



Second Quarter 2026



Since 1890

Disclosure Statement



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 July 22, 2026 as well as the Form 10-K for the year ended December 31, 2025 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.

Second quarter 2026 highlights



- Net income of \$48.9 million, compared to \$54.7 million for the prior quarter
- HFI Loan growth of \$286 million quarter-over-quarter (10% annualized)
- Total loan originations (excluding HFS) were \$1.26 billion
- Core deposits declined by \$59 million quarter-over-quarter (2% annualized) and grew \$267 million year-over-year (2%)
- Net interest margin (tax equivalent) increased by 2 basis points to 4.13%
- Efficiency ratio (GAAP) was 62.80%, compared to 60.60% in the prior quarter; adjusted, non-GAAP efficiency ratio was 61.30% compared to 59.45% in the prior quarter
- Return on average assets of 1.20%, and return on average tangible common equity of 12.27%, compared to 1.37% and 14.00%, respectively, for the prior quarter
- \$1.6 million provision for credit losses - loans and \$2.2 million provision for credit losses - unfunded commitments; Allowance for credit losses – loans was 1.35% of total loans
- Non-performing assets remained low at 0.36% of total assets, up 4 basis points from last quarter
- Kroll Bond Rating Agency, LLC affirmed the senior unsecured debt rating of BBB+, the subordinated debt rating of BBB, and the short-term debt rating of K2 for Banner Corporation, and affirmed the deposit and senior unsecured debt ratings of A-, the subordinated debt rating of BBB+, and the short-term deposit and debt ratings of K2 for Banner Bank
- Announced cash dividend to \$0.52 per share to be paid in August 2026

Building value at Banner



Building value for stakeholders ...

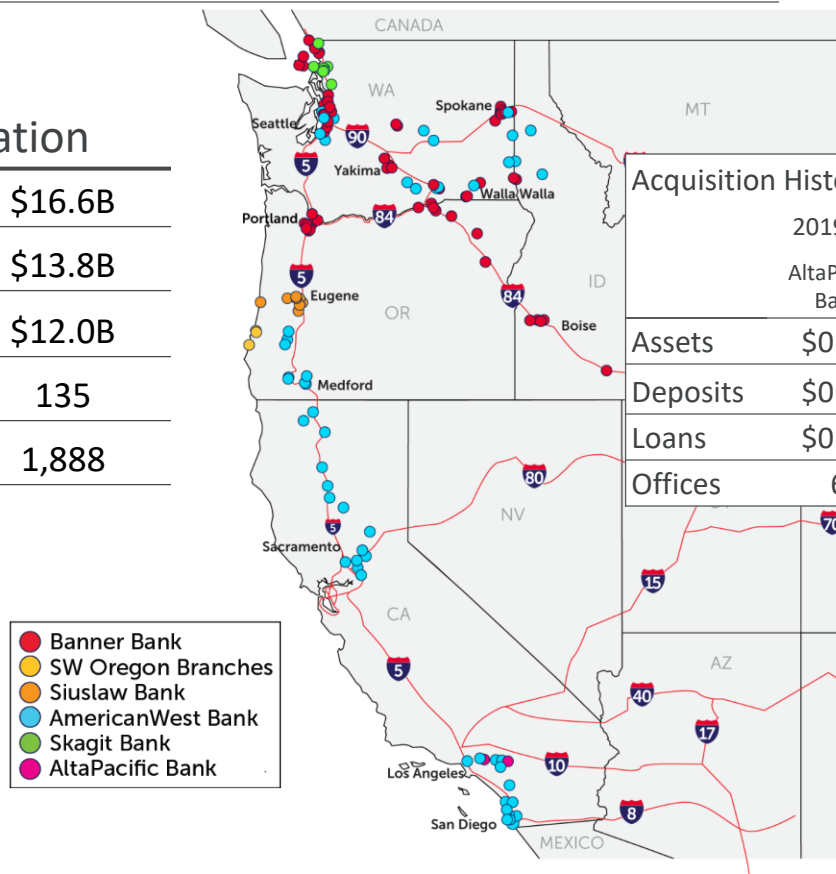
by focusing on core banking competency ...

that is sustainable through change events ...

and scalable with acquisition growth

Banner Corporation

Assets	\$16.6B
Deposits	\$13.8B
Loans	\$12.0B
Offices	135
Employees	1,888



Acquisition History

	2019 Q4	2018 Q4	2015 Q4	2015 Q1	2014 Q2
	AltaPacific Bank	Skagit Bank	AmericanWest Bank	Siuslaw Bank	SW Oregon Branches
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



Growing with ...

Scale in attractive markets

Low-cost deposit franchise

Commercially focused loan portfolio

Conservative balance sheet

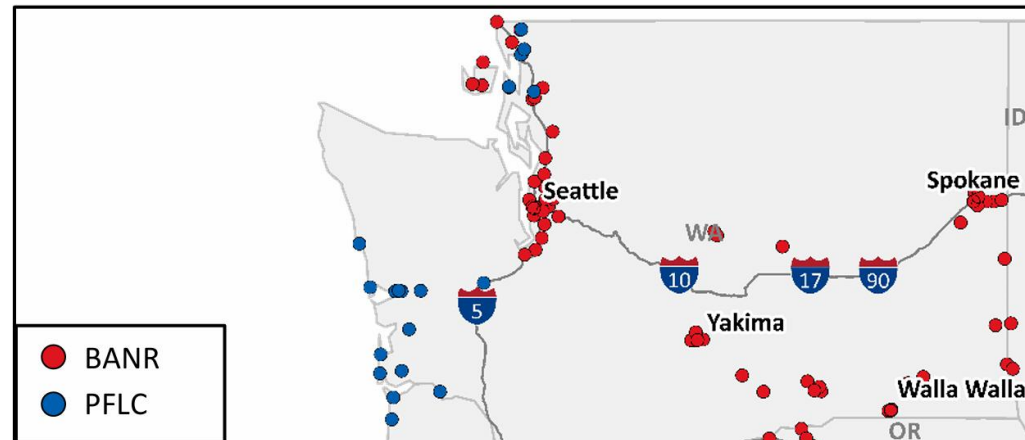
Financially appealing opportunity



Pacific Financial Corp

Assets	\$1.3B
Deposits	\$1.1B
Loans	\$0.8B
Offices	21

Expected close: Third Quarter 2026



Building value at Banner

Core banking competency

Growing revenue

Protecting net interest margin

Spending carefully

Maintaining a moderate risk profile

Employing capital wisely

Growing revenue

Take advantage of ideal geography

Offer super community bank value proposition

Guard and improve reputation

Grow market share

Growing revenue ... in a good place since 1890

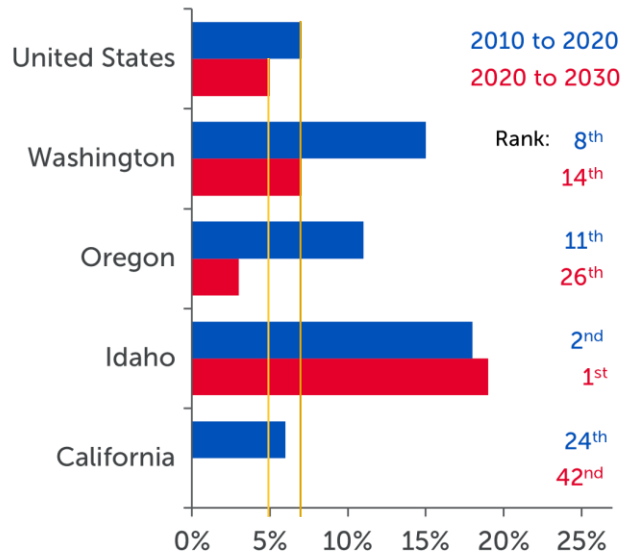


Population Estimate (millions)

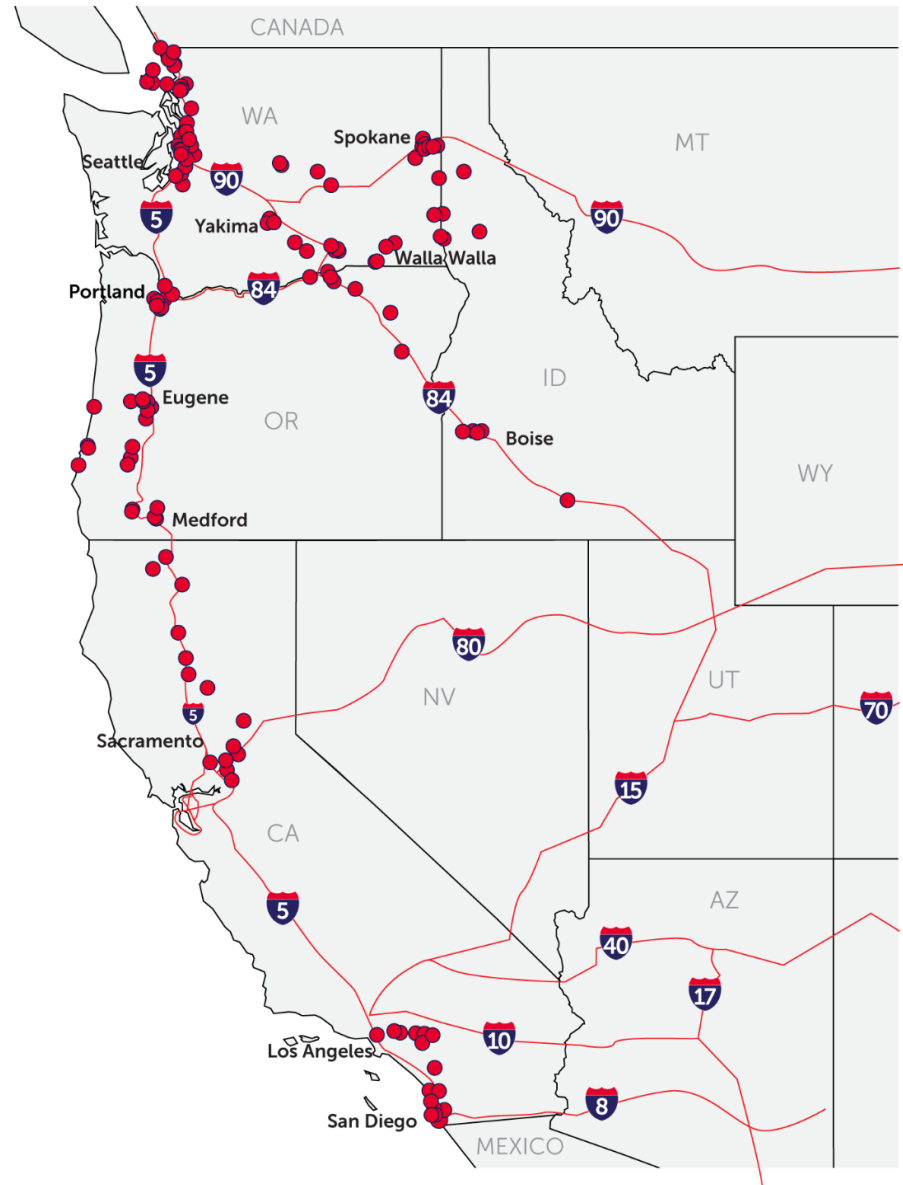
	2020	2030	Growth
Washington	7.7	8.2	7%*
Oregon	4.2	4.4	3%
Idaho	1.8	2.2	19%*
California	39.5	39.4	0%
Region	53.3	54.2	2%
United States	331.6	347.0	5%

* 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 5th largest
economy*

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

Growing revenue



Our super community bank value proposition

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

Decision-making as close to client as possible

Delivery channels aligned to maximize tactical execution of strategic plan

Community investment

Growing revenue



Guard and protect our reputation

America's Best Regional Banks

Newsweek 2024, 2025 and 2026



Most Trustworthy Companies in America

Newsweek 2023 - 2026

5-Star rating™ (highest category)

BauerFinancial; 13+ years



Outstanding CRA Rating

FDIC 2021 and 2025 (two consecutive examination cycles)



100 Best Banks in America

Forbes, 9 consecutive years (2017-2026)



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

S&P Global Market Intelligence 2021-2025



Great Place to Work certification

May 2025 & 2026



Growing revenue

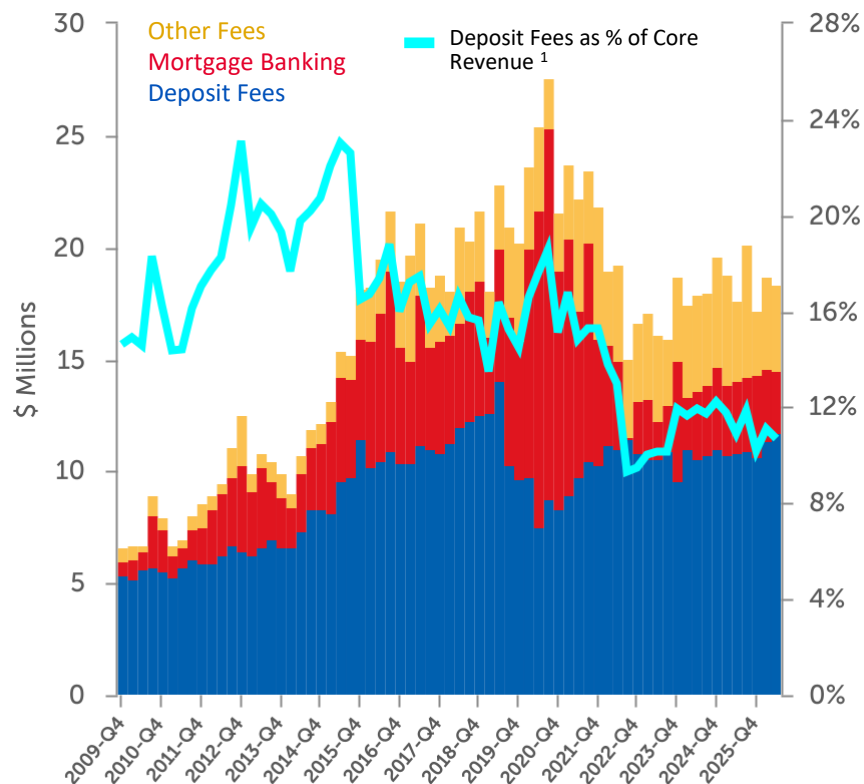
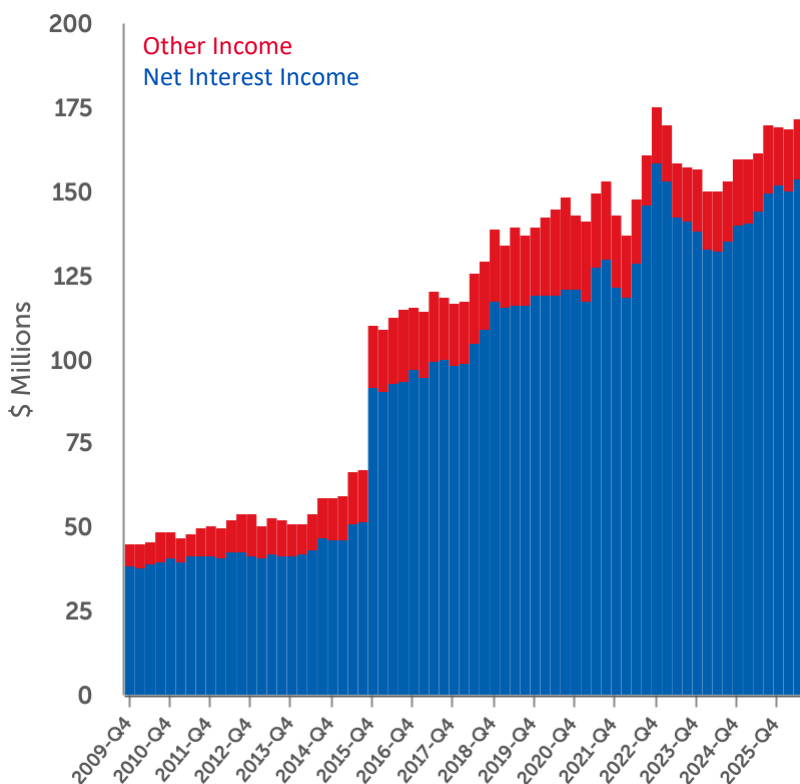


Core revenue ¹

	Quarter	Last 12 Months
Quarter Ending	Amount	Amount
06/30/26	\$172M	\$680M
12/31/09	\$45M	\$177M

Non-interest income ¹

	Quarter	Last 12 Months
Quarter Ending	Amount	Amount
06/30/26	\$18.4M	\$73.3M
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.

Building value at Banner

Core banking competency

Growing revenue

Protecting net interest margin

Spending carefully

Maintaining a moderate risk profile

Employing capital wisely

Protecting net interest margin

Improve earning asset mix

Improve funding mix

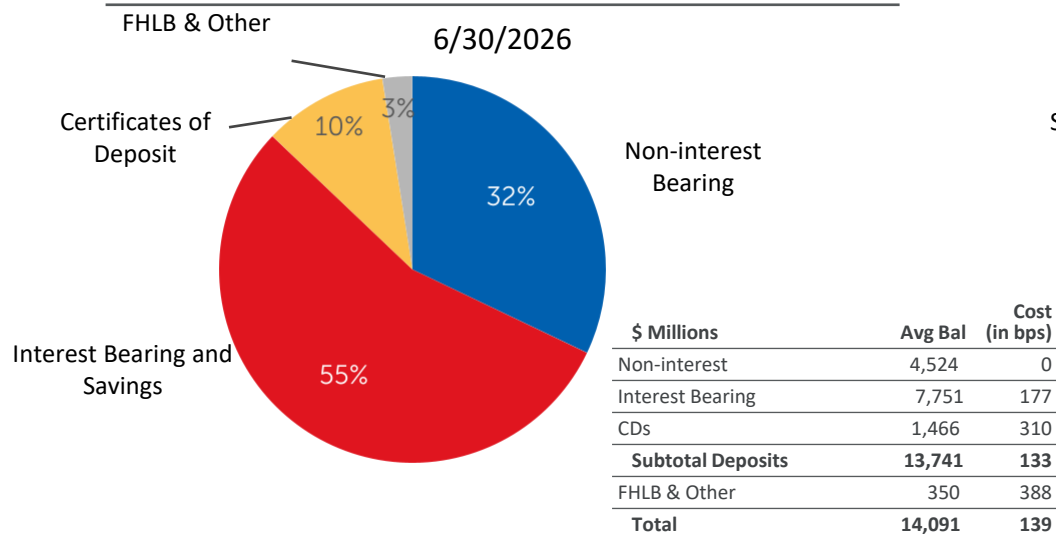
Reduce deposit costs

Maintain loan-to-deposit ratio

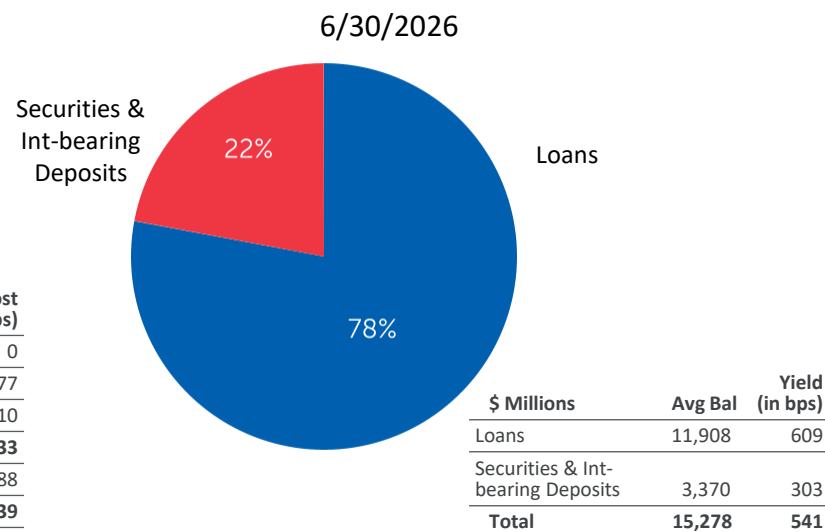
Protecting net interest margin



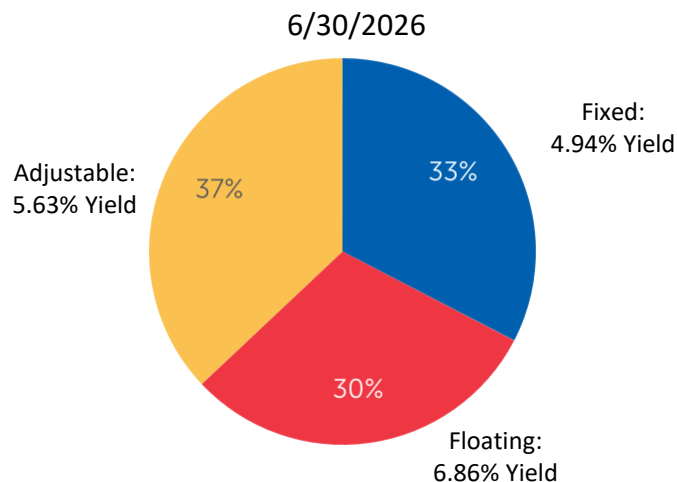
Low-Cost Funding Mix



Earning Asset Mix



Loan Repricing Structure



67% of the loan portfolio is floating/adjustable

74% of the floating/adjustable loans have floors

22% of the loans that have floors are at the floor

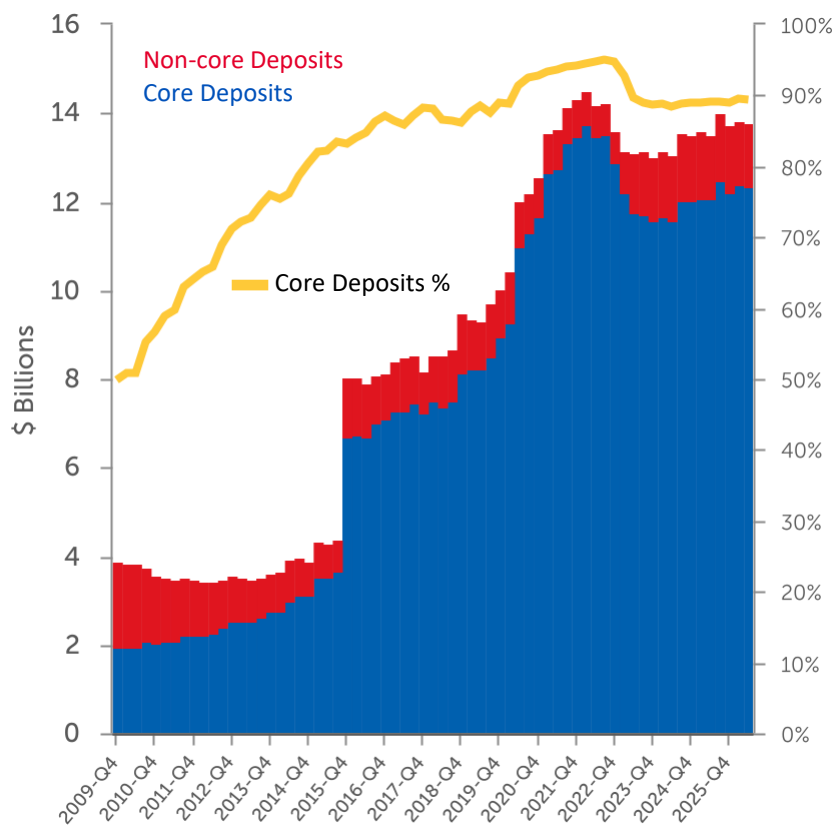
37% of the loans that have floors are within 100 basis points of the floor (excludes loans at the floor)

Protecting net interest margin



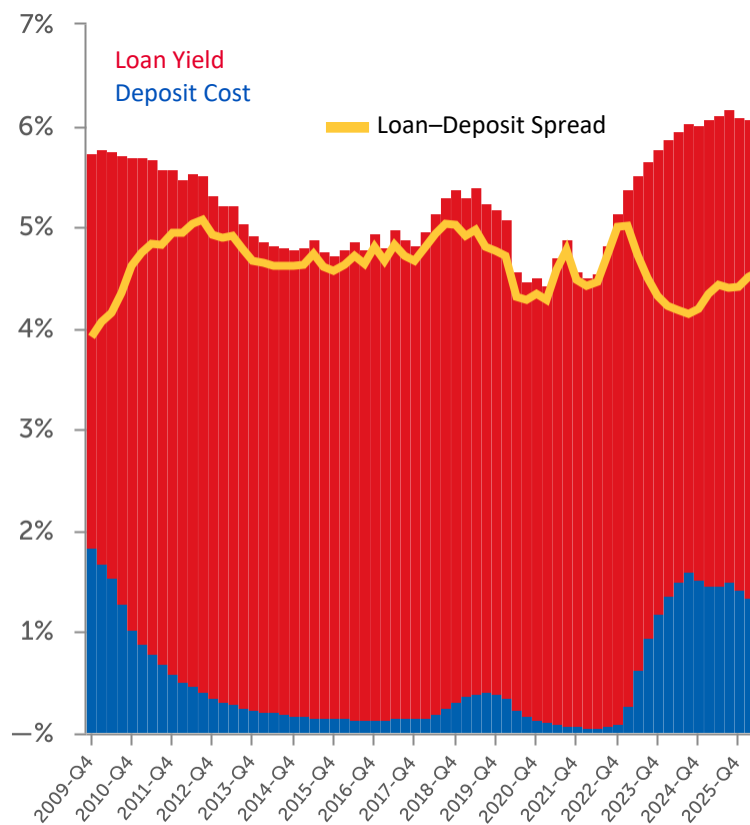
Focus on core deposits

Quarter Ending	Balance	% of Total Deposits
06/30/26	\$12,317M	89%
12/31/09	\$1,924M	50%

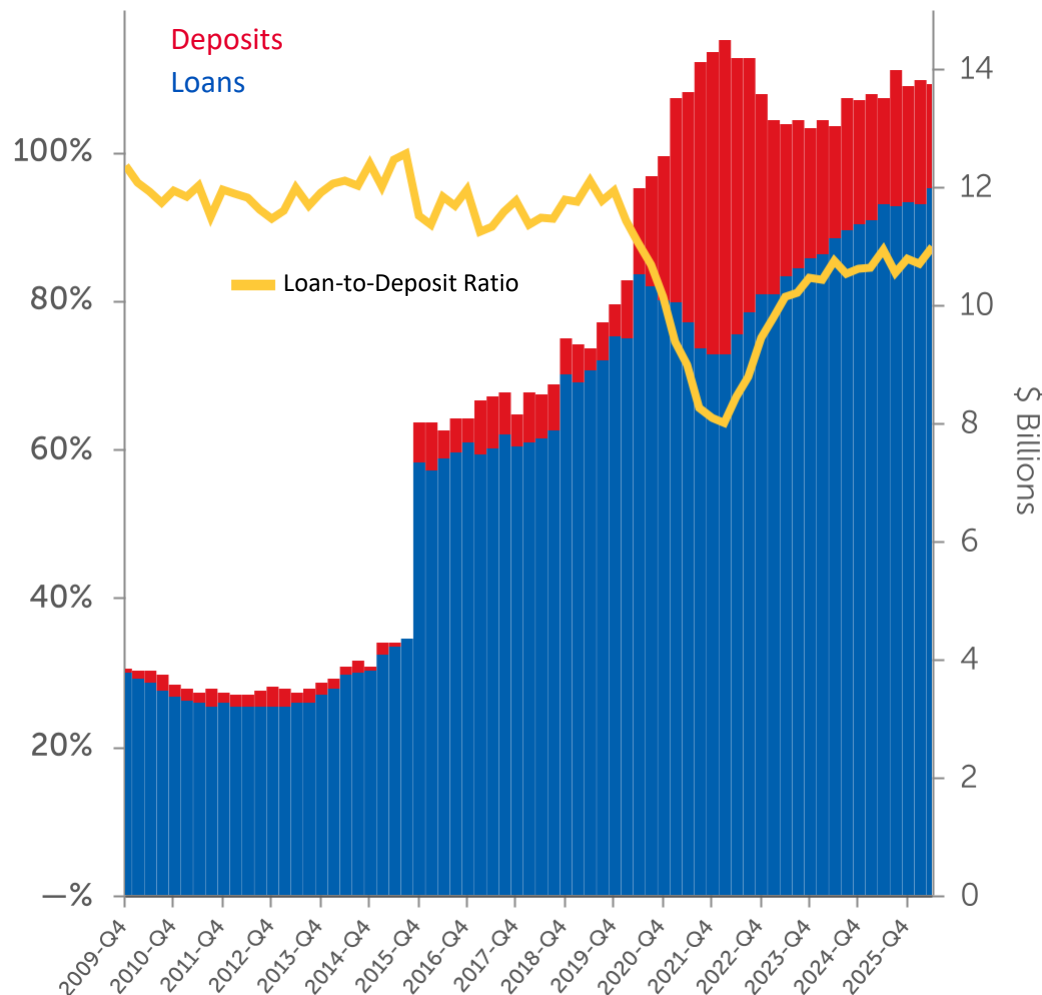
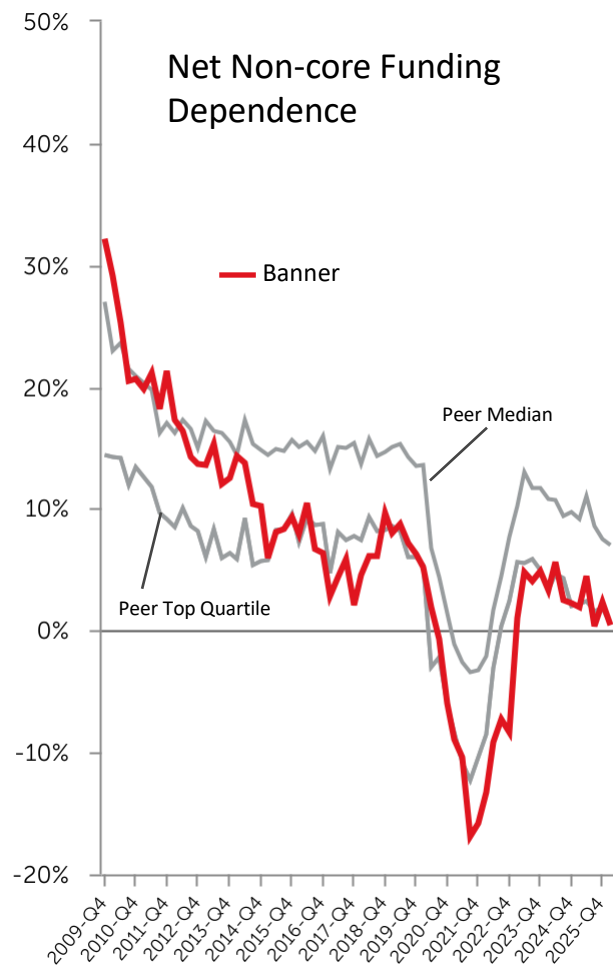


Manage deposit costs

Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate	Amount	Rate
06/30/26	\$45.6M	1.33%	\$194.0M	1.40%
12/31/09	\$17.7M	1.83%	\$83.2M	2.21%



Protecting net interest margin

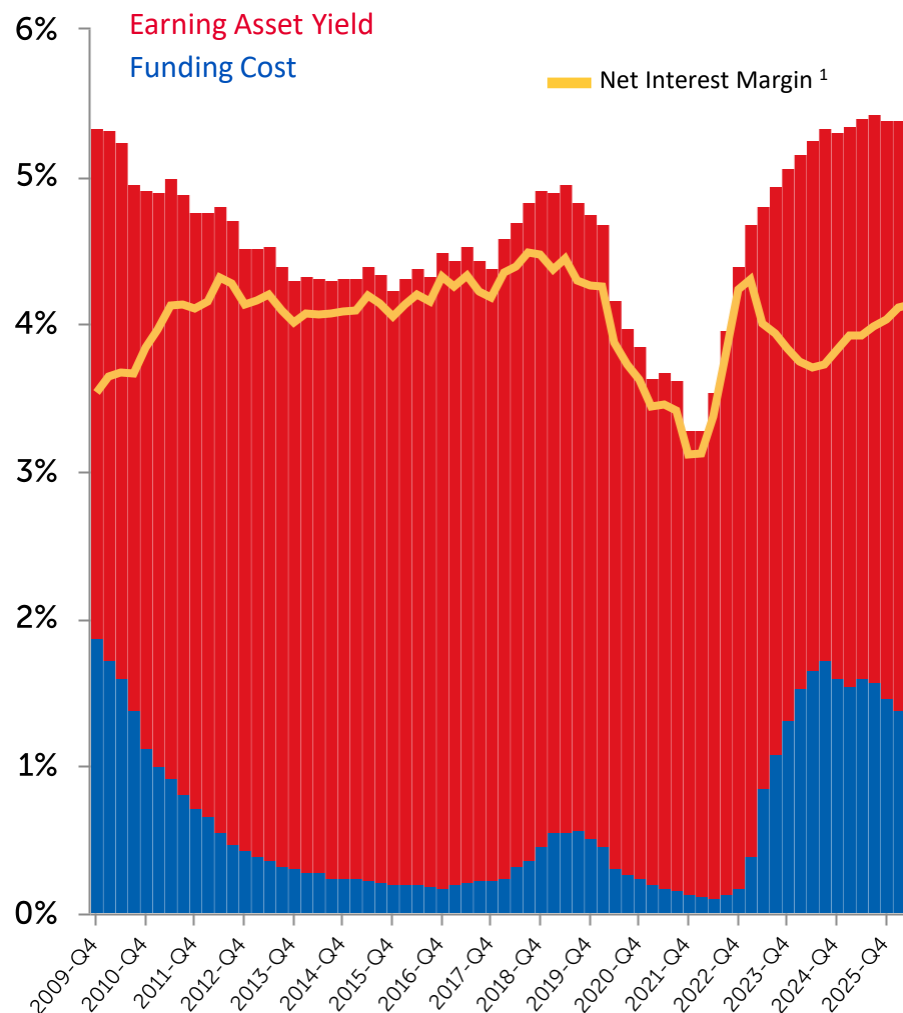
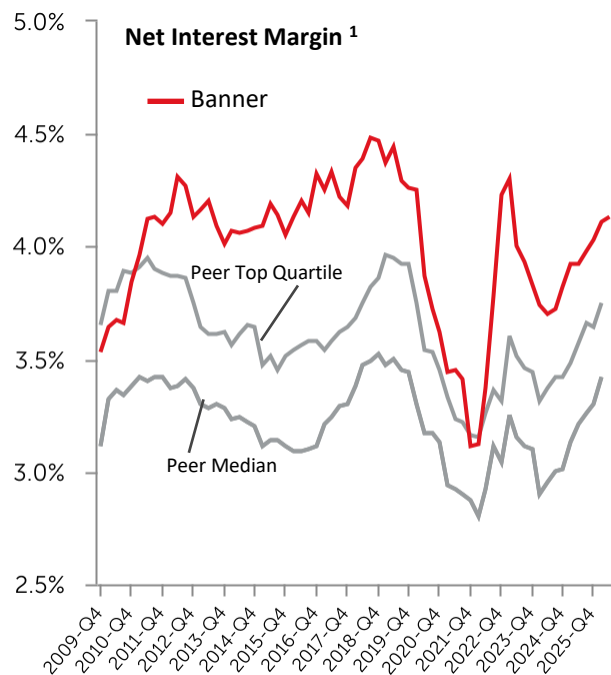


Peer source: Group 1 (\$10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation

Protecting net interest margin

Maintain top quartile net interest margin

Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate ¹	Amount	Rate ¹
06/30/26	\$154M	4.13%	\$606M	4.06%
12/31/09	\$39M	3.53%	\$146M	3.36%



1. On a tax equivalent basis

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

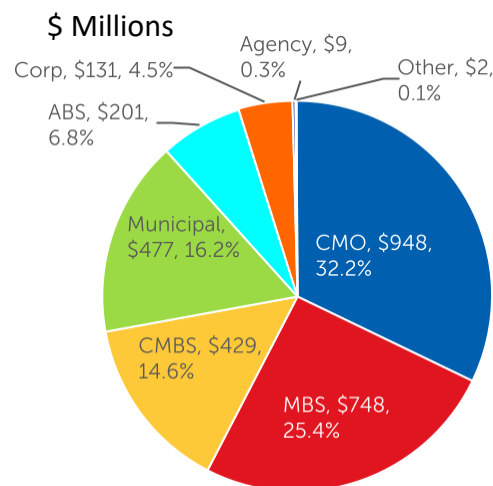


12 Month Net Interest Income Sensitivity (\$MM), % Change

	Ramp \$MM	Ramp % Change	Shock \$MM	Shock % Change
Up 200	645,985	1.0%	653,349	2.1%
Up 100	644,867	0.8%	652,163	1.9%
Base	639,777	0.0%	639,777	0.0%
Down 100	633,772	(0.9)%	625,307	(2.3)%
Down 200	628,916	(1.7)%	614,129	(4.0)%

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 6/30/26

Investment Portfolio Composition (\$2.95 billion)

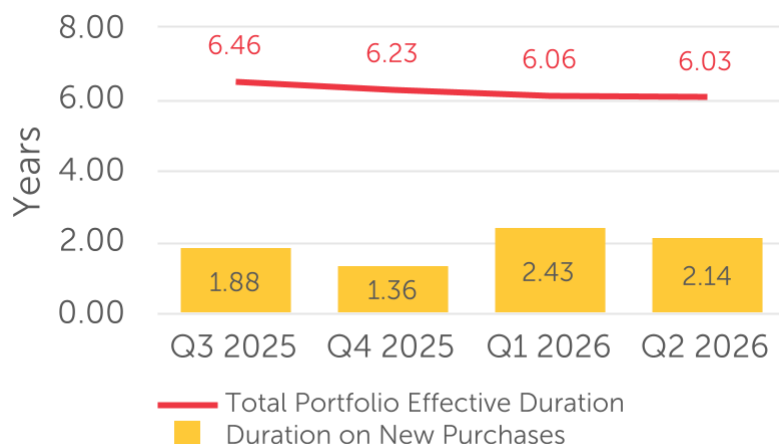


74% of investments are Agency MBS/CMO or AAA rated

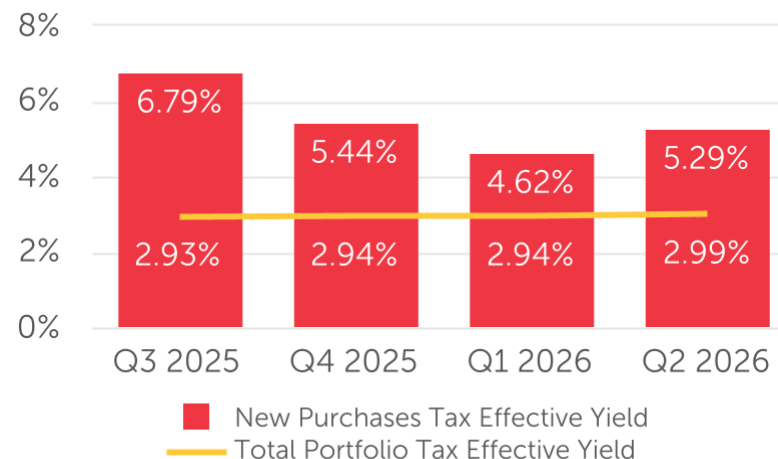
2.6% non-rated investments, principally CRA investments

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

Core banking competency

Growing revenue

Protecting net interest margin

Spending carefully

Maintaining a moderate risk profile

Employing capital wisely

Spending carefully

Benefit from scale

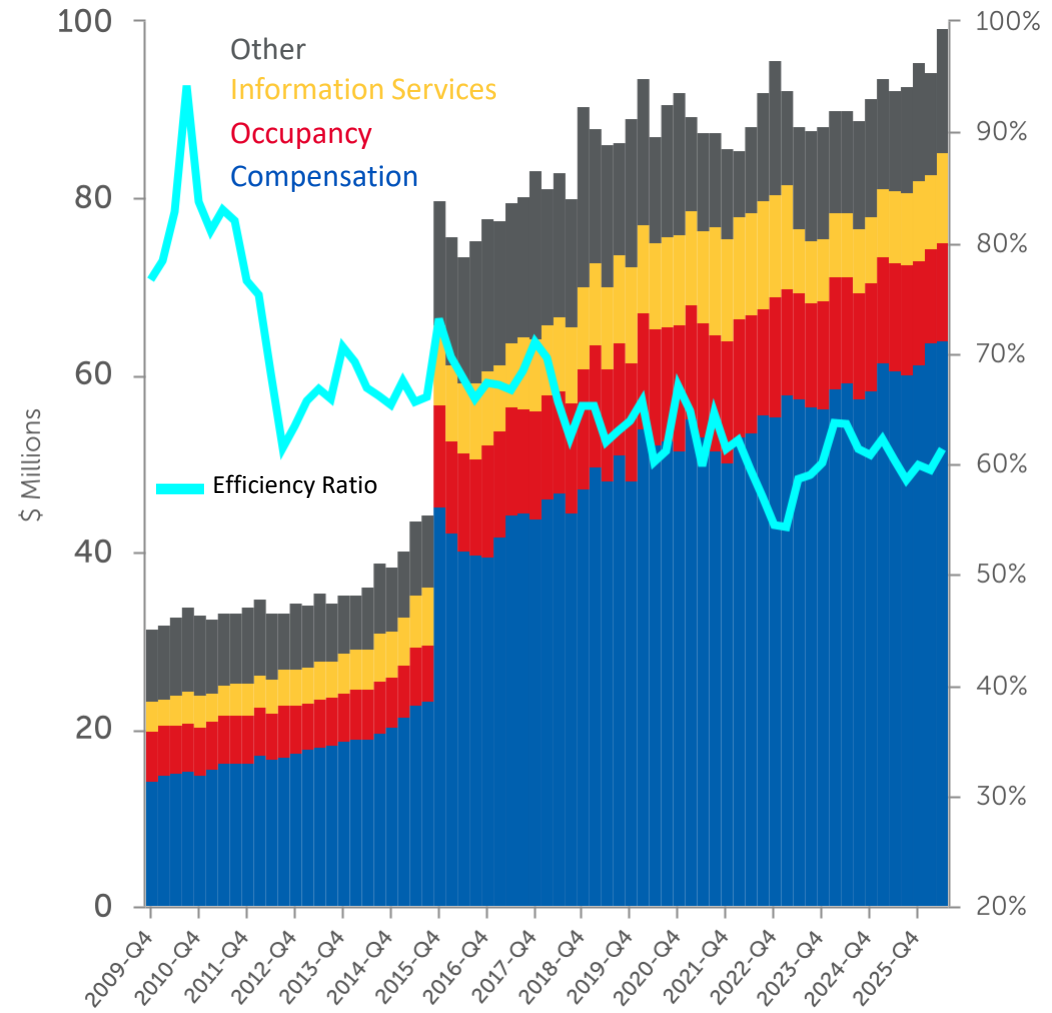
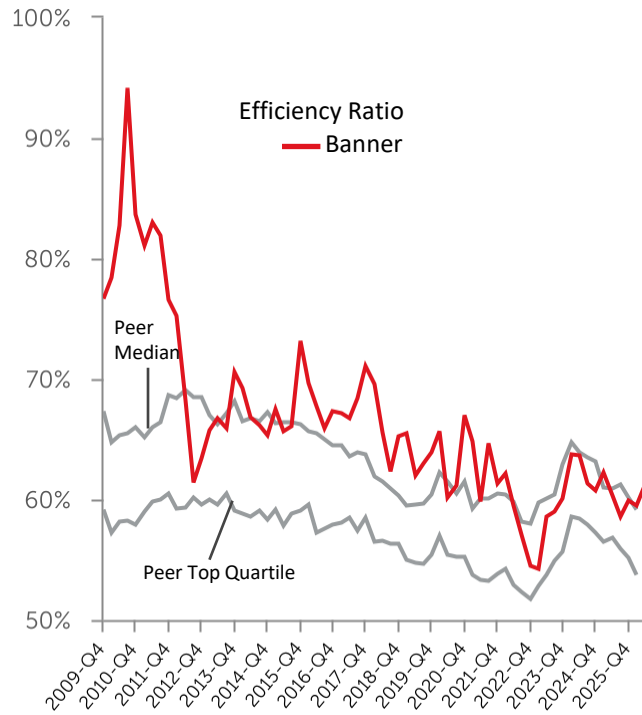
Control core operating expense

Spending carefully



Control core operating expense

Quarter Ending	Quarter Amount	Last 12 Months Amount
06/30/26	\$106M	\$406M
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

Building value at Banner

Core banking competency

Growing revenue

Protecting net interest margin

Spending carefully

Maintaining a moderate risk profile

Employing capital wisely

Maintaining a moderate risk profile

Embrace effective enterprise risk management

Minimize non-performing assets

Maintain appropriate loan loss reserve

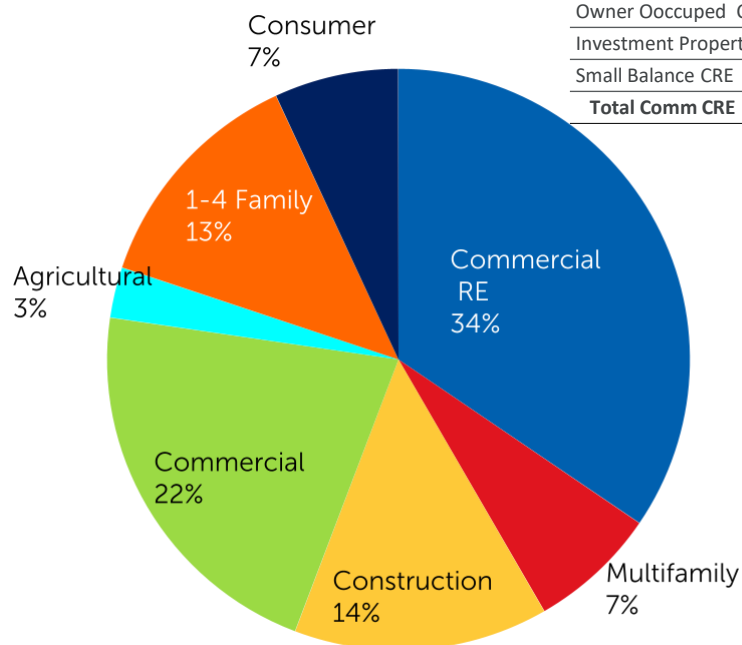
Maintain appropriate risk capital

Diversified loan portfolio



Loan Composition

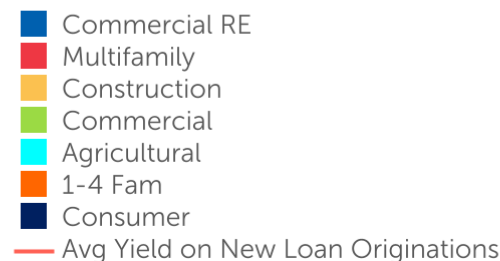
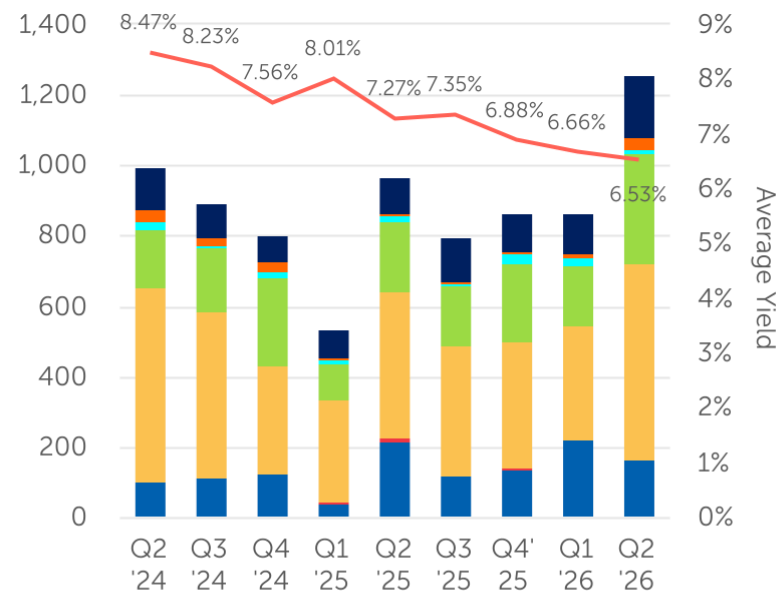
6/30/2026



CRE Breakout	\$MM	%
Owner Occupied CRE	1,230	10 %
Investment Properties	1,744	14 %
Small Balance CRE	1,167	10 %
Total Comm CRE	4,141	34 %

Construction Breakout	\$MM	%
Commercial	182	2 %
Multifamily	503	4 %
1-4 Family	631	5 %
Land	378	3 %
Total Construction	1,694	14 %

Loan Originations (commitments, \$MM)



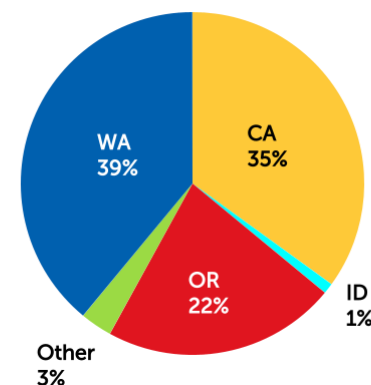
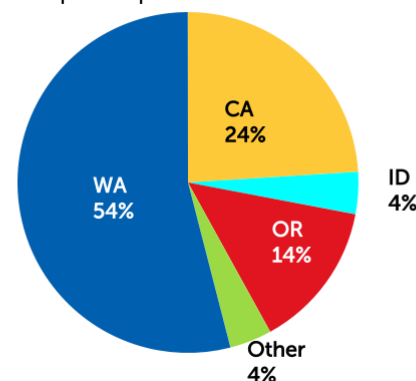
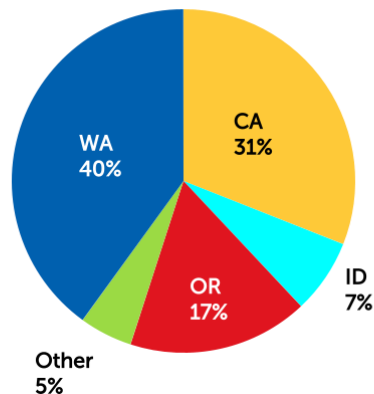
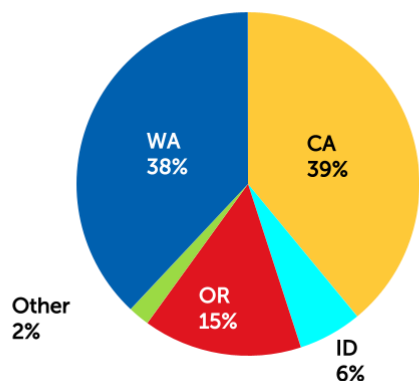
Characteristics of highlighted loan segments

As of 6/30/26

Office ¹		Retail ²		Healthcare ³		Multifamily	
Balances (\$MM)	\$637.2	Balances (\$MM)	\$1,550.7	Balances (\$MM)	\$470.8	Balances (\$MM)	\$855.9
Percent of Total Loans	5.3%	Percent of Total Loans	13.0%	Percent of Total Loans	3.9%	Percent of Total Loans	7.2%
Total Investor Office	\$345.2	Balance of Retail Loans Secured by CRE *	\$1,436.1	Balance Secured by Medical Office *	\$190.3	Total Affordable Housing	\$483.5
Total Owner Occupied	\$292.0	Average Loan Size	\$0.7	Medical Office as a % of Total Loans	1.6%	Total Market Rent/Middle Income	\$372.3
Average Loan Size	\$0.8	Average CRE Secured Loan Size	\$0.9	Average Loan Size	\$0.6	Average Loan Size	\$1.7
Largest Loan Size	\$18.1	Largest Loan Size	\$47.4	Average Medical Office Size	\$0.9	Largest Loan Size	\$20.1
30 + days Past Due	\$0.5	30 + days Past Due	\$5.6	Largest Loan Size	\$18.5	30 + days Past Due	\$0.2
Adversely Classified	\$0.9	Adversely Classified	\$20.5	30 + days Past Due	\$0.8	Adversely Classified	\$2.0
				Adversely Classified	\$13.5		

* No mall exposure

* No hospital exposure



¹ By collateral code

² Retail business loans, both commercial and commercial real estate secured loans

³ All healthcare and social services, including both commercial and commercial real estate secured loans

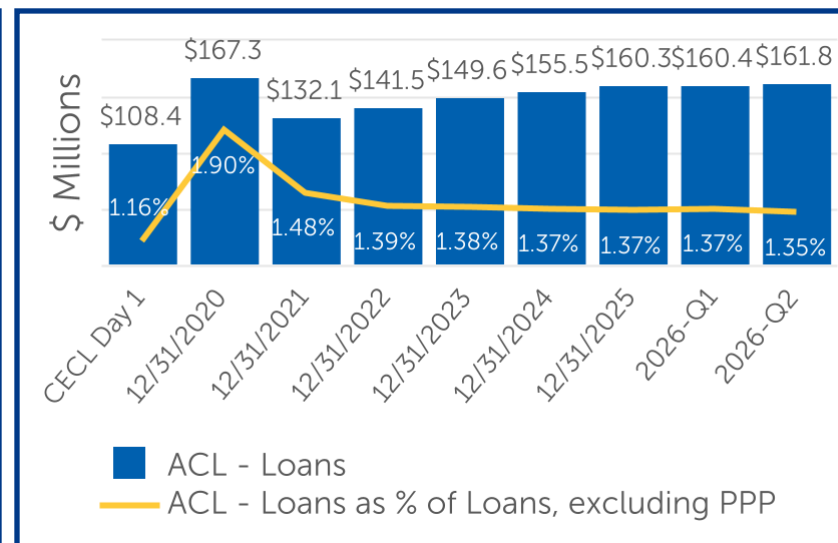
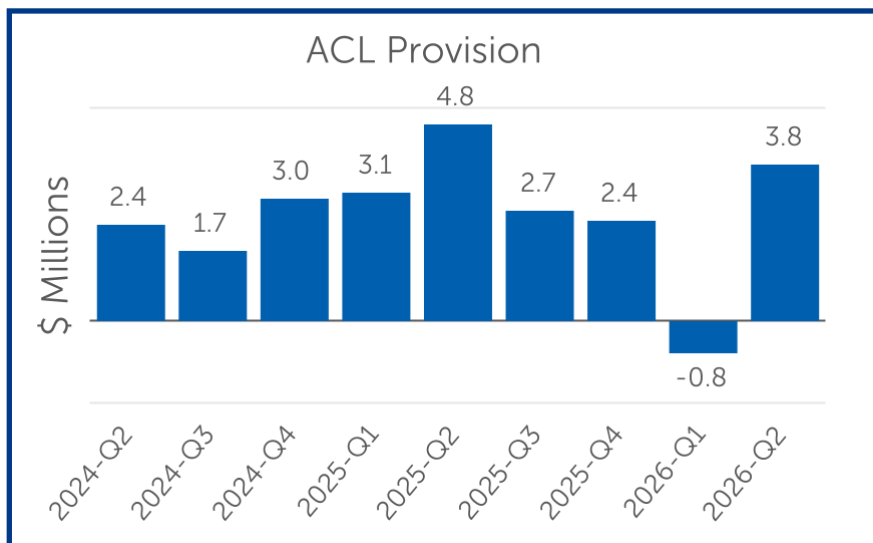
Characteristics of highlighted loan segments

\$ in Millions

As of 6/30/26			Origination Year			
Portfolio Segment	Balance	% Owner Occupied	2026	2025	2024	2023 and earlier
Office	\$637.2	46%	\$54.9	\$70.7	\$19.1	\$492.5
Retail (CRE Secured)	\$1,436.1	56%	\$170.1	\$183.1	\$210.6	\$872.2
Medical Office	\$190.3	45%	\$30.4	\$26.3	\$12.7	\$121.0
Multifamily	\$855.9	0%	\$4.9	\$18.9	\$30.0	\$802.2

As of 6/30/26		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	\$637.2	\$110.5	\$62.8	\$68.8	\$205.4	\$92.4
Retail (CRE Secured)	\$1,436.1	\$167.7	\$111.1	\$197.5	\$556.9	\$149.2
Medical Office	\$190.3	\$20.6	\$11.4	\$20.2	\$84.2	\$24.8
Multifamily	\$855.9	\$149.2	\$30.8	\$40.5	\$88.7	\$454.1

Allowance for credit losses



Allocation of Allowance for Credit Losses-Loans as of 6/30/26				
	Allowance (\$000)	% Coverage	Non-performing (\$000)	% Coverage NPLs
Commercial RE	42,167	1.02%	2,366	NM*
Multifamily	9,859	1.15%	0	0%
Construction	32,124	1.90%	12,648	254%
1-4 Family	19,478	1.25%	24,825	78%
Commercial	41,114	1.59%	6,968	590%
Agricultural	5,859	1.74%	2,967	197%
Consumer	11,248	1.36%	5,049	223%
Total	161,849	1.35%	54,823	295%

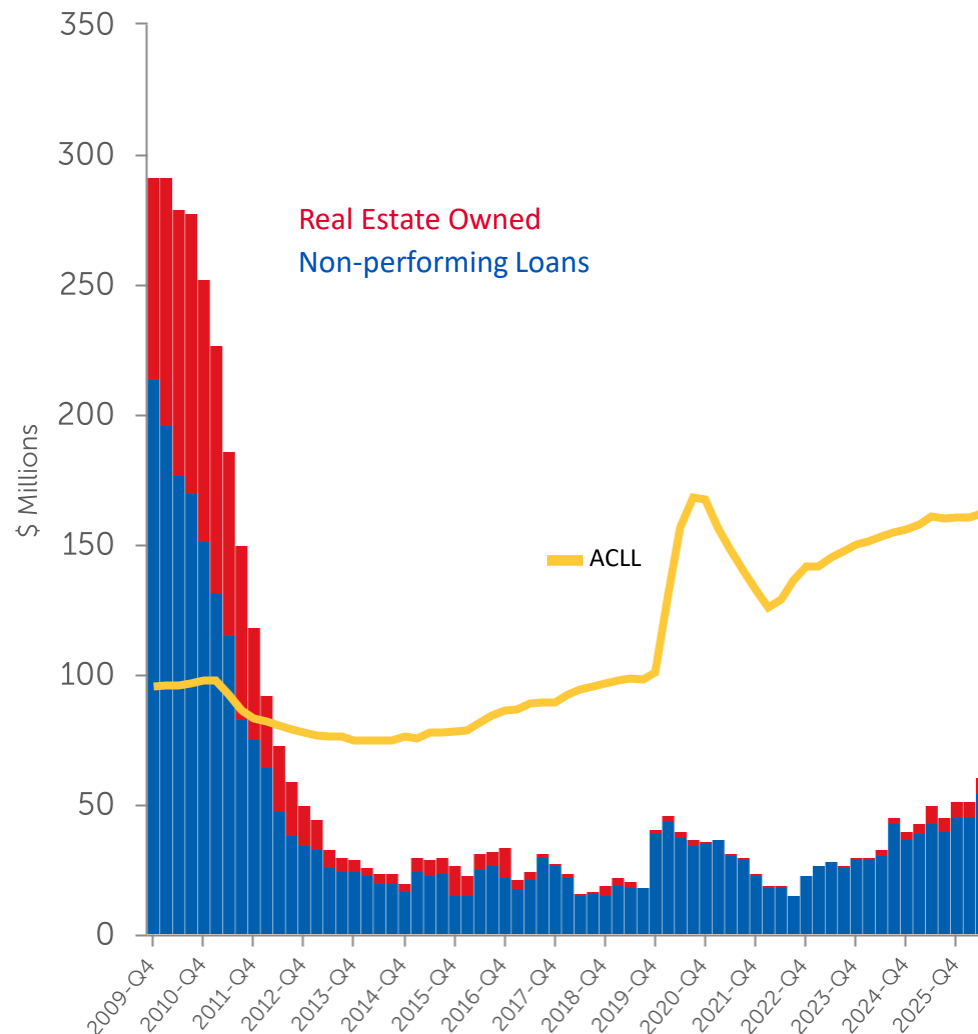
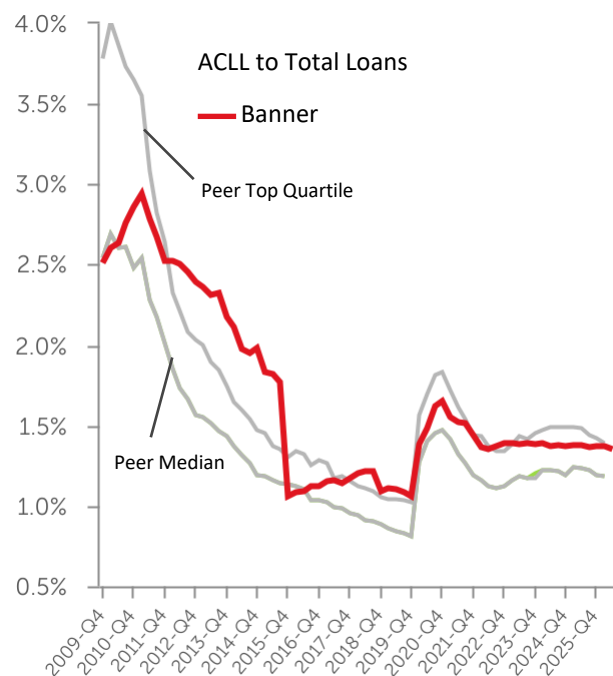
*not meaningful

Maintaining a moderate risk profile



Minimize non-performing assets

Quarter Ending	NPAs		REO	
	Amount	% of TA	Amount	% of TA
06/30/26	\$61M	0.36%	\$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

Core banking competency

Growing revenue

Protecting net interest margin

Spending carefully

Maintaining a moderate risk profile

Employing capital wisely

Employing capital wisely

Maintain premium to tangible book value

Pay appropriate dividends

Prepare for future opportunities

Reconciliation of non-GAAP measures



\$ Thousands

	Quarters Ended		
	Jun 30, 2026	Mar 31, 2026	Jun 30, 2025
PRE-TAX PRE-PROVISION EARNINGS			
Income before provision for income taxes (GAAP)	\$ 60,154	\$ 67,518	\$ 56,007
Provision for credit losses	3,818	(796)	4,795
Pre-tax pre-provision earnings (non-GAAP)	63,972	66,722	60,802
Exclude net (gain)/loss on sale of securities	(8)	1,242	3
Exclude net change in valuation of financial instruments carried at fair value	157	(1,662)	(88)
Exclude merger and acquisition-related expenses	238	—	—
Exclude net building and lease exit costs	47	9	1,753
Adjusted pre-tax pre-provision earnings (non-GAAP)	\$ 64,406	\$ 66,311	\$ 62,470

Building value at Banner



Building value for ...

Shareholders by delivering top quartile financial performance

Clients by delivering super community bank service and products

Employees by offering opportunity and reward

Communities by providing capital and staying involved
