



Canandaigua
National
Corporation

March 11, 2022

Dear Fellow Shareholder:

You are cordially invited to attend the 2022 Annual Meeting of Shareholders of Canandaigua National Corporation. As with last year's Annual Meeting, our Annual Meeting this year will be held virtually via live webcast on the website www.cesonlineservices.com/cnnd22_vm. However, unlike last year, we will also have a physical location in the Community Board Room on the second floor of the Main Office at 72 South Main Street, Canandaigua, NY on **Wednesday, April 20, 2022**, at 1:00 p.m. If you would like to attend in person, please be prepared for social distancing and masking protocols which may still be in place on that date.

PLEASE NOTE: To participate in the Annual Meeting virtually, you must pre-register at www.cesonlineservices.com/cnnd22_vm by 1:00 p.m. Eastern Daylight Time (EDT), **Tuesday, April 19, 2022**.

Shareholders will be asked to elect three Class 3 Directors for terms of three years, and to authorize the individuals named as proxy to act in their discretion to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof. Information about the director nominees can be found in the attached Proxy Statement.

Your vote is important, regardless of the number of shares you own. Whether or not you plan to attend the Meeting, you are urged to read and carefully consider the enclosed Proxy Statement. You may vote by telephone, via the Internet, or mark, sign, date and return the enclosed form of proxy in the accompanying pre-addressed, postage-paid envelope. **Please save the top portion of your Proxy Card until the Annual Meeting has concluded, as this document contains your personal control number, and is important for the voting process and for attendance at the virtual meeting.** You may withdraw your proxy if you attend the Meeting and submit a vote at the Meeting in person or through the Meeting's online voting portal.

I urge you to vote for the election of all three nominees.

Frank H. Hamlin, III
President and CEO

enc.



Canandaigua
National
Corporation

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS*

TIME 1:00 p.m., on **Wednesday, April 20, 2022**

PLACE The Canandaigua National Bank and Trust Company
Community Board Room
72 South Main Street
Canandaigua, NY 14424
and
Via a live webcast at www.cesonlineservices.com/cnnd22_vm

ITEMS OF BUSINESS

(1) To elect Michael C. Goonan; Lawrence A. Heilbronner-Kolthoff; and Robert G. Sheridan as Class 3 Directors for terms of three years and until their successors have been elected and qualified; and

(2) To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

RECORD DATE Holders of the common stock of record at 5:00 p.m., on February 22, 2022, are entitled to vote at the Meeting.

VOTING It is important that your shares be represented and voted at the Meeting. You can vote your shares by proxy by using any of the following methods: (a) mark, sign, date, and promptly return the enclosed proxy card in the postage-paid envelope furnished for that purpose or (b) follow the instructions for voting via the Internet or by telephone which are set forth on the enclosed proxy form. Any proxy may be revoked at any time prior to its exercise at the Annual Meeting of Shareholders. The instructions for revoking or replacing a proxy are set forth in the accompanying Proxy Statement. Any shareholder present at the Meeting may withdraw their proxy and vote in person on any matter brought before the Meeting, either via paper ballot if in person or, if attending the online Meeting, by completing an electronic ballot available during the Meeting.

If the shareholder of record properly designates a proxy to vote at the Annual Meeting, a vote will be cast in accordance with those instructions. If a proxy is returned without instructions, it will be voted "FOR" the nominees for director in Proposal 1, and as otherwise described in the Proxy Statement.

March 11, 2022

Jennifer N. Weidner, Esq.
Secretary

***Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on April 20, 2022.
The Proxy Statement and Annual Report to Shareholders are available at www.cnbank.com.**

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Canandaigua
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PROXY STATEMENT

Annual Meeting of Shareholders to be held **Wednesday, April 20, 2022**

This Proxy Statement is furnished in connection with solicitation of proxies by the Board of Directors of Canandaigua National Corporation (the “Corporation”) for use at the Annual Meeting of Shareholders to be held on **Wednesday, April 20, 2022**, at 1:00 p.m., at The Canandaigua National Bank and Trust Company, 72 South Main Street, Canandaigua, NY 14424, and via live webcast, at www.cesonlineservices.com/cnnd22_vm, and any adjournment thereof.

IMPORTANT: If you wish to attend the Meeting virtually, you must pre-register at www.cesonlineservices.com/cnnd22_vm no later than **1:00 p.m. EDT, Tuesday, April 19, 2022**, 24 hours prior to the start of the Meeting. **You will need your proxy card containing your 11-digit control number in order to complete the pre-registration. If you wish to attend in person, please be prepared for social distance and masking protocols which may be in place at the time of the Meeting.**

This Proxy Statement and the accompanying proxy are being mailed by first-class mail or being sent electronically at the request and consent of the shareholder, on or about March 11, 2022. All expenses incurred in connection with the solicitation of proxies will be borne by the Corporation.

SHAREHOLDERS ENTITLED TO VOTE AND REVOCATION OF PROXIES

Only shareholders of record as of the close of business on February 22, 2022, are entitled to notice of, and to vote at, the Annual Meeting. On that date, there were 1,875,220 shares of common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote. A quorum will consist of the holders of not less than a majority of the shares entitled to vote, either by proxy or by attendance at the virtual Meeting.

If your shares are registered in your name on the Corporation’s stock records, you are considered the shareholder of record with respect to those shares. As the shareholder of record, you have the right to vote your shares by proxy at the Annual Meeting, or by voting through the shareholders’ voting portal during the Annual Meeting (which will require that you pre-register for participation as described later in this Proxy Statement). The Corporation has sent its proxy materials directly to you, including a proxy card for you to use. If you hold shares of common stock through an account with a broker, bank, or other nominee rather than directly in your own name, then your broker, bank, or other nominee is considered the shareholder of record, and you are considered the beneficial owner of these shares. The Corporation has supplied copies of its proxy materials for its 2022 Annual Meeting to the broker, bank, or other nominee holding your shares of record, and they have the responsibility to send these proxy materials to you. As the beneficial owner, you have the right to direct your broker, bank, or other nominee on how to vote your shares at the Annual Meeting. The broker, bank, or other nominee that is the shareholder of record for your shares is obligated to provide you with a voting instruction card for you to use for this purpose.

Any proxy may be revoked by the person giving it at any time prior to its exercise by giving written notice of revocation to Jennifer N. Weidner, Secretary, Canandaigua National Corporation, 72 South Main Street, Canandaigua, NY 14424, or prior to the vote at the Meeting. If you are the shareholder of record, you may revoke your proxy by submitting a proxy with a later date, by voting in person at the Meeting, or by submitting a vote during the Meeting via the online Meeting portal. If you are the beneficial owner of shares held by a nominee, please follow the instructions for revoking your voting instructions given to you by the nominee.

ATTENDANCE AT THE ANNUAL MEETING

Attendance at the Annual Meeting or any adjournment or postponement thereof will be limited to stockholders of the Company as of the close of business on the record date. You may attend the Annual Meeting in person at 72 South Main Street, Canandaigua, NY, or virtually using the website noted below. **In order to attend the virtual Meeting, you will need to pre-register by 1:00 p.m. EDT, Tuesday, April 19, 2022.** To pre-register for the virtual Meeting, please follow these instructions:

Registered Stockholders

Stockholders of record as of the Record Date may register to participate in the Annual Meeting remotely by visiting the website www.cesonlineservices.com/cnnd22_vm. Please have your proxy card containing your 11-digit control number available and follow the instructions to complete your registration request.

Beneficial Stockholders

Stockholders whose shares are held through a broker, bank or other nominee as of the Record Date may register to participate in the Annual Meeting remotely by visiting the website www.cesonlineservices.com/cnnd22_vm. Please have your proxy card, or other communication containing your control number available and follow the instructions to complete your registration request.

If you encounter technical issues during the pre-registration process, please contact Corporate Election Services using the link on the pre-registration website. After registering, all stockholders will receive a confirmation email with a link and instructions for accessing the virtual Annual Meeting. Requests to register to participate in the Annual Meeting remotely must be received no later than 1:00 p.m. EDT, on April 19, 2022.

VOTING PROCEDURES AND METHOD OF COUNTING VOTES

The holders of a majority of all common stock issued, outstanding, and entitled to vote are required to attend the Meeting or to be represented by proxy at the Meeting in order to constitute a quorum for transaction of business.

If you are a registered shareholder, you have five voting options:

- by use of the Internet, which we encourage if you have Internet access;
- by telephone, by calling the telephone number on your proxy form;
- by mail, by completing, signing, dating, and returning your proxy form;
- by attending the Annual Meeting and voting your shares in person; or
- by attending the Annual Meeting remotely and voting your shares through the online Meeting portal.

Instructions for each method of voting are set forth on the enclosed proxy form. If your shares are held by a nominee, you may instruct the record holder how to vote by completing the voting instructions card provided to you. If your shares are held by a broker, bank or other nominee, you must follow the instructions provided by your broker, bank or other nominee to vote your shares and you may not vote your shares at the Meeting unless you obtain a “legal proxy” from the broker, bank or other nominee that holds your shares giving you the right to vote the shares at the Meeting.

If a shareholder of record properly designates a proxy to vote at the Annual Meeting, a vote will be cast in accordance with those instructions. If a proxy is returned without instructions, it will be voted “FOR” the nominees for director in Proposal 1 and as otherwise described in the Proxy Statement.

Abstentions and broker non-votes represented by submitted proxies will be included in the calculation of the number of the shares present at the Annual Meeting for the purposes of determining a quorum. “Broker non-votes” means shares held of record by a broker that are not voted on a matter because the broker has not received voting instructions from the beneficial owner of the shares and lacks the authority to vote the shares in its discretion under the rules of the New York Stock Exchange (“NYSE”).

Proposal 1: Directors are elected by a plurality of the votes cast at the Annual Meeting on this proposal, and the three nominees who receive the most votes will be elected. If your shares are held through a nominee, your brokerage firm or other nominee is not permitted to vote your shares with respect to Proposal 1 without specific instructions from you as to how to vote with respect to the election of each of the three nominees for director. The election of directors is not considered a “routine” matter under the NYSE rules. Abstentions and broker non-votes represented by submitted proxies will not be taken into account in determining the outcome of the election of directors.

ELECTION OF DIRECTORS AND INFORMATION REGARDING BOARD OF DIRECTORS

Our Certificate of Incorporation provides that the Board of Directors is divided into three classes, one of which is typically elected at each Annual Meeting for a term of three years and until their successors have been elected and qualified. The Board of Directors has nominated three persons for election as Directors for the terms indicated in the following tables. Additional information regarding the Board of Directors is set forth in the Annual Report.

PROPOSAL 1

ELECTION OF DIRECTORS

Three individuals have been nominated by the Board of Directors for election or reelection as Class 3 Directors at the Annual Meeting: Michael C. Goonan, Lawrence A. Heilbronner-Kolthoff and Robert G. Sheridan. It should be noted that Director Alan Stone wishes to retire from the Board of Directors and his term shall end on April 20, 2022. Canandaigua National Corporation appreciates Mr. Stone's service and wishes him well as he pursues his life interests. If elected, the Class 3 nominees will serve a term of three years expiring at the Annual Meeting of Shareholders in 2025 and until their successors have been elected and qualified.

Each nominee has consented to be named in this Proxy Statement and to serve if elected.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE **FOR** THE ELECTION OF ALL THREE NOMINEES.

Class 3 Directors –Nominees for Term Expiring 2025				
		Year First Elected or Appointed to:		
Name	Age	Corporation	Bank	Principal Occupation⁽¹⁾ for past 5 years (in some cases, additional years are reported)
Michael C. Goonan	68	2015	2015	University of Rochester Medical Center (URMC) Senior Financial Advisor, 2015 – May 2021 Vice President and Chief Financial Officer, 1995 – 2015
Lawrence A. Heilbronner-Kolthoff	56	2014	2014	Heilbronner Consulting Owner/Principal, November 28, 2018 – Present The Canandaigua National Bank and Trust Company ⁽²⁾ Director, December 10, 2014 – present Executive Vice President, Chief Financial Officer, and Secretary, January 2014 – December 31, 2018 Canandaigua National Corporation Director, December 10, 2014 - present Treasurer, Executive Vice President and Chief Financial Officer, January 2014 – December 31, 2018 CNB Insurance Agency ⁽³⁾ Director, April 9, 2014 – April 24, 2019 Director, Treasurer, Executive Vice President and Chief Financial Officer, April 9, 2014 – December 31, 2018 Director, Treasurer, Executive Vice President and Chief Financial Officer, CNB Mortgage Company, ⁽³⁾ 2002 – December 31, 2018 Canandaigua National Trust Company of Florida ⁽²⁾ Director, April 25, 2019 – present Executive Vice President and Chief Financial Officer, 2009 – December 31, 2018 OBS Holdings, Inc. ⁽⁴⁾ Chairman, 2015 – December 31, 2018 Director, 2011 – December 31, 2018 Director, OBS Financial, ⁽⁴⁾ 2011 – December 31, 2018 Manager, WBI OBS Financial, LLC, ⁽⁴⁾ 2011 – December 31, 2018 Director and Treasurer, Genesee Valley Trust Company, ⁽⁵⁾ 2008 – March 1, 2018
Robert G. Sheridan	73	1992	1992	The Canandaigua National Bank and Trust Company, ⁽²⁾ 1971– 2011 Director and Secretary, CNB Mortgage Company, ⁽³⁾ 1998 – March 20, 2018

⁽¹⁾ Principal Occupation is current unless otherwise indicated.
⁽²⁾ Wholly owned subsidiary of Canandaigua National Corporation.
⁽³⁾ Wholly owned subsidiary of The Canandaigua National Bank and Trust Company.
⁽⁴⁾ Wholly owned subsidiary of Canandaigua National Corporation which was sold on February 29, 2020.
⁽⁵⁾ Wholly owned subsidiary of Canandaigua National Corporation which was merged with and into The Canandaigua National Bank and Trust Company on March 1, 2018.

Michael C. Goonan was elected to the Board of Directors of the Corporation on June 10, 2015. Mr. Goonan serves as a member of the Audit and Risk Committee and serves as the Chairman of the Trust Investment Committee for The Canandaigua National Bank and Trust Company. Mr. Goonan is currently retired, previously serving as Senior Financial Advisor for the University of Rochester Medical Center (URMC) from 2015 to 2021. He was with URMC since 1995 where he began as Director of Finance and then served as Chief Financial Officer. Prior to that time, Mr. Goonan worked in financial operations for Strong Memorial Hospital, as manager for management consulting group Peat, Marwick, Mitchell & Co, and was licensed as a New York State Certified Public Accountant. He is a graduate of St. John Fisher College, earning his Bachelor of Science (BS) degree in Accounting. Mr. Goonan is also a member of the Board of Directors at Golisano Children's Hospital, a Trustee for St. John Fisher College, an Honorary Member of the Board of Directors of the Catholic Family Center, and a member of the Board of Directors of the Pluta Cancer Center Foundation. Mr. Goonan is a recipient of the Excellence in Management Award from St.

John Fisher College, the Outstanding Accounting Alumnus Award from St. John Fisher College, and the 2013 Rochester Business Journal Financial Executive of the Year Award. The Board of Directors has determined that Mr. Goonan's individual qualifications and skills as a Director, including his extensive experience as a leader in financial management in the Rochester, New York region and his extensive business and personal relationships throughout the communities served by the Corporation's subsidiaries, demonstrate the merits desired for continued service on the Board.

Lawrence A. Heilbronner-Kolthoff, CPA has been a Director of the Corporation and The Canandaigua National Bank and Trust Company ("Bank") since 2014. He is currently the Owner and Principal of Heilbronner Consulting, and serves on the Executive, Trust Investment, Asset/Liability Management and Asset Resolution Committees for the Bank. Mr. Heilbronner-Kolthoff was employed by the Bank from 1998 through 2018. After 21 years of service, Mr. Heilbronner-Kolthoff retired from the Bank on December 31, 2018. During his years at the Bank, Mr. Heilbronner-Kolthoff served as Executive Vice President – Finance and Operations and Chief Financial Officer of the Corporation and all subsidiaries from 2007 to December 31, 2018, and Chief Financial Officer of Canandaigua National Trust Company of Florida (CNTF) from 2009 to December 31, 2018. He was elected to the Board of CNTF in April 2019 and continues to serve as Director. He served as Treasurer of Canandaigua National Corporation from January 2014 until his retirement. Mr. Heilbronner-Kolthoff was an Officer of CNB Insurance Company from 1999 to December 31, 2018 and was elected as Director in 2012. In 2011, Mr. Heilbronner-Kolthoff was appointed as Manager of WBI OBS Financial, LLC, and as Director of OBS Holdings, Inc. and OBS Financial Services, Inc. He was appointed as Chairman of WBI OBS Financial, LLC in 2015, and continued to serve on all three Boards until his retirement. Mr. Heilbronner-Kolthoff served as Treasurer of Genesee Valley Trust Company from 2008 to March 1, 2018 when it merged with and into The Canandaigua National Bank and Trust Company. Mr. Heilbronner-Kolthoff served as Director, Treasurer, Executive Vice President and Chief Financial Officer of CNB Mortgage Company from 2002 until his retirement in 2018. Previously, Mr. Heilbronner-Kolthoff was Senior Vice President – Chief Financial Officer and Principal Accounting Officer of the Corporation and all subsidiaries from 2004 to 2007 and was Vice President – Finance from 1998 to 2004. Prior to 1998, Mr. Heilbronner-Kolthoff was employed by the public accounting firm KPMG LLP from 1987 to 1998 working in their Rochester, NY, and Amsterdam, the Netherlands offices. While overseas, Mr. Heilbronner-Kolthoff provided assurance and consulting services to international banks headquartered in the Czech Republic and Ukraine. In the United States, Mr. Heilbronner-Kolthoff specialized in banking and insurance. Mr. Heilbronner-Kolthoff has a Bachelor of Science (BS) degree in Accounting from Binghamton University, Magna Cum Laude. He is a Certified Public Accountant and an insurance broker, licensed in the State of Louisiana. Mr. Heilbronner-Kolthoff has advised industry trade groups on the regulatory impact to community banks of taxation and operational matters. He has been an active community leader, serving several not-for-profit organizations in his community. The Board of Directors has determined that Mr. Heilbronner-Kolthoff's individual qualifications and skills, including his experience in public accounting and 15+ years of successful experience as a leader of the finance and operations functions of the Corporation, and his participation in numerous civic organizations, provide him with a comprehensive understanding of the Corporation and the communities served by the Corporation and the vital role of community banking in the economy, all of which make him a valuable resource for service on the Board.

Robert G. Sheridan has been a Director of the Corporation and The Canandaigua National Bank and Trust Company ("Bank"), and a member of the Executive Committee since 1992. He continues to serve as Chairman of the Asset Resolution Committee for the Bank. Mr. Sheridan served as Director and Secretary of CNB Mortgage Company from 1998 to March 20, 2018 and served as President from October 18, 2002 to November 31, 2011. Mr. Sheridan was continuously employed by the Bank and from 1971 to 2011, was the Community Reinvestment Act Officer until August 31, 2011, served as Cashier from 1989 until December 31, 2011, served as Secretary of the Corporation, and served as a Director of Genesee Valley Trust Company until his retirement on December 31, 2011. Mr. Sheridan graduated from St. Bonaventure University in 1971 with a Bachelor of Arts (BA) degree in History. The Board of Directors has determined that Mr. Sheridan's individual qualifications and skills as a Director, including his 40+ years of successful experience as a leader in community banking and participation in numerous civic organizations, provide him with a comprehensive understanding of the communities served by the Corporation and the vital role of community banking in the economy, which make him a valuable resource for continued service on the Board.

Incumbent Class 1 Directors – Term Expiring 2024

Name	Age	Year First Elected or Appointed to:		Principal Occupation ⁽¹⁾ for past 5 years (in some cases, additional years are reported)
		Corporation	Bank	
Frank H. Hamlin, III	49	2004	2004	Canandaigua National Corporation Director, President and Chief Executive Officer, March 2013 – present Director and President, 2011 – March 2013 Director, 2004 – 2011 The Canandaigua National Bank and Trust Company ⁽²⁾ Director, President and Chief Executive Officer, March 2013 – present Director and President, 2011 – March 2013 Director, 2004 – 2011 Director, President and Chief Executive Officer, CNB Insurance Agency, ⁽³⁾ April 24, 2013 – present CNB Mortgage Company ⁽³⁾ Director and Chief Executive Officer, March 21, 2018 – present Chairman of the Board and Chief Executive Officer, June 27, 2013 – March 20, 2018 Director, President and Chief Executive Officer, CNB 2020 QOF, Inc., ⁽²⁾ December 31, 2020 – present Director, President and Chief Executive Officer, CNB Parrish QOZB, Inc., ⁽⁴⁾ December 31, 2020 – present Canandaigua National Trust Company of Florida ⁽²⁾ Director and Chief Executive Officer, April 25, 2019 – present Director, President and Chief Executive Officer, June 11, 2015 – April 24, 2019 Director, OBS Holdings, Inc., ⁽⁵⁾ 2011 – February 29, 2020 Manager and Chief Executive Officer, WBI OBS Financial, LLC, ⁽⁵⁾ 2011 – February 29, 2020 Director, Genesee Valley Trust Company, ⁽⁶⁾ 2011 – March 1, 2018
George W. Hamlin, IV	80	1984	1979	Canandaigua National Corporation Chairman of the Board, 2011 – present Chairman of the Board and CEO, 2011 – March 2013 Director, President and CEO, 1984 – 2010 The Canandaigua National Bank and Trust Company ⁽²⁾ Chairman of the Board, Officer, Senior Policy Advisor and Consultant at Large, March 2013 – present Chairman of the Board and CEO, 2011 – March 2013 Director, President and CEO, 1979 – 2010 Director, CNB Mortgage Company, ⁽³⁾ 1999 – present Chairman of the Board, Canandaigua National Trust Company of Florida, ⁽²⁾ 2009 – present Director, Genesee Valley Trust Company, ⁽⁶⁾ 2008 – March 1, 2018
Richard J. Plympton	59	2020	2020	CEO, Optimax Systems, Inc., January 2013 - present
Caroline C. Shipley	81	1984	1984	Financial Manager, Dell Broadcasting WCGR/WLKA, 1985 – 1991 Treasurer and Financial Manager, Sonnenberg Gardens, 1973 – 1984
Sue S. Stewart	79	2000	2000	Attorney, Ret'd Senior Vice President and General Counsel, University of Rochester, 2003 – 2012 Partner, Nixon Peabody, LLP, 1978 – 2001, Managing Partner Rochester Office, 1998 – 2000
⁽¹⁾ Principal Occupation is current unless otherwise indicated. ⁽²⁾ Wholly owned subsidiary of Canandaigua National Corporation. ⁽³⁾ Wholly owned subsidiary of The Canandaigua National Bank and Trust Company. ⁽⁴⁾ Wholly owned subsidiary of CNB 2020 QOF, Inc. ⁽⁵⁾ Wholly owned subsidiary of Canandaigua National Corporation which was sold on February 29, 2020. ⁽⁶⁾ Wholly owned subsidiary of Canandaigua National Corporation which was merged with and into The Canandaigua National Bank and Trust Company on March 1, 2018.				

Frank H. Hamlin, III has been a Director of the Corporation and The Canandaigua National Bank and Trust Company (“Bank”) since 2004. He has been employed as President of the Bank since January 1, 2011 and Chief Executive Officer of the Bank and Corporation since March 29, 2013. Mr. Hamlin serves as Director and Chief Executive Officer of CNB Mortgage Company, Director of Canandaigua National Trust Company of Florida, and Director, President and Chief Executive Officer of CNB Insurance Agency. He currently serves on the Board of Directors of UR Medicine Thompson Health. Mr. Hamlin previously served as Director of OBS Holdings, Inc. and Manager and Chief Executive Officer of WBI OBS Financial, LLC, subsidiaries of Canandaigua National Corporation that were sold on February 29, 2020. Mr. Hamlin served as Director of Genesee Valley Trust Company from 2011 to March 1, 2018 when it merged with and into The Canandaigua National Bank and Trust Company. Prior to being employed by the Bank, Mr. Hamlin was of counsel at Croucher, Jones & Johns from July 2007 through December 2010. Prior to that time, Mr. Hamlin worked as an attorney in private practice from June 2001 to 2007. Mr. Hamlin received his Bachelor of Arts (BA) in Political Science, Minor in Psychology in May 1995 from the University of Vermont and his Juris Doctor from Albany Law School of Union University in May 2000. Mr. Hamlin is active in the community, currently serving as 2022 Campaign Cabinet Chair for the United Way of Greater Rochester and the Finger Lakes. Frank H. Hamlin, III is the son of George W. Hamlin, IV.

George W. Hamlin, IV has been a Director of the Corporation since its inception in 1984. He is also a Director of The Canandaigua National Bank and Trust Company (“Bank”), CNB Mortgage Company and Canandaigua National Trust Company of Florida. He served as Director of the Genesee Valley Trust Company from 2008 to March 1, 2018 when it merged with and into The Canandaigua National Bank and Trust Company. Mr. Hamlin has been continuously employed by the Bank since March 6, 1978 and served for 34 years as President and CEO from March 1979 to March 2013. Mr. Hamlin graduated from Yale University in 1963 with a Bachelor of Science (BS) degree in Physics. He received his Juris Doctor from the University of Virginia Law School in 1972. Between college and law school Mr. Hamlin served with the U.S. Air Force from 1963 to 1969 as a single seat F-105 Fighter Pilot accumulating 100 Combat Missions over North Viet Nam, spread over three tours during the summers of '66, '67, & '68. Among his decorations are the Distinguished Flying Cross (DFC) and 10 Air Medals. Mr. Hamlin is a nationally recognized expert in banking policy and law, having served as President of the New York Bankers Association and the Independent Bankers Association of New York. Mr. Hamlin was a two-term Director of the Federal Reserve Bank of New York, has testified before Congress on banking policy, and advised former President George W. Bush on Community Banking issues. Mr. Hamlin has served on and chaired numerous civic boards and, in particular, health care organizations in the Rochester/Finger Lakes Region of New York to include: the University of Rochester Medical Center, Thompson Health, The Eastman School of Music, The Rochester Museum and Science Center, and Colgate Rochester Crozer Divinity School.

Richard J. Plympton was appointed to the Board of Directors of the Corporation on April 29, 2020 and is currently a member of the Audit and Risk Committee and Trust Investment Committee. Mr. Plympton serves as the CEO of Optimax Systems, Inc., a precision optics manufacturer in Ontario, NY. He has provided leadership and vision over the past 25 years that guided Optimax from a small start-up to America’s largest precision optics manufacturer. The mission statement for Optimax is simply, “Enabling customer success and employee prosperity,” and the company utilizes employee profit sharing as one means of creating a rewarding work environment. Mr. Plympton is actively involved in the optics industry and supporting regional workforce development. He currently participates as Chair of the Finger Lakes Workforce Investment Board, Director and Treasurer of the Optics and Electro-Optics Standards Council (American National Standards Institute), and member of the University of Rochester’s Philanthropy Council. Mr. Plympton is an Inductee to the Rochester Business Hall of Fame and past SBA New York State Small Business Person of the Year. He holds degrees in business administration, computer science and engineering science from Finger Lakes Community College, as well as a Bachelor of Science degree in Optics and a Master of Business Administration, both from the University of Rochester.

Caroline C. Shipley has been a Director of the Corporation and a member of the Audit and Risk Committee since 1984. Mrs. Shipley has served as Chair of the Audit and Risk Committee from 1985 to 2002 and from 2004 to the present, and serves on the Executive Committee, Nominating and Governance Committee, and Compensation Committee. Mrs. Shipley also served as the Treasurer of several local charitable organizations including the Ontario Children’s Foundation in excess of 20 years. She currently serves as Treasurer of the First Congregational Church in Canandaigua, New York, a position she has held since 1993. Mrs. Shipley served as a member of the Board of Education of the Canandaigua City School District for 30 years and was President of the Board from 1983 to 1991 and from 2007 to 2009. During Mrs. Shipley’s tenure, the budget of the Canandaigua City School District grew from \$8.9 million in 1979 to \$60.7 million in 2009, and as a Board member, Mrs. Shipley played an integral part in numerous capital projects including the “Build on Our Excellence” project in 2004 for \$17.8 million. Mrs. Shipley served on the NYS School Boards Association from 1991 to 1998 and was President from 1996 to 1997. Prior to then, Mrs. Shipley was the Financial Manager of Dell Broadcasting WCGR/WLKA from 1985 to 1991 and served as Treasurer and Financial Manager of Sonnenberg Gardens from 1973 to 1984.

Sue S. Stewart has been a Director of the Corporation since 2000. Ms. Stewart serves as Chair of the Nominating and Governance Committee and as a member of the Executive Committee and the Audit and Risk Committee. Ms. Stewart was Senior Vice President and General Counsel of the University of Rochester from 2003 to 2012. She served as Co-Chair of Trustees for the National Center for Education and the Economy from 1997 through June 30, 2021 and has served as former Director of the United Way of Greater Rochester. Ms. Stewart was a Partner of Nixon Peabody LLP from 1978 to 2001 and Managing Partner at the firm’s Rochester Office from 1998 to 2000.

Incumbent Class 2 Directors – Term Expiring 2023

Name	Age	Year First Elected or Appointed to:		Principal Occupation ⁽¹⁾ for past 5 years (in some cases, additional years are reported)
		Corporation	Bank	
Gary L. Babbitt	64	2019	2019	The Canandaigua National Bank and Trust Company ⁽²⁾ Director, January 1, 2019 – present Executive Vice President and Chief Lending Officer, 2008 – December 31, 2019 Director, Secretary and Executive Vice President, CNB Mortgage Company, ⁽³⁾ March 21, 2018 – December 31, 2019
Daniel P. Fuller	71	1996	1996	President and General Manager, Bristol Mountain Resort General Manager, Roseland Waterpark Vice Chairman of the Board, Canandaigua National Corporation
Thomas S. Richards	78	2004	2004	Attorney Mayor, City of Rochester, March 2011 – December 2013 Corporation Counsel, City of Rochester, January 2006 – November 2010
James H. Watters	68	2019	2019	Senior Vice President and Treasurer, Administration and Finance, Rochester Institute of Technology

⁽¹⁾ Principal Occupation is current unless otherwise indicated.
⁽²⁾ Wholly owned subsidiary of Canandaigua National Corporation.
⁽³⁾ Wholly owned subsidiary of The Canandaigua National Bank and Trust Company.

Gary L. Babbitt has been a Director of Canandaigua National Corporation and The Canandaigua National Bank and Trust Company (“Bank”) since January 2019. Mr. Babbitt was employed by the Bank from 1996 through 2019. During his years at the Bank, Mr. Babbitt served as Executive Vice President, Chief Lending Officer from 2008 to December 31, 2019, and as Director, Secretary and Executive Vice President of CNB Mortgage Company from March 21, 2018 to December 31, 2019. He continues to serve as a member of the Asset Resolution Committee and Executive Committee for the Bank. Mr. Babbitt served as Senior Vice President, Commercial Services of the Bank from 2006 to 2007, and as Vice President, Commercial Services Officer from 1996 to 2005. Prior to that time, Mr. Babbitt served as a Commercial Loan Officer with two other financial services companies. Mr. Babbitt received a Bachelor of Arts (BA) degree in Business Administration and Economics from Grove City College. He is also a graduate of the Bank Administration Institute Graduate School of Bank Management and Sheshunoff Executive Banking Institute. Mr. Babbitt is a former Director of the Empire State Certified Development Company. Over the years, Mr. Babbitt has served on the Boards of local civic organizations including the Genesee Community College Foundation and the Arc of Monroe County.

Daniel P. Fuller has been a member of the Corporation’s Board of Directors since 1996 and currently serves as the Vice Chairman. Mr. Fuller also serves as Vice Chairman of the Executive Committee, and as a member of the Compensation Committee and the Nominating and Governance Committee. The Board of Directors has determined that Mr. Fuller’s dedicated service on the Board, including service as its Chairman for two years, has demonstrated his knowledge of the business, as well as opportunities and risks facing the Corporation’s subsidiaries. Mr. Fuller’s skill in developing policies and working with other Board members and management to meet the changing regulatory demands and financial challenges demonstrate the skills and experience desired for continued service on the Board. In addition, Mr. Fuller’s leadership of both Bristol Mountain Resort and Roseland Waterpark has provided him with the experience and skills to understand the Corporation’s customers’ focus and business.

Thomas S. Richards previously served the Corporation as a Director from 2004 until November 2010, when he resigned to run for and eventually serve as Mayor of the City of Rochester. He was again elected as a Director of the Corporation by the Board of Directors effective January 15, 2014. Mr. Richards serves as Chairman of the Corporation’s Compensation Committee and also serves on the Audit and Risk Committee and the Nominating and Governance Committee. Mr. Richards is a graduate of Bucknell University and Cornell Law School. He served four years in the U.S. Navy, including a year as a Swift Boat Officer in Vietnam. He resides with his wife Betty in Rochester. Mr. Richards began his legal career with the firm of Nixon, Hargrave, Devans & Doyle (now Nixon Peabody) in Rochester. He remained with the firm for 20 years during which he specialized in civil litigation and served at various times as its Managing Partner and Chairman of its Management Committee. Thereafter, he joined Rochester Gas & Electric Company (RG&E) as General Counsel. After holding various senior positions in the company, he became the Chairman, President and CEO of RGS Energy Group, the parent company of RG&E. His public service has included serving as the volunteer founding Chairman of Greater Rochester Enterprise, a public/private partnership dedicated to the economic development of the Rochester region, Corporation Counsel of the City of Rochester, and most recently as Mayor of the City. Over the years, he has served on numerous not-for-profit medical, educational and community service boards, currently including Rochester Institute of Technology, University of Rochester, University of Rochester Medical Center, Greater Rochester Health Foundation, and Rochester Area Community Foundation.

James H. Watters, PhD was appointed to the Board of Directors of the Corporation on November 13, 2019. He currently serves on The Canandaigua National Bank & Trust Company's Trust Investment Committee. Since 1997, Dr. Watters has served as Senior Vice President and Treasurer, Finance and Administration of Rochester Institute of Technology (RIT), where he is responsible for the direct investment of \$250 million of working capital, the administration of the investment process for \$948 million of endowment assets, which includes overseeing approval for ten real estate funds, and the management and issuance of \$405 million of public debt. Dr. Watters serves in the senior leadership role to more than 870 full-time staff charged with responsibility for the financial, physical, human capital, and information assets of RIT. Dr. Watters is also Vice Chairman of RIT's global subsidiary where he negotiates business models and real estate transactions for RIT's global campuses. He has instructed various graduate business courses during his tenure in the RIT College of Applied Sciences and the E. Philip Saunders College of Business. He serves on various profit and not-for-profit boards throughout Rochester, New York, including Broadtree Residential, Inc., Broadstone Net Lease and the Rochester Philharmonic Orchestra. Prior to joining RIT, Dr. Watters spent 16 years with the University of Pittsburgh in positions such as Assistant Vice Chancellor for Finance and Business and Assistant Vice Chancellor for Real Estate and Management. Dr. Watters began his career in higher education administration assisting in the management of offshore insurance captives for the University of Pittsburgh. Dr. Watters holds a BS, MS, and PhD from the University of Pittsburgh.

CORPORATE GOVERNANCE

The Corporation's business, property, and affairs are managed under the direction of our Board of Directors. Members of our Board are kept informed of our business through discussions with our President and Chief Executive Officer and other officers, by reviewing reports and other materials provided to them, by visiting our offices, and by participating in meetings of the Board and its Committees. The Board of Directors is committed to employing good business practices, transparency in financial reporting, and strong corporate governance.

The same individuals serve as both Directors of the Corporation and Directors of The Canandaigua National Bank and Trust Company ("Bank"). The Corporation has standing Audit and Risk, Compensation, and Nominating and Governance Committees. The Charter of each of these Committees is available at the following website: www.cnbank.com.

The Board of Directors of the Corporation held twelve (12) meetings during 2021. The Board of Directors of the Bank held twelve (12) meetings during 2021. No incumbent Director of the Corporation attended fewer than 75% of the aggregate of all the meetings of the Boards of Directors and the Committees of which they were members. Directors are encouraged to attend the Annual Meeting of Shareholders. All thirteen Directors who were serving at the time of the 2021 Annual Meeting attended the Meeting.

Shareholders, and other interested parties, may communicate with the Board of Directors by sending communications to the attention of Jennifer N. Weidner, Esq., Secretary, Canandaigua National Corporation, 72 South Main Street, Canandaigua, NY 14424, who will forward relevant communications to one or more members of the Board of Directors.

BOARD STATEMENT ON DIVERSITY

Canandaigua National Corporation takes an active role in helping the communities we share to thrive and grow. This includes our commitment to having a Board of Directors and a workforce that is reflective and supportive of diversity, equity, and inclusion. It is through our core values and our corporate culture that we create an environment where the unique talents and perspectives of all of our stakeholders are valued, respected, and utilized. The Board views diversity broadly to include individuals who possess a variety of personal and professional experiences, perspectives, and backgrounds. The Board will not exclude individuals from nomination or Board service based on race, color, creed, citizenship, national origin, ancestry, sex, age, religion, military status or veteran status; marital status; familial status; gender identity and expression, sexual orientation, disability, and any other status protected by law.

ROLE OF THE BOARD IN RISK OVERSIGHT

The Corporation's Board of Directors considers general oversight of the Corporation's risk management efforts to be a responsibility of the entire Board. The Board's role in risk oversight includes receiving regular reports from members of management, establishing standards for risk management, and approving policies that address and mitigate material risks to the Corporation including credit, interest rate, investment, liquidity, operational, financial, and legal and regulatory risks, among other matters. The Board conducts certain risk oversight activities through its committees, which oversee specific areas and provide reports to the full Board regarding the committee's considerations and actions. The Audit and Risk Committee reviews

and considers financial, accounting, and regulatory compliance risks, including those that could arise from our accounting and financial reporting processes. The Compensation Committee reviews and considers risks related to the Corporation's compensation policies, including incentive plans, to determine whether those plans subject the Corporation to excessive risks. The Board also reviews and monitors risks through various reports presented by internal and external auditors and regulatory examiners.

DIRECTORS' COMPENSATION

Directors of the Corporation are also Directors of the Bank. For the year 2021, no compensation was paid to members of the Board of Directors for their service to the Corporation. For their service as Directors of the Bank, they were paid an annual retainer of \$25,000, paid in cash or stock or a combination of cash and stock at each Director's request. For the year 2021, the Chairman of the Board of Directors of the Bank was paid a cash retainer of \$70,000 and in cash at the rate of \$1,300 for each Board meeting attended at which he chaired the meeting, and the remaining members, including employee-directors, were paid in cash at the rate of \$1,050 per Board meeting attended and \$1,300 for a meeting at which they served as Chair of the meeting. Chairs of Board committees were paid in cash at the rate of \$850 per committee meeting attended and the remaining committee members, including employee-directors, were paid in cash at the rate of \$600 per committee meeting attended. All meeting fees are paid in cash when earned. In addition,

- Chairs of Board committees were paid an annual retainer of \$4,000, with the exception of the Audit and Risk Committee Chair who received an annual retainer of \$7,000.
- Board Committee members were paid an annual retainer of \$2,000 for each committee on which they served with the exception of the Audit and Risk Committee members who received a \$4,000 annual retainer.

Name	2021 Fees Earned or Paid in Cash (\$)*
Gary L. Babbitt	56,850
Daniel P. Fuller	65,600
Michael C. Goonan	52,800
Frank H. Hamlin, III	63,600
George W. Hamlin, IV	135,000
Lawrence A. Heilbronner-Kolthoff	71,000
Richard J. Plympton	46,000
Thomas S. Richards	57,000
Robert G. Sheridan	61,550
Caroline C. Shipley	68,250
Sue S. Stewart	62,600
Alan J. Stone	50,950
James H. Watters	42,800
Total	\$834,000

* In 2021, the following directors elected to receive a portion of their annual retainers in shares of stock with a value of \$224.93 per share, which was the average price of the last public sealed-bid auction sale of Corporation stock prior to April 28, 2021, the date the retainers were processed for payment to directors: Daniel P. Fuller elected to receive 146 shares, Thomas S. Richards and Sue S. Stewart each elected to receive 155 shares, Michael C. Goonan elected to receive 70 shares, Caroline C. Shipley elected to receive 60 shares and Richard J. Plympton elected to receive 128 shares. The balance of the retainers was paid in cash.

COMMITTEES OF THE BOARD OF DIRECTORS

The following chart shows the composition of the committees of the Canandaigua National Corporation Board of Directors, and the number of meetings held by each committee during 2021.

2021 Committee Composition				
Director	Executive (12 meetings)	Audit and Risk (5 meetings)	Nominating and Governance (4 meetings)	Compensation (4 meetings)
Gary L. Babbitt	X			
Daniel P. Fuller	Vice Chair		X	X
Michael C. Goonan*		X		
Frank H. Hamlin, III*	X		X	X (non-voting)
George W. Hamlin, IV*	Chair		X	X
Lawrence A. Heilbronner-Kolthoff*	X			
Richard J. Plympton		X		
Thomas S. Richards		X	X	Chair
Robert G. Sheridan	X			
Caroline C. Shipley	X	Chair	X	X
Sue S. Stewart	X	X	Chair	
Alan J. Stone*			X	X
James H. Watters*				

* These Directors also serve on the Trust Investment Committee, which is a committee of The Canandaigua National Bank and Trust Company Board of Directors and The Canandaigua National Trust Company of Florida Board of Directors. Both entities are wholly owned subsidiaries of Canandaigua National Corporation.

NOMINATING AND GOVERNANCE COMMITTEE

The Nominating and Governance Committee consisted of seven (7) Directors in 2021. The members of the Committee are appointed by the Board of Directors each year. The Nominating and Governance Committee met four (4) times during 2021 to determine personal and professional qualifications for Board of Director candidates. A current copy of the Charter of the Nominating and Governance Committee is available for review at www.cnbank.com. The Committee plays an integral role in the selection of new Directors by reviewing the qualifications of candidates, conducting interviews, and making recommendations to the Board of Directors. In its deliberations, the Nominating and Governance Committee considers the skills represented among the existing Board members and identifies any particular qualifications that might be sought in new Directors for the purpose of augmenting the skills and experience represented on the Board, all in the context of the perceived needs of the Board at that time. In addition, the Nominating and Governance Committee will consider Director candidates recommended by shareholders. Shareholders may submit such recommendations by following the procedures outlined in the “Shareholder Proposals” section of this Proxy Statement.

The Nominating and Governance Committee also oversees matters relating to the Board and its Committees, including review of governing documents, conflict of interest oversight and other general governance matters.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee of the Corporation consisted of five (5) Directors in 2021 who are not employees of the Bank and who are appointed annually by the Board of Directors. The Audit and Risk Committee met five (5) times during 2021 to supervise external audit, internal audit, enterprise risk and compliance activities of the Corporation and its subsidiaries. The function of the Committee is to make or cause to be made suitable examinations every year and to ensure that the Corporation’s activities are being conducted in accordance with the law and the banking rules and regulations, and in conformance with established policy. The Committee works directly with the internal auditor to review audit plans, staffing, and the results of individual audits. At least annually, the Committee meets in executive session independently with both the internal and external auditors. In addition, the Audit and Risk Committee retains the services of a reputable independent registered public accounting firm. The Committee receives and reviews the reports of the independent auditor and presents them to the Board of Directors with comments and recommendations. At least once during each twelve-month period, this Committee requires audits of the Corporation’s trust activities of The Canandaigua National Bank and Trust Company and Canandaigua National Trust Company of Florida and determines whether an adequate review of the assets in each trust has been made. The Audit and Risk Committee also reviews reports from Enterprise Risk Management, Compliance, Credit Risk Management, and Information Security to gain an understanding of significant risks and measures taken by management to mitigate identified risks.

REPORT OF THE AUDIT AND RISK COMMITTEE

Following is the report of the Audit and Risk Committee with respect to the Corporation’s audited financial statements for the fiscal year ended December 31, 2021.

One of the primary purposes of the Audit and Risk Committee is to assist the Board in its general oversight of the Corporation’s financial reporting, internal controls and audit functions. The Audit and Risk Committee Charter, which is available for review on the Corporation’s website at www.cnbank.com, describes in greater detail the full responsibilities of the Committee. The Audit and Risk Committee has reviewed and discussed the consolidated financial statements with management and Crowe LLP, the Corporation’s independent auditor. Management is responsible for the preparation, presentation and integrity of the Corporation’s financial statements; accounting and financial reporting principles; establishing and maintaining disclosure controls and procedures; establishing and maintaining internal control over financial reporting; evaluating the effectiveness of disclosure controls and procedures; evaluating the effectiveness of internal control over financial reporting; and evaluating any change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting. Crowe LLP is responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on the conformity of those financial statements with U.S. generally accepted accounting principles, as well as expressing an opinion on the effectiveness of internal control over financial reporting.

In connection with the preparation of the consolidated financial statements for fiscal year 2021, management provided the Committee with, and the Committee reviewed, a report on the effectiveness of the Corporation’s internal control over financial reporting as required by the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) and related regulations. The Committee also reviewed Crowe LLP’s Independent Auditors’ Report included in the Corporation’s Annual Report related to its audit of: (i) the consolidated financial statements and (ii) the effectiveness of internal controls over financial reporting.

The Committee continues to oversee the Corporation’s efforts related to its internal control over financial reporting. The Audit and Risk Committee has discussed with Crowe LLP the matters required to be discussed by “AU-C Section 260, The Auditor’s Communication with Those Charged with Governance,” as amended. In addition, Crowe LLP has provided the Audit and Risk Committee with the written disclosures required by applicable requirements of the Auditing Standards Board regarding the independent accountant’s communications with the Audit and Risk Committee concerning independence, and the Audit and Risk Committee has discussed with Crowe LLP their firm’s independence. The Audit and Risk Committee annually reviews the consolidated financial statements and discussions with and representations from management and Crowe LLP referred to above, and makes its recommendations accordingly to the Board of Directors that the audited financial statements be included in the Corporation’s Annual Report for the relevant fiscal year.

The Corporation appointed Crowe LLP as independent auditor for the fiscal year December 31, 2021. All services provided by the independent auditor are pre-approved by the Audit and Risk Committee. The Chair of the Audit and Risk Committee may approve engagement of services that arise between Audit and Risk Committee meetings. Independent auditors are prohibited from providing the following non-audit services: bookkeeping; financial information systems design and implementation; appraisal or valuation; actuarial services; internal audit outsourcing; management functions or human resources; broker dealer, investment advisor or investment banking; legal or expert services unrelated to the audit; or any other service determined by the Board to be impermissible. The lead independent audit partner and the reviewing partner are required to rotate off the engagement after five years and must stay off the engagement for five years. Non-lead partners must rotate after seven years and must stay off the engagement for two years. Other specialist partners are not subject to rotation. The Audit and Risk Committee annually evaluates the partners on the account to ensure they meet the rotation requirement.

The following table presents fees for professional audit services rendered by Crowe LLP for the audit of the Corporation’s annual financial statements during 2021 and 2020, and fees billed for other services rendered by Crowe LLP:

	2021	2020
Audit Fees ⁽¹⁾	\$ 245,000	\$ 235,000
Audit-Related Fees	\$ 0	\$ 0
Tax Fees	\$ 0	\$ 0
All Other Fees	\$ 0	\$ 0
Total Fees	\$ 245,000	\$ 235,000

⁽¹⁾Audit fees consisted of professional services rendered for the audits of the consolidated financial statements of the Corporation and the audit of Internal Controls over Financial Reporting.

The Board of Directors of the Corporation provides continuing professional education for its Directors through a series of educational presentations that are made to the full Board at Board meetings related to financial industry trends and specific

information regarding changes in laws and regulations applicable to the Corporation. In addition, continuing professional education materials specific to contemporary audit issues relating to financial services companies are provided to the Audit and Risk Committee members by Crowe LLP.

COMPENSATION COMMITTEE

The Compensation Committee of the Corporation consisted of six (6) Directors in 2021, four (4) of whom are non-employees, who are appointed annually by the Board of Directors. The Compensation Committee is responsible for establishing, reviewing and approving executive officer compensation levels, reviewing annual performance reviews of executive officers, performing an annual review of the Chief Executive Officer, considering senior leadership succession and development issues, reviewing the Corporation's Human Resource Program and related matters. The Committee reports the results of its deliberations to the Board for its review and action as appropriate. The Compensation Committee has a Charter, a current copy of which is available for review at www.cnbank.com.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee met four (4) times during 2021 to consider annual reviews of executive officers' performance; conduct a review of the Chief Executive Officer; review the Corporation's Human Resources policies, compensation and succession plans; and review with consultants the appropriateness of the Executive Officers' compensation plans and results.

In the following Compensation Committee Report, "we," "our," and "us" refer to the Compensation Committee.

Compensation Philosophy

Our purpose is to act on behalf of the Board of Directors to ensure the existence and implementation of fair and equitable human resource policies and compensation that support the Corporation's mission, vision, and values. Through our work, we endeavor to maintain executive compensation that is fair, reasonable, and consistent with the Corporation's size and the compensation practices of the financial services industry.

Our goal is to attract, develop and retain high caliber executives, in key leadership positions, who are capable of optimizing the Corporation's performance for the benefit of its shareholders while maintaining the philosophy of traditional community banking. The Corporation's goal as a multi-bank financial holding company is to offer its customers products and services that meet their needs, extraordinary personal service, and also to provide a strong commitment to the communities it serves. The Corporation's philosophy centers on the belief that comprehensive financial services are more about relationships than transactions. The Corporation engages in traditional banking, which derives most of its revenues from lending core deposits to others in the same community who are engaged in productive and constructive pursuits, which positively and in a sustained way drive the growth of local economies. We believe that the Corporation's philosophy leads to the development of meaningful, long-term relationships with its customers and communities, and we believe this philosophy should be a core element of our executive compensation program.

We believe that a significant portion of an executive officer's compensation should be tied to performance. The Corporation's compensation program contains a mix of base salary and performance-based incentive compensation components. Up to 40% of executive compensation is tied to performance and at-risk components. We consider and emphasize many factors and objectives when measuring the performance of the Corporation and its executives for the prior year and in setting goals and objectives for the coming year.

Our compensation program includes:

- objectives that drive near-term achievement of the Corporation's budgetary and short-term financial goals;
- objectives that drive achievement of long-term financial and operational goals as outlined in the Corporation's strategic plan;
- objectives that support the values and culture of the Corporation and community banking; and
- objectives related to the personal development of the Corporation's executive officers and other employees.

The Role of Officers in Compensation Decisions

The Chief Executive Officer, Chief Financial Officer, and Chief Human Resources Officer each provide us with information and analysis that is used in determining the compensation of the Corporation's executive officers.

Compensation Committee Methodology

The Chief Executive Officer completes an annual performance assessment for each of the executive officers and recommends a total compensation package for each of the executive officers. We review and consider both the CEO's assessments and his compensation recommendations in our deliberations regarding compensation amounts. We conduct an annual performance appraisal of the Chief Executive Officer based on evaluation information solicited from each member of the Board of Directors, and recommend to the Board the annual compensation package for the Chief Executive Officer. In determining the compensation of the Corporation's executive officers for 2021, including the compensation of the Chief Executive Officer, we considered a number of quantitative and qualitative performance factors including:

- the Corporation's financial performance, including return on equity, return on assets, net interest margin, growth in earnings per share, loan growth, deposit growth, fee income, and revenue from assets under management;
- the Corporation's growth;
- the Corporation's cumulative shareholder return; and
- the executive's role and success in the management of assets, liabilities, capital, liquidity, and risk.

We endeavor to balance the Corporation's short-term and long-term performance and cumulative shareholder value when establishing performance criteria for each of the executive officers and for the management team as a group. In formulating total compensation, we also consider intangible factors such as:

- the executive's scope of responsibility;
- leadership within the Corporation, the community, and the financial services industry; and
- whether the Corporation, under the executive's leadership, has been able to serve worthwhile public purposes while enhancing shareholder value.

All of these factors are considered in the context of the market for the Corporation's products and services, and the complexity and difficulty of managing business risks in the prevailing economic conditions and regulatory environment. We believe that the total compensation provided to the Corporation's executive officers is competitive and provides effective incentives, demonstrated by the Corporation's continued superior performance.

Peer Groups and Benchmarks

We are authorized to retain outside counsel, experts, and consultants to assist us in performing our functions. As an additional source of information to assist us in evaluating appropriate compensation levels for the executive officers, we periodically conduct a comparison study of the Corporation's executive compensation with the executive compensation for comparable positions at companies within the Corporation's peer group. The Corporation's compensation-related peer group is generally financial institutions having assets between \$1 billion and \$5 billion with high levels of non-interest income.

In 2021, we engaged McLagan, an Aon Hewitt Company, to perform a comprehensive review of the executive officers' total compensation packages. As a part of this review, in consultation with McLagan and management, we developed two peer groups of financial institutions with similar characteristics to the Corporation. The Northeast Peer Group is chosen primarily based on geographic location, asset size, and performance. The High-Performance Peer Group represents approximately one-third of the Northeast Peer Group. We purposely chose institutions that are better performing (generally, as measured by return on average equity, return on average assets, net interest margin, growth in earnings per share, loan growth, deposit growth, fee income, and revenue from assets under management) than the overall bank marketplace to be consistent with the Corporation's historical performance.

We used the peer group data as a point of reference and comparison only, and not for purposes of establishing or setting a specific level of compensation to be achieved. Because the roles and duties of executive officers vary from institution to institution, a direct one-to-one comparison is not always possible. We considered the experience of each of the Corporation's executive officers, their years of service to the Corporation, and the responsibilities of each officer compared to the officers in the peer group as well as to one another.

Given the limitations associated with comparative pay information, we do not rely as much on benchmarking for setting compensation as we do on the Corporation's level of performance, the executive officers' successful management and reaction to economic conditions impacting the Corporation during the year, and their success in positioning the Corporation for continued growth and optimization of shareholder value in the future.

Risk Assessment

In developing the compensation program, we seek to ensure that the program does not promote unnecessary and excessive risk that might threaten the value of the Corporation. We believe in adhering to a conservative and balanced approach to risk, which we believe is in line with the Corporation's long-held policies and practices and commitment to maintaining the philosophy of community banking. In 2021, since there were no material changes in incentive compensation programs for employees, we did not conduct a formal review of the Corporation's incentive compensation programs for all employees. We relied on the review from 2020, which was based on the following core principles of sound incentive compensation policies released by the Federal Reserve, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision:

- Risk management: provide employees incentives that appropriately balance risk and reward;
- Internal controls: be compatible with effective controls and risk-management; and
- Corporate governance: be supported by strong corporate governance, including active oversight by the organization's board of directors, compensation committee and governance committee.

The consultant's review in 2020 confirmed our conclusion that the Corporation's incentive plans are, in general, appropriately structured to comply with the intent of the principles of sound incentive compensation policies.

Elements of Compensation

The Corporation's executive compensation program has four basic elements:

- base salary;
- annual cash short-term incentive compensation;
- long-term equity-based incentive compensation; and
- benefits, including retirement, health care, and insurance.

We view each element of compensation as an integral component of the Corporation's compensation program, which is designed to ensure the Corporation's long-term success and increase shareholder value while sustaining our corporate mission. While there are differences within each element in accordance with the responsibilities of each executive, the elements are consistent for all executives, including the CEO. We believe this encourages important teamwork within the executive group.

Incentive compensation for the executive officers is based on a pay-for-performance philosophy that emphasizes performance goals designed to achieve long-term value for the shareholders; therefore, a portion of the executive officers' annual and long-term compensation is at risk.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION IN COMPENSATION DECISIONS

The non-employee director members of the Compensation Committee meet in executive session, outside the presence of management, to consider and recommend the compensation of the CEO and other executive officers.

TRANSACTIONS WITH CERTAIN RELATED PERSONS

Directors and executive officers of the Corporation and their associates are, as they have been in the past, customers of, and have had financial transactions with, the Corporation's subsidiaries, and additional transactions may be expected to occur in the future between such persons and the Bank or other subsidiaries of the Corporation. Any loans from the Bank to such persons and their associates, outstanding at any time since the beginning of 2021, were made in accordance with Federal Reserve Board Regulation O, in the ordinary course of business of the Bank and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated customers of the Bank, and did not involve more than normal risk of collection or present other unfavorable features.

STOCK OWNERSHIP OF DIRECTORS AND MANAGEMENT

The following table sets forth, as of February 22, 2022, the amount and percentage of the common stock of the Corporation beneficially owned by each Director and each executive officer. The business address of each of the following Directors and executive officers is 72 South Main Street, Canandaigua, New York.

NAME OF OWNER	SHARES OF COMMON STOCK OWNED ⁽¹⁾	ESOP SHARE OWNERSHIP	STOCK OPTIONS	TOTAL ⁽¹⁾	TOTAL PERCENT OF CLASS
Gary L. Babbitt, Director	550	453	-	1,003	0.05%
Daniel P. Fuller, Director and Vice-Chairman of the Board	3,293	-	-	3,293	0.18%
Michael C. Goonan, Director	384	-	-	384	0.02%
Frank H. Hamlin, III, Director, President and Chief Executive Officer	16,445	134	-	16,579	0.88%
George W. Hamlin, IV, Director and Chairman	69,460	1,055	11,884	82,399	4.39%
Lawrence A. Heilbronner-Kolthoff, Director	5,560	413	-	5,973	0.32%
Richard J. Plympton, Director	248	-	-	248	0.01%
Thomas S. Richards, Director	1,876	-	-	1,876	0.10%
Robert G. Sheridan, Director	6,809	-	-	6,809	0.36%
Caroline C. Shipley, Director	2,943	-	-	2,943	0.16%
Sue S. Stewart, Director	2,815	-	-	2,815	0.15%
Alan J. Stone, Director	29,055	-	-	29,055	1.55%
James H. Watters, Director	5	-	-	5	<0.001%
Salvatore (Sam) Guerrieri, Jr., Executive Vice President ⁽²⁾	3,449	31	-	3,480	0.19%
Annette M. Joyce, Executive Vice President ⁽²⁾	65	24	-	89	0.005%
Karen C. Serinis, Executive Vice President ⁽²⁾	184	291	-	475	0.03%
Charles J. Vita, Executive Vice President ⁽²⁾	-	71	-	71	0.004%
Vincent K. Yacuzzo, Executive Vice President and Chief Financial Officer	-	39	-	39	0.002%
A. Rosamond Zatyko, Executive Vice President ⁽²⁾	25	125	-	150	0.01%
The Canandaigua National Bank and Trust Company held in various fiduciary capacities	120,995	-	-	120,995	6.45%
All Directors and executive officers as a group and fiduciary capacities	264,161	2,636	11,884	278,681	14.86%

⁽¹⁾ Includes shares held directly, as well as shares held jointly with family members, and in retirement accounts, in a fiduciary capacity, by certain of the individual's family members, or held by trusts of which the individual is a trustee or substantial beneficiary, with respect to which shares the individual may be deemed to have sole or shared voting or investment powers, and shares which may be acquired under option agreements or pursuant to the automatic termination of a trust, discretionary account or similar arrangement. Assumes that all currently exercisable options or options exercisable within 60 days issued to the person have been exercised.

⁽²⁾ Officer of Subsidiary Companies only

As of February 22, 2022, the subsidiary trust companies of the Corporation held in various fiduciary capacities 765,218 shares or 40.81% of the outstanding shares. They have the power to vote 120,995 shares, or 6.45% of the outstanding shares. These shares are included within the total set forth in the table above.

EXECUTIVE OFFICER INFORMATION

Name	Position(s)	Age
Frank H. Hamlin, III	President and Chief Executive Officer	49
Salvatore (Sam) Guerrieri, Jr. ⁽¹⁾	Executive Vice President	56
Annette M. Joyce ⁽¹⁾	Executive Vice President	54
Karen C. Serinis ⁽¹⁾	Executive Vice President	67
Charles J. Vita ⁽¹⁾	Executive Vice President and Chief Lending Officer	52
Vincent K. Yacuzzo	Executive Vice President and Chief Financial Officer	38
A. Rosamond Zatyko ⁽¹⁾	Executive Vice President and Chief Administrative Officer	59

⁽¹⁾ Officer of Subsidiary Companies only

Frank H. Hamlin, III. Information concerning the business experience of Mr. Hamlin is provided in the section entitled "Election of Directors and Information with Respect to Board of Directors," which begins on page 2 of this Proxy Statement.

Salvatore (Sam) Guerrieri, Jr. has served as Executive Vice President, Wealth Management of The Canandaigua National Bank and Trust Company since April 2017. In this role, Mr. Guerrieri is responsible for all of the Wealth Brands, including Canandaigua Investment Services and CNB Insurance Agency. Mr. Guerrieri also serves as Director and President of Canandaigua National Trust Company of Florida. He was appointed as Director and Executive Vice President of CNB Mortgage Company on March 21, 2018, and Director and Executive Vice President for CNB Insurance Agency on April 11, 2018. In 2017,

Mr. Guerrieri was appointed as Manager of WBI OBS Financial, LLC and as Director of OBS Holdings, Inc. He was appointed Chairman of the Board of WBI OBS Financial, LLC in 2019, and continued to serve on both Boards until the subsidiary was sold on February 29, 2020. Prior thereto, Mr. Guerrieri served as Senior Vice President, M&T Bank Corporation, and Chief Executive Officer and President of M&T Securities, Inc. Mr. Guerrieri served at M&T Bank Corporation from January 1996 – April 2017. During his tenure, he also served as Senior Manager of the M&T Retail Branch Network, and Chief Executive Officer of M&T Insurance Agency. He was involved in fourteen acquisitions while at M&T Bank. Mr. Guerrieri attended the University of Rochester and earned a Bachelor of Arts (BA) degree in Psychology. His community involvement includes service as Chairman of the Musculoskeletal Institute Council for the University of Rochester Medical Center since May 2019 and Board member of the Aquinas Institute since August 2020. He is also the Treasurer and Chair of the Finance Committee for the Aquinas Institute since September 2021. Mr. Guerrieri is the Vice Chair of the Trust and Wealth Management Division of the New York Bankers Association and also serves as a Director on the Board of the New York Bankers Association since October 2021. He is the past President of the Bank Insurance Securities Association, and currently resides as an Emeritus Director. Mr. Guerrieri holds the following licenses: FINRA Series 7, 24, 53, 63, New York State Life and Health Insurance.

Annette M. Joyce has served as Executive Vice President, Information Technology & Project Management of The Canandaigua National Bank and Trust Company since June 2017. Mrs. Joyce joined the company with over 20 years of business and information technology leadership experience as both a consultant and part of internal management and executive teams in a number of different industries. Past positions include Director of the Information Technology Consulting Division for EFPR Group, President of Enterprise Intelligence Consulting Inc., Chief Operating Officer and Chief Technology Officer for Axzo Press LLC, Chief Operating Officer and Chief Technology Officer for SPG Direct LLC, Senior Vice President and Chief Information Officer for Concentrix, and Experienced Senior Consultant for Andersen Consulting. She has also managed information technology initiatives for companies such as Microsoft, Memberworks, and ITT Industries. Mrs. Joyce received her Bachelor of Science (BS) degree in Management Information Systems with a concentration in Technical Communications from Clarkson University, and also earned a Master of Business Administration (MBA) degree with honors from the Simon School of Business at the University of Rochester with concentrations in Marketing and Entrepreneurship. Her community involvement has included service as an Advisory Board Member for Daystar, an Advisory Board Member for Saints Place, a Board Member for Ronald McDonald House Charities of Rochester, and an Advisory Committee Member for St. Mary's School, among other volunteer work.

Karen C. Serinis has served as Executive Vice President, Retail Banking and Marketing of The Canandaigua National Bank and Trust Company since 2011. Mrs. Serinis has also been a Director and Executive Vice President of CNB Mortgage Company since 2011. Prior thereto, Mrs. Serinis was Senior Vice President – Retail Network: Branches, Call Center, Business Development Representatives, Personal Bankers, since 2006. Mrs. Serinis has been employed by The Canandaigua National Bank and Trust Company since 1997, and during the timeframe from 1997 to 2006, was the Vice President and Group Manager of the Pittsford Region. Prior to that time, she had been employed by another financial services company, where she held various Management and Marketing positions. Mrs. Serinis earned a Bachelor of Science (BS) degree in Accounting from St. John Fisher College and also earned a Master of Business Administration (MBA) degree in Management from Rochester Institute of Technology. Her community involvement includes long support and involvement with The Women's Foundation of Genesee Valley, including past Chairperson of the Board of Directors and Executive Committee of the Board, as well as charity efforts with Webster Comfort Care Home and Bivona Child Advocacy Center.

Charles J. Vita joined The Canandaigua National Bank and Trust Company in 2011 as Senior Vice President for Commercial Services and Group Manager. On January 1, 2020, he was appointed as Executive Vice President and Chief Lending Officer. In this role, Mr. Vita leads the strategic direction of, and provides overall management to, the Commercial Services Department. Prior to joining CNB, Mr. Vita served as Senior Vice President of Key Bank Corporate Banking from 1993 to 2004, and as Senior Vice President/District President for RBS Citizens NA, from 2004 to 2011. His background includes leadership team management and direct work with senior debt structure, capital markets, treasury management, international trade, bond finance and overall client account management. Mr. Vita earned his Bachelor of Science (BS) degree in Business Administration and his Master of Business Administration (MBA) from St. Bonaventure University. He currently holds Board positions with Monroe Community College Foundation and the Greater Rochester YMCA, and past Board positions with the Center for Governmental Research, United Way of Greater Rochester and Rochester Business Alliance.

Vincent K. Yacuzzo joined the organization in September 2013 and previously held the position of Vice President and Controller. He was appointed as Executive Vice President and Chief Financial Officer on January 1, 2019. His responsibilities include the overall financial management for the Corporation, Bank and their subsidiaries, as well as overseeing banking operations and facilities. Prior to joining CNB, Mr. Yacuzzo served as Manager of Financial Reporting – Revenue & Assets

Under Management at Manning & Napier Advisors from November 2011 – October 2013. During that time he played a key role in the firm’s evolution into a public company, including the development of external SEC reporting and implementation of Sarbanes-Oxley. The earlier years of his professional career were spent within the external audit practice at KPMG, a global big-four public accounting firm, with a focus on publicly traded companies in the financial services industry, until his departure as Audit Manager in November 2011. Mr. Yacuzzo received his Bachelor of Science (BS) degree in Accounting, Summa Cum Laude, from St. John Fisher College. He is a licensed Certified Public Accountant (CPA) in the State of New York and a member of the American Institute of Certified Public Accountants and the New York State Society of CPAs. Mr. Yacuzzo is active in the community, serving on the Board of Directors and the Finance and Investment Committees of the United Way of Greater Rochester and the Finger Lakes, and collaborating with the City and Town of Canandaigua municipality leaders on economic development activities, including evaluating opportunities for shared services to generate taxpayer savings.

A. Rosamond Zatyko has served as Executive Vice President, Chief Administrative Officer of The Canandaigua National Bank and Trust Company since January 1, 2017. Prior thereto, Mrs. Zatyko served as Chief Credit Risk Officer, responsible for the management of all loan portfolio credit risk since 2010. Mrs. Zatyko has been employed by The Canandaigua National Bank and Trust Company since 1994, serving as the Commercial Credit Administrator responsible for general oversight of loan asset quality and the assessment of the adequacy of the loan loss reserves. Mrs. Zatyko earned a Bachelor of Arts (BA) degree from Emory University, and completed the BAI Graduate School of Community Bank Management at the Emory University Goizueta Business School. She also received her certification in Loan Review in 1996. Originally from the Boston area, she started her banking career with Fleet National Bank in their Commercial Underwriting Group. She then joined the Treasury Department as an OCC Federal Bank Examiner where she examined both regional and community Banks.

INDEPENDENT AUDITORS

The Audit and Risk Committee of the Board of Directors selected Crowe LLP as the independent auditor of Canandaigua National Corporation for the year ended December 31, 2021. Representatives of Crowe LLP are expected to be present at the Annual Meeting and to be available to respond to appropriate questions. They will be given the opportunity to make a statement if they so desire.

SHAREHOLDER PROPOSALS AND NOMINATION FOR DIRECTORS

To be considered for inclusion in the Corporation’s Proxy Statement and form of proxy relating to the 2023 Annual Meeting of Shareholders, which is anticipated to be held in April of 2023, a shareholder proposal must have been received by the Secretary of the Corporation at the address set forth on the first page of this Proxy Statement no earlier than October 11, 2022, and no later than November 10, 2022.

The shareholder’s notice shall set forth:

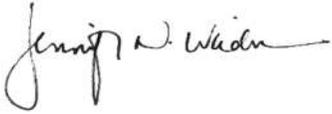
- (a) as to the shareholder giving the notice and all persons and entities acting in concert with the shareholder or, in the case of a proposal to nominate an individual(s) for election to the Board: (1) their name(s) and business address(es); (2) their name(s) and address(es) as they appear on the Corporation’s books (if they so appear); and (3) the class and number of shares of the Corporation they beneficially own;
- (b) as to the business being proposed: (1) a brief description of the business desired to be brought before the meeting; (2) the reasons for conducting such business at the meeting; and (3) any material interest of the shareholder in such business;
- (c) if the shareholder proposal is to nominate individual(s) for election as a director, as to each proposed nominee: (1) the name, age, business address, and residence address of such person; (2) the principal occupation or employment of such person; (3) the class and number of shares of the Corporation which are beneficially owned by such person; and (4) any other information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act; and
- (d) such other information as the Board of Directors reasonably determines is necessary or appropriate to enable the Board of Directors and shareholders of the Corporation to consider the proposal and to comply with applicable law.

Nominations and proposals not made in accordance with the requirements set forth above may be disregarded. In addition, the proposed business must be a proper matter for shareholder action under the New York Business Corporation Law, and the shareholder bringing such business before the 2023 Annual Meeting of Shareholders must be present at the meeting in person or by proxy.

OTHER MATTERS

At this time, the Board of Directors knows of no other matters to be brought before the 2022 Annual Meeting of Shareholders. However, if other matters should come before the meeting, it is the intention of each person named in the Proxy to vote in accordance with such person's judgment on such matters.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read "Jennifer N. Weidner". The signature is written in a cursive style with a long horizontal stroke at the end.

Jennifer N. Weidner, Esq., Secretary
March 11, 2022