

HARFORD BANK
8 W. Bel Air Avenue
Aberdeen, Maryland 21001
410-272-5000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of **HARFORD BANK**:

Notice is hereby given that the 2025 Annual Meeting of Stockholders (the “2025 Annual Meeting”) of Harford Bank (the “Bank”) will be held on May 7, 2025, at 10:00 a.m., local time, at the Water’s Edge Events Center – River Watch, 4690 Millennium Drive, Belcamp Maryland, and at any postponement or adjournment thereof. The purposes of the 2025 Annual Meeting are as follows:

1. To elect the 13 Director nominees named in the enclosed Proxy Statement and proxy card to the Board of Directors for the ensuing year and until their successors are duly elected and qualify.
2. To approve, by non-binding advisory vote, the compensation paid to the Bank’s named executive officers for 2024;
3. To ratify the appointment of Yount, Hyde & Barbour, P.C. as the Bank’s independent registered public accounting firm for 2025; and
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Stockholders of record at the close of business on March 14, 2025 (the “Record Date”) are entitled to notice of and to vote at the 2025 Annual Meeting. The 2025 Annual Meeting may be adjourned or postponed from time to time. At any adjourned or postponed meeting, action with respect to matters specified in this notice may be taken without further notice to stockholders, unless required by law or the Bank’s bylaws.

All stockholders are cordially invited to attend the 2025 Annual Meeting. We urge you to vote in advance of the 2025 Annual Meeting by one of the methods described in the accompanying Proxy Statement. **Whether you own a few or many shares of Common Stock, your vote is important.** Returning your proxy card does not deprive you of your right to attend the 2025 Annual Meeting and vote your shares at the 2025 Annual Meeting.

A copy of the Bank’s 2024 Annual Report to Stockholders is enclosed.

April 9, 2025

By Order of the Board of Directors
Michael F. Allen
President

**Important Notice Regarding the Availability of Proxy Materials
For the Stockholder Meeting to be Held on May 7, 2025:**

The Proxy Statement, accompanying proxy card, and Harford Bank’s Annual Report to Stockholders (including its Annual Report on Form 10-K) are available at <http://www.astproxyportal.com/ast/16488/>.

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**PROXY STATEMENT FOR
2025 ANNUAL MEETING OF STOCKHOLDERS**

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the “Board”) of Harford Bank (the “Bank”) of proxies to be voted at the 2025 Annual Meeting of Stockholders of the Bank (the “2025 Annual Meeting”) to be held on Wednesday, May 7, 2025 at 10:00 a.m., local time, at the Water’s Edge Events Center – River Watch, 4690 Millennium Drive, Belcamp Maryland, and at any postponement or adjournment thereof.

The Bank will pay the expense of the solicitation. In addition to solicitations by mail, the Board may solicit proxies in person or electronic communication, and may arrange for brokerage houses and other custodians, nominees, and fiduciaries to send proxy materials to their principals at the expense of the Bank. The approximate date on which this Proxy Statement and attached form of proxy are being mailed to stockholders is April 9, 2025.

PURPOSES OF THE 2025 ANNUAL MEETING

The Board is soliciting your proxy to vote at the 2025 Annual Meeting because you were the record owner of shares of the Bank’s common stock, par value \$10.00 per share (the “Common Stock”), as of the close of business on March 14, 2025 (the “Record Date”) for the 2025 Annual Meeting. The Record Date is the date set by the Board for purposes of determining stockholders of record who are entitled to receive notice of and to vote at the 2025 Annual Meeting

The following proposals will be submitted to stockholders at the 2025 Annual Meeting.

Proposal 1: To elect the 13 Director nominees named in this Proxy Statement and the accompanying proxy card to the Board for the ensuing year and until their successors are duly elected and qualify;

Proposal 2: To approve, by non-binding advisory vote, the compensation paid to the Bank’s named executive officers for 2024; and

Proposal 3: To ratify the appointment of Yount, Hyde & Barbour, P.C. (“YHB”) as the Bank’s independent registered public accounting firm for 2025,

As described below, we request that you promptly use the enclosed proxy card to vote, by Internet or by mail, in the event you desire to express your support of or opposition to the proposals.

THE BOARD UNANIMOUSLY RECOMMENDS VOTING “FOR ALL NOMINEES” NAMED IN PROPOSAL 1, “FOR” PROPOSAL 2, AND “FOR” PROPOSAL 3.

All properly executed proxy cards received by the Bank will be voted as directed by the stockholder in those proxy cards. If the Bank receives an executed proxy card that contains no voting instructions, then the named proxies intend to vote the shares represented by that proxy card “FOR ALL NOMINEES” named in Proposal 1, “FOR” Proposal 2, “FOR” Proposal 3”, and in their discretion as to any other matters that may properly come before the meeting.

OUTSTANDING SHARES AND VOTING RIGHTS

Stockholders of record at the close of business on the Record Date of issued and outstanding shares of the Common Stock are entitled to notice of and to vote at the 2025 Annual Meeting. As of the Record Date, the number of issued and outstanding shares of Common Stock entitled to vote at the 2025 Annual Meeting is 1,493,407. Each share of Common Stock is entitled to one vote on each matter presented at the 2025 Annual Meeting.

The presence, in person or by proxy, of stockholders entitled to cast a majority of all votes entitled to be cast at the 2025 Annual Meeting will constitute a quorum. Shares are counted as present at the 2025 Annual Meeting if:

1. you are a stockholder of record and you attend the 2025 Annual Meeting;
2. you are a beneficial owner of shares, you have obtained a legal proxy from your broker, bank, trustee, or other nominee, and you attend the 2025 Annual Meeting; or
3. your shares are represented by a properly authorized and submitted proxy (submitted over the Internet or by mail).

Directors are elected by a plurality of all votes cast in the election of Directors, so the withholding of a vote, an abstention and a broker non-vote will have no impact on the outcome of the vote on Proposal 1, as described in this Proxy Statement, but all of the foregoing will be counted for purposes of determining whether a quorum is present for the transaction of business. The approval, by non-binding advisory vote, of the compensation paid to the Bank's named executive officers (as defined in the section of this Proxy Statement entitled "EXECUTIVE COMPENSATION - Executive Compensation for 2024") for 2024, as described in Proposal 2 (the "Say-on-Pay Vote"), and the ratification of the appointment of YHB as the Company's independent registered public accounting firm for 2025, as described in Proposal 3, each require the affirmative vote of a majority of the shares of Common Stock voted on those proposals, so neither an abstention nor a broker non-vote with respect to those proposals will have any impact on the outcome of the votes but all of the foregoing will be counted for purposes of determining whether a quorum is present for the transaction of business. Except in cases of certain extraordinary matters for which the Bank's charter or bylaws or applicable law require a different proportion, the affirmative vote of a majority of all shares of Common Stock voted at the 2025 Annual Meeting is sufficient to approve any other proposal that may properly come before the meeting. Abstentions and broker non-votes with respect to any such other proposal (other than certain extraordinary matters as discussed above) are included for purposes of determining the presence of a quorum but are not included in calculating votes cast with respect to such proposal.

If your shares are registered directly in your name, then you are considered the stockholder of record with respect to those shares. The Bank will send the proxy materials directly to you. The proxy card accompanying this Proxy Statement will provide information regarding Internet voting.

If your shares are held in a stock brokerage account or by a bank, trustee or other nominee, then the broker, bank, trustee or other nominee is considered to be the stockholder of record with respect to those shares. In that case, you are considered to be the beneficial owner of those shares, your shares are said to be held in "street name," and the proxy materials will be forwarded to you by that nominee. You may not vote shares held in street name by returning a proxy card directly to the Bank or by voting in person at the 2025 Annual Meeting unless you provide a "legal proxy" to the Inspector of Elections, which you must obtain from your bank, broker or nominee. The Bank is not involved in the process for obtaining legal proxies. If you own your shares in street name, then the Bank urges you to instruct your broker, bank, trustee or other nominee how to vote your shares using the voting instruction form provided by your broker, bank, trustee or other nominee so that your vote can be counted. The voting instruction form provided by your broker, bank, trustee or other nominee holding your shares might also include information about how to submit your voting instructions over the Internet.

A "broker non-vote" results when a broker or other nominee who holds shares for another person has not received voting instructions from the owner of the shares and, under the applicable rules, does not have discretionary authority to vote on a matter. Brokers are not permitted to vote shares without instructions on proposals that are not considered "routine". Applicable regional and national exchange rules determine whether proposals are "routine" or "non-routine". If a proposal is "routine", then a broker holding shares for an owner in "street name" may vote on the proposal without voting instructions.

A stockholder who appoints a proxy by executing the accompanying proxy card may revoke that appointment at any time before his or her shares are voted by executing another proxy card bearing a later date, or by delivering written notice of such revocation to Mark A. Semanie, Corporate Secretary, at the Bank's address listed above or at the meeting (if the stockholder is authorized to attend the meeting in person). Attendance by a stockholder at the 2025 Annual Meeting alone will not have the effect of revoking that stockholder's validly executed proxy.

Stockholders do not have dissenters' rights of appraisal or similar rights with respect to any of the proposals to be presented at the 2025 Annual Meeting.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE
STOCKHOLDER MEETING TO BE HELD ON MAY 7, 2025**

This Proxy Statement, the accompanying proxy card, and the Bank's Annual Report to Stockholders (including its Annual Report on Form 10-K) are available at <http://www.astproxyportal.com/ast/16488/>.

ELECTION OF DIRECTORS (Proposal 1)

The number of Directors who shall constitute the Board is currently set at 13. Directors are elected at each annual meeting of stockholders and serve on the Board for the ensuing year and until their successors are duly elected and qualify.

At the 2025 Annual Meeting, stockholders will be asked to elect the 13 nominees named below. All of the nominees are incumbent directors, and all of the nominees other than Michael J. Browne were elected by stockholders at the 2024 Annual Meeting of Stockholders. The Board elected Mr. Browne as a Director in August 2024 at the recommendation of a non-management Director.

Proxies may not be voted for more than the 13 nominees named below, and stockholders cannot cumulate votes.

The names of the Director nominees, their ages as of the Record Date, their principal occupations and business experience for the past five years, and certain other information are set forth below. The President of the Bank is among those proposed to be elected as Directors of the Bank.

Nominees (terms expire in 2025):

Name	Age	Principal Occupation
Michael F. Allen	62	President of the Bank since July 2019; Director of the Bank since 2019; Chief Operating Officer (“COO”) of the Bank between 2017 and July 2019; and Executive Vice President and Business Development Officer of the Bank between April 2016 and 2017. Executive in Residence for The Graham Center for Entrepreneurial Leadership Studies at Penn State York from 2015 until 2016. Executive Vice President and COO of PeoplesBank in York, PA, from 2012 until 2015.
Michael J. Browne	53	Director of the Bank since August 2024. Chief Executive Officer of SSC, LLC, a national consulting and engineering firm, since February 2007 and Patriot Communications, a national public safety wireless communications company, since June 2010, owner/operator of Patriots Glen Golf Course LLC, a golf course and bar/restaurant, since February 2024, Co-owner of Sideline Properties LLC, a multi-sports complex, since January 2021.
Warline Bryant	60	Director of the Bank since December 2023. Chief Executive Officer and founder of BHL Group, LLC, a firm specializing in consulting, leader development, educational services and strategic planning, since 2018. Attainment of the rank of Colonel, having served 28 years of active duty in the United States Army.
Daniel M. Driver	64	Director of the Bank since June 2022. Former CFO of Kinsley Properties, a York, PA based construction company, between 1993 and his retirement in 2020.
Carolyn Wilson Evans	66	Director of the Bank since June 2000. Attorney-at-Law. Attorney, Law Offices of Anthony J. DiPaula, P.A., general practice with focus on needs of small businesses, since 2019
Richard F. Foard, Jr.	68	Director of the Bank since June 1999. Managing Member, Foard Enterprises, LLC, a consulting company, since 2008. Member, 121 HMS Properties, LLC, a land management and development, and sports arena management company, since 2003. Member, Vortex Brewing Co., LLC, a brewery and restaurant, 2021.

Stephanie Novak Hau	62	Director of the Bank since March 2019. President and CEO of Chesapeake Environmental Management, Inc., a firm providing technical expertise and regulatory knowledge to facilitate design, construction and maintenance of public infrastructure, since 1993.
Henry S. Holloway	65	Director of the Bank since November 2000. Board Chair of the Bank since May 2023. President, The Mill of Bel Air, an agriculture company, since 1986.
Timothy N. Hopkins	66	Director of the Bank since February 2007. Broker/co-owner, Street Hopkins Real Estate, LLC, a real estate brokerage company, since 1990.
Charles H. Jacobs, Jr.	71	Director of the Bank since 1989. Retired. President of the Bank between October 1999 and July 2019.
Bryan E. Kelly, CFP	54	Director of the Bank since April 2014. Managing Partner, The Kelly Group, a wealth management firm, since 1997.
Stephen K. Nolan	60	Director of the Bank since June 2000. Principal Engineer, ENTRUST Solutions Group, an engineering firm, since 1994.
Wayne Tapscott	70	Director of the Bank since January 2000. Partner, WCT and Sons, LLC, a real estate development company, since 1999. Partner (retired) of Harco Auto Park, an automobile dealership, from 1977 to 2009 and of Paidon Products, Inc., a commercial cleaning equipment and paper supply company, from 2005 to 2021. Partner, HopeWay Group, LLC, a mental health startup, since 2023.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE **FOR** THE ELECTION OF EACH NOMINEE NAMED ABOVE.

Because the outcome of the vote on this Proposal 1 relates to the re-election of the existing Directors, each such Director has an interest in the outcome of the vote.

Qualifications of Director Nominees

In addition to bringing extensive knowledge of the communities served by the Bank through their long-time residence in and involvement with their communities as business owners and managers and as volunteers, the Board believes that each Director nominee possesses a diverse balance of skills, business experience and expertise necessary to provide leadership to the Bank. The following discussion sets forth the specific experience, qualifications, other attributes and skills of each Director nominee that led the Board to determine that such person should serve on the Board.

Michael F. Allen – More than 40 years of experience in the banking industry; President of the Bank since July 2019; Director of the Bank since 2019 with service as a member of the Bank Loan Committee; COO of the Bank between 2017 and July 2019; Executive Vice President and Business Development Officer of the Bank between April 2016 and 2017.

Michael J. Browne - Entrepreneur and owner of multiple companies throughout the country, including northeast Maryland. Lifelong resident of Cecil County, Maryland with deep knowledge of this important market. Service as a Director of the Bank since 2024 and as a member of the Audit Committee.

Warline Bryant, Colonel US Army Retired – Company owner with leadership and strategic planning knowledge, and leadership skills developed through her active duty service in the United States Army for 28 years; and service as a Director of the Bank since 2023 and as a member of the Governance Committee and of the Bank’s Loan Committee.

Daniel M. Driver – An experienced financial professional with knowledge of the real estate and construction industries; leadership skills through work with a non-profit and private foundation; and service as a Director of the Bank since 2022, and as a member of the Audit Committee.

Carolyn Wilson Evans – An experienced corporate and private practice lawyer possessing leadership skills through Board service and affiliations with community and civic associations; and service as a Director of the Bank for 25 years, and as a member of the Audit, Executive and Governance Committees, and as Chair of the Bank’s Loan Committee.

Richard F. Foard, Jr. – Knowledge of the construction industry as well as the management of a large corporation; and service as a Director of the Bank for 26 years, as a member of the Audit Committee, as Chair of the Executive Committee, and as a member of the Bank’s Loan Committee.

Stephanie Novak Hau – More than 30 years of business management, and environmental regulation experience gained as the CEO of a scientific consulting firm serving public and private clients throughout the state of Maryland; previous selection by the Small Business Administration as Small Business Person of the Year; leadership skills gained through service on boards of local civic and philanthropic organizations; founder of America’s Commerce Corps, a program dedicated to strengthening communities by empowering local businesses and service as a Director of the Bank for six years, and as a member of the Audit Committee, as Chair of the Governance Committee, and as a member of the Bank’s Loan Committee.

Henry S. Holloway – Experience owning and operating a multi-store agriculture business with a large employee base; sound knowledge of the farming industry in Harford County; and service as a Director of the Bank for 25 years, as Board Chair for two years, and as a member of the Audit and Executive Committees and of the Bank’s Loan Committee.

Timothy N. Hopkins – Experience owning and operating a real estate company with extensive knowledge of the real estate industry and issues as they relate to Harford County; and service as a Director of the Bank for 18 years, and as a member of the Executive Committee, as Chair of the Audit Committee, and as a member of the Bank’s Loan Committee.

Charles H. Jacobs, Jr. – More than 40 years of experience in the banking industry; prior service as President of the Bank for 19 years; and service as a Director of the Bank for 36 years, and as a member of the Audit Committee and the Bank’s Loan Committee.

Bryan E. Kelly, CFP – Extensive financial and leadership experience gained as Managing Partner of Bel Air-based wealth management firm he co-founded in 1997 which has received the Small Business of the Year award from the Harford Chamber of Commerce and the Bel Air Business of the Year Award; service as Chair of the Board of University of Maryland Upper Chesapeake Health; service as a Director of the Upper Chesapeake Health Foundation; service as a member of the Investment subcommittee of the Finance Committee of the University of Maryland Medical System Board of Directors; service as Chair of the Harford County Spending Affordability Advisory Committee; served 10 years on Board of Trustees of Harford Community College, three years as Chair and two as Vice Chair; in 2015, served on the National Advisory Council of PIMCO, a leading global investment management firm; and service as a Director of the Bank for 11 years, and as a member of the Audit and Executive Committees, and as a member of the Bank’s Loan Committee.

Stephen K. Nolan – Business and management experience gained as a Professional Engineer and a former business owner with expertise in the construction market; and service as a Director of the Bank for 25 years, and as a member of the Audit and Executive Committees, and as a member of the Bank’s Loan Committee.

Wayne Tapscott – Business and management experience gained as retired owner of an automobile dealership and a commercial cleaning equipment and paper supply company, with extensive knowledge of the local business and lending environment; and service as a Director of the Bank for 25 years, and as a member of the Audit, Executive and Governance Committees, and as a member of the Bank’s Loan Committee.

CORPORATE GOVERNANCE MATTERS

Board Committees

The Board has established an Audit Committee, an Executive Committee, and a Governance Committee. Committee assignments are made annually by the Board at the Bank’s annual organizational meeting.

The Audit Committee, which met 16 times in 2024, was established to perform the duties of an “audit committee” as defined in Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and is responsible for: (i) monitoring the Bank’s audit policy and program; (ii) monitoring the Bank’s compliance with its policies and with applicable laws and regulations; (iii) recommending any policy changes to the Board; and (iv) the appointment, replacement, compensation, and general oversight of the Bank’s independent registered public accounting firm. The Audit Committee meets with the internal and external auditors and reports to the Board on its findings. The Audit Committee is comprised of Timothy N. Hopkins, who serves as Chair, Michael J. Browne, Daniel M. Driver, Charles H. Jacobs, Jr., and Wayne Tapscott. The Board has determined that Mr. Driver qualifies as an “audit committee financial expert” as that term is defined by Item 407 of the Regulation S-K adopted

by the Securities and Exchange Commission (the “SEC”) and satisfies the independence standards applicable to Audit Committee members (see “Director Independence” below). The Audit Committee has adopted a written charter, and a copy is available at the Investor Relations page of the Bank’s Internet website at www.HarfordBank.com.

The Executive Committee, which met six times in 2024, is comprised of Richard F. Foard, Jr., who serves as Chair, Henry S. Holloway, Bryan E. Kelly, CFP and Stephen K. Nolan. The Executive Committee also serves as the compensation committee. Until January 2025 when the Board assumed all responsibilities relating to the nomination of Director candidates, the Executive Committee also served as a nomination committee. It is empowered to: (i) review and recommend to the Board appropriate compensation for the President and the other named executive officers of the Bank; (ii) review and recommend to the Board for approval the Bank’s annual budget; and (iii) perform such other duties as may be authorized by the Board. The Executive Committee has adopted a written charter, a copy of which is available at the Investor Relations page of the Bank’s website at www.HarfordBank.com.

The Governance Committee, which met 3 times in 2024, is comprised of Stephanie Novak Hau, who serves as Chair, Warline Bryant, Carolyn Wilson Evans and Wayne Tapscott. It is responsible for assisting the Board in fulfilling its oversight responsibilities with respect to the corporate governance practices and procedures of the Bank, including by reviewing proposed amendments to the Bank’s governing documents to assure clarity, consistency, and legal compliance, coordinating leadership training and orientation for new directors, providing guidance to the Board on organizational structure, and, upon request, assisting the Board with the identification of potential candidates to fill Director vacancies. The Governance Committee has adopted a written charter, a copy of which is available at the Investor Relations page of the Bank’s website at www.HarfordBank.com.

Director Independence

To determine whether Directors are “independent”, the Board has adopted the independence standards of The New York Stock Exchange (“NYSE”) Listed Company Manual. The Board has determined that Michael J. Browne, Warline Bryant, Daniel M. Driver, Carolyn Wilson Evans, Richard F. Foard, Jr., Stephanie Novak Hau, Henry S. Holloway, Charles H. Jacobs, Jr., Timothy N. Hopkins, Bryan E. Kelly, Stephen K. Nolan, and Wayne Tapscott satisfy the independence standards contained in Rule 303A.02 of the NYSE Listed Company Manual. Each member of the Executive Committee satisfies the independence standards applicable to nominating and compensation committees contained in Rules 303A.04 and 303A.05 of the NYSE Listed Company Manual. Each member of the Audit Committee satisfies the independence standards applicable to audit committees contained in Rule 303A.07 of the NYSE Listed Company Manual. In making these independence determinations, the Board considered, in addition to the transactions described in the section of this Proxy Statement entitled “CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS”, the following: (i) construction management services provided to the Bank by a company affiliated with Richard F. Foard, Jr.; (ii) leased office space provided to the Bank by Stephanie Novak Hau’s scientific consulting firm; (iii) engineering services provided to the Bank by a company affiliated with Stephen K. Nolan; and (iv) agency services provided to the Bank by the real estate company of Timothy N. Hopkins.

Board Leadership Structure and Risk Oversight

The Board has separated the positions of Chair and President in an effort to maintain independent oversight of management. The Board Chair is an “independent director” as defined in the NYSE Listed Company Manual. The Board believes this structure best suits the Bank because it helps to ensure that the Board has a strong, independent leader who can objectively review operations and the performance of management. In addition, the Board believes that it is important to allow the President to concentrate on running the day-to-day operations of the Bank and the implementation of the Board’s policies and procedures without the added burden of also managing the Board.

The Board administers risk oversight by assigning various organizational risk oversight functions to its committees, which report to the full Board on a regular basis.

The Audit Committee monitors compliance risk, risks related to the Bank’s reputation, the Bank’s internal control over financial reporting, including the internal audit function, and the performance of and reports by the Bank’s independent registered public accounting firm.

The Executive Committee monitors the Bank’s market and strategic risks through its oversight of marketing and strategic initiatives, and periodically meets with the President and the Chief Financial Officer (the “CFO”) so that it may be kept apprised of the Bank’s general operating environment. The Executive Committee also manages compensation risk through its authority to review and recommend the Bank’s director and executive compensation practices and policies.

The Bank has established a Loan Committee comprised of both directors and officers that is charged with monitoring the Bank's credit risk in accordance with guidelines established by the Board and bank regulatory agencies, and approving loans made by the Bank within acceptable guidelines. The Loan Committee also monitors the Bank's concentrations of commercial real estate loans and the risk rating of loans.

Interest rate risk, liquidity risk, various strategic risks, valuation risks and transaction risks are monitored by the Bank's Asset Liability Committee, which is comprised of both directors and officers, and by the Board's interaction with its various committees.

Director Attendance at Board Meetings

The Board held 12 regular meetings, two special meetings and one organizational meeting during 2024. During 2024, all Directors attended at least 75% of the aggregate of (i) the total number of meetings of the Board (held during the period for which that person served as a Director) and (ii) the total number of meetings held by all committees of the Board on which that person served (during the period served).

Director Attendance at Annual Meetings of Stockholders

The Board believes that each Annual Meeting is an opportunity for stockholders to communicate directly with Directors and, accordingly, expects that all Directors will attend each Annual Meeting. All Directors who were then serving on the Board, with the exception of Carolyn Wilson Evans and Richard F. Foard, Jr., attended the 2024 Annual Meeting of Stockholders. If you would like an opportunity to discuss issues directly with the Bank's Directors, then please consider attending the 2025 Annual Meeting.

Director Nomination Process

The Governance Committee is responsible for assembling and maintaining a list of qualified candidates to fill vacancies on the Board and making nomination recommendations to the Board. The Governance Committee will periodically review this list and research the talent, skills, expertise, and general background of these candidates.

In recommending Director nominees to the Board, the Governance Committee will consider candidates recommended by the Bank's stockholders. Whether recommended by a stockholder or recommended independently by the Governance Committee, a candidate will be nominated based on his or her talents in relation to the talents of the existing Board members and the needs of the Board. When identifying director candidates for nomination, it is the goal of the Governance Committee and the Board to foster relationships among Directors that are complementary and that will make the Board most effective.

The Governance Committee does not have a formal diversity policy with respect to the identification of Director candidates. Rather, it looks to fill vacancies and add Directors based on the specific needs of the Bank at a given time, taking into consideration a candidate's experience, talents and business acumen. A candidate, whether recommended by a Bank stockholder or otherwise, will not be considered for nomination unless he or she (i) is of good character, (ii) is a citizen of the United States, (iii) is younger than 72 years of age, and (iv) owns, or commits to acquire promptly after election, at least \$500 worth of shares of Common Stock, as determined in accordance with the Financial Institutions Article of the Annotated Code of Maryland. Additionally, the Board believes it is important that nominees (a) have the ability to attract business to the Bank, (b) live or work within the communities in which the Bank operates, and (c) possess the skills and expertise necessary to provide leadership to the Bank. Certain Board positions, such as Audit Committee membership, may require other special skills, expertise, or independence from the Bank. Further, the Bylaws provide that a majority of the Bank's Directors must reside (and must have resided for at least one year prior to election) in the State of Maryland.

Stockholder recommendations for Director nominations should be submitted in writing to: Harford Bank, 8 West Bel Air Avenue, P.O. Box 640, Aberdeen, Maryland 21001, Attn: President; and must specify (i) the recommending stockholder's contact information, (ii) the class and number of shares of the Common Stock beneficially owned by the recommending stockholder, (iii) the name, address and credentials of the candidate for nomination, and (iv) the candidate's consent to be considered as a candidate. Whether a stockholder recommendation is considered for a particular vacancy or a particular year's Proxy Statement will depend on the date that the recommendation is received by the Bank, taking into account the time needed to investigate the candidate, and on the particular needs of the Board at that time, including the requirement under the Bank's Bylaws that a majority of the Directors must reside in Maryland.

It should be noted that there is no guarantee that the Board will nominate a candidate recommended by a stockholder. A stockholder who desires to nominate a candidate for election may do so only in accordance with Section 1.5 of Article I of the Bylaws, which provides as follows:

A nomination for the election of a Director may be made by the Board of Directors and, subject to the other provisions of this Section, by a holder of any outstanding class of stock of the Bank who is entitled to vote for the election of Directors. Notice by a stockholder of his, her or its intention to make a nomination shall be made in writing and shall be delivered or mailed to the Chairperson of the Board or the President of the Bank not less than 150 days nor more than 180 days prior to the date of the meeting of stockholders called for the election of Directors which, for purposes of this provision, shall be deemed to be on the same date as the annual meeting of stockholders for the preceding year. Such notification shall contain the following information to the extent known by the notifying stockholder: (a) the name and address of each proposed nominee; (b) the principal occupation of each proposed nominee; (c) the number of shares of capital stock of the Bank owned by each proposed nominee; (d) the name and residence address of the notifying stockholder; (e) the number of shares of capital stock of the Bank owned by the notifying stockholder; (f) the consent in writing of the proposed nominee as to the proposed nominee's name being placed in nomination for Director; and (g) all information relating to such proposed nominee that would be required to be disclosed by Regulation 14A under the Securities Exchange Act of 1934, as amended, and any rules promulgated thereunder, assuming such provisions would be applicable to the solicitation of proxies for such proposed nominee. Nominations that are not made in accordance herewith shall be disregarded and, upon the Chairperson's instructions, the inspector or judge of elections (if voting is conducted by a judge appointed by the Board) shall disregard all votes cast for such nominee.

See the section of this Proxy Statement entitled "DIRECTOR NOMINATIONS AT THE 2026 ANNUAL MEETING" below for additional information.

In addition, Section 2.3 of Article II of the Bylaws provides that no person shall be eligible to stand for election as a Director after attaining 72 years of age.

Stockholder Communications with Directors

Stockholders may send communications to the Board by contacting its Corporate Secretary, Mark A. Semanie, at Harford Bank, 8 West Bel Air Avenue, P.O. Box 640, Aberdeen, Maryland 21001 or 410-272-5000. All communications will be forwarded directly to the Board Chair.

Family Relationships Among Directors, Nominees and Executive Officers

None.

Policy with Respect to Hedging Transactions

The Bank has not adopted any practices or policies regarding the ability of employees (including officers) or Directors, or any of their designees, to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds), or otherwise engage in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Bank's equity securities (i) granted to the employee or Director by the Bank as part of his or her compensation or (ii) held, directly or indirectly, by the employee or Director.

Insider Trading Policy

The Bank has adopted insider trading policies and procedures governing the purchase, sale, and/or other dispositions of shares of Common Stock by directors, officers and employees of the Bank and its subsidiaries that it believes are reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Bank. A copy of the Bank's Insider Trading Policy was filed as Exhibit 19.1 to the Bank's Annual Report on Form 10-K for the year ended December 31, 2023. The Bank has not adopted an insider trading policy governing the Bank's purchase, sale, and/or other dispositions of shares of Common Stock. Section 2-310(a) of the Maryland General Corporation Law requires the Board to approve any acquisition by the Bank of shares of Common Stock, and it has been the Bank's policy to consult with its legal counsel prior to the Board's approval of any plan or other arrangement to acquire any shares to ensure compliance with applicable laws.

DIRECTOR COMPENSATION

The following table provides information about compensation paid to or earned by the Bank's Directors who were not also named executive officers during 2024. The section of this Proxy Statement entitled "EXECUTIVE COMPENSATION" provides information about Directors who are also named executive officers.

Director Compensation Table

	Fees earned or paid in cash (\$)	Option awards (\$ (1) (2))	All other compensation (\$ (3))	Total (\$)
Tony L. Bennett, CPCU, CIC	\$ 5,800	\$ -	\$ 346	\$ 6,146
Michael J. Browne	7,683	-	1,125	8,808
Warline Bryant	24,783	-	4,500	29,283
Daniel M. Driver	22,650	4,800	4,500	31,950
Carolyn Wilson Evans	25,350	4,800	5,459	35,609
Richard F. Foard, Jr.	20,900	4,800	5,357	31,057
Stephanie Novak Hau	22,300	4,800	4,500	31,600
Henry S. Holloway	23,250	4,800	5,037	33,087
Timothy N. Hopkins	24,950	4,800	4,686	34,436
Charles H. Jacobs, Jr.	20,700	4,800	4,500	30,000
John S. Karas	3,850	-	351	4,201
Bryan E. Kelly, CFP	17,700	4,800	4,500	27,000
Stephen K. Nolan	22,650	4,800	5,079	32,529
Wayne Tapscott	21,450	4,800	5,479	31,729

Notes:

- (1) Amounts reflect the aggregate grant date fair value of stock options computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation - Stock Compensation*. See Notes 1 and 13 to the audited financial statements contained in the Bank's Annual Report on Form 10-K for the year ended December 31, 2024 regarding assumptions underlying valuation of equity awards.
- (2) Outstanding stock options held by Directors at December 31, 2024 were as follows: Mr. Bennett, options to purchase 5,746 shares; Mr. Driver, options to purchase 775 shares; Ms. Evans, options to purchase 5,746 shares; Mr. Foard, options to purchase 5,746 shares; Ms. Hau, options to purchase 1,535 shares; Mr. Holloway, options to purchase 6,320 shares; Mr. Hopkins, options to purchase 6,320 shares; Mr. Jacobs, options to purchase 1,535 shares; Mr. Karas, options to purchase 4,025 shares; Mr. Kelly, options to purchase 775 shares; Mr. Nolan, options to purchase 5,746 shares; and Mr. Tapscott, options to purchase 6,320 shares.
- (3) Amounts include a \$4,500 bonus earned by each Director prorated for time served on the Board and, except for Mr. Browne, Ms. Bryant, Mr. Driver, Ms. Hau, Mr. Jacobs, and Mr. Kelly, imputed income related to the bank-owned life insurance program (see discussion below).

Director Compensation Philosophy

In recommending Director compensation to the Board, the Executive Committee considers the legal responsibilities that Directors owe to the Bank and its stockholders in connection with their service on the Board and its committees and the risks to the Directors associated with their service, and reviews the fees and benefits paid to directors of similar institutions in and around the Bank's market areas. Until its expiration in April 2014, non-employee Directors were also entitled to participate in the Bank's 2004 Director Non-Qualified Stock Option Plan (the "2004 Director Plan"). In April 2015, the Board approved the 2015 Director Stock Option Plan (the "2015 Director Plan"). The number of options to be granted each year is determined in the Spring of that year, based in part on the number of shares that remained available for issuance under the 2015 Director Plan and its remaining term. For the most part, options were distributed equally among the Directors. An option's grant date is the date on which the Board approves the grant and all key terms have been determined. An option's exercise price is the fair market value of a share of Common Stock on the grant date, although the 2004 Director Plan and 2015 Director Plan contain anti-dilution provisions pursuant to which the exercise price, and the number of shares subject to outstanding options, will be proportionately adjusted to reflect certain capital events, such as stock splits, stock dividends, and recapitalizations. For the bank-owned life insurance

("BOLI") program (see below), the Board may elect to increase the coverage amounts of the Bank's BOLI policies to accommodate new directorships or to increase benefits to existing Directors as a means of retaining and motivating exceptional Directors.

Director Fees

In 2024, the Board met on the third Thursday of each month. Non-employee Directors received \$900 for each meeting held by the Board, although, after missing two meetings, a Director would not receive a fee for any meeting that he or she failed to attend. The Board Chair received an additional \$400 for each meeting of the Board that he or she attended. Non-employee Directors who serve on any of the Audit Committee, the Executive Committee, the Governance Committee or the Loan Committee receive \$250 for each committee meeting attended. The chairs of the Audit, Executive, Governance and Loan Committees each receive \$450 for each respective committee meeting. In addition to these meeting fees, each non-employee Director receives an annual cash retainer of \$5,000 prorated for service provided as applicable.

Director Bonus Program

The Executive Committee believes that cash bonuses are a valuable means of attracting, retaining and motivating exceptional Directors, and each non-employee Director is eligible to receive an annual cash bonus if recommended by the Executive Committee and approved by the Board. As a general practice, the Executive Committee will recommend to the Board that bonuses be paid if, based on its review in November of the Bank's projected earnings for the year, it determines that an acceptable income trend is present. Based on its review of the Bank's projected earnings for 2024, the Executive Committee recommended that a \$4,500 bonus be awarded to each non-employee Director, prorated for service provided as applicable. After considering that recommendation, the Board awarded the bonuses.

Director Stock Option Plan

The Board believes that equity compensation is a valuable component of Director compensation and helps the Bank to attract, retain and motivate exceptional Directors. Historically, the Board has satisfied this component of Director compensation through the 2004 Director Plan, which was adopted in 2004 and contemplated the grant of nonqualified stock options. The 2004 Director Plan is administered by the Board. Although the 2004 Director Plan expired on April 15, 2014, options granted under the 2004 Director Plan remained outstanding and remain subject to its terms through April 15, 2024. On April 9, 2015, the Board approved the 2015 Director Plan, with 87,418 shares authorized for issuance thereunder (adjusted for stock dividends). To be eligible for participation in the 2015 Director Plan, a Director must have served on the Board for at least one year and had an attendance record of at least 50% of the regularly scheduled Board meetings during the 12 months immediately preceding participation. Options vest and become exercisable according to the vesting date set forth in each stock option agreement. The exercise price of an option is the fair market value of a share of Common Stock on the date the option is granted, although the 2004 Director Plan and 2015 Director Plan contain anti-dilution provisions pursuant to which the exercise price, and the number of shares subject to outstanding options, will be proportionately adjusted to reflect certain capital events, such as stock splits, stock dividends, and recapitalizations. Generally, an option has a term of 10 years from the date of grant. In the event an optionee's service with the Bank is terminated for "Cause" (as defined in the 2004 Director Plan and 2015 Director Plan), then the unexercised portion of any option held by that optionee will immediately terminate, be forfeited and lapse. If an optionee's service with the Bank is terminated because of death or disability, then the optionee (or his or her personal representative, administrator or a person who acquired the right to exercise any unexercised portion of the option by bequest, inheritance or death of the optionee) will have one year (subject to each option's stated term) to exercise the unexercised portion of his or her options. If an optionee's service with the Bank is terminated for any other reason, then the optionee will have up to three months (subject to each option's stated term) to exercise the unexercised portion of his or her options. Upon a "Change in Control" (as defined in the Director Plan) of the Bank, all unexercised options will immediately vest and become exercisable.

During 2024, each qualifying non-employee Director was granted an option to purchase 890 shares of Common Stock. As of December 31, 2024, 46,466 shares of Common Stock were subject to outstanding options under the 2004 Director Plan and 2015 Director Plan.

Bank-Owned Life Insurance Benefits for Directors (Director BOLI Program)

In April 2006, the Bank paid premiums totaling \$700,000 to purchase BOLI policies on the lives of its non-employee Directors, and all of the current Directors other than Ms. Bryant, Ms. Hau and Messrs. Driver, Hopkins, Jacobs, and Kelly were among the covered Directors. The Bank is the sole owner of the BOLI policies, is the sole death beneficiary of the BOLI policies, and is entitled to the cash surrender values of the BOLI policies. However, pursuant to a Joint Beneficiary Designation Agreement dated July 20, 2006 with each of the covered Directors, the Bank has agreed to pay, should the Director be serving on the Board of the Bank at the time of death, or terminated due to disability at the time of death, an amount equal to 75% of the

net-at-risk insurance portion of the death proceeds payable to the Bank under the BOLI policy (i.e., the death benefit less the cash value of the policy) to the Director's designated beneficiaries (the "2006 BOLI Arrangement"). The Bank and each covered Director are entitled to share in any interest earned on the death proceeds on a pro rata basis. In December 2010, the Bank paid an additional premium of \$70,000 to purchase a BOLI policy on the life of Mr. Hopkins, and the Bank and Mr. Hopkins entered into an Endorsement Split Dollar Life Insurance Agreement on February 24, 2011 that provides substantially the same benefits that are available to the Directors under the 2006 BOLI Arrangement. Mr. Browne, Ms. Bryant, Mr. Driver, Ms. Hau, Mr. Jacobs, and Mr. Kelly do not participate in the Bank's Director BOLI program.

The values of the death benefits on the covered Directors under the Director BOLI program as of December 31, 2024 were as follows: Mr. Bennett, \$39,012; Ms. Evans, \$70,982; Mr. Foard, \$50,624; Mr. Holloway, \$45,114; Mr. Hopkins, \$73,734; Mr. Karas, \$39,602; Mr. Nolan, \$88,911; and Mr. Tapscott, \$47,489.

For federal income tax purposes, an insured Director realizes income from the arrangement each year equal to the assumed cost of his or her life protection.

AUDIT COMMITTEE REPORT

The Audit Committee has (i) reviewed and discussed the Bank's audited financial statements with Bank management, (ii) discussed with YHB, the Bank's independent registered public accounting firm for the year ended December 31, 2024, the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB") and the SEC, and (iii) received the written disclosures and the letter from YHB required by applicable requirements of the PCAOB regarding YHB's communications with the Audit Committee concerning its independence, and discussed with YHB its independence. Based on these reviews and discussions, the Audit Committee recommended to the Board that the audited consolidated financial statements for the year ended December 31, 2024 be included in the Bank's Annual Report on Form 10-K for the year ended December 31, 2024.

Audit Committee

By: Timothy N. Hopkins, Chair
Michael J. Browne
Daniel M. Driver
Charles H. Jacobs, Jr.
Stephen K. Nolan

EXECUTIVE OFFICERS

Information about the Bank's current executive officers is provided below.

Michael F. Allen, age 62, has served as the Bank's President since July 2019 and as a Director of the Bank since 2019. Prior to that time, Mr. Allen served as the Executive Vice President and Business Development Officer of the Bank between April 2016 and 2017, where he was responsible for developing and managing business loan and deposit relationships, and as COO between 2017 and July 2019. Prior to serving as Executive in Residence for The Graham Center for Entrepreneurial Leadership Studies at Penn State York from 2015 until March 2016, Mr. Allen was Executive Vice President and COO of PeoplesBank in York, PA, from 2012 until 2015. He was Executive Vice President, Regional Market Manager, and eventually Chief Credit Officer at Kish Bank in State College, PA, from 2007 to 2012. Mr. Allen worked in various capacities for the Mercantile Bankshares Corporation from 1986 until 2007.

Stewart C. Lee, age 61, has served as the Bank's Executive Vice President and Chief Administrative Officer ("CAO") since February 2022. Prior to that time, and since March 2018, Mr. Lee served as Executive Vice President of Howard Bank where he was responsible for managing several business lending teams and creating the small business lending group. Prior to that, and since July 2014, Mr. Lee served as Executive Vice President and CLO of First Mariner Bank. From 2008 to 2014, he was a commercial Team Leader for Wilmington Trust Company until its acquisition by M&T Bank in 2011, after which time he was a Regional Manager for Business Banking for M&T Bank. Mr. Lee worked in various capacities for Mercantile Bankshares Corporation from 1987 to 2008, with the last of those years working for PNC after its acquisition of Mercantile Bankshares Corporation in 2007.

Lorrie A. Schenning, age 56, has served as the Bank's Executive Vice President and Chief Lending Officer ("CLO") since March 2021. Prior to that time, Ms. Schenning served as a Senior Vice President and CLO since April 2017. Prior to that time and since December 2015, Ms. Schenning served as a Senior Vice President and Business Development Officer of the Bank, where she was responsible for developing and managing business loan and deposit relationships. From 2008 to December 2015,

Ms. Schenning held positions of increasing responsibility at PeoplesBank, culminating as Senior Vice President and Director of Maryland business development. Ms. Schenning holds a Bachelor degree in Business Administration and Masters of Science in Finance degree both from Loyola College.

Mark A. Semanie, 62, joined the Bank in May 2024 as Senior Vice President. He was appointed Chief Financial Officer in January 2025. Prior to joining the Bank, Mr. Semanie served as Mid-Atlantic Market President for WesBanco Bank from November 2019 to May 2024, Chief Operating Officer of Old Line Bancshares and Old Line Bank from January 2013 to November 2019, and Chief Financial Officer of Carrollton Bancorp and Carrollton Bank from January 2010 to December 2012. Prior to that, he was a self-employed business consultant specializing in the financial services industry from January 2009 to December 2009 and was Executive Vice President and Chief Financial Officer for Bay National Bank from October 2000 through December 2008. Mr. Semanie passed the CPA exam in 1985 and worked in public accounting for KPMG from August 1985 until March 1993.

Officers are appointed by the Board on an annual basis.

EXECUTIVE COMPENSATION

Executive Committee Processes and Procedures for Determining Compensation

The Bank's Executive Committee is empowered to review the annual compensation programs and procedures for all of the Bank's executive officers and Directors and to make recommendations to the Board with respect to such programs and procedures. The paragraphs that follow discuss the objectives, components and methodology of the Bank's executive compensation program. Specific details relating to the amounts paid, earned and/or awarded to the Bank's "named executive officers" (as defined below) are provided below under the heading "Executive Compensation for 2024".

The primary objective of the Bank's executive compensation program is to attract and retain qualified, energetic executive officers who are enthusiastic about the Bank's mission and culture. A further objective of the compensation program is to provide incentives and reward each member of management for his or her contribution to the Bank. In addition, the Bank strives to promote an ownership mentality among key leadership and the Board.

The Bank's executive compensation program is designed to reward teamwork and each executive's contribution to the Bank. In measuring each executive's contribution to the Bank, the Executive Committee considers numerous factors, such as growth of the Bank, growth of its earnings, achievement of budgeted goals, earnings per share, and growth of the Bank's market share. Further, the Executive Committee believes that the compensation structure must attract, retain and motivate qualified executives.

Regarding most compensation matters, including executive compensation, the Bank's President provides recommendations to the Executive Committee and to the Board; however, the Executive Committee does not delegate any of its functions to others in setting compensation.

Each executive's current and prior compensation is considered in setting future compensation. Base compensation is generally targeted to recognize each executive officer's value, performance and historical contributions to the Bank's success in light of salary standards in the marketplace. In addition, the Executive Committee reviews the compensation practices of the Bank's competitors. To some extent, the Bank's compensation program is based on the market and the entities with which the Bank competes for executives. The elements of the Bank's plan are similar to the elements used by many financial institutions.

In deciding whether to recommend to the Board that bonuses be paid to executive officers, the Executive Committee evaluates the Bank's year-to-date earnings and determines whether, in its judgment, there was an acceptable income trend. The amount of the bonus paid to each executive is based on a determination by the Board, upon the recommendation of the Executive Committee, that earnings for the year were favorable.

The Executive Committee and the Board believe that the ownership of equity by employees and executives serves to align their interests with those of the Bank and motivates them to grow and responsibly manage the Bank. At the 2020 Annual Meeting, the Bank's stockholders approved the Harford Bank 2020 Employee Stock Purchase Plan (the "ESPP"), which permits employees of the Bank and its designated subsidiaries to purchase shares of Common Stock at a discount from the fair market value of a share on the last business day of the applicable offering period under the ESPP, subject to limits set by the Internal Revenue Code (the "Code") and the ESPP. The discount for each offering period is set by the Executive Committee, who serves as the "Administrator" of the ESPP. Sales of shares under the ESPP are generally made pursuant to offerings that are intended to satisfy the requirements of Section 423 of the Code. Subplans that do not satisfy the requirements of Section 423 of the Code

can be authorized under the ESPP; however, the Board has not authorized these subplans in the past and has no current intention to do so in the future.

The Bank has a tax-qualified 401(k) and Profit Sharing Plan (the “401(k) Plan”) which is available to all employees who have reached the age of 20 and have completed at least three months of service as defined by the Plan. The Bank makes matching contributions of 100% on the first 3% of compensation deferred, plus 50% on the next 2% of compensation deferred. Participants are immediately vested in the matching contributions made by the Bank, and discretionary profit sharing contributions, if any, will vest ratably over a six-year period beginning in year two.

For the Bank’s BOLI program that from time to time may be available to executive officers, the Board sets the amounts payable to the estates of the executives, and the conditions under which they will become entitled to receive such benefits, based on the executive’s position and current salary.

Under the Bank’s Supplemental Executive Retirement Plan (the “SERP”), the Bank is required to establish a “Pre-Retirement Account”, which is to be credited each plan year with an amount equal to the difference between (i) the annual after-tax income earned (or deemed to be earned) on a life insurance policy on the life of the executive for the plan year and (ii) the opportunity cost of that policy for the plan year. The amount credited is reduced by an expense factor that was determined based on the executive’s position, age and current salary. The accrued benefits constitute the normal retirement SERP benefits and are generally payable after normal retirement. In addition, the Board agreed to make an additional retirement benefit payment to Mr. Jacobs, the former Harford Bank President, for life once his normal retirement SERP benefit has been disbursed, and it also agreed to make a disability payment to Mr. Jacobs under certain circumstances that are in addition to his normal retirement SERP benefits.

Role of Compensation Consultants

During 2024, no compensation consultant was engaged by the Board, the Executive Committee, or management with respect to the amount or form of compensation to be paid to executive officers or Directors. In making compensation decisions, the Board and the Executive Committee took into account information contained in third-party bank compensation surveys, including one published by Blanchard Consulting Group, the American Bankers Association Community Banks Compensation & Benefits Survey Report, and BankDirectors’ 2024 Compensation & Talent Survey.

Executive Compensation for 2024

The following table sets forth, for each of the last two calendar years (which were also the Bank’s last two fiscal years), the total remuneration awarded to, earned by, or paid to (i) each person who served as the Bank’s principal executive officer at any time during 2024, (ii) the Bank’s two most highly compensated executive officers other than the principal executive officer who were serving as such as of December 31, 2024 and whose total compensation (excluding above-market and preferential earnings on nonqualified deferred compensation) exceeded \$100,000 during 2024, and (iii) up to two additional individuals for whom disclosure would have been provided pursuant to the foregoing item (ii) had they been serving as executive officers of the Bank as of December 31, 2024 (the foregoing are referred to as the “named executive officers”). For purposes of this Proxy Statement, the “named executive officers” include Mr. Allen, Ms. Schenning, and Neil L. Christ, who served as the Bank’s Senior Vice President and CFO from July 2011 until his retirement on December 31, 2024.

SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary (\$)	Bonus (\$) (2)	Option awards (\$)	Nonequity	All other	Total (\$)
					incentive plan compensation (\$)	compensation (3) (4)	
Michael F. Allen President (1)	2024	374,423	100,000	-	-	14,768	489,191
	2023	360,000	65,000	-	-	14,768	439,768
Lorrie A. Schenning Executive Vice President/CLO	2024	233,866	47,000	-	-	12,653	293,519
	2023	224,871	46,922	-	-	11,134	282,927
Neil L. Christ, CPA, MBA Senior Vice President/CFO	2024	211,256	41,000	-	-	15,278	267,534
	2023	203,131	41,000	-	-	15,166	259,297

Notes:

- (1) Mr. Allen also serves on the Board but receives no separate remuneration for such service.
- (2) Amounts reflect awards under the Bank’s bonus plan discussed below.
- (3) For Mr. Allen, the amounts include imputed income of \$3,168 for 2024 and \$3,168 for 2023 under the Bank’s group term life insurance program. For Ms. Schenning, the amounts include imputed income of \$2,064 for 2024 and \$1,995 for 2023 under the Bank’s group term life insurance program. For Mr. Christ, the amounts include imputed income of \$5,628 for 2024 and \$5,413 for 2023 under the Bank’s group term life program.
- (4) Amounts include the following Bank contributions to the 401(k) and Profit Sharing Plan described below (rounded to the nearest dollar): Mr. Allen, \$11,600 for 2024 and \$11,600 for 2023; Ms. Schenning, \$10,589 for 2024 and \$9,139 for 2023; and Mr. Christ, \$9,650 for 2024 and \$9,753 for 2023.

Employment Arrangements

The Bank has entered into an Employment Agreement with each of Michael F. Allen, Lorrie A. Schenning, and Neil L. Christ (each, an “Employment Agreement” and collectively, the “Employment Agreements”). Each Employment Agreement provides for an initial one-year term, with successive one-year renewal terms unless either party provides the other party with 90 days’ prior written notice of its intention to not renew the term of Employment Agreement upon its normal expiration. The Employment Agreements set the annual base salary rates for Mr. Allen, Ms. Schenning and Mr. Christ at \$325,000, \$206,607, and \$195,318, respectively, subject to periodic review, and provides that the officers will be eligible to participate in such equity compensation, bonus, incentive and other executive compensation programs as may be made available to senior management of the Bank from time to time. The employee benefits to be provided pursuant to each Employment Agreement include 25 days of paid time off (“PTO”) and such other employee benefits as may be made available from time to time to similarly-situated executive officers of the Bank. The Employment Agreements provides that, upon the termination of an officer’s employment for any reason, the officer will be entitled to receive all unpaid compensation, the cash value of all accrued but unused PTO, and other monetary compensation that has accrued but remains unpaid through the date of such termination.

Each Employment Agreement provides for severance payments in the event that the officer’s employment is terminated without “Cause” (as defined in the Employment Agreement) or if the officer terminates his or her employment for “Good Reason” (as defined in the Employment Agreement). In those cases, (i) the officer will receive, as severance, continued base salary at his

or her then-current rate for 12 months following termination, (ii) the officer will have the right to continue his or her participation in the Bank's health, dental and life insurance benefit plans, the costs of which, for 12 months following termination, will be paid by the Bank, and (iii) any unvested equity awards that he or she holds will immediately vest and become payable or exercisable pursuant to their terms. If, however, a termination without "Cause" or for "Good Reason" occurs within 12 months after a "Change in Control" (as defined in the Employment Agreement), then, in lieu of the payments described in item (i) above (but in addition to the benefits described in items (ii) and (iii) above), the officer will be entitled to a lump sum change-in-control severance payment. In Mr. Allen's case, the change-in-control severance payment would equal to 2.0 times the sum of (a) his then-applicable annual base salary rate and (b) the average of the cash bonuses actually earned by Mr. Allen for the three calendar years immediately preceding the year in which the termination of employment occurs. In the cases of Ms. Schenning and, while he was employed, Mr. Christ, the change-in-control severance payment would equal to 1.0 times the sum of (a) the officer's then-applicable annual base salary rate and (b) the average of the cash bonuses actually earned by the officer for the three calendar years immediately preceding the year in which the termination of employment occurs. If the Bank determines that the aggregate present value of any portion of this change in control severance payment that is considered "Contingent Payments" (as defined in the Employment Agreement), together with all other "Contingent Payments" payable to the officer, exceeds 2.99 times the officer's "Base Amount" (as defined in the Employment Agreement), such that the excise tax under Section 4999 of the Code would otherwise be triggered, then the Agreement provides that the change in control severance payment will be reduced to the extent necessary to avoid the imposition of that excise tax. Except for the accrued but unpaid compensation and accrued but unused PTO payable in the case of any termination, the payment of all of the foregoing amounts is conditioned upon each officer's execution, delivery, and non-revocation of a Separation Agreement in substantially the form attached to the Employment Agreement and, in certain cases, their compliance with certain notice and other requirements.

The Employment Agreements provide that (i) for one year following the termination of the officer's employment for any reason, the officer may not, directly or indirectly, compete with the Bank or its affiliates from or at any place in the State of Maryland that is located within 60 miles of the officer's most-recently designated employment location at the Bank, and (ii) for two years following the termination of Mr. Allen's employment for any reason and for one year following the termination of Ms. Schenning's or Mr. Christ's employment for any reason, the officer may not, directly or indirectly, (a) solicit the Bank's business relationships, (b) solicit, engage or hire any of the Bank's independent contractors or employees, or (c) urge any of the Bank's business relationships to reduce its business with the Bank or assist any other person with any such reduction. Each of the Employment Agreements also contains representations and warranties by the officer, covenants regarding confidentiality of Bank information, the return of Bank property upon termination, non-disparagement, and other provisions that are customary for these types of employment agreements.

The annual salaries proposed in 2025 for Mr. Allen and Ms. Schenning are \$425,000 and \$243,000.

Bonus Plan

The Bank has a single discretionary cash bonus plan with respect to which all employees were eligible to participate, and each of the named executive officers received a cash bonus under this plan for 2024. Bonuses are awarded at the discretion of the Board. There is no fixed formula for determining the amounts to be paid to a particular named executive officer. Each November, the Executive Committee reviews the Bank's estimated earnings for the year and makes recommendations to the Board with respect to the bonuses, if any, that should be paid to the named executive officers. The Board has discretion to adjust the bonus amount when in its estimation the Bank's earnings for a given year warrant such an adjustment. Bonuses awarded to Messrs. Allen and Christ and to Ms. Schenning for 2024 represented 26.7%, 20.2% and 20.9% of their respective salaries.

Profit Sharing Plan

The total amount contributed by the Bank under the 401(k) Plan for all employees, including the named executive officers, in 2024 was \$265,201.

Equity Compensation Plans

The Bank has granted options to purchase shares of the Bank's Common Stock to the named executive officers under the 2008 Harford Bank Key Employee Stock Option Plan (the "Key Employee Plan"), which was adopted by stockholders in 2008. The Bank's ability to grant options under the Key Employee Plan expired on April 23, 2018, but options granted prior to that date remain outstanding and subject to exercise through 2028.

The Key Employee Plan contemplated the grant of stock options that were intended to qualify as incentive stock options within the meaning of Section 422 of the Code to certain key employees, including executive officers and officers who are also Directors, and non-qualified stock options, or stock options that are not intended to qualify as incentive stock options. The Key Employee Plan is administered by, and participants are selected by, the Executive Committee. Options vest beginning three years

after the date of grant. Generally, an option permits an optionee to purchase a certain number of shares of Common Stock at a price per share equal to at least the fair market value of a share on the grant date. An option has a term of 10 years from the date of grant. If an optionee's service with the Bank is terminated for "Cause" (as defined in the Key Employee Plan), then the unexercised portion of any option held by the optionee will immediately terminate, be forfeited and lapse. If an optionee's service with the Bank is terminated because of death or disability, then the optionee (or his or her personal representative, administrator or a person who acquired the right to exercise any unexercised portion of the option by bequest, inheritance or death of the optionee) will have one year (subject to each option's stated term) to exercise the unexercised portion of his or her options. If an optionee's service with the Bank is terminated for any other reason, then the optionee will have up to three months (subject to each option's stated term) to exercise the unexercised portion of his or her options. Upon a "Change in Control" (as defined in the Key Employee Plan) of the Bank, all unexercised options will immediately vest and become exercisable.

As of December 31, 2024, stock options to purchase 8,666 shares of Common Stock were outstanding under the Key Employee Plan, of which amount options to purchase 5,340 shares were held by the named executive officers.

The following table sets forth certain information about options to purchase shares of Common Stock under all equity compensation plans held by named executive officers that remained unexercised at December 31, 2024.

Outstanding Equity Awards at Fiscal Year End					
Option Awards					
Name	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Option exercise price (\$)	Option expiration date	
Michael F. Allen	911	-	23.40	5/25/2027	(1)
	2,500	-	26.60	4/12/2028	(2)
Lorrie A. Schenning	729	-	23.40	5/25/2027	(1)
	1,200	-	26.60	4/12/2028	(2)
Neil L. Christ	0	-	-	-	

Notes:

- (1) Options vested May 25, 2020.
- (2) Options vested April 12, 2021.

Supplemental Executive Retirement Plan

On May 2, 2017, the Bank adopted a SERP for the benefit of Neil L. Christ (the "2017 SERP"), with an effective date of April 26, 2017.

The 2017 SERP contemplates monthly payments to Mr. Christ under certain conditions following his Separation from Service (as defined in the 2017 SERP). The payments will be funded by two annuity contracts that the Bank has purchased (collectively, the "Annuity"), by way of income riders that provide for a withdrawal or payment feature during Mr. Christ's life (collectively, the "Rider"). The payments contemplated by the 2017 SERP are as follows:

- *Normal Retirement Benefit:* In the case of a Separation from Service after reaching age 65 ("Normal Retirement Age") for any reason other than death or Disability (as defined in the 2017 SERP), Mr. Christ will receive a monthly payment equal to the amount that is paid pursuant to the Rider. Such payments will commence on the first day of the second month following the date of separation and will continue for the remainder of Mr. Christ's life. Assuming a Separation from Service at Normal Retirement Age, the Bank projects that each such payment would be approximately \$2,500.
- *Early Retirement Benefit:* In the case of a Separation from Service after reaching age 60 and before reaching Normal Retirement Age for any reason other than death or Disability, Mr. Christ will receive a monthly payment equal to a percentage of the amount that is paid pursuant to the Rider, with the percentage being the ratio of (i) the amount of the liability in respect of the 2017 SERP that the Bank is required to accrue under generally accepted accounting principles on behalf of Mr. Christ (the "Account Balance") as of the separation date to (ii) the projected Account Balance at Normal Retirement Age. Such payments will commence on the first day of the second month following the date on which Mr. Christ reaches Normal Retirement Age and will continue for the remainder of Mr. Christ's life.

• *Disability Benefit:* In the case of a Separation from Service as a result of a Disability, Mr. Christ will receive a monthly payment equal to a percentage of the amount that is paid pursuant to the Rider, with the percentage being the ratio of (i) the Account Balance as of the separation date to (ii) the projected Account Balance at Normal Retirement Age. Such payments will commence on the first day of the second month following the date on which Mr. Christ reaches Normal Retirement Age and will continue for the remainder of Mr. Christ’s life.

• *Death Benefit:* In the case of a Separation from Service as a result of death, Mr. Christ’s designated beneficiaries will be entitled to a lump sum payment equal to the Account Balance as of the date of death, which shall be paid no later than 60 days from the date of death.

• *Change in Control Benefit:* In the event that the Bank experiences a Change in Control (as defined in the Plan) while Mr. Christ is actively employed by the Bank, Mr. Christ will fully vest in the Normal Retirement Benefit regardless of whether he has reached Normal Retirement Age. The Normal Retirement Benefit will be paid following a Separation from Service as if such Separation from Service had occurred after reaching Normal Retirement Age.

Having retired from the Bank after attaining Normal Retirement Age, Mr. Christ is vested in the Normal Retirement Benefit payable under the 2017 SERP.

In the event that Mr. Christ dies after the commencement of payments under the 2017 SERP and he has not received at least 180 monthly payments, his designated beneficiaries will be entitled to a lump sum payment equal to the Account Balance as of the date of death, which shall be paid no later than 60 days from the date of death. If Mr. Christ dies after the commencement of payments under the 2017 SERP and he has received at least 180 monthly payments, then the 2017 SERP will terminate and no further payments will be made.

At December 31, 2024, the value credited to Mr. Christ’s Account Balance under the 2017 SERP was \$320,240. Mr. Christ will begin receiving benefits under the SERP in 2025.

Neither Mr. Allen nor Ms. Schenning is a party to a SERP Agreement.

Pay Versus Performance

As required by Section 953(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(v) of the SEC’s Regulation S-K, we are providing the following information about the relationship between compensation actually paid to our Principal Executive Officer (the “PEO”) and the other named executive officers (the “Non-PEO named executive officers”) and certain financial performance metrics of the Bank using a methodology that has been prescribed by the SEC.

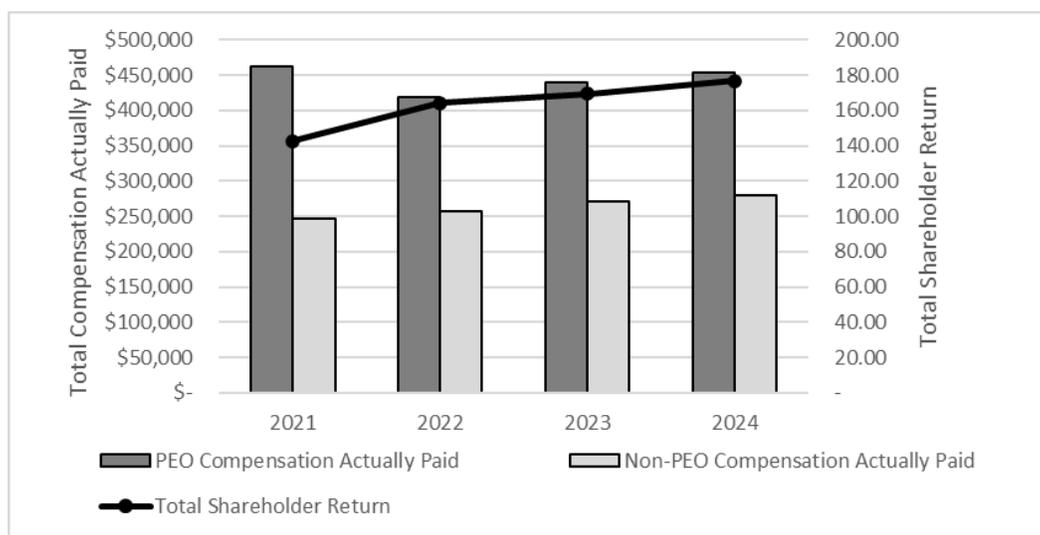
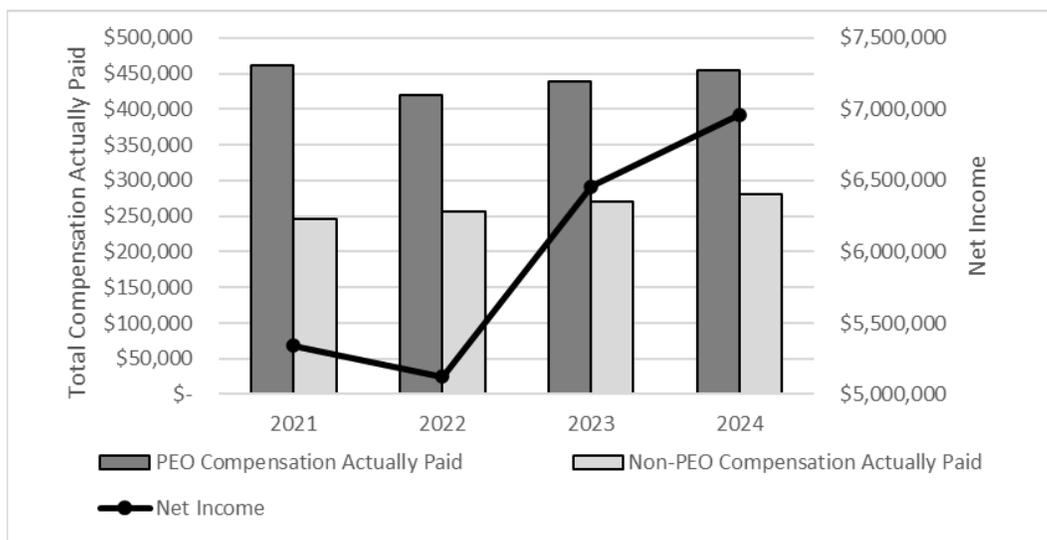
Pay Versus Performance						
Year(s)	Summary Compensation Table Total for PEO (1)	Compensation Actually Paid to PEO (2)	Average Summary Compensation Table Total for Non-PEO Named Executive Officers (1)	Average Compensation Actually Paid to Non-PEO Named Executive Officers (2)	Value of Initial Fixed \$100 Investment Based On: Total Shareholder Return	Net Income
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2024	\$ 489,191	\$ 454,191	\$ 280,527	\$ 280,488	\$ 176.88	\$ 6,963,718
2023	439,678	439,091	271,112	271,112	169.46	6,457,849
2022	419,091	419,091	256,521	256,521	164.27	5,125,679

Notes:

- 1) For all fiscal years, the PEO is Michael F. Allen and the non-PEO named executive officers are Lorrie A. Schenning and Neil L. Christ.
- 2) The dollar amounts reported for the PEO under “Compensation Actually Paid to PEO” and for the Non-PEO named executive officers under “Average Compensation Actually Paid to Non-PEO Named Executive Officers” represent the amounts actually paid to the PEO and the Non-PEO named executive officers, respectively, as computed in accordance with Item 402(v) of the SEC’s Regulation S-K. The amounts reported for 2024 do not reflect the actual amounts of compensation earned by or paid to the PEO or the average of the actual amounts of compensation earned by or paid to the Non-PEO named executive officers during the applicable years, but, in accordance with the requirements of Item 402(v) of Regulation S-K, reflect the amounts

reported in the SCT with the following adjustments: (a) \$35,000 in additional cash bonus awarded for 2024 performance, and paid in 2025, to the PEO in excess of the cash bonus paid in 2024 for 2023 performance; and (b) \$78 in additional cash bonus awarded for 2024 performance, and paid in 2025, to the Non-PEO named executive officers in excess of the cash bonus paid in 2024 for 2023 performance. The amounts reported for 2024 and 2023 are the same amounts reported in the Summary Compensation Table (the “SCT”).

The graphs below describe the relationship between pay and performance by comparing compensation actually paid to the Bank’s PEO as well as average compensation actually paid to the Bank’s Non-PEO named executive officers to the Bank’s net income and total shareholder return.



APPROVAL (BY NON-BINDING ADVISORY VOTE) OF COMPENSATION PAID TO THE NAMED EXECUTIVE OFFICERS FOR 2024 (Proposal 2)

The Bank is providing its stockholders with the opportunity to approve or disapprove the compensation paid to its named executive officers for 2024, as discussed in this proxy statement pursuant to Item 402 of the SEC's Regulation S-K (commonly referred to as the "Say-on-Pay Vote"). This advisory vote is required by Rule 14a-21(a) under the Exchange Act, but the frequency of the vote (every year, every two years, or every three years) is at the discretion of the Board. Rule 14a-21(b) under the Exchange Act requires the Board to ask stockholders, no less often than every six years, to recommend the frequency of the Say-on-Pay Vote. That frequency vote last occurred at the 2020 Annual Meeting of Stockholders, and stockholders recommended that future Say-on-Pay Votes take place every year. After considering the outcome of that frequency vote, the Board has determined to submit the Say-on-Pay Vote to stockholders every year.

The Bank's goal for its executive compensation program is to attract, motivate and retain a talented team of executives who will provide leadership for the Bank's success in dynamic and competitive markets. The section of this Proxy Statement entitled "EXECUTIVE COMPENSATION" contains the information regarding executive compensation that is required by Item 402 of Regulation S-K and discusses in detail the Bank's executive compensation program and the compensation that was earned by, awarded to or paid to the Bank's named executive officers in 2024.

The Board and its Executive Committee believe that the Bank's compensation policies and procedures are reasonable in comparison both to similarly-sized institutions in our industry and to the Bank's performance during 2024. The Board and its Executive Committee also believe that the Bank's compensation program aligns executive officers with the interests of stockholders in the long-term value of the Bank as well as the components that drive long-term value.

At the 2025 Annual Meeting, stockholders will be asked to adopt the following non-binding advisory resolution:

RESOLVED, that the compensation paid to the named executive officers of Harford Bank, as disclosed in its definitive proxy statement for the 2024 Annual Meeting of Stockholders pursuant to Item 402 of Regulation S-K, including in the section entitled "EXECUTIVE COMPENSATION", is hereby approved.

Because this advisory vote relates to, and may impact, the Bank's executive compensation policies and practices, the Bank's executive officers, including its named executive officers, have an interest in the outcome of this vote.

Because your vote on this Proposal 2 is advisory, it will not be binding on the Board or its Executive Committee, overrule any decision made by the Board or its Executive Committee, or create or imply any additional fiduciary duty by the Board or its Executive Committee. The Board and its Executive Committee may, however, take into account the outcome of the vote when considering future executive compensation arrangements.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE **FOR** THE ADOPTION OF THE NON-BINDING ADVISORY RESOLUTION APPROVING THE COMPENSATION PAID TO THE BANK'S NAMED EXECUTIVE OFFICERS FOR 2024.

**RATIFICATION OF APPOINTMENT OF THE BANK’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
(Proposal 3)**

At the 2025 Annual Meeting, stockholders will be asked to ratify the Audit Committee’s appointment of YHB as the Bank’s independent registered public accounting firm for the year ending December 31, 2025. YHB has served as the Bank’s independent registered accounting firm since March 2022. This vote is not required by the SEC or the Federal Deposit Insurance Corporation, but the Board believes that asking for stockholder feedback regarding the Audit Committee’s selection of the Bank’s independent registered accounting firm can provide helpful information to the Board and the Audit Committee. YHB has advised the Audit Committee and the Board that neither it nor any of its stockholders or associates has any direct financial interest in or any connection with the Bank other than as the independent registered public accounting firm. A representative of YHB is expected to be present at the 2025 Annual Meeting, will have an opportunity to make a statement if he or she so desires, and will be available to respond to appropriate questions.

The Board recommends that stockholders vote “FOR” the ratification of the appointment of YHB as the Bank’s independent registered public accounting firm for 2025.

Your vote will not be binding on the Audit Committee, overrule any decision made by the Audit Committee, or create or imply any additional duty by the Audit Committee. The Audit Committee may, however, take into account the outcome of the vote when considering future auditor appointments.

AUDIT FEES AND SERVICES

The table below shows the fees billed by YHB for professional services and paid by the Bank for fiscal years 2024 and 2023.

	FY 2024	FY 2023
Audit Fees	\$ 82,500	\$ 80,000
Audit-Related Fees	-	-
Tax Fees	6,150	5,950
All Other Fees	-	-
Total	\$ 88,650	\$ 85,950

The amounts shown as “Audit Fees” for fiscal years 2024 and 2023 represent fees billed in connection with the audits of the Bank’s financial statements, quarterly reviews of the Bank’s interim financial statements, and reviews of the financial reports that the Bank filed with the FDIC. The amounts shown as “Tax Fees” for fiscal years 2024 and 2023 represent fees billed in connection with the Bank’s income and personal property tax returns.

The Audit Committee’s policy is to pre-approve all audit and permitted non-audit services, except that certain *de minimis* non-audit services, as defined in Section 10A(i)(1) of the Exchange Act, are sometimes not foreseeable and may need to be separately approved by the Audit Committee prior to the completion of the independent auditor’s audit. All of the services described above were pre-approved by the Audit Committee.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth information as of February 28, 2025 relating to the beneficial ownership of the Common Stock by (i) each person or group known by the Bank to beneficially own more than five (5%) of the outstanding shares of Common Stock; (ii) each of the Bank's Directors, Director nominees, and named executive officers; and (iii) all Directors and executive officers of the Bank as a group. Generally, a person "beneficially owns" securities if he or she has or shares with others the power to vote or dispose of those securities, or if he or she has the right to acquire such powers within 60 days of the Record Date (such as by exercising stock options). For each person named below, all shares that such person may acquire within 60 days of February 28, 2025 are included in the number of shares beneficially owned. The percentages shown below were calculated based on 1,493,407 issued and outstanding shares of Common Stock. The shares of common stock subject to options are deemed outstanding for the purpose of computing the percentage ownership of the person holding the options, but are not deemed outstanding for the purpose of computing the percentage ownership of any other person. Except as otherwise indicated, the address of each person listed below is the address of the Bank.

	Number of shares beneficially owned	Note	Percent of class beneficially owned
Directors, Director Nominees, and Named Executive Officers			
Michael F. Allen	6,006	(1)	*
Michael J. Browne	100		*
Warline Bryant	36		*
Neil L. Christ, CPA, MBA	5,225		*
Daniel M. Driver	1,685	(2)	*
Carolyn Wilson Evans	9,618	(3)	*
Richard F. Foard, Jr.	19,906	(4)	1.3%
Stephanie Novak Hau	4,943	(5)	*
Henry S. Holloway	15,491	(6)	1.0%
Timothy N. Hopkins	14,214	(7)	*
Charles H. Jacobs, Jr.	31,158	(8)	2.1%
Bryan E. Kelly, CFP	13,361	(9)	*
Stephen K. Nolan	12,468	(10)	*
Lorrie A. Schenning	3,410	(11)	*
Wayne Tapscott	24,988	(12)	1.7%
	162,609		10.5%
Directors and Executive Officers as a Group (17 persons)	162,971		10.5%

Notes:

- * Less than 1.0%.
- (1) Includes 3,411 shares subject to fully vested options.
- (2) Includes 1,665 shares subject to fully vested options.
- (3) Includes 6,636 shares subject to fully vested options.
- (4) Includes 6,636 shares subject to fully vested options.
- (5) Includes 890 shares subject to fully vested options.
- (6) Includes 3,050 shares held by spouse and 6,636 shares subject to fully vested options.
- (7) Includes 397 shares held for child and 6,636 shares subject to fully vested options.
- (8) Includes 387 shares held by spouse, 2,974 shares held with children and 2,425 shares subject to fully vested options.
- (9) Includes 8,137 shares owned by Kelly Family Revocable Trust, and 84 shares held in trust for relatives, and 1,665 shares subject to fully vested options.
- (10) Includes 6,636 shares subject to fully vested options.
- (11) Includes 1,929 shares subject to fully vested options.
- (12) Includes 6,636 shares subject to fully vested options.

DELINQUENT SECTION 16(a) REPORTS

Pursuant to Section 16(a) of the Exchange Act and the rules promulgated thereunder, the Bank's executive officers and Directors and persons who beneficially own more than 10% of the Common Stock are required to file certain reports regarding their ownership of Common Stock with the FDIC. Based solely on a review of copies of such reports and amendments thereto filed electronically with the FDIC during the year ended December 31, 2024, or written representations that no reports were required, the Bank believes that none of such persons failed to timely file any report required to be filed by Section 16(a) during the year ended December 31, 2024.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During 2024 and 2023, the Bank engaged in banking transactions in the ordinary course of its business with its Directors and executive officers and with the associates of the foregoing. All of these transactions were on substantially the same terms, including interest rates, collateral, and repayment terms on loans, as those prevailing at the same time for comparable transactions with persons who are not related to the Bank. These banking transactions, including extensions of credit, have not and do not currently involve more than the normal risk of collectibility or present other unfavorable features. The Bank did not engage in any other transaction with a "related person" during 2024 or 2023 for which specific disclosure is required by Item 404 of the SEC's Regulation S-K, and it has not engaged in any such transaction thus far in 2025 (nor does it propose to do so during the remainder of 2025).

The FDIC requires disclosure in this Proxy Statement, pursuant to 12 C.F.R. § 335.801(d), regarding extensions of credit to any "related person" if they exceed the lesser of 10% of the Bank's equity capital or \$5 million. Similar disclosure is required if the aggregate extensions of credit to all related persons exceed 20% of the Bank's equity capital. The following table sets forth the information required by 12 C.F.R. § 335.801(d).

Name (includes affiliates)	Highest indebtedness during 2024 (used and unused credit)		Indebtedness at December 31, 2024 (used and unused credit)	
	Amount	% of equity capital	Amount	% of equity capital
All Directors and executive officers	\$ 20,045,137	30.82%	\$ 20,045,137	30.82%
Michael J. Browne	\$ 6,017,250	9.25%	\$ 6,017,250	9.25%
Henry S. Holloway	\$ 6,106,610	9.39%	\$ 5,760,796	8.86%

OTHER BUSINESS

As of the date of this Proxy Statement, the Bank is not aware of any other matters that will come before the 2025 Annual Meeting. However, if any other matter requiring the vote of the stockholders properly comes before the meeting, it is the intention of the persons named as proxies in the accompanying proxy card to vote on that matter in accordance with their best judgment.

FINANCIAL STATEMENTS AND ANNUAL REPORT

A copy of the Bank's annual report to stockholders for the year ended December 31, 2024 accompanies this Proxy Statement. A copy of the Bank's Annual Report on Form 10-K for the year ended December 31, 2024, which contains audited financial statements for such year, as filed with the FDIC, also accompanies this Proxy Statement. **A copy of the Bank's Annual Report on Form 10-K may be obtained, without charge, upon written request to Mark A. Semanie, CFO, Harford Bank, 8 West Bel Air Avenue, P.O. Box 640, Aberdeen, Maryland 21001. A copy of the Bank's Annual Disclosure Statement for the year ended December 31, 2024 may also be obtained, without charge, upon written request at the address listed above or by telephoning the Bank at (410) 272-5000.**

STOCKHOLDER PROPOSALS FOR THE 2026 ANNUAL MEETING

A stockholder desiring to present a proposal pursuant to Rule 14a-8 under the Exchange Act to be included in the Bank's proxy statement for, and voted on by the stockholders at, the 2026 Annual Meeting must submit such proposal in writing, including all supporting materials, to the Bank at its principal office no later than December 10, 2025 (120 days before the date of mailing based on this year's Proxy Statement date) and meet all other requirements for inclusion in the Proxy Statement. Additionally, pursuant Rule 14a-4(c)(1) under the Exchange Act, if a stockholder intends to present a proposal for business to be considered at the 2026 Annual Meeting but does not seek inclusion of the proposal in the Bank's proxy statement for such meeting, then the Bank must receive the proposal by February 23, 2026 (45 days before the date of mailing based on this year's Proxy Statement date) for it to be considered timely received. If notice of a stockholder proposal is not timely received, the proxies will be authorized to exercise discretionary authority with respect to the proposal.

DIRECTOR NOMINATIONS AT THE 2026 ANNUAL MEETING

A stockholder who desires to nominate a person for election to the Board at the 2026 Annual Meeting must deliver or mail written notice of an intent to make such nomination to the Chairman of the Board or the Bank's President in accordance with Section 1.5 of Article I of the Bylaws no earlier than November 8, 2025 (180 days prior to the first anniversary of the 2025 Annual Meeting) and no later than December 8, 2025 (150 days prior to the first anniversary of the 2025 Annual Meeting).

DEADLINE FOR SUBMITTING NOTICE OF INTENT TO SOLICIT PROXIES IN CONNECTION WITH THE 2026 ANNUAL MEETING

A stockholder who intends to solicit proxies at the 2026 Annual Meeting in support of one or more director nominees other than the Bank's nominees must provide the Bank with notice of such intention in accordance with Rule 14a-19 promulgated under the Exchange Act, unless the information required by the notice has been provided in a preliminary or definitive proxy statement previously filed by such stockholder. To be deemed timely, the notice must (i) be postmarked or transmitted electronically to the Bank at its principal executive office no later than March 8, 2026 (60 calendar days prior to the anniversary of the 2025 Annual Meeting, or the next business day if the 60th calendar day falls on a Saturday, Sunday, or holiday), (ii) include the names of all nominees for whom such stockholder intends to solicit proxies, and (iii) include a statement that such stockholder intends to solicit the holders of shares representing at least 67% of the voting power of shares entitled to vote on the election of directors in support of director nominees other than the Bank's nominees. If, however, the date of the 2026 Annual Meeting is advanced by more than 30 calendar days from the anniversary date of the 2025 Annual Meeting, then the deadline for submitting the notice will be the later of 60 calendar days prior to the date of the 2026 Annual Meeting or the 10th calendar day following the day on which public announcement of the date of the 2026 Annual Meeting is first made by the Corporation.

"HOUSEHOLDING" OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (such as brokers, banks, trustees and other nominees) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

A number of banks, brokers, trustees and other nominees with account holders who are the Bank's stockholders may be householding our proxy materials. A single Notice of Annual Meeting of Stockholders, proxy statement and Annual Report to Stockholders may be delivered to multiple stockholders sharing an address unless contrary instructions have been received by the Bank from one or more of the affected stockholders. Once you have received notice from your bank, broker, trust or other nominee that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate Notice of Annual Meeting of Stockholders, Proxy Statement and Annual Report to Stockholders, then please notify your bank, broker, trust or other nominee and also send a copy of your request to the Bank c/o Leann Hines, Executive Secretary, 8 W. Bel Air Avenue, Aberdeen, Maryland 21001 or call 410-881-2102. Stockholders who currently receive multiple copies of this proxy statement at their address and would like to request householding of their communications should contact their bank, broker, trust or other nominee and also send a copy of your request to the Bank at the above address or call the above phone number.

By Order of the Board of Directors
Michael F. Allen
President