

Eastern Bankshares, Inc.

Q4 Earnings Presentation

January 23, 2025

Q4 2024 financial highlights

Eastern Bankshares, Inc.

Key Metrics

$60.8 million
Net income

$68.3 million
Operating net income*

$0.30	**$0.34**
Diluted EPS	Diluted operating EPS*
3.05%	**1.69%**
NIM*	Total deposit cost
0.76%	**0.71%**
NPLs / total loans	NCOs / avg. loans

$0.12 per share
Dividend declared

$16.89	**$11.98**
BV/Share	TBV/Share*

Highlights

- **Net income of $60.8 million**, or $0.30 per diluted share
- **Operating net income of $68.3 million**, or $0.34 per diluted share
- Company announces **$1.2 billion investment portfolio repositioning** in Q1 2025 which is anticipated to be **$0.13 accretive to 2025 operating EPS**
- **Net interest margin** on a fully tax equivalent basis **expanded 8 basis points to 3.05%**, primarily due to lower cost of funds
- **Annualized net charge-offs of 0.71% of average total loans** were primarily driven by purchased credit deteriorated loans acquired from Cambridge Trust
- **Strong balance sheet with robust capital and reserve levels.** Year-end CET1 ratio[1] of 15.73% and allowance coverage of total loans of 1.29%

*Non-GAAP Financial Measure. Please refer to Appendices A-D for applicable reconciliation. [1]CET1 ratio as of December 31, 2024 is preliminary.

Income statement

Eastern Bankshares, Inc.

$ in millions, except per share amounts	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Net interest income	**$ 179.2**	$ 169.9	$ 128.6	$ 129.9	$ 133.3
Noninterest income	**37.3**	33.5	25.3	27.7	26.7
Total revenue	**216.5**	203.4	153.9	157.6	160.0
Noninterest expense	**137.5**	159.8	109.9	101.2	121.0
Pre-tax, pre-provision income	**79.0**	43.6	44.1	56.4	39.0
Provision for allowance for loan losses	**6.8**	47.0	6.1	7.5	5.2
Pre-tax income (loss) from continuing operations	**72.2**	(3.4)	38.0	48.9	33.8
Income tax expense	**11.4**	2.8	11.7	10.3	2.3
Net income (loss) from continuing operations	**60.8**	(6.2)	26.3	38.6	31.5
Net income from discontinued operations	**—**	—	—	—	287.0
Net income	**$ 60.8**	$ (6.2)	$ 26.3	$ 38.6	$ 318.5
Operating net income*	**$ 68.3**	$ 49.7	$ 36.5	$ 38.1	$ 16.9
EPS	**$ 0.30**	$ (0.03)	$ 0.16	$ 0.24	$ 1.95
Operating EPS*	**$ 0.34**	$ 0.25	$ 0.22	$ 0.23	$ 0.10
ROA	**0.94 %**	(0.10)%	0.50 %	0.74 %	0.59 %
Operating ROA*	**1.05 %**	0.79 %	0.70 %	0.72 %	0.31 %
ROATCE*	**10.2 %**	(0.3)%	4.5 %	6.5 %	6.1 %
Operating ROATCE*	**11.3 %**	8.5 %	6.3 %	6.4 %	3.3 %
Efficiency ratio	**63.5 %**	78.5 %	71.3 %	64.2 %	75.6 %
Operating efficiency ratio*[1]	**57.2 %**	60.1 %	63.7 %	61.6 %	73.3 %

- Net income was $60.8 million and **operating net income was $68.3 million**
- **Net interest income was $179.2 million,** $9.3 million higher than the prior quarter
- **Noninterest income was** $37.3 million and **$36.9 million on an operating basis***
- **Noninterest expense was** $137.5 million and **$133.7 million on an operating basis***
- **Provision for loan losses was $6.8 million**

*Non-GAAP Financial Measure. Please refer to Appendices A-D for applicable reconciliation. [1]Excludes amortization of intangible assets, in addition to non-GAAP adjustments made to operating net income.

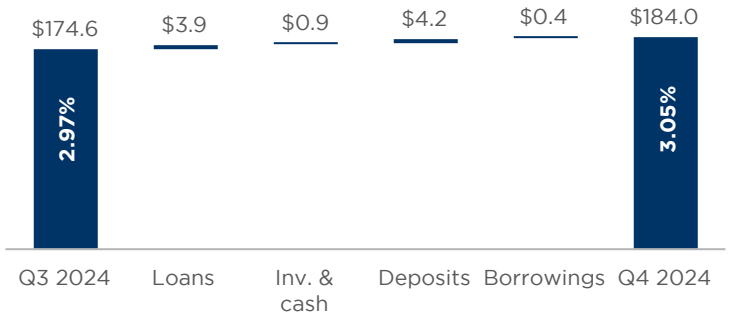
Net interest margin

Eastern Bankshares, Inc.

Earning assets

	Q4 2024		Q3 2024		Change	
	Avg. Balance	Yield[1]	Avg. Balance	Yield[1]	Avg. Balance	Yield[1]
Commercial loans	$ 12,266	5.48 %	$ 11,936	5.59 %	$ 330	(0.11)%
Residential loans	3,938	4.33 %	3,772	4.27 %	166	0.06 %
Consumer loans	1,601	6.79 %	1,568	6.86 %	33	(0.07)%
Total loans	17,805	5.34 %	17,277	5.42 %	528	(0.08)%
Securities	5,173	1.84 %	5,323	1.81 %	(150)	0.03 %
Cash	1,043	4.78 %	833	5.41 %	210	(0.63)%
Total I.E. assets	24,022	4.56 %	23,433	4.60 %	589	(0.04)%

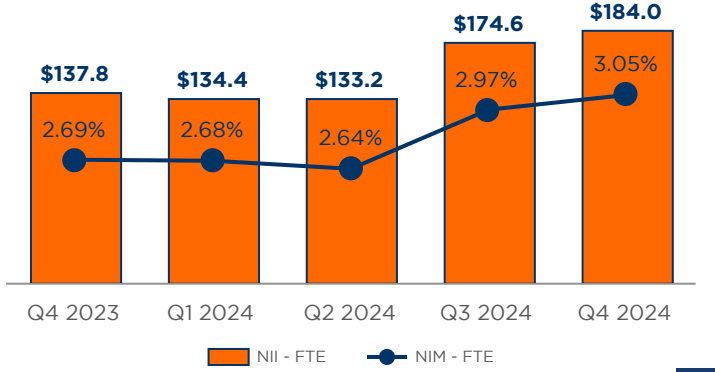
QoQ changes in FTE net interest income*[2]



Funding sources

	Q4 2024		Q3 2024		Change	
	Avg. Balance	Cost	Avg. Balance	Cost	Avg. Balance	Cost
Savings	$ 1,660	0.37 %	$ 1,647	0.37 %	$ 13	— %
DDAWI	4,626	1.10 %	4,548	1.17 %	78	(0.07)%
MMDA	5,774	2.49 %	5,632	2.83 %	142	(0.34)%
CD	3,495	4.63 %	3,365	4.77 %	130	(0.14)%
Total I.B. deposits	15,555	2.33 %	15,192	2.50 %	363	(0.17)%
Borrowings	83	2.24 %	89	3.69 %	(6)	(1.45)%
Total I.B. liab.	15,638	2.33 %	15,281	2.50 %	357	(0.17)%
DDA	5,884		5,666		218	
Total deposits	21,439	1.69 %	20,858	1.82 %	581	(0.13)%

FTE net interest income and margin trend

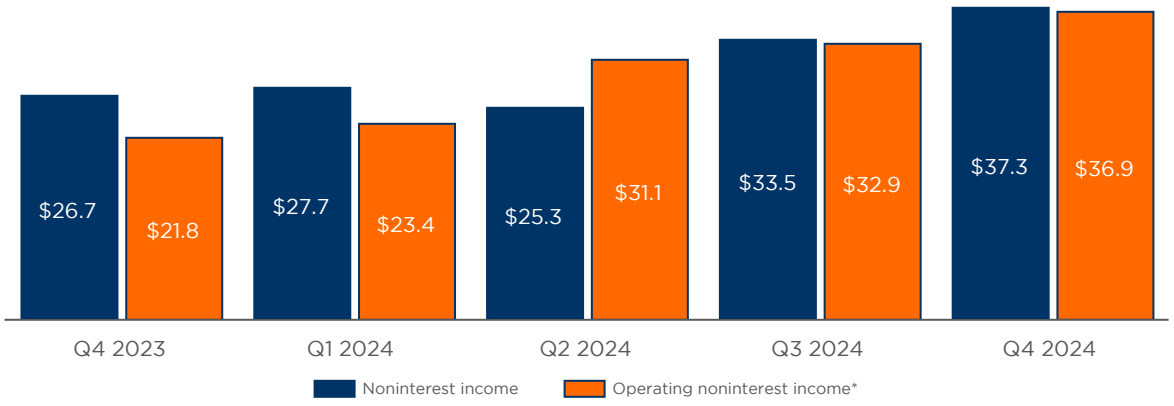


$ in millions. *Non-GAAP Financial Measure. Please refer to Appendices A-D for applicable reconciliation. [1]Presented on a fully tax equivalent basis. [2]Q4 2024 net interest income included CT net discount accretion of $12.9 million.

Noninterest income[1]

Eastern Bankshares, Inc.

Noninterest income



	Q4 2024	Q3 2024	Q4 2023	QoQ	YoY
Trust and investment advisory fees	**18.0**	14.9	6.1	3.1	11.8
Service charges on deposit accounts	**8.4**	8.1	7.5	0.3	0.9
Debit card processing fees	**3.6**	3.8	3.4	(0.2)	0.2
Customer swap income	**1.2**	0.6	(0.6)	0.6	1.7
Income from investments held in rabbi trusts	**—**	3.6	5.0	(3.6)	(5.0)
Losses on sale of available for sale securities	**(9.2)**	—	—	(9.2)	(9.2)
Other	**15.4**	2.5	5.3	12.9	10.1
Total noninterest income	**$ 37.3**	$ 33.5	$ 26.7	$ 3.8	$ 10.6
Total operating noninterest income	**$ 36.9**	$ 32.9	$ 21.8	$ 4.0	$ 15.1

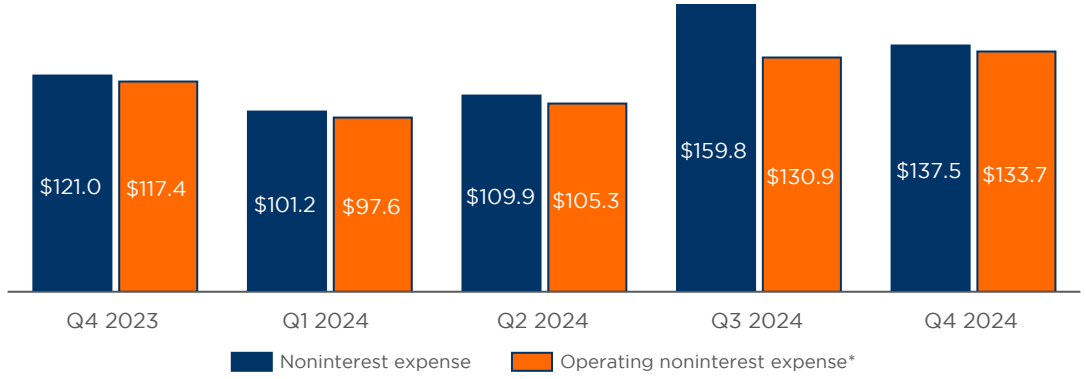
- **Total noninterest income was $37.3 million**
  - Gain on sale of an equity investment of $9.3 million, offset by loss on securities sale of $9.2 million
- **Total operating noninterest income was $36.9 million**, an increase of $4.0 million linked quarter[2]:
  - $3.1 million increase in trust and investment advisory fees, which included a $1.2 million one-time item
  - $0.6 million increase in customer swap income
  - $0.3 million increase in service charges on deposit accounts

$ in millions. [1]Excludes discontinued operations. [2]Linked quarter included a partial quarter impact of the Cambridge merger.

Noninterest expense[1]

Eastern Bankshares, Inc.

Noninterest expense



	Q4 2024	Q3 2024	Q4 2023	QoQ	YoY
Salaries and employee benefits	**78.9**	93.8	67.8	(14.9)	11.1
Data processing	**21.4**	19.5	16.8	1.9	4.6
Office occupancy and equipment	**12.8**	14.5	9.2	(1.7)	3.6
Professional services	**3.3**	9.0	4.1	(5.7)	(0.8)
FDIC Insurance	**3.9**	3.2	13.5	0.7	(9.6)
Amortization of intangible assets	**7.4**	6.2	0.5	1.1	6.8
All other	**10.0**	13.6	9.2	(3.6)	0.8
Total noninterest expense	**$ 137.5**	$ 159.8	$ 121.1	$ (22.3)	$ 16.4
Total operating noninterest expense	**$ 133.7**	$ 130.9	$ 117.4	$ 2.9	$ 16.3

- **Noninterest expense was $137.5 million,** inclusive of $3.6 million of non-operating Cambridge M&A expenses
- **Operating noninterest expense was $133.7 million,** an increase of $2.9 million linked quarter[2]:
  - $2.8 million increase in operating portion of data processing
  - $1.3 million increase in operating marketing expense
  - $1.1 million increase in amortization of core deposit and wealth management intangible assets
  - $1.8 million decrease in operating salaries and benefits
  - $1.0 million decrease in operating occupancy and equipment

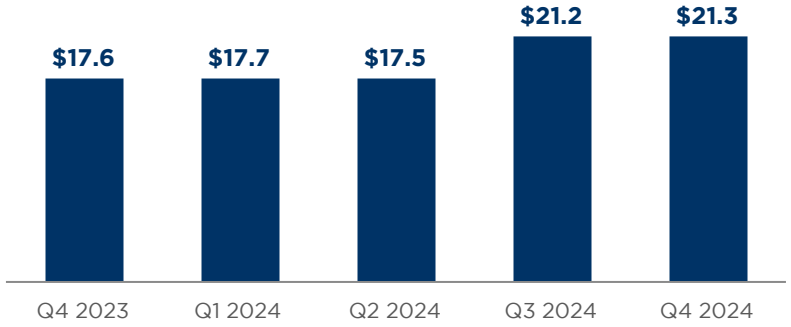
$ in millions. [1]Excludes discontinued operations. [2]Linked quarter included a partial quarter impact of the Cambridge merger.

Deposits

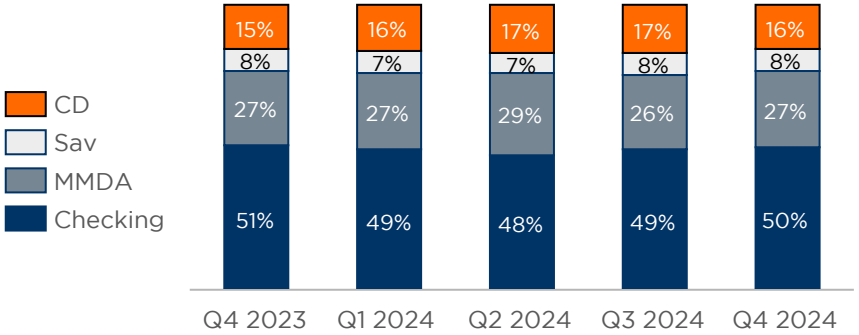
Eastern Bankshares, Inc.

- **Total deposit cost decreased 13 basis points** to 1.69%
- **50% of deposits are checking**, up from 49% linked quarter
- **Deposits increased $74.8 million, or 0.4%** linked quarter, due primarily to growth in checking deposits, as well as a seasonal growth in municipal deposits, partially offset by a decrease in time deposits

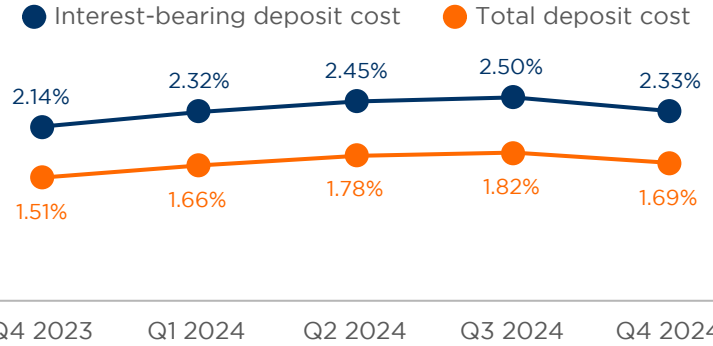
Period-end deposit balances



High quality deposit portfolio



Cost of deposits

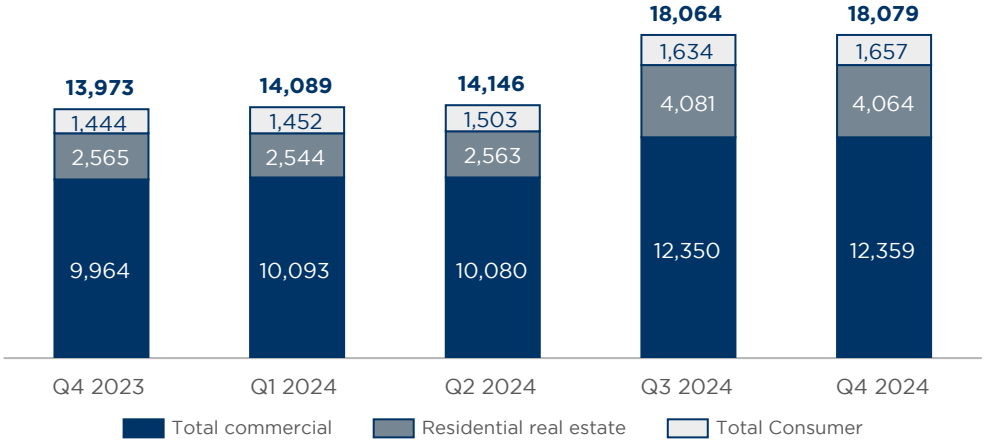


$ in billions.

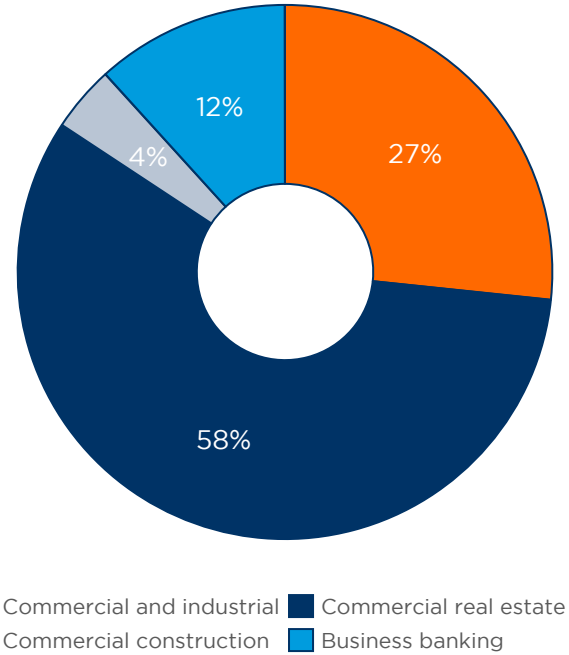
Loan composition

Eastern Bankshares, Inc.

Historical loan composition



Commercial composition



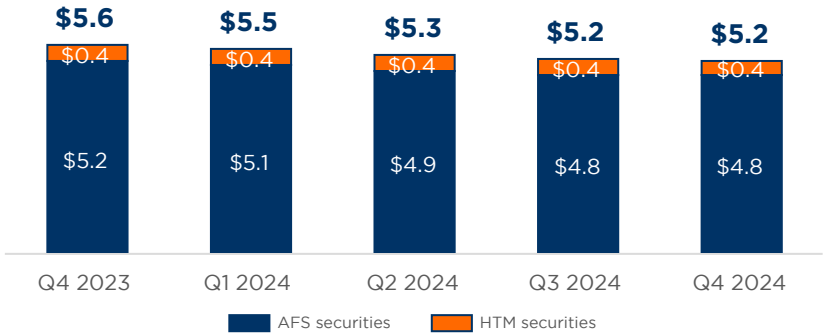
- Linked quarter **loans increased $15.0 million**
  - **Commercial** loans increased $9.0 million
  - **Residential** loans decreased $17.1 million
  - **Consumer** loans increased $23.0 million

$ in millions.

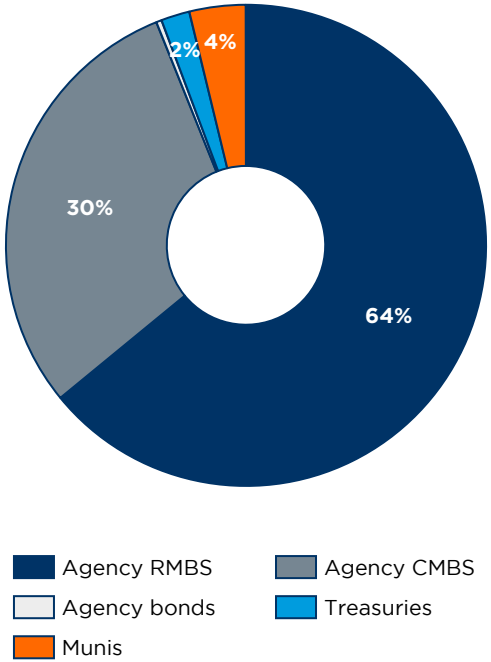
Securities portfolio

Eastern Bankshares, Inc.

Portfolio trends[1]



Investment composition as of December 31, 2024[1]



- **High quality portfolio** with 96% in US Agency securities and Treasury bonds
- Portfolio **yield of 1.84%** in Q4 2024, and **1.95%** as of December 31, 2024
- The AFS unrealized **loss was $584 million** after tax

$ in billions. [1]Includes both AFS and HTM portfolios at amortized cost.

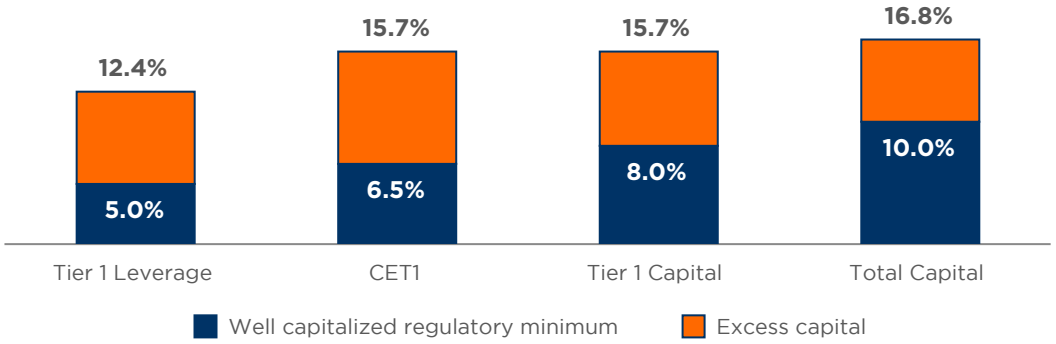
Capital[1]

Eastern Bankshares, Inc.

Capital ratios

Capital metrics	12/31/2024	9/30/2024	12/31/2023
Tier 1 leverage ratio	**12.4%**	12.6%	14.0%
Common equity tier 1 ("CET1") capital ratio	**15.7%**	15.5%	18.6%
Tier 1 capital ratio	**15.7%**	15.5%	18.6%
Total risk-based capital ("RBC") ratio	**16.8%**	16.6%	19.6%
Tangible common equity ratio*	**10.5%**	10.7%	11.7%
Tangible book value per share*	**$11.98**	$12.17	$13.65

Regulatory capital ratios as of December 31, 2024



- Steady capital ratios linked quarter. **CET1 ratio** and **TCE ratio*** of **15.7%** and **10.5%**, respectively
- Strong capital position provides significant support to **balance sheet optimization strategies**, **growth and strategic initiatives**, as well as **capital management strategies**
- Continue to be opportunistic in capital management:
  - Initiated a **2025 investment portfolio repositioning** of approximately $1.2 billion

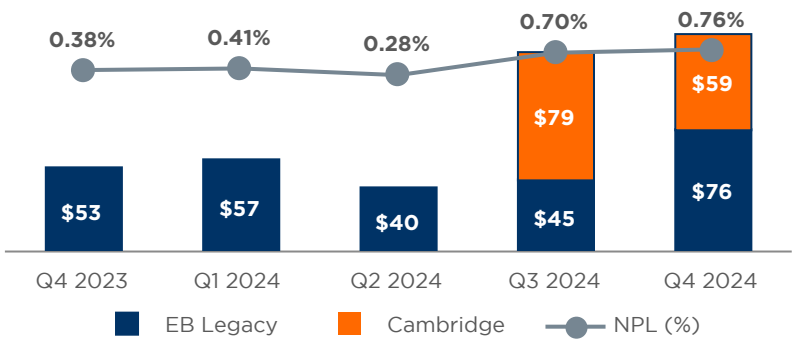
    See slide 14 for details
  - **Repurchased $15.8 million worth of shares** at $17.41 during the quarter
  - Medium-term CET1 target of ~12%

*Non-GAAP Financial Measure. Please refer to Appendices A-D for applicable reconciliation. [1]Regulatory capital ratios as of December 31, 2024 are preliminary estimates. Capital threshold refers to the regulatory minimum to be categorized as "Well capitalized" based on the Federal Agencies' Prompt Corrective Action ("PCA") provisions.

Asset quality

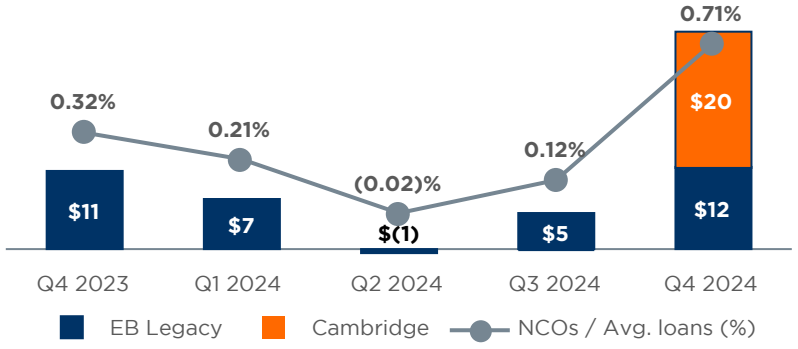
Eastern Bankshares, Inc.

Non-performing loans

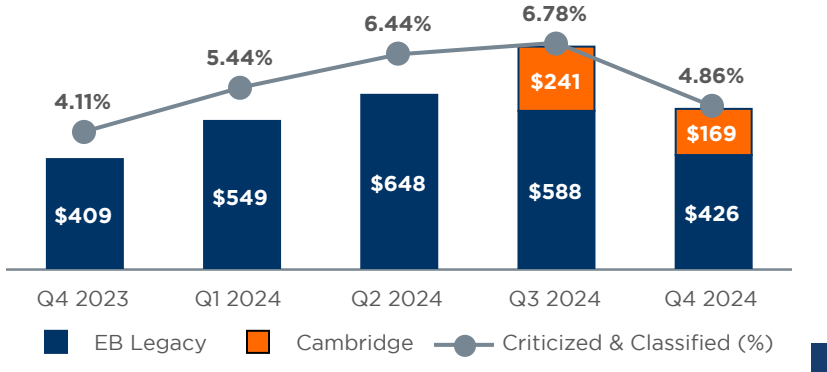


- **NPLs increased to $136 million, or 0.76% of total loans**
  - $113 million commercial, with $87 million in investor office
  - $13 million residential
  - $10 million consumer
- **Allowance was $229 million, or 1.29% of total loans**

Net charge-offs



Commercial criticized & classified loans



$ in millions.

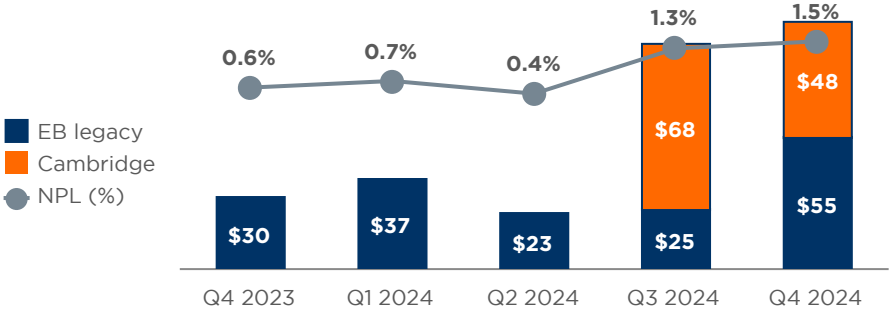
CRE exposure[1]

Eastern Bankshares, Inc.

Composition

	Balance	% of total CRE	Avg. loan balance	% in MA/ NH	NPL%
Multi-family	$ 2,528	36 %	$ 4.8	87 %	— %
Office	1,037	15 %	4.0	100 %	8.5 %
Retail	970	14 %	3.2	87 %	0.9 %
Industrial/ Warehouse	751	11 %	3.0	94 %	— %
Affordable housing	409	6 %	3.6	90 %	1.6 %
Education	344	5 %	6.5	69 %	— %
Self storage	236	3 %	5.9	74 %	— %
All others	845	12 %	2.8	93 %	— %
Total CRE	**$ 7,120**	**100 %**	**$ 3.9**	**89 %**	**1.5 %**

Non-performing CRE loans



- **CRE portfolio of $7.1 billion**, or 39% of total loans
- **Non-owner occupied CRE to total risk-based capital ratio[2] of 198%**
- Composed of **diversified property types**
  - **Multi-family[3] is the largest segment,** representing 36% of total CRE and has had no charge-offs in the past 10+ years
- Weighted average **LTV at origination in low- to mid-50%s**
- **89% of properties are in MA or NH;** 98% are in New England
- **$372 million criticized or classified**, or 5.3% of total CRE loans, decreased 1.7% from prior quarter
- **$103 million in NPLs**, or 1.5% of total CRE loans, increased 0.20% from prior quarter, driven primarily by investor office loans, partially offset by Cambridge PCD charge-offs
- **83% of loans mature in 2027 or later**
- See slide 13 for CRE investor office exposure

$ in millions. [1]CRE exposure excludes Construction and Business Banking except for the NOO CRE to total RBC ratio. [2]NOO CRE to total RBC ratio in Q4 2024 is an estimated number.
[3]Excludes affordable housing loans.

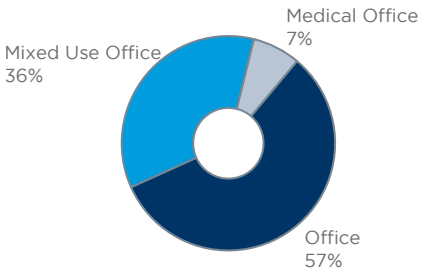
CRE investor office exposure[1]

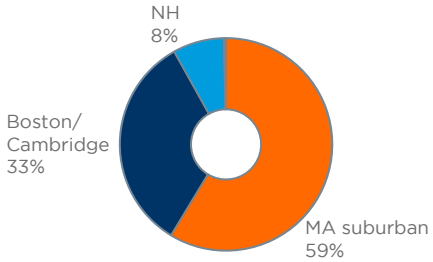
Eastern Bankshares, Inc.

Maturity schedule

	1Q25	2Q25	3Q25	4Q25
Accruing	$ 6	$ 67	$ 27	$ 10
Non-accruing	3	—	—	—
Total	**$ 9**	**$ 67**	**$ 27**	**$ 10**

Risk segment and location





Classification

	Balance	Average loan size	Criticized & Classified	NPL	Specific reserve
Class A[2]	$ 85	$ 17.0	$ 63	$ 17	$ 4
Class B/C	829	4.3	121	70	21
Total	**$ 914**	**$ 4.6**	**$ 184**	**$ 87**	**$ 25**

- **CRE investor office loans** totaled $914 million, or **5% of total loans**
- **Weighted average LTV of 52%** at origination
- **43% mixed-use or medical office**
- **Maturities proactively managed:** 12% in 2025, 11% in 2026 and **71% in 2027 or later**
- **100% in our footprint** and 67% in suburban areas
- **$184 million criticized or classified,** or **20% of CRE investor office loans**
- **Adequately reserved $61 million, or 6.2% of CRE investor office**, including specific reserves of $25 million
- **Thorough ongoing risk-based reviews** on the office portfolio

$ in millions. [1]CRE investor office exposure excludes construction and Business Banking. [2]Class A defined as high-rise institutional quality buildings in Boston/Cambridge.

2025 Investment Repositioning

Eastern Bankshares, Inc.

$1.2 billion strategic repositioning of securities portfolio accelerates improvement in financial performance

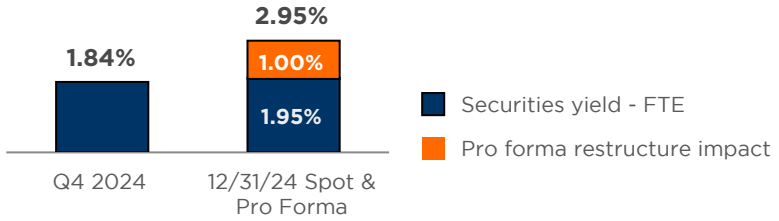
Category	Comment
Timing	• Transaction will be complete by mid-Q1 2025
After-tax loss on sale	• ~$200 million non-operating loss
Operating EPS	• Approximately $0.13 accretive for full year 2025
Return metrics	• ROA + ~0.10%; ROATCE* + ~0.95%
Net interest income & margin	• NII + ~$35 million; NIM + ~0.18%
Capital impact	• After-tax losses already reflected in capital • CET1 will decline by <1.0%, with approximately half of the decline rebuilt by year-end 2025 through stronger earnings

Net interest margin tailwinds

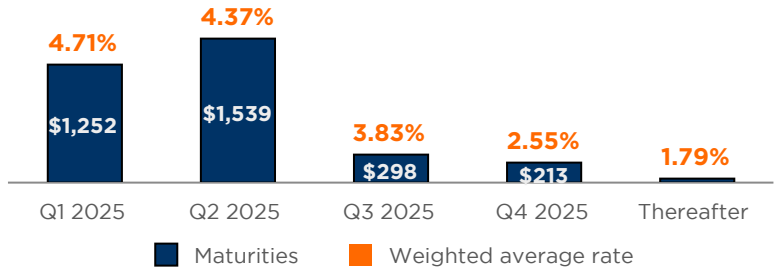
Eastern Bankshares, Inc.

- **2025 margin outlook supported by tailwinds:**
  - Strategic repositioning **resets securities portfolio yield to ~2.95%** and is expected to add ~18bps to the 2025 margin
  - **>80% of the CD portfolio matures in the first half** with rates above current offers
  - **Receive-fixed loan hedges begin to wind down** in the second half and the hedged loans are expected to reset to market rates above current strike
- **The Company's interest rate risk position is neutral** in the short-term
  - **Parallel rate shocks are expected to have little impact** to near-term margin and NII
  - **A 25bp rate cut from the Fed**, all else equal, anticipated to be **$7 million accretive to NII** on an annualized basis

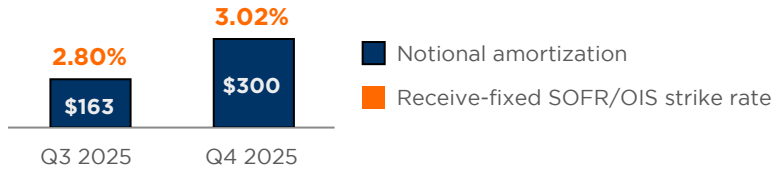
Strategic securities repositioning



Time deposit maturities



Loan hedge amortization



$ in millions.

Outlook for 2025

Eastern Bankshares, Inc.

Category	Management's outlook
Loan and deposit growth	• Loan growth of 2-4%; deposit growth of 1-2% with favorable mix shift
Net interest income & margin	• Based on market forwards as of 12/31/24 and inclusive of repositioning • Net interest income expected to be $815 - $840 million • FTE net interest margin 3.45% - 3.55%
Provision	• $30 - $40 million
Operating noninterest income	• $130 - $140 million
Operating noninterest expense	• $535 - $555 million
Operating tax rate	• 22 - 23% operating tax rate for full year for 2025
Capital	• Will maintain strong capital levels and continue opportunistic share repurchases

Non-GAAP financial measures (1)

Eastern Bankshares, Inc.

**Denotes a non-GAAP financial measure used in the document.*

A non-GAAP financial measure is defined as a numerical measure of the Company's historical or future financial performance, financial position or cash flows that excludes (or includes) amounts, or is subject to adjustments that have the effect of excluding (or including) amounts that are included in the most directly comparable measure calculated and presented in accordance with accounting principles generally accepted in the United States ("GAAP") in the Company's statement of income, balance sheet or statement of cash flows (or equivalent statements).

The Company presents non-GAAP financial measures, which management uses to evaluate the Company's performance, and which exclude the effects of certain transactions that management believes are unrelated to its core business and are therefore not necessarily indicative of its current performance or financial position. Management believes excluding these items facilitates greater visibility for investors into the Company's core business as well as underlying trends that may, to some extent, be obscured by inclusion of such items in the corresponding GAAP financial measures. Except as otherwise indicated, these non-GAAP financial measures presented in this press release exclude discontinued operations.

There are items in the Company's financial statements that impact its financial results, but which management believes are unrelated to the Company's core business. Accordingly, the Company presents noninterest income on an operating basis, total operating revenue, noninterest expense on an operating basis, operating net income, operating earnings per share, operating return on average assets, operating return on average shareholders' equity, operating return on average tangible shareholders' equity (discussed further below), and the operating efficiency ratio. Each of these figures excludes the impact of such applicable items because management believes such exclusion can provide greater visibility into the Company's core business and underlying trends. Such items that management does not consider to be core to the Company's business include (i) income and expenses from investments held in rabbi trusts, (ii) gains and losses on sales of securities available for sale, net, (iii) gains and losses on the sale of other assets, (iv) rabbi trust employee benefits, (v) impairment charges on tax credit investments and associated tax credit benefits, (vi) other real estate owned ("OREO") gains, (vii) merger and acquisition expenses, including the "day-2" provision for allowance for loan losses for non-PCD acquired loans, (viii) the non-cash pension settlement charge recognized related to the defined benefit plan, (ix) certain discrete tax items, and (x) net income from discontinued operations. Return on average tangible shareholders' equity, operating return on average tangible shareholders' equity as well as the operating efficiency ratio also further exclude the effect of amortization of intangible assets. The Company does not provide an outlook for its total noninterest income and total noninterest expense because each contains income or expense components, as applicable, such as income associated with rabbi trust accounts and rabbi trust employee benefit expense, which are market-driven, and over which the Company cannot exercise control. Accordingly, reconciliations of the Company's outlook for its noninterest income on an operating basis and its noninterest expense on an operating basis to an outlook for total noninterest income and total noninterest expense are not provided.

Non-GAAP financial measures (2)

Eastern Bankshares, Inc.

Management also presents tangible assets, tangible shareholders' equity, average tangible shareholders' equity, tangible book value per share, the ratio of tangible shareholders' equity to tangible assets, return on average tangible shareholders' equity, and operating return on average shareholders' equity (discussed further above), each of which excludes the impact of goodwill and other intangible assets and in the case of tangible net income (loss), return on average tangible shareholders' equity and operating return on average tangible shareholders' equity excludes the after-tax impact of amortization of intangible assets, as management believes these financial measures provide investors with the ability to further assess the Company's performance, identify trends in its core business and provide a comparison of its capital adequacy to other companies. The Company includes the tangible ratios because management believes that investors may find it useful to have access to the same analytical tools used by management to assess performance and identify trends.

In the third quarter of 2024, we changed our (loss) return on average tangible shareholders' equity and operating return on average tangible shareholders' equity computations to utilize tangible net (loss) income from continuing operations and tangible operating net income, respectively, in the numerators of the computations. Tangible net (loss) income from continuing operations excludes the amortization of intangible assets and the related tax effect and tangible operating net income excludes, in addition to the adjustments to derive operating net income, the amortization of intangible assets and related tax effect. In addition, in the third quarter of 2024, we changed the computation of our operating efficiency ratio to exclude, in addition to the adjustments made to operating net income, the amortization of intangible assets. Management believes the changes to such ratios result in a more meaningful measure of our financial performance and such measures are used by management when analyzing corporate performance.

These non-GAAP financial measures presented in this press release should not be considered an alternative or substitute for financial results or measures determined in accordance with GAAP or as an indication of the Company's cash flows from operating activities, a measure of its liquidity position or an indication of funds available for its cash needs. An item which management considers to be non-core and excludes when computing these non-GAAP measures can be of substantial importance to the Company's results for any particular period. In addition, management's methodology for calculating non-GAAP financial measures may differ from the methodologies employed by other banking companies to calculate the same or similar performance measures, and accordingly, the Company's reported non-GAAP financial measures may not be comparable to the same or similar performance measures reported by other banking companies. Please refer to Appendices A-E for reconciliations of the Company's GAAP financial measures to the non-GAAP financial measures in this press release.

Forward-looking statements

Eastern Bankshares, Inc.

This document contains "forward-looking statements" within the meaning of section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. You can identify these statements from the use of the words "may," "will," "should," "could," "would," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target", "outlook" and similar expressions. Forward-looking statements, by their nature, are subject to risks and uncertainties. There are many factors that could cause actual results to differ materially from expected results described in the forward-looking statements.

Certain factors that could cause actual results to differ materially from expected results include; adverse developments in the level and direction of loan delinquencies and charge-offs and changes in estimates of the adequacy of the allowance for loan losses; increased competitive pressures; changes in interest rates and resulting changes in competitor or customer behavior, mix or costs of sources of funding, and deposit amounts and composition; risks associated with the Company's implementation of the merger, including that revenue or expense synergies may not fully materialize for the Company in the timeframe expected or at all, or may be more costly to achieve; that Eastern's business may not perform as expected in the years following the merger; that Eastern's expansion of services or capabilities resulting from the merger may be more challenging than anticipated; and disruptions arising from transitions in management personnel; adverse national or regional economic conditions or conditions within the securities markets or banking sector; legislative and regulatory changes and related compliance costs that could adversely affect the business in which the Company and its subsidiaries, including Eastern Bank, are engaged, including the effect of, and changes in, monetary and fiscal policies and laws, such as the interest rate policies of the Board of Governors of the Federal Reserve System; market and monetary fluctuations, including inflationary or recessionary pressures, interest rate sensitivity, liquidity constraints, increased borrowing and funding costs, and fluctuations due to actual or anticipated changes to federal tax laws; the realizability of deferred tax assets; the Company's ability to successfully implement its risk mitigation strategies; asset and credit quality deterioration, including adverse developments in local or regional real estate markets that decrease collateral values associated with existing loans; operational risks such as cybersecurity incidents, natural disasters, and pandemics and the failure of the Company to execute its planned share repurchases. For further discussion of such factors, please see the Company's most recent Annual Report on Form 10-K and subsequent filings with the U.S. Securities and Exchange Commission (the "SEC"), which are available on the SEC's website at www.sec.gov.

You should not place undue reliance on forward-looking statements, which reflect the Company's expectations only as of the date of this press release. The Company does not undertake any obligation to update forward-looking statements.

Appendix

Appendix A: Reconciliation of non-GAAP earnings metrics (1 of 3) (1)

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands, except per-share data)	Three Months Ended					Twelve Months Ended	
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Net income (loss) from continuing operations (GAAP)	$ 60,771	$ (6,188)	$ 26,331	$ 38,647	$ 31,509	$ 119,561	$ (62,689)
Add:							
Provision for non-PCD acquired loans	—	40,899	—	—	—	40,899	—
Noninterest income components:							
Income from investments held in rabbi trusts	(5)	(3,591)	(1,761)	(4,318)	(4,969)	(9,675)	(9,305)
Losses on sales of securities available for sale, net	9,241	—	7,557	—	—	16,798	333,170
Gain on sale of other equity investment	(9,291)	—	—	—	—	(9,291)	—
(Gains) losses on sales of other assets	(352)	2,970	2	—	—	2,620	3
Noninterest expense components:							
Rabbi trust employee benefit expense	239	1,326	930	1,746	1,740	4,241	3,742
Merger and acquisition expenses	3,587	27,577	3,684	1,816	1,865	36,664	5,495
Total impact of non-GAAP adjustments	3,419	69,181	10,412	(756)	(1,364)	82,256	333,105
Less: net tax benefit (expense) associated with non-GAAP adjustments	(4,141)	13,328	224	(190)	13,270	9,221	107,230
Non-GAAP adjustments, net of tax	$ 7,560	$ 55,853	$ 10,188	$ (566)	$ (14,634)	$ 73,035	$ 225,875
Operating net income (non-GAAP)	$ 68,331	$ 49,665	$ 36,519	$ 38,081	$ 16,875	$ 192,596	$ 163,186
Weighted average common shares outstanding during the period:							
Basic	201,237,749	196,700,222	163,145,255	162,863,540	162,571,066	181,126,320	162,293,020
Diluted	202,638,608	197,706,644	163,499,296	163,188,410	162,724,398	182,181,073	162,403,097
Earnings (loss) per share from continuing operations, basic:	$ 0.30	$ (0.03)	$ 0.16	$ 0.24	$ 0.19	$ 0.66	$ (0.39)
Earnings (loss) per share from continuing operations, diluted:	$ 0.30	$ (0.03)	$ 0.16	$ 0.24	$ 0.19	$ 0.66	$ (0.39)
Operating earnings per share, basic (non-GAAP)	$ 0.34	$ 0.25	$ 0.22	$ 0.23	$ 0.10	$ 1.06	$ 1.01
Operating earnings per share, diluted (non-GAAP)	$ 0.34	$ 0.25	$ 0.22	$ 0.23	$ 0.10	$ 1.06	$ 1.00

(1) Average assets, average goodwill and other intangibles, and average tangible shareholders' equity components for the three months and twelve months ended Dec 31, 2023 presented in this section include discontinued operations.

Appendix A: Reconciliation of non-GAAP earnings metrics (2 of 3) (1)

Eastern Bankshares, Inc.

	Three Months Ended					Twelve Months Ended	
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Return on average assets (2)	0.94 %	(0.10)%	0.50 %	0.74 %	0.59 %	0.51 %	(0.29)%
Add:							
Provision for non-PCD acquired loans (2)	0.00%	0.65%	0.00%	0.00%	0.00%	0.18%	0.00%
Income from investments held in rabbi trusts (2)	0.00%	(0.06)%	(0.03)%	(0.08)%	(0.09)%	(0.04)%	(0.04)%
Losses on sales of securities available for sale, net (2)	0.14%	0.00%	0.14%	0.00%	0.00%	0.07%	1.53%
Gain on sale of other equity investment (2)	(0.14)%	0.00%	0.00%	0.00%	0.00%	(0.04)%	0.00%
(Gains) losses on sales of other assets (2)	(0.01)%	0.05%	0.00%	0.00%	0.00%	0.01%	0.00%
Rabbi trust employee benefit expense (2)	0.00%	0.02%	0.02%	0.03%	0.03%	0.02%	0.02%
Merger and acquisition expenses (2)	0.06%	0.44%	0.07%	0.03%	0.03%	0.16%	0.03%
Less: net tax benefit (expense) associated with non-GAAP adjustments (2)	(0.06)%	0.21%	0.00%	0.00%	0.25%	0.04%	0.49%
Operating return on average assets (non-GAAP) (2)	1.05 %	0.79 %	0.70 %	0.72 %	0.31 %	0.83 %	0.76 %
Return on average shareholders' equity (2)	6.64 %	(0.70)%	3.62 %	5.23 %	4.66 %	3.66 %	(2.44)%
Add:							
Provision for non-PCD acquired loans (2)	0.00%	4.61%	0.00%	0.00%	0.00%	1.25%	0.00%
Income from investments held in rabbi trusts (2)	0.00%	(0.41)%	(0.24)%	(0.58)%	(0.73)%	(0.30)%	(0.36)%
Losses on sales of securities available for sale, net (2)	1.01%	0.00%	1.04%	0.00%	0.00%	0.51%	12.96%
Gain on sale of other equity investment (2)	(1.01)%	0.00%	0.00%	0.00%	0.00%	(0.28)%	0.00%
(Gains) losses on sales of other assets (2)	(0.04)%	0.34%	0.00%	0.00%	0.00%	0.08%	0.00%
Rabbi trust employee benefit expense (2)	0.03%	0.15%	0.13%	0.24%	0.26%	0.13%	0.15%
Merger and acquisition expenses (2)	0.39%	3.11%	0.51%	0.25%	0.28%	1.12%	0.21%
Less: net tax benefit (expense) associated with non-GAAP adjustments (2)	(0.45)%	1.50%	0.03%	(0.03)%	1.96%	0.28%	4.17%
Operating return on average shareholders' equity (non-GAAP) (2)	7.47 %	5.60 %	5.03 %	5.17 %	2.51 %	5.89 %	6.35 %

(1) Average assets, average goodwill and other intangibles, and average tangible shareholders' equity components for the three months and twelve months ended Dec 31, 2023 presented in this section include discontinued operations.

(2) Metrics for the three months presented on an annualized basis.

Appendix A: Reconciliation of non-GAAP earnings metrics (3 of 3)(1)

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands)	Three Months Ended					Twelve Months Ended	
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Tangible net income							
Net (loss) income (GAAP)	$ 60,771	$ (6,188)	$ 26,331	$ 38,647	$ 31,509	$ 119,561	$ (62,689)
Add: Amortization of intangible assets	$ 7,351	$ 6,210	$ 504	$ 504	$ 505	$ 14,569	$ 1,804
Less: Tax effect of amortization of intangible assets (3)	$ 2,036	$ 1,720	$ 140	$ 140	$ 143	$ 4,036	$ 509
Tangible net (loss) income (non-GAAP) (4)	$ 66,086	$ (1,698)	$ 26,695	$ 39,011	$ 31,871	$ 130,094	$ (61,394)
Average tangible shareholders' equity:							
Average total shareholders' equity (GAAP)	$ 3,643,352	$ 3,526,294	$ 2,928,101	$ 2,970,759	$ 2,682,600	$ 3,268,863	$ 2,571,001
Less: Average goodwill and other intangibles	1,054,952	974,546	565,523	566,027	597,234	791,489	643,977
Average tangible shareholders' equity (non-GAAP)	$ 2,588,400	$ 2,551,748	$ 2,362,578	$ 2,404,732	$ 2,085,366	$ 2,477,374	$ 1,927,024
Return on average tangible shareholders' equity (non-GAAP) (2) (4)	10.16%	(0.26)%	4.54%	6.52%	6.06%	5.25%	(3.19)%
Add:							
Provision for non-PCD acquired loans (2)	—%	6.38%	—%	—%	—%	1.65%	—%
Income from investments held in rabbi trusts (2)	—%	(0.56)%	(0.30)%	(0.72)%	(0.95)%	(0.39)%	(0.48)%
Losses on sales of securities available for sale, net (2)	1.42%	—%	1.29%	—%	—%	0.68%	17.29%
Gain on sale of other equity investment (2)	(1.43)%	—%	—%	—%	—%	(0.38)%	—%
(Gains) losses on sales of other assets (2)	(0.05)%	0.46%	—%	—%	—%	0.11%	—%
Rabbi trust employee benefit expense (2)	0.04%	0.21%	0.16%	0.29%	0.33%	0.17%	0.19%
Merger and acquisition expenses (2)	0.55%	4.30%	0.63%	0.30%	0.35%	1.48%	0.29%
Less: net tax benefit (expense) associated with non-GAAP adjustments (2)	(0.64)%	2.08%	0.04%	(0.03)%	2.52%	0.37%	5.56%
Operating return on average tangible shareholders' equity (non-GAAP) (2) (4)	11.33%	8.45%	6.28%	6.42%	3.27%	8.20%	8.54%

(1) Average assets, average goodwill and other intangibles, and average tangible shareholders' equity components for the three months and twelve months ended Dec 31, 2023 presented in this section include discontinued operations.

(2) Metrics for the three months presented on an annualized basis.

(3) The tax effect of amortization of intangible assets is calculated using the Company's combined statutory tax rate of 28.23% for the twelve months ended December 31, 2024. Prior to the fourth quarter of 2024, the Company anticipated a combined statutory rate of 27.7% for the year as reflected in the tax effect of amortization of intangible assets for the corresponding three-month periods in 2024.

(4) The tangible net income (loss), return on average tangible shareholders' equity ratio and operating return on average tangible shareholders' equity ratio exclude the amortization of intangible assets, net of tax.

Appendix B: Reconciliation of non-GAAP operating revenues and expenses

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands)	Three Months Ended					Twelve Months Ended	
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Net interest income (GAAP)	$ 179,193	$ 169,855	$ 128,649	$ 129,900	$ 133,307	$ 607,597	$ 550,409
Add:							
Tax-equivalent adjustment (non-GAAP) (1)	4,792	4,792	4,553	4,483	4,483	18,620	17,181
Fully-taxable equivalent net interest income (non-GAAP)	$ 183,985	$ 174,647	$ 133,202	$ 134,383	$ 137,790	$ 626,217	$ 567,590
Noninterest income (GAAP)	$ 37,349	$ 33,528	$ 25,348	$ 27,692	$ 26,739	$ 123,917	$ (237,753)
Less:							
Income from investments held in rabbi trusts	5	3,591	1,761	4,318	4,969	9,675	9,305
Losses on sales of securities available for sale, net	(9,241)	—	(7,557)	—	—	(16,798)	(333,170)
Gain on sale of other equity investment	9,291	—	—	—	—	9,291	—
Gains (losses) on sales of other assets	352	(2,970)	(2)	—	—	(2,620)	(3)
Noninterest income on an operating basis (non-GAAP)	$ 36,942	$ 32,907	$ 31,146	$ 23,374	$ 21,770	$ 124,369	$ 86,115
Noninterest expense (GAAP)	$ 137,544	$ 159,753	$ 109,869	$ 101,202	$ 121,029	$ 508,368	$ 418,602
Less:							
Rabbi trust employee benefit expense	239	1,326	930	1,746	1,740	4,241	3,742
Merger and acquisition expenses	3,587	27,577	3,684	1,816	1,865	36,664	5,495
Noninterest expense on an operating basis (non-GAAP)	$ 133,718	$ 130,850	$ 105,255	$ 97,640	$ 117,424	$ 467,463	$ 409,365
Less: Amortization of intangible assets	$ 7,351	$ 6,210	$ 504	$ 504	$ 505	$ 14,569	$ 1,804
Noninterest expense for calculating the operating efficiency ratio (non-GAAP) (2)	$ 126,367	$ 124,640	$ 104,751	$ 97,136	$ 116,919	$ 452,894	$ 407,561
Total revenue (GAAP)	$ 216,542	$ 203,383	$ 153,997	$ 157,592	$ 160,046	$ 731,514	$ 312,656
Total operating revenue (non-GAAP)	$ 220,927	$ 207,554	$ 164,348	$ 157,757	$ 159,560	$ 750,586	$ 653,705
Efficiency ratio (GAAP)	63.5 %	78.5 %	71.3 %	64.2 %	75.6 %	69.5 %	133.9 %
Operating efficiency ratio (non-GAAP) (2)	57.2 %	60.1 %	63.7 %	61.6 %	73.3 %	60.3 %	62.3 %

(1) Interest income on tax-exempt loans and investment securities has been adjusted to a FTE basis using a marginal tax rate of 22.0%, 21.8%, 21.7%, 21.7%, and 21.9% for the three months ended December 31, 2024, September 30, 2024, June 30, 2024, March 31, 2024, and December 31, 2023, respectively, and of 21.8% for the twelve months ended December 31, 2024 and December 31, 2023.

(2) The operating efficiency ratio excludes, in addition to the adjustments made to operating net income, the amortization of intangible assets. This measure is used by the Company when analyzing corporate performance and the Company believes that investors may find it useful.

Appendix C: Reconciliation of non-GAAP capital metrics

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands, except per-share data)	As of Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
Tangible shareholders' equity:					
Total shareholders' equity (GAAP)	$ 3,611,967	$ 3,671,138	$ 2,967,473	$ 2,952,831	$ 2,974,855
Less: Goodwill and other intangibles	1,050,158	1,057,509	565,196	565,701	566,205
Tangible shareholders' equity (non-GAAP)	2,561,809	2,613,629	2,402,277	2,387,130	2,408,650
Tangible assets:					
Total assets (GAAP)	25,557,880	25,507,187	21,044,169	21,174,804	21,133,278
Less: Goodwill and other intangibles	1,050,158	1,057,509	565,196	565,701	566,205
Tangible assets (non-GAAP)	$ 24,507,722	$ 24,449,678	$ 20,478,973	$ 20,609,103	$ 20,567,073
Shareholders' equity to assets ratio (GAAP)	14.1 %	14.4 %	14.1 %	13.9 %	14.1 %
Tangible shareholders' equity to tangible assets ratio (non-GAAP)	10.5 %	10.7 %	11.7 %	11.6 %	11.7 %
Common shares outstanding	213,909,472	214,802,602	176,687,829	176,631,477	176,426,993
Book value per share (GAAP)	$ 16.89	$ 17.09	$ 16.80	$ 16.72	$ 16.86
Tangible book value per share (non-GAAP)	$ 11.98	$ 12.17	$ 13.60	$ 13.51	$ 13.65

Appendix D: Tangible shareholders' equity roll forward

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands, except per-share data)	As of Dec 31, 2024	As of Sep 30, 2024	As of Dec 31, 2023	Change from Sep 30, 2024	Change from Dec 31, 2023
Common stock	$ 2,141	$ 2,150	$ 1,767	$ (9)	$ 374
Additional paid in capital	2,237,494	2,246,134	1,666,441	(8,640)	571,053
Unallocated ESOP common stock	(127,842)	(129,077)	(132,755)	1,235	4,913
Retained earnings	2,084,503	2,048,042	2,047,754	36,461	36,749
AOCI, net of tax - available for sale securities	(583,875)	(490,698)	(584,243)	(93,177)	368
AOCI, net of tax - pension	26,016	5,914	7,462	20,102	18,554
AOCI, net of tax - cash flow hedge	(26,470)	(11,327)	(31,571)	(15,143)	5,101
Total shareholders' equity:	$ 3,611,967	$ 3,671,138	$ 2,974,855	$ (59,171)	$ 637,112
Less: Goodwill and other intangibles	1,050,158	1,057,509	566,205	(7,351)	483,953
Tangible shareholders' equity (non-GAAP)	$ 2,561,809	$ 2,613,629	$ 2,408,650	$ (51,820)	$ 153,159
Common shares outstanding	213,909,472	214,802,602	176,426,993	(893,130)	37,482,479
Per share:					
Common stock	$ 0.01	$ 0.01	$ 0.01	$ —	$ —
Additional paid in capital	10.46	10.46	9.45	—	1.01
Unallocated ESOP common stock	(0.60)	(0.60)	(0.75)	—	0.15
Retained earnings	9.74	9.53	11.61	0.21	(1.86)
AOCI, net of tax - available for sale securities	(2.73)	(2.28)	(3.31)	(0.45)	0.58
AOCI, net of tax - pension	0.12	0.03	0.04	0.09	0.08
AOCI, net of tax - cash flow hedge	(0.12)	(0.05)	(0.18)	(0.07)	0.06
Total shareholders' equity:	$ 16.89	$ 17.09	$ 16.86	$ (0.21)	$ 0.02
Less: Goodwill and other intangibles	4.91	4.92	3.21	(0.01)	1.70
Tangible shareholders' equity (non-GAAP)	$ 11.98	$ 12.17	$ 13.65	$ (0.19)	$ (1.68)

Appendix E: Cambridge merger-related charges

Eastern Bankshares, Inc.

(Unaudited, dollars in thousands)	As of and for the Three Months Ended				
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
Noninterest income components:					
Other (1)	$ (142)	$ (2,969)	$ —	$ —	$ —
Total noninterest income	**$ (142)**	**$ (2,969)**	**$ —**	**$ —**	**$ —**
Noninterest expense components:					
Salaries and employee benefits	$ 1,185	$ 13,147	$ 383	$ 3	$ 5
Office occupancy and equipment	1,936	2,630	11	6	2
Data processing	421	1,384	2,249	865	1,357
Professional services	99	5,490	944	787	450
Other	(54)	4,926	97	155	51
Total noninterest expense	**$ 3,587**	**$ 27,577**	**$ 3,684**	**$ 1,816**	**$ 1,865**
Total merger-related charges	**$ 3,729**	**$ 30,546**	**$ 3,684**	**$ 1,816**	**$ 1,865**

(1) Disposal of acquired fixed assets.