BANNER CORPORATION

Third 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 October 21, 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.

Third quarter 2026 highlights

- Net income of $47.7 million, compared to $48.9 million for the prior quarter
- Completed the acquisition of Pacific Financial Corporation, the holding company of Bank of the Pacific, adding $766 million in total loans and $1.14 billion in deposits
- Organic loan growth of $235 million quarter-over-quarter (8% annualized)
- Total loan originations (excluding HFS) were $1.28 billion
- Organic deposit growth of $463 million quarter-over-quarter (13% annualized)
- Net interest margin (tax equivalent) increased by 1 basis points to 4.14%
- Efficiency ratio (GAAP) was 65.25%, compared to 62.80% in the prior quarter; adjusted, non-GAAP efficiency ratio was 59.53% compared to 61.30% in the prior quarter
- Return on average assets of 1.11%, and return on average tangible common equity of 11.58%, compared to 1.20% and 12.27%, respectively, for the prior quarter
- $1.8 million provision for credit losses - loans and $1.0 million provision for credit losses - unfunded commitments; Allowance for credit losses – loans was 1.32% of total loans
- Non-performing assets remained low at 0.35% of total assets, down 1 basis point from last quarter
- Repurchased 200,000 shares of Banner common stock at an average price of $71.03 per share
- Announced cash dividend to $0.52 per share to be paid in November 2026

Building value at Banner

Building value for stakeholders …

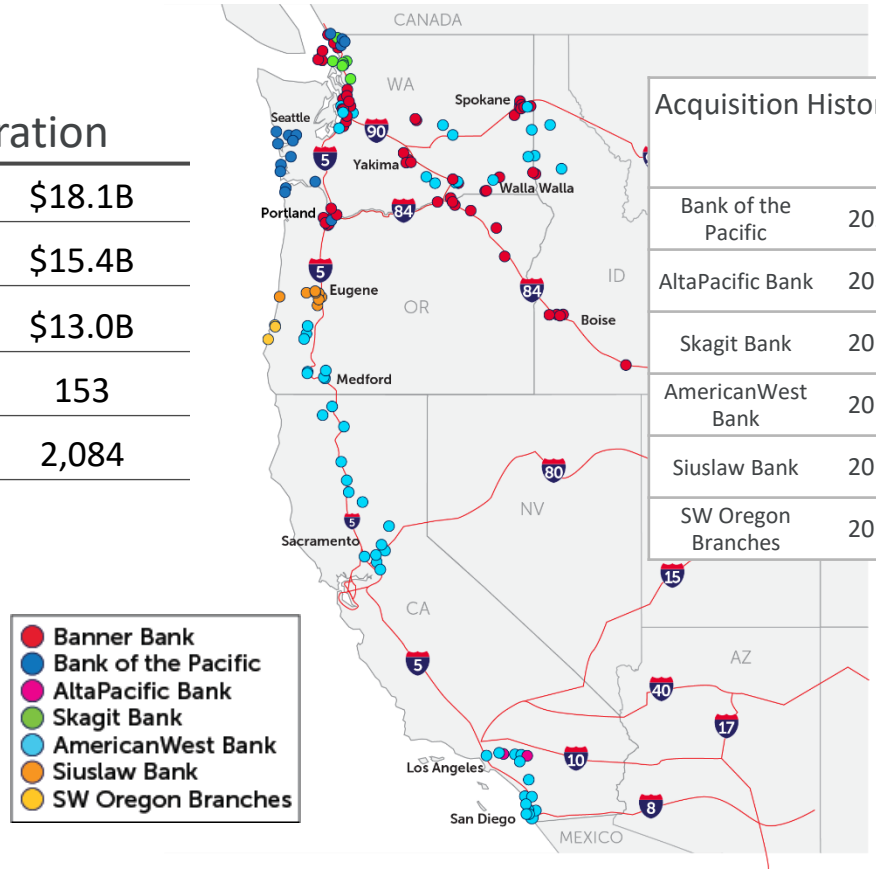
by focusing on core banking competency …

that is sustainable through change events …

and scalable with acquisition growth

Banner Corporation

Assets	$18.1B
Deposits	$15.4B
Loans	$13.0B
Offices	153
Employees	2,084



Acquisition History

		Assets	Deposits	Loans	Offices
Bank of the Pacific	2026 Q3	$1.3B	$1.1B	$0.8B	18
AltaPacific Bank	2019 Q4	$0.4B	$0.3B	$0.3B	6
Skagit Bank	2018 Q4	$0.9B	$0.8B	$0.6B	11
AmericanWest Bank	2015 Q4	$4.5B	$3.6B	$3.0B	98
Siuslaw Bank	2015 Q1	$0.4B	$0.3B	$0.2B	10
SW Oregon Branches	2014 Q2	$0.2B	$0.2B	$0.1B	6

Building value at Banner

Growing with …

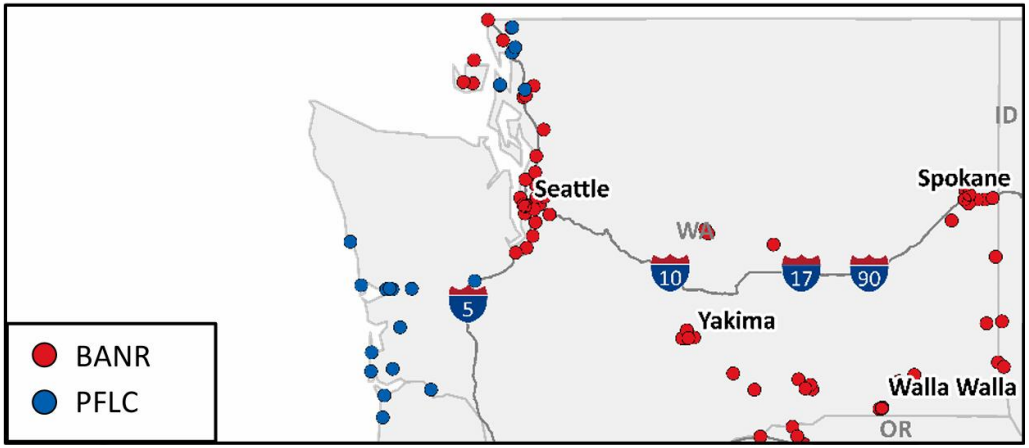
- Scale in attractive markets
- Low-cost deposit franchise
- Commercially focused loan portfolio
- Conservative balance sheet
- Financially appealing opportunity

Pacific Financial Corporation

Bank of the Pacific

Transaction closed September 1, 2026. Core conversion and systems integration planned for November.

Pacific Financial Corp	
Assets	$1.3B
Deposits	$1.1B
Loans	$0.8B
Offices	18



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

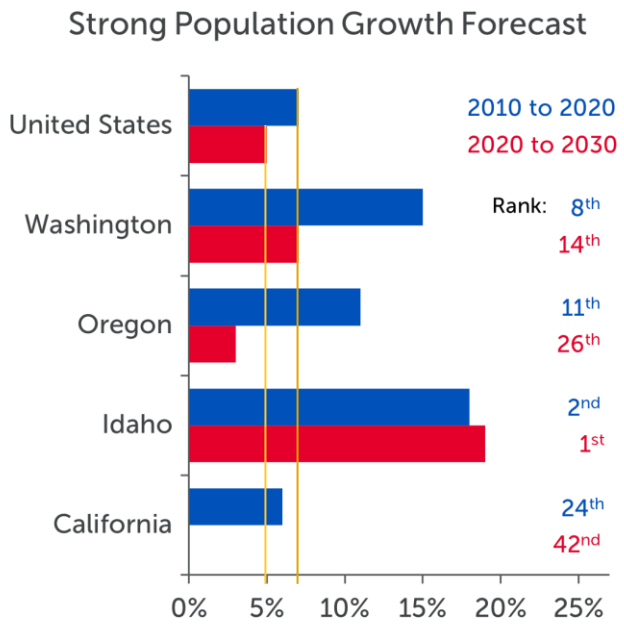
- Take advantage of ideal geography
- Offer super community bank value proposition
- Guard and improve reputation
- Grow market share

Growing revenue … in a good place since 1890

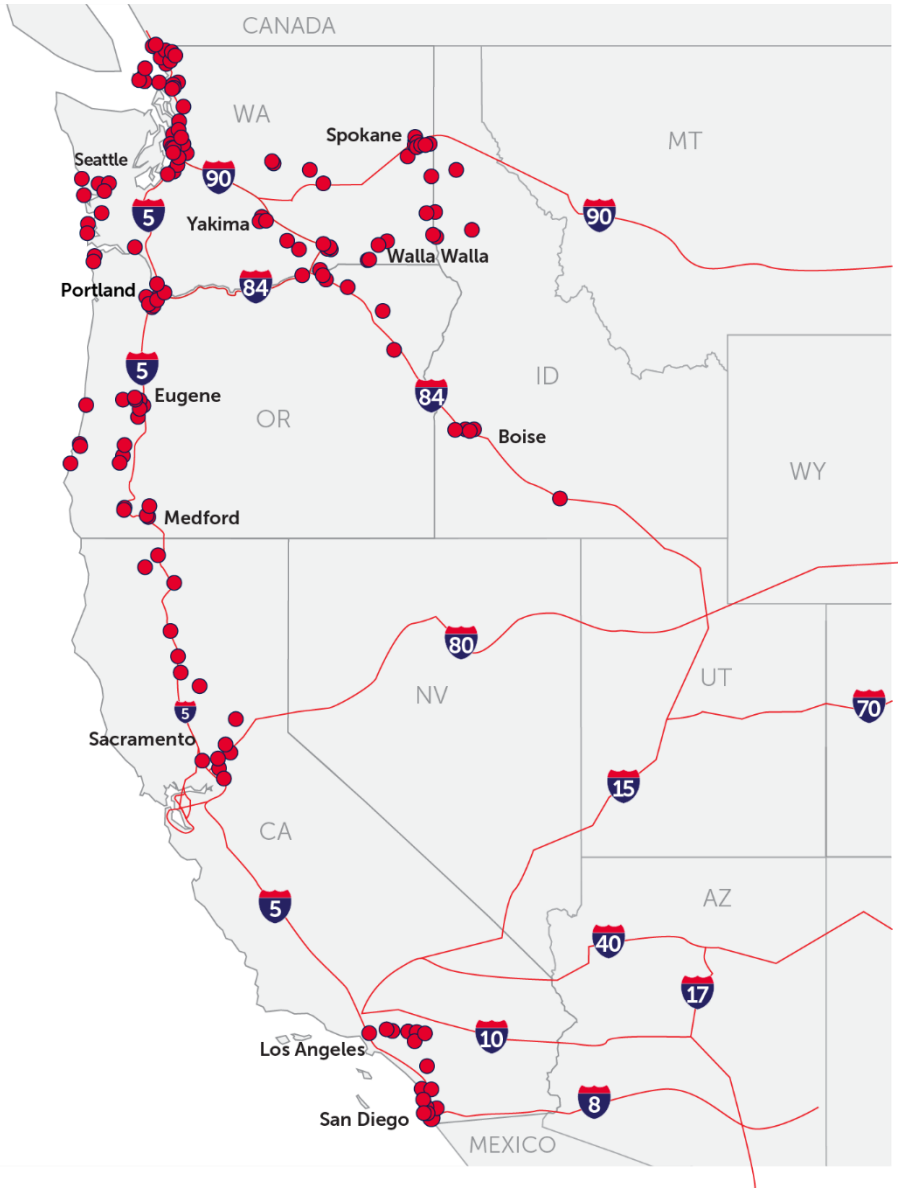
Population Estimate (millions)

	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*	*5%*

* Among the fastest growing in the country



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	Microsoft, intel, amazon, Micron, Expedia
Manufacturing	BOEING, intel, PACCAR
Consumer	amazon, COSTCO WHOLESALE, STARBUCKS, NIKE, NORDSTROM
Logistics	Port of Seattle, Port of Tacoma, PORT OF PORTLAND, THE PORT OF LOS ANGELES, Port of LONG BEACH, PORT of SAN DIEGO
Natural Resources	Weyerhaeuser, TRIMARINE, Trident SEAFOODS
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

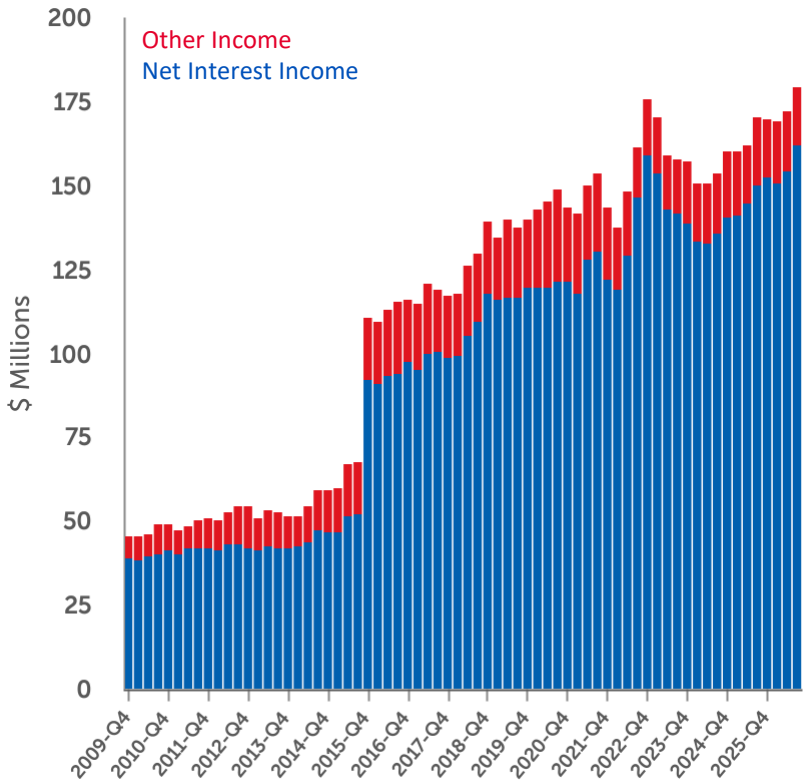
Growing revenue

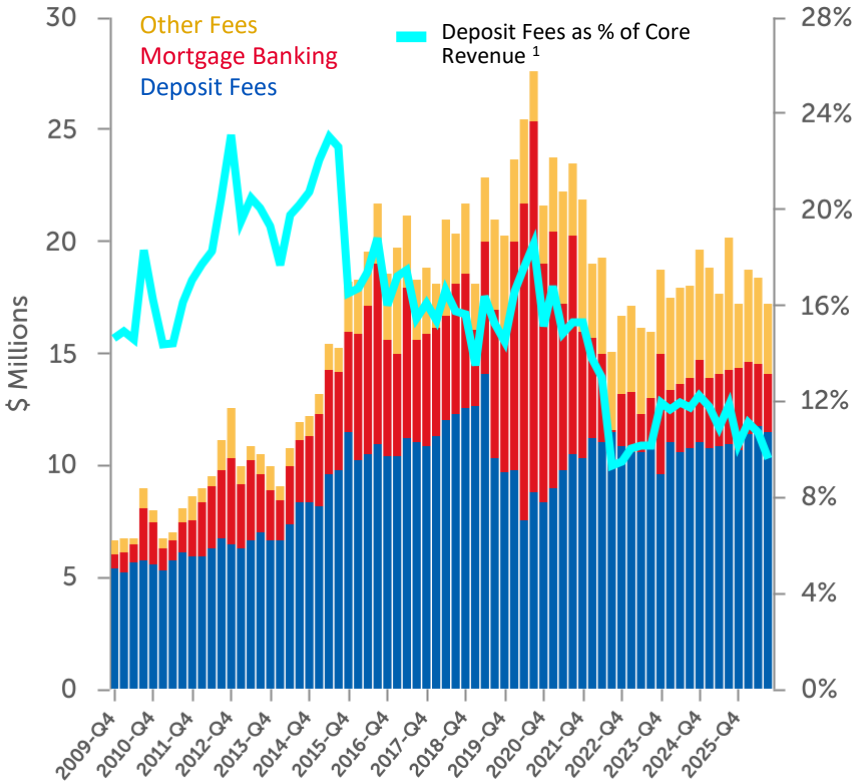
Core revenue [1]

Quarter Ending	Quarter Amount	Last 12 Months Amount
09/30/26	$179M	$690M
12/31/09	$45M	$177M

Non-interest income [1]

Quarter Ending	Quarter Amount	Last 12 Months Amount
09/30/26	$17.2M	$71.7M
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

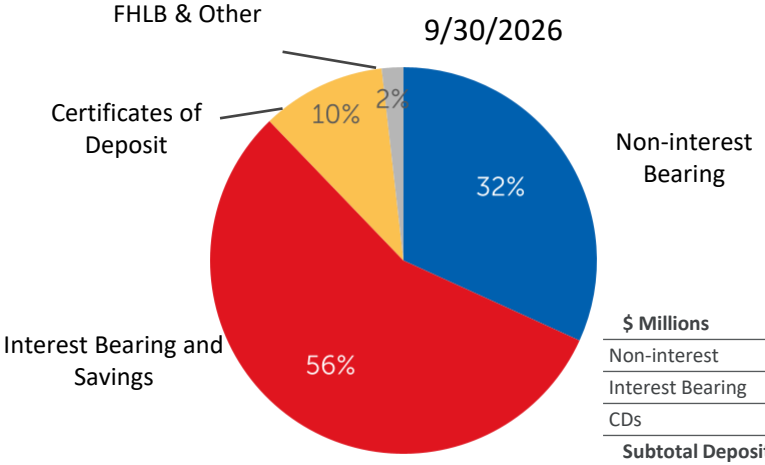
Protecting net interest margin

- Improve earning asset mix
- Improve funding mix
- Reduce deposit costs
- Maintain loan-to-deposit ratio

Protecting net interest margin

Low-Cost Funding Mix

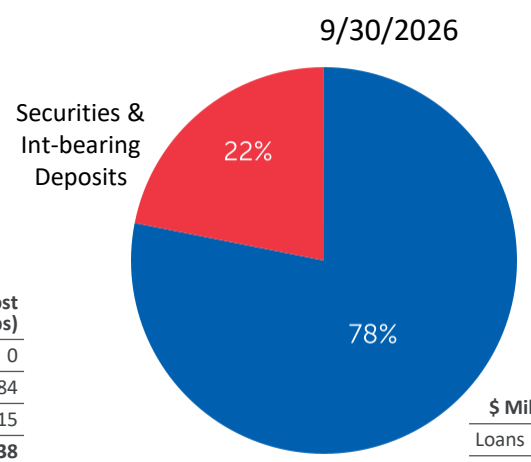
9/30/2026



$ Millions	Avg Bal	Cost (in bps)
Non-interest	4,655	0
Interest Bearing	8,198	184
CDs	1,519	315
Subtotal Deposits	**14,372**	**138**
FHLB & Other	265	399
Total	**14,637**	**143**

Earning Asset Mix

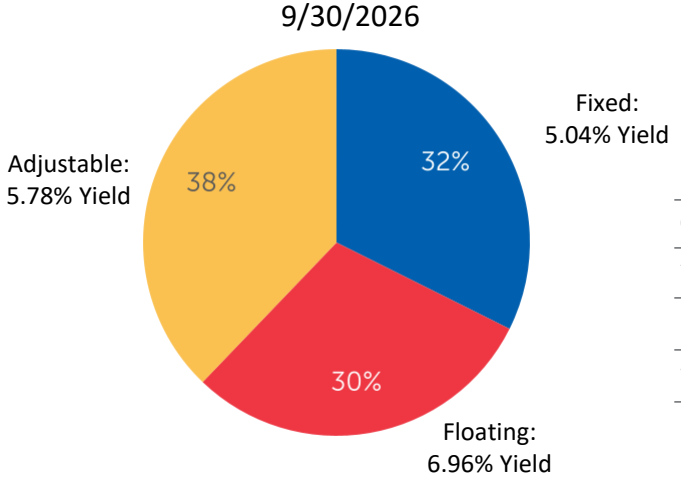
9/30/2026



$ Millions	Avg Bal	Yield (in bps)
Loans	12,386	612
Securities & Int-bearing Deposits	3,472	310
Total	**15,858**	**546**

Loan Repricing Structure

9/30/2026



68% of the loan portfolio is floating/adjustable
75% of the floating/adjustable loans have floors
17% of the loans that have floors are at the floor
32% of the loans that have floors are within 100 basis points of the floor (excludes loans at the floor)

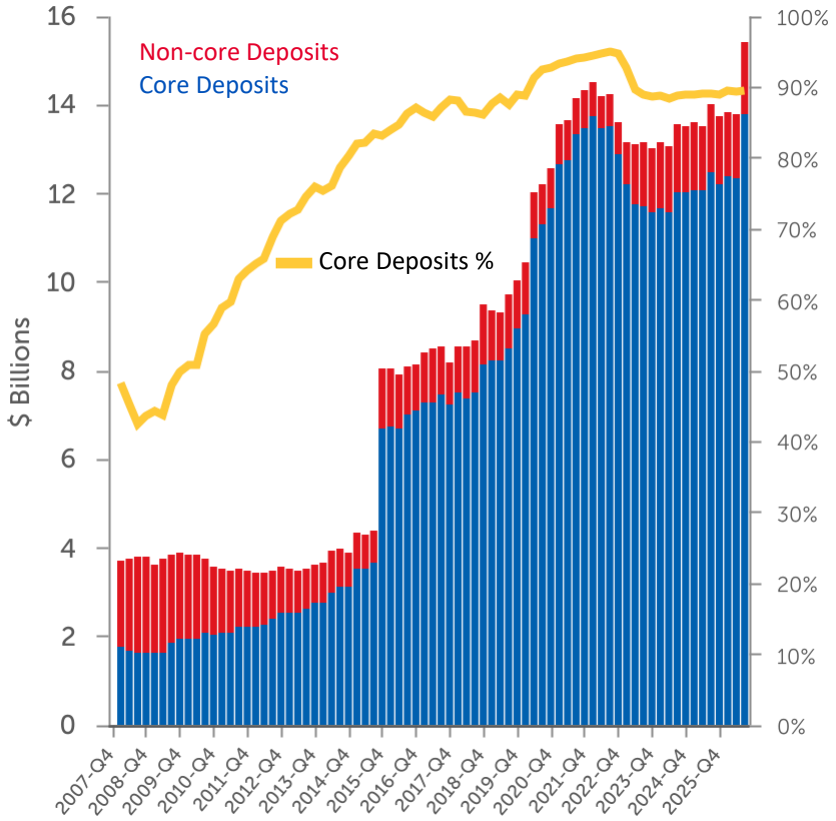
Protecting net interest margin

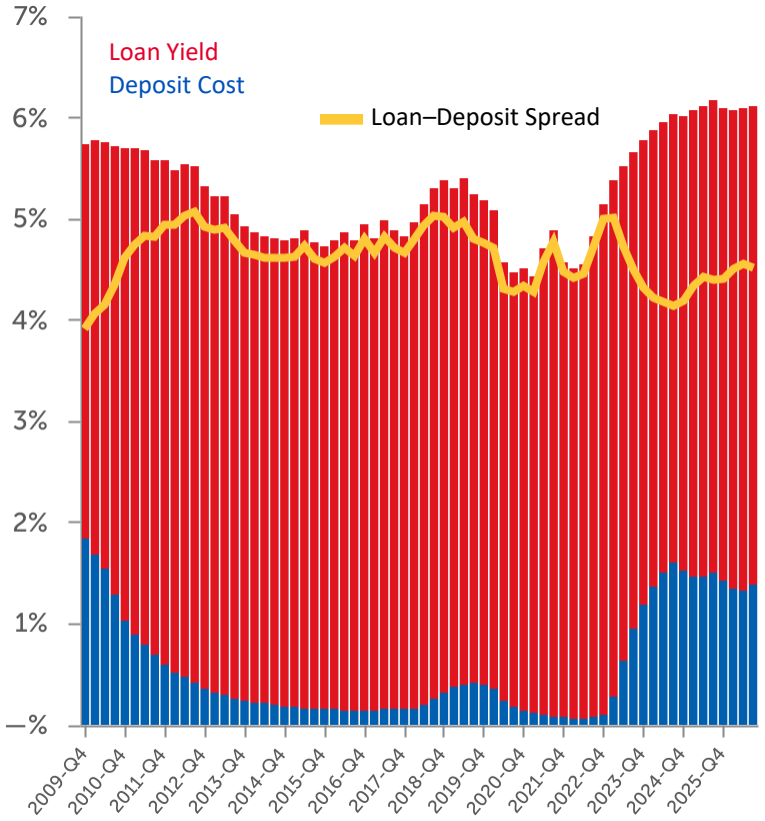
Focus on core deposits

Quarter Ending	Balance	% of Total Deposits
09/30/26	$13,778M	90%
12/31/09	$1,924M	50%

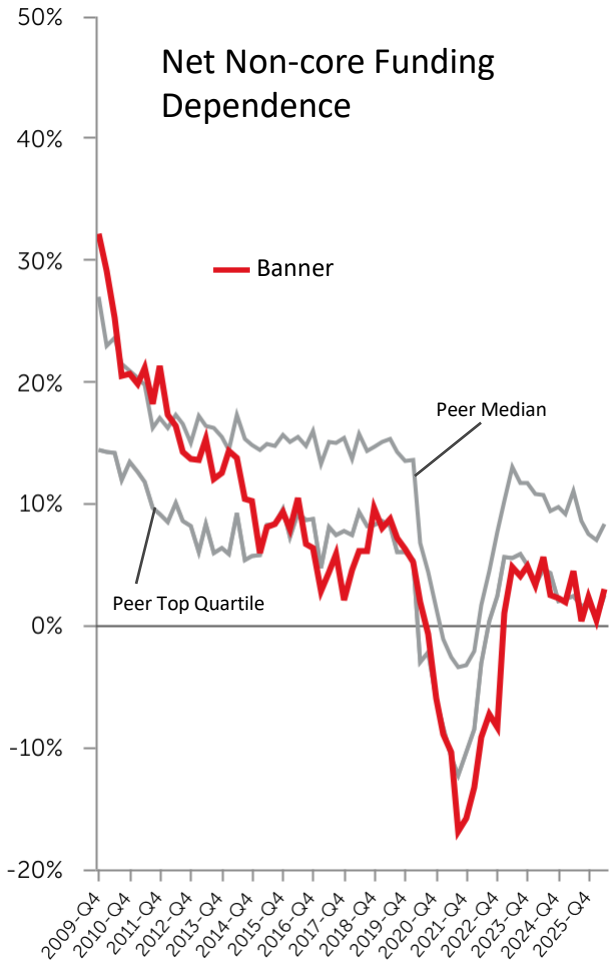
Manage deposit costs

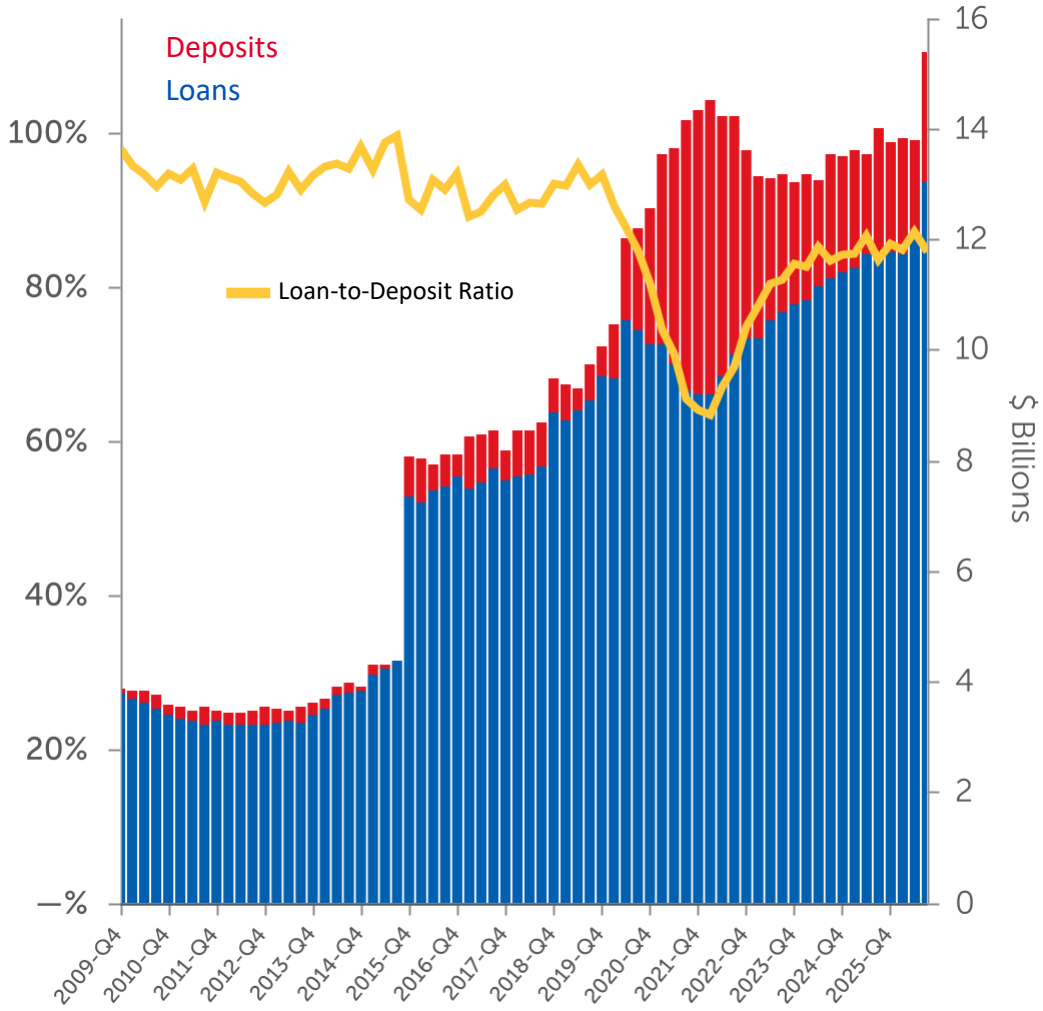
Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate	Amount	Rate
09/30/26	$50.0M	1.38%	$191.7M	1.37%
12/31/09	$17.7M	1.83%	$83.2M	2.21%





Protecting net interest margin



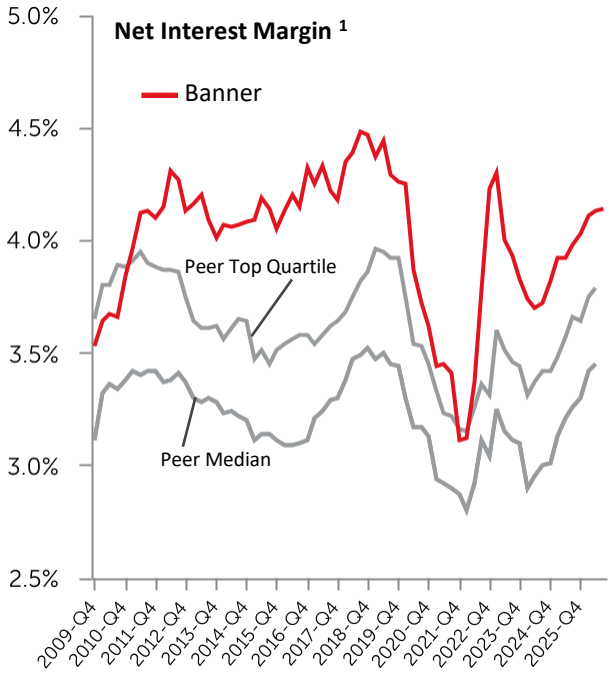


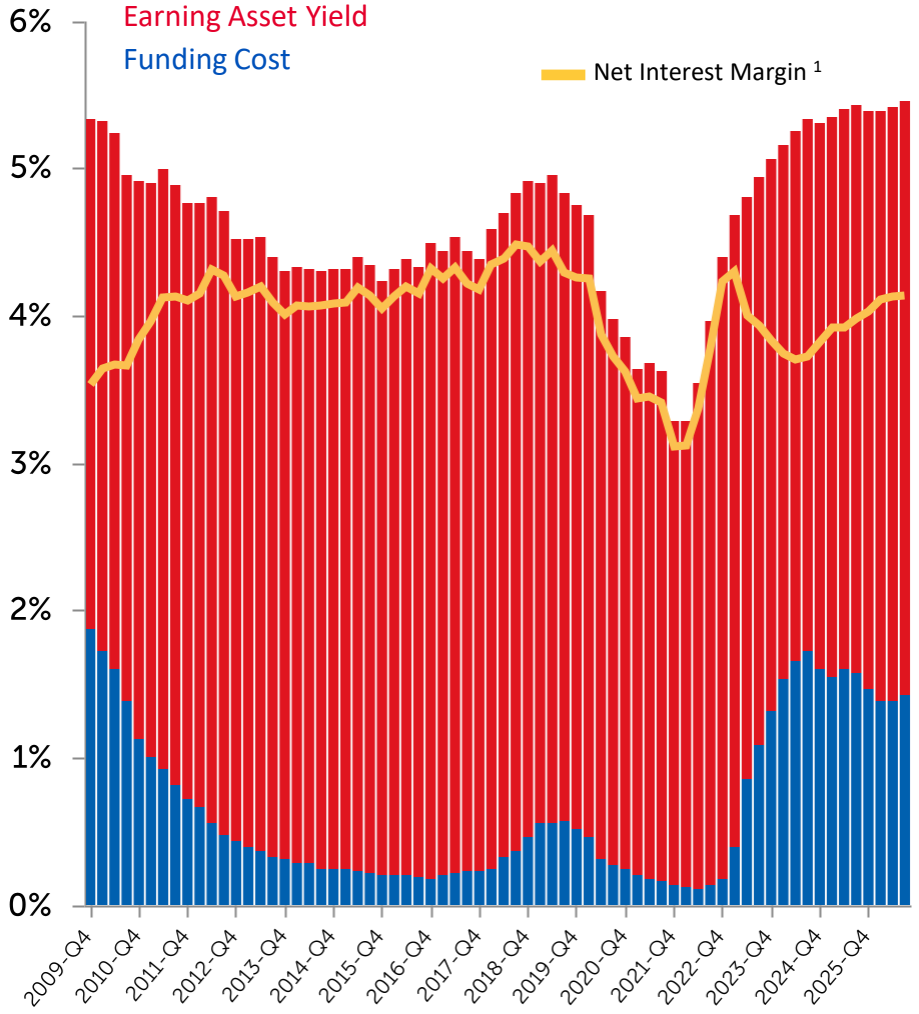
Peer source: Group 1 ($10B and over), Bank Holding Company Performance Report (BHCPR), National Information Center, Federal Reserve System, Division of Banking Supervision and Regulation

Protecting net interest margin

Maintain top quartile net interest margin

Quarter Ending	Quarter		Last 12 Months	
	Amount	Rate [1]	Amount	Rate [1]
09/30/26	$162M	4.14%	$618M	4.10%
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

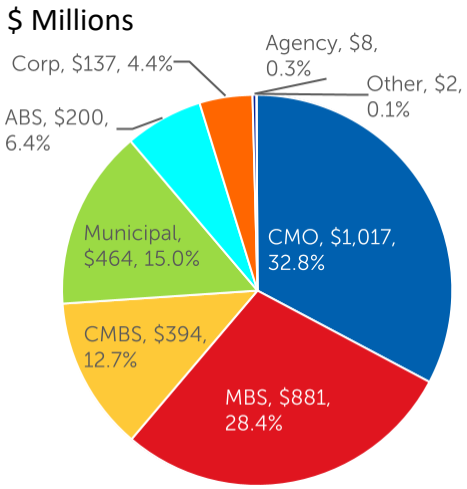
Conservative investment portfolio

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

	Ramp $MM	Ramp % Change	Shock $MM	Shock % Change
Up 200	690,814	0.9%	701,787	2.5%
Up 100	690,047	0.8%	699,468	2.2%
Base	684,573	0.0%	684,573	0.0%
Down 100	677,200	(1.1)%	666,138	(2.7)%
Down 200	670,373	(2.1)%	650,200	(5.0)%

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 9/30/26

Investment Portfolio Composition ($3.10 billion)

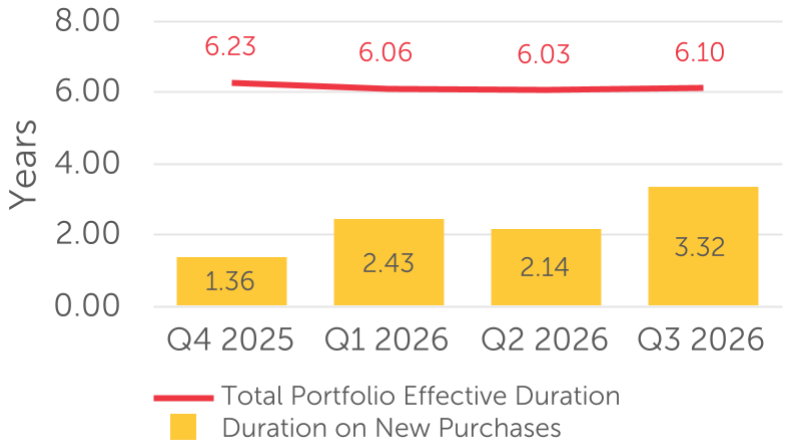


76% of investments are Agency MBS/CMO or AAA rated

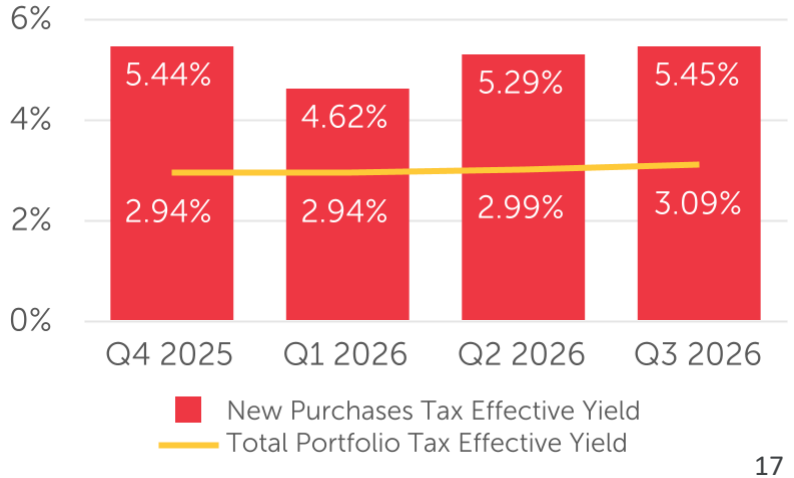
2.5% non-rated investments, principally CRA investments

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

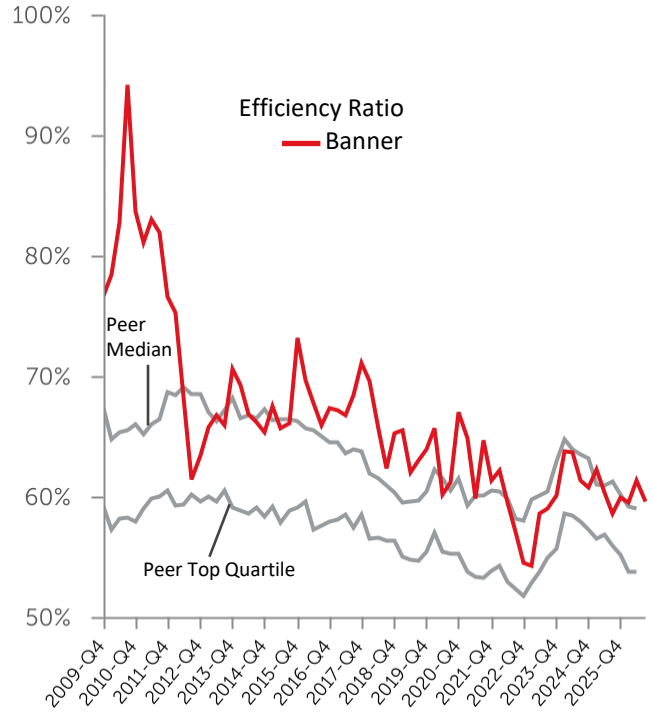
Spending carefully

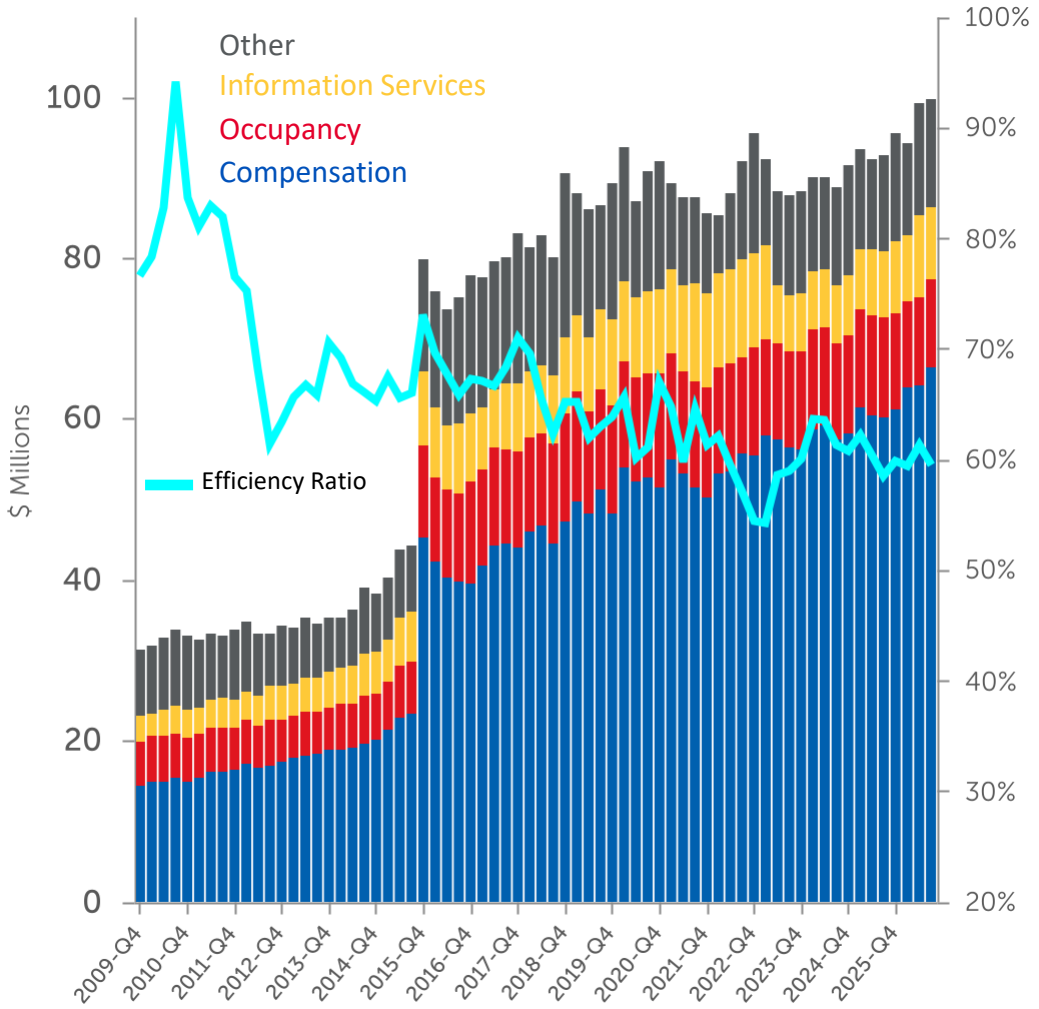
- Benefit from scale
- Control core operating expense

Spending carefully

Control core operating expense

Quarter Ending	Quarter	Last 12 Months
	Amount	Amount
09/30/26	$107M	$414M
12/31/09	$31M	$132M





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Building value at Banner

Core banking competency

- Growing revenue
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- Employing capital wisely

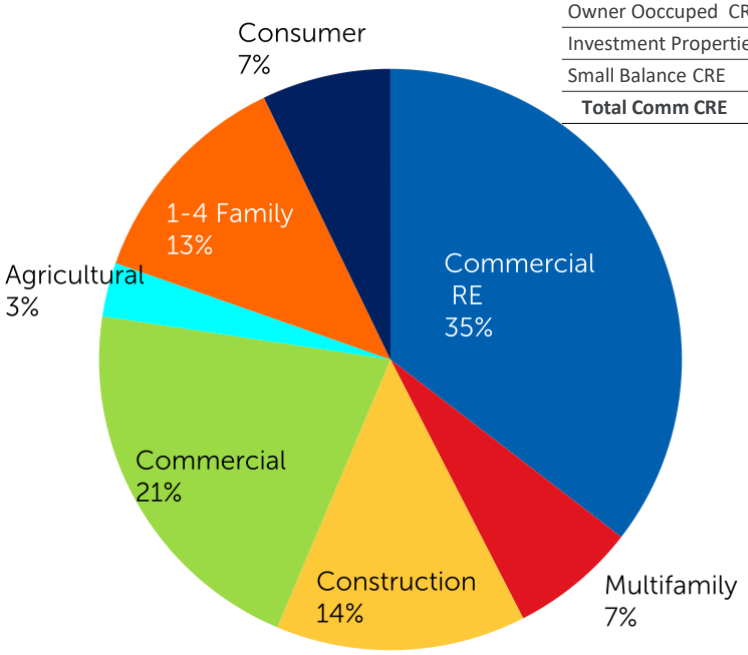
Maintaining a moderate risk profile

- Embrace effective enterprise risk management
- Minimize non-performing assets
- Maintain appropriate loan loss reserve
- Maintain appropriate risk capital

Diversified loan portfolio

Loan Composition

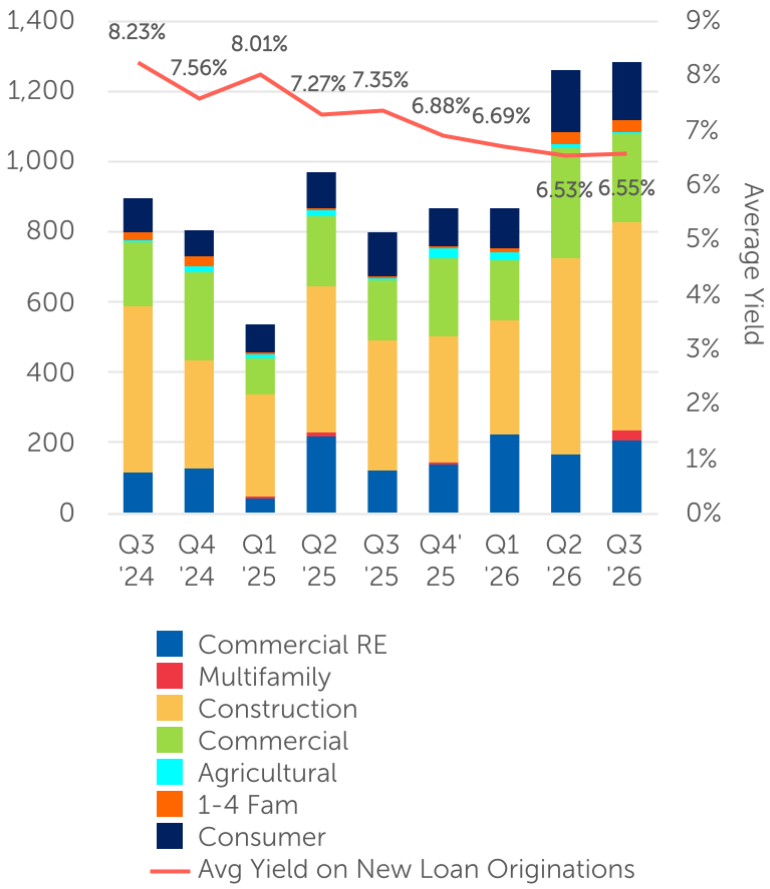
9/30/2026



CRE Breakout	$MM	%
Owner Ooccuped CRE	1,330	10 %
Investment Properties	1,805	14 %
Small Balance CRE	1,471	11 %
Total Comm CRE	**4,607**	**35 %**

Construction Breakout	$MM	%
Commercial	220	2 %
Multifamily	521	4 %
1-4 Family	646	5 %
Land	416	3 %
Total Construction	**1,803**	**14 %**

Loan Originations (commitments, $MM)



Characteristics of highlighted loan segments

(as of 9/30/26)

Office [1]	
Balances ($MM)	$709.2
Percent of Total Loans	5.5%
Total Investor Office	$361.5
Total Owner Occupied	$347.7
Average Loan Size	$0.8
Largest Loan Size	$18.0
30 + days Past Due	$0.6
Adversely Classified	$1.7

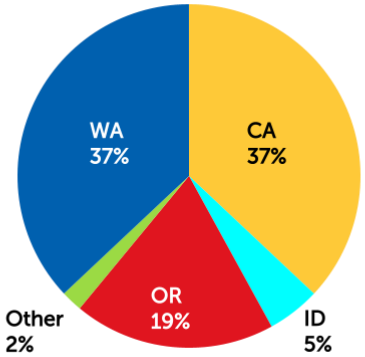
Retail [2]	
Balances ($MM)	$1,653.2
Percent of Total Loans	12.8%
Balance of Retail Loans Secured by CRE *	$1,519.1
Average Loan Size	$0.7
Average CRE Secured Loan Size	$0.9
Largest Loan Size	$47.1
30 + days Past Due	$5.6
Adversely Classified	$19.4

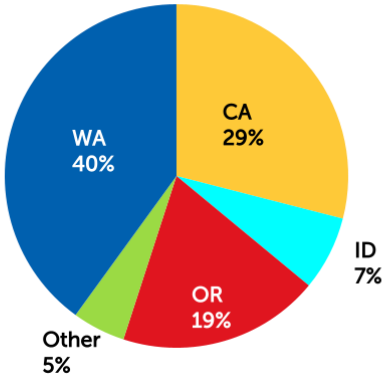
* No mall exposure

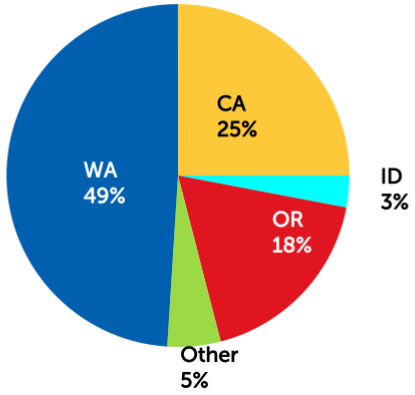
Healthcare [3]	
Balances ($MM)	$555.1
Percent of Total Loans	4.3%
Balance Secured by Medical Office *	$237.7
Medical Office as a % of Total Loans	1.8%
Average Loan Size	$0.6
Average Medical Office Size	$0.9
Largest Loan Size	$24.4
30 + days Past Due	$0.2
Adversely Classified	$13.1

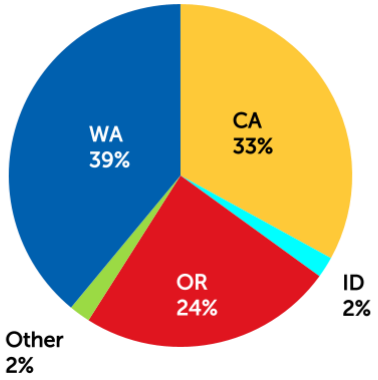
* No hospital exposure

Multifamily	
Balances ($MM)	$913.3
Percent of Total Loans	7.1%
Total Affordable Housing	$519.1
Total Market Rent/Middle Income	$394.2
Average Loan Size	$1.4
Largest Loan Size	$23.9
30 + days Past Due	$0.2
Adversely Classified	$2.1









[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

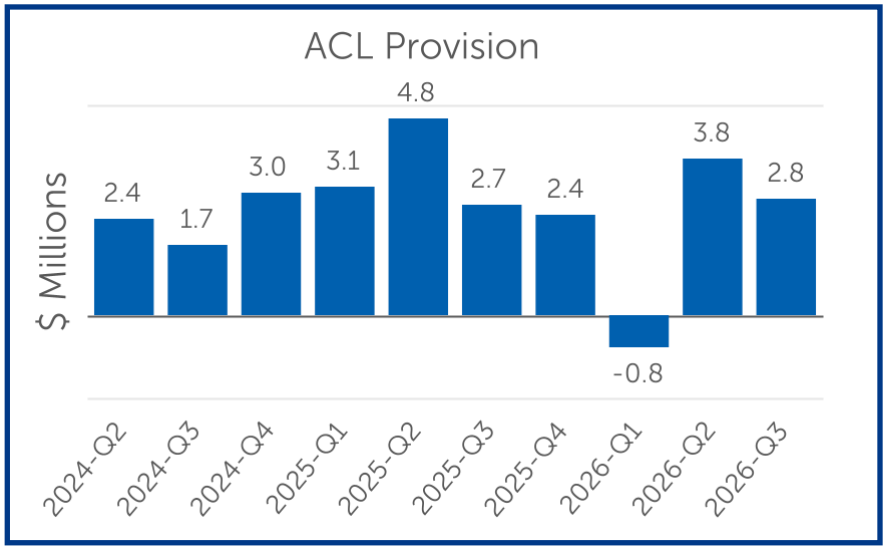
Characteristics of highlighted loan segments

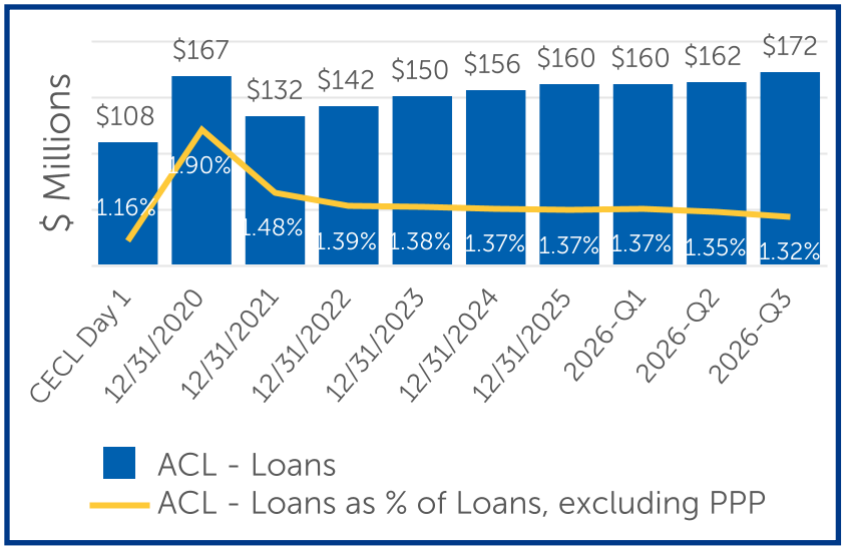
$ in Millions

	As of 9/30/26		Origination Year			
Portfolio Segment	Balance	% Owner Occupied	2026	2025	2024	2023 and earlier
Office	$709.2	49%	$96.3	$72.5	$20.7	$519.8
Retail (CRE Secured)	$1,519.1	57%	$236.0	$196.2	$201.2	$885.8
Medical Office	$237.7	45%	$45.5	$45.6	$14.9	$131.7
Multifamily	$913.3	0%	$31.1	$26.7	$31.5	$824.0

	As of 9/30/26	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	$709.2	$96.1	$72.6	$92.9	$251.0	$95.0
Retail (CRE Secured)	$1,519.1	$156.0	$139.2	$210.7	$602.1	$171.5
Medical Office	$237.7	$22.7	$23.3	$24.9	$102.3	$25.4
Multifamily	$913.3	$133.6	$40.4	$62.9	$86.2	$474.0

Allowance for credit losses





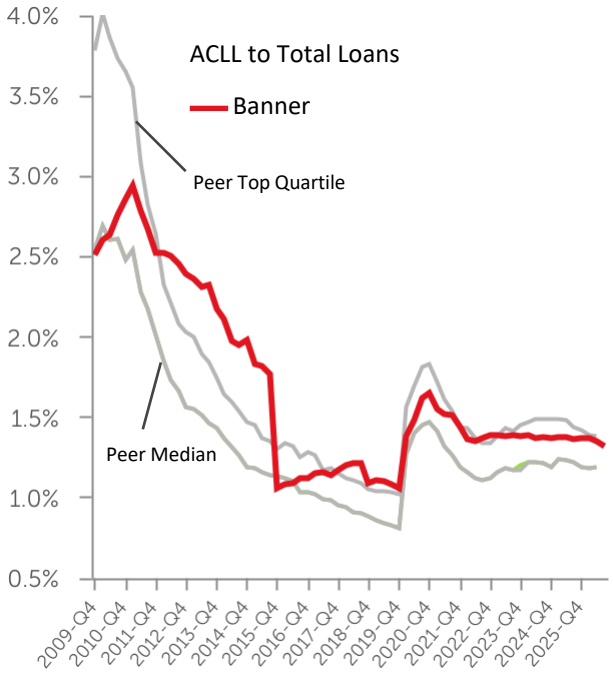
Allocation of Allowance for Credit Losses-Loans as of 9/30/26				
	Allowance ($000)	% Coverage	Non-performing ($000)	% Coverage NPLs
Commercial RE	46,114	1.00%	5,376	858%
Multifamily	10,543	1.15%	167	NM*
Construction	33,231	1.84%	12,200	272%
1-4 Family	19,361	1.20%	28,115	69%
Commercial	42,702	1.56%	5,229	817%
Agricultural	6,523	1.68%	3,021	216%
Consumer	13,089	1.41%	4,989	262%
Total	171,563	1.32%	59,097	290%

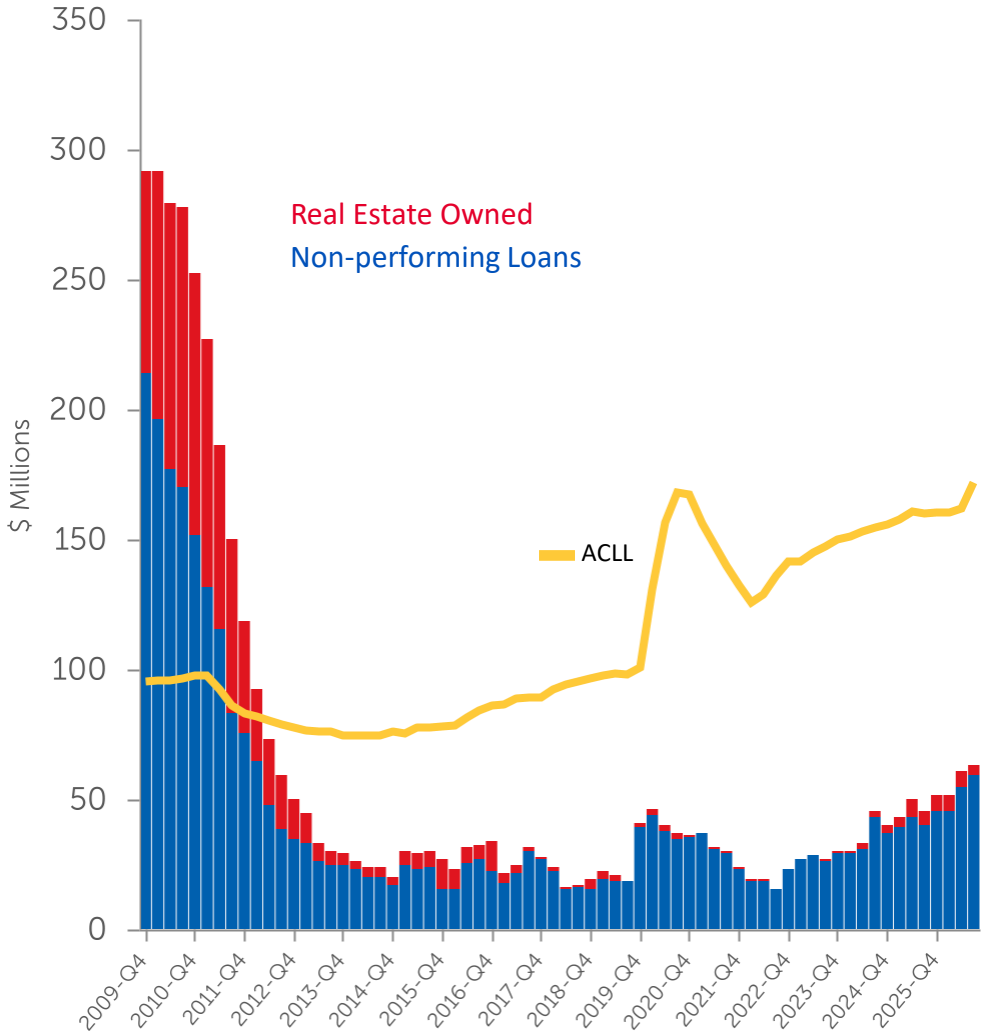
*not meaningful

Maintaining a moderate risk profile

Minimize non-performing assets

Quarter Ending	NPAs		REO	
	Amount	% of TA	Amount	% of TA
09/30/26	$63M	0.35%	$4M	0.02%
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		
PRE-TAX PRE-PROVISION EARNINGS	**Sep 30, 2026**	**Jun 30, 2026**	**Sep 30, 2025**
Income before provision for income taxes (GAAP)	$ 58,779	$ 60,154	$ 66,027
Provision for credit losses	2,824	3,818	2,670
Pre-tax pre-provision earnings (non-GAAP)	61,603	63,972	68,697
Exclude net (gain)/loss on sale of securities	2,102	(8)	(377)
Exclude net change in valuation of financial instruments carried at fair value	(313)	157	(223)
Exclude merger and acquisition-related expenses	5,177	238	—
Exclude net building and lease exit costs	63	47	(331)
Adjusted pre-tax pre-provision earnings (non-GAAP)	$ 68,632	$ 64,406	$ 67,766

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