



**AUBURN NATIONAL**  
*BANCORPORATION, INC.*

April 3, 2025

TO OUR SHAREHOLDERS:

You are cordially invited to attend the Annual Meeting of Shareholders of Auburn National Bancorporation, Inc., to be held at the AuburnBank Center, 100 North Gay Street, Auburn, Alabama, on May 13, 2025, at 3:00 P.M., local time (collectively, with any adjournments or postponements thereof, the “Meeting”).

The Notice of Meeting, Proxy Statement and Proxy are enclosed. We hope you can attend and vote your shares in person. In any case, please complete the enclosed Proxy and return it to us. This action will ensure that your preferences will be expressed on the matters that are being considered. If you attend the Meeting, you may vote your shares in person even if you have previously returned your Proxy.

Prior to the meeting, a reception will be held from 2:30 p.m. to 3:00 p.m. in the AuburnBank Center. We hope you can join us!

We thank you for your support this past year, and we encourage you to review our Annual Report. If you have any questions about the Proxy Statement or the Annual Report, please call or write us.

Sincerely,

Robert W. Dumas  
*Chairman of the Board*



**AUBURN NATIONAL BANCORPORATION, INC.**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD May 13, 2025**

Notice is hereby given that the 2025 Annual Meeting of Shareholders of Auburn National Bancorporation, Inc. (the “Company”) will be held at the AuburnBank Center, 100 North Gay Street, Auburn, Alabama on Tuesday, May 13, 2025, at 3:00 P.M., local time (collectively, with any adjournments or postponements thereof, the “Meeting”), for the following purposes:

1. *Election of Directors.* To elect 11 nominees to serve on the Board of Directors for a one-year term;
2. *Advisory Vote on Executive Compensation.* To approve, on a non-binding, advisory basis, the compensation of the Company’s “named executive officers” as disclosed in the proxy statement that accompanies this notice;
3. *Frequency of Advisory Vote on Executive Compensation.* To recommend, on a non-binding, advisory basis, the frequency (every one, two or three years) of shareholder votes to approve, on a non-binding, advisory basis, the compensation of the Company’s “named executive officers”;
4. *Amendment of Certificate of Incorporation.* To approve an amendment to the Company’s Certificate of Incorporation to limit the liability of officers as permitted by the Delaware General Corporation Law;
5. *Ratification of Auditors.* To ratify the appointment of Elliott Davis LLC as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2025; and
6. *Other Business.* To transact such other business as may properly come before the Meeting.

Only shareholders of record at the close of business on March 17, 2025, are entitled to notice of and to vote at the Meeting. All shareholders, whether or not they expect to attend the Meeting in person, are requested to complete, date, sign and return the enclosed Proxy in the accompanying envelope.

By Order of the Board of Directors,



C. Wayne Alderman  
*Secretary*

April 3, 2025

PLEASE COMPLETE, DATE, AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY TO THE TRANSFER AGENT IN THE ENVELOPE PROVIDED. IF YOU ATTEND THE MEETING, YOU MAY VOTE IN PERSON BY WRITTEN BALLOT IF YOU WISH, EVEN IF YOU HAVE PREVIOUSLY RETURNED YOUR PROXY.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
SHAREHOLDER MEETING TO BE HELD ON TUESDAY, MAY 13, 2025**

**THE PROXY STATEMENT AND ANNUAL REPORT TO SHAREHOLDERS  
ON SECURITIES AND EXCHANGE COMMISSION FORM 10-K, INCLUDING EXHIBITS, ARE  
AVAILABLE FREE OF CHARGES AT [WWW.AUBNPROXY.COM](http://WWW.AUBNPROXY.COM)  
AND OUR COMPANY’S WEBSITE [WWW.AUBURNBANK.COM](http://WWW.AUBURNBANK.COM)**

If you are a beneficial owner of shares of Company common stock, you should receive a Notice of Internet Availability of Proxy Materials or voting instructions from any broker or other nominee holding your shares. You should follow the instructions in the Notice or the voting instructions provided by your broker or nominee in order to instruct your broker or nominee on how to vote your shares. Shares held beneficially through a broker or nominee may be voted at the Meeting only if you obtain a legal proxy from the broker or nominee giving you the right to vote the shares.

If the Meeting is adjourned or postponed, your proxy will still be effective and will be voted at the rescheduled or adjourned Meeting. You will still be able to change or revoke your proxy until the rescheduled or adjourned Meeting.

#### **AVAILABILITY OF ANNUAL REPORT**

Copies of the Company's 2024 Annual Report on SEC Form 10-K can also be found by clicking the heading "Investor Relations" on the Company's website, [www.auburnbank.com](http://www.auburnbank.com), and then clicking on "SEC Filings", and then clicking on "Annual Reports". Upon the written request of any person whose Proxy is solicited by this Proxy Statement, the Company will furnish to such person without charge (other than for exhibits) a copy of the Annual Report, including financial statements and schedules thereto, as filed with the SEC. Such requests should be directed to Luellen Bishop, Shareholder Relations, Auburn National Bancorporation, Inc., P.O. Box 3110, Auburn, Alabama, 36831-3110 or by emailing: [investorrelations@auburnbank.com](mailto:investorrelations@auburnbank.com).

**REQUESTS FOR A COPY OF THE ANNUAL REPORT (WITHOUT EXHIBITS) FROM THE COMPANY BEFORE THE ANNUAL MEETING MUST BE RECEIVED BY THE COMPANY NOT LATER THAN APRIL 26, 2025, OTHERWISE YOU MAY NOT RECEIVE SUCH REPORT PRIOR TO THE MEETING.**

**PROXY STATEMENT**  
**ANNUAL MEETING OF SHAREHOLDERS**  
**OF**  
**AUBURN NATIONAL BANCORPORATION, INC.**  
**TO BE HELD MAY 13, 2025**

**General**

This Proxy Statement is being furnished to shareholders of Auburn National Bancorporation, Inc. (the “Company”), a Delaware corporation registered as a bank holding company under the Bank Holding Company Act of 1956, as amended (the “BHC Act”), in connection with the solicitation of proxies by the Company’s Board of Directors from holders of the outstanding shares of the Company’s \$.01 par value Common Stock (“Common Stock”) for the 2025 Annual Meeting of Shareholders of the Company (collectively, with any adjournments or postponements, the “Meeting”). Unless the context otherwise requires, the term “Company” includes the Company’s subsidiary, AuburnBank (the “Bank”). The Company’s Common Stock is listed on the Nasdaq Global Market under the symbol “AUBN.”

The Meeting is being held to consider and vote upon: (i) the election of 11 nominees for election to the Board of Directors for one-year terms; (ii) on a non-binding, advisory basis, the compensation of the Company’s “named executive officers” (defined below) as disclosed in this Proxy Statement (a “say-on-pay proposal”); (iii) on a non-binding, advisory basis, the frequency (every one, two, or three years) of say-on-pay proposals (the “say-on-frequency proposal”); (iv) an amendment to the Company’s Certificate of Incorporation to limit the liability of officers as permitted by the Delaware General Corporation Law; (v) the ratification of the appointment of Elliott Davis LLC (“Elliott Davis”) as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2025; and (vi) such other matters as may properly come before the Meeting.

The Company’s Board of Directors knows of no business that will be presented for consideration at the Meeting other than the matters described in this Proxy Statement.

This Proxy Statement and the Proxy are first being provided on or about April 3, 2025, to Company shareholders of record as of the close of business on March 17, 2025 (the “Record Date”). The Company’s 2024 Annual Report (the “Annual Report”), including financial statements for the fiscal year ended December 31, 2024, can be found by clicking the heading “Investor Relations” on the Company’s website, [www.auburnbank.com](http://www.auburnbank.com), and then clicking on “SEC Filings”, and then clicking on “Annual Reports”.

Each shareholder is entitled to one vote on each proposal for each share of Common Stock held as of the Record Date. In determining whether a quorum exists at the Meeting for purposes of all matters to be voted on, all votes “for” or “against,” as well as all abstentions (including votes to withhold authority to vote in certain cases), will be counted as shares present, and a quorum will exist if a majority of the shares issued and outstanding and entitled to vote at the meeting are present or represented by proxy.

Under Delaware law, the vote required for the election of directors is a plurality of the votes cast by the shares present or represented by proxy, at the Meeting and entitled to vote on the election of directors, provided a quorum is present. Consequently, with respect to the election of directors, “withhold” votes and broker non-votes will not be counted in determining whether the director has received the requisite number of votes for approval as they are not considered votes cast. All other proposals require the affirmative vote of the majority of shares present or represented by proxy, and entitled to vote at the Meeting (meaning that of the shares represented at the meeting and entitled to vote, a majority of them must be voted “for” the proposal for it to be approved). Abstentions will have the same effect as a vote “against” the proposal, and broker non-votes will not be counted in determining whether the proposal received the requisite number of votes for approval.

A “broker non-vote” occurs when a broker, dealer, bank, or voting trustee or their nominee who can be identified as a record holder of Common Stock holding shares in “street name” for a beneficial owner of Common Stock does not vote on a particular proposal because the record holder does not have discretionary voting power for that particular item and has not received voting instructions from the beneficial owner. Brokers (and other similar record holders) that have not received voting instructions from their clients cannot vote on their clients’ behalf on “nonroutine matters.” All matters to be considered at the Meeting are “non-routine,” except brokers lacking voting instructions from the beneficial owners, may vote on ratification of the appointment of Elliott Davis as the Company’s independent registered public accounting firm. Such broker votes on the ratification of the auditors are “broker discretionary votes,” and may be counted in meeting the quorum requirements.

Unless otherwise required by the Company’s Certificate of Incorporation or Amended and Restated Bylaws (“Bylaws”), or by the Delaware General Corporation Law or other applicable law, any other proposal that is properly brought before the Meeting will require the affirmative vote of the majority of shares present or represented by proxy, and entitled to vote at the Meeting (meaning that of the shares represented at the meeting and entitled to vote, a majority of them must be voted “for” the proposal for it to be approved). With respect to any such proposal, abstentions will have the same effect as a vote “against” the proposal, and broker non-votes will not be counted in determining whether such proposal has received the requisite number of votes for approval.

The Company’s principal executive offices are located at 100 N. Gay Street, Auburn, Alabama 36830, and its telephone number is (334) 821-9200. The Company maintains an internet website at [www.auburnbank.com](http://www.auburnbank.com).

#### **Record Date, Solicitation and Revocability of Proxies**

The Record Date for the Meeting has been set as the close of business on March 17, 2025. Accordingly, only holders of record of shares of Common Stock on the Record Date will be entitled to vote at the Meeting. At the close of business on such date, there were approximately 3,493,699 shares of Common Stock issued and outstanding, which were held by approximately 330 shareholders of record.

Shares of Common Stock represented by a properly executed Proxy, if such Proxy is received in time and is not revoked, will be voted at the Meeting in accordance with the instructions indicated in such Proxy. **If you properly execute and return your Proxy but do not indicate any voting instructions with respect to one or more matters to be voted upon at the Meeting, or if your voting instructions are unclear, your shares will be voted in accordance with the recommendation of the Board of Directors as to all such matters. Specifically, your shares will be voted FOR the election of all director nominees, FOR the advisory approval of the say-on-pay proposal, FOR the advisory recommendation of the annual say-on-frequency proposal, FOR the amendment of the Certificate of Incorporation, FOR the ratification of the appointment of Elliott Davis as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2025; as well as in the discretion of the persons named as proxies on all other matters that may properly come before the Meeting.**

A shareholder who has given a Proxy may revoke it at any time prior to its exercise at the Meeting by either (i) giving written notice of revocation to the Company’s Secretary, (ii) properly submitting to the Company a duly executed Proxy bearing a later date, or (iii) appearing in person at the Meeting and voting in person by written ballot. All written notices of revocation or other communications with respect to revocation of Proxies should be addressed as follows: Auburn National Bancorporation, Inc., P.O. Box 3110, Auburn, Alabama 36831-3110, Attention: C. Wayne Alderman, Secretary.

#### **Proxy Solicitation Costs**

The cost of soliciting Proxies for the Meeting will be paid by the Company. The Company’s officers may also solicit proxies by telephone or otherwise, but will not receive additional compensation for these activities. In addition to the solicitation of shareholders of record by mail, telephone, facsimile, email, or personal contact, the Company may also make arrangements with brokers, dealers, banks, or voting trustees or their nominees who can be identified as record holders of Common Stock to forward this proxy statement and the 2024 Annual Report to beneficial owners of Common Stock. The Company will reimburse such third-parties for their reasonable expenses in connection with these services.

**PROPOSAL ONE: ELECTION OF DIRECTORS**

**General**

Eleven persons have been nominated to serve on the Company’s Board of Directors for one-year terms expiring at the Company’s next scheduled annual meeting of shareholders and until their successors have been elected and qualified. All the nominees for director are current directors of the Company, and all have agreed to serve, if elected.

Proxies cannot be voted for more than the 11 nominees. Cumulative voting for directors is not permitted. All shares represented by valid Proxies received and not revoked before they are exercised will be voted in the manner specified therein. If no specification is made, the Proxies will be voted for the election of all 11 nominees listed below. In the unanticipated event that any nominee is unable to serve, the persons designated as proxy holders will cast votes for the remaining nominees and for such other replacements as may be nominated by the Company’s Board of Directors.

**The nominees have been nominated by the Company’s Board of Directors based on the recommendation of the Nominating and Corporate Governance Committee, and the Board unanimously recommends you vote “FOR” the election of all 11 nominees listed below.**

**Information about Nominees for Directors and Executive Officers**

The following table sets forth the name and age of each nominee for director, a brief description of his or her principal occupation and business experience, certain other directorships and how long he or she has been a director for the Company or the Bank. In addition, we have also provided a brief discussion of the specific experience, qualifications, attributes or skills that led to the Nominating and Corporate Governance Committee’s conclusion that the nominee should serve as one of our directors. Except for Robert W. Dumas, Chairman of the Board of Directors of the Company and the Bank and David A. Hedges, President and CEO of the Company and the Bank, none of the nominees are employed by the Company or the Bank or any entity that is an affiliate of the Company or the Bank.

<b><u>Name, Principal Occupation, Business Experience, Age, Directorships and Qualifications</u></b>	<b><u>Director Since</u></b>
<p><b>C. Wayne Alderman</b></p> <p>Dean and Professor Emeritus, former Dean of Enrollment Services and former Dean, College of Business, Auburn University; former Director of Financial Operations of the Bank from 2000 to 2007; employed by Auburn University from 1979 to 2022. Dr. Alderman is 74.</p> <p>Dr. Alderman, a certified public accountant and former Torchmark Professor of Accounting at Auburn University, has strategic planning expertise, public accounting and risk and general management knowledge to the Board. He also has valuable insight and banking knowledge as a result of his service as the Bank’s Director of Financial Operations from 2000 to 2007, in addition to serving as a director of the Bank since 1993.</p>	2004
<p><b>Terry W. Andrus</b></p> <p>Retired President and Chief Executive Officer of the East Alabama Medical Center from 1984 to 2018; Director of Care Network Southeast, Former Director of Blue Cross/Blue Shield of Alabama. Mr. Andrus is 73.</p> <p>Mr. Andrus has executive decision-making, financial expertise, and business-building skills from his past service as the Chief Executive Officer of a regional hospital. Mr. Andrus also has served as Chairman of the Alabama Hospital Association. He possesses banking knowledge through his service as a director of the Bank since 1991.</p>	1998

Name, Principal Occupation, Business Experience, Age, Directorships and Qualifications	Director Since
<p><b>J. Tutt Barrett</b></p> <p>Mr. Barrett is a senior partner in the law firm of Dean &amp; Barrett, located in Opelika, Alabama, where he has worked since 1992. Mr. Barrett is 73.</p> <p>Mr. Barrett brings a wealth of legal and risk management skills to the Board. He also provides governance skills and experience gained through his service on the boards of various charitable organizations. In addition, Mr. Barrett served on one of the Bank’s local advisory boards from 1991 to 2010.</p>	2010
<p><b>Laura J. Cooper</b></p> <p>Executive Director of Lee County Youth Development Center in Opelika, Alabama since 2000. She has held various positions with the Lee County Youth Development Center since 1987. Ms. Cooper is 66.</p> <p>Ms. Cooper has extensive executive experience as head of a large non-profit in Lee County, Alabama. She also currently serves on the Auburn Industrial Development Board of Directors, the Opelika Chamber of Commerce Board of Directors, and the Auburn University Human Development and Family Studies Advisory Council. Ms. Cooper has held numerous other leadership positions, including her past service as President of the Auburn City School Board, Chairperson of the Auburn Chamber of Commerce Board of Directors, Chairperson of the United Way of Lee County Board, and as a member of the Auburn University College of Education Advisory Council. Ms. Cooper provides a unique perspective to the Board of Directors regarding the financial needs of the local community.</p>	2020
<p><b>Robert W. Dumas</b></p> <p>Chairman of the Board of the Company and the Bank since January 2020; President and CEO of the Company from 2017 to December 31, 2022 and the Bank from 2001 to December 31, 2022; Vice Chairman of the Company and the Bank from 2013 until his election as the Chairman; President and Chief Lending Officer of the Bank from 1998 to 2001. He has been employed by the Bank since 1984; and is a Director of East Alabama Medical Center. Mr. Dumas is 71.</p> <p>Mr. Dumas brings valuable insight and knowledge to the Board as a result of his prior service as President and CEO of the Company and the Bank. Mr. Dumas currently serves as a trustee or director of the Auburn University Board of Trustees, the Auburn Research and Technology Board of Directors, and served on the Board of Directors of the Alabama Bankers Association, and the Federal Reserve Bank of Atlanta. He has held numerous other positions in professional leadership, including his service as President and Chairman of the Alabama Bankers Association and a member of the Auburn University Business Advisory Council. Mr. Dumas has valuable knowledge from his 46 years of service in the banking industry, including serving as a director of the Bank since 1997.</p>	2001
<p><b>William F. Ham, Jr.</b></p> <p>Former Mayor of City of Auburn from 1998 to 2018; owner of Varsity Enterprises, a company providing coin laundry services, since 1977. Mr. Ham is 71.</p> <p>Mr. Ham brings a wealth of business-building skills and community knowledge to the Board as a result of his experience as an entrepreneur and as the former Mayor of City of Auburn. He also has valuable knowledge through his service as a director of the Bank since 1993.</p>	2004



Name, Principal Occupation, Business Experience, Age, Directorships and Qualifications	Director Since
<p><b>David A. Hedges</b></p> <p>President and Chief Executive Officer of the Company and the Bank since January 1, 2023; formerly Executive Vice President and Chief Financial Officer of the Company and the Bank since December 2015; and various other positions with the Company and Bank since 2006. Mr. Hedges is 46.</p> <p>Mr. Hedges brings valuable knowledge and insight to the Board as a result of his service as President and CEO of the Company and the Bank and his prior service as Executive Vice President and Chief Financial Officer of the Company and the Bank. Mr. Hedges currently serves on the East Alabama Medical Center Foundation Board of Directors. Prior to joining the Company, Mr. Hedges worked at KPMG LLP in their financial services audit practice from 2002 to 2006.</p>	2022
<p><b>David E. Housel</b></p> <p>Director of Athletics Emeritus at Auburn University since January 2006; Director of Athletics at Auburn University from 1994 to January 2006. He was employed by Auburn University from 1970 to 2006. Mr. Housel is 78.</p> <p>Mr. Housel brings valuable business, public relations, and strategic planning skills to the Board through his previous experience managing a major collegiate athletic program with numerous employees and supervising multi-million dollar budgets. He also possesses banking knowledge through his service as a director of the Bank since 1997.</p>	2004
<p><b>Michael A. Lawler</b></p> <p>Founder and Chief Executive Officer of Fullsteam Holdings LLC (“Fullsteam”) since April 2018; formerly President – Strategic Markets Group and executive officer for Heartland Payment Systems, Inc. from 2012 until its sale to Global Payment System Inc. in 2016. After the sale, Mr. Lawler briefly retired before discussions that led to the formation of Fullsteam. Mr. Lawler is 62.</p> <p>Mr. Lawler has executive decision-making, strategic planning, and business-building skills as the founder and Chief Executive Officer of Fullsteam and previously as an executive officer of Heartland Payment Systems. He also possesses valuable insight regarding the intersection of technology and payments for a variety of small business industry verticals and as a vendor to banks.</p>	2024
<p><b>Anne M. May</b></p> <p>Retired Partner, Machen &amp; McChesney, LLP, an accounting firm located in Auburn, Alabama, from 1983 to 2018. Ms. May is 74.</p> <p>Ms. May has valuable risk management skills, public accounting knowledge and expertise in compensation and tax compliance as a partner and former managing partner for a local accounting firm. She also possesses extensive banking knowledge through her service as a director of the Bank since 1982.</p>	1990
<p><b>Sandra J. Spencer</b></p> <p>Retired from Auburn University; where she served as Director for the Alabama 4-H Youth Development and Conference Center in Columbiana, Alabama from 2000 to 2014. Ms. Spencer is 65</p> <p>Ms. Spencer has valuable business insights and expertise from her 25+ years working in the hospitality industry. She also possesses a wealth of community knowledge from her service and dedication to local philanthropic efforts, including Chapter A, P.E.O., a philanthropic organization focused on the education and advancement of women.</p>	2024

## CORPORATE GOVERNANCE

### Board Leadership Structure

Robert W. Dumas serves as Chairman of the Company and the Bank, and previously was Chairman, President and CEO of the Company and the Bank through December 31, 2022. The Board of Directors does not have a policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board believes this issue is part of the succession planning process and that it is in the best interests of the Company and our shareholders to retain the flexibility to combine or separate these functions.

The Board believes that combining the positions of Chairman and Chief Executive Officer did not adversely affect the Board's independence. The Company's Board had nine members and Mr. Dumas was the only inside director prior to the election of Mr. Hedges in November 2022 as part of the Company's and the Bank's management succession plan. After filling two vacancies on the Board in March 2024, eight directors have been determined to be independent under Nasdaq's listing standards, and one outside director is a strong community and business leader who has not served as an employee or officer of the Company or the Bank. Our corporate governance guidelines provide that the independent directors will meet at least semi-annually in executive session without management present.

Anne M. May is formally identified as the lead independent director. The lead independent director has broad responsibility and authority, including to:

- Preside at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- Call meetings of independent directors; and
- Serve as the principal liaison between the Chairman and the independent directors.

The Company believes the foregoing structure, combined with the Company's other governance policies and procedures, provide appropriate oversight, discussion and evaluation of decisions and direction from the Board of Directors.

## **Board's Role in Risk Oversight**

The Board of Directors maintains oversight responsibility of the management of the Company's risks. Risk management includes understanding the risks to the Company, the actions needed to manage those risks, and determining acceptable levels of risk for the Company. The full Board of Directors reviews enterprise risk management through or with the Company's and the Bank's Board committees and management committees, and with management.

While the Board of Directors maintains the ultimate oversight responsibility for risk management, the following committees have these responsibilities for risk management oversight:

- The Compensation Committee evaluates, with our senior officers, risks posed by our compensation programs and seeks to avoid compensation that may promote unnecessary or excessive risks, and which does not reward performance inconsistent with applicable laws. The Compensation Committee's role and its relationship with the Board are more fully described under "Committees of the Board – Compensation Committee."
- The Audit Committee oversees risks related to our financial statements, our compliance with legal and regulatory requirements, including transactions with insiders and affiliates, our financial reporting process and system of internal controls. The Audit Committee also appoints and evaluates the performance of our independent auditors and our internal auditing department. The Audit Committee periodically meets privately in separate executive sessions with management, our internal audit department, and the independent auditors. The Audit Committee's role and its relationship with the Board are more fully described under "Committees of the Board – Audit Committee."

While each of these committees is responsible for evaluating and overseeing the management of these risks, the entire Board of Directors is informed through committee reports about such risks. In addition, each of the Company's directors serves on the Bank's Board of Directors. We believe that Board committees that report at the Bank level are critical to the Company's risk management processes. These committees include the Director's Loan Committee, Asset/Liability Committee, Information Technology/Information Security ("IT/IS") Steering Committee, and Operations and Bank Secrecy Act ("BSA") Committee. These committees each play a role in monitoring the following risks to the Bank and Company: credit, liquidity, interest rate, anti-money laundering and sanctions compliance, general compliance, and operational, reputational and information technology and systems security, including cybersecurity risks.

## **Director Nominating Process**

The Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board, monitors existing director qualifications and periodically examines the composition of the Company's Board of Directors and determines whether the Board of Directors would better serve its purposes with the addition of one or more directors. This assessment includes, among other relevant factors, in the context of the perceived needs of the Board at that time, including experience and relevant knowledge, reputation, judgment, diversity and skills.

If the Nominating and Corporate Governance Committee determines that adding a new director is advisable or if a vacancy on the Board arises or is expected, the Nominating and Corporate Governance Committee initiates the search, and collaborates with the other directors and management. This Committee may retain a search firm to assist in the search, if the Committee determines this is necessary or appropriate. The Nominating and Corporate Governance Committee will consider all appropriate candidates proposed by management, directors and shareholders.

Information regarding potential candidates is presented to the Nominating and Corporate Governance Committee, which then evaluates the candidates based on the needs of the Board of Directors at that time. Nominees for directors are considered on the basis of various factors, including their character, experience, skills, and knowledge of our communities. We seek a Board of Directors with a majority of independent directors with a range of complementary experiences and perspectives, including persons with the expertise and qualifications required by our Audit and Compensation Committees. Potential candidates are evaluated according to the same criteria, regardless of whether the candidate was recommended by the Nominating and Corporate Governance Committee, a shareholder, another director, management or another third party. The Nominating and Corporate Governance Committee then meets to consider the candidate(s) and recommends candidate(s) to the full Board of Directors for approval and recommendation to the shareholders as nominees for director.

The director nomination process is designed so that the Board considers members with diverse backgrounds, including race, ethnicity, gender, education, skills and experience, with a focus on appropriate financial and other expertise relevant to the Company's business and knowledge of the communities we serve. The nomination process also considers issues of judgment, independence, conflicts of interest, integrity, ethics and commitment to the goal of maximizing shareholder value. The Board and the Nominating and Corporate Governance Committee's goal with regard to the consideration of diversity in identifying director nominees is to assemble a group of directors with deep, varied experiences and perspectives, sound judgment and commitment to the Company's success.

### **Shareholder Nominations**

Subject to the requirements of the Company's Certificate of Incorporation and Amended and Restated Bylaws, as well as any requirements of law or regulation, any shareholder entitled to vote for the election of directors may recommend a director nominee. Advance notice of such proposed nomination must be received by the Secretary of the Company not less than 21 days nor more than 60 days prior to any meeting of the shareholders called for the election of directors. Nominations should be submitted in writing to the Secretary of the Company specifying the nominee's name and other required information set forth in the Company's Bylaws. No shareholder nominee recommendations have been received with respect to the Annual Meeting, and no third-party search firms were used in 2024 to identify director candidates.

### **Code of Conduct and Ethics**

The Board of Directors has adopted a Code of Conduct and Ethics applicable to all Company's directors, officers and employees. The Code of Conduct and Ethics, as well as the charters for the Audit Committee, Compensation Committee, and the Nominating and Corporate Governance Committee, can be found by clicking the heading "Investor Relations" on the Company's website, [www.auburnbank.com](http://www.auburnbank.com), and then clicking on "Corporate Overview," and then clicking on "Governance Documents." The Company posts any amendments to or waivers of its Code of Conduct and Ethics at this location on the Company's website. Any shareholder may make a written request for a copy of the Company's Code of Conduct or the Audit Committee, Compensation Committee, or Nominating and Corporate Governance Committee charters to Auburn National Bancorporation, Inc., 100 N. Gay Street, Auburn, Alabama 36830, Attention: Marla Kickliter, Senior Vice President of Compliance and Internal Audit. Requests may also be made via telephone by contacting Ms. Kickliter or Tamela Seymour, Chief Human Resources Officer, at (334) 821-9200. As additional corporate governance standards are adopted, they will be disclosed on an ongoing basis on the Company's website.

## **Insider Trading Policy**

The Company maintains an Insider Trading Policy which is reviewed and updated at least annually. The Insider Trading Policy is included as Exhibit 19.1 to our 2024 Annual Report on SEC Form 10-K filed with the SEC. This Policy covers Company and Bank directors, officers, and employees, and certain of their family members, as well as consultants or independent contractors, whose business relationship with the Company provides access to “material nonpublic information” regarding the Company or third parties acquired as a result of their services to the Company. All Covered Persons are prohibited from engaging in transactions, including purchases and sales in, and gifts of, any (i) Company Security while in possession of Material Nonpublic Information about the Company regardless of whether the Company’s Trading Window is open or closed, or (ii) third party securities while in possession of Material Nonpublic Information about such issuer that has been obtained by reason of the person’s employment by, or association with, the Company. No such “covered person” may engage in transactions with respect to Company securities of a speculative nature at any time. Such persons are at all times prohibited from short-selling Company securities or engaging in transactions involving Company Derivative Securities. This prohibition includes trading in Company-based put options and other options contracts, including straddles, swaps, short sales and the like, excluding the exercise of options and other equity awards or Company Derivative Securities, if any, granted to covered persons by the Company as incentive compensation.

This Policy also requires prior notice to and approval of the Company before entering into, modifying or terminating a Rule 10b5-1 plan, Non-Rule 10b5-1 plan, or other trading plan. Covered persons are responsible for determining that they are not in possession of, and do not have access to, material nonpublic information, and for verifying that the Company has not imposed any restrictions on their ability to engage in trades when taking action with respect to any trades or entering into, modifying and terminating any Rule 10b5-1, Non-Rule 10b5-1 or other trading plan. The Insider Trading Policy includes a policy that any Company issuances or repurchases of Company securities will be reasonably designed to promote compliance with (i) the Nasdaq listing standards applicable to the Company, and (ii) any insider trading laws that are applicable to the Company in connection to such transactions.

## **Shareholder Communications**

Shareholders who wish to communicate with the Board, or any individual director or group of directors, may do so by sending written communications addressed to: Board of Directors of Auburn National Bancorporation, Inc., c/o C. Wayne Alderman, Secretary, Auburn National Bancorporation, Inc., 100 N. Gay Street, P.O. Box 3110, Auburn, Alabama, 36831-3110. All information will be compiled by the Secretary of the Company and submitted to the Board of Directors or each applicable director at the next regular meeting of the Board of Directors.

## **Meetings of the Board of Directors**

The Boards of Directors of the Company and the Bank, as well as the committees of the Company’s and Bank’s Boards of Directors, generally hold meetings on the same day. The Company’s Board of Directors held 12 meetings during 2024. All directors attended at least 75% of the aggregate of all meetings of the Company’s Board of Directors and each committee on which they served. Company directors are encouraged to attend the Company’s annual meetings of shareholders, and all company directors attended the 2024 Annual Meeting of Shareholders.

## Committees of the Board of Directors

In accordance with the Company’s Corporate Governance Guidelines or Bylaws, the Company’s Board has established the committees described below. At the beginning of 2025, the Board dissolved its Independent Directors, Property and Strategic Planning Committees. This action was taken after consideration of the Company’s current business and to better (i) focus the Board’s activities and (ii) utilize its directors’ time and talents. Independent Directors can meet any time, and are required by the Nasdaq governance rule to meet in executive session at least twice a year. A committee structure is unnecessary. The Board determined that Strategic Planning is best conducted by the Board, as a whole. The Property Committee was determined as not needed.

As of March 17, 2025, the members of each committee are identified below:

Director Name	Audit	Compensation	Nominating & Corporate Governance	Executive
Alderman	✓			✓
Andrus	✓(C)	✓	✓(C)	
Barrett	✓	✓	✓	
Cooper (1)				
Dumas				✓(C)
Ham, Jr.	✓			
Hedges				✓
Housel	✓	✓		
Lawler		✓		
May	✓	✓(C)	✓	✓
Spencer (2)				

(C) Chairman

- (1) Although Ms. Cooper does not currently serve on any committees at the Company level, she serves on the Bank’s IT/IS Steering Committee, Operations Committee and Asset/Liability Committee.
- (2) Although Ms. Spencer does not currently serve on any committees at the Company level, she serves on the Bank’s Loan Committee, Operations Committee and Asset/Liability Committee.

### *Audit Committee*

The Audit Committee has the responsibilities set forth in the Audit Committee Charter, including reviewing the Company’s financial statements, evaluating internal accounting controls, reviewing reports of regulatory authorities and determining that all audits and examinations required by law are performed. It appoints independent auditors, reviews and approves their audit plan and reviews with the independent auditors the results of the audit and management’s response thereto. The Audit Committee also reviews the adequacy of the internal audit budget and personnel, the internal audit plan and schedule, and results of audits performed by the internal audit staff. The Audit Committee is responsible for overseeing the entire audit function and appraising the effectiveness of internal and external audit efforts. The Audit Committee also coordinates with our Compensation Committee in the event of any restatement of our financial statements that would require a clawback of previously paid compensation under our Erroneously Awarded Executive Incentive-Based Compensation Recovery Policy. All members of the Audit Committee are “independent directors,” as defined in the Nasdaq governance rules, and meet the independence criteria set forth in SEC Rule 10A-3(b)(1) and the Nasdaq governance rule, and also the Nasdaq and SEC financial literacy requirements. The audit committee has the authority to engage independent counsel and other advisers, as it determines necessary to perform its duties. This committee held 16 meetings in 2024. The Board of Directors has determined that C. Wayne Alderman and Terry W. Andrus, members of the Audit Committee, are “audit committee financial experts,” as defined by SEC rules.

### *Compensation Committee*

The Compensation Committee Charter authorizes the Compensation Committee to review, recommend and approve the compensation of the Chief Executive Officer, other executive officers and other key employees of the Company and the Bank; evaluate the Company's incentive compensation plans, including any equity compensation plans; and select, interview and make hiring recommendations to the Board for the Chief Executive Officer position. In addition, the Committee approves changes to any Company personnel policy manuals or handbooks, and annually evaluates director compensation. This Committee will administer the Company's 2024 Equity and Incentive Compensation Plan, and, in coordination with the Audit Committee, make determinations regarding, and oversee, the recovery of erroneously awarded executive compensation under our Erroneously Awarded Executive Incentive-Based Compensation Recovery Policy. Although it has not done so, the Compensation Committee may delegate authority to subcommittees consisting of one or more members, as it deems appropriate. The Compensation Committee may engage its own legal counsel and compensation consultants, funded by the Company. All current members of the Compensation Committee are "independent directors" as defined in the Nasdaq listing standards. This committee held three meetings in 2024.

### *Nominating and Corporate Governance Committee*

The Nominating and Corporate Governance Committee's purpose is to identify individuals qualified to become members of the Company's Board of Directors and recommend to the Board any director nominees. The Nominating and Corporate Governance Committee considers all appropriate candidates proposed by management, directors and shareholders. The Committee will consider all shareholder nominees that are submitted in accordance with the procedures described in the Shareholder Nominations section in this Proxy Statement. This committee also takes a leadership role in shaping corporate governance policies and practices of the Company, and changes to the Company's and the Bank's organization and governing documents. The responsibilities and duties of the Nominating and Corporate Governance Committee are more fully set out in the Nominating and Corporate Governance Committee Charter. All members of the Nominating and Corporate Governance Committee are "independent directors" as defined in the Nasdaq listing standards. The Nominating and Corporate Governance Committee held four meetings in 2024.

### *Executive Committee*

The Company's Executive Committee is authorized to act in the absence of the Board of Directors on certain matters that require Board approval. This committee held one meeting during 2024.

## Board Compensation

In 2024, the Chairman received \$2,000 and each director received \$1,000, respectively, for each Board meeting attended, which have been increased to \$2,200 and \$1,100 respectively for 2025. When the Company and Bank boards meet on the same day, a fee is paid for one board meeting only. In addition, members of the Audit Committee and the Compensation Committee of the Company, which also serve as the members of the Audit Committee and the Compensation Committee of the Bank, respectively, receive an additional fee of \$250 for each committee meeting attended, while each Chairman of these committees receives \$500 per meeting attended. Members of the Bank's Loan Committee, Asset/Liability Committee and IT/IS Steering Committee receive \$250 for each committee meeting attended, while each Chairman of these committees receives \$500 per meeting attended. In 2024, Committee chairs and members of the Bank's Strategic Planning Committee and Property Committee received \$250 for each committee meeting attended. Members of the Independent Directors Committee did not receive fees in 2024. Historically, the Company's and the Bank's directors were eligible to receive year-end cash bonuses based upon the Company's financial performance. No such bonuses were paid in 2025 for the Company's performance in 2024. The Compensation Committee considered director compensation and eliminated bonuses and adopted a new director retainer fee of \$300 per month per director and \$600 per month for the Chairman of the Board effective January, 2024, which are paid in addition to fees for attending Board and Committee meetings. In 2024, aggregate fees paid to Company and Bank directors totaled approximately \$275,900. The compensation of directors may be changed from time to time by the Board of Directors upon recommendation of the Compensation Committee, without shareholder approval.

The following table provides information concerning the compensation of the Company's directors for 2024. Compensation paid to David A. Hedges for his service as director is reported as part of his compensation as an employee and is reported in the Summary Compensation Table on page 17.

Name	Fees Earned or Paid in Cash	Non-equity Incentive Plan Compensation	Total
C. Wayne Alderman	\$ 38,100	\$ —	\$ 38,100
Terry W. Andrus	24,100	—	24,100
J. Tutt Barrett	29,850	—	29,850
Laura J. Cooper	19,350	—	19,350
Robert W. Dumas	41,200	—	41,200
William F. Ham, Jr.	25,100	—	25,100
David E. Housel	24,600	—	24,600
Michael A. Lawler	11,950	—	11,950
Anne M. May	21,600	—	21,600
Sandra J. Spencer	13,700	—	13,700

The Company did not grant any equity or non-equity incentive plan awards in 2024. No stock options were exercised or stock awards vested in 2024.



**PROPOSAL TWO: ADVISORY VOTE ON EXECUTIVE COMPENSATION**

The purpose of the Company’s compensation policies and procedures is to attract and retain experienced, highly qualified executives to promote our long-term success and shareholder value. The Board, upon recommendation of its Compensation Committee, believes our compensation policies and procedures achieve this objective, and therefore recommends that shareholders vote “FOR” the say-on-pay proposal through approval of the following resolution:

**“RESOLVED, that the compensation paid to the Company’s named executive officers, as disclosed in the Company’s Proxy Statement for the 2025 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the compensation tables and any related material disclosed in the Proxy Statement, is hereby APPROVED.”**

This say-on-pay proposal gives you as a shareholder the opportunity to endorse or not endorse the compensation we pay to our named executive officers (identified below) by voting to approve or not approve such compensation as described in this Proxy Statement. This vote is advisory, which means that it is not binding on the Company, the Board or the Compensation Committee. However, the Board and the Compensation Committee will consider the outcome of the vote when considering future executive compensation arrangements.

In last year’s Proxy Statement for the 2024 Annual Meeting, a similar advisory vote was requested by the Company. The results of last year’s vote were as follows:

	<b>2024</b>	
	<b>Vote Count</b>	<b>Percent</b>
For	1,408,997	96.1%
Against	43,730	3.0%
Abstain	14,121	0.9%
	<b>1,466,848</b>	<b>100.0%</b>

The vote on this resolution is not intended to address any specific element of compensation, but rather relates to the overall compensation of our named executive officers, as described in this Proxy Statement in accordance with the compensation disclosure rules of the SEC. We encourage you to closely review the information we have provided under the caption “Executive Compensation” below.

**The Board recommends you vote “FOR” the approval of this Resolution related to the compensation of the Company’s named executive officers.**

### **PROPOSAL THREE – FREQUENCY OF ADVISORY VOTE ON EXECUTIVE COMPENSATION**

The Dodd-Frank Act provides that shareholders must be given the opportunity to vote, on a non-binding, advisory basis, for their preference as to how frequently the Company should seek future advisory votes on the compensation of the named executive officers as disclosed in accordance with the compensation disclosure rules of the Securities and Exchange Commission. By voting with respect to this say-on-frequency proposal, shareholders may indicate whether they would prefer that we conduct future say-on-pay votes once every one, two, or three years. Shareholders also may, if they wish, abstain from casting a vote on this proposal.

Our Board has determined that an annual say-on-pay advisory vote will allow our shareholders to provide timely, direct input on the Company's executive compensation philosophy, policies and practices as disclosed in the proxy statement each year.

The Company recognizes that the shareholders may have different views as to the best approach for the Company, and therefore we look forward to hearing from our shareholders as to their preferences on the frequency of a say-on-pay vote.

This vote is advisory and not binding on the Company or our Board in any way. The Board and the Compensation Committee will take into account the outcome of the vote, however, when considering the frequency of future say-on-pay votes. The Board may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation more or less frequently than the frequency receiving the most votes cast by our shareholders.

Shareholders may cast a vote on the preferred voting frequency by selecting the option of one year, two years, or three years (or abstain) when voting in response to the resolution set forth below.

**“RESOLVED, that the shareholders determine, on an advisory basis, whether the preferred frequency of an advisory vote on the executive compensation of the Company's named executive officers as set forth in the Company's proxy statement should be every year, every two years, or every three years.”**

The proxy card provides shareholders with the opportunity to choose among four options (holding the vote every one, two or three years, or abstaining) and, therefore, shareholders will not be voting to approve or disapprove the recommendation of the Board.

We have included this proposal in our Proxy Statement pursuant to the requirements of the Dodd-Frank Act and Section 14A of the Securities Exchange Act of 1934.

**The Board recommends you vote “FOR” the option of once every year as the preferred frequency of future advisory votes to approve the compensation of the Company's named executive officers.**

## EXECUTIVE OFFICERS

Executive officers of the Company and the Bank generally are appointed annually at a meeting of the respective Boards of Directors of the Company and the Bank in January to serve for one-year terms and until successors are chosen and qualified. In addition to Mr. Hedges, whose complete information is included under “Proposal One – Election of Directors,” our other executive officers are:

<u>Name</u>	<u>Information About Executive Officers</u>
Shannon S. O’Donnell	Chief Risk Officer since April 2014 and Senior Vice President of Credit Administration since 2007; formerly Vice President of Credit Administration since 2001. Ms. O’Donnell is 55.
Robert L. Smith	Senior Vice President and Chief Lending Officer of the Bank since April 2014; Vice President (Commercial and Consumer Lending) of the Bank since 2001; Mr. Smith is 56.
W. James Walker, IV	Senior Vice President and Chief Financial Officer of the Company and the Bank since January 2023; formerly Senior Vice President and Chief Accounting Officer of the Company and the Bank since 2015. Mr. Walker is 55.

## EXECUTIVE COMPENSATION

### Summary Compensation Table

The following table provides information concerning the compensation of our named executive officers for the years ended 2024 and 2023.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary</u>	<u>Bonus <sup>(3)</sup></u>	<u>All Other Compensation <sup>(4)</sup></u>	<u>Total</u>
<b>David A. Hedges</b> President and Chief Executive Officer of the Bank and the Company <sup>(1)</sup>	2024	\$ 312,000	\$ 36,000	\$ 45,222	\$ 393,222
	2023	300,000	—	41,224	341,224
<b>Robert L. Smith <sup>(2)</sup></b> Senior Vice President and Chief Lending Officer of the Bank	2024	238,571	34,000	10,205	282,776
	2023	227,212	34,000	8,996	270,208
<b>W. James Walker, IV <sup>(2)</sup></b> Senior Vice President and Chief Financial Officer of the Bank and the Company	2024	244,400	27,000	10,438	281,838
	2023	235,000	27,000	10,030	272,030

(1) Mr. Hedges received fees for his service as a director of the Company and the Bank of \$25,300 in 2024, and \$21,250 in 2023.

(2) Considered the two most highly compensated executive officers other than the principal executive officer for the year ended December 31, 2024.

(3) Represents cash incentive awards paid to the Company’s executive officers. Bonuses that were earned in 2023 and 2024 were paid in 2024 and 2025, respectively.

(4) For 2024, includes compensation as described under “All Other Compensation” below.

**All Other Compensation**

All Other Compensation for 2024 in the Summary Compensation Table above consisted of:

Name	Insurance Premiums	Company Contributions to Retirement and 401(k) Plans	Total Compensation as Director <sup>(1)</sup>	Total
David A. Hedges	\$ 8,310	\$ 11,612	\$ 25,300	\$ 45,222
Robert L. Smith	662	9,543	—	10,205
W. James Walker, IV	662	9,776	—	10,438

(1) Represents fees earned as an employee director of the Bank and Company.

**2024 Grants of Plan-Based Awards**

The Company did not grant any equity or non-equity incentive plan awards in 2024.

**2024 Option Exercises and Stock Vested**

There were no stock options exercised or stock awards vested in 2024.

**Outstanding Equity Awards at December 31, 2024**

There were no unexercised options, unvested stock, and equity incentive plan awards for named executive officers outstanding as of December 31, 2024.

**Pension Benefits and Nonqualified Deferred Compensation**

The Company does not offer any pension or nonqualified deferred compensation benefits to its named executive officers.

## Pay-Versus-Performance

The following table sets forth information concerning the compensation of our principal executive officer, or “PEO,” and, on an average basis, the compensation for our two other highest paid named executive officers, or “Other NEOs,” for each of the fiscal years ending December 31, 2024, 2023 and 2022, as such compensation relates to our financial performance for each such fiscal year.

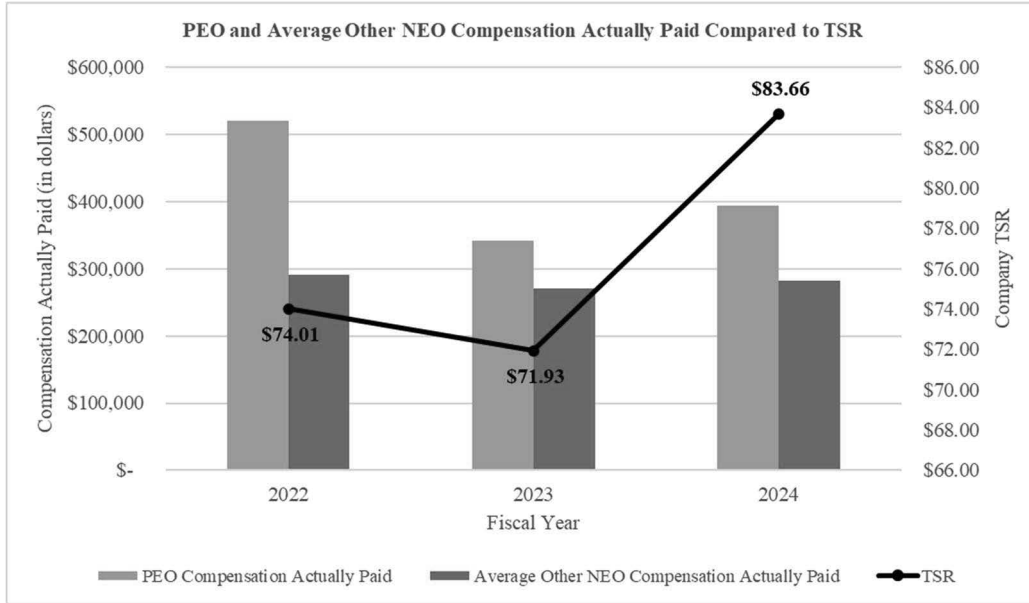
<b>Year</b>	<b>Summary Compensation Table Total for PEO (3)</b>	<b>Compensation Actually Paid to PEO (3)</b>	<b>Average Summary Compensation Table Total for Other NEOs (3)</b>	<b>Average Compensation Actually Paid to Other NEOs (3)</b>	<b>Initial Fixed \$100 Investment Based on Total Shareholder Return (4)</b>	<b>Net Income</b>
2024 <sup>(1)</sup>	\$ 393,222	\$ 393,222	\$ 282,307	\$ 282,307	\$ 83.66	\$ 6,397,000
2023 <sup>(2)</sup>	341,224	341,224	271,119	271,119	71.93	1,395,000
2022 <sup>(2)</sup>	519,810	519,810	290,714	290,714	74.01	10,346,000

- (1) For 2024 and 2023, the PEO was David A. Hedges and the Other NEOs were Robert L. Smith, Senior Vice President and Chief Lending Officer and W. James Walker, IV, Senior Vice President and Chief Financial Officer.
- (2) For 2022, the PEO was Robert W. Dumas and the Other NEOs were David A. Hedges, Executive Vice President and Chief Financial Officer and Robert L. Smith, Senior Vice President and Chief Lending Officer.
- (3) The Company did not have any equity awards for the years presented; therefore, the Summary Compensation Table Total for PEO and Compensation Actually Paid to PEO are the same, and the Average Summary Compensation Table Total for Other NEOs and Average Compensation Actually Paid to Other NEOs are the same.
- (4) Total Shareholder Return is the cumulative total shareholder return, which assumes \$100 was invested in our common stock at the market price at the regular close of Nasdaq trading on December 31, 2021 through December 31, 2024. It assumes the reinvestment of all cash dividends prior to any tax effect. Net income for 2023 reflects the losses incurred to reposition our balance sheet in December 2023.

## Relationship Between Pay and Performance

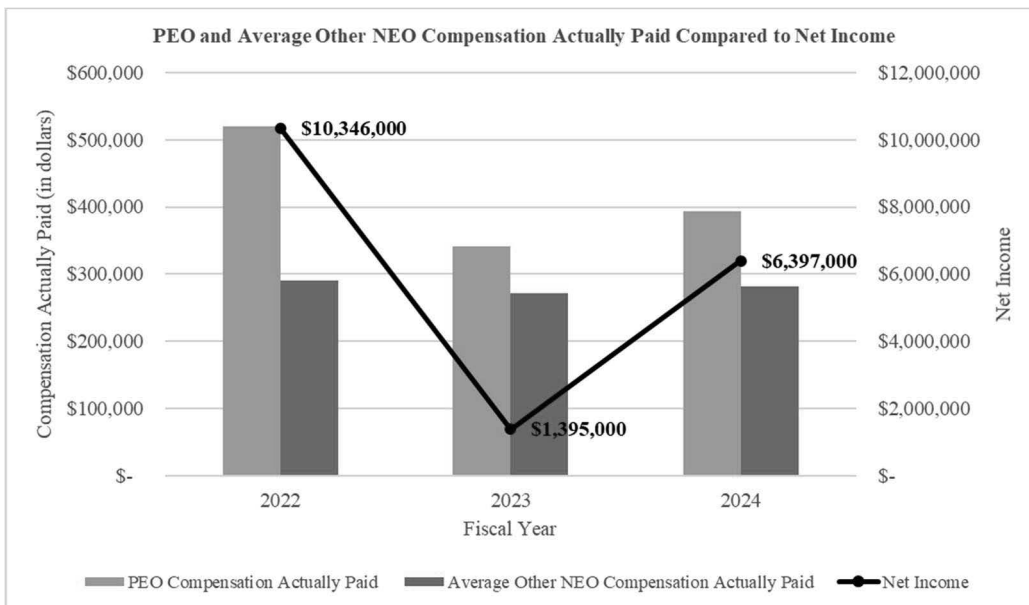
### *Description of Relationship Between PEO and Other NEO Compensation Actually Paid and Company Total Shareholder Return (“TSR”)*

The following chart sets forth the relationship between Compensation Actually Paid to our PEO, the average of Compensation Actually Paid to our other NEOs, and the Company’s cumulative TSR over the three most recently completed fiscal years.



### *Description of Relationship Between PEO and Other NEO Compensation Actually Paid and Net Income*

The following chart sets forth the relationship between Compensation Actually Paid to our PEO, the average of Compensation Actually Paid to our other NEOs, and our Net Income during the three most recently completed fiscal years.



## POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The Company does not have any severance or change in control agreements with any of its named executive officers.

### STOCK OWNERSHIP BY CERTAIN PERSONS

The following table sets forth the number and the percentage of shares of the Company's Common Stock that were beneficially owned, as of the Record Date, by (1) each of our directors and each of our named executive officers, (2) all of our directors and executive officers as a group, and (3) each person known to us to beneficially own more than 5% of any class of our voting common stock. Other than as set forth below, no "persons" (as that term is defined by the SEC) are known by the Company to be the beneficial owners of more than 5% of the Common Stock, the Company's only class of voting securities, as of the Record Date.

Name of Beneficial Owner <sup>(1)</sup>	Number of Shares <sup>(2)</sup>	Percent of Class
<b>All Directors and Named Executive Officers:</b>		
C. Wayne Alderman	5,116	*
Terry W. Andrus <sup>(3)</sup>	4,045	*
J. Tutt Barrett	8,808	*
Laura J. Cooper	127	*
Robert W. Dumas	43,710	1.25%
William F. Ham, Jr. <sup>(4)</sup>	5,037	*
David E. Housel	8,125	*
Anne M. May <sup>(5)</sup>	43,663	1.25%
Michael A. Lawler	2,000	*
Sandra J. Spencer <sup>(6)-(12)</sup>	743,378	21.28%
David A. Hedges	12,860	*
Robert L. Smith	389	*
W. James Walker, IV	300	*
All Directors and Executive Officers as a Group (14 persons)	877,555	25.12%
<b>Persons known to Company who own more than 5% of outstanding shares of Company Common Stock:</b>		
Sandra J. Spencer <sup>(6)-(12)</sup> 100 N. Gay Street  Auburn, AL 36830	743,378	21.28%
Emil F. Wright, Jr. <sup>(13)-(15)</sup>	392,484	11.23%

\* Less than 1%

(1) Unless specified below, each director's and named executive officer's business address is c/o AuburnBank, 100 N. Gay Street, Auburn, Alabama 36830.

- (2) Information relating to beneficial ownership of Common Stock by the individuals named in the above table is based upon information furnished by the respective individuals using “beneficial ownership” concepts set forth in rules of the SEC under the Securities Exchange Act of 1934, as amended. Under such rules, a person is deemed to be a “beneficial owner” of a security if that person has or shares “voting power,” which includes the power to vote or direct the voting of such security, or “investment power,” which includes the power to dispose of or to direct the disposition of such security. The person is also deemed to be a beneficial owner of any security of which that person has a right to acquire beneficial ownership within 60 days. Under such rules, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which he or she may disclaim any beneficial ownership. Accordingly, directors and named executive officers may be named as beneficial owners of shares as to which they may disclaim any beneficial interest. Except as indicated in other notes to this table describing special relationships with other persons and specifying shared voting or investment power, directors and named executive officers possess sole voting and investment power with respect to all shares of Common Stock set forth opposite their names. Shares have been rounded to whole shares.
- (3) Includes 3,292 shares held by Mr. Andrus that were pledged as collateral for a loan from the Bank.
- (4) Includes 300 shares held by Mr. Ham’s wife, as to which Mr. Ham may be deemed to have shared voting and investment power.
- (5) Includes 33,311 shares held individually by Ms. May. It also includes 10,352 shares held by Ms. May pursuant to a durable power of attorney on behalf of another person, as to which Mr. May disclaims beneficial ownership.
- (6) Includes 666,825 shares held as the sole Personal Representative of the Estate of Edward L. Spencer, Jr.
- (7) Includes 47,882 shares held by the E.L. Spencer, Jr. 2008 Irrevocable Trust, where Ms. Spencer is the sole trustee.
- (8) Includes 17,000 shares held as the sole Personal Representative of the Estate of Ms. Ruth Spencer, Ms. Spencer’s mother, which ultimately may be distributed equally to Ms. Spencer and her two brothers. Ms. Spencer disclaims beneficial ownership of 11,333 of these shares that ultimately may be distributed to her brothers.
- (9) Includes 10,272 shares held individually by Ms. Spencer.
- (10) Includes 1,320 of the 3,960 shares held by Spencer LLC where Ms. Spencer is a one-third member who shares voting and dispositive power with two other members. Ms. Spencer disclaims beneficial ownership of 2,640 shares held beneficially by the other two members of Spencer LLC.
- (11) Includes 79 shares owned by Ms. Spencer’s husband, individually, as to which Ms. Spencer may be deemed to have shared voting and dispositive power.
- (12) Excludes a total of 16,362 shares held by the Edward L. Spencer Foundation, where Ms. Spencer is one of three directors. Ms. Spencer disclaims any economic interest in these shares.
- (13) Includes 58,978 shares held by Dr. Wright’s wife, as to which Dr. Wright may be deemed to have shared voting and investment power.
- (14) Excludes 57,820 shares held by Ferrocene, LP, a family limited partnership where Dr. Wright and his wife are general partners with voting and dispositive power, but where the limited partners beneficially own 57,820 shares (95% of the partnership’s total interests), as to which Dr. Wright disclaims any economic interest.
- (15) Excludes 500 shares held by Comitas Foundation, Inc., a 501(c)(3) private foundation, whose executive officers are Dr. Wright and his wife. Dr. Wright disclaims any economic interest in such shares.



## CERTAIN TRANSACTIONS AND BUSINESS RELATIONSHIPS

Various Company and Bank directors, officers, and their affiliates, including corporations and firms where they are directors or officers or where they and/or their families have an ownership interest, are customers of the Company and the Bank. These persons, corporations, and firms have had transactions in the ordinary course of business with the Company and the Bank, including borrowings, all of which management believes were on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unaffiliated persons and did not involve more than the normal risk of collectability or present other unfavorable features. Such transactions are subject to review and approval as and to the extent provided in our Audit Committee Charter. The Company and the Bank expect to have such transactions, under similar conditions, with their directors, officers, and affiliates in the future.

Federal Reserve Regulation O requires loans made to executive officers and directors to be made on substantially the same terms, including interest rates and collateral, and following credit-underwriting procedures, that are no less stringent than those prevailing at the time for comparable transactions by the Bank with other persons. Such loans also may not involve more than the normal risk of repayment or present other unfavorable features. Additionally, no event of default may have occurred (that is, such loans are not disclosed as non-accrual, past due, restructured, or potential problems). Regulation O requires the Board of Directors to review any loan to a director or his or her related interests that has become criticized and whether such classification affects such director's independence. In addition, the Audit Committee Charter provides that the Audit Committee will review and approve all related-party transactions. This includes a review of the Company's compliance with applicable banking laws, including, without limitation, those banking laws and regulations concerning loans to insiders.

None of the directors or executive officers of the Company, owners of 5% or more of the Company's outstanding stock, or their immediate family members, had a direct or indirect interest in any transaction involving the Company during 2024 or 2023, served as an executive officer of, or owns, or during 2024 or 2023 owned, of record or beneficially, greater than 10% equity interest in any business or professional entity that has made or received during 2024 or 2023, or has a currently proposed transaction, where the Company is to be participant, where the amount involved exceeds \$120,000.

**COMPLIANCE WITH SECTION 16(A)  
OF THE  
SECURITIES EXCHANGE ACT OF 1934**

The Company is subject to Section 16(a) of the Securities Exchange Act of 1934, as amended, which requires the Company's executive officers and directors, and persons who own more than 10% of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Officers, directors and greater-than-10% shareholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

**Delinquent Section 16(a) Reports**

Based solely on its review of the copies of Forms 3, 4 and 5 furnished to the Company during and with respect to 2024, or written representations that no Forms 5 were required, the Company believes that all Section 16(a) filing requirements applicable to the Company's and the Bank's executive officers, directors and greater-than-10% beneficial owners were complied with during 2024.

## **PROPOSAL FOUR: AMENDMENT OF CERTIFICATE OF INCORPORATION**

The Company is a corporation organized under the Delaware General Corporation Law (the “DGCL”). Section 7.04 of the Company’s Certificate of Incorporation, as amended (the “Certificate”) eliminates the personal liability of our directors for monetary damages for breach of fiduciary duty pursuant to DGCL Section 102(b)(7). Delaware amended DGCL Section 102(b)(7) effective August 7, 2022 to also allow Delaware corporations to include a similar provision in their certificates of incorporation eliminating the personal liability of certain officers for monetary damages for breach of fiduciary duty as an officer in certain circumstances.

The Board of Directors, upon the recommendation of its Nominating and Governance Committee, has adopted, and recommends that our shareholders approve, the amendment and restatement of Section 7.04 of the Company’s Certificate (the “Amendment”) to eliminate the personal liability of officers specified in DGCL Section 102(b)(7) for monetary damages for breach of fiduciary duty as an officer to the fullest extent permitted by the DGCL, and to otherwise conform the exculpation provisions of Section 7.04 of the Company’s Certificate of Incorporation to the current version of DGCL Section 102(b)(7).

DGCL Section 102(b)(7) states that references to “officers” mean the following officers, as provided in the Laws of Delaware, Title 10, Section 3114(b) (“Section 3114(b)”):

- (1) Is or was the president, chief executive officer, chief operating officer, chief financial officer, chief legal officer, controller, treasurer or chief accounting officer of the corporation at any time during the course of conduct alleged in the action or proceeding to be wrongful;
- (2) Is or was identified in the corporation’s public filings with the United States Securities and Exchange Commission because such person is or was one of the most highly compensated executive officers of the corporation at any time during the course of conduct alleged in the action or proceeding to be wrongful;  
or
- (3) Has, by written agreement with the corporation, consented to be identified as an officer for purposes of service of process under Section 3114(b).

The Board considered the limited group of officers to which the proposed Amendment would apply and the types of claims for which officers are permitted to be exculpated from personal liability. Both of these are more limited than the protections currently permitted for our directors by the DGCL and our Certificate. Consistent with the DGCL amendments, the Amendment would only exculpate officers for direct claims brought by shareholders, including class actions, for breaches of the duty of care. Neither the DGCL nor the Amendment eliminates or limits officers’ liability for:

- Any breach of the duty of loyalty to the Company or its shareholders;
- Any acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law;
- Any transaction from which the officer derived an improper personal benefit; or
- Any action by or in the right of the Company, such as derivative actions.

As provided in DGCL Section 102(b)(7), the Amendment does not eliminate or limit the liability of a director or officer for any act or omission occurring prior to the date when such provision becomes effective.

The Board of Directors believes that the Amendment will limit concerns about personal liability, which will help to attract and retain capable senior officers. Senior officers often must make difficult judgments and decisions on important and complex matters, which can create the risk of investigations, claims, actions, suits, or other proceedings seeking, regardless of merit, to impose personal liability on the basis of hindsight, especially in the current litigious environment. We believe that the Amendment will enable such senior officers to exercise their business judgment in furtherance of the Company's and our shareholders' interests without the risks of the distractions and costs of defending often frivolous proceedings asserting personal liability. The Company may bear the costs of such proceedings through indemnification of its officers and/or as a result of higher insurance premiums. The Board of Directors believes the Amendment better aligns the protections available to our officers with those currently available to our directors and that it would discourage plaintiff's attorneys from adding officers to claims relating to breaches of the duty of care, which can lead to increased litigation and insurance costs. The Amendment may also eliminate claims against senior officers also serving as directors, and where, in the absence of the Amendment, such persons may be subject to proceedings as officers, although they would have no liability as directors under our current Certificate and the DGCL.

In addition, the Board of Directors believes it is important to protect our officers to the fullest extent permitted by the DGCL, to better align with industry practice and better enable us to continue to attract and retain experienced, qualified officers. Other Delaware corporations have adopted, and others are likely to adopt amendments to their certificates of incorporation to limit the personal liability of officers. The corporate laws of several other states, including the Alabama Business and Nonprofit Entity Code applicable to Alabama corporations such as the Bank, permit corporations to exculpate officers similar to the DGCL. Our failure to adopt the Amendment could adversely affect the Company's ability to attract and retain experienced, qualified senior officers.

The Board of Directors unanimously determined that the Amendment is appropriate, advisable and in the best interests of the Company and its shareholders, and unanimously recommends that our shareholders approve the Amendment. The Board believes that eliminating personal monetary liability for officers under the circumstances permitted by the DGCL is reasonable and appropriate. The Board further believes that the Amendment properly balances the shareholders' interest in accountability and their interest in limiting the assertion of time consuming, distracting and costly potential proceedings.

If this proposed Amendment is approved, the Company expects to file a Certificate of Amendment to the Company's Certificate with the Delaware Secretary of State promptly after the Meeting. The Amendment will be effective upon its filing date with Delaware Secretary of State.

The description of the Amendment is qualified by the full text of amended Section 7.04 of the Certificate, set forth below. Additions to such Section 7.04 are indicated by underlining and deletions are indicated by strike-outs.

**Proposed Amended and Restated Section 7.04**  
**of the**  
**Auburn National Bancorporation, Inc.**  
**Certificate of Incorporation**  
**Marked to Show Changes**

7.04 To the fullest extent permitted by the Delaware General Corporation Law (the “DGCL”), as currently in effect or hereafter amended, no director or officer (as defined in Section 102(b)(7) of the DGCL) shall be held personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director or officer, except this provision shall not eliminate or limit the liability of a director (i) of a director or officer for any breach of the director's or officer's duty of loyalty to the Corporation or its stockholders, (ii) a director or officer for acts or omissions not in good faith or which involved intentional misconduct or a knowing violation of law, (iii) any transaction from which the director or officer derived an improper personal benefit, (iv) a director for unlawful payment or dividend or unlawful stock purchase or redemption under DGCL Delaware General Corporation Law, Section 174, or (iv) for any transaction from which the director derived an improper personal benefit, or (v) an officer in any action by or in the right of the Corporation.

~~Any repeal or modification of this Section 7.04 by the stockholders of the Corporation shall not adversely affect any right of protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification. If the DGCL Delaware General Corporation Law hereafter is amended to authorize the further elimination or limitation of the liability of directors or officers, then the liability of a director or officer of the Corporation, in addition to the limitation on personal liability provided herein, shall be eliminated or limited to the fullest extent permitted by the amended DGCL Delaware General Corporation Law. No amendment or repeal of this Section 7.04 shall (i) apply to or have any effect on the liability or alleged liability of any director or officer for or with respect to any acts or omissions of such director or officer occurring prior to the effective time of such amendment or repeal, or (ii) adversely affect any right or protection of a director or officer of the Corporation existing hereunder in respect of any act or omission occurring prior to the effective time of such amendment or repeal. Solely for purposes of this Section 7.04, “officer” shall have the meaning provided in Section 102(b)(7) of the DGCL, as it presently exists or may be amended and in effect from time to time.~~

In the event that any of the provisions of this Section 7.04 (including any provision within a single sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions are severable and shall remain enforceable to the fullest extent permitted by law.

**The Board unanimously recommends you vote “FOR” approval of the proposed amendment and restatement of Section 7.04 of the Company’s Certificate of Incorporation.**

## AUDIT COMMITTEE REPORT

Management is responsible for the Company's internal controls and the financial reporting process. The Company's independent registered accountants are responsible for performing an independent audit of the Company's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board ("PCAOB") and to issue a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes. In this context, we have met and held discussions with management and the independent registered accountants. We have reviewed and discussed the Company's audited consolidated financial statements for the fiscal year ended December 31, 2024, with management and the independent registered accountants. This review included discussions with the Company's independent registered accountants of matters required to be discussed by PCAOB's AS 1301, Communications with Audit Committees and the SEC.

The Company's independent registered accountants have provided us the written disclosures and the letter required by PCAOB Professional Standards Rule 3526, Communication with Audit Committees Concerning Independence, and we discussed with the independent registered accountants that firm's independence.

Based upon our discussions with management and the independent registered accountants and our review of the representations of management and the report of the independent registered accountants to the Audit Committee, we recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Terry W. Andrus  
C. Wayne Alderman  
J. Tutt Barrett  
William F. Ham, Jr.  
David E. Housel  
Anne M. May

## PROPOSAL FIVE: RATIFICATION OF INDEPENDENT PUBLIC ACCOUNTANTS

### **Appointment of Independent Registered Public Accounting Firm**

The Audit Committee of the Board of the Company has approved the appointment of Elliott Davis, LLC to serve as the Company's independent registered public accounting firm for the Company for the year ending December 31, 2025. The Audit Committee considered the background, expertise and experience of the audit team assigned to the Company and various other relevant matters, including the proposed fees for audit services. A representative of Elliott Davis will be present at the Meeting and will be given the opportunity to make a statement on behalf of the firm, and will also be available to respond to appropriate questions from shareholders. If the shareholders should fail to ratify the appointment of the independent registered public accounting firm, the Audit Committee will reconsider the appointment.

### **Independent Public Accountants**

The fees billed by the Company's independent registered public accounting firm relating to the 2024 and 2023 fiscal years were as follows:

	<u>2024</u>	<u>2023</u>
Audit Fees <sup>(1)(2)(3)</sup>	\$ 175,000	\$ 246,000
Audit-Related Fees <sup>(4)</sup>	<u>17,200</u>	<u>13,000</u>
Total	<u>\$ 192,200</u>	<u>\$ 259,000</u>

(1) Includes the aggregate fees billed by Elliott Davis for professional services rendered for the audit of the Company's annual financial statements, review of unaudited financial statements included in the Company's Forms 10-Q filed during fiscal years 2024 and 2023 and services normally provided for statutory and regulatory filings or engagements for the fiscal years 2024 and 2023.

(2) Audit fees for 2023 includes fees billed by Elliott Davis for professional services rendered, as the independent public accountant who audits the institution's financial statements, to examine, attest to, and report separately on the assertion of management concerning the effectiveness of the institution's internal control structure and procedures for financial reporting as required by FDIC regulations applicable to FDIC-insured institutions with more than \$1 billion in total assets at the beginning of the fiscal year.

(3) Audit fees for 2023 include \$30,000 to audit the Company's adoption of Accounting Standards Codification ("ASC") 326, Current Expected Credit Losses, effective January 1, 2023.

(4) Includes the aggregate fees billed by Elliott Davis for professional services rendered for certain agreed upon procedures and other audit and attestation reports related to compliance matters during fiscal years 2024 and 2023.

### **Audit Committee Review**

The Company's Audit Committee has reviewed the services rendered and the fees billed by Elliott Davis for the fiscal year ended December 31, 2024. The Audit Committee has determined that the services rendered and the fees billed last year that were not related to the audit of the Company's financial statements are compatible with the independence of Elliott Davis as the Company's independent registered accountants.

## **Audit Committee Pre-Approval Policy**

Under the Audit Committee's Charter and its pre-approval policy, the Audit Committee is required to approve in advance the terms of all audit services provided to the Company as well as all permissible audit related and non-audit services to be provided by the independent public accountants. Unless a service to be provided by the independent public accountants has received approval under the pre-approval policy, it will require specific approval by the Audit Committee. The pre-approval policy describes the particular services to be provided, and the Audit Committee is to be informed about each service provided. The approval of non-audit services may be performed by the Chairman of the Committee and reported to the full Audit Committee at its next meeting, but may not be performed by the Company's management. The term of any pre-approval is 12 months, unless the Audit Committee specifically provides for a different period.

The Audit Committee will approve the annual audit engagement terms and fees prior to the commencement of any audit work other than that necessary for the independent public accountant to prepare the proposed audit approach, scope and fee estimates. In addition to the annual audit work, the independent public accountants may perform certain other audit related or non-audit services that are pre-approved by the Audit Committee and are not prohibited by regulatory or other professional requirements. Engagements for the annual audit and recurring tax return preparation engagements shall be reviewed and approved annually by the Audit Committee based on the agreed upon engagement terms, conditions and fees. The nature and dollar value of services provided under these engagements shall be reviewed by the Audit Committee to approve changes in terms, conditions and fees resulting from changes in audit scope, Company structure, exchange rates or other items, if any.

In the event audit-related or non-audit services that are pre-approved under the pre-approval policy have an estimated cost in excess of certain dollar thresholds, these services will require specific approval by the Audit Committee or by the Chairman of the Audit Committee. Any proposed engagement must be approved in advance by the Audit Committee or by the Chairman of the Audit Committee applying the principles set forth in the pre-approval policy, prior to the commencement of the engagement. In determining the approval of services by the independent public accountants, the Audit Committee evaluates each service to determine whether the performance of such service would: (a) impair the public accountant's independence; (b) create a mutual or conflicting interest between the public accountant and the Company; (c) place the public accountant in the position of auditing his or her own work; (d) result in the public accountant acting as management or an employee of the Company; or (e) place the public accountant in a position of being an advocate for the Company. In no event are monetary limits the only basis for the pre-approval of services.

All of the services provided by Elliott Davis during 2024 and described above under the caption "Audit Fees" and "Audit-Related Fees" were pre-approved by the Company's Audit Committee pursuant to SEC Regulation S-X, Rule 2-01(c)(7)(i).

**The Board recommends you vote "FOR" the approval of this Resolution related to the ratification of the appointment of Elliott Davis as the independent registered public accounting firm for the fiscal year ending December 31, 2025.**



## SHAREHOLDER PROPOSALS FOR the 2026 ANNUAL MEETING

Proposals of shareholders intended to be presented at the Company's 2026 Annual Meeting of Shareholders must be received by the Company on or before December 4, 2025 and must comply with the requirements of SEC Rule 14a-8, in order to be eligible for inclusion in the Company's proxy statement and form of proxy for that meeting. If notice of a proposal is not received by the Company in accordance with the dates specified pursuant to SEC Rule 14a-8, then the proposal will be deemed untimely and we will have the right to exclude the proposal from consideration at the 2026 Annual Meeting and/or to exercise discretionary voting authority and vote proxies returned to us with respect to such proposal or director nomination.

If a shareholder does not submit a proposal for inclusion in next year's proxy statement, but instead wishes to present it directly at the Company's 2026 Annual Meeting of Shareholders, the Company's Bylaws require that the shareholder notify the Company of such proposal in writing no later than December 4, 2025, or 120 calendar days in advance of the date (with respect to the Company's 2026 Annual Meeting of Shareholders) that the Company's proxy statement was released to its shareholders in connection with the Meeting. The shareholder must also comply with the requirements of Article III, Section 16 of the Company's Bylaws with respect to shareholder proposals.

### OTHER MATTERS

The Company knows of no other matters to be brought before the Meeting. However, if any other proper matter is presented, the persons named in the enclosed form of Proxy intend to vote the Proxy in accordance with their judgment of what is in the best interest of the Company.

By Order of the Board of Directors



Robert W. Dumas  
Chairman of the Board

April 3, 2025

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