

## Risk Factors Comparison 2025-02-24 to 2024-02-23 Form: 10-K

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Certain statements contained in this Annual Report on Form 10-K and the documents incorporated herein by reference that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), including, without limitation, the statements specifically identified as forward-looking statements within this Annual Report on Form 10-K. In addition, certain statements in future filings by Park with the SEC, in press releases, and in oral and written statements made by or with the approval of Park which are not statements of historical fact constitute forward-looking statements within the meaning of the PSLRA. Examples of forward-looking statements include: (i) projections of income or expense, earnings per share, the payment or non-payment of dividends, capital structure and other financial items; (ii) statements of plans and objectives of Park or our management or Board of Directors, including those relating to products or services or to potential or pending acquisitions; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes," "anticipates," "expects," "intends," "targeted" and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The PSLRA provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information so long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those discussed in the forward-looking statements. Park desires to take advantage of the "safe harbor" provisions of the PSLRA. Forward-looking statements involve risks and uncertainties. Actual results may differ materially from those predicted by the forward-looking statements because of various factors and possible events, including those factors and events identified below. There is also the risk that Park's management or Park's Board of Directors incorrectly analyzes these risks and uncertainties or that the strategies Park develops to address such risks and uncertainties are unsuccessful. Forward-looking statements speak only as of the date on which they are made, and, except as may be required by applicable law, Park undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made. All subsequent written and oral forward-looking statements attributable to Park or any person acting on Park's behalf are qualified in their entirety by the preceding cautionary statements. Economic, Political and Market Risks Inflation may have an adverse impact on our business and on our 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. Although the U. S. Treasury Department, FDIC and Federal Reserve Board have announced a program to provide up to \$ 25. 0 billion of loans to financial institutions secured by certain of such government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediately liquidity may exceed the capacity of such program. There is no guarantee that the U. S. Treasury Department, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, or that they would do so in a timely fashion. In addition, inflation generally increases the cost of goods and services we use in our business operations which increases our noninterest expenses. Furthermore, our customers are also affected by inflation and the rising costs of goods and services used in their households and businesses, which could have a negative impact on their ability to repay their loans with us. Changes in economic and political conditions could adversely affect our earnings and capital through declines in deposits, quality of investment securities, loan demand, our borrowers' ability to repay loans, and the value of the collateral securing our loans. Our success depends, to a certain extent, upon 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 U. S. federal government budget deficit, the failure of the U. S 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 our control may adversely affect our deposit levels and composition, the quality of our assets including investment securities available for purchase and the demand for loans, which, in turn, may adversely affect our earnings and capital. Recent political developments, such as military conflicts in Ukraine and the Middle East, have resulted in substantial changes in economic and political conditions for the U. S. and the remainder of the world. In addition, disruptions in U. S. and global financial markets and changes in oil production in the Middle East affect the economy and stock prices in the U. S., which can affect our earnings and our capital, as well as the ability of our customers to repay loans. Because we have a significant number of real estate loans, decreases in real estate values could adversely affect the value of property used as collateral and our ability to sell the collateral upon foreclosure. Adverse changes in the economy, including those resulting from pandemics, rising inflation, and increases in interest rates, may also have a negative effect on the ability of our borrowers to make timely repayments of their loans, which would have an adverse impact on our earnings and cash flows. Changes in interest rates could have a material adverse effect on our financial condition, results of operations and cash flows. Our earnings and cash flows depend substantially on our interest rate spread, which is the difference between: (i) the rates we earn on loans, investment securities and other interest earning assets; and (ii) the interest rates we pay on deposits and our borrowings. These rates are highly sensitive to many factors beyond our control, including general economic conditions and the policies of various governmental and regulatory authorities and, in particular, the Federal Reserve Board. Changes in monetary policy influence the origination of loans, the prepayment speed of loans, the purchase of investments, the generation of deposits and rates of interest received and paid. If market interest rates rise, Park will have competitive pressure to increase the rates that Park pays on

deposits, which could result in a decrease of Park's net interest income. If market rates decline, Park could experience fixed-rate loan prepayments and higher investment portfolio cash flows, resulting in a lower yield on earning assets. Park's earnings can also be impacted by the spread between short-term and long-term market interest rates. 22- While we have taken measures intended to manage the risks of operating in a changing interest rate environment, there can be no assurance that such measures will be effective in avoiding undue interest rate risk, especially in light of the continued economic effects of sustained inflation. Information pertaining to the impact changes in interest rates could have on our net income is included in "Table 31- Interest Rate Sensitivity" in "ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Annual Report on Form 10-K, and is incorporated herein by reference. Changes in the general economic conditions and real estate valuations in our primary market areas could adversely impact results of operations, financial condition and cash flows. Our lending and deposit-gathering activities are concentrated primarily in Ohio, Kentucky, North Carolina and South Carolina. Our success depends on the general economic conditions of our primary market areas, particularly given that a significant portion of our lending relates to real estate located in these regions. Adverse changes in the regional and general economic conditions could reduce our growth rate, impair our ability to collect payments on loans, increase loan delinquencies, increase problem assets and foreclosures, increase claims and lawsuits, increase devaluations recognized within our OREO portfolio, decrease the demand for our products and services and decrease the value of collateral for loans, especially real estate values, which could have a material adverse effect on our financial condition, results of operations and cash flows.

**Business Operations Risks** We are exposed to operational risk. Similar to any large organization, we are exposed to many types of operational risk, including those discussed in more detail elsewhere in this Item, such as reputational 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. We may be subject to disruptions of our operating systems arising from events that are wholly or partially beyond our control, which may include, for example, computer viruses, cybersecurity attacks including cybersecurity attacks on third-party vendors, spikes in transaction volume and / or customer activity, electrical or telecommunications outages, or natural disasters. We 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 we have programs in place related to business continuity, disaster recovery and information security to maintain the confidentiality, integrity and availability of our 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 us. Any failure or interruption in our 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 us to regulatory intervention or expose us to civil litigation and financial loss or liability, any of which could have a material adverse effect on us. Negative public opinion can result from our actual or alleged conduct in any number of activities, including lending practices, corporate governance and 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 our ability to attract and keep customers, could expose us to potential litigation or regulatory action, and could have a material adverse effect on the price of our common shares or result in heightened volatility. Given the volume of transactions we process, certain errors may be repeated or compounded before they are discovered and successfully rectified. Our necessary dependence upon automated systems to record and process our 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. We are further exposed to the risk that our 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 we are) or that our (or our vendors') consumer compliance, business continuity, and data security systems will prove to be inadequate. 23- Our business could be adversely affected by third-party service providers, data breaches and cyber-attacks. We face the risk of operational disruption, failure or capacity constraints due to our dependency on third-party vendors for components of our business infrastructure. While we have selected these third-party vendors through our vendor management process, we do not control their operations. As such, our business and operations could be adversely affected in the event these third-party vendors are unable to perform their various responsibilities and we are unable to timely and cost-effectively identify acceptable substitute providers. Regulatory guidance adopted by federal bank regulatory agencies addressing how banks select, engage and manage their third-party relationships could affect the circumstances and conditions under which we work with third-party service providers and the costs of managing such relationships. Our assets at risk for cybersecurity attacks include financial assets and non-public information belonging to customers. We use several third-party vendors who have access to our assets via electronic media. Certain cybersecurity risks arise due to this access, including cybersecurity espionage, blackmail, ransom, malware, and theft. We employ many preventive and detective controls to protect our assets, and we provide mandatory recurring information security training to all employees. To date, we have not experienced any material losses relating to cybersecurity attacks or other information security breaches, but there can be no assurance that we will not suffer such attacks or attempted breaches, or incur resulting losses in the future. Our risk and exposure to these matters remains heightened due to, among other factors, the evolving nature of these threats, our plans to continue to implement or expand Internet and mobile banking to meet customer demand, and the current economic and political environment. As cybersecurity and other data security threats continue to evolve, we may be required to expend significant additional resources to continue to modify and enhance our protective measures or to investigate and remediate any security vulnerabilities. Failures or material breaches in security of our systems, or those of third-party service providers, may have a material adverse effect on our results of operations and financial condition and the price of our common shares. We collect, process and store sensitive consumer data by utilizing computer systems and

telecommunications networks operated by both us and third-party service providers. Our dependence upon automated systems to record and process our 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. We have security and backup and recovery systems in place, as well as a business continuity plan, to ensure the computer systems will not become inoperable, to the extent possible. We also routinely review documentation of such controls and backups related to third-party service providers. Our inability to use or access these information systems at critical points in time could unfavorably impact the timeliness and efficiency of our business operations. 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 its own information and is presented with a demand to pay a ransom in order to once again have access to its information. We could be adversely affected if one of our employees or a third-party service provider causes a significant operational break-down or failure, either as a result of human error or where the individual purposefully sabotages or fraudulently manipulates our operations or systems. We may not be able to prevent employee or third-party errors or misconduct, and the precautions we take to detect this type of activity might prove ineffective. We are 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 that we are). These disruptions may interfere with service to our customers, cause additional regulatory scrutiny and result in a financial loss or liability. We are also at risk of the impact of natural disasters, terrorism and international hostilities on our systems or for the effects of outages or other failures involving power or communications systems operated by others. 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 we have policies and procedures in place to verify the authenticity of our customers, we cannot assure that such policies and procedures will prevent all fraudulent transfers. We have implemented security controls to prevent unauthorized access to our computer systems, and we require that our third-party service providers maintain similar controls. However, Park's 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. We could also lose revenue if competitors gain access to confidential information about our business operations and use it to compete with us. While we maintain specific "cybersecurity" 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 cybersecurity threat scenarios are 24-inherently difficult to predict and can take many forms, some breaches may not be covered under our cybersecurity insurance coverage. Further, we may be affected by data breaches at retailers and other third parties who participate in data interchanges with us and our customers that involve the theft of customer credit and debit card data, which may include the theft of our 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 us incurring significant expenses to reissue debit cards and cover losses, which could result in a material adverse effect on our results of operations. All of the types of cybersecurity incidents discussed above could result in damage to our 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 our common shares, all of which could result in financial loss and material adverse effects on our results of operations and financial condition. We extend credit to a variety of customers based on certain internal standards and the judgment of our loan officers. Our credit standards and on-going process of credit assessment might not protect us from significant credit losses. We take credit risk by virtue of making loans and leases, extending loan commitments and letters of credit and, to a lesser degree, purchasing municipal bonds and purchasing collateralized loan obligations. Our exposure to credit risk is managed through the use of consistent underwriting standards that emphasize "in-market" lending while avoiding highly leveraged transactions as well as excessive industry and other concentrations. Our loans to non-bank consumer finance companies are made nationally and present different risks than our "in-market" lending due to the variability of cash flows that support the asset-based loans. Our credit administration function employs risk management techniques to ensure that loans and leases adhere to corporate policy and problem loans and leases are promptly identified. While these procedures are designed to provide us with the information needed to implement policy adjustments where necessary, and to take proactive corrective actions, there can be no assurance that such measures will be effective in avoiding undue credit risk. Our business and financial results are subject to risks associated with the creditworthiness of our customers and counterparties. Credit risk is inherent in the financial services business and results from, among other factors, extending credit to customers, purchasing non-governmental securities, and entering into certain guarantee contracts. Credit risk is one of the most significant risks to our business, particularly given the high percentage of our assets represented directly and indirectly by loans and the importance of lending to our overall business. As discussed in the immediately preceding risk factor, many factors impact credit risk, and we manage this by periodically assessing and monitoring the creditworthiness of our customers and by diversifying our loan portfolio. A borrower's ability to repay a loan can be adversely affected by individual factors, such as business performance, job losses or health issues. A weak or deteriorating economy and changes in the U. S. or global markets and changes in interest rates also could adversely impact the ability of our borrowers to repay outstanding loans. Any decrease in our borrowers' ability to repay loans would result in higher levels of nonperforming loans, net charge-offs and provision for credit losses. Financial services institutions are interrelated as a result of trading, clearing and other relationships. We have exposure to many different industries and counterparties, and we routinely execute transactions with counterparties in the financial services industry. Many of these transactions expose us to

credit risk in the event of default of our counterparty or client. Despite maintaining a diversified portfolio, our operations may result in concentrated credit exposure to a particular person, entity, industry or counterparty. Events adversely affecting specific customers, industries, or markets, a decrease in the credit quality of a customer base, or an adverse change in the risk profile of a market, industry, or group of customers could adversely affect our results of operations. Our credit risk may be exacerbated when collateral held by us to secure obligations to us cannot be realized upon by us or is liquidated at prices that are not sufficient to recover the full amount of the loan. ~~-25-~~ Up until 2020, Park's provision for credit losses had declined since the end of the most recent recession, which ended in June 2009, primarily due to improvement in general economic conditions, as well as actions taken by us to better manage our loan portfolio. During 2020, Park experienced elevated provision for credit losses primarily due to the impact of COVID- 19. During 2021, ~~2022, 2024 and 2023~~, the provision fluctuated as a result of changes in economic forecasts and other assumptions. If we were to experience higher levels of provision for credit losses, it could result in lower levels of net income. Our expansion into Kentucky, South Carolina and North Carolina may also expose Park to additional geographic risk. Our allowance for credit losses may prove to be insufficient to absorb the expected, lifetime losses in our loan portfolio. We maintain an allowance for credit losses that we believe is a reasonable estimate of the expected losses within the CECL model, based on management's quarterly analysis of our loan portfolio. The determination of the allowance for credit losses requires management to make various assumptions and judgments about the collectability of our loan portfolio, including the creditworthiness of our borrowers and the value of real estate and other assets serving as collateral for the repayment of loans. Additional information regarding our 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 Annual Report on Form 10- K. ~~-23-~~ Our estimation 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 our control, and the losses may exceed current estimates. We cannot be assured of the amount ~~of or~~ timing of losses, nor whether the allowance for credit losses will be adequate in the future. If our assumptions prove to be incorrect, our allowance for credit losses may not be sufficient to cover the expected losses from our loan portfolio, resulting in the need for additions to the allowance for credit losses which could have a material adverse impact on our financial condition and results of operations. In addition, bank regulators periodically review our 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. In June 2016, the FASB issued Accounting Standards Update (" ASU ") 2016- 13 " Financial Instruments – Credit Losses, " which replaced the incurred loss model with the CECL model, an expected loss model. The accounting guidance was to have been adopted by Park as of January 1, 2020. However, Section 4014 of the CARES Act provided financial institutions with optional temporary relief from having to comply with the CECL methodology which would have expired on December 31, 2020, and Section 540 of the Consolidated Appropriations Act, 2021 (the " CAA "), further extended the relief period to the earlier of the first day of the fiscal year that begins after the date on which the national emergency concerning COVID- 19 terminates or January 1, 2022. Park elected to delay the implementation of CECL following the approval of the CARES Act and the CAA, and adopted CECL as of January 1, 2021. The accounting guidance under the CECL model requires banks to record, at the time of origination, credit losses expected throughout the life of financial assets measured at amortized cost, including loan receivables, HTM debt securities and reinsurance receivables, and off- balance sheet credit exposures not accounted for as insurance (loan commitments, standby letters of credit, financial guarantees and other similar instruments) and net investments in leases recognized by a lessor. Under the CECL model, we are required to use historical information, current conditions and reasonable and supportable forecasts to estimate the expected credit losses. If the methodologies and assumptions we use 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 provisions for credit losses to be recorded, which could have a material adverse impact on our financial condition and results of operations. As a result of the implementation of the CECL model, the time horizon over which we are required to estimate future credit losses expanded, which could result in increased volatility in future provisions for credit losses. We 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. We depend 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, we may rely on information provided to us by customers and counterparties, including financial statements and other financial information. We 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, we may assume that the customer's audited financial statements conform with U. S. GAAP and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. We may also rely on the audit ~~-26-~~ report covering those financial statements. Our financial condition, results of operations and cash flows could be negatively impacted to the extent that we rely on financial statements that do not comply with U. S. GAAP or on financial statements and other financial information that are materially misleading. We may be required to repurchase loans we have sold or to indemnify loan purchasers under the terms of the sale agreements, which could adversely affect our liquidity, results of operations and financial condition. When we sell a mortgage loan, we may agree to repurchase or substitute a mortgage loan if we are later found to have breached any representation or warranty we made about the loan or if the borrower is later found to have committed fraud in connection with the origination of the loan. While we have underwriting policies and procedures designed to avoid breaches of representations and warranties we have made and borrower fraud, there can be no assurance that no breach or fraud will ever occur. Required repurchases, substitutions or indemnifications could have an adverse effect on our liquidity, results of operations and financial condition. We are subject to environmental liability risk associated with lending activities. A significant portion of our loan portfolio is secured

by real property. During the ordinary course of business, we foreclose on and take title to properties securing certain loans. In doing so, there is a risk that hazardous or toxic substances ~~-24-~~ could be found on these properties. If hazardous or toxic substances are found, we may be liable for remediation costs, as well as for personal injury and property damage.

Environmental laws and evolving regulation may require us to incur substantial expenses and may materially reduce the affected property's value or limit our ability to use or sell the affected property. In addition, future laws and regulations or more stringent interpretations or enforcement policies with respect to existing laws or regulations may increase our 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 our business, financial condition and results of operations. Noncompliance with the BSA and other anti- money laundering statutes and regulations could cause us to experience a material financial loss. The BSA and the 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 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. Financial Crimes Enforcement Network (also known as FinCEN), a unit of the U. S. Treasury Department 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. 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 incentives and protections. There is also increased scrutiny of compliance with the rules enforced by OFAC. If our policies, procedures and systems are deemed deficient, or if the policies, procedures and systems of the financial institutions that we have already acquired or may acquire in the future are deficient, we may be subject to liability, including fines and regulatory actions such as restrictions on our 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 our 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 us. For a more complete discussion of the BSA, the Patriot Act and the AMLA as well as OFAC, see the section captioned " Supervision and Regulation of Park and Park' s Subsidiaries" in" ITEM 1. BUSINESS" of this Annual Report on Form 10- K. We operate in a highly competitive environment, in terms of the products and services we offer and the geographic markets in which we conduct business, as well as in our labor markets where we compete for talented employees. ~~-27-~~ Competition could adversely impact our customer acquisition, growth and retention, as well as our credit spreads and product pricing, causing us to lose market share and deposits and revenues. We are subject to intense competition from various financial institutions as well as from non- bank entities that engage in many similar activities without being subject to bank regulatory supervision and restrictions. This competition is described in" ITEM 1. BUSINESS" of this Annual Report on Form 10- K under the caption" Competition." Competition in our industry could intensify as a result of the increasing consolidation of financial services companies, in connection with current market conditions, or otherwise. Consumers may also move money out of bank deposits in favor of other investments, including digital or cryptocurrency. Customers have increasingly used bill payment services that do not utilize banks, and these trends may result in losses of deposits and fee income. The principal bases for competition are pricing (including the interest rates charged on loans or paid on interest bearing deposits), product structure, the range of products and services offered, and the quality of customer service (including convenience and responsiveness to customer needs and concerns). 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 ability to access and use technology is an increasingly important competitive factor in the financial services industry, and it is a critically important component to customer satisfaction as it affects our ability to deliver the right products and services. ~~-25-~~ Another increasingly competitive factor in the financial services industry is the competition to attract and retain talented associates across many of our business and support areas. This competition leads to increased expenses in many business areas and can also cause us to not pursue certain business opportunities. A failure to adequately address the competitive pressures we face could make it harder for us to attract and retain customers across our businesses. On the other hand, meeting these competitive pressures could require us to incur significant additional expense, to reevaluate the number of branches through which we serve our customers, or to accept risk beyond what we would otherwise view as desirable under the circumstances. In addition, in our interest rate sensitive businesses, pressures to increase rates on deposits or decrease rates on loans could reduce our net interest margin with a resulting negative impact on our net interest income. We 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. Our future success depends, in part, upon our 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 our operations. This could include the development, implementation, and adaptation of digital or cryptocurrency, blockchain, and other " fintech " technology. We may not be able to effectively implement new technology- driven products and services or be successful in marketing these products and services to our customers. Failure to successfully

keep pace with technological changes affecting the financial services industry could negatively affect our growth, revenue and net income. We may elect or be compelled to seek additional capital in the future, but that capital may not be available when it is needed. We are required by federal and state regulatory authorities to maintain adequate levels of capital to support our operations. Federal bank regulatory agencies 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 we experience significant loan losses, additional capital may need to be infused. In addition, we may elect to raise additional capital to support our business or to finance acquisitions, if any, or we may otherwise elect or be required to raise additional capital. Our ability to raise additional capital, if needed, will depend on our financial performance, conditions in the capital markets, economic conditions and a number of other factors, many of which are outside our control. Accordingly, there can be no assurance that we will be able to raise additional capital if needed or that the terms of available capital will be acceptable to us. If we cannot raise additional capital when needed, it may have a material adverse effect on our financial condition, results of operations and prospects. In addition, prior debt offerings could potentially have important consequences to us and our debt and equity investors, including: • requiring a substantial portion of our cash flow from operations to make interest payments; ~~-28-~~ making it more difficult to satisfy debt service and other obligations; • increasing the risk of a future credit ratings downgrade of our debt, which could increase future debt costs and limit the future availability of debt financing; • increasing our vulnerability to general adverse economic and industry conditions; • reducing the cash flow available to fund capital expenditures and other corporate purposes and to grow our business; • limiting our flexibility in planning for, or reacting to, changes in our business and the industry; • placing us at a competitive disadvantage relative to our competitors that may not be as highly leveraged with debt; and • limiting our ability to borrow additional funds as needed or take advantage of business opportunities as they arise, pay cash dividends or repurchase securities. We continue to evaluate these risks on an ongoing basis. Our ability to pay dividends on our common shares is limited. Although we have paid a dividend on our common shares every quarter since becoming a public company, our Board of Directors reviews the dividend on a quarterly basis and establishes the dividend rate based on our financial condition, results of operations, capital and other regulatory requirements, and other factors that our Board of Directors deems relevant. As a financial holding company, we are a legal entity separate and distinct from our subsidiaries and affiliates. Our principal source of funds to pay dividends on our common shares and service our debt is dividends from our subsidiaries. In the event our ~~-26-~~ subsidiaries become unable to pay dividends to us, we may not be able to service our debt, pay our other obligations or pay dividends on our common shares. Accordingly, our inability to receive dividends from our subsidiaries could also have a material adverse effect on our business, financial condition and results of operations. Various federal and state statutory provisions and regulations limit the amount of dividends that Park National Bank and our other subsidiaries may pay to us without regulatory approval. In addition, the Federal Reserve Board and the OCC have issued policy statements that provide that insured banks as well as financial holding companies and other bank holding companies should generally only pay dividends out of current operating earnings. Thus, the ability of Park National Bank to pay dividends in the future is currently influenced, and could be further influenced, by bank regulatory policies and capital guidelines and may restrict our ability to declare and pay dividends to our shareholders. Payment of dividends could also be subject to regulatory limitations if Park National Bank were to become “undercapitalized” for purposes of the applicable “prompt corrective action” regulations. Throughout ~~2023 and 2024~~ **and 2025** to date, Park National Bank has been in compliance with all regulatory capital requirements and had sufficient capital under the “prompt corrective action” regulations to be deemed “well-capitalized.” There are also restrictions on the ability of Park National Bank to pay dividends if it does not hold the applicable capital conservation buffer. If any of our subsidiaries becomes insolvent, the direct creditors of that subsidiary will have a prior claim on that subsidiary’s assets. Our rights and the rights of our creditors will be subject to that prior claim, unless we are also a direct creditor of that subsidiary. Derivative transactions may expose us to unexpected risk and potential losses. We are party to a number of derivative transactions. Many of these derivative instruments are individually negotiated and non-standardized, which can make exiting, transferring or settling the position difficult. We carry borrowings which contain embedded derivatives. These borrowing arrangements require that we deliver underlying securities to the counterparty as collateral. We are dependent on the creditworthiness of the counterparties and are therefore susceptible to credit and operational risk in these situations. Derivative instruments and other transactions entered into with third parties are not always confirmed by the counterparties on a timely basis. While the transaction remains unconfirmed, we are subject to heightened credit and operational risk and, in the event of a default, we may find it more difficult to enforce the underlying derivative instrument. In addition, as new and more complex derivative products are created, covering a wider array of underlying credit and other instruments, disputes about the terms of the underlying derivative instruments could arise, which could impair our ability to effectively manage our risk exposures from these products and subject us to increased costs. Any regulatory effort to create an exchange or trading platform for credit derivatives and other over-the-counter derivative instruments, or a market shift toward standardized derivative instruments, could reduce the risk associated with such transactions, but under certain circumstances could also limit our ability to develop derivative instruments that best suit our needs and those of our clients and adversely affect our profitability. ~~-29-~~ ~~Our financial condition, results of operation, and stock price may be negatively impacted by unrelated bank failures and negative depositor confidence in depository institutions. The recent bank failures of Silicon Valley Bank in California, Signature Bank in New York, and First Republic Bank in California, and the decision of Silvergate Bank in California to voluntarily liquidate its assets and wind down operations, each of which occurred during the first and second quarters of 2023, have caused uncertainty in the investor community and negative confidence among bank customers generally. While we do not believe that the circumstances of these banks' failures and liquidations are indicators of broader issues with the banking system, the failures may reduce customer confidence, affect sources of funding and liquidity, increase regulatory requirements and costs, adversely affect financial markets and / or have a negative reputational ramification for the financial services industry, including us. These bank failures led to volatility and declines in the market for bank stocks and questions~~

~~about depositor confidence in depository institutions, which in turn led to a greater focus by institutions, investors, and regulators on the on-balance sheet liquidity of and funding sources for financial institutions and the composition of its deposits. Notwithstanding, our efforts to promote deposit insurance coverage with our customers and otherwise effectively manage our liquidity, deposit portfolio retention, and other related matters, our financial condition, results of operation, and stock price may be adversely affected by future negative events within the banking sector and adverse customer or investor responses to such events.~~

Legislative, Regulatory and Accounting Change Risks Legislative or regulatory changes or actions could adversely impact us or the businesses in which we are engaged. The financial services industry is extensively regulated. We are subject to extensive state and federal regulation, supervision and legislation that govern almost all aspects of our operations. Laws and regulations may change from time to time and are primarily intended for the protection of consumers, depositors, borrowers, the DIF and the banking system as a whole, and not to benefit our shareholders. Regulations affecting banks and financial services businesses are undergoing continuous change and management cannot predict the effect of these changes. While such changes are generally intended to lessen the regulatory burden on financial institutions, the impact of any changes to laws and regulations or other actions by regulatory agencies may negatively impact us or our ability to increase the value of our business. Regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities, including the imposition of restrictions on the operation of a financial institution, the classification of assets held by a financial institution, the adequacy of a financial institution's allowance for credit losses and the ability to complete acquisitions. Additionally, actions by regulatory agencies against us could cause us to devote significant time and resources to defending our business and may lead to penalties that materially affect us and our shareholders. Even the reduction of regulatory restrictions could have an adverse effect on us and our shareholders if such lessening of restrictions increases competition within our industry or our market area. ■

27- In light of conditions in the global financial markets and the global economy that occurred in the last two decades, regulators have increased their focus on the regulation of the financial services industry. Most recently, the U. S. Congress and the federal agencies regulating the financial services industry have acted on an unprecedented scale in responding to the stresses experienced in the global financial markets. Some of the laws enacted by the U. S. Congress and regulations promulgated by federal bank regulatory agencies subject us, and other financial institutions to which such laws and regulations apply, to additional restrictions, oversight and costs that may have an impact on our business, results of operations or the trading price of our common shares. In addition to laws, regulations and supervisory and enforcement actions directed at the operations of financial institutions, proposals to reform the housing finance market consider significant changes to Fannie Mae and Freddie Mac, which could negatively affect our sales of loans. Increasing scrutiny and evolving expectations from customers, regulators, investors, and other stakeholders with respect to our environmental, social and governance practices may impose additional costs on us or expose us 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 us as well as among our third-party suppliers, vendors and various other parties within our supply chain could result in increases to our overall operational costs. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, access to capital, and the price of our Common Shares.

~~30-~~ Deposit insurance premiums assessed on Park National Bank may increase and have a negative effect on Park's results of operations. We have limited ability to control the amount of premiums we are required to pay for FDIC insurance. The DIF is funded by fees assessed on insured depository institutions. If the costs of future bank failures increase, deposit insurance premiums may also increase. The FDIC has adopted rules revising the FDIC's assessments in a manner benefiting banks with assets totaling less than \$ 10 billion. There can be no assurance, however, that assessments will not be changed in the future. Federal deposit insurance is described in more detail in the section captioned "Supervision and Regulation of Park and Park's Subsidiaries – Federal Deposit Insurance" in "ITEM 1. BUSINESS" of this Annual Report on Form 10- K. Changes in accounting standards, policies, estimates or procedures could impact our reported financial condition or results of operations. The entities responsible for setting accounting standards, including the FASB, the SEC and other regulatory bodies, periodically change the financial accounting and reporting guidance that governs the preparation of our consolidated financial statements. Changes in accounting standards can be hard to predict and could materially impact how we record and report our financial condition and results of operations. In some cases, we could be required to apply new or revised guidance retroactively, resulting in the restatement of prior period financial statements. The preparation of consolidated financial statements in conformity with U. S. 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 Park's critical accounting policies and the sensitivity of estimates can be found in our discussion of "CRITICAL ACCOUNTING POLICIES" in "ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of this Annual Report on Form 10- K. Our accounting estimates and risk management processes rely on analytical and forecasting models. The processes we use to estimate our 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 our financial condition and results of operations, depends 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 adequate, the models may prove to be inadequate or inaccurate because of other flaws in their design or their implementation. If the models we use for interest rate risk and asset-liability management are inadequate, we may incur increased or unexpected losses upon changes in market interest rates or other market measures. If the model we use for determining our expected credit losses is inadequate, the allowance for credit losses may not be sufficient to support charge-offs. If the models we use to

measure the fair value of financial instruments are inadequate, the fair value of such financial ~~-28-~~ instruments may fluctuate unexpectedly or may not accurately reflect what we could realize upon sale or settlement of such financial instruments. Any such failure in our analytical or forecasting models could have a material adverse effect on our business, financial condition and results of operations. Strategic Risks Future expansion may adversely affect our financial condition and results of operations as well as dilute the interests of our shareholders and negatively affect the price of our common shares. We may acquire other financial institutions, or branches or assets of other financial institutions, in the future. We may also open new branches and enter into new lines of business or offer new products or services. Any such expansion of our business will involve a number of expenses and risks, which may include: • the time and expense associated with identifying and evaluating potential expansions; • the potential inaccuracy of estimates and judgments used to evaluate credit, operations, management and market risk with respect to target financial institutions; • potential exposure to unknown or contingent liabilities of the target financial institution; • exposure to potential asset quality issues of the target financial institution; • the time and costs of evaluating new markets, hiring local management and opening new offices, and the delay between commencing these activities and the generation of profits from the expansion; • our financing of the expansion; • the diversion of management's attention to the negotiation of a transaction and the integration of the operations and personnel of the combining businesses; • risks associated with entry into unfamiliar markets; ~~-31-~~ the introduction of new products and services into our existing business; • the incurrence and possible impairment of goodwill associated with an acquisition and possible adverse short- term effects on our results of operations; • the risk of loss of key employees and customers; • the risk associated with differing company cultures; and • difficulty in receiving appropriate regulatory approval for any proposed transaction. We may incur substantial costs to expand, and such expansion may not result in the levels of profits we expect. Integration efforts for any future acquisitions may not be successful. We may issue equity securities in connection with acquisitions, which could dilute the economic and voting interests of our existing shareholders. Any merger or acquisition opportunity that we decide to pursue will ultimately be subject to regulatory approval or other closing conditions. We may expend substantial time and resources pursuing potential acquisitions which may not be consummated because regulatory approval or other closing conditions are not satisfied. Changes in retail distribution strategies and consumer behavior may adversely impact our investments in our financial service office premises and equipment and other assets and may lead to increased expenditures to change our retail distribution channel. We have significant investments in financial service office premises and equipment for our financial service office network, including ~~96-87~~ financial service offices as well as our 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 automatic teller machines and other equipment, as well as changing customer preferences for these other methods of accessing our products and services, could affect the value of our financial service office network or other retail distribution assets and may cause us to change our retail distribution strategy, close and / or sell certain financial service offices and restructure or reduce our 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 our 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 our retail distribution channel. ~~-29-~~ General Risk Factors If our total consolidated assets exceed \$ 10. 0 billion, we will become subject to additional regulations As of December 31, ~~2023-2024~~, Park had total consolidated assets of \$ 9. 8 billion. However, should our total consolidated assets exceed \$ 10. 0 billion, Park and Park National Bank will become subject to heightened regulatory requirements stemming largely from the Dodd- Frank Act. These requirements include, but are not limited to, the following: (i) supervision, examination and enforcement by the CFPB with respect to federal consumer financial protection laws; (ii) a modified methodology and scorecard for calculating FDIC insurance assessments and, depending on the result of Park National Bank's performance under the scorecard, potentially higher assessment rates; (iii) limitations on interchange transaction fees for debit card transactions; (iv) heightened compliance standards under the Volcker Rule; (v) enhanced supervision by the OCC and the Federal Reserve Board; and (vi) no longer being eligible to elect to be subject to the CBLR. The imposition of these regulatory requirements and increased supervision, should the \$ 10. 0 billion threshold be crossed, may require the additional commitment of financial resources to regulatory compliance and may increase Park National Bank's cost of operations and provide greater limitations on the products and services that can be offered. Compliance with these additional ongoing requirements may necessitate additional personnel, the design and implementation of additional internal controls, or the incurrence of other significant expenses, any of which could have a significant adverse effect on our business, financial condition, or results of operations. Our regulators may also consider our preparation for compliance with these regulatory requirements in the course of examining our operations generally or when considering any request from us or Park National Bank. We may be a defendant from time to time in a variety of litigation and other actions, which could have a material adverse effect on our financial condition, results of operations and cash flows. We may be involved from time to time in a variety of litigation arising out of our business. The risk of litigation increases in times of increased troubled loan collection activity. Our insurance may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. Should the ultimate judgments or settlements in any litigation exceed our insurance coverage, they could have a material adverse effect on ~~-32-~~ our financial condition, results of operations and cash flows. In addition, we may not be able to obtain appropriate types or levels of insurance in the future or obtain adequate replacement policies with acceptable terms. A default by another larger financial institution could adversely affect financial markets generally. 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 our

business. We are 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 ATM machines, 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 us, we 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. Changes in tax laws could adversely affect our performance. We are subject to extensive federal, state and local taxes, including income, excise, sales / use, payroll, franchise, withholding and ad valorem taxes. Changes to our taxes could have a material adverse effect on our results of operations, fair values of net deferred tax assets and obligations of states and political subdivisions held in our investment securities portfolio. In addition, our customers are subject to a wide variety of federal, state and local taxes. Changes in taxes paid by our customers -30- may adversely affect their ability to purchase homes or consumer products, which could adversely affect their demand for our loans and deposit products. In addition, such negative effects on our customers could result in defaults on the loans we have made and decrease the value of mortgage-backed securities in which we have invested. Adverse changes in the financial markets may adversely impact our results of operations. While we generally invest in securities issued by U. S. government agencies and sponsored entities and domestic state and local governments with limited credit risk, certain investment securities we hold 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 U. S. 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. Park National Bank is subject to additional requirements and restrictions imposed by the U. S. Department of Justice (the "DOJ") in the DOJ Consent Order approved by the U. S. District Court for the Southern District of Ohio, Eastern Division. On February 28, 2023, Park National Bank reached an agreement with the DOJ to increase the efforts of Park National Bank to promote home lending in the Columbus, Ohio market. The agreement, which is reflected in the consent order filed on February 28, 2023, in the U. S. District Court for the Southern District of Ohio, Eastern Division (the "DOJ Consent Order") and approved on March 2, 2023 by that Court, serves to voluntarily resolve all claims of the U. S. alleging that Park National Bank's mortgage lending practices within the Columbus, Ohio Metropolitan Statistical Area violated the Fair Housing Act and the Equal Credit Opportunity Act. In accordance with the terms of the DOJ Consent Order, Park National Bank will invest a minimum of \$ 7.75 million over five years in a loan subsidy fund to increase credit opportunities for home mortgage loans, home improvement loans, home refinance loans and home equity loans and lines of credit for consumers applying for loans in majority-minority census tracts ("MMCTs") in Fairfield, Franklin, Hocking, Licking, Morrow and Perry counties in Ohio (the "Columbus Lending Area"). Park National Bank will also devote a minimum of \$ 500,000 over five years toward one or more community development -33- partnership programs that provide services to residents of MMCTs in the Columbus Lending Area related to credit, financial education, homeownership and foreclosure prevention; and at least \$ 750,000 over five years toward advertising, community outreach, consumer financial education and credit counseling in the Columbus Lending Area. Park National Bank will also establish one new mortgage loan production office and one new full-service branch in MMCTs in the Columbus Lending Area and hire four lenders, one of whom will be Spanish-speaking, focused on serving these communities. In addition, Park National Bank will continue to maintain, throughout the term of the DOJ Consent Order, Park National Bank's full-time Director of Community Home Lending and Development position, who will oversee Park National Bank's lending in MMCTs in the Columbus Lending Area. Park is committed to investing at least \$ 9.0 million over five years and will record the related expenses incurred in the period in which the associated activities occur. ~~Although Park and~~ **Through its first two years,** Park National Bank ~~is in~~ **is in** ~~are committed to~~ full compliance with the DOJ Consent Order, ~~achieving such compliance will require significant management attention from Park and~~ **on target** ~~may cause Park to~~ **complete its** ~~incur unanticipated costs and expenses. Actions taken to achieve~~ **compliance with the DOJ Consent Order within the required five-year period. Continuing to achieve compliance may continue to require management attention,** ~~may affect Park's financial performance,~~ **and may require us** ~~to reallocate~~ **to reallocate** ~~resources away from existing businesses or to undertake significant changes to our businesses, operations, products and services, and risk management practices. In addition, Park and Park National Bank could be subject to other enforcement actions relating to the alleged violations resolved by the DOJ Consent Order.~~