22,186	408	41	58,816
Substandard	287	2,421	5,878	8,679	1,972	47,213	457	—	66,907
Doubtful	—	—	—	—	—	10	—	—	10
Total	200,851	343,158	377,480	246,607	271,145	719,674	38,042	230	2,196,957
Current period gross charge-offs	—	—	—	39	—	575			614
Commercial and industrial									
Pass	225,894	180,068	212,938	86,934	55,434	132,675	213,714	38	1,107,657
Special mention	540	12,051	533	9,723	4,722	6,336	16,236	8,614	50,141
Substandard	78	6,441	5,104	5,617	1,602	6,278	1,889	779	27,009
Doubtful	—	—	—	—	—	179	—	—	179
Total	226,512	198,560	218,575	102,274	61,758	145,468	231,839	9,431	1,184,986
Current period gross charge-offs	—	36	202	25	173	415			851
Premium finance									
Pass	201,659	1,517	1	—	—	—	—	—	203,177
Total	201,659	1,517	1	—	—	—	—	—	203,177
Current period gross charge-offs	25	97	—	—	—	—			122
Leases									
Pass	216,559	114,327	51,307	14,061	4,883	1,501	—	—	402,638
Special mention	363	1,529	476	81	1	5	—	—	2,455
Substandard	1,937	3,006	2,944	448	321	311	—	—	8,967
Total	218,859	118,862	54,727	14,590	5,205	1,817	—	—	414,060
Current period gross charge-offs	963	1,328	1,173	233	165	135			3,997
Residential real estate									
Pass	75,957	91,506	140,157	58,144	45,507	369,552	—	—	780,823
Substandard	43	243	585	182	529	8,604	—	—	10,186
Loss	—	—	—	—	—	86	—	—	86
Total	76,000	91,749	140,742	58,326	46,036	378,242	—	—	791,095
Current period gross charge-offs	—	—	—	—	—	170			170
Home equity lines of credit									
Pass	39,706	42,565	33,406	19,838	14,297	57,482	27	1,346	207,321
Substandard	19	—	61	34	123	1,109	—	—	1,346
Loss	—	—	—	—	—	8	—	—	8
Total	39,725	42,565	33,467	19,872	14,420	58,599	27	1,346	208,675
Current period gross charge-offs	—	—	—	—	—	110			110
Consumer, indirect									
Pass	247,829	225,225	96,698	59,044	18,644	15,977	—	—	663,417
Substandard	333	934	789	558	190	206	—	—	3,010
Loss	7	34	2	—	2	—	—	—	45
Total	248,169	226,193	97,489	59,602	18,836	16,183	—	—	666,472
Current period gross charge-offs	609	2,091	865	255	63	147			4,030
Consumer, direct									
Pass	58,445	37,050	17,434	8,282	3,185	4,081	—	—	128,477
Substandard	55	79	47	28	30	27	—	—	266
Loss	—	—	—	—	—	26	—	—	26
Total	58,500	37,129	17,481	8,310	3,215	4,134	—	—	128,769
Current period gross charge-offs	36	154	77	100	14	35			416
Deposit account overdrafts	986	—	—	—	—	—	—	—	986
Current period gross charge-offs	1,161								1,161
Total loans, at amortized cost	**$ 1,352,734**	**$ 1,206,325**	**$ 1,025,875**	**$ 536,750**	**$ 430,610**	**$ 1,336,994**	**$ 269,908**	**$ 11,007**	**$ 6,159,196**
Total current period gross charge-offs	**$ 2,794**	**$ 3,706**	**$ 2,326**	**$ 652**	**$ 415**	**$ 1,587**			**$ 11,480**

Collateral Dependent Loans

Peoples has certain loans for which repayment is dependent upon the operation or sale of collateral, as the borrower is experiencing financial difficulty. The underlying collateral can vary based upon the type of loan. The following provides more detail about the types of collateral that secure collateral dependent loans:

- Construction loans are typically secured by owner occupied commercial real estate or non-owner occupied investment real estate. Typically, owner occupied construction loans are secured by office buildings, warehouses, manufacturing facilities, and other commercial and industrial properties that are in process of construction. Non-owner occupied commercial construction loans are generally

secured by office buildings and complexes, multi-family complexes, land under development, and other commercial and industrial real estate in process of construction.

- Commercial real estate loans can be secured by either owner occupied commercial real estate or non-owner occupied investment commercial real estate. Typically, owner occupied commercial real estate loans are secured by office buildings, warehouses, manufacturing facilities and other commercial and industrial properties occupied by operating companies. Non-owner occupied commercial real estate loans are generally secured by office buildings and complexes, retail facilities, multifamily complexes, land under development, industrial properties, as well as other commercial or industrial real estate.
- Commercial and industrial loans are generally secured by equipment, inventory, accounts receivable, and other commercial property.
- Residential real estate loans are typically secured by first mortgages, and in some cases could be secured by a second mortgage, on residential real estate property.
- Home equity lines of credit are generally secured by second mortgages on residential real estate property.
- Consumer loans are generally secured by automobiles, motorcycles, recreational vehicles and other personal property. Some consumer loans are unsecured and have no underlying collateral.
- Leases are secured by commercial equipment and other essential business assets.
- Premium finance loans are secured by the unearned portion of the insurance premium being financed.

The following table details Peoples' amortized cost of collateral dependent loans as of December 31:

(Dollars in thousands)	2024	2023
Commercial real estate, other	$ 2,764	$ —
Commercial and industrial	959	—
Residential real estate	—	501
Leases	652	—
Total collateral dependent loans	**$ 4,375**	**$ 501**

The increase in collateral dependent loans at December 31, 2024 compared to at December 31, 2023, was primarily due to four relationships that became collateral dependent in 2024.

Modifications for Borrowers Experiencing Financial Difficulty

As part of Peoples' loss mitigation activities, Peoples may agree to modify the contractual terms of a loan to a borrower experiencing financial difficulty. The most common modifications to the contractual terms of a loan to a borrower experiencing financial difficulty include an extension of the maturity date, a reduction in the interest rate for the remaining life of the loan, a temporary period of interest-only payments, and a reduction in the contractual payment amount for either a short period or the remaining term of the loan.

In addition to loan modifications, Peoples also provides other loss mitigation options, such as forbearance and repayment plans, to assist borrowers who experience financial difficulties. In assessing whether or not a borrower is experiencing financial difficulty, Peoples considers information currently available regarding the financial condition of the borrower. This information includes, but is not limited to, whether (1) the borrower is currently in payment default on any of the borrower's debt; (2) a payment default is probable in the foreseeable future without the modification; (3) the borrower has declared or is in the process of declaring bankruptcy; and (4) the borrower's projected cash flow is insufficient to satisfy contractual payments due under the original terms of the loan without a modification.

The following table displays the amortized cost of loans that were restructured during the twelve months ended as of December 31, 2024 and December 31, 2023, presented by loan classification.

During the Twelve Months Ended December 31, 2024[a]

	Payment Delay (Only)						
(Dollars in thousands)	Forbearance Plan	Payment Deferral	Term Extension	Forbearance Plan and Term Extension	Payment Delay and Term Extension	Total	Percentage of Total by Loan Category[b][c]
Commercial real estate	—	—	1,021	—	—	1,021	0.05 %
Commercial and industrial	—	—	8,089	—	—	8,089	0.60 %
Leasing	—	189	652	—	1,247	2,088	0.51 %
Residential real estate	—	—	88	—	—	88	0.01 %
Home equity lines of credit	—	—	162	—	—	162	0.07 %
Consumer, indirect	—	13	—	—	—	13	— %
Total	**$ —**	**$ 202**	**$ 10,012**	**$ —**	**$ 1,247**	**$ 11,461**	**0.18 %**

During the Twelve Months Ended December 31, 2023[a]

	Payment Delay (Only)						
(Dollars in thousands)	Forbearance Plan	Payment Deferral	Term Extension	Forbearance Plan and Term Extension	Payment Delay and Term Extension	Total	Percentage of Total by Loan Category[b][c]
Construction	$ —	$ 1,590	$ 52	$ —	$ —	$ 1,642	0.45 %
Commercial real estate	184	—	2,160	—	—	2,344	0.11 %
Commercial and industrial	—	—	4,110	981	—	5,091	0.43 %
Residential real estate	—	—	91	—	—	91	0.01 %
Home equity lines of credit	—	—	209	—	—	209	0.10 %
Total	**$ 184**	**$ 1,590**	**$ 6,622**	**$ 981**	**$ —**	**$ 9,377**	**0.15 %**

(a) The table presented excludes loans that were paid off or otherwise no longer included in the loan portfolio as of period end.

(b) Based on the amortized cost basis as of period end, divided by the period end amortized cost basis of the corresponding class of financing receivable.

(c) Each percentage displayed as --% is considered not meaningful.

The following table summarizes the financial impacts of loan modifications and payment deferrals made to loans during the twelve months ended as of December 31, 2024 and December 31, 2023, presented by loan classification.

During the Twelve Months Ended December 31, 2024

(Dollars in thousands)	Weighted-Average Term Extension (in months)	Average Amount Capitalized as a Result of a Payment Delay[a]
Commercial real estate	6	—
Commercial and industrial	7	—
Leasing	26	—
Residential real estate	1	—
Home equity lines of credit	89	—
Consumer, indirect	13	—

During the Twelve Months Ended December 31, 2023

(Dollars in thousands)	Weighted-Average Term Extension (in months)	Average Amount Capitalized as a Result of a Payment Delay[a]
Construction	5	$ —
Commercial real estate	7	—
Commercial and industrial	5	—
Residential real estate	213	8,076
Home equity lines of credit	187	—
Consumer, indirect	2	—

[a] Represents the average amount of delinquency-related amounts that were capitalized as part of the loan balance. Amounts are in whole dollars.

The following table displays the amortized cost of loans that received a completed modification or payment deferral within the previous 12 months and that defaulted in the periods presented. For purposes of this disclosure, Peoples defines loans that had a payment default as loans that were 90 days or more past due following a modification through December 31, 2024 and December 31, 2023, respectively.

For the Twelve Months Ended December 31, 2024				
(Dollars in thousands)	Term Extension	Payment Deferral	Payment Delay and Term Extension	Total
Leasing	—	—	26	26
Residential real estate	72	—	—	72
Consumer, indirect	—	13	—	13
Total loans that subsequently defaulted[a]	**$ 72**	**$ 13**	**$ 26**	**$ 111**

During the Twelve Months Ended December 31, 2023				
(Dollars in thousands)	Term Extension	Payment Deferral	Payment Delay and Term Extension	Total
Commercial and industrial	$ 148	$ —	$ —	$ 148
Consumer, indirect	11	—	—	11
Total loans that subsequently defaulted[a]	**$ 159**	**$ —**	**$ —**	**$ 159**

[a] Represents the sum of amortized cost and gross charge-off as of period end. Excludes loans that liquidated either through foreclosure, deed-in-lieu of foreclosure, or a short sale.

The following table displays an aging analysis of loans that were modified during the 12 months prior to the period displayed, presented by classification and class of financing receivable.

As of December 31, 2024[a]						
(Dollars in thousands)	30-59 Days Delinquent	60-89 Days Delinquent	90+ Days Delinquent	Total Delinquent	Current	Total
Commercial real estate	—	—	—	—	1,021	1,021
Commercial and industrial	125	18	—	143	7,946	8,089
Leasing	143	652	26	821	1,267	2,088
Residential real estate	39	—	33	72	16	88
Home equity lines of credit	—	—	—	—	162	162
Consumer, indirect	—	—	13	13	—	13
Total loans modified[b]	**$ 307**	**$ 670**	**$ 72**	**$ 1,049**	**$ 10,412**	**$ 11,461**

As of December 31, 2023[a]						
(Dollars in thousands)	30-59 Days Delinquent	60-89 Days Delinquent	90+ Days Delinquent	Total Delinquent	Current	Total
Construction	$ —	$ 52	$ —	$ 52	$ 1,590	$ 1,642
Commercial real estate	—	—	—	—	2,344	2,344
Commercial and industrial	—	750	148	898	4,193	5,091
Residential real estate	—	—	—	—	91	91
Home equity lines of credit	—	—	—	—	209	209
Total loans modified[b]	**$ —**	**$ 802**	**$ 148**	**$ 950**	**$ 8,427**	**$ 9,377**

[a] Amounts in table excludes loans that were paid off or otherwise no longer included in the loan portfolio as of period end.

[b] Represents the amortized cost basis as of period end.

Allowance for Credit Losses

As discussed in "Note 1 Summary of Significant Accounting Policies" of the Notes to the Consolidated Financial Statements included in this Form 10-K, Peoples estimates the allowance for credit losses using relevant available information, from both internal

and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The allowance for credit losses represents management's estimate of lifetime expected credit losses.

Changes in the allowance for credit losses for 2024 are summarized below:

(Dollars in thousands)	Beginning Balance, January 1, 2024	Initial Allowance for Acquired PCD Assets (a)	Provision for (Recovery of) Credit Losses (b)	Charge-offs	Recoveries	Ending Balance, December 31, 2024
Construction	$ 699	$ —	$ 179	$ —	$ —	$ 878
Commercial real estate, other	20,915	—	(4,355)	(431)	127	16,256
Commercial and industrial	10,490	—	3,403	(668)	58	13,283
Premium finance	484	—	359	(209)	28	662
Leases	10,850	—	16,621	(15,106)	528	12,893
Residential real estate	5,937	—	588	(288)	254	6,491
Home equity lines of credit	1,588	—	208	(11)	7	1,792
Consumer, indirect	8,590	—	5,613	(6,179)	552	8,576
Consumer, direct	2,343	—	681	(678)	50	2,396
Deposit account overdrafts	115	—	1,263	(1,542)	285	121
Total	**$ 62,011**	**$ —**	**$ 24,560**	**$ (25,112)**	**$ 1,889**	**$ 63,348**

(a) Includes purchase price adjustments related to acquisitions previously completed but were within the 12-month measurement period.
(b) Amount does not include the provision for unfunded commitment liability.

Changes in the allowance for credit losses for 2023 are summarized below:

(Dollars in thousands)	Beginning Balance, January 1, 2023	Initial Allowance for Acquired PCD Assets (a)	Provision for (Recovery of) Credit Losses (b)	Charge-offs	Recoveries	Ending Balance, December 31, 2023
Construction	$ 1,250	$ —	$ (542)	$ (9)	$ —	69
Commercial real estate, other	17,710	1,340	1,514	(614)	965	20,91
Commercial and industrial	8,229	379	2,181	(851)	552	10,49
Premium finance	344	—	238	(122)	24	48
Leases	8,495	—	5,990	(3,997)	362	10,85
Residential real estate	6,357	228	(670)	(170)	192	5,93
Home equity lines of credit	1,693	18	(14)	(110)	1	1,58
Consumer, indirect	7,448	—	4,685	(4,030)	487	8,59
Consumer, direct	1,575	86	1,025	(416)	73	2,34
Deposit account overdrafts	61	—	938	(1,161)	277	11
Total	**$ 53,162**	**$ 2,051**	**$ 15,345**	**$ (11,480)**	**$ 2,933**	**$ 62,01**

(a) Includes purchase price adjustments related to acquisitions previously completed but were within the 12-month measurement period.
(b) Amount does not include the provision for unfunded commitment liability.

During 2024, Peoples recorded a total provision for credit losses of $24.6 million, which was a result of higher net charge-offs. The increase in net charge-offs was primarily driven by leases originated by NSL and totaled $14.6 million for the full year, of which $11.4 million occurred in the second half of 2024. The increase in the allowance for credit losses at December 31, 2024 when compared to at December 31, 2023 was primarily due to an increase in reserves for individually analyzed loans and leases.

At December 31, 2024, Peoples had recorded an unfunded commitment liability of $2.0 million, an increase compared to the $1.8 million that was recorded at December 31, 2023. The allowance for unfunded commitments (also referred to as "unfunded commitment liability") is presented in the "Accrued expenses and other liabilities" line of the Consolidated Balance Sheets. For 2024, Peoples recorded a provision for credit losses on unfunded commitments of $0.2 million, compared to a recovery for credit losses on unfunded commitments of $0.2 million for 2023. The change in the allowance for unfunded commitments is reflected in the "Provision for credit losses" line of the Consolidated Statements of Income.

Note 5 Bank Premises and Equipment

The major categories of bank premises and equipment, net of accumulated depreciation, at December 31 were as follows:

(Dollars in thousands)		2024		2023
Land	$	23,066	$	23,680
Building and premises		125,792		120,587
Furniture, fixtures and equipment		45,884		42,360
Total bank premises and equipment		194,742		186,627
Accumulated depreciation		(91,073)		(82,771)
Net book value	**$**	**103,669**	**$**	**103,856**

Peoples depreciates its building and premises, and its furniture, fixtures and equipment over estimated useful lives generally ranging from five to forty years and two to ten years, respectively. Depreciation expense was $8.6 million in 2024 and $7.7 million in 2023.

Note 6 Leases

Lessor Arrangements

Peoples began originating leases with the acquisition of leases from NSL and increased its portfolio with the acquisition of Vantage. The leases for NSL were determined to be sales-type leases, as the premise for the leases is dollar buy-out, whereby the lessee pays one dollar at maturity of the lease to purchase the equipment. The leases for Vantage were determined to be primarily sales-type leases, as the payment structure and term triggered that accounting treatment, whereby either (i) the lease is structured as a fair market value buyout, whereby the lessee has the option to purchase the leased equipment at its fair market value at maturity of the lease, or (ii) the lessee purchases the leased equipment for one dollar at maturity of the lease. Originated leases are primarily classified as sales-type leases, and to a lesser extent, operating leases. These leases do not typically contain residual value guarantees; however, Peoples reduces its residual asset risk by obtaining a security deposit from the lessee. As a lessor, Peoples originates commercial equipment leases either directly to the customer or indirectly through vendor programs. Equipment leases relate to automotive, construction, healthcare, manufacturing, office, restaurant, information technology and other equipment. These leases include an estimated residual value, which is assessed for impairment as part of the allowance for credit losses. Operating leases are leases that do not meet the criteria of a sales-type lease or a finance lease. When Peoples originates an operating lease, it records an operating lease asset recognized in "Other assets" which is depreciated over its useful life. Operating leases assets are assessed for impairment consistent with Peoples' fixed assets.

Sales-type leases originated by Peoples, that Peoples has the positive intent and ability to hold for the foreseeable future or to maturity or payoff, are reported at the net investment of the lease, net of initial direct costs, charge-offs and an allowance for credit losses. Peoples considers leases past due if any required payments have not been received as of the date such payments were required to be made under the terms of the lease agreement. Upon detection of the reduced ability of a lessee to meet cash flow obligations, leases are typically charged down to the net realizable value, with the residual balance placed on nonaccrual status. Leases deemed to be uncollectable are charged against the allowance for credit losses, while recoveries of previously charged-off amounts are credited to the allowance for credit losses.

Lease income noted in the table below includes (i) operating lease income, (ii) gains on the early termination of leases, net of any associated purchase accounting adjustments, (iii) month-to-month lease payments in excess of net investment in the lease, (iv) fees received for referrals, (v) gains and losses recognized on the sales of residual assets, and (vi) syndication income. Income on operating leases is recognized on a straight-line basis over the lease term. Additional information regarding Peoples' sales-type leases can be found in "Note 4 Loans and Leases, and Allowance for Credit Losses."

The table below details Peoples' lease income for the years ended December 31, 2024 and 2023:

(Dollars in thousands)		2024		2023
Interest and fees on leases (a)	$	47,498	$	42,931
Lease income		10,408		7,844
Total lease income	**$**	**57,906**	**$**	**50,775**

(a) Included in "Interest and fees on loans" on the Consolidated Statements of Income. For additional information, see "Note 4 Loans and Leases, and Allowance for Credit Losses."

The following table summarizes the net investments in sales-type leases, which are included in "Loans and leases, net of deferred costs" on the Consolidated Balance Sheets at December 31:

(Dollars in thousands)		2024		2023
Lease payments receivable, at amortized cost	$	448,027	$	461,760
Estimated residual values		33,129		33,448
Initial direct costs		7,148		7,114
Deferred revenue		(81,706)		(88,262)
Total leases, at amortized cost		**406,598**		**414,060**
Allowance for credit losses - leases		(12,893)		(10,850)
Net investment in sales-type leases	**$**	**393,705**	**$**	**403,210**

The following table summarizes the contractual maturities of leases:

(Dollars in thousands)		Balance
2025	$	130,776
2026		93,937
2027		94,573
2028		67,639
2029		47,755
Thereafter		13,347
Lease payments receivable, at amortized cost	**$**	**448,027**

Lessee Arrangements

Peoples leases certain banking facilities and equipment under various agreements with original terms providing for fixed monthly payments over periods generally ranging from two to 25 years. Certain leases may include options to extend or terminate the lease. Only those renewal and termination options which Peoples is reasonably certain of exercising are included in the calculation of the lease liability. Certain leases contain rent escalation clauses calling for rent increases over the term of the lease, which are included in the calculation of the lease liability. At December 31, 2024, Peoples did not have any finance leases or any significant lessor agreements. Right of Use ("ROU") assets represent the right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement or remeasurement date of a lease based on the present value of lease payments over the remaining lease term. Operating lease ROU assets include lease payments made at or before the commencement date and initial indirect costs. Operating lease ROU assets exclude lease incentives and nonlease components. Short-term leases of certain facilities and equipment, with lease terms of 12 months or less, are recognized on a straight-line basis over the lease term. Peoples does not record ROU assets or lease liabilities for such leases.

The table below details Peoples' lease expense, which is included in "Net occupancy and equipment expense" in the Consolidated Statements of Income for the years ended December 31:

(Dollars in thousands)		2024		2023
Operating lease expense	$	2,945	$	3,030
Short-term lease expense		1,173		268
Variable lease expense		89		—
Total lease expense	**$**	**4,207**	**$**	**3,298**

Peoples utilizes an incremental borrowing rate to determine the present value of lease payments for each lease, as the lease agreements do not provide an implicit rate. The estimated incremental borrowing rate reflects a secured rate and is based on the term of the lease and the interest rate environment at the lease commencement or remeasurement date.

The following table details the ROU asset, the lease liability and other information related to Peoples' operating leases on the Consolidated Balance Sheet at December 31:

(Dollars in thousands)	2024	2023
ROU asset:		
Other assets	$ 10,419	$ 11,689
Lease liability:		
Accrued expenses and other liabilities	$ 10,968	$ 12,080
Other information:		
Weighted-average remaining lease term	9.0 years	9.5 years
Weighted-average discount rate	4.11 %	3.34 %
Cash paid during the year for operating leases	$ 2,876	$ 2,990
Additions for ROU assets obtained during the year	$ 1,660	$ 4,428

The following table summarizes the future lease payments of operating leases:

(Dollars in thousands)	Payments
2025	$ 2,420
2026	2,130
2027	1,896
2028	1,420
2029	962
Thereafter	4,504
Total undiscounted lease payments	**$ 13,332**
Imputed interest	(2,364)
Total lease liability	**$ 10,968**

Note 7 Goodwill and Other Intangible Assets

Goodwill

The following table details changes in the recorded amount of goodwill for the years ended December 31:

(Dollars in thousands)	2024	2023
Goodwill, beginning of year	$ 362,169	$ 292,397
Goodwill recorded from acquisitions	1,030	69,772
Goodwill, end of year	**$ 363,199**	**$ 362,169**

Peoples performed a quantitative assessment of goodwill as of October 1, 2024, and management concluded that the fair value of Peoples' single reporting unit was greater than its carrying amount.

On September 30, 2024, Peoples purchased the assets of an insurance business, for which Peoples has recorded $0.2 million in goodwill as of December 31, 2024. On October 31, 2024, Peoples purchased the assets of an insurance business, for which $0.8 million in goodwill has been recorded as of December 31, 2024.

As of the close of business on April 30, 2023, Peoples completed its merger with Limestone Bancorp, Inc. ("Limestone") pursuant to an Agreement and Plan of Merger dated October 24, 2022, at which point Limestone merged with and into Peoples, and immediately thereafter, Limestone Bank, Inc., the subsidiary bank of Limestone, merged with and into Peoples Bank (collectively, the "Limestone Merger"). Peoples recorded goodwill from the Limestone Merger totaling $68.8 million.

On January 3, 2023, Peoples acquired a trust and investment business, for which Peoples recorded $0.6 million in goodwill. On October 10, 2023, Peoples purchased the assets of an additional insurance business, for which $0.4 million in goodwill was recorded.

Other intangible assets

Other intangible assets were comprised of the following at December 31:

(Dollars in thousands)	Core Deposits	Customer Relationships	Indefinite-Lived Trade Names	Total
2024				
Gross intangibles	$ 54,186	$ 37,920	$ 2,491	$ 94,597
Intangibles recorded from acquisitions	—	550	—	550
Accumulated amortization	(31,545)	(25,723)	—	(57,268)
Total acquisition-related intangibles	**$ 22,641**	**$ 12,747**	**$ 2,491**	**$ 37,879**
Servicing rights				1,216
Non-compete agreements (a)				128
Total other intangibles				**$ 39,223**
2023				
Gross intangibles	$ 26,464	$ 37,920	$ 2,491	$ 66,875
Intangibles recorded from acquisitions	27,722	—	—	27,722
Accumulated amortization	(25,670)	(20,680)	—	(46,350)
Total acquisition-related intangibles	**$ 28,516**	**$ 17,240**	**$ 2,491**	**$ 48,247**
Servicing rights				1,385
Non-compete agreements (a)				371
Total other intangibles				**$ 50,003**

(a) Non-compete agreements were recognized due to acquisitions.

Peoples performed other intangible assets impairment testing as of October 1, 2024 and concluded there was no impairment in the recorded value of other intangible assets as of October 1, 2024. During the annual impairment test, Peoples assessed quantitative factors, including relevant events and circumstances, to determine that it was more-likely-than-not that the fair value of other intangible assets exceeded the carrying value.

Other intangible assets recorded from the above-mentioned acquisitions in 2024 consisted of $0.6 million of customer relationship intangibles related to the insurance acquisition in October 2024. Other intangible assets recorded from the above-mentioned acquisitions in 2023 consisted of $27.7 million of core deposit intangibles related to the Limestone Merger.

The following table details estimated aggregate future amortization of other intangible assets at December 31, 2024:

(Dollars in thousands)	Core Deposits	Customer Relationships	Non-Compete Agreements	Total
2025	$ 4,609	$ 4,124	$ 112	$ 8,845
2026	3,736	3,036	16	6,788
2027	3,043	2,188	—	5,231
2028	2,608	1,462	—	4,070
2029	2,359	971	—	3,330
Thereafter	6,286	966	—	7,252
Total	**$ 22,641**	**$ 12,747**	**$ 128**	**$ 35,516**

The weighted average amortization period of other intangibles is 7.6 years.

The following is an analysis of activity of servicing rights for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Balance, beginning of year	$ 1,385	$ 1,816	$ 2,218
Amortization	(349)	(457)	(594)
Servicing rights originated	180	27	180
Change in valuation allowance	—	(1)	12
Balance, end of year	**$ 1,216**	**$ 1,385**	**$ 1,816**

The following is the breakdown of the discount rates and prepayment speeds of servicing rights for the years ended December 31:

	2024				2023			
	Minimum		**Maximum**		**Minimum**		**Maximum**	
Discount rates	12.5	%	15.0	%	13.5	%	16.0	%
Prepayment speeds	9.4	%	16.0	%	7.7	%	16.1	%

The fair value of servicing rights was $3.0 million at December 31, 2024 and $3.2 million at December 31, 2023.

Note 8 Deposits

Peoples' deposit balances were comprised of the following at December 31:

(Dollars in thousands)	2024	2023
Retail CDs:		
$100 or more	$ 1,092,261	$ 815,300
Less than $100	829,154	628,117
Total retail CDs	1,921,415	1,443,417
Interest-bearing deposit accounts	1,085,152	1,144,357
Savings accounts	866,959	919,244
Money market deposit accounts	878,254	775,488
Governmental deposit accounts	775,782	726,713
Brokered deposit accounts	554,982	526,053
Total interest-bearing deposits	6,082,544	5,535,272
Non-interest-bearing deposits	1,507,661	1,567,649
Total deposits	$ 7,590,205	$ 7,102,921

Uninsured deposits were $2.0 billion at December 31, 2024 and 2023. Uninsured amounts are estimated based on the portion of the respective customer account balances that exceeded the FDIC insurance limit of $250,000. Peoples pledges investment securities against certain governmental deposit accounts, which covered over $656.9 million of the uninsured deposit balances at December 31, 2024.

Uninsured time deposits are broken out below by time remaining until maturity.

(Dollars in thousands)	2024	2023
3 months or less	$ 180,405	$ 58,708
Over 3 to 6 months	127,329	99,928
Over 6 to 12 months	91,197	131,263
Over 12 months	18,044	37,180
Total	**$ 416,975**	**$ 327,079**

The contractual maturities of CDs for each of the next five years and thereafter are as follows:

(Dollars in thousands)	Retail	Brokered	Total
2025	$ 1,855,093	$ 417,790	$ 2,272,883
2026	29,858	16,368	46,226
2027	23,288	59,991	83,279
2028	6,354	15,000	21,354
2029	6,802	45,833	52,635
Thereafter	20	—	20
Total CDs	**$ 1,921,415**	**$ 554,982**	**$ 2,476,397**

Deposits from related parties were $19.3 million and $14.2 million at December 31, 2024 and 2023, respectively.

At December 31, 2024, Peoples had eight effective interest rate swaps, with an aggregate notional value of $75.0 million, of which $75.0 million were funded by brokered deposits. Brokered deposits used to fund interest rate swaps are expected to be extended every 90 days through the maturity dates of the swaps. Additional information regarding Peoples' interest rate swaps can be found in "Note 15 Derivative Financial Instruments."

Note 9 Short-Term Borrowings

Peoples utilizes various short-term borrowings as sources of funds, which are summarized as follows at December 31:

(Dollars in thousands)	Retail Repurchase Agreements	FHLB Advances	Other	Total
2024				
Ending balance	$ 18,367	$ 175,000	$ 107	$ 193,474
Average balance	44,036	121,739	135,531	301,306
Highest month-end balance	101,073	348,000	213,045	612,073
Interest expense	$ 1,065	$ 6,675	$ 7,805	$ 15,545
Weighted-average interest rate:				
End of year	2.76 %	4.45 %	1.40 %	4.29 %
During the year	2.42 %	5.48 %	5.76 %	5.16 %
2023				
Ending balance	$ 99,121	$ 369,000	$ 182,376	$ 650,497
Average balance	102,530	353,532	41,970	498,032
Highest month-end balance	125,937	484,000	133,000	585,439
Interest expense	$ 1,349	$ 18,058	$ 528	$ 19,935
Weighted-average interest rate:				
End of year	1.54 %	5.41 %	4.85 %	4.66 %
During the year	1.32 %	5.11 %	4.93 %	4.00 %
2022				
Ending balance	$ 100,138	$ 400,000	$ —	$ 500,138
Average balance	113,434	83,356	—	196,790
Highest month-end balance	286,442	400,000	—	500,138
Interest expense	$ 274	$ 2,387	$ —	$ 2,661
Weighted-average interest rate:				
End of year	0.40 %	4.36 %	— %	3.57 %
During the year	0.24 %	2.86 %	— %	1.35 %

Peoples' retail Repurchase Agreements consist of overnight agreements with Peoples' commercial customers and serve as a cash management tool.

The FHLB advances consist of overnight borrowings, 90-day advances used to fund interest rate swaps, other advances with an original maturity of one year or less, and the current portion of long-term advances due in less than one year. These advances, along with the long-term advances disclosed in "Note 10 Long-Term Borrowings," are collateralized by one-to-four family and multifamily residential mortgages, commercial real estate, home equity lines of credit, and investment securities. Peoples' borrowing capacity with the FHLB is based on the amount of collateral pledged and the amount of FHLB common stock owned. Peoples' FHLB advances of zero and $60.0 million matured in 2024 and 2023, respectively.

Other short-term borrowings consisted primarily of federal funds purchased and advances from the Federal Reserve Discount Window, as well as a Bank Term Funding Program ("BTFP") loan. Federal funds purchased are short-term borrowings from correspondent banks that typically mature within one to 90 days. Interest on federal funds purchased is set daily by the correspondent bank based on prevailing market rates. The Federal Reserve Discount Window provides credit facilities to financial institutions, which are designed to ensure adequate liquidity by providing a source of short-term funds. Federal Reserve Discount Window advances are typically overnight and must be secured by collateral acceptable to the FRB. At December 31, 2024, Peoples had available Federal Reserve Discount Window credit of $416.9 million. As of the date of Peoples' borrowing, the interest rate for term advances was the one-year overnight index swap rate plus 10 basis points. Peoples paid off the BTFP loan in the fourth quarter of 2024.

As of April 3, 2019, Peoples entered into a loan agreement (the "U.S. Bank Loan Agreement") with U.S. Bank National Association. The U.S. Bank Loan Agreement initially had a one-year term, which has subsequently been renewed, most recently as of March 31, 2024 for an additional year, and currently provides Peoples with a revolving line of credit in the maximum aggregate principal amount of $30.0 million that may be used: (i) for working capital purposes; (ii) to finance dividends or other distributions (other than stock dividends and stock splits) on or in respect of Peoples' capital stock and redemptions, repurchases or other acquisitions of any of Peoples' capital stock permitted under the U.S. Bank Loan Agreement and (iii) to finance acquisitions permitted under the U.S. Bank Loan Agreement.

The U.S. Bank Loan Agreement is unsecured, and contains certain negative and financial covenants. The financial covenants are applicable to Peoples and its subsidiaries, and are usual and customary for comparable transactions.

As of December 31, 2024, Peoples was in compliance with the applicable covenants imposed by the U.S. Bank Loan Agreement, as amended by the Sixth Amendment to the U.S. Bank Loan Agreement. The U.S. Bank Loan Agreement matures on March 31, 2025. Peoples is in the process of renewing this facility and expects that it will be renewed prior to its expiration.

Note 10 Long-Term Borrowings

Long-term borrowings consisted of the following at December 31:

	2024			2023		
(Dollars in thousands)	**Balance**	**Weighted-Average Interest Rate**		**Balance**	**Weighted-Average Interest Rate**	
FHLB putable, non-amortizing, fixed rate advances	$ 130,000	4.04	%	$ 110,000	3.98	%
FHLB amortizing, fixed rate advances	1,868	1.85	%	2,865	1.81	%
Vantage non-recourse borrowings	51,330	6.96	%	49,572	6.26	%
Other long-term borrowings	54,875	7.76	%	53,804	9.67	%
Long-term borrowings (a)	**$ 238,073**			**$ 216,241**		

(a) The weighted-average interest rate on total long-term borrowings at December 31, 2024 and at December 31, 2023 was 5.51% and 5.89%, respectively.

Peoples continually evaluates its overall balance sheet position given the interest rate environment. During 2024, Peoples borrowed one additional non-callable FHLB advance for $20.0 million, with a fixed interest rate of 4.36%. During 2023, Peoples entered into four additional FHLB long-term borrowing agreements, three non-callable advances for $60.0 million, $10.0 million, and $10.0 million with fixed interest rates of 4.40%, 4.30%, and 4.11%, respectively, and one callable $10.0 million advance with a fixed interest rate of 4.59%. At December 31, 2024, outstanding long-term FHLB non-amortizing advances, which have interest rates ranging from 2.17% to 4.59%, mature between 2026 and 2028. Outstanding long-term FHLB amortizing, fixed rate advances, which have interest rates ranging from 1.25% to 3.83%, mature between 2026 and 2031.

The FHLB putable, non-amortizing, fixed rate advances have remaining maturities ranging from two to four years that may be repaid prior to maturity, subject to the payment of termination fees. The FHLB has the option, at its sole discretion, to terminate each advance after the initial fixed rate period of three months, requiring full repayment of the advance by Peoples, prior to the stated maturity. If an advance is terminated prior to maturity, the FHLB will offer Peoples replacement funding at the then-prevailing rate on an advance product then offered by the FHLB, subject to normal FHLB credit and collateral requirements. These advances require monthly interest payments, with no repayment of principal until the earlier of either an option to terminate being exercised by the FHLB or the stated maturity.

The FHLB amortizing, fixed rate advances have a fixed rate for the term of each advance, with remaining maturities ranging from three to seven years. These advances require monthly principal and interest payments, with some having a constant prepayment rate requiring an additional principal payment annually. These advances are not eligible for optional prepayment prior to maturity. Long-term FHLB advances are collateralized by assets owned by Peoples.

Non-recourse borrowings are used by Vantage to fund leases. The Vantage non-recourse borrowings have fixed interest rates ranging from 2.82% to 11.25% with various maturities, the latest being in 2030. Payments received from customers on non-recourse leases are used to fund repayment of these borrowings. In the event of default, the non-recourse borrowing is forgiven.

Other long-term borrowings include trust preferred securities held for investments and floating rate subordinated deferrable interest debentures assumed from three prior acquisitions. On March 6, 2015, Peoples completed its acquisition of NB&T Financial Group, Inc., which included a trust preferred security due in 2037 with a $9.0 million par value and a $6.6 million fair value at acquisition. As of December 31, 2024, this trust preferred security had a carrying value of $8.2 million with an interest rate of 6.21%, inclusive of the impact of fair value adjustments. On September 17, 2021, Peoples completed the Premier Merger, which included a trust preferred security due in 2034 with a $6.2 million par value and a $6.1 million fair value at acquisition. As of December 31, 2024, this trust preferred security had a carrying value of $5.9 million and an interest rate of 7.84%, inclusive of the impact of fair value adjustments. On April 30, 2023, Peoples completed the Limestone Merger, which included four trust preferred securities and subordinated debentures. The details of the securities at the time of the Limestone Merger, their current carry values, and current interest rates are included in the table below, inclusive of the impact of fair value adjustments. These trust preferred securities and subordinated debentures are considered tier 1 and tier 2 capital, respectively, (with certain limitations applicable) under current regulatory guidelines.

(Dollars in thousands)		April 30, 2023		December 31, 2024		
Description	**Maturity Year**	**Par Value**	**Fair Value**	**Carrying Value**	**Interest Rate**	
Ascencia Statutory Trust I	2034	3,000	2,430	2,539	7.46	%
Porter Statutory Trust II	2034	5,000	4,050	4,231	7.46	%
Porter Statutory Trust III	2034	3,000	2,410	2,523	7.40	%
Porter Statutory Trust IV	2037	10,000	6,886	7,480	6.43	%
Floating rate subordinated deferrable interest debentures	2029	25,000	23,677	24,030	8.80	%
Total		**46,000**	**39,453**	**40,803**		

At December 31, 2024, the aggregate principal amounts due upon maturity of long-term borrowings in future periods were as follows:

(Dollars in thousands)		**Balance**
2025	$	6,169
2026		60,516
2027		8,997
2028		88,747
2029		41,095
Thereafter		38,674
Total long-term borrowings	**$**	**244,198**

Note 11 Stockholders' Equity

The following table details the activity in Peoples' common stock and treasury stock during the years ended December 31:

	Common Stock	Treasury Stock
Shares at December 31, 2021	**29,814,401**	**1,577,359**
Changes related to stock-based compensation awards:		
Grant of restricted common shares	—	(216,669)
Release of restricted common shares	—	39,445
Cancellation of restricted common shares	—	5,452
Grant of unrestricted common shares	—	(1,500)
Changes related to deferred compensation plan for Boards of Directors:		
Purchase of treasury stock	—	15,688
Disbursed out of treasury stock	—	(3,039)
Common shares purchased under repurchase program	—	263,183
Common shares issued under dividend reinvestment plan	43,519	—
Common shares issued under compensation plan for Boards of Directors	—	(17,626)
Common shares issued under employee stock purchase plan	—	(18,832)
Shares at December 31, 2022	**29,857,920**	**1,643,461**
Changes related to stock-based compensation awards:		
Grant of restricted common shares	—	(259,648)
Release of restricted common shares	—	43,087
Cancellation of restricted common shares	—	16,778
Grant of unrestricted common shares	—	(1,900)
Changes related to deferred compensation plan for Boards of Directors:		
Purchase of treasury stock	—	21,042
Disbursed out of treasury stock	—	(4,368)
Common shares repurchased under repurchase program	—	107,219
Common shares issued under dividend reinvestment plan	50,453	—
Common shares issued under compensation plan for Boards of Directors	—	(19,931)
Common shares issued under employee stock purchase plan	—	(34,392)
Issuance of common shares related to the Limestone Merger	6,827,668	—
Shares at December 31, 2023	**36,736,041**	**1,511,348**
Changes related to stock-based compensation awards:		
Grant of restricted common shares	—	(313,403)
Release of restricted common shares	—	30,486
Cancellation of restricted common shares	—	39,408
Grant of unrestricted common shares		(1,700)
Changes related to deferred compensation plan for Boards of Directors:		
Purchase of treasury stock	—	14,945
Disbursed out of treasury stock	—	(12,833)
Common shares repurchased under repurchase program	—	100,905
Common shares issued under dividend reinvestment plan	46,560	—
Common shares issued under compensation plan for Boards of Directors	—	(16,220)
Common shares issued under employee stock purchase plan	—	(41,761)
Shares at December 31, 2024	**36,782,601**	**1,311,175**

On January 28, 2021, Peoples' Board of Directors approved a share repurchase program authorizing Peoples to purchase up to an aggregate of $30.0 million of Peoples' outstanding common shares. Peoples purchased an aggregate of 100,905, 107,219, and 263,183 of Peoples' outstanding common shares totaling $3.0 million, $3.0 million, and $7.4 million during 2024, 2023, and 2022 respectively.

Under its Amended Articles of Incorporation, Peoples is authorized to issue up to 50,000 preferred shares, in one or more series, having such voting powers, designations, preferences, rights, qualifications, limitations and restrictions as determined by Peoples' Board of Directors. At December 31, 2024 and 2023, Peoples had no preferred shares issued or outstanding.

The following table details the cash dividends declared per common share for the year ended December 31:

	2024	2023
First Quarter	$ 0.39	$ 0.38
Second Quarter	0.40	0.39
Third Quarter	0.40	0.39
Fourth Quarter	0.40	0.39
Total dividends declared	**$ 1.59**	**$ 1.55**

Accumulated Other Comprehensive Income (Loss)

The following details the change in the components of Peoples' accumulated other comprehensive income (loss) for the years ended December 31:

(Dollars in thousands)	Unrealized Gain (Loss) on Securities	Unrecognized Net Pension and Postretirement Costs	Unrealized (Loss) Gain on Cash Flow Hedges	Accumulated Other Comprehensive Income (Loss)
Balance, December 31, 2021	**$ (5,946)**	**$ (1,881)**	**$ (3,792)**	**$ (11,619)**
Reclassification adjustments to net income:				
Realized loss on sale of securities, net of tax	47	—	—	47
Realized loss due to settlement and curtailment, net of tax	—	142	—	142
Other comprehensive (loss) income, net of reclassifications and tax	(123,997)	106	8,185	(115,706)
Balance, December 31, 2022	**$ (129,896)**	**$ (1,633)**	**$ 4,393**	**$ (127,136)**
Reclassification adjustments to net income:				
Realized loss on sale of securities, net of tax	2,836	—	—	2,836
Realized loss due to settlement and curtailment, net of tax	—	1,858	—	1,858
Other comprehensive (loss) income, net of reclassifications and tax	22,838	(225)	(1,761)	20,852
Balance, December 31, 2023	**$ (104,222)**	**$ —**	**$ 2,632**	**$ (101,590)**
Reclassification adjustments to net income:				
Realized loss on sale of securities, net of tax	319	—	—	319
Realized loss due to settlement and curtailment, net of tax	—	—	—	—
Other comprehensive income (loss), net of reclassifications and tax	(7,926)	—	(1,188)	(9,114)
Balance, December 31, 2024	**$ (111,829)**	**$ —**	**$ 1,444**	**$ (110,385)**

Note 12 Employee Benefit Plans

Peoples sponsored a noncontributory defined benefit pension plan that covered substantially all employees hired before January 1, 2010. The plan provided retirement benefits based on an employee's years of service and compensation. During the third quarter of 2023, Peoples terminated its pension plan by settling the remaining benefit obligation of $7.7 million. The pension plan had been closed to new entrants since January 1, 2010. Peoples recorded a settlement charge of $2.4 million in the third quarter of 2023 in relation to the termination of the pension plan. Peoples does not anticipate further expenses related to the termination.

Retirement Savings Plan

Peoples maintains a retirement savings plan, or 401(k) plan, which covers substantially all employees. The plan provides participants with the opportunity to save for retirement on a tax-deferred basis. Since January 1, 2021, Peoples has matched 100% of participants' contributions up to 6% of the participants' compensation. Matching contributions made by Peoples totaled $5.8 million in 2024, $5.4 million in 2023 and $4.4 million in 2022.

Note 13 Income Taxes

The reported income tax expense and effective tax rate in the Consolidated Statements of Income differ from the amounts computed by applying the statutory federal corporate income tax rate as follows for the years ended December 31:

	2024			2023			2022		
(Dollars in thousands)	**Amount**	**Rate**		**Amount**	**Rate**		**Amount**	**Rate**	
Income tax computed at statutory federal corporate income tax rate	$ 31,387	21.0	%	$ 30,476	21.0	%	$ 27,015	21.0	%
Differences in rate resulting from:									
State taxes, net of federal benefit	3,286	2.2	%	3,053	2.1	%	2,277	1.8	%
Investment securities impairment	—	—	%	—	—	%	431	0.3	%
Nondeductible acquisition costs	—	—	%	168	0.1	%	42	—	%
Common share awards	(22)	—	%	(99)	(0.1)	%	12	—	%
Bank owned life insurance	(885)	(0.6)	%	(872)	(0.6)	%	(551)	(0.4)	%
Investments in tax credit funds	(601)	(0.4)	%	(352)	(0.2)	%	(629)	(0.5)	%
Captive insurance benefit	—	—	%	(330)	(0.2)	%	(421)	(0.3)	%
Tax-exempt interest income	(258)	(0.2)	%	(555)	(0.4)	%	(921)	(0.7)	%
Other, net	(648)	(0.4)	%	274	0.2	%	94	0.1	%
Income tax expense	**$ 32,259**	**21.6**	**%**	**$ 31,763**	**21.9**	**%**	**$ 27,349**	**21.3**	**%**

Peoples' reported income tax expense consisted of the following for the years ended December 31:

(Dollars in thousands)	**2024**	**2023**	**2022**
Current income tax expense	$ 25,286	$ 32,001	$ 8,783
Deferred income tax (benefit) expense	6,973	(238)	18,566
Income tax expense	**$ 32,259**	**$ 31,763**	**$ 27,349**

The significant components of Peoples' deferred tax assets and deferred tax liabilities consisted of the following at December 31:

(Dollars in thousands)	2024	2023
Deferred tax assets:		
Available-for-sale securities	$ 33,996	$ 31,774
Allowance for credit losses	15,035	14,902
Nonaccrual loan interest income	1,312	2,753
Accrued employee benefits	7,472	7,344
Lease obligation	2,523	2,822
Net operating loss carryforward	8,393	11,367
Purchase accounting adjustments	—	1,920
Other	1,837	1,622
Gross deferred tax assets	**$ 70,568**	**$ 74,504**
Valuation allowance	$ 158	$ 158
Total deferred tax assets	**$ 70,410**	**$ 74,346**
Deferred tax liabilities:		
Equipment leases	$ 11,790	$ 11,286
Deferred loan income	2,015	3,117
Purchase accounting adjustments	3,219	—
Bank premises and equipment	5,283	5,116
Lease right-of-use assets	2,397	2,731
Derivative instruments	416	774
Other	2,312	3,951
Total deferred tax liabilities	**$ 27,432**	**$ 26,975**
Net deferred tax asset	**$ 42,978**	**$ 47,371**

At December 31, 2024, Peoples had approximately $39 million of federal net operating loss carryforwards and $208,000 of federal tax credit carryforwards, the annual utilization of which are subject to limitation under IRC sections 382 and 383, respectively. Peoples has recorded a deferred tax asset only for the portion of these net operating loss and tax credit carryforwards it is able to, and expects to, utilize under these limitations. At December 31, 2024, Peoples had approximately $2.2 million of state net operating loss carryforwards, the annual utilization of which are subject to limitation under applicable state tax law. However, all $2.2 million of state net operating loss carryforwards are unlikely to be utilized, resulting in a valuation allowance against the net tax benefit of approximately $158,000.

The federal income tax benefit from sales of investment securities was $87,000 in 2024, $777,000 in 2023, and $13,000 in 2022.

Income tax benefits are recognized in the Consolidated Financial Statements for a tax position only if it is considered "more-likely-than-not" of being sustained in an audit, based solely on the technical merits of the income tax position. If the recognition criteria are met, the amount of income tax benefits to be recognized are measured based on the largest income tax benefit that is more than 50 percent likely to be realized on ultimate resolution of the tax position. The following table provides a reconciliation of uncertain tax positions at December 31:

(Dollars in thousands)	2024	2023
Uncertain tax positions, beginning of year	$ 527	$ 89
Gross increase based on tax positions related to current year	45	527
Gross decrease due to the statute of limitations	—	(89)
Uncertain tax positions, end of year	**$ 572**	**$ 527**

All of the gross unrecognized tax benefits would impact People's effective tax rate if recognized.

Peoples is subject to U.S. federal income tax, as well as to tax in various state income tax jurisdictions. Peoples' income tax returns are subject to review and examination by federal and state taxing authorities. Peoples is currently open to audit under the applicable statutes of limitations by the Internal Revenue Service for the years ended December 31, 2021 through 2023. The years open to examination by state taxing authorities vary by jurisdiction.

Note 14 Earnings Per Common Share

The calculations of basic and diluted earnings per common share for the years ended December 31 were as follows:

(Dollars in thousands, except per common share data)	2024	2023	2022
Net income available to common shareholders	$ 117,205	$ 113,363	$ 101,292
Less: Dividends paid on unvested common shares	786	531	354
Less: Undistributed loss allocated to unvested common shares	225	269	96
Net earnings allocated to common shareholders	$ 116,194	$ 112,563	$ 100,842
Weighted-average common shares outstanding	34,779,548	32,533,086	27,908,022
Effect of potentially dilutive common shares	367,806	227,722	91,580
Total weighted-average diluted common shares outstanding	35,147,354	32,760,808	27,999,602
Earnings per common share:			
Basic	$ 3.34	$ 3.46	$ 3.61
Diluted	$ 3.31	$ 3.44	$ 3.60
Anti-dilutive common shares excluded from calculation:			
Restricted common shares	7,836	9,123	—

Note 15 Derivative Financial Instruments

Peoples utilizes interest rate swap agreements as part of its asset/liability management strategy to help manage its interest rate risk position. The notional amount of the interest rate swaps does not represent amounts exchanged by the parties. The amount exchanged is determined by reference to the notional amount and the other terms of the individual interest rate swap agreements. The fair value of derivative financial instruments is included in "Other assets" and "Accrued expenses and other liabilities" in the Consolidated Balance Sheets and in the net other adjustments to reconcile net income to "Net cash provided by operating activities" in the Consolidated Statements of Cash Flows.

Derivative Financial Instruments and Hedging Activities – Risk Management Objective of Using Derivative Financial Instruments

Peoples is exposed to certain risks arising from both its business operations and economic conditions. Peoples principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. Peoples manages economic risks, including interest rate, liquidity and credit risk, primarily by managing the amount, sources and duration of its assets and liabilities. Peoples also manages interest rate risk through the use of derivative financial instruments. Specifically, Peoples enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known or expected cash amounts, the values of which are determined by interest rates. Peoples' derivative financial instruments are used to manage differences in the amount, timing and duration of Peoples' known or expected cash receipts and its known or expected cash payments principally related to certain variable rate borrowings. Peoples also has interest rate derivative financial instruments that result from a service provided to certain qualifying customers and, therefore, are not used to manage interest rate risk in Peoples' assets or liabilities. Peoples manages a matched book with respect to customer-related derivative financial instruments in order to minimize its net risk exposure resulting from such transactions.

Cash Flow Hedges of Interest Rate Risk

Peoples' objectives in using interest rate derivative financial instruments are to add stability to interest income and expense, and to manage its exposure to interest rate movements. To accomplish these objectives, Peoples has entered into interest rate swaps as part of its interest rate risk management strategy. These interest rate swaps were designated as cash flow hedges and involve the receipt of variable rate amounts from a counterparty in exchange for Peoples making fixed payments. At December 31, 2024, Peoples had entered into eight interest rate swaps with an aggregate notional value of $75.0 million. Peoples will pay a fixed rate of interest for up to four years while receiving a floating rate component of interest equal to the three-month SOFR rate. The interest received on the floating rate component is intended to offset the interest paid on rolling three-month brokered deposits which will continue to be rolled through the life of the swaps. At December 31, 2024, the interest rate swaps were designated as cash flow hedges of $75.0 million in brokered deposits, which are expected to be extended every 90 days through the maturity dates of the swaps.

For derivative financial instruments designated as cash flow hedges and assessed as effective, the changes in the fair value of each derivative financial instrument is reported in AOCL (outside of earnings), net of tax, and are reclassified to interest expense as interest payments are made on Peoples' variable-rate liabilities. Peoples assesses the effectiveness of each hedging relationship by comparing

the changes in cash flows of the hedging derivative financial instrument with the changes in cash flows of the designated hedged transaction. The reset dates and the payment dates on the 90-day advances or brokered deposits are matched to the reset dates and payment dates on the receipt of the three-month SOFR floating portion of the swaps to ensure effectiveness of the cash flow hedge. During the years ended December 31, 2024 and December 31, 2023, Peoples had reclassifications of changes in fair value to interest expense of $3.0 million and $0.3 million, respectively.

The following table summarizes information about the interest rate swaps designated as cash flow hedges at December 31:

(Dollars in thousands)	2024	2023
Notional amount	$ 75,000	$ 105,000
Weighted average pay rates	2.45 %	2.22 %
Weighted average receive rates	4.49 %	4.63 %
Weighted average maturity	1.5 years	2.0 years
Pre-tax changes in fair value included in AOCL	$ 1,885	$ 3,434

The following table presents changes in fair value recorded in AOCL and in the Consolidated Statements of Income related to the cash flow hedges for the years ended December 31:

(Dollars in thousands)	2024	2023
Amount of income recognized in AOCL, pre-tax	$ (1,550)	$ (2,293)

The following table reflects the cash flow hedges, which were included in the Consolidated Balance Sheets at fair value, at December 31:

	2024		2023	
(Dollars in thousands)	**Notional Amount**	**Fair Value**	**Notional Amount**	**Fair Value**
Included in "Other assets":				
Interest rate swaps related to debt	$ 75,000	$ 1,784	$ 105,000	$ 3,314
Total included in "Other assets"	$ 75,000	$ 1,784	$ 105,000	$ 3,314

Non-Designated Hedges

Peoples maintains an interest rate protection program for commercial loan customers, which was established in 2010. Under this program, Peoples originates variable rate loans with interest rate swaps, where the customer enters into an interest rate swap with Peoples on terms that match the terms of the loan. By entering into the interest rate swap with the customer, Peoples effectively provides the customer with a fixed rate loan while creating a variable rate asset for Peoples. Peoples offsets its exposure in the swap by entering into an offsetting interest rate swap with an unaffiliated institution. These interest rate swaps do not qualify as designated hedges; therefore, each swap is accounted for as a standalone derivative financial instrument. These interest rate swaps did not have a material impact on Peoples' results of operation or financial condition for the years ended December 31, 2024 and 2023.

The following table reflects the non-designated hedges, which were included in the Consolidated Balance Sheets at fair value, at December 31:

	2024		2023	
(Dollars in thousands)	**Notional Amount**	**Fair Value**	**Notional Amount**	**Fair Value**
Included in "Other assets":				
Interest rate swaps related to commercial loans	$ 453,367	$ 16,959	$ 416,106	$ 18,990
Total included in "Other assets"	453,367	16,959	416,106	18,990
Included in "Accrued expenses and other liabilities":				
Interest rate swaps related to commercial loans	$ 453,367	17,046	$ 416,106	$ 19,122
Total included in "Accrued expenses and other liabilities"	453,367	17,046	416,106	19,122

Pledged Collateral

Peoples pledges or receives collateral for all interest rate swaps. When the fair value of Peoples' interest rate swaps are in a net liability position, Peoples must pledge collateral, and, when the fair value of Peoples' interest rate swaps are in a net asset position, the respective counterparties must pledge collateral. At each of December 31, 2024 and December 31, 2023, Peoples had no cash pledged while the counterparties had pledged $12.3 million at December 31, 2024 and $12.8 million at December 31, 2023. At December 31,

2024 and December 31, 2023, Peoples had no investment securities pledged, while counterparties had $1.9 million of investment securities pledged at December 31, 2024 and $2.2 million pledged at December 31, 2023.

Note 16 Off-Balance Sheet Risk

Loan Commitments and Standby Letters of Credit

Loan commitments are made to accommodate the financial needs of Peoples' customers. Standby letters of credit are instruments issued by Peoples Bank guaranteeing the beneficiary payment by Peoples Bank in the event of default by Peoples Bank's customer in the nonperformance of an obligation or service. Historically, most loan commitments and standby letters of credit expire unused. Peoples' exposure to credit loss in the event of nonperformance by the counter-party to the financial instrument for loan commitments and standby letters of credit is represented by the contractual amount of those instruments. Peoples uses the same underwriting standards in making commitments and conditional obligations as it does for on-balance sheet instruments. The amount of collateral obtained is based on management's credit evaluation of the customer. Collateral held varies, but may include accounts receivable; inventory; property, plant, and equipment; and income-producing commercial properties.

The total amounts of loan commitments and standby letters of credit at December 31 were:

(Dollars in thousands)	2024	2023
Home equity lines of credit	$ 254,168	$ 244,367
Unadvanced construction loans	370,086	349,850
Other loan commitments	759,790	769,759
Loan commitments	1,384,044	1,363,976
Standby letters of credit	$ 8,398	$ 14,318

Note 17 Regulatory Matters

The following is a summary of certain regulatory matters affecting Peoples and its subsidiaries:

Federal Reserve Board Requirements

Peoples Bank is required to maintain a minimum level of reserves, consisting of cash on hand and non-interest-bearing balances with the FRB, based on the amount of total deposits. Average required reserve balances were $0 and $0 in 2024 and 2023, respectively. In response to the COVID-19 pandemic, the Federal Reserve reduced reserve requirement ratios to 0% effective on March 26, 2020, to support lending to households and businesses. The reserve requirement ratio remained at 0% as of December 31, 2024.

Limits on Dividends

The primary source of funds for the dividends paid by Peoples is dividends received from Peoples Bank. The payment of dividends by Peoples Bank is subject to various banking regulations. The most restrictive provision requires regulatory approval if dividends declared in any calendar year exceed the total net profits of that year plus the retained net profits of the preceding two years. At December 31, 2024, Peoples Bank had approximately $187.7 million of net profits available for distribution to Peoples as dividends without regulatory approval.

Capital Requirements

Peoples and Peoples Bank are subject to various regulatory capital guidelines administered by the banking regulatory agencies. Under capital adequacy requirements and the regulatory framework for prompt corrective action, Peoples and Peoples Bank must meet specific capital guidelines that involve quantitative measures of each entity's assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. Peoples' and Peoples Bank's capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors. Failure to meet future minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by the regulators that, if undertaken, could have a material effect on Peoples' financial results.

Quantitative measures established by regulation to ensure capital adequacy, and in effect at December 31, 2024, required Peoples and Peoples Bank to maintain minimum amounts and ratios of common equity tier 1 capital, tier 1 capital and total capital (each as defined in the applicable regulations) to risk-weighted assets (as defined), and of tier I capital (as defined) to average assets (as defined). Peoples and Peoples Bank met all capital adequacy requirements at December 31, 2024.

At December 31, 2024, the most recent notification from the banking regulatory agencies categorized Peoples Bank as well capitalized under the regulatory framework for prompt corrective action applicable to Peoples Bank. Peoples maintained the capital required by the Federal Reserve Board to be deemed well capitalized and remain a financial holding company. To be categorized as well capitalized, Peoples and Peoples Bank must maintain minimum common equity tier 1, tier 1 risk-based, total risk-based and tier I

leverage ratios as set forth in the table below. There are no conditions or events since this notification that management believes have changed Peoples' or Peoples Bank's category.

Peoples' and Peoples Bank's actual capital amounts and ratios at December 31 are also presented in the following table:

	2024			2023		
(Dollars in thousands)	Amount	Ratio		Amount	Ratio	
PEOPLES BANCORP, INC.						
Common Equity Tier 1 [a]						
Actual	$ 833,128	11.95	%	$ 766,692	11.56	%
For capital adequacy	313,717	4.50	%	298,393	4.50	%
To be well capitalized	$ 453,147	6.50	%	$ 431,011	6.50	%
Tier 1 [b]						
Actual	$ 863,974	12.39	%	$ 820,496	12.37	%
For capital adequacy	418,289	6.00	%	397,857	6.00	%
To be well capitalized	$ 557,719	8.00	%	$ 530,476	8.00	%
Total Capital [c]						
Actual	$ 946,724	13.58	%	$ 873,226	13.17	%
For capital adequacy	557,719	8.00	%	530,476	8.00	%
To be well capitalized	$ 697,149	10.00	%	$ 663,095	10.00	%
Tier 1 Leverage [d]						
Actual	$ 863,974	9.73	%	$ 820,496	9.48	%
For capital adequacy	355,219	4.00	%	346,112	4.00	%
To be well capitalized	444,024	5.00	%	432,640	5.00	%
Capital Conservation Buffer	389,005	5.60	%	342,750	5.17	%
Fully phased in	174,287	2.50	%	165,774	2.50	%
Net Risk-Weighted Assets	6,971,489			6,630,945		
PEOPLES BANK						
Common Equity Tier 1 [a]						
Actual	840,443	12.07	%	783,790	11.85	%
For capital adequacy	313,212	4.50	%	297,638	4.50	%
To be well capitalized	452,418	6.50	%	429,921	6.50	%
Tier 1 [b]						
Actual	840,443	12.07	%	783,790	11.85	%
For capital adequacy	417,617	6.00	%	396,850	6.00	%
To be well capitalized	556,822	8.00	%	529,134	8.00	%
Total Capital [c]						
Actual	903,969	12.99	%	836,520	12.65	%
For capital adequacy	556,822	8.00	%	529,134	8.00	%
To be well capitalized	696,028	10.00	%	661,417	10.00	%
Tier 1 Leverage [d]						
Actual	840,443	9.48	%	783,790	9.12	%
For capital adequacy	354,499	4.00	%	343,613	4.00	%
To be well capitalized	443,123	5.00	%	429,517	5.00	%
Capital Conservation Buffer	$ 347,147	5.00	%	$ 307,386	4.65	%
Fully phased in	174,007	2.50	%	165,354	2.50	%
Net Risk-Weighted Assets	$ 6,960,276			$ 6,614,172		

(a) Ratio represents common equity tier 1 capital to net risk-weighted assets
(b) Ratio represents tier 1 capital to net risk-weighted assets
(c) Ratio represents total capital to net risk-weighted assets
(d) Ratio represents tier 1 capital to average assets

Note 18 Stock-Based Compensation

Under the Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan (the "2006 Equity Plan"), Peoples may grant, among other awards, nonqualified stock options, incentive stock options, restricted common share awards, stock appreciation rights, performance units and unrestricted common share awards to employees and non-employee directors. The total number of common shares available under the 2006 Equity Plan is 1,493,297. The maximum number of common shares that can be issued for incentive stock options is 750,000 common shares. Since February 2009, Peoples has granted restricted common shares to employees, and periodically to non-employee directors, subject to the terms and conditions prescribed by the 2006 Equity Plan. In general, common shares issued in connection with stock-based awards are issued from treasury shares to the extent available. If no treasury shares are available, common shares are issued from authorized but unissued common shares.

Restricted Common Shares

Under the 2006 Equity Plan, Peoples may award restricted common shares to officers, key employees and non-employee directors. In general, the restrictions on the restricted common shares awarded to employees expire after periods ranging from one to five years. Since 2018, common shares awarded to non-employee directors have vested immediately upon grant with no restrictions. In 2024, Peoples granted an aggregate of 283,712 restricted common shares subject to performance-based vesting to officers and key employees with restrictions that will lapse three years after the grant date; provided that in order for the restricted common shares to vest in full, Peoples must have reported positive net income and maintained a well-capitalized status by regulatory standards for each of the three fiscal years preceding the vesting date. During 2024, Peoples granted to certain key employees an aggregate of 29,692 restricted common shares subject to time-based vesting, the majority of which will vest three years after the grant date.

The following summarizes the changes to Peoples' outstanding restricted common shares for the year ended December 31, 2024:

	Time-Based Vesting		Performance-Based Vesting	
	Number of Common Shares	Weighted-Average Grant Date Fair Value	Number of Common Shares	Weighted-Average Grant Date Fair Value
Outstanding at January 1	142,419	$ 28.78	403,970	$ 31.21
Awarded	29,692	30.73	283,712	27.92
Released	(21,101)	31.65	(72,825)	31.49
Forfeited	(10,779)	29.37	(28,630)	29.43
Outstanding at December 31	**140,231**	**$ 28.72**	**586,227**	**$ 29.67**

The total intrinsic value of restricted common shares released was $2.7 million, $3.7 million and $3.7 million in 2024, 2023 and 2022, respectively.

Stock-Based Compensation

Peoples recognizes stock-based compensation expense, which is included as a component of Peoples' salaries and employee benefit costs, for restricted common shares, as well as purchases made by participants in the employee stock purchase plan. For restricted common shares, Peoples recognizes stock-based compensation based on the estimated fair value of the awards expected to vest on the grant date. The estimated fair value is then expensed over the vesting period, which is normally three years. Peoples also has an employee stock purchase plan whereby employees can purchase Peoples' common shares at a discount of up to 15%. The following summarizes the amount of stock-based compensation and related tax benefit recognized for the years ended December 31:

(Dollars in thousands)	2024	2023	2022
Employee stock-based compensation expense:			
Restricted common share grant expense	$ 6,815	$ 5,336	$ 3,707
Employee stock purchase plan expense	158	140	112
Total employee stock-based compensation expense	6,973	5,476	3,819
Non-employee director stock-based compensation expense	492	548	506
Total stock-based compensation expense	7,465	6,024	4,325
Recognized tax benefit	(1,740)	(1,402)	(1,007)
Net expense recognized	**$ 5,725**	**$ 4,622**	**$ 3,318**

Restricted common shares were the primary form of stock-based compensation awards granted by Peoples in 2024, 2023 and 2022. The fair value of restricted common share awards on the grant date is the market price of Peoples' common shares. Total unrecognized stock-based compensation related to unvested restricted common share awards was $6.2 million at December 31, 2024, which will be recognized over a weighted-average period of 1.9 years.

Note 19 Revenue

The following table details Peoples' revenue from contracts with customers for the year ended December 31:

(Dollars in thousands)	2024	2023	2022
Insurance income:			
Commission and fees from sale of insurance policies (a)	$ 17,183	$ 16,382	$ 14,3
Performance-based commissions (b)	2,218	1,634	1,4
Trust and investment income:			
Fiduciary income (a)	11,496	10,295	10,0
Brokerage income (a)	8,017	6,865	6,3
Electronic banking income:			
Interchange income (a)	19,731	19,380	16,6
Promotional and usage income (a)	5,411	5,830	4,4
Deposit account service charges:			
Ongoing maintenance fees for deposit accounts (a)	6,937	6,425	5,3
Transactional-based fees (b)	10,647	10,257	9,2
Commercial loan swap fees (b)	1,433	782	6
Other non-interest income transactional-based fees (b)	1,703	1,650	1,4
Total	**$ 84,776**	**$ 79,500**	**$ 69,9**
Timing of revenue recognition:			
Services transferred over time	$ 68,775	$ 65,177	$ 57,1
Services transferred at a point in time	16,001	14,323	12,8
Total	**$ 84,776**	**$ 79,500**	**$ 69,9**

(a) Services transferred over time.
(b) Services transferred at a point in time.

Peoples records contract assets for income that has been recognized over a period of time for the fulfillment of performance obligations, but has not yet been received, related to electronic banking income. This income typically relates to bonuses for which Peoples is eligible, but will not receive until a certain time in the future. Peoples records contract liabilities for payments received for commission income related to the sale of insurance policies, for which the performance obligations have not yet been fulfilled. The contract liabilities are recognized as income over time, during the period in which the performance obligations are fulfilled, which is over the insurance policy period. Peoples also records contract liabilities for bonuses received related to electronic banking income, for which income is recognized during the period in which the performance obligations are fulfilled. The following table details the changes in Peoples' contract assets and contract liabilities for the year ended December 31, 2024:

(Dollars in thousands)	Contract Assets	Contract Liabilities
Balance, January 1, 2024	$ 753	$ 5,776
Additional income receivable	181	—
Additional deferred income	—	269
Receipt of income previously receivable	(35)	—
Recognition of income previously deferred	—	(274)
Balance, December 31, 2024	**$ 899**	**$ 5,771**

For more information on Peoples' revenue recognition policies, see "Note 1 Summary of Significant Accounting Policies."

Note 20 Acquisitions

Limestone Bancorp, Inc.

As of the close of business on April 30, 2023, Peoples completed the Limestone Merger. In connection with the Limestone Merger, Limestone Bank, Inc., which operated 20 branches in Kentucky, merged into Peoples Bank. As consideration in the Limestone Merger, Limestone shareholders were paid 0.90 common shares of Peoples for each full share of Limestone that was owned at the merger date, resulting in the issuance of 6,827,668 common shares by Peoples, or aggregate consideration of $177.9 million. Peoples accounted for this transaction as a business combination under the acquisition method.

Peoples recorded acquisition-related expenses related to the Limestone Merger, which included $0.2 million and $16.9 million in non-interest expense for the years ended December 31, 2024 and December 31, 2023. For 2024, acquisition-related expenses included $0.4 million of other non-interest expense, which was partially offset by the reversal of an accrual for data processing and software expense. During 2023, acquisition-related non-interest expenses consisted of $6.0 million in professional fees, $5.9 million in salaries and employee benefit costs, $2.9 million in other non-interest expense, $1.8 million in data processing and software expense, and $0.3 million in various other non-interest expense line items. The other non-interest expenses were primarily due to $1.8 million of early contract termination fees on Limestone contracts driven by the system conversions, which took place in the third quarter of 2023.

The following table provides the purchase price calculation as of the date of the Limestone Merger, and the assets acquired and liabilities assumed at their estimated fair values.

(Dollars in thousands)		**Fair Value**
Total purchase price	**$**	**177,931**
Assets		
Cash and balances due from banks		6,422
Interest-bearing deposits in other banks		87,115
Total cash and cash equivalents		93,537
Available-for-sale investment securities, at fair value		166,944
Other investment securities		5,716
Total investment securities		172,660
Loans and leases		1,077,929
Allowance for credit losses (on PCD loans)		(2,051)
Net loans		1,075,878
Bank premises and equipment, net of accumulated depreciation		17,690
Bank owned life insurance		31,343
Other intangible assets		27,722
Other assets		36,874
Total assets		1,455,704
Liabilities		
Deposits:		
Non-interest-bearing		262,727
Interest-bearing		971,457
Total deposits		1,234,184
Short-term borrowings		60,000
Long-term borrowings		39,453
Accrued expenses and other liabilities		12,967
Total liabilities		**1,346,604**
Net assets		109,100
Goodwill	**$**	**68,831**

The goodwill recorded in connection with the Limestone Merger is related to expected synergies to be gained from the combination of Limestone with Peoples' operations. The employees retained from the Limestone Merger and the geographic locations of Limestone should allow Peoples to continue to grow its loan and deposit portfolios while also increasing Peoples' ability to penetrate the new markets, which should benefit Peoples in future periods. During Peoples' evaluation of intangible assets, it was determined that an assembled workforce intangible asset was not separately recognizable and was included in goodwill. Peoples recorded a core deposit intangible asset in other intangible assets related to the Limestone Merger.

Loans acquired by Peoples in a business combination that have evidence of more than insignificant credit deterioration, which includes loans as to which Peoples believes it is probable that Peoples will be unable to collect all contractually required payments, are considered PCD loans. Acquired PCD loans are reported net of the unamortized fair value adjustment. These loans are recorded at the purchase price, and an allowance for credit losses is determined based upon discrete credit marks, along with discounted cash flow models based upon similar pools of loans, using a similar methodology as for other loans. The following table details the fair value adjustment for acquired PCD loans as of the acquisition date:

(Dollars in thousands)	Par Value	Allowance for Credit Losses	Non-Credit (Discount) Premium	Fair Value
PCD loans				
Commercial real estate, other	$ 30,907	$ (1,340)	$ (2,160)	$ 27,407
Commercial and industrial	16,466	(379)	(610)	15,477
Residential real estate	6,328	(228)	(770)	5,330
Home equity lines of credit	774	(18)	11	767
Consumer	1,029	(86)	78	1,021
Fair value	**$ 55,504**	**$ (2,051)**	**$ (3,451)**	**$ 50,002**

Note 21 Parent Company Only Financial Information

Condensed Balance Sheets	**December 31,**	
(Dollars in thousands)	**2024**	**2023**
Assets:		
Cash and due from other banks	$ 50	$ 50
Interest-bearing deposits in subsidiary bank	29,937	17,099
Due from subsidiary bank	4,874	771
Other investment securities	244	237
Investments in subsidiaries:		
Bank	1,120,554	1,072,238
Non-bank	14,717	17,606
Other assets	7,010	12,084
Total assets	**$ 1,177,386**	**$ 1,120,085**
Liabilities:		
Accrued expenses and other liabilities	$ 3,075	$ 3,342
Dividends payable	1,420	938
Subordinated notes and debentures	24,030	25,000
Mandatorily redeemable capital securities of subsidiary trusts and subordinated debentures	37,271	37,271
Total liabilities	65,796	66,551
Total stockholders' equity	1,111,590	1,053,534
Total liabilities and stockholders' equity	**$ 1,177,386**	**$ 1,120,085**

Condensed Statements of Income	Year Ended December 31,		
(Dollars in thousands)	2024	2023	2022
Income:			
Dividends from subsidiary bank	$ 73,580	48,080	52,000
Dividends from non-bank subsidiary	193	200	1,860
Interest and other income	(416)	11	39
Total income	73,277	48,211	53,899
Expense:			
Trust preferred securities expense	2,021	1,147	744
Intercompany management fees	2,273	1,873	1,379
Other expense	9,143	11,011	6,539
Total expense	13,437	14,031	8,662
Income before federal income taxes and equity in undistributed earnings of subsidiaries	59,840	34,180	45,237
Applicable income tax expense	(3,143)	(3,296)	(1,979)
Equity in undistributed earnings of subsidiaries	54,222	75,887	54,076
Net income	**$ 117,205**	**113,363**	**101,292**

Statements of Cash Flows	Year Ended December 31,		
(Dollars in thousands)	2024	2023	2022
Operating activities			
Net income	$ 117,205	$ 113,363	$ 101,292
Adjustments to reconcile net income to cash provided by operations:			
Depreciation, amortization and accretion, net	—	—	138
Equity in undistributed earnings of subsidiaries	(54,222)	(75,887)	(54,076)
Other, net	12,624	(6,757)	5,008
Net cash provided by operating activities	75,607	30,719	52,362
Investing activities			
Investment in subsidiaries	(43,203)	(39,414)	(13,084)
Repayments from subsidiaries	39,100	40,086	12,279
Business combinations, net of cash received	—	27,763	(1,239)
Other, net	(7)	(1,636)	(262)
Net cash used in investing activities	(4,110)	26,799	(2,306)
Financing activities			
Purchase of treasury stock	(4,309)	(4,799)	(9,152)
Proceeds from issuance of common shares	1,478	1,264	1,226
Cash dividends paid	(55,828)	(51,845)	(42,371)
Net cash used in financing activities	(58,659)	(55,380)	(50,297)
Net increase (decrease) in cash and cash equivalents	12,838	2,138	(241)
Cash and cash equivalents at the beginning of year	17,149	15,011	15,252
Cash and cash equivalents at the end of year	**$ 29,987**	**$ 17,149**	**$ 15,011**
Supplemental cash flow information:			
Interest paid	$ 2,253	$ 676	$ 663

PART III

ITEM 10 DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information concerning (a) directors of Peoples Bancorp Inc. ("Peoples"), (b) the procedures by which shareholders of Peoples may recommend nominees to Peoples' Board of Directors, (c) the Audit Committee of Peoples' Board of Directors and (d) the Board of Directors' determination that Peoples has an "audit committee financial expert" serving on its Audit Committee required by Items 401, 407(c)(3), 407(d)(4) and 407(d)(5) of SEC Regulation S-K will be included in the sections captioned "PROPOSAL NUMBER 1: ELECTION OF DIRECTORS," "THE BOARD AND COMMITTEES OF THE BOARD" and "CORPORATE GOVERNANCE AND BOARD MATTERS - Nominating Procedures" of the definitive Proxy Statement of Peoples Bancorp Inc. relating to the Annual Meeting of Shareholders to be held on April 24, 2025 ("Peoples' Definitive Proxy Statement"), which sections are incorporated herein by reference. The procedures by which shareholders of Peoples may recommend nominees to Peoples' Board of Directors have not changed materially from those described in Peoples' definitive Proxy Statement for the 2024 Annual Meeting of Shareholders held on April 25, 2024.

The information regarding Peoples' executive officers required by Item 401 of SEC Regulation S-K will be included in the section captioned "EXECUTIVE OFFICERS" of Peoples' Definitive Proxy Statement, which section is incorporated herein by reference.

The information required by Item 405 of SEC Regulation S-K regarding beneficial ownership reporting compliance under Section 16(a) of the Securities Exchange Act of 1934, as amended, is incorporated by reference from the text to be included under the caption "DELINQUENT SECTION 16(a) REPORTS" of Peoples' Definitive Proxy Statement, to the extent that disclosure of information is required.

The Board of Directors of Peoples has adopted charters for each of the Audit Committee, the Compensation Committee, the Executive Committee, the Governance and Nominating Committee, and the Risk Committee.

In accordance with the requirements of Rule 5610 of the Nasdaq Stock Market Corporate Governance Requirements, the Board of Directors of Peoples has adopted a Code of Ethics covering the directors, officers and employees of Peoples and Peoples' subsidiaries, including, without limitation, the principal executive officer, the principal financial officer, the principal accounting officer and the controller of Peoples. Peoples intends to disclose the following events, if they occur, in a Current Report on Form 8-K and on the "Investor Relations" page of Peoples' Internet website at www.peoplesbancorp.com within four business days following their occurrence:

(A) the date and nature of any amendment to a provision of Peoples' Code of Ethics that

  (a) applies to the principal executive officer, principal financial officer, principal accounting officer or controller of Peoples, or persons performing similar functions,

  (b) relates to any element of the code of ethics definition set forth in Item 406(b) of SEC Regulation S-K, and

  (c) is not a technical, administrative or other non-substantive amendment; and

(B) a description (including the nature of the waiver, the name of the person to whom the waiver was granted and the date of the waiver) of any waiver, including an implicit waiver, from a provision of the Code of Ethics granted to the principal executive officer, principal financial officer, principal accounting officer or controller of Peoples, or persons performing similar functions, that relates to one or more of the elements of the code of ethics definition set forth in Item 406(b) of SEC Regulation S-K.

In addition, in accordance with the rules of the Nasdaq Stock Market, Peoples will disclose any waivers from the provisions of the Code of Ethics granted to a director or an executive officer of Peoples in a Current Report on Form 8-K within four business days following their occurrence.

Peoples has adopted an Insider Trading Policy that governs the purchase, sale, and/or dispositions of Peoples securities by directors, officers and employees that is designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to Peoples. A copy of the Insider Trading Policy is filed as Exhibit 19 to this Form 10-K.

Each of the Code of Ethics, the Audit Committee Charter, the Compensation Committee Charter, the Executive Committee Charter, the Governance and Nominating Committee Charter and the Risk Committee Charter is posted under the "Governance – Governance Documents" tab of the "Investor Relations" page of Peoples' Internet website. Interested persons may also obtain copies of the Code of Ethics without charge by writing to Peoples Bancorp Inc., Attention: Corporate Secretary, 138 Putnam Street, P.O. Box 738, Marietta, Ohio 45750-0738.

ITEM 11 EXECUTIVE COMPENSATION

The information required by this Item 11 will be included in the sections captioned "COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION," "EXECUTIVE COMPENSATION: COMPENSATION DISCUSSION AND ANALYSIS," "SUMMARY COMPENSATION TABLE FOR 2024," "GRANTS OF PLAN-BASED AWARDS FOR 2024," "OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2024," "OPTION EXERCISES AND STOCK VESTED FOR 2024," "NON-QUALIFIED DEFERRED COMPENSATION FOR 2024," "OTHER POTENTIAL POST-EMPLOYMENT PAYMENTS," "DIRECTOR COMPENSATION" and "COMPENSATION COMMITTEE REPORT" of Peoples' Definitive Proxy Statement, which sections are incorporated herein by reference.

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 regarding the security ownership of certain beneficial owners and management will be included in the section captioned "SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT" of Peoples' Definitive Proxy Statement, which section is incorporated herein by reference.

Equity Compensation Plan Information

The table below provides information as of December 31, 2024, with respect to compensation plans under which common shares of Peoples are authorized for issuance to directors, officers or employees in exchange for consideration in the form of goods or services. These compensation plans include:

(i) the Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan, as successor to the Peoples Bancorp Inc. Third Amended and Restated 2006 Equity Plan (the "2006 Equity Plan");
(ii) the Peoples Bancorp Inc. Third Amended and Restated Deferred Compensation Plan for Directors of Peoples Bancorp Inc. and Subsidiaries (the "Directors' Deferred Compensation Plan"); and
(iii) the Peoples Bancorp Inc. Employee Stock Purchase Plan (the "ESPP").

All of these compensation plans were approved by the shareholders of Peoples.

Plan Category	(a) Number of common shares to be issued upon exercise of outstanding options, warrants and rights		(b) Weighted-average exercise price of outstanding options, warrants and rights		(c) Number of common shares remaining available for future issuance under equity compensation plans (excluding common shares reflected in column (a))	
Equity compensation plans approved by shareholders	778,581	(1)	$	—	539,684	(2)
Total	**778,581**		**$**	**—**	**539,684**	

(1) Includes an aggregate of 726,458 restricted common shares subject to time-based or performance-based vesting restrictions granted under the 2006 Equity Plan, and 52,123 common shares allocated to participants' bookkeeping accounts under the Directors' Deferred Compensation Plan.

(2) Includes 436,961 common shares remaining available for future grants under the 2006 Equity Plan at December 31, 2024, as well as 102,723 common shares remaining available for issuance and delivery under the ESPP. No amount is included for potential future allocations to participants' bookkeeping accounts under the Directors' Deferred Compensation Plan since the terms of the Directors' Deferred Compensation Plan do not provide for a specified limit on the number of common shares which may be allocated to participants' bookkeeping accounts.

Additional information regarding Peoples' stock-based compensation plans can be found in "Note 18 Stock-Based Compensation."

ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item 13 will be included in the sections captioned "TRANSACTIONS WITH RELATED PERSONS," "PROPOSAL NUMBER 1: ELECTION OF DIRECTORS," "THE BOARD AND COMMITTEES OF THE BOARD," "CORPORATE GOVERNANCE AND BOARD MATTERS - Independence of Directors," and "COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION" of Peoples' Definitive Proxy Statement, which sections are incorporated herein by reference.

ITEM 14 PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item 14 will be included in the section captioned "INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM" of Peoples' Definitive Proxy Statement, which section is incorporated herein by reference.

PART IV

ITEM 15 EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements:

The following reports of the independent registered public accounting firm and consolidated financial statements of Peoples Bancorp Inc. and subsidiaries are filed as required by "ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA" and set forth immediately following "ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS" of this Form 10-K:

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Consolidated Statements of Income for each of the fiscal years in the three-year period ended December 31, 2024	83
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(a)(2) Financial Statement Schedules

All schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a)(3) Exhibits

The documents listed in the Index to Exhibits that immediately precedes the signature page of this Form 10-K, are filed/furnished with this Form 10-K as exhibits or incorporated into this Form 10-K by reference as noted. Each management contract or compensatory plan or arrangement required to be filed as an exhibit to this Form 10-K is identified as such in the list below.

(b) Exhibits

The documents listed in the Index to Exhibits that immediately precedes the signature page of this Form 10-K are filed/furnished with this Form 10-K as exhibits or incorporated into this Form 10-K by reference as noted.

(c) Financial Statement Schedules

None.

ITEM 16 FORM 10-K SUMMARY

Not applicable.

INDEX TO EXHIBITS

Exhibit Number	Description	Exhibit Location
2.1	Agreement and Plan of Merger, dated as of March 26, 2021, between Peoples Bancorp Inc. and Premier Financial Bancorp, Inc.[+]	Included as Annex A to the preliminary joint proxy statement/prospectus which forms a part of the Registration Statement of Peoples Bancorp Inc. on Form S-4/A filed on June 1, 2021 (Registration No. 333-256040)
2.2	Agreement and Plan of Merger, dated as of October 24, 2022, between Peoples Bancorp Inc. and Limestone Bancorp, Inc. [+]	Included as Annex A to the preliminary joint proxy statement/prospectus which forms a part of the Registration Statement of Peoples Bancorp Inc. on Form S-4/A filed on January 6, 2023 (Registration No. 333-268728)
3.1(a)	Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on May 3, 1993) [P]	Incorporated herein by reference to Exhibit 3(a) to the Registration Statement of Peoples Bancorp Inc. on Form 8-B filed on July 20, 1993 (File No. 0-16772)
3.1(b)	Certificate of Amendment to the Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on April 22, 1994)	Incorporated herein by reference to Exhibit 3.1(b) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended September 30, 2017 (File No. 0-16772) ("Peoples' September 30, 2017 Form 10-Q")
3.1(c)	Certificate of Amendment to the Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on April 9, 1996)	Incorporated herein by reference to Exhibit 3.1(c) to Peoples' September 30, 2017 Form 10-Q
3.1(d)	Certificate of Amendment to the Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on April 23, 2003)	Incorporated herein by reference to Exhibit 3(a) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended March 31, 2003 (File No. 0-16772) ("Peoples' March 31, 2003 Form 10-Q")
3.1(e)	Certificate of Amendment by Shareholders to the Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on January 22, 2009)	Incorporated herein by reference to Exhibit 3.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on January 23, 2009 (File No. 0-16772)
3.1(f)	Certificate of Amendment by Directors to Articles filed with the Ohio Secretary of State on January 28, 2009, evidencing adoption of amendments by the Board of Directors of Peoples Bancorp Inc. to Article FOURTH of the Amended Articles of Incorporation to establish express terms of Fixed Rate Cumulative Perpetual Preferred Shares, Series A, each without par value, of Peoples Bancorp Inc.	Incorporated herein by reference to Exhibit 3.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on February 2, 2009 (File No. 0-16772)
3.1(g)	Certificate of Amendment by the Shareholders to the Amended Articles of Incorporation of Peoples Bancorp Inc. (as filed with the Ohio Secretary of State on July 28, 2021)	Incorporated herein by reference to Exhibit 3.1(g) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended June 30, 2021 (File No. 0-16772) ("Peoples' June 30, 2021 Form 10-Q")
3.1(h)	Amended Articles of Incorporation of Peoples Bancorp Inc. (representing the Amended Articles of Incorporation in compiled form incorporating all amendments) [For purposes of SEC reporting compliance only - not filed with Ohio Secretary of State]	Incorporated herein by reference to Exhibit 3.1(h) to Peoples' June 30, 2021 Form 10-Q
3.2(a)	Code of Regulations of Peoples Bancorp Inc.[P]	Incorporated herein by reference to Exhibit 3(b) to the Registration Statement of Peoples Bancorp Inc. on Form 8-B filed July 20, 1993 (File No. 0-16772)

[+]Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of SEC Regulation S-K. A copy of any omitted schedules or exhibits will be furnished supplementally by Peoples Bancorp Inc. to the SEC on a confidential basis upon request.

[P]Peoples Bancorp Inc. filed this exhibit with the SEC in paper form originally and this exhibit has not been filed with the SEC in electronic format.

Exhibit Number	Description	Exhibit Location
3.2(b)	Certified Resolutions Regarding Adoption of Amendments to Sections 1.03, 1.04, 1.05, 1.06, 1.08, 1.10, 2.03(C), 2.07, 2.08, 2.10 and 6.02 of the Code of Regulations of Peoples Bancorp Inc. by shareholders on April 10, 2003	Incorporated herein by reference to Exhibit 3(c) to Peoples' March 31, 2003 Form 10-Q
3.2(c)	Certificate regarding adoption of amendments to Sections 3.01, 3.03, 3.04, 3.05, 3.06, 3.07, 3.08 and 3.11 of the Code of Regulations of Peoples Bancorp Inc. by shareholders on April 8, 2004	Incorporated herein by reference to Exhibit 3(a) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended March 31, 2004 (File No. 0-16772)
3.2(d)	Certificate regarding adoption of amendments to Sections 2.06, 2.07, 3.01 and 3.04 of Peoples Bancorp Inc.'s Code of Regulations by the shareholders on April 13, 2006	Incorporated herein by reference to Exhibit 3.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on April 14, 2006 (File No. 0-16772)
3.2(e)	Certificate regarding adoption of an amendment to Section 2.01 of Peoples Bancorp Inc.'s Code of Regulations by the shareholders on April 22, 2010	Incorporated herein by reference to Exhibit 3.2(e) to the Quarterly Report on Form 10-Q/A (Amendment No. 1) of Peoples Bancorp Inc. for the quarterly period ended June 30, 2010 (File No. 0-16772)
3.2(f)	Certificate regarding Adoption of Amendment to Division (D) of Section 2.02 of Code of Regulations of Peoples Bancorp Inc. by the Shareholders at the Annual Meeting of Shareholders on April 26, 2018	Incorporated herein by reference to Exhibit 3.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on June 28, 2018 (File No. 0-16772) ("Peoples' June 28, 2018 Form 8-K")
3.2(g)	Code of Regulations of Peoples Bancorp Inc. (This document represents the Code of Regulations of Peoples Bancorp Inc. in compiled form incorporating all amendments.)	Incorporated herein by reference to Exhibit 3.2 to Peoples' June 28, 2018 Form 8-K
4.1	Agreement to furnish instruments and agreements defining rights of holders of long-term debt	Filed herewith
4.2(a)	Indenture, dated as of June 25, 2007, between NB&T Financial Group, Inc., as issuer, and Wilmington Trust Company, as trustee, relating to Fixed/Floating Rate Subordinated Debt Securities due 2037	Incorporated herein by reference to Exhibit 4.1(a) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended June 30, 2015 (File No. 0-16772) ("Peoples' June 30, 2015 Form 10-Q")
4.2(b)	First Supplemental Indenture, dated June 5, 2015, and made to be effective as of 6:00 p.m., Eastern Standard Time, on March 6, 2015, between Wilmington Trust Company, as trustee, and Peoples Bancorp Inc., as successor to NB&T Financial Group, Inc.	Incorporated herein by reference to Exhibit 4.1(b) to Peoples' June 30, 2015 Form 10-Q
4.3(a)	Amended and Restated Declaration of Trust of NB&T Statutory Trust III, dated and effective as of June 25, 2007 NOTE: Pursuant to the First Supplemental Indenture, dated June 5, 2015, and made to be effective as of 6:00 p.m., Eastern Standard Time, on March 6, 2015, between Wilmington Trust Company, as trustee, and Peoples Bancorp Inc., Peoples Bancorp Inc. succeeded to and was substituted for NB&T Financial Group, Inc. as "Sponsor"	Incorporated herein by reference to Exhibit 4.2(a) to Peoples' June 30, 2015 Form 10-Q
4.3(b)	Notice of Removal of Administrators and Appointment of Replacements, dated June 5, 2015, delivered to Wilmington Trust Company by the Successor Administrators named therein and Peoples Bancorp Inc.	Incorporated herein by reference to Exhibit 4.2(b) to Peoples' June 30, 2015 Form 10-Q
4.3(c)	Notice of Removal of Administrator and Appointment of Replacement, dated February 11, 2021, delivered to Wilmington Trust Company by the Continuing Administrators and the Successor Administrator named therein and Peoples Bancorp Inc.	Incorporated herein by reference to Exhibit 4.3(c) to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2020 (File No. 0-16772)

Exhibit Number	Description	Exhibit Location
4.4	Guarantee Agreement, dated as of June 25, 2007, between NB&T Financial Group, Inc. and Wilmington Trust Company, as guarantee trustee, relating to the Capital Securities (as defined therein) NOTE: Pursuant to the First Supplemental Indenture, dated June 5, 2015, and made to be effective as of 6:00 p.m., Eastern Standard Time, on March 6, 2015, between Wilmington Trust Company, as trustee, and Peoples Bancorp Inc., Peoples Bancorp Inc. succeeded to and was substituted for NB&T Financial Group, Inc. as "Guarantor"	Incorporated herein by reference to Exhibit 4.3 to Peoples' June 30, 2015 Form 10-Q
4.5(a)	Indenture, dated as of February 26, 2004, between First National Bankshares Corporation, as Issuer, and Wilmington Trust Company, as Trustee, relating to Floating Rate Subordinated Debt Securities Due 2034	Incorporated herein by reference to Exhibit 4.1(a) to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended September 30, 2021 (File No. 0-16772) ("Peoples' September 30, 2021 Form 10-Q")
4.5(b)	First Supplemental Indenture, dated as of January 15, 2016, between Wilmington Trust Company, as Trustee, and Premier Financial Bancorp, Inc., as successor to First National Bankshares Corporation	Incorporated herein by reference to Exhibit 4.1(b) to Peoples' September 30, 2021 Form 10-Q
4.5(c)	Second Supplemental Indenture, dated as of September 17, 2021, between Wilmington Trust Company, as Trustee, and Peoples Bancorp Inc., as successor to Premier Financial Bancorp, Inc.	Incorporated herein by reference to Exhibit 4.1 (c) to Peoples' September 30, 2021 Form 10-Q
4.6	Amended and Restated Declaration of Trust of FNB Capital Trust One, dated as of February 26, 2004 NOTE: Pursuant to the First Supplemental Indenture, dated as of January 15, 2016, between Wilmington Trust Company, as Trustee, and Premier Bancorp, Inc., Premier Bancorp, Inc., succeeded to and was substituted for First National Bankshares Corporation as "Sponsor" and pursuant to the Second Supplemental Indenture, dated as of September 17, 2021, between Wilmington Trust Company, as Trustee, and Peoples Bancorp Inc., Peoples Bancorp Inc., succeeded and was substituted for Premier Financial Bancorp, Inc. as "Sponsor"	Incorporated herein by reference to Exhibit 4.2 to Peoples' September 30, 2021 Form 10-Q
4.7	Notice of Removal of Administrators and Appointment of Replacements, dated September 17, 2021, delivered to Wilmington Trust Company by the Successor Administrators named therein and Peoples Bancorp Inc.	Incorporated herein by reference to Exhibit 4.3 to Peoples' September 30, 2021 Form 10-Q
4.8	Guarantee Agreement, dated as of February 26, 2004, between First National Bankshares Corporation, as Guarantor, and Wilmington Trust Company, as Guarantee Trustee, related to the Capital Securities (as defined therein) NOTE: Pursuant to the First Supplemental Indenture, dated as of January 15, 2016, between Wilmington Trust Company, as Trustee, and Premier Financial Bancorp, Inc., Premier Financial Bancorp, Inc. succeeded to and was substituted for First National Bankshares Corporation as "Guarantor" and pursuant to the Second Supplemental Indenture, dated as of September 17, 2021, between Wilmington Trust Company, as Trustee, and Peoples Bancorp Inc., Peoples Bancorp Inc. succeeded and was substituted for Premier Financial Bancorp, Inc. as "Guarantor"	Incorporated herein by reference to Exhibit 4.4 to Peoples' September 30, 2021 Form 10-Q
4.9	Description of Common Shares of Peoples Bancorp Inc.	Incorporated herein by reference to Exhibit 4.2 to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended June 30, 2023 (File No. 0-16772) ("Peoples' June 30, 2023 Form 10-Q")
10.1(a)	Peoples Bancorp Inc. Third Amended and Restated Deferred Compensation Plan for Directors of Peoples Bancorp Inc. and Subsidiaries (Amended and Restated Effective June 26, 2014)*	Incorporated herein by reference to Exhibit 10.1(a) to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2015 (File No. 0-16772)

*Management Compensation Plan or Agreement

Exhibit Number	Description	Exhibit Location
10.1(b)	Rabbi Trust Agreement, made January 6, 1998, between Peoples Bancorp Inc. and The Peoples Banking and Trust Company (predecessor to Peoples Bank, National Association and now known as Peoples Bank following conversion to state-chartered bank) as Trustee*	Incorporated herein by reference to Exhibit 10.1(c) to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2007 (File No. 0-16772)
10.1(c)	Rabbi Trust Agreement, entered into effective on September 1, 2022, between Peoples Bancorp Inc. and Reliance Trust Company, a state chartered trust company, as Trustee*	Incorporated herein by reference to Exhibit 10.1(c) to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2022 (File No. 0-16772) ("Peoples' 2022 Form 10-K")
10.2	Summary of Peoples Bancorp Inc. Annual Incentive Program for Executive Officers and other employees of Peoples Bancorp Inc. [Effective beginning with the fiscal year beginning January 1, 2021 and ending with the fiscal year ended December 31, 2022]*	Incorporated herein by reference to Exhibit 10.4 to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2020 (File No. 0-16772)
10.3	Summary of Peoples Bancorp Inc. Annual Incentive Program for Executive Officers and other employees of Peoples Bancorp Inc. [Effective beginning with the fiscal year beginning January 1, 2023]*	Incorporated herein by reference to Exhibit 10.4 to Peoples' 2022 Form 10-K
10.4	Summary of Peoples Bancorp Inc. Annual Incentive Program for Executive Officers and other employees of Peoples Bancorp Inc. [Effective beginning with the fiscal year beginning January 1, 2024]*	Incorporated herein by reference to Exhibit 10.4 to Peoples' 2023 Form 10-K
10.5	Summary of Peoples Bancorp Inc. Annual Incentive Program for Executive Officers and other employees of Peoples Bancorp Inc. [Effective beginning with the fiscal year beginning January 1, 2025]*	Filed herewith
10.6	Summary of Perquisites for Executive Officers of Peoples Bancorp Inc.*	Filed herewith
10.7	Summary of Base Salaries for Executive Officers of Peoples Bancorp Inc.*	Filed herewith
10.8	Summary of Compensation for Directors of Peoples Bancorp Inc.*	Filed herewith
10.9	Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan (approved by the shareholders of Peoples Bancorp Inc. on April 27, 2023; successor to the Peoples Bancorp Inc. Third Amended and Restated 2006 Equity Plan, the Peoples Bancorp Inc. Second Amended and Restated 2006 Equity Plan, the Peoples Bancorp Inc. Amended and Restated 2006 Equity Plan and the Peoples Bancorp Inc. 2006 Equity Plan)*	Incorporated herein by reference to Exhibit 99.1 to Peoples' Current Report on Form 8-K dated and filed on May 2, 2023 (File No. 0-16772)
10.10	Peoples Bancorp Inc. Third Amended and Restated 2006 Equity Plan Time-Based Restricted Stock Award Agreement (for Executives) used and to be used to evidence awards of time-based restricted stock granted to executives of Peoples Bancorp Inc. on and after July 31, 2018 and prior to April 27, 2023*	Incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended September 30, 2018 (File No. 0-16772) ("Peoples' September 30, 2018 Form 10-Q")
10.11	Peoples Bancorp Inc. Third Amended and Restated 2006 Equity Plan Performance-Based Restricted Stock Award Agreement (for Executives) used and to be used to evidence awards of performance-based restricted stock granted to executives of Peoples Bancorp Inc. on and after July 31, 2018 and prior to April 27, 2023*	Incorporated herein by reference to Exhibit 10.2 to Peoples' September 30, 2018 Form 10-Q
10.12(a)	Peoples Bancorp Inc. Amended and Restated Nonqualified Deferred Compensation Plan (adopted effective July 11, 2019)*	Incorporated herein by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended June 30, 2019 (File No. 0-16772)
10.12(b)	First Amendment to Peoples Bancorp Inc. Amended and Restated Nonqualified Deferred Compensation Plan (effective as of May 17, 2021)*	Incorporated herein by reference to Exhibit 10.11(b) to Peoples' 2022 Form 10-K
10.12(c)	Second Amendment to Peoples Bancorp Inc. Amended and Restated Nonqualified Deferred Compensation Plan (effective as of September 1, 2022)*	Incorporated herein by reference to Exhibit 10.11(c) to Peoples' 2022 Form 10-K

Exhibit Number	Description	Exhibit Location
*Management Compensation Plan or Agreement		
10.13	Consulting Agreement dated March 20, 2024 among Charles Sulerzyski, Peoples Bancorp Inc. and Peoples Bank	Incorporated by reference to Exhibit 10.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on March 21, 2024 (File No. 0-16772)
10.14	Peoples Bancorp Inc. Employee Stock Purchase Plan*	Incorporated herein by reference to Exhibit 10.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on April 28, 2014 (File No. 0-16772)
10.15	Form of Peoples Bancorp Inc. Change in Control Agreement to be adopted by Peoples Bancorp Inc. and individuals who are first elected as executive officers of Peoples Bancorp Inc. after March 24, 2016*	Incorporated herein by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended March 31, 2016 (File No. 0-16772)
10.16	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Douglas Wyatt (adopted May 2, 2016)*	Incorporated herein by reference to Exhibit 10.1 to Peoples' March 31, 2017 Form 10-Q
10.17	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Ryan Kirkham (adopted January 1, 2019)*	Incorporated herein by reference to Exhibit 10.24 to the Annual Report on Form 10-K of Peoples Bancorp Inc. for the fiscal year ended December 31, 2019 (File No. 0-16772)
10.18	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Jason M. Eakle (adopted April 1, 2020)*	Incorporated herein by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q of Peoples Bancorp Inc. for the quarterly period ended June 30, 2020 (File No. 0-16772)
10.19	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Kathryn M. Bailey (adopted October 1, 2020)*	Incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form-10-Q of Peoples Bancorp Inc. for the quarterly period ended September 30, 2020 (File No. 0-16772) ("Peoples September 30, 2020 Form 10-Q")
10.20	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Mark J. Augenstein (adopted October 1, 2020)*	Incorporated herein by reference to Exhibit 10.2 to Peoples' September 30, 2020 Form 10-Q
10.21	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Tyler Wilcox (adopted August 1, 2024)*	Incorporated herein by reference to Exhibit 10.1 to the Current Report of Peoples Bancorp Inc. on Form 8-K dated and filed on August 2, 2024 (File No. 0-16772)
10.22	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Matthew Macia (adopted August 21, 2023)*	Incorporated herein by reference to Exhibit 10.1 to Peoples' September 30, 2023 Form 10-Q
10.23	Peoples Bancorp Inc. Change in Control Agreement between Peoples Bancorp Inc. and Hugh Donlon (adopted September 9, 2023)*	Incorporated herein by reference to Exhibit 10.2 to Peoples' September 30, 2023 Form 10-Q
10.24	Form of Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan Performance-Based Restricted Stock Award Agreement used to evidence grants of performance-based restricted common shares to executive officers of Peoples Bancorp Inc. after November 20, 2024*	Filed herewith
10.25	Form of Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan Performance-Based Restricted Stock Award Agreement used to evidence grants of performance-based restricted common shares to executive officers of Peoples Bancorp Inc. after April 27, 2023 and prior to November 20, 2024*	Incorporated herein by reference to Exhibit 10.2 to Peoples' June 30, 2023 Form 10-Q
10.26	Form of Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan Time-Based Restricted Stock Award Agreement used to evidence grants of time-based restricted common shares to executive officers of Peoples Bancorp Inc. after April 27, 2023 and prior to July 26, 2023*	Incorporated herein by reference to Exhibit 10.3 to Peoples' June 30, 2023 Form 10-Q

Exhibit Number	Description	Exhibit Location
10.27	Form of Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan Time-Based Restricted Stock Award Agreement used to evidence grants of time-based restricted common shares to executive officers of Peoples Bancorp Inc. after July 26, 2023 and prior to October 23, 2023*	Incorporated herein by reference to Exhibit 10.4 to Peoples' June 30, 2023 Form 10-Q
10.28	Form of Peoples Bancorp Inc. Fourth Amended and Restated 2006 Equity Plan Time-Based Restricted Stock Award Agreement used and to be used to evidence grants of time-based restricted common shares to executive officers of Peoples Bancorp Inc. after October 23, 2023*	Incorporated herein by reference to Exhibit 10.3 to Peoples' September 30, 2023 Form 10-Q
*Management Compensation Plan or Agreement		
19	Insider Trading Policy	Filed herewith
21	Subsidiaries of Peoples Bancorp Inc.	Filed herewith
23	Consent of Independent Registered Public Accounting Firm – Ernst & Young LLP	Filed herewith
24	Powers of Attorney of Directors and Executive Officers of Peoples Bancorp Inc.	Filed herewith
31.1	Rule 13a-14(a)/15d-14(a) Certifications [President and Chief Executive Officer]	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certifications [Executive Vice President, Chief Financial Officer and Treasurer]	Filed herewith
32	Certifications Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code [President and Chief Executive Officer; and Executive Vice President, Chief Financial Officer and Treasurer]	Furnished herewith
97	Clawback Policy	Filed herewith
101.INS	Inline XBRL Instance Document ##	Submitted electronically herewith #
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Submitted electronically herewith #
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Submitted electronically herewith #
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Submitted electronically herewith #
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Submitted electronically herewith #
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Submitted electronically herewith #
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)	Submitted electronically herewith

Attached as Exhibit 101 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of Peoples Bancorp Inc. are the following documents formatted in Inline XBRL (eXtensive Business Reporting Language): (i) Consolidated Balance Sheets at December 31, 2024 and December 31, 2023; (ii) Consolidated Statements of Income for the years ended December 31, 2024, 2023 and 2022; (iii) Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2024, 2023 and 2022; (iv) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2024, 2023 and 2022; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022; and (vi) Notes to the Consolidated Financial Statements.

The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

PEOPLES BANCORP INC.

Date: February 27, 2025

By: /s/ TYLER WILCOX
Tyler Wilcox
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ TYLER WILCOX Tyler Wilcox	President, Chief Executive Officer and Director (Principal Executive Officer)	2/27/2025
/s/ KATIE BAILEY Katie Bailey	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)	2/27/2025
/s/ S. CRAIG BEAM* S. Craig Beam	Director	2/27/2025
/s/ DAVID F. DIERKER* David F. Dierker	Director	2/27/2025
/s/ GLENN HOGAN* Glenn Hogan	Director	2/27/2025
/s/ BROOKE W. JAMES* Brooke W. James	Director	2/27/2025
/s/ SUSAN D. RECTOR* Susan D. Rector	Chairman of the Board and Director	2/27/2025
/s/ KEVIN R. REEVES* Kevin R. Reeves	Director	2/27/2025
/s/ CAROL A. SCHNEEBERGER* Carol A. Schneeberger	Director	2/27/2025
/s/ FRANCES A. SKINNER* Frances A. Skinner	Director	2/27/2025
/s/ DWIGHT SMITH* Dwight Smith	Director	2/27/2025
/s/ MICHAEL N. VITTORIO* Michael N. Vittorio	Director	2/27/2025

* The undersigned, by signing his name hereto, does hereby sign this Annual Report on Form 10-K on behalf of each of the directors of the Registrant identified above pursuant to Powers of Attorney executed by the directors of the Registrant identified above, which Powers of Attorney are filed with this Annual Report on Form 10-K in Exhibit 24.

By: /s/ TYLER WILCOX
Tyler Wilcox
President and Chief Executive Officer
Attorney-in-Fact