



Fourth Quarter 2025

Since 1890



# Disclosure Statement

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This presentation includes forward-looking statements. These statements include descriptions of management's plans, objectives or goals for future operations, products or services, forecast of financial or other performance measures and statements about Banner's general outlook for economic and other conditions. Additional forward-looking statements may be made in the question-and-answer period following the presentation. These forward-looking statements are subject to several risks and uncertainties and actual results may differ materially from those discussed today. Information on the risk factors that could cause actual results to differ are available from the earnings press release that was released January 21, 2026 as well as the Form 10-K for the year ended December 31, 2024 and Forms 10-Q filed quarterly thereafter. Forward-looking statements are effective only as of the date they are made, and Banner assumes no obligation to update information concerning its expectations.

# Fourth quarter 2025 highlights

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- Net income of \$51.2 million, compared to \$53.5 million for the prior quarter
- HFI Loan growth of \$367 million year-over-year (3%)
- Total loan originations (excluding HFS) were \$867 million
- Core deposits grew by \$196 million year-over-year (2%)
- Net interest margin (tax equivalent) increased 5 basis points to 4.03%
- Efficiency ratio (GAAP) was 62.11%, compared to 59.76% in the prior quarter; adjusted, non-GAAP efficiency ratio was 59.87% compared to 58.54% in the prior quarter
- Return on average assets of 1.24%, and return on average tangible common equity of 13.11%, compared to 1.30% and 14.17%, respectively, for the prior quarter
- \$1.5 million provision for credit losses - loans and \$0.9 million provision for credit losses - unfunded commitments; Allowance for credit losses – loans was 1.37% of total loans
- Non-performing assets remained low at 0.31% of total assets, up 4 basis points from last quarter
- Repurchased 249,975 shares of Banner common stock at an average price of \$63.14 per share
- Announced dividend of \$0.50 per share to be paid in February 2026

# Building value at Banner

Building value for stakeholders ...

by focusing on core banking competency ...

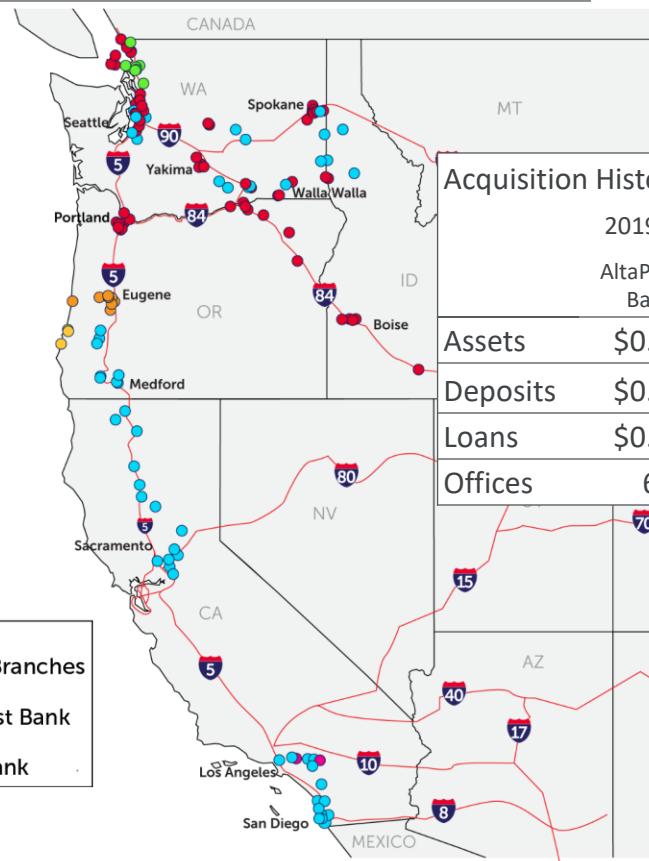
that is sustainable through change events ...

and scalable with acquisition growth

## Banner Corporation

Assets	\$16.4B
Deposits	\$13.7B
Loans	\$11.8B
Offices	135
Employees	1,906

- Banner Bank
- SW Oregon Branches
- Siuslaw Bank
- AmericanWest Bank
- Skagit Bank
- AltaPacific Bank



## Acquisition History

	2019 Q4	2018 Q4	2015 Q4	2015 Q1	2014 Q2
AltaPacific Bank					
Assets	\$0.4B	\$0.9B	\$4.5B	\$0.4B	\$0.2B
Deposits	\$0.3B	\$0.8B	\$3.6B	\$0.3B	\$0.2B
Loans	\$0.3B	\$0.6B	\$3.0B	\$0.2B	\$0.1B
Offices	6	11	98	10	6

# Building value at Banner

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## Core banking competency

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Growing revenue

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Protecting net interest margin

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Spending carefully

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Maintaining a moderate risk profile

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Employing capital wisely

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## Growing revenue

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Take advantage of ideal geography

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Offer super community bank value proposition

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Guard and improve reputation

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Grow market share

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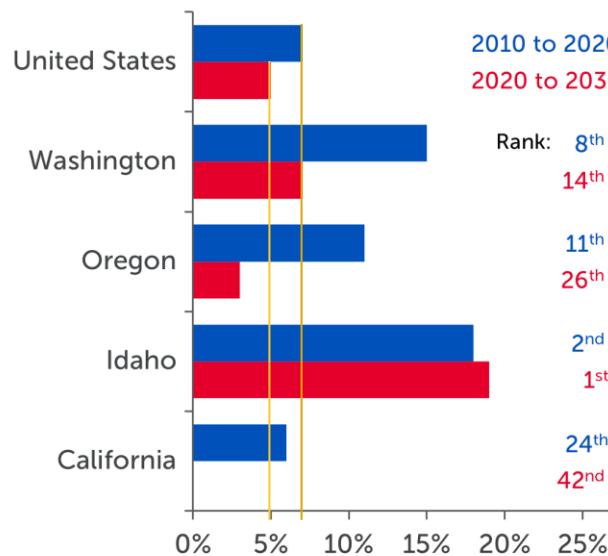
# Growing revenue ... in a good place since 1890

## Population Estimate (millions)

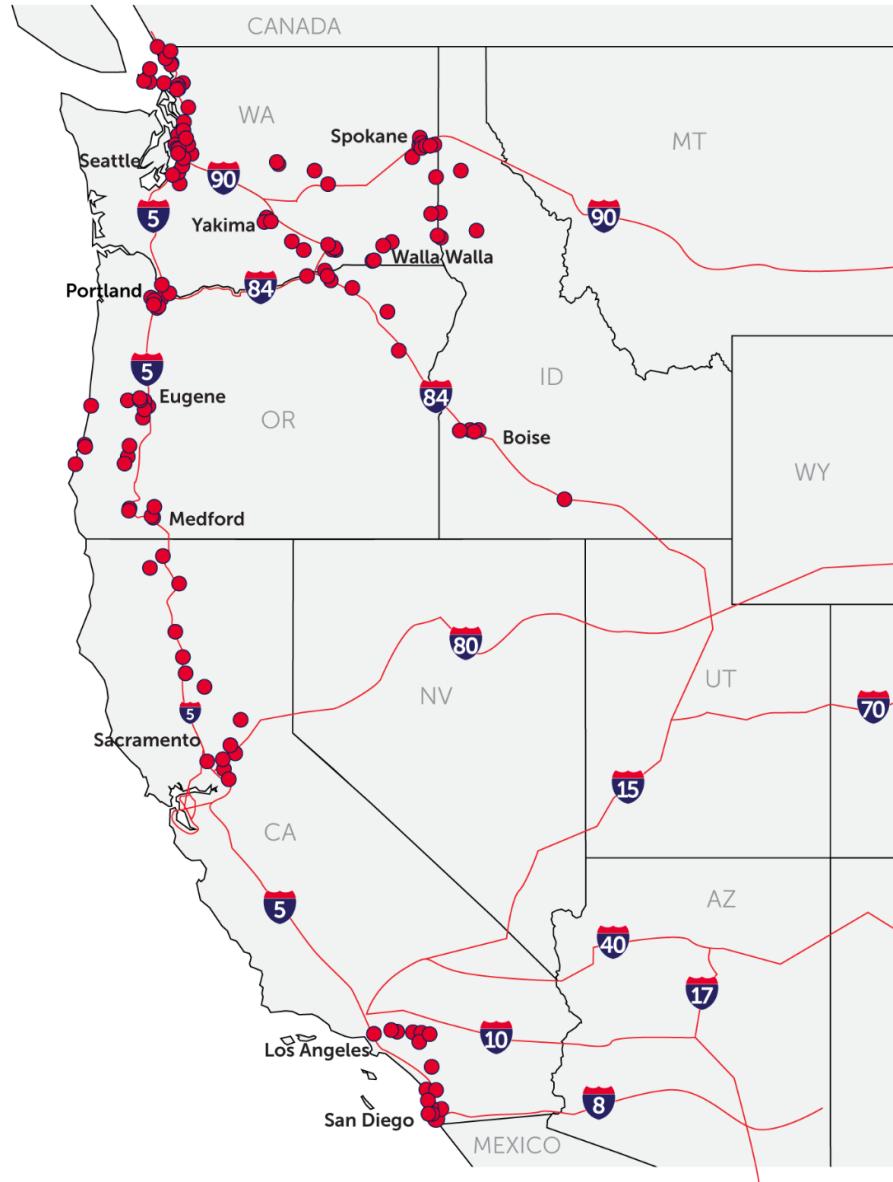
	2020	2030	Growth
Washington	7.7	8.2	7%*
Oregon	4.2	4.4	3%
Idaho	1.8	2.2	19%*
California	39.5	39.4	0%
Region	53.3	54.2	2%
United States	331.6	347.0	5%

\* Among the fastest growing in the country

## Strong Population Growth Forecast



Source: U.S. Census Bureau  
Moody's Analytics Forecasted (October 2025)



# Growing revenue ... in an ideal geography



## Powerful and diverse economic drivers

From Banner's Pacific Northwest base to ...

Technology



Manufacturing



Consumer



Logistics



Natural Resources



Agriculture

Traditional, specialty crops, orchards, wineries, ...



California

From Apple



to zoom

from Silicon Valley to  
the Central Valley ...  
the world's 5<sup>th</sup> largest  
economy\*

\* Source: International Monetary Fund and U.S. Bureau of Economic Analysis, October 2025

# Growing revenue

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## Our super community bank value proposition

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Broad product offerings serving middle market, small business and consumer client base

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Decision-making as close to client as possible

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Delivery channels aligned to maximize tactical execution of strategic plan

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Community investment

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# Growing revenue

## Guard and protect our reputation

Best in Customer Satisfaction for Retail Banking in the Northwest

J.D. Power

\*for J.D. Power 2025 Award Information, visit [jdpower.com/awards](http://jdpower.com/awards)



Most Trustworthy Companies in America

Newsweek 2023, 2024 and 2025



World's Most Trustworthy Companies

Newsweek 2023, 2024 and 2025



America's Best Regional Banks

Newsweek 2024, 2025 and 2026

Outstanding CRA Rating

FDIC 2025 and 2021 (two consecutive examination cycles)



5-Star rating™ (highest category)

BauerFinancial; 12+ years



100 Best Banks in America

Forbes, 9 consecutive years (2017-2025)



Top 50 U.S. Public Banks (assets of \$10B+)

S&P Global Market Intelligence 2021-2024

Great Place to Work certification

(May 2025-2026)



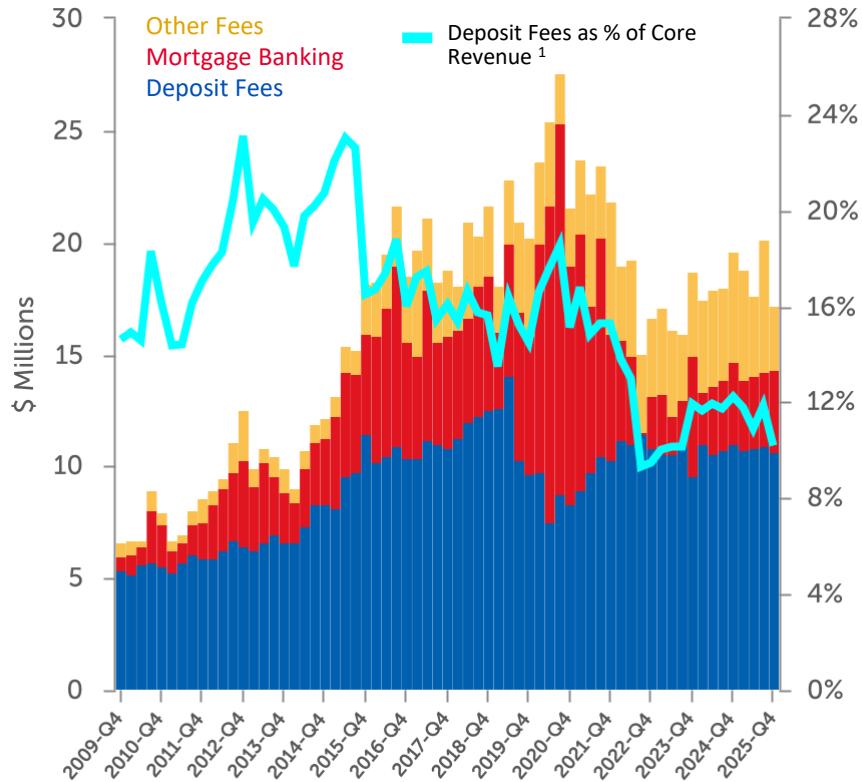
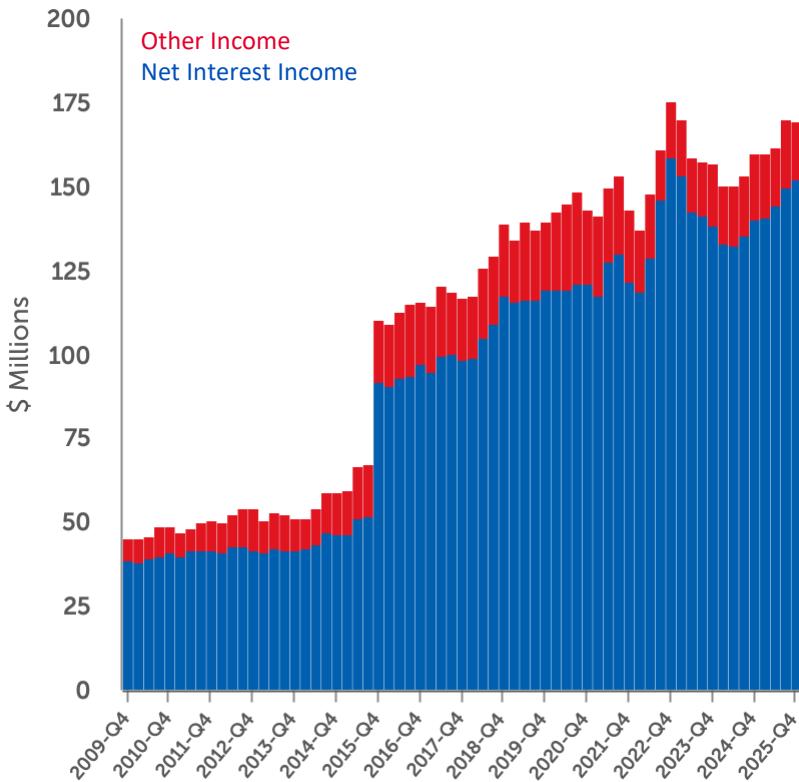
# Growing revenue

## Core revenue<sup>1</sup>

Quarter Ending	Quarter	Last 12 Months
	Amount	Amount
12/31/25	\$170M	\$661M
12/31/09	\$45M	\$177M

## Non-interest income<sup>1</sup>

Quarter Ending	Quarter	Last 12 Months
	Amount	Amount
12/31/25	\$17.4M	\$73.5M
12/31/09	\$6.6M	\$31.1M



1. Excludes net gain/loss on sale of securities, change in valuation of financial instruments carried at fair value and gains/losses incurred on building and leases exits.

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## Protecting net interest margin

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Improve earning asset mix

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Improve funding mix

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Reduce deposit costs

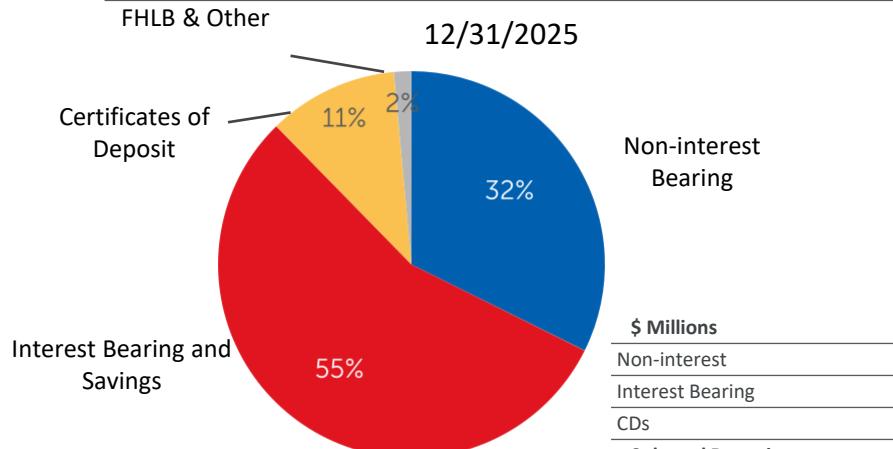
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Maintain loan-to-deposit ratio

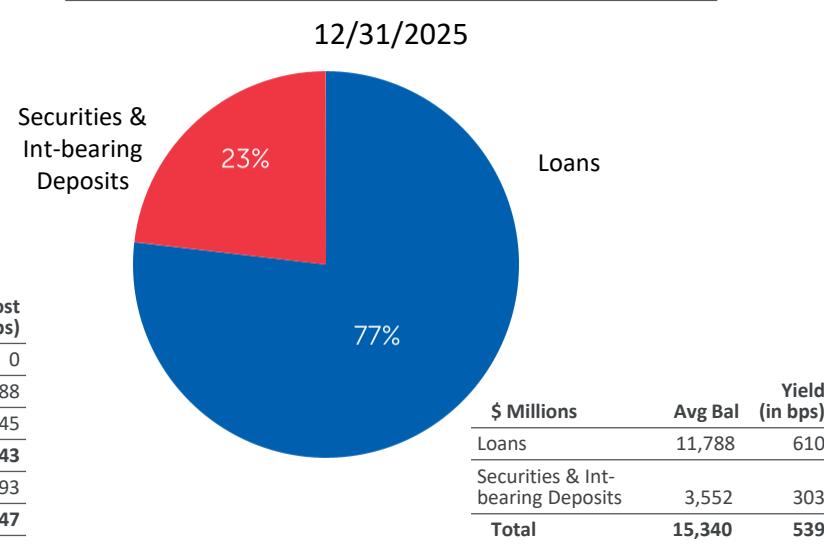
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# Protecting net interest margin

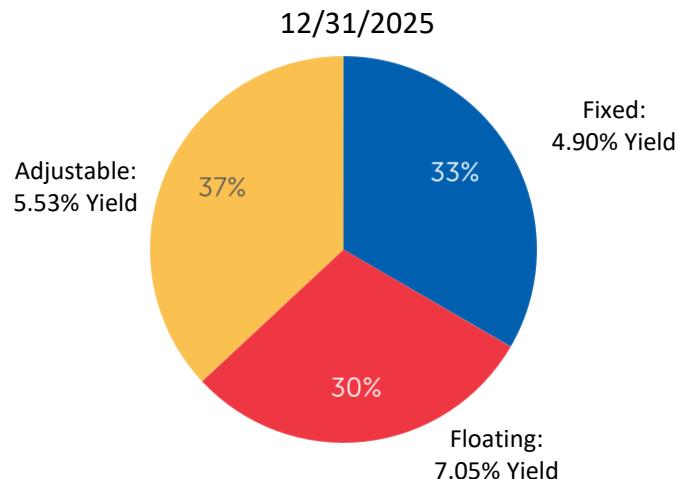
## Low Cost Funding Mix



## Earning Asset Mix



## Loan Repricing Structure



67% of the loan portfolio is floating/adjustable

72% of the floating/adjustable loans have floors

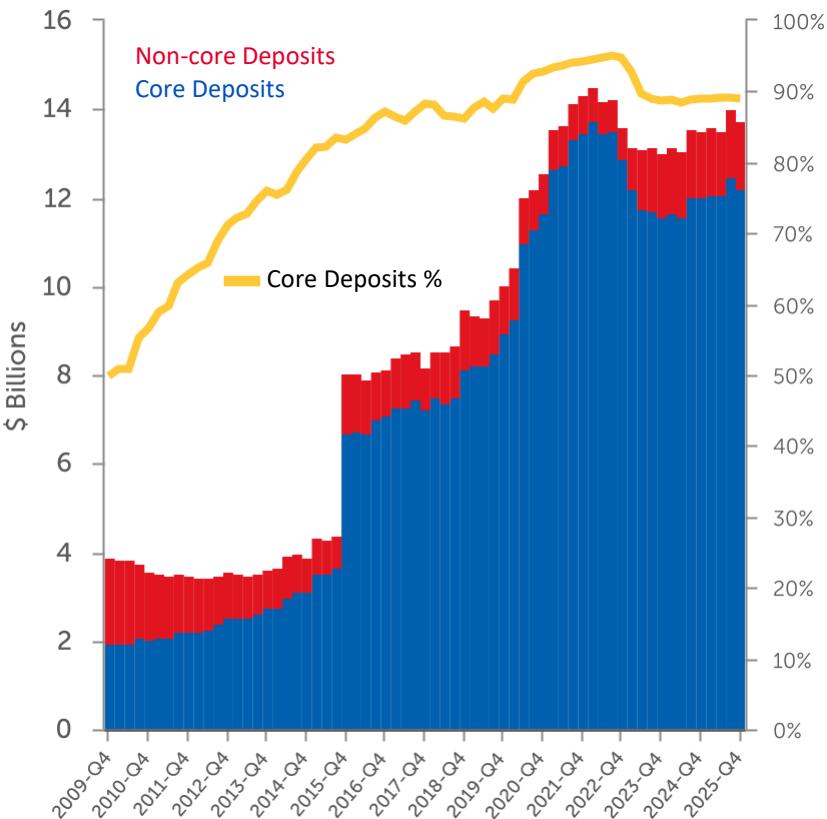
25% of the loans that have floors are at the floor

37% of the loans that have floors are within 100 basis points of the floor (excludes loans at the floor)

# Protecting net interest margin

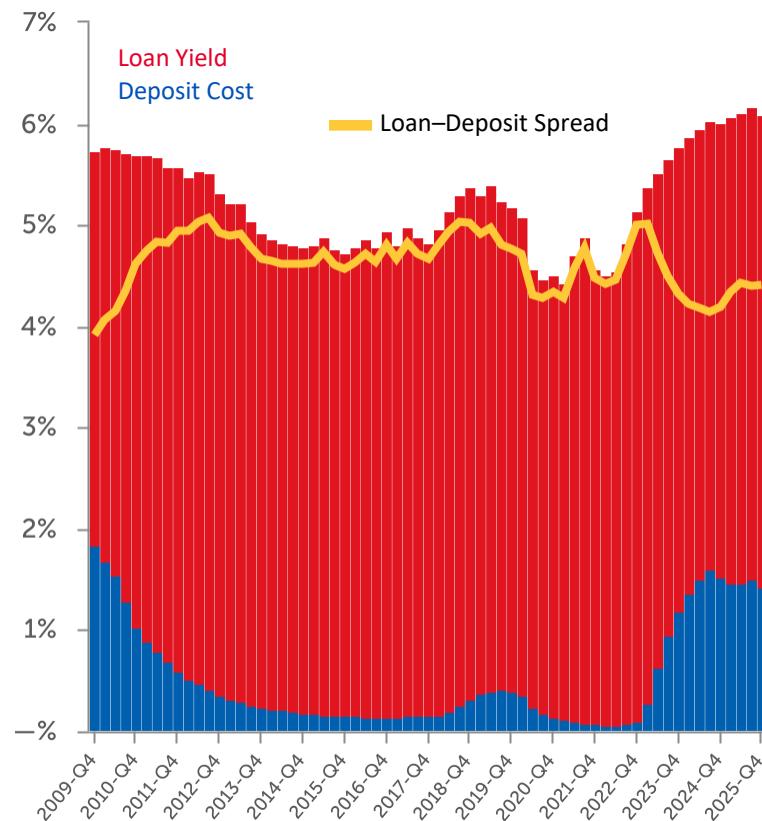
## Focus on core deposits

Quarter Ending	Balance	% of Total Deposits
12/31/25	\$12,211M	89%
12/31/09	\$1,924M	50%

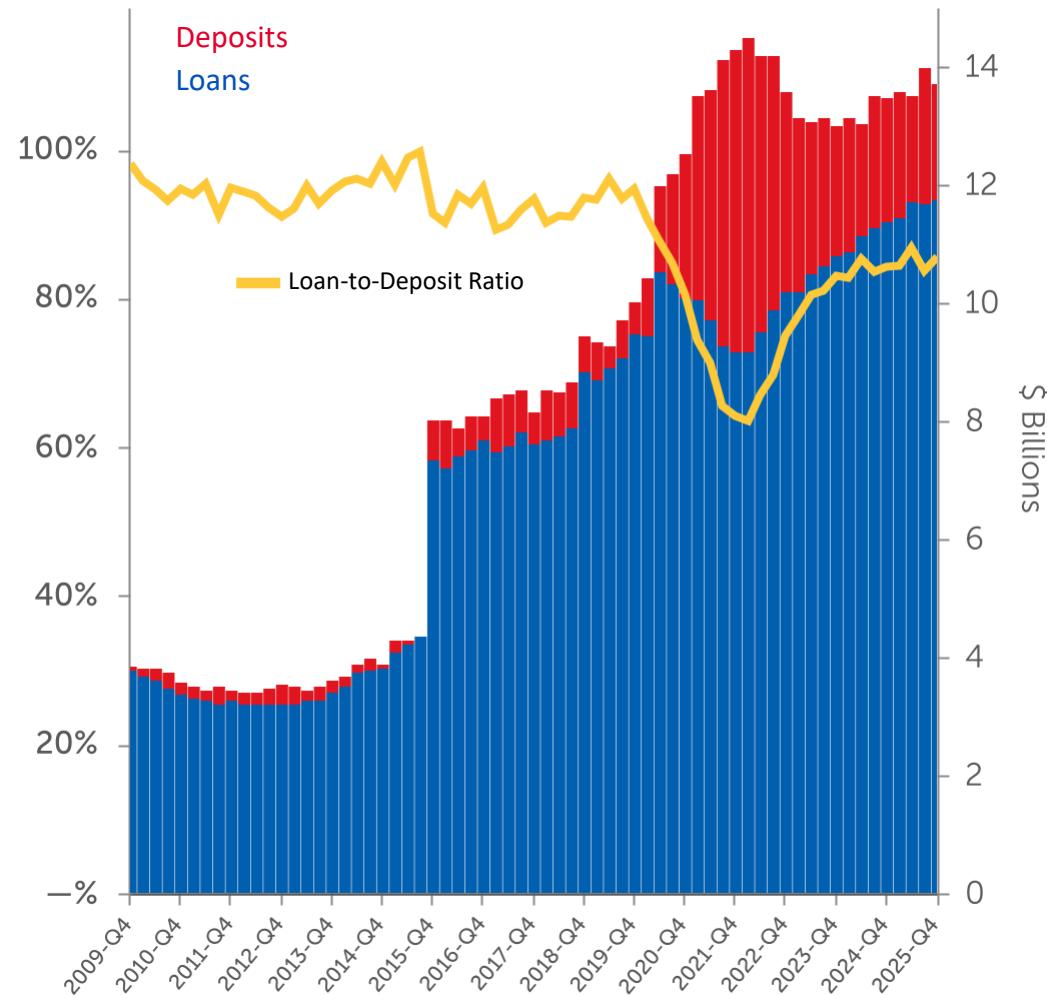
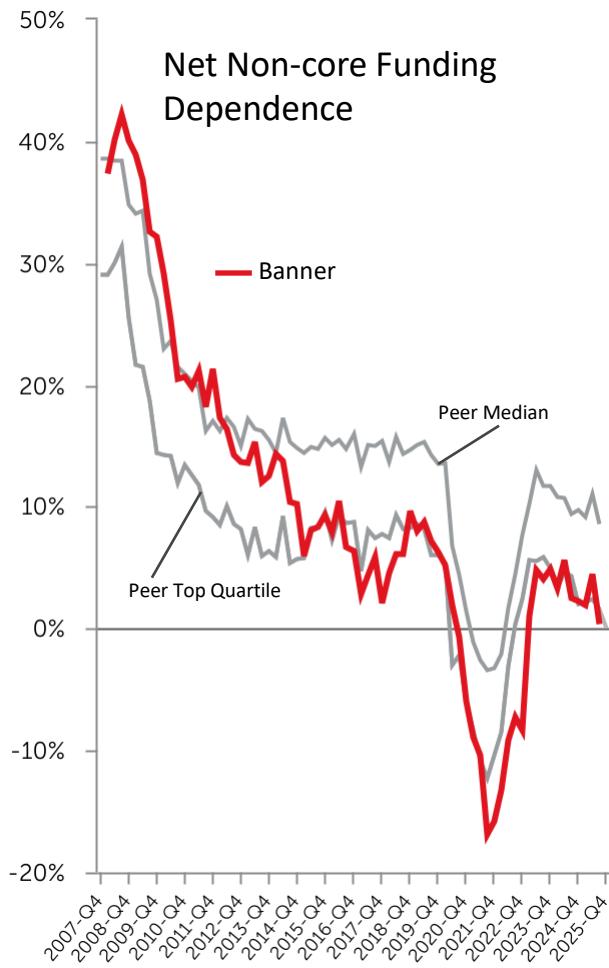


## Manage deposit costs

Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate	Amount	Rate
12/31/25	\$50.5M	1.43%	\$200.8M	1.47%
12/31/09	\$17.7M	1.83%	\$83.2M	2.21%



# Protecting net interest margin

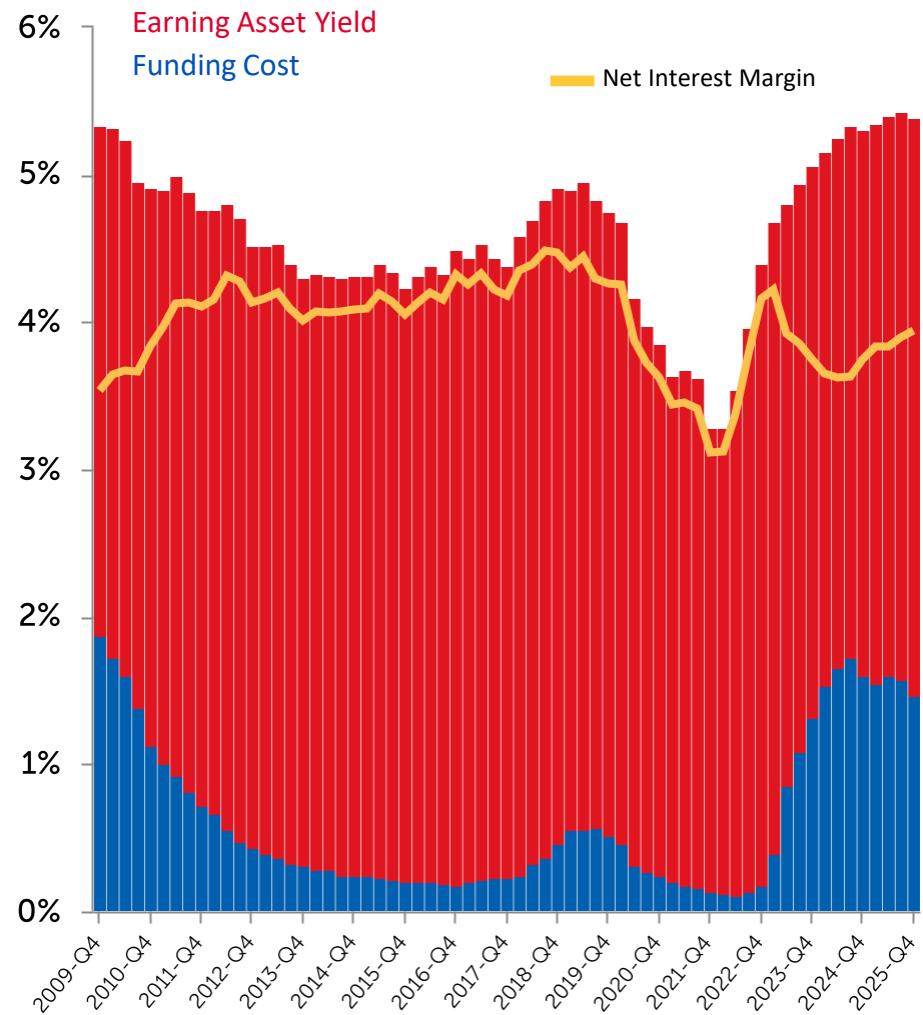
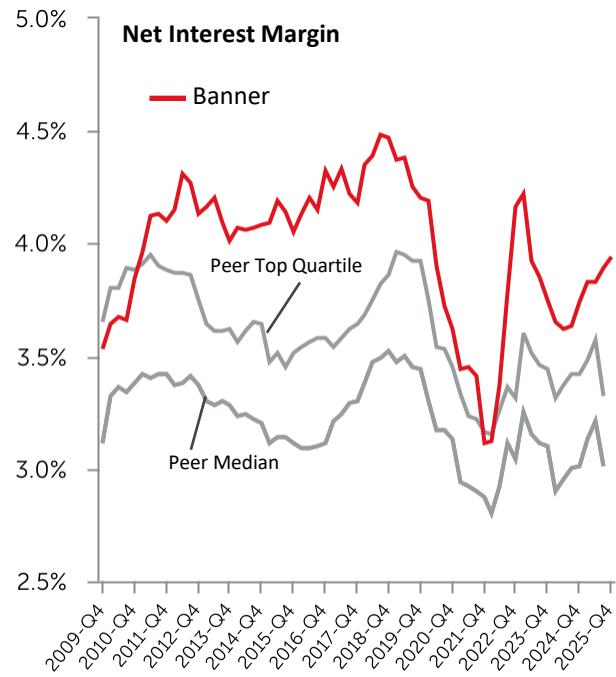


Peer source: Group 1 (\$10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation

# Protecting net interest margin

## Maintain top quartile net interest margin

Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate	Amount	Rate
12/31/25	\$152M	3.94%	\$588M	3.87%
12/31/09	\$39M	3.53%	\$146M	3.36%



Peer source: Group 1 (\$10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation

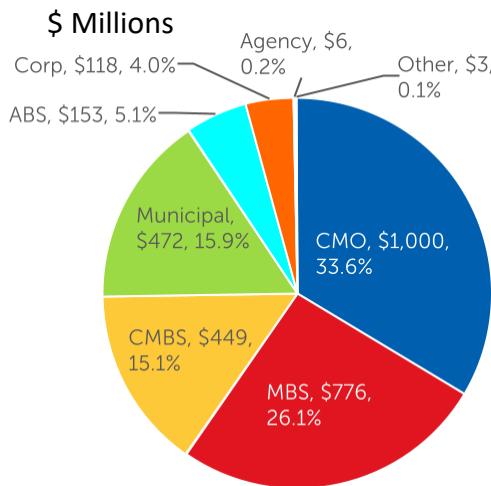
# Conservative investment portfolio

## 12 Month Net Interest Income Sensitivity (\$MM), % Change

	Ramp \$MM	Ramp % Change	Shock \$MM	Shock % Change
Up 200	633,652	1.1%	641,288	2.3%
Up 100	632,075	0.9%	639,358	2.0%
Base	626,742	0.0%	626,742	0.0%
Down 100	619,596	(1.1)%	610,719	(2.6)%
Down 200	614,105	(2.0)%	598,792	(4.5)%

Assumes flat forward balance sheet, parallel and sustained shift in market rates ratably over a 12-month period (ramp) or immediate (shock); Base as of 12/31/25

## Investment Portfolio Composition (\$2.98 billion)



76% of investments are Agency MBS/CMO or AAA rated

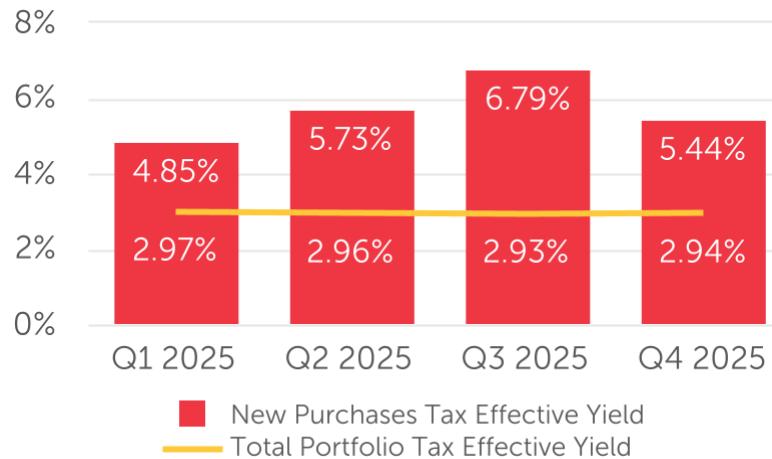
8.1% non-rated investments, principally CRA investments

Portfolio is a diversified mix of asset types and blend of fixed and floating rate instruments. It remains moderately asset sensitive.

## Quarterly New Purchases: Average Duration



## Quarterly New Purchases: Average Yield



# Building value at Banner

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## Core banking competency

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Growing revenue

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Protecting net interest margin

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### Spending carefully

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Maintaining a moderate risk profile

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Employing capital wisely

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### Spending carefully

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Benefit from scale

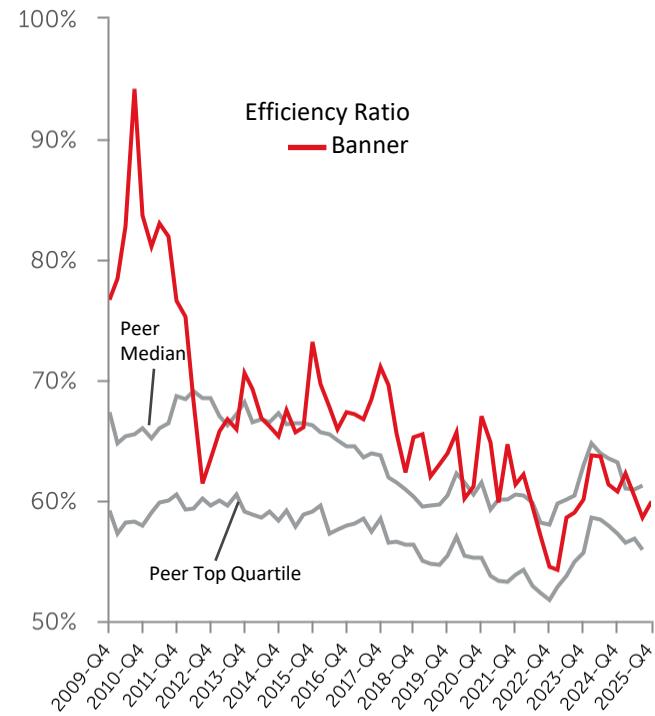
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Control core operating expense

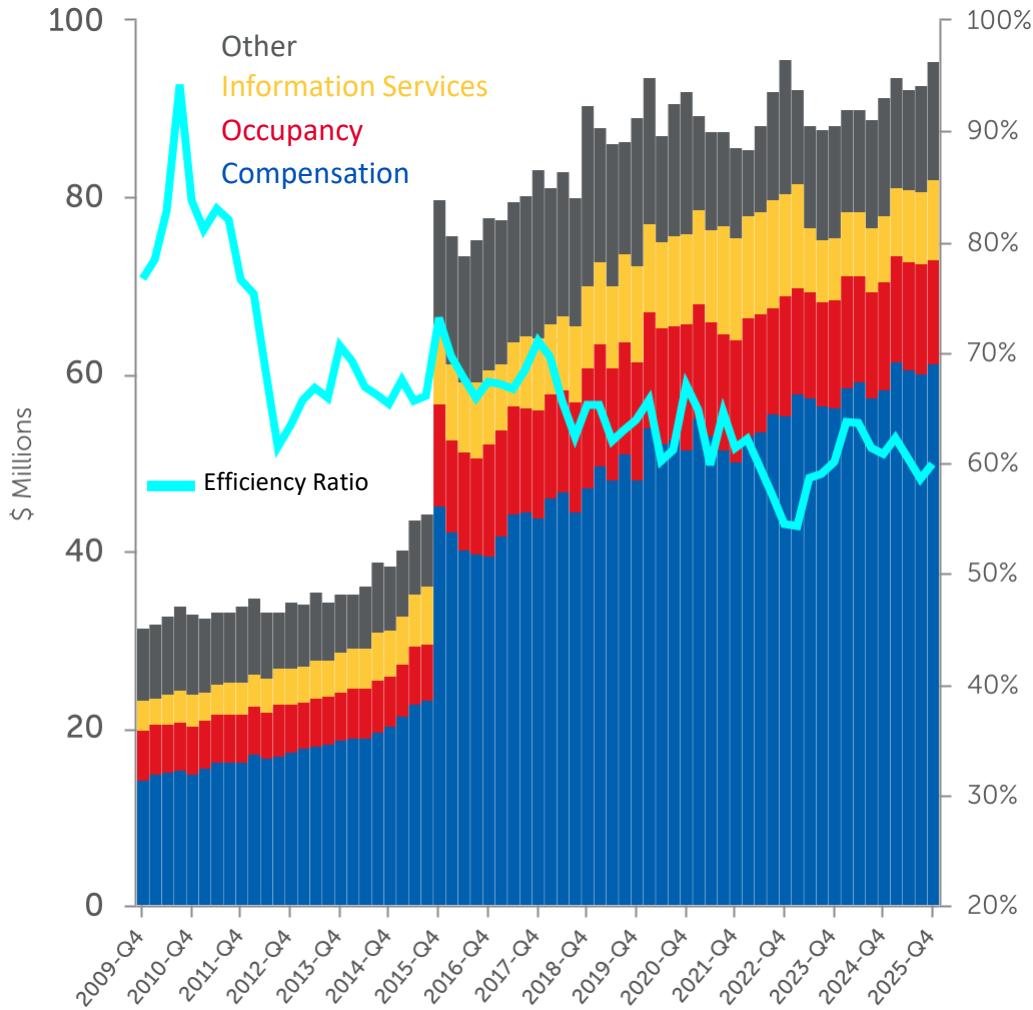
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# Spending carefully

Control core operating expense		
Quarter Ending	Quarter	Last 12 Months
	Amount	Amount
12/31/25	\$102M	\$398M
12/31/09	\$31M	\$132M



Peer source: Group 1 (\$10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation



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## **Maintaining a moderate risk profile**

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Embrace effective enterprise risk management

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Minimize non-performing assets

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Maintain appropriate loan loss reserve

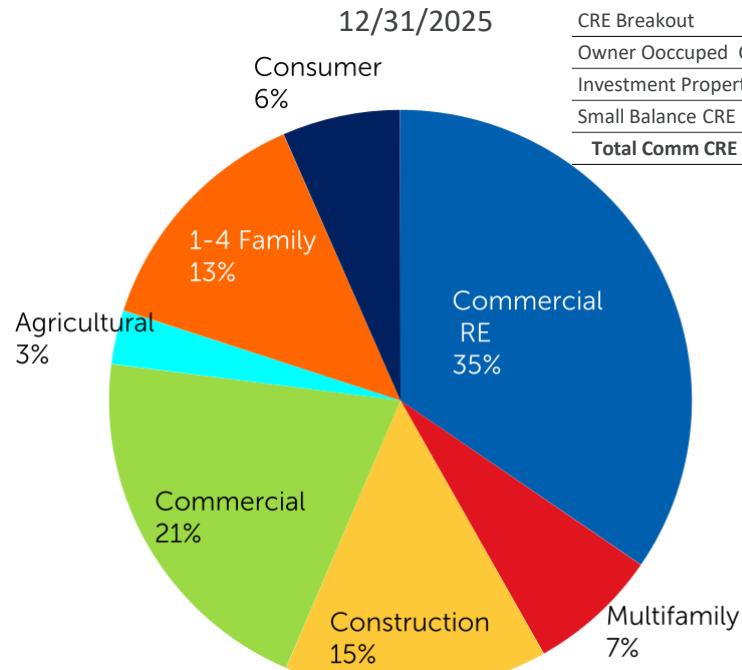
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Maintain appropriate risk capital

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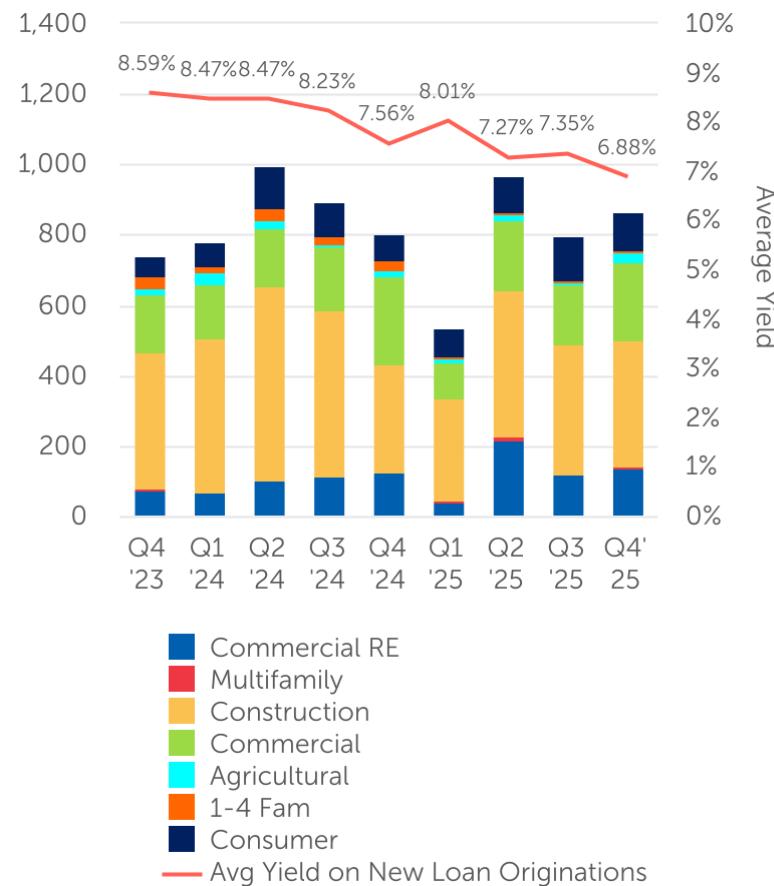
# Diversified loan portfolio

## Loan Composition



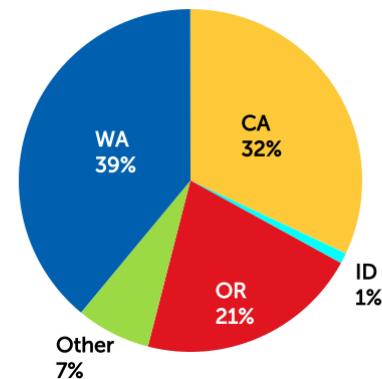
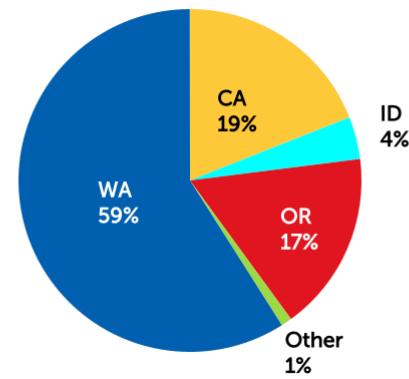
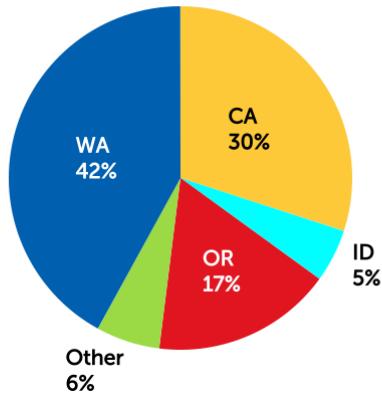
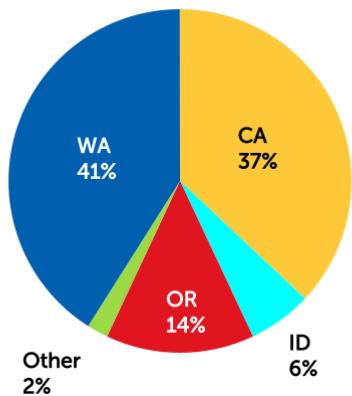
Construction Breakout	\$MM	%
Commercial	156	1 %
Multifamily	514	5 %
1-4 Family	607	5 %
Land	434	4 %
<b>Total Construction</b>	<b>1,711</b>	<b>15 %</b>

## Loan Originations (commitments, \$MM)



# Characteristics of highlighted loan segments

Office <sup>1</sup>		Retail <sup>2</sup>		Healthcare <sup>3</sup>		Multifamily	
Balances (\$MM)	\$621.4	Balances (\$MM)	\$1,491.2	Balances (\$MM)	\$420.0	Balances (\$MM)	\$850.8
Percent of Total Loans	5.3%	Percent of Total Loans	12.8%	Percent of Total Loans	3.6%	Percent of Total Loans	7.3%
Total Investor Office	\$340.7	Balance of Retail Loans Secured by CRE *	\$1,388.1	Balance Secured by Medical Office *	\$167.6	Total Affordable Housing	\$420.4
Total Owner Occupied	\$280.7	Average Loan Size	\$0.7	Medical Office as a % of Total Loans	1.4%	Total Market Rent/Middle Income	\$430.4
Average Loan Size	\$0.8	Average CRE Secured Loan Size	\$0.9	Average Loan Size	\$0.5	Average Loan Size	\$1.7
Largest Loan Size	\$18.3	Largest Loan Size	\$28.4	Average Medical Office Size	\$0.7	Largest Loan Size	\$30.0
30 + days Past Due	\$1.3	30 + days Past Due	\$2.9	Largest Loan Size	\$15.6	30 + days Past Due	\$0.0
Adversely Classified	\$0.6	Adversely Classified	\$17.4	30 + days Past Due	\$0.5	Adversely Classified	\$2.0
* No mall exposure							
* No hospital exposure							



<sup>1</sup> By collateral code

<sup>2</sup> Retail business loans, both commercial and commercial real estate secured loans

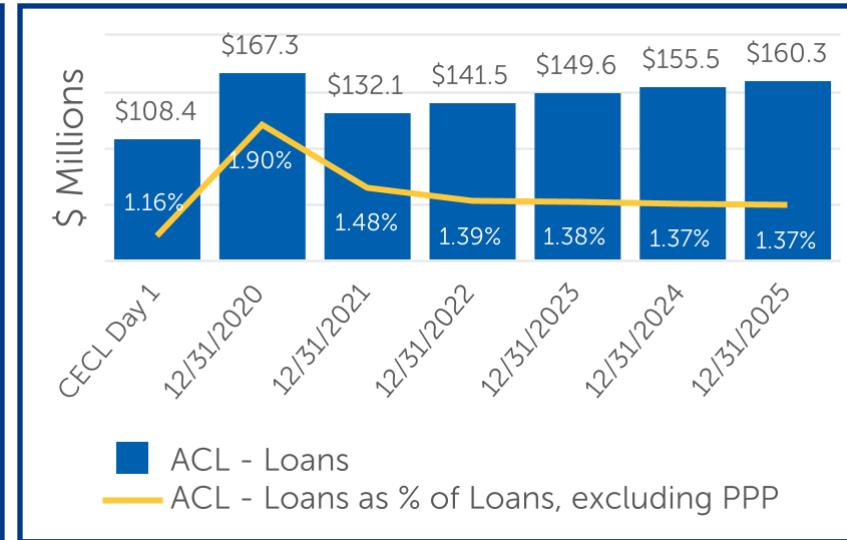
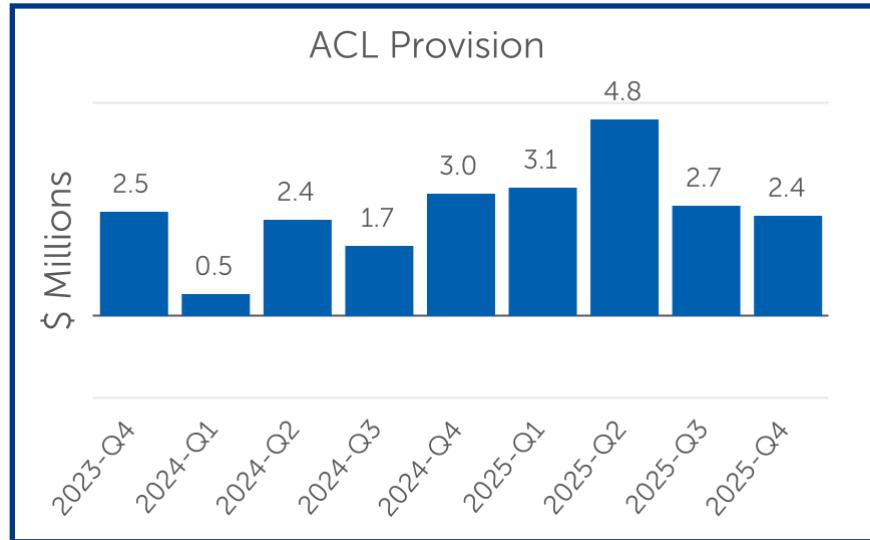
<sup>3</sup> All healthcare and social services, including both commercial and commercial real estate secured loans

# Characteristics of highlighted loan segments

Origination Year						
Portfolio Segment	Balance	% Owner Occupied	2025	2024	2023	2022 and earlier
Office	\$621.4	45%	\$72.6	\$22.4	\$36.0	\$490.4
Retail (CRE Secured)	\$1,388.1	54%	\$190.5	\$224.8	\$141.2	\$831.6
Medical Office	\$167.6	53%	\$27.0	\$14.5	\$6.1	\$120.0
Multifamily	\$850.8	0%	\$17.7	\$38.4	\$72.1	\$722.6

Scheduled Maturity or Next Reprice Date (excludes variable rate loans)						
Portfolio Segment	Balance	< 12 months	1 - 2 years	2 - 3 years	3 - 5 years	> 5 years
Office	\$621.4	\$98.7	\$75.5	\$97.6	\$171.3	\$101.0
Retail (CRE Secured)	\$1,388.1	\$160.1	\$142.0	\$187.7	\$465.7	\$164.1
Medical Office	\$167.6	\$30.9	\$17.4	\$14.7	\$52.7	\$24.6
Multifamily	\$850.8	\$151.8	\$114.7	\$15.2	\$85.6	\$406.6

# Allowance for credit losses



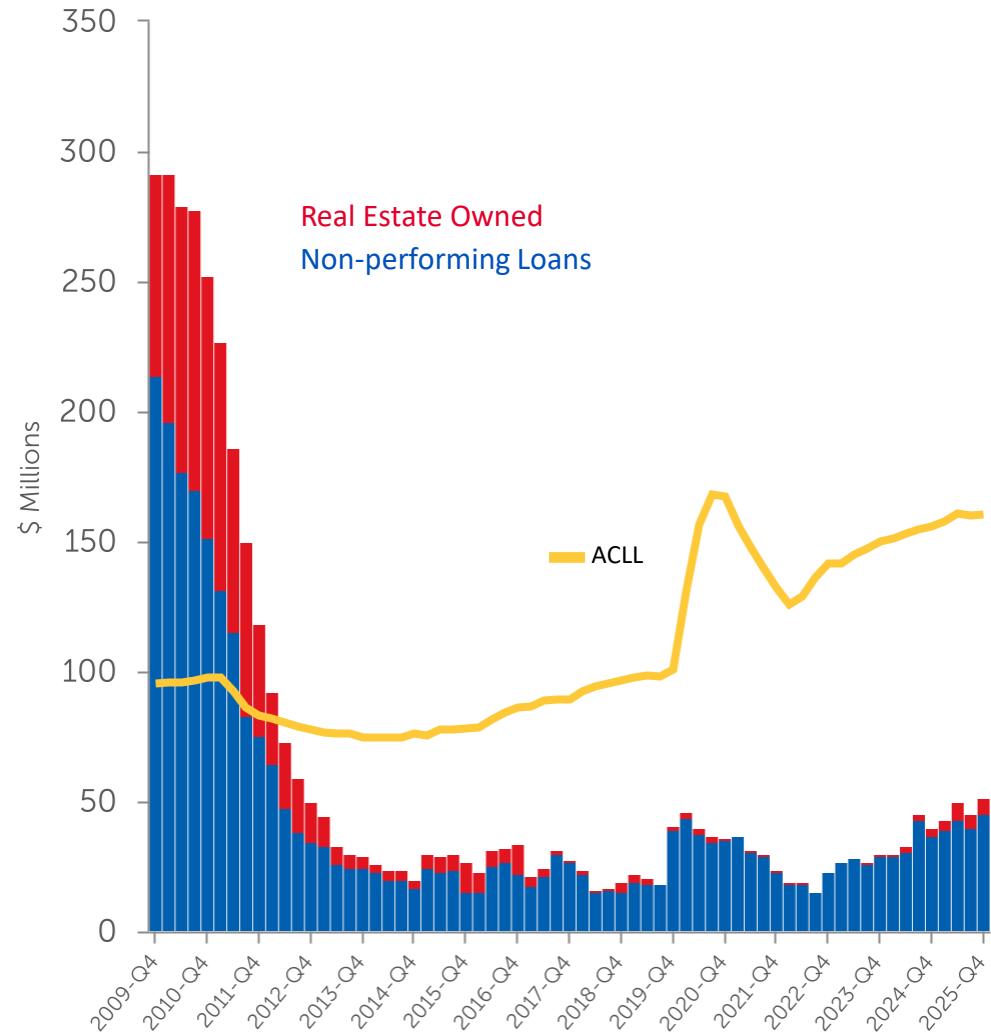
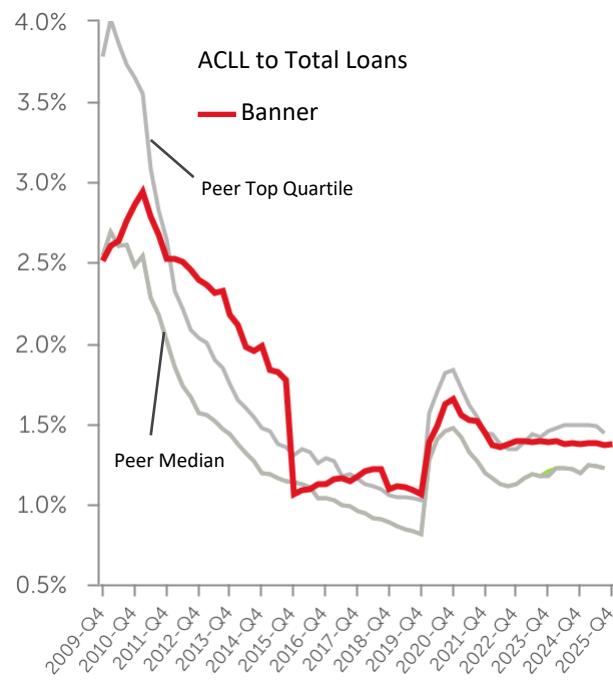
Allocation of Allowance for Credit Losses-Loans				
	Allowance (\$000)	% Coverage	Non-performing (\$000)	% Coverage NPLs
Commercial RE	41,599	1.03%	525	NM*
Multifamily	9,805	1.15%	0	0%
Construction	35,508	2.07%	6,443	551%
1-4 Family	19,552	1.24%	22,553	87%
Commercial	37,785	1.57%	6,751	560%
Agricultural	5,567	1.58%	4,609	121%
Consumer	10,460	1.36%	4,758	220%
Total	160,276	1.37%	45,639	351%

\*not meaningful

# Maintaining a moderate risk profile

## Minimize non-performing assets

Quarter Ending	NPAs		REO	
	Amount	% of TA	Amount	% of TA
12/31/25	\$51M	0.31%	\$6M	0.03%
12/31/09	\$292M	6.11%	\$78M	2.01%



Peer source: Group 1 (\$10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation

# Building value at Banner

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## Core banking competency

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**Employing capital wisely**

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## **Employing capital wisely**

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Maintain premium to tangible book value

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Pay appropriate dividends

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Prepare for future opportunities

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# Reconciliation of non-GAAP measures



**\$ Thousands**

	Quarters Ended			Year Ended	
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024
<b>PRE-TAX PRE-PROVISION EARNINGS</b>					
Income before provision for income taxes (GAAP)	\$ 61,087	\$ 66,027	\$ 58,093	\$ 238,914	\$ 209,485
Provision for credit losses	2,441	2,670	3,000	13,045	7,581
Pre-tax pre-provision earnings (non-GAAP)	63,528	68,697	61,093	251,959	217,066
Exclude net (gain)/loss on sale of securities	—	(377)	(275)	(374)	5,190
Exclude net change in valuation of financial instruments carried at fair value	2,010	(223)	(161)	1,384	982
Exclude net building and lease exit costs	603	(331)	—	2,025	—
Adjusted pre-tax pre-provision earnings (non-GAAP)	\$ 66,141	\$ 67,766	\$ 60,657	\$ 254,994	\$ 223,238

# Building value at Banner

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## Building value for ...

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**Shareholders** by delivering top quartile financial performance

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**Clients** by delivering super community bank service and products

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**Employees** by offering opportunity and reward

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**Communities** by providing capital and staying involved

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