# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

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# FORM 10-Q

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☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended June 30, 2025**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from _____ to _____**

**Commission file number 001-41170**

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# GLACIER BANCORP, INC.
**(Exact name of registrant as specified in its charter)**

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| **Montana** | **81-0519541** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(IRS Employer Identification No.)** |
| **49 Commons Loop Kalispell, Montana** | **59901** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**(406) 756-4200**
**(Registrant's telephone number, including area code)**

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Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value | GBCI | The New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

The number of shares of Registrant's common stock outstanding on July 15, 2025 was 118,551,408. No preferred shares are issued or outstanding.

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## ABBREVIATIONS/ACRONYMS

**ACL or allowance** – allowance for credit losses
**AFS -** available-for-sale
**ALCO** – Asset Liability Committee
**ASC** – Accounting Standards Codification
**ASU** – Accounting Standards Update
**ATM** – automated teller machine
**Bank** – Glacier Bank
**BOI -** Bank of Idaho
**BOID -** Bank of Idaho Holding Co.
**BTFP -** Bank Term Funding Program of the Federal Reserve Bank
**CDE** – Certified Development Entity
**CDFI Fund** – Community Development Financial Institutions Fund
**CECL** – current expected credit losses
**CEO** – Chief Executive Officer
**CFO** – Chief Financial Officer
**CFGW** – Community Financial Group, Inc.
**CRE** - Commercial real estate
**Company** – Glacier Bancorp, Inc.
**DDA** – demand deposit account
**Fannie Mae** – Federal National Mortgage Association
**FASB** – Financial Accounting Standards Board
**FDIC** – Federal Deposit Insurance Corporation
**FHLB** – Federal Home Loan Bank
**Final Rules** – final rules implemented by the federal banking agencies that established a new comprehensive regulatory capital framework
**FRB** – Federal Reserve Bank
**Freddie Mac** – Federal Home Loan Mortgage Corporation
**GAAP** – accounting principles generally accepted in the United States of America
**GDP** – gross domestic product
**Ginnie Mae** – Government National Mortgage Association
**HTM** - Held-to-maturity
**Interest rate locks -** residential real estate derivatives for commitments
**LIBOR** – London Interbank Offered Rate
**LIHTC** – Low Income Housing Tax Credit
**MBFD** - Modifications to borrowers experiencing financial difficulty
**NMTC** – New Markets Tax Credit
**NOW** – negotiable order of withdrawal
**NRSRO** – Nationally Recognized Statistical Rating Organizations
**OCI** – other comprehensive income
**OREO** – other real estate owned
**PCD** – purchased credit-deteriorated
**PPP** – Paycheck Protection Program
**Repurchase agreements** – securities sold under agreements to repurchase
**RMB** – Rocky Mountain Bank
**ROU** – right-of-use
**S&P** – Standard and Poor's
**SBA** – United States Small Business Administration
**SEC** – United States Securities and Exchange Commission
**TBA** – to-be-announced
**VIE** – variable interest entity

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**

| (Dollars in thousands, except share and per share data) | June 30, 2025 | December 31, 2024 |
|---|---|---|
| **Assets** | | |
| Cash on hand and in banks | $ 375,398 | 268,746 |
| Interest bearing cash deposits | 540,109 | 579,662 |
| Cash and cash equivalents | 915,507 | 848,408 |
| Debt securities, available for sale | 4,024,980 | 4,245,205 |
| Debt securities, held to maturity | 3,206,133 | 3,294,847 |
| Total debt securities | 7,231,113 | 7,540,052 |
| Loans held for sale, at fair value | 47,738 | 33,060 |
| Loans receivable | 18,532,740 | 17,261,849 |
| Allowance for credit losses | (226,799) | (206,041) |
| Loans receivable, net | 18,305,941 | 17,055,808 |
| Premises and equipment, net | 426,801 | 411,968 |
| Right of use assets, net | 56,525 | 56,252 |
| Other real estate owned and foreclosed assets | 1,879 | 1,164 |
| Accrued interest receivable | 108,286 | 99,262 |
| Deferred tax asset, net | 114,528 | 138,955 |
| Intangibles, net | 64,949 | 51,182 |
| Goodwill | 1,121,401 | 1,051,318 |
| Non-marketable equity securities | 76,990 | 99,669 |
| Bank-owned life insurance | 191,623 | 189,849 |
| Other assets | 341,702 | 326,040 |
| Total assets | $ 29,004,983 | 27,902,987 |
| **Liabilities** | | |
| Non-interest bearing deposits | $ 6,593,728 | 6,136,709 |
| Interest bearing deposits | 15,034,774 | 14,410,285 |
| Securities sold under agreements to repurchase | 1,976,228 | 1,777,475 |
| Federal Home Loan Bank advances | 1,255,088 | 1,800,000 |
| Other borrowed funds | 62,366 | 62,062 |
| Finance lease liabilities | 19,405 | 21,279 |
| Subordinated debentures | 157,127 | 133,105 |
| Accrued interest payable | 27,973 | 33,626 |
| Operating lease liabilities | 42,274 | 39,902 |
| Other liabilities | 303,756 | 264,690 |
| Total liabilities | 25,472,719 | 24,679,133 |
| **Commitments and Contingent Liabilities** | — | — |
| **Stockholders' Equity** | | |
| Preferred shares, $0.01 par value per share, 1,000,000 shares authorized, none issued or outstanding | — | — |
| Common stock, $0.01 par value per share, 234,000,000 shares authorized at June 30, 2025 and December 31, 2024, respectively | 1,186 | 1,134 |
| Paid-in capital | 2,655,894 | 2,448,758 |
| Retained earnings | 1,113,839 | 1,083,258 |
| Accumulated other comprehensive loss | (238,655) | (309,296) |
| Total stockholders' equity | 3,532,264 | 3,223,854 |
| Total liabilities and stockholders' equity | $ 29,004,983 | 27,902,987 |
| Number of common stock shares issued and outstanding | 118,550,475 | 113,401,955 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

| (Dollars in thousands, except share and per share data) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| **Interest Income** | | | | |
| Investment securities | $ 44,148 | 42,165 | $ 89,794 | 98,383 |
| Residential real estate loans | 25,361 | 21,754 | 49,636 | 42,518 |
| Commercial loans | 214,816 | 188,326 | 412,204 | 369,798 |
| Consumer and other loans | 23,790 | 21,589 | 46,406 | 42,537 |
| Total interest income | 308,115 | 273,834 | 598,040 | 553,236 |
| **Interest Expense** | | | | |
| Deposits | 65,569 | 67,852 | 128,434 | 135,048 |
| Securities sold under agreements to repurchase | 14,109 | 13,566 | 27,842 | 26,164 |
| Federal Home Loan Bank advances | 17,806 | 24,179 | 38,525 | 28,428 |
| FRB Bank Term Funding | — | — | — | 27,097 |
| Other borrowed funds | 400 | 353 | 802 | 697 |
| Subordinated debentures | 2,615 | 1,406 | 4,842 | 2,844 |
| Total interest expense | 100,499 | 107,356 | 200,445 | 220,278 |
| **Net Interest Income** | 207,616 | 166,478 | 397,595 | 332,958 |
| Provision for credit losses | 20,267 | 3,518 | 28,081 | 11,767 |
| Net interest income after provision for credit losses | 187,349 | 162,960 | 369,514 | 321,191 |
| **Non-Interest Income** | | | | |
| Service charges and other fees | 20,405 | 19,422 | 39,223 | 37,985 |
| Miscellaneous loan fees and charges | 5,067 | 4,821 | 9,731 | 9,183 |
| Gain on sale of loans | 4,273 | 4,669 | 8,584 | 8,031 |
| (Loss) gain on sale of securities | — | (12) | — | 4 |
| Other income | 3,199 | 3,304 | 8,048 | 6,990 |
| Total non-interest income | 32,944 | 32,204 | 65,586 | 62,193 |
| **Non-Interest Expense** | | | | |
| Compensation and employee benefits | 94,355 | 84,434 | 185,798 | 170,223 |
| Occupancy and equipment | 12,558 | 11,594 | 24,852 | 23,477 |
| Advertising and promotions | 4,394 | 4,362 | 8,538 | 8,345 |
| Data processing | 9,883 | 9,387 | 19,021 | 18,546 |
| Other real estate owned and foreclosed assets | 26 | 149 | 89 | 174 |
| Regulatory assessments and insurance | 5,847 | 5,393 | 11,381 | 13,154 |
| Intangibles amortization | 3,624 | 3,017 | 6,894 | 5,777 |
| Other expenses | 24,432 | 22,616 | 49,864 | 53,099 |
| Total non-interest expense | 155,119 | 140,952 | 306,437 | 292,795 |
| **Income Before Income Taxes** | 65,174 | 54,212 | 128,663 | 90,589 |
| Federal and state income tax expense | 12,393 | 9,504 | 21,314 | 13,254 |
| **Net Income** | $ 52,781 | 44,708 | $ 107,349 | 77,335 |
| Basic earnings per share | $ 0.45 | 0.39 | 0.93 | 0.68 |
| Diluted earnings per share | $ 0.45 | 0.39 | 0.93 | 0.68 |
| Dividends declared per share | $ 0.33 | 0.33 | 0.66 | 0.66 |
| Average outstanding shares - basic | 116,890,776 | 113,390,539 | 115,180,489 | 112,941,341 |
| Average outstanding shares - diluted | 116,918,290 | 113,405,491 | 115,244,550 | 112,981,531 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

| (Dollars in thousands) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| **Net Income** | $ 52,781 | 44,708 | $ 107,349 | 77,335 |
| **Other Comprehensive Income, Net of Tax** | | | | |
| Available-For-Sale and Transferred Securities: | | | | |
| Unrealized gains on available-for-sale securities | 31,125 | 23,558 | 91,890 | 25,595 |
| Reclassification adjustment for gains included in net income | — | — | — | (29) |
| Reclassification adjustment for securities transferred from available-for-sale to held-to-maturity | 1,448 | 1,029 | 2,917 | 2,037 |
| Tax effect | (8,117) | (6,169) | (23,626) | (6,926) |
| Net of tax amount | 24,456 | 18,418 | 71,181 | 20,677 |
| Cash Flow Hedge: | | | | |
| Unrealized gains (losses) on derivatives used for cash flow hedges | — | 270 | (657) | 927 |
| Reclassification adjustment for gains included in net income | — | (1,288) | (63) | (2,548) |
| Tax effect | — | 254 | 180 | 406 |
| Net of tax amount | — | (764) | (540) | (1,215) |
| Total other comprehensive income, net of tax | 24,456 | 17,654 | 70,641 | 19,462 |
| **Total Comprehensive Income** | $ 77,237 | 62,362 | $ 177,990 | 96,797 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**
**Three Months ended June 30, 2025 and 2024**

| (Dollars in thousands, except share and per share data) | Common Stock Shares | Common Stock Amount | Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total |
|---|---|---|---|---|---|---|
| **Balance at April 1, 2024** | 113,388,590 | $ 1,134 | 2,443,584 | 1,038,294 | (372,305) | 3,110,707 |
| Net income | — | — | — | 44,708 | — | 44,708 |
| Other comprehensive income | — | — | — | — | 17,654 | 17,654 |
| Cash dividends declared ($0.33 per share) | — | — | — | (37,519) | — | (37,519) |
| Stock issuances under stock incentive plans | 5,502 | — | — | — | — | — |
| Stock-based compensation and related taxes | — | — | 1,895 | — | — | 1,895 |
| **Balance at June 30, 2024** | 113,394,092 | $ 1,134 | 2,445,479 | 1,045,483 | (354,651) | 3,137,445 |
| **Balance at April 1, 2025** | 113,517,944 | $ 1,135 | 2,449,311 | 1,100,273 | (263,111) | 3,287,608 |
| Net income | — | — | — | 52,781 | — | 52,781 |
| Other comprehensive income | — | — | — | — | 24,456 | 24,456 |
| Cash dividends declared ($0.33 per share) | — | — | — | (39,215) | — | (39,215) |
| Stock issued in connection with acquisitions | 5,029,102 | 51 | 204,936 | — | — | 204,987 |
| Stock issuances under stock incentive plans | 3,429 | — | — | — | — | — |
| Stock-based compensation and related taxes | — | — | 1,647 | — | — | 1,647 |
| **Balance at June 30, 2025** | 118,550,475 | $ 1,186 | 2,655,894 | 1,113,839 | (238,655) | 3,532,264 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**
**Six Months ended June 30, 2025 and 2024**

| (Dollars in thousands, except share and per share data) | Common Stock Shares | Common Stock Amount | Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total |
|---|---|---|---|---|---|---|
| **Balance at January 1, 2024** | 110,888,942 | $ 1,109 | 2,350,104 | 1,043,181 | (374,113) | 3,020,281 |
| Net income | — | — | — | 77,335 | — | 77,335 |
| Other comprehensive income | — | — | — | — | 19,462 | 19,462 |
| Cash dividends declared ($0.66 per share) | — | — | — | (75,033) | — | (75,033) |
| Stock issued in connection with acquisitions | 2,389,684 | 24 | 92,361 | — | — | 92,385 |
| Stock issuances under stock incentive plans | 115,466 | 1 | (1) | — | — | — |
| Stock-based compensation and related taxes | — | — | 3,015 | — | — | 3,015 |
| **Balance at June 30, 2024** | 113,394,092 | $ 1,134 | 2,445,479 | 1,045,483 | (354,651) | 3,137,445 |
| **Balance at January 1, 2025** | 113,401,955 | $ 1,134 | 2,448,758 | 1,083,258 | (309,296) | 3,223,854 |
| Net income | — | — | — | 107,349 | — | 107,349 |
| Other comprehensive income | — | — | — | — | 70,641 | 70,641 |
| Cash dividends declared ($0.66 per share) | — | — | — | (76,768) | — | (76,768) |
| Stock issued in connection with acquisitions | 5,029,102 | 51 | 204,936 | — | — | 204,987 |
| Stock issuances under stock incentive plans | 119,418 | 1 | (1) | — | — | — |
| Stock-based compensation and related taxes | — | — | 2,201 | — | — | 2,201 |
| **Balance at June 30, 2025** | 118,550,475 | $ 1,186 | 2,655,894 | 1,113,839 | (238,655) | 3,532,264 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

| (Dollars in thousands) | Six Months ended June 30, 2025 | June 30, 2024 |
|---|---|---|
| **Operating Activities** | | |
| Net income | $ 107,349 | 77,335 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Provision for credit losses | 28,081 | 11,767 |
| Net amortization of debt securities | 5,778 | 6,598 |
| Net amortization of purchase accounting adjustments and deferred loan fees and costs | (2,158) | (1,258) |
| Origination of loans held for sale | (349,991) | (292,073) |
| Proceeds from loans held for sale | 343,897 | 295,111 |
| Gain on sale of loans | (8,584) | (8,031) |
| Gain on sale of securities | — | (4) |
| Bank-owned life insurance income, net | (2,339) | (2,229) |
| Stock-based compensation, net of tax benefits | 3,809 | 3,084 |
| Depreciation and amortization | 15,288 | 14,334 |
| Gain on dispositions of premises and equipment | (2,622) | (2,538) |
| Loss on sale and write-downs of other real estate owned, net | 32 | 52 |
| Amortization of core deposit and other intangibles | 6,894 | 5,777 |
| Amortization of investments in variable interest entities | 15,004 | 13,041 |
| Net increase in accrued interest receivable | (2,631) | (4,230) |
| Net (increase) decrease in other assets | (8,055) | 535 |
| Net decrease in accrued interest payable | (7,537) | (95,509) |
| Net decrease in operating lease liabilities | (2,113) | (1,690) |
| Net decrease in other liabilities | (1,623) | (14,129) |
| Net cash provided by operating activities | 138,479 | 5,943 |
| **Investing Activities** | | |
| Sales of debt securities, available-for-sale | 120,245 | 160,558 |
| Maturities, prepayments and calls of available-for-sale debt securities | 359,587 | 316,640 |
| Purchases of available-for-sale debt securities | (28,239) | (3,164) |
| Maturities, prepayments and calls of held-to-maturity debt securities | 102,356 | 100,011 |
| Purchases of held-to-maturity debt securities | (13,723) | — |
| Net change in loans | (198,386) | (231,553) |
| Proceeds from sale of premises and equipment | 4,490 | 7,069 |
| Net additions to premises and equipment | (12,178) | (25,212) |
| Proceeds from sale of other real estate owned | 649 | 926 |
| Proceeds from redemption of non-marketable equity securities | 30,485 | 109,634 |
| Purchases of non-marketable equity securities | (4,666) | (214,825) |
| Proceeds from bank-owned life insurance | 590 | 193 |
| Investments in variable interest entities | (25,838) | (27,909) |
| Net cash received from acquisitions | 26,125 | 30,903 |
| Net cash provided by investing activities | 361,497 | 223,271 |

See accompanying notes to unaudited condensed consolidated financial statements.

**GLACIER BANCORP, INC.**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**

| (Dollars in thousands) | Six Months ended June 30, 2025 | June 30, 2024 |
|---|---|---|
| **Financing Activities** | | |
| Net increase (decrease) in deposits | $ 3,359 | (443,951) |
| Net increase in securities sold under agreements to repurchase | 198,753 | 142,654 |
| Net (decrease) increase in short-term Federal Home Loan Bank advances | (13,000) | 491,500 |
| Repayments of short-term FRB Bank Term Funding | — | (2,740,000) |
| Proceeds from long-term Federal Home Loan Bank advances | — | 1,800,000 |
| Repayments of long-term Federal Home Loan Bank advances | (580,000) | — |
| Net increase in other borrowed funds | 304 | 8,136 |
| Principal payments on finance lease liabilities | (1,959) | (1,916) |
| Cash dividends paid | (37,833) | (37,745) |
| Tax withholding payments for stock-based compensation | (2,501) | (1,455) |
| Net cash used in financing activities | (432,877) | (782,777) |
| Net increase (decrease) in cash and cash equivalents | 67,099 | (553,563) |
| Cash, cash equivalents at beginning of period | 848,408 | 1,354,342 |
| Cash, cash equivalents at end of period | $ 915,507 | 800,779 |
| **Supplemental Disclosure of Cash Flow Information** | | |
| Cash paid during the period for interest | $ 207,982 | 315,786 |
| Cash paid during the period for income taxes | 16,087 | 13,513 |
| **Supplemental Disclosure of Non-Cash Investing and Financing Activities** | | |
| Sale and refinancing of other real estate owned | $ 1 | — |
| Transfer of loans to other real estate owned | 1,397 | 104 |
| Right-of-use assets obtained in exchange for new lease liabilities | 604 | 280 |
| Equity investments obtained in exchange for delayed equity contributions | 20,849 | 15,148 |
| Dividends declared during the period but not paid | 39,307 | 37,615 |
| Acquisitions | | |
| Fair value of common stock shares issued | 204,986 | 92,385 |
| Cash consideration | 2 | 771 |
| Fair value of assets acquired | 1,364,640 | 777,659 |
| Liabilities assumed | 1,159,652 | 684,503 |

See accompanying notes to unaudited condensed consolidated financial statements.

**Note 1. Nature of Operations and Summary of Significant Accounting Policies**

General

Glacier Bancorp, Inc. ("Company") is a Montana corporation headquartered in Kalispell, Montana. The Company provides a full range of banking services to individuals and businesses in Montana, Idaho, Utah, Washington, Wyoming, Colorado, Arizona and Nevada through its wholly-owned bank subsidiary, Glacier Bank ("Bank"). The Company offers a wide range of banking products and services, including: 1) retail banking; 2) business banking; 3) real estate, commercial, agriculture and consumer loans; and 4) mortgage origination and loan servicing. The Company serves individuals, small to medium-sized businesses, community organizations and public entities.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the results for the interim periods. All such adjustments are of a normal recurring nature. These interim consolidated financial statements do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("GAAP") for complete financial statements and they should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Operating results for the six months ended June 30, 2025 are not necessarily indicative of the results anticipated for the year ending December 31, 2025. The condensed consolidated statement of financial condition of the Company as of December 31, 2024 has been derived from the audited consolidated statements of the Company as of that date.

The Company is a defendant in legal proceedings arising in the normal course of business. In the opinion of management, the disposition of pending litigation will not have a material affect on the Company's consolidated financial position, results of operations or liquidity.

Material estimates that are particularly susceptible to significant change include: 1) the determination of the allowance for credit losses ("ACL" or "allowance") on loans; 2) the valuation of debt securities; and 3) the evaluation of goodwill impairment. For the determination of the ACL on certain loans and real estate valuation estimates, management obtains independent appraisals (new or updated) for significant items. Estimates relating to the investment valuations are obtained from independent third parties. Estimates relating to the evaluation of goodwill for impairment are determined based on internal calculations using market-based inputs.

Principles of Consolidation

The consolidated financial statements of the Company include the parent holding company and the Bank, which consists of seventeen bank divisions and a corporate division. The corporate division includes the Bank's investment portfolio, wholesale borrowings and other centralized functions. The Bank divisions operate under separate names, management teams and advisory directors.

The Bank has interests in variable interest entities ("VIE") for which the Bank has both the power to direct the VIE's significant activities and the obligation to absorb losses or right to receive benefits of the VIE that could potentially be significant to the VIE. These interests are consolidated into the Company's consolidated financial statements. The Bank also has interests in VIEs for which the Bank does not have a controlling financial interest and is not the primary beneficiary. These interests are accounted for under the equity method in the Company's consolidated financial statements. For additional information on the Bank's interest in VIEs, see Note 7.

The parent holding company owns non-bank subsidiaries that have issued trust preferred securities. The trust subsidiaries are not consolidated into the Company's consolidated financial statements. The Company's investments in the trust subsidiaries are included in other assets on the Company's statements of financial condition and its liabilities to the trust subsidiaries are included in subordinated debentures.

On April 30, 2025, the Company completed its acquisition of Bank of Idaho Holding Co. ("BOID") and its wholly-owned subsidiary, Bank of Idaho ("BOI"), a community bank based in Idaho Falls, Idaho. The *business combination* was accounted for using the acquisition method, with the results of operations included in the Company's consolidated financial statements beginning as of the acquisition date. For additional information relating to mergers and acquisitions, see Note 14.

Segment Reporting

The Company operates as a single segment entity for financial reporting purposes and adopted ASU 2023-07, *Segment Reporting*, in the year ended December 31, 2024. The Company has determined that its current operating model is structured whereby banking locations and divisions serve a similar base of commercial and retail customers for which the Company provides similar products and services managed through similar processes and technology platforms. The Chief Executive Officer ("CEO") serves as the Company's chief operating decision maker ("CODM"). The CODM allocates resources and assesses performance of the Company based on the consolidated performance, excluding all significant intercompany balances and transactions between the Company and its wholly owned subsidiary the banking segment, and does not significantly utilize disaggregated segment financial information for decision making and resource allocation. The CODM assesses performance for the banking segment and decides how to allocate resources based on net income as reported on the consolidated statement of operations as consolidated net income. Accordingly, all of the Company's operations are considered by management to be aggregated in one reportable operating segment, the banking segment. All categories of interest expense and non-interest expense as disclosed on the Company's consolidated statements of operations are considered significant to the banking segment.

The Company has reviewed the requirements of ASU 2023-07 and has determined that no additional segment disclosures are required, specifically as a result of the following;

- the Company does not use the tracked performance on the disaggregated segment level for decision-making or resource allocation purposes,
- no significant segment-specific expenses or performance metrics are used internally for decision-making or resource allocation purposes other than those reported on the consolidated statement of operations, and
- the level of financial consolidation presented in these financial statements aligns with the CODM's internal reporting and decision-making process

Based on this assessment the Company's financial statement disclosures fully comply with ASU 2023-07, and no additional qualitative segment disclosures are necessary.

Cash, Cash Equivalents and Interest Bearing Cash Deposits

Cash and cash equivalents include cash on hand, cash held as demand deposits at various banks and the Federal Reserve Bank ("FRB"), interest bearing deposits, federal funds sold, and liquid investments with original or acquired maturities of three months or less. Interest bearing deposits are maintained at other financial institutions as collateral for certain derivative contracts and are considered restricted cash. Interest earned on interest bearing cash deposits was $10,953,000 and $17,186,000 for the six months ended June 30, 2025 and 2024, respectively, and are included in interest income on investment securities on the consolidated statements of operations. The Company had no restricted cash held as collateral for derivative contracts as of June 30, 2025 and December 31, 2024, respectively. The Bank is required to maintain an average reserve balance either with the FRB or in the form of cash on hand at a reserve rate determined by the FRB. Effective March 26, 2020, the FRB Board reduced the reserve requirement ratio to zero percent. The required reserve balance at June 30, 2025 was $0.

Debt Securities

Debt securities for which the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortized cost. Debt securities held primarily for the purpose of selling in the near term are classified as trading securities and are reported at fair value, with unrealized gains and losses included in income. Debt securities not classified as held-to-maturity or trading are classified as available-for-sale and are reported at fair value with unrealized gains and losses, net of income taxes, as a separate component of other comprehensive income ("OCI"). Premiums and discounts on debt securities are amortized or accreted into income using a method that approximates the interest method. The objective of the interest method is to calculate periodic interest income at a constant effective yield. The Company does not have any debt securities classified as trading securities. When the Company acquires another entity, it records the debt securities at fair value.

The Company reviews and analyzes the various risks that may be present within the investment portfolio on an ongoing basis, including market risk, credit risk and liquidity risk. Market risk is the risk to an entity's financial condition resulting from adverse changes in the value of its holdings arising from movements in interest rates, foreign exchange rates, equity prices or commodity prices. The Company assesses the market risk of individual debt securities as well as the investment portfolio as a whole. Credit risk, broadly defined, is the risk that an issuer or counterparty will fail to perform on an obligation. The credit rating of a security is considered the primary credit quality indicator for debt securities. Liquidity risk refers to the risk that a security will not have an active and efficient market in which the security can be sold.

A debt security is investment grade if the issuer has adequate capacity to meet its commitment over the expected life of the investment, i.e., the risk of default is low and full and timely repayment of interest and principal is expected. To determine

investment grade status for debt securities, the Company conducts due diligence of the creditworthiness of the issuer or counterparty prior to acquisition and ongoing thereafter consistent with the risk characteristics of the security and the overall risk of the investment portfolio. Credit quality due diligence takes into account the extent to which a security is guaranteed by the U.S. government and other agencies of the U.S. government. The depth of the due diligence is based on the complexity of the structure, the size of the security, and takes into account material positions and specific groups of securities or stratifications for analysis and review of similar risk positions. The due diligence includes consideration of payment performance, collateral adequacy, internal analyses, third party research and analytics, external credit ratings and default statistics.

The Company has acquired debt securities through acquisitions and if the securities have more than insignificant credit deterioration since origination, they are designated as purchased credit-deteriorated ("PCD") securities. An ACL is determined using the same methodology as with other debt securities. The sum of a PCD security's fair value and associated ACL becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the debt security is a noncredit discount or premium, which is amortized into interest income over the life of the security. Subsequent changes to the ACL are recorded through provision for credit losses.

For additional information relating to debt securities, see Note 2.

Allowance for Credit Losses - Available-for-Sale Debt Securities

For available-for-sale debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more-likely-than-not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through loss on sale of securities. For the available-for-sale securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In such assessment, the Company considers the extent to which fair value is less than amortized cost, if there are any changes to the investment grade of the security by a rating agency, and if there are any adverse conditions that impact the security. If this assessment indicates a credit loss exists, the present value of the cash flows expected to be collected from the security is compared to the amortized cost basis of the security. If the present value of the cash flows expected to be collected is less than the amortized cost basis, a potential credit loss exists and an ACL is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost. Any estimated credit losses that have not been recorded through an ACL are recognized in OCI.

The Company has elected to exclude accrued interest from the estimate of credit losses for available-for-sale debt securities. As part of its non-accrual policy, the Company charges-off uncollectable interest at the time it is determined to be uncollectable.

Allowance for Credit Losses - Held-to-Maturity Debt Securities

For estimating the allowance for held-to-maturity ("HTM") debt securities that share similar risk characteristics with other securities, such securities are pooled based on major security type. For pools of such securities with similar risk characteristics, the historical lifetime probability of default and severity of loss in the event of default is derived or obtained from external sources and adjusted for the expected effects of reasonable and supportable forecasts over the expected lives of the securities on those historical credit losses. Expected credit losses on securities in the held-to-maturity portfolio that do not share similar risk characteristics with any of the pools of debt securities are individually measured based on net realizable value, or the difference between the discounted value of the expected future cash flows, based on the original effective interest rate, and the recorded amortized cost basis of the securities.

The Company has elected to exclude accrued interest from the estimate of credit losses for held-to-maturity debt securities. As part of its non-accrual policy, the Company charges off uncollectable interest at the time it is determined to be uncollectable.

Loans Held for Sale

Loans held for sale generally consist of long-term, fixed rate, conforming, single-family residential real estate loans intended to be sold on the secondary market. Fair value elections are made at the time of origination based on the Company's fair value election policy. Loans held for sale are currently recorded at fair value and may or may not be sold with servicing rights released. Changes in fair value are recognized in gain on sale of loans included in non-interest income.

Loans Receivable

The Company's loan segments or classes are based on the purpose of the loan and consist of residential real estate, commercial real estate, other commercial, home equity, and other consumer loans. Loans that are intended at origination to be held-to-maturity are reported at the unpaid principal balance less net charge-offs and adjusted for deferred fees and costs on originated loans and unamortized premiums or discounts on acquired loans. Interest income is accrued on the unpaid principal balance.

Fees and costs on originated loans and premiums or discounts on acquired loans are deferred and subsequently amortized or accreted as a yield adjustment over the expected life of the loan utilizing the interest or straight-line methods. The interest method is utilized for loans with scheduled payment terms and the objective is to calculate periodic interest income at a constant effective yield. The straight-line method is utilized for revolving lines of credit or loans with no scheduled payment terms. When a loan is paid off prior to maturity, the remaining unamortized fees and costs on originated loans and unamortized premiums or discounts on acquired loans are immediately recognized as interest income.

Loans that are 30 days or more past due based on payments received and applied to the loan are considered delinquent. Loans are designated non-accrual and the accrual of interest is discontinued when the collection of the contractual principal or interest is unlikely. A loan is typically placed on non-accrual when principal or interest is due and has remained unpaid for 90 days or more. When a loan is placed on non-accrual status, interest previously accrued but not collected is reversed against current period interest income. Subsequent payments on non-accrual loans are applied to the outstanding principal balance if doubt remains as to the ultimate collectability of the loan. Interest accruals are not resumed on partially charged-off impaired loans. For other loans on non-accrual, interest accruals are resumed on such loans only when they are brought fully current with respect to interest and principal and when, in the judgment of management, the loans are estimated to be fully collectible as to both principal and interest.

The Company has acquired loans through acquisitions, some of which have experienced more than insignificant credit deterioration since origination. The Company considers all acquired non-accrual loans to be PCD loans. In addition, the Company considers loans accruing 90 days or more past due or substandard loans to be PCD loans. An ACL is determined using the same methodology as other loans held for investment. The ACL determined on a collective basis is allocated to individual loans. The sum of a loan's fair value and ACL becomes the initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the loan is a noncredit discount or premium, which is amortized into interest income over the life of the loan. Subsequent changes to the ACL are recorded through provision for credit losses.

For additional information relating to loans, see Note 3.

Allowance for Credit Losses - Loans Receivable

The ACL for loans receivable represents management's estimate of credit losses over the expected contractual life of the loan portfolio. The estimate is determined based on the amortized cost of the loan portfolio including the loan balance adjusted for charge-offs, recoveries, deferred fees and costs, and loan discount and premiums. Recoveries are included only to the extent that such amounts were previously charged-off. The Company has elected to exclude accrued interest from the estimate of credit losses for loans. Determining the adequacy of the allowance is complex and requires a high degree of judgment by management about the effect of matters that are inherently uncertain. Subsequent evaluations of the then-existing loan portfolio, in light of the factors then prevailing, may result in significant changes in the allowance in those future periods.

The allowance is adjusted for estimated credit losses which is recorded in the provision for credit losses. The portion of loans and overdraft balances determined by management to be uncollectable are charged-off as a reduction to the allowance and recoveries of amounts previously charged-off increase the allowance. The Company's charge-off policy is consistent with bank regulatory standards. Consumer loans generally are charged-off when the loan becomes over 120 days delinquent. Real estate acquired as a result of foreclosure or by deed-in-lieu of foreclosure is classified as other real estate owned ("OREO") until such time as it is sold.

The expected credit loss estimate process involves procedures to consider the unique characteristics of each of the Company's loan portfolio segments, which consist of residential real estate, commercial real estate, other commercial, home equity, and other consumer loans. When computing the allowance levels, credit loss assumptions are estimated using a model that categorizes loan pools that considers loss history, credit and risk characteristics, including current conditions and reasonable and supportable forecasts about the future. The Company has determined a four consecutive quarter forecasting period is a reasonable and supportable period. Expected credit loss for periods beyond reasonable and supportable forecast periods are determined based on a reversion method which reverts back to historical loss estimates over a four consecutive quarter period on a straight-line basis.

Credit quality is assessed and monitored by evaluating various attributes and the results of those evaluations are utilized in underwriting new loans and the process for estimating the expected credit losses. The following paragraphs describe the risk characteristics relevant to each portfolio segment.

*Residential Real Estate.* Residential real estate loans are secured by owner-occupied 1-4 family residences. Repayment of these loans is primarily dependent on the personal income and credit rating of the borrowers. Credit risk in these loans is impacted by economic conditions within the Company's market areas that affect the value of the residential property securing the loans and affect the borrowers' personal incomes. Mitigating risk factors for this loan segment include a large number of borrowers, geographic dispersion of market areas and the loans are originated for relatively smaller amounts.

*Commercial Real Estate.* Commercial real estate loans typically involve larger principal amounts, and repayment of these loans is generally dependent on the successful operation of the property securing the loan and/or the business conducted on the property securing the loan. Credit risk in these loans is impacted by the creditworthiness of a borrower, valuation of the property securing the loan and conditions within the local economies in the Company's diverse geographic market areas.

*Commercial.* Commercial loans consist of loans to commercial customers for use in financing working capital needs, equipment purchases and business expansions. The loans in this category are repaid primarily from the cash flow of a borrower's principal business operation. Credit risk in these loans is driven by creditworthiness of a borrower and the economic conditions that impact the cash flow stability from business operations across the Company's diverse geographic market areas.

*Home Equity.* Home equity loans consist of junior lien mortgages and first and junior lien lines of credit (revolving open-end and amortizing closed-end) secured by owner-occupied 1-4 family residences. Repayment of these loans is primarily dependent on the personal income and credit rating of the borrowers. Credit risk in these loans is impacted by economic conditions within the Company's market areas that affect the value of the residential property securing the loans and affect the borrowers' personal incomes. Mitigating risk factors for this loan segment are a large number of borrowers, geographic dispersion of market areas and the loans are originated for terms that range from 10 to 15 years.

*Other Consumer.* The other consumer loan portfolio consists of various short-term loans such as automobile loans and loans for other personal purposes. Repayment of these loans is primarily dependent on the personal income of the borrowers. Credit risk is driven by consumer economic factors (such as unemployment and general economic conditions in the Company's diverse geographic market areas) and the creditworthiness of a borrower.

The allowance is impacted by loan volumes, delinquency status, credit ratings, historical loss experiences, estimated prepayment speeds, weighted average lives and other conditions influencing loss expectations, such as reasonable and supportable forecasts of economic conditions. The methodology for estimating the amount of expected credit losses reported in the allowance has two basic components: 1) individual loans that do not share similar risk characteristics with other loans and the measurement of expected credit losses for such individual loans; and 2) the expected credit losses for pools of loans that share similar risk characteristics.

*Loans that do not Share Similar Risk Characteristics with Other Loans.* For a loan that does not share similar risk characteristics with other loans, expected credit loss is measured based on the net realizable value, that is, the difference between the discounted value of the expected future cash flows, based on the original effective interest rate, and the amortized cost basis of the loan. For these loans, the expected credit loss is equal to the amount by which the net realizable value of the loan is less than the amortized cost basis of the loan (which is net of previous charge-offs and deferred loan fees and costs), except when the loan is collateral-dependent, that is, when foreclosure is probable or the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. In these cases, expected credit loss is measured as the difference between the amortized cost basis of the loan and the fair value of the collateral. The fair value of the collateral is adjusted for the estimated cost to sell if repayment or satisfaction of a loan is dependent on the sale (rather than only on the operation) of the collateral. The Company has determined that non-accrual loans do not share similar risk characteristics with other loans and these loans are individually evaluated for estimated allowance for credit losses. The Company, through its credit monitoring process, may also identify other loans that do not share similar risk characteristics and individually evaluate such loans. The starting point for determining the fair value of collateral is to obtain external appraisals or evaluations (new or updated). The valuation techniques used in preparing appraisals or evaluations (new or updated) include the cost approach, income approach, sales comparison approach, or a combination of the preceding valuation techniques. The Company's credit department reviews appraisals, giving consideration to the highest and best use of the collateral. The appraisals or evaluations (new or updated) are reviewed at least quarterly and more frequently based on current market conditions, including deterioration in a borrower's financial condition and when property values may be subject to significant volatility. Adjustments may be made to the fair value of the collateral after review and acceptance of the collateral appraisal or evaluation (new or updated).

*Loans that Share Similar Risk Characteristics with other Loans.* For estimating the allowance for loans that share similar risk characteristics with other loans, such loans are segregated into loan segments. Loans are designated into loan segments based on loans pooled by product types and similar risk characteristics or areas of risk concentration. In determining the ACL, the Company derives an estimated credit loss assumption from a model that categorizes loan pools based on loan type. This model calculates an expected loss percentage for each loan segment by considering the non-discounted simple annual average historical loss rate of each loan segment (calculated through an "open pool" method), multiplying the loss rate by the amortized loan balance and incorporating that segment's internally generated prepayment speed assumption and contractually scheduled remaining principal pay downs on a loan level basis. The annual historical loss rates are adjusted over a reasonable economic forecast period by a multiplier that is calculated based upon current national economic forecasts as a proportion of each segment's historical average loss levels. The Company will then revert from the economic forecast period back to the historical average loss rate on a straight-line basis. After the reversion period, the loans will be assumed to experience their historical loss rate for the remainder of their contractual lives. The model applies the expected loss rate over the projected cash flows at the individual loan level and then aggregates the losses by loan segment in determining their quantitative allowance. The Company will also include qualitative adjustments to adjust the ACL on loan segments to the extent the current or future market conditions are believed to vary substantially from historical conditions in regards to:

- lending policies and procedures;
- international, national, regional and local economic business conditions, developments, or environmental conditions that affect the collectability of the portfolio, including the condition of various markets;
- the nature and volume of the loan portfolio including the terms of the loans;
- the experience, ability, and depth of the lending management and other relevant staff;
- the volume and severity of past due and adversely classified or graded loans and the volume of non-accrual loans;
- the quality of our loan review system;
- the value of underlying collateral for collateralized loans;
- the existence and effect of any concentrations of credit, and changes in the level of concentrations; and
- the effect of external factors such as competition and legal and regulatory requirements on the level of estimated credit losses in the existing portfolio.

The Company regularly reviews loans in the portfolio to assess credit quality indicators and to determine the appropriate loan classification and grading in accordance with applicable bank regulations. The primary credit quality indicator for residential, home equity and other consumer loans is the days past due status, which consists of the following categories: 1) performing loans; 2) 30 to 89 days past due loans; and 3) non-accrual and 90 days or more past due loans. The primary credit quality indicator for commercial real estate and commercial loans is the Company's internal risk rating system, which includes the following categories: 1) pass loans; 2) special mention loans; 3) substandard loans; and 4) doubtful or loss loans. Such credit quality indicators are regularly monitored and incorporated into the Company's allowance estimate. The following paragraphs further define the internal risk ratings for commercial real estate and commercial loans.

*Pass Loans.* These ratings represent loans that are of acceptable, good or excellent quality with very limited to no risk. Loans that do not have one of the following ratings are considered pass loans.

*Special Mention Loans.* These ratings represent loans that are designated as special mention per the regulatory definition. Special mention loans are currently protected but are potentially weak. The credit risk may be relatively minor yet constitute an undue and unwarranted risk in light of the circumstances surrounding a specific loan. The rating may be used to identify credit with potential weaknesses that if not corrected may weaken the loan to the point of inadequately protecting the Bank's credit position. Examples include a lack of supervision, inadequate loan agreement, condition, or control of collateral, incomplete, or improper documentation, deviations from lending policy, and adverse trends in operations or economic conditions.

*Substandard Loans.* This rating represents loans that are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged. A loan so classified must have a well-defined weakness that jeopardizes the liquidation of the debt. These loans are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected. Loss potential, while existing in the aggregated amount of substandard loans, does not have to exist in an individual loan classified substandard.

*Doubtful/Loss Loans.* A loan classified as doubtful has the characteristics that make collection in full, on the basis of currently existing facts, conditions, and values, highly improbable. The possibility of loss is extremely high, but because of pending factors, which may work to the advantage and strengthening of the loan, its classification as loss is deferred until its more exact status may be determined. Pending factors include proposed merger, acquisition, or liquidation procedures, capital injection,

perfecting liens on additional collateral and refinancing plans. Loans are classified as loss when they are deemed to be not collectible and of such little value that continuance as an active asset of the Bank is not warranted. Loans classified as loss must be charged-off. Assignment of this classification does not mean that an asset has absolutely no recovery or salvage value, but that it is not practical or desirable to defer writing off a basically worthless asset, even though partial recovery may be attained in the future.

Modifications

The Company identifies and monitors loans modified to borrowers experiencing financial difficulty ("MBFD"). The Company considers some of the indicators that a borrower is experiencing financial difficulty to be: currently in payment default on any of their debt, declaring bankruptcy, going concern, borrower's securities have been delisted, and other indicators of inability to meet obligations. This list does not include all potential indicators of a borrower's financial difficulties. Each debt modification is separately negotiated with the borrower and includes terms and conditions that reflect the borrower's prospective ability to service their obligations as modified. The allowance for credit losses on loans that are considered MBFD's are measured using the same method as all other loans held for investment.

Allowance for Credit Losses - Off-Balance Sheet Credit Exposures

The Company maintains a separate allowance for credit losses for off-balance sheet credit exposures, including unfunded loan commitments. Such ACL is included in other liabilities on the Company's statements of financial condition. The Company estimates the amount of expected losses by calculating a commitment usage factor over the contractual period for exposures and applying the loss factors used in the ACL methodology to the results of the usage calculation to estimate the liability for credit losses related to unfunded commitments for each loan segment. No credit loss estimate is reported for off-balance sheet credit exposures that are unconditionally cancellable by the Bank. At June 30, 2025 and December 31, 2024, the Company had an ACL of $24,337,000 and $20,419,000, respectively, for off-balance sheet credit exposures.

Provision for Credit Losses

The Company recognizes provision for credit losses on the allowance for off-balance sheet credit exposures (e.g., unfunded loan commitments) together with provision for credit losses on the loan portfolio in the consolidated statement of operations line item provision for credit losses.

The following table presents the provision for credit losses on the loan portfolio and off-balance sheet exposures:

| | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| (Dollars in thousands) | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Provision for credit loss loans | $ 18,009 | 5,066 | 24,163 | 14,157 |
| Provision for credit loss unfunded | 2,258 | (1,548) | 3,918 | (2,390) |
| Total provision for credit losses | $ 20,267 | 3,518 | 28,081 | 11,767 |

There was no provision for credit losses on debt securities for the six months ended June 30, 2025 and 2024, respectively.

Premises and Equipment

Premises and equipment are accounted for at cost less depreciation. Depreciation is computed on a straight-line method over the estimated useful lives or the term of the related lease. The estimated useful life for office buildings is 15 to 40 years and the estimated useful life for furniture, fixtures, and equipment is 3 to 10 years. Interest is capitalized for any significant building projects.

Leases

The Company leases certain land, premises and equipment from third parties. A lessee lease is classified as an operating lease unless it meets certain criteria (e.g., lease contains option to purchase that Company is reasonably certain to exercise), in which case it is classified as a finance lease. These leases are included in right-of-use ("ROU") assets on the Company's statement of financial condition. The operating leases have an ROU liability in operating lease liabilities on the Company's statements of financial condition and lease expense for lease payments is recognized on a straight-line basis over the lease term. The finance leases have liabilities that are included in finance lease liabilities on the Company's statements of financial condition. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. An ROU asset represents the right to use the underlying asset for the lease term and also includes any direct costs and payments made prior to lease commencement and excludes lease incentives. When an implicit rate is not available, an incremental borrowing rate for the Company based on the information available at commencement date is used in determining

the present value of the lease payments. A lease term will include an option to extend or terminate the lease when it is reasonably certain the option will be exercised. The Company accounts for lease and non-lease components (e.g., common-area maintenance) together as a single combined lease component for all asset classes. The Company has elected to recognize payments for short-term leases of 12 months or less on a straight-line basis over the lease term, and exclude such leases from the Company's statements of financial condition. Renewal and termination options are considered when determining short-term leases. Leases are accounted for on an individual lease level.

Lease improvements incurred at the inception of the lease are recorded as an asset and depreciated over the initial term of the lease and lease improvements incurred subsequently are depreciated over the remaining term of the lease.

The Company also leases certain premises and equipment to third parties. A lessor lease is classified as an operating lease unless it meets certain criteria that would classify it as either a sales-type lease or a direct financing lease. For additional information relating to leases, see Note 4.

Other Real Estate Owned

Property acquired by foreclosure or deed-in-lieu of foreclosure is initially recorded at fair value, less estimated selling cost, at acquisition date (i.e., cost of the property). The Company is considered to have received physical possession of residential real estate property collateralizing a consumer mortgage loan upon the occurrence of either the Company obtaining legal title to the property or the borrower conveying all interest in the property through a deed-in-lieu or similar agreement. Fair value is determined as the amount that could be reasonably expected in a current sale between a willing buyer and a willing seller in an orderly transaction between market participants at the measurement date. Subsequent to the initial acquisition, if the fair value of the asset, less estimated selling cost, is less than the cost of the property, a loss is recognized in other expense and the asset carrying value is reduced. Gain or loss on disposition of other real estate owned ("OREO") is recorded in non-interest income or non-interest expense, respectively. In determining the fair value of the properties on the date of transfer and any subsequent estimated losses of net realizable value, the fair value of OREO acquired by foreclosure or deed-in-lieu of foreclosure is determined primarily based upon appraisal or evaluation of the underlying property value.

Business Combinations and Intangible Assets

Acquisition accounting requires the total purchase price to be allocated to the estimated fair values of assets acquired and liabilities assumed, including certain intangible assets. Goodwill is recorded if the purchase price exceeds the net fair value of assets acquired and a bargain purchase gain is recorded in other income if the net fair value of assets acquired exceeds the purchase price.

Adjustment of the allocated purchase price may be related to fair value estimates for which all information has not been obtained for the acquired entity and becomes known or discovered during the allocation period, the period of time required to identify and measure the fair values of the assets and liabilities acquired in the business combination. The allocation period is generally limited to one year following consummation of a business combination.

Core deposit intangible represents the intangible value of depositor relationships resulting from deposit liabilities assumed in acquisitions and is amortized using an accelerated method based on an estimated runoff of the related deposits. The core deposit intangible is evaluated for impairment and recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable, with any changes in estimated useful life accounted for prospectively over the revised remaining life.

The Company tests goodwill for impairment at the reporting unit level annually during the third quarter. The Company has identified Bank divisions as a single reporting unit (i.e., a component of the Glacier Bank operating segment) given that each division has similar economic characteristics, products, services, and are all subject to FDIC oversight under one regulatory call report.

The goodwill of a reporting unit is tested for impairment between annual tests if an event occurs or circumstances change that would more-likely-than-not reduce the fair value of a reporting unit below its carrying amount. Examples of events and circumstances that could trigger the need for interim impairment testing include:

- a significant change in legal factors or in the business climate;
- an adverse action or assessment by a regulator;
- unanticipated competition;
- a loss of key personnel;

- a more-likely-than-not expectation that a reporting unit or a significant portion of a reporting unit will be sold or otherwise disposed of; and
- the testing for recoverability of a significant asset group within a reporting unit.

For the goodwill impairment assessment, the Company has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value. The Company elected to bypass the qualitative assessment for its 2024 and 2023 annual goodwill impairment testing and proceed directly to the goodwill impairment assessment. The goodwill impairment process requires the Company to make assumptions and judgments regarding fair value. The Company calculates an implied fair value and if the implied fair value is less than the carrying value, an impairment loss is recognized for the difference. For additional information relating to goodwill, see Note 5.

Loan Servicing Rights

For residential real estate loans that are sold with servicing retained, servicing rights are initially recorded at fair value in other assets and gain on sale of loans. Fair value is based on market prices for comparable mortgage servicing contracts. The servicing asset is subsequently measured using the amortization method which requires the servicing rights to be amortized into non-interest income in proportion to, and over the period of, the estimated future net servicing income of the underlying loans.

Loan servicing rights are evaluated for impairment based upon the fair value of the servicing rights compared to the carrying value. Impairment is recognized through a valuation allowance, to the extent that fair value is less than the carrying value. If the Company later determines that all or a portion of the impairment no longer exists, a reduction in the valuation allowance may be recorded. Changes in the valuation allowance are recorded in other income. The fair value of the servicing assets are subject to significant fluctuations as a result of changes in estimated actual prepayment speeds and default rates and losses.

Servicing fee income is recognized in other income for fees earned for servicing loans. The fees are based on contractual percentage of the outstanding principal; or a fixed amount per loan and is recorded when earned. The amortization of loan servicing rights is netted against loan servicing fee income. For additional information relating to loan servicing rights, see Note 6.

Equity Securities

Non-marketable equity securities primarily consist of Federal Home Loan Bank ("FHLB") stock. FHLB stock is restricted because such stock may only be sold to FHLB at its par value. Due to restrictive terms, and the lack of a readily determinable fair value, FHLB stock is carried at cost and evaluated for impairment. The investments in FHLB stock are required investments related to the Company's borrowings from FHLB. FHLB obtains its funding primarily through issuance of consolidated obligations of the FHLB system. The U.S. government does not guarantee these obligations, and each of the regional FHLBs is jointly and severally liable for repayment of each other's debt.

The Company also has an insignificant amount of equity securities that are included in other assets on the Company's statements of financial condition. Equity securities with readily determinable fair values are measured at fair value and changes in fair value are recognized in other income. Equity securities without readily determinable fair values are carried at cost, minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment.

Federal Reserve Bank Term Funding Program

During the first quarter of 2023, the FRB offered a new Bank Term Funding Program ("BTFP") for eligible depository institutions. The Company paid off this borrowing in the first quarter of 2024.

Other Borrowings

Borrowings of the Company's consolidated variable interest entities and finance lease arrangements are included in other borrowings. For additional information relating to VIE's, see Note 7.

Bank-Owned Life Insurance

The Company maintains bank-owned life insurance policies on certain current and former employees and directors, which are recorded at their cash surrender values as determined by the insurance carriers. The appreciation in the cash surrender value of the policies is recognized as a component of other income in non-interest income in the Company's consolidated statements of operations.

Derivatives and Hedging Activities

The Company is exposed to certain risks relating to its ongoing operations. The primary risk managed by using derivative instruments is interest rate risk. Interest rate cap contracts have been entered into to manage interest rate risk associated with variable rate borrowings and were designated as cash flow hedges. Interest rate swap contracts have been entered into to manage interest rate risk associated with fixed rate debt securities and were designated as fair value hedges. The Company does not enter into derivative instruments for trading or speculative purposes.

The fair value hedges and cash flow hedges were recognized as other assets or other liabilities on the Company's statements of financial condition and were measured at fair value. For the fair value hedges, the gain or loss on the derivative, as well as the offsetting loss or gain on the hedged item attributable to the hedged risk, are recognized in current earnings as fair values change. For a cash flow hedge, the gain or loss on the derivative is reported in other comprehensive income and is reclassified into earnings in the same periods during which the hedged transaction affects earnings. Cash flows resulting from the fair value hedges and cash flow hedges were classified in the Company's cash flow statement in the same category as the cash flows of the items being hedged.

The Company may elect to formally document the relationship between derivatives and hedged items, as well as the risk-management objective and the strategy for undertaking hedge transactions at the inception of the hedging relationship. This documentation includes linking fair value or cash flow hedges to specific assets and liabilities on the statement of financial condition or to specific firm commitments or forecasted transactions. The Company then formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivative instruments that are designated are highly effective in offsetting changes in fair values or cash flows of the hedged items. The Company has elected not to offset the fair value amounts recognized for derivative instruments and the fair value amounts recognized for the right to reclaim cash collateral arising from derivative instruments recognized at fair value executed with the same counterparty under a master netting arrangement.

For additional information relating to the derivatives and hedging activity, see Note 9.

Revenue Recognition

The Company recognizes revenue when services or products are transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled. Revenue from contracts with customers within the scope of ASC Topic 606 was $46,912,000 and $45,407,000 for the six months ended June 30, 2025 and 2024, respectively, and largely consisted of revenue from service charges and other fees from deposits (e.g., overdraft fees, ATM fees, debit card fees). Due to the short-term nature of the Company's contracts with customers, an insignificant amount of receivables related to such revenue was recorded at June 30, 2025 and December 31, 2024 and there were no impairment losses recognized. Policies specific to revenue from contracts with customers include the following:

*Service Charges.* Revenue from service charges consists of service charges and fees on deposit accounts under depository agreements with customers to provide access to deposited funds and, when applicable, pay interest on deposits. Service charges on deposit accounts may be transactional or non-transactional in nature. Transactional service charges occur in the form of a service or penalty and are charged upon the occurrence of an event (e.g., overdraft fees, ATM fees, wire transfer fees). Transactional service charges are recognized as services are delivered to and consumed by the customer, or as penalty fees are charged. Non-transactional service charges are charges that are based on a broader service, such as account maintenance fees and dormancy fees, and are recognized on a monthly basis.

*Debit Card Fees.* Revenue from debit card fees includes interchange fee income from debit cards processed through card association networks. Interchange fees represent a portion of a transaction amount that the Company and other involved parties retain to compensate themselves for giving the cardholder immediate access to funds. Interchange rates are generally set by the card association networks and are based on purchase volumes and other factors. The Company records interchange fees as services are provided.

Reclassifications

Certain reclassifications have been made to the 2024 financial statements to conform to the 2025 presentation. These reclassifications had no effect on net earnings.

Accounting Guidance Pending Adoption

The ASC is the Financial Accounting Standards Board ("FASB") officially recognized source of authoritative GAAP applicable to all public and non-public non-governmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under the authority of the federal securities laws are also sources of authoritative GAAP for the Company as an SEC registrant. All other accounting literature is non-authoritative. The following provides a description of a

recently issued but not yet effective Accounting Standards Updates ("ASU") that could have a material effect on the Company's financial position or results of operations.

*ASU 2024-03 - Disaggregation of Income Statement Expenses.* In November 2024, FASB amended subtopic 220-40 which requires certain disaggregated disclosures of the income statement. The amendments require new financial statement disclosures in tabular format, disaggregating information about prescribed categories underlying any relevant income statement expense caption. The prescribed categories include, among other things, employee compensation, depreciation and intangible amortization. The amendments are effective for public business entities in the first annual reporting period beginning after December 15, 2026, and interim reporting periods with annual reporting periods beginning after December 15, 2027, with early adoption permitted. The amendments in this update may be applied on a prospective basis or retrospective to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of this update, but does not expect the adoption of this guidance to have a material impact to the consolidated financial statements, including related disclosures, or significant impact on its current processes.

*ASU 2023-09 - Income Tax Disclosures.* In December 2023, FASB amended topic 740 related to certain income tax disclosures. The amendments provide updates related to the rate reconciliation and income taxes paid disclosures to improve transparency of income disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. Other amendments in the update improve the effectiveness and comparability of disclosures and remove disclosures that are no longer considered cost beneficial or relevant. The amendments are effective for public business entities beginning with the first annual reporting period after December 15, 2024 with early adoption permitted in any annual period. The amendments in this update should be applied on a prospective basis and retrospective application is permitted. The Company is currently evaluating the impact of this update, but does not expect the adoption of this guidance to have a material impact to the consolidated financial statements, including related disclosures, or significant impact on its current processes.

**Note 2. Debt Securities**

The following tables present the amortized cost, the gross unrealized gains and losses and the fair value of the Company's debt securities:

| | June 30, 2025 | | | |
|---|---|---|---|---|
| (Dollars in thousands) | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| Available-for-sale | | | | |
| U.S. government and federal agency | $ 434,011 | 19 | (8,730) | 425,300 |
| U.S. government sponsored enterprises | 324,793 | — | (8,811) | 315,982 |
| State and local governments | 73,814 | 172 | (3,282) | 70,704 |
| Corporate bonds | 14,771 | — | (138) | 14,633 |
| Residential mortgage-backed securities | 2,425,723 | 10 | (237,869) | 2,187,864 |
| Commercial mortgage-backed securities | 1,071,083 | 239 | (60,825) | 1,010,497 |
| Total available-for-sale | $ 4,344,195 | 440 | (319,655) | 4,024,980 |
| Held-to-maturity | | | | |
| U.S. government and federal agency | 862,536 | — | (39,150) | 823,386 |
| State and local governments | 1,600,848 | 352 | (248,765) | 1,352,435 |
| Residential mortgage-backed securities | 742,749 | — | (47,050) | 695,699 |
| Total held-to-maturity | 3,206,133 | 352 | (334,965) | 2,871,520 |
| Total debt securities | $ 7,550,328 | 792 | (654,620) | 6,896,500 |

| (Dollars in thousands) | December 31, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| Available-for-sale | | | | |
| U.S. government and federal agency | $ 484,082 | 5 | (15,654) | 468,433 |
| U.S. government sponsored enterprises | 323,854 | — | (13,700) | 310,154 |
| State and local governments | 71,737 | 215 | (3,272) | 68,680 |
| Corporate bonds | 14,818 | — | (315) | 14,503 |
| Residential mortgage-backed securities | 2,660,330 | 5 | (304,819) | 2,355,516 |
| Commercial mortgage-backed securities | 1,101,489 | 2 | (73,572) | 1,027,919 |
| Total available-for-sale | $ 4,656,310 | 227 | (411,332) | 4,245,205 |
| Held-to-maturity | | | | |
| U.S. government and federal agency | 859,432 | — | (54,496) | 804,936 |
| State and local governments | 1,619,850 | 810 | (209,502) | 1,411,158 |
| Residential mortgage-backed securities | 815,565 | — | (63,089) | 752,476 |
| Total held-to-maturity | 3,294,847 | 810 | (327,087) | 2,968,570 |
| Total debt securities | $ 7,951,157 | 1,037 | (738,419) | 7,213,775 |

Maturity Analysis

The following table presents the amortized cost and fair value of available-for-sale and held-to-maturity debt securities by contractual maturity at June 30, 2025. Actual maturities may differ from expected or contractual maturities since some issuers have the right to prepay obligations with or without prepayment penalties.

| (Dollars in thousands) | June 30, 2025 | | | |
|---|---|---|---|---|
| | Available-for-Sale | | Held-to-Maturity | |
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| Due within one year | $ 656,246 | 643,971 | 9,887 | 9,887 |
| Due after one year through five years | 135,756 | 130,467 | 963,132 | 922,352 |
| Due after five years through ten years | 25,180 | 23,868 | 238,847 | 226,960 |
| Due after ten years | 30,207 | 28,313 | 1,251,518 | 1,016,622 |
| | 847,389 | 826,619 | 2,463,384 | 2,175,821 |
| Mortgage-backed securities [1] | 3,496,806 | 3,198,361 | 742,749 | 695,699 |
| Total | $ 4,344,195 | 4,024,980 | 3,206,133 | 2,871,520 |

[1] Mortgage-backed securities, which have prepayment provisions, are not assigned to maturity categories due to fluctuations in their prepayment speeds.

Sales and Calls of Debt Securities

Proceeds from sales and calls of debt securities and the associated gains and losses that have been included in earnings in gain (loss) on sale of securities are listed below:

| (Dollars in thousands) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Available-for-sale | | | | |
| Proceeds from sales and calls of debt securities | $ 120,245 | 451 | 120,680 | 173,719 |
| Gross realized gains [1] | — | — | — | 29 |
| Gross realized losses [1] | — | — | — | — |
| Held-to-maturity | | | | |
| Proceeds from calls of debt securities | 6,365 | 650 | 10,495 | 6,185 |
| Gross realized gains [1] | — | — | — | — |
| Gross realized losses [1] | — | (12) | — | (25) |

[1] The gain or loss on the sale or call of each debt security is determined by the specific identification method.

Allowance for Credit Losses - Available-for-Sale Debt Securities

The following tables summarize available-for-sale debt securities that were in an unrealized loss position for which an ACL has not been recorded, based on the length of time the individual securities have been in an unrealized loss position. The number of available-for-sale debt securities in an unrealized loss position is also disclosed.

| | June 30, 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Number of Securities | Less than 12 Months | | 12 Months or More | | Total | |
| (Dollars in thousands) | | Fair Value | Unrealized Loss | Fair Value | Unrealized Loss | Fair Value | Unrealized Loss |
| Available-for-sale | | | | | | | |
| U.S. government and federal agency | 43 | $ 2,280 | (26) | 420,119 | (8,704) | 422,399 | (8,730) |
| U.S. government sponsored enterprises | 14 | — | — | 315,982 | (8,811) | 315,982 | (8,811) |
| State and local governments | 52 | 8,186 | (146) | 47,093 | (3,136) | 55,279 | (3,282) |
| Corporate bonds | 2 | — | — | 13,874 | (138) | 13,874 | (138) |
| Residential mortgage-backed securities | 397 | 25,065 | (312) | 2,161,706 | (237,557) | 2,186,771 | (237,869) |
| Commercial mortgage-backed securities | 147 | 36,175 | (1,202) | 926,733 | (59,623) | 962,908 | (60,825) |
| Total available-for-sale | 655 | $ 71,706 | (1,686) | 3,885,507 | (317,969) | 3,957,213 | (319,655) |

| (Dollars in thousands) | Number of Securities | December 31, 2024 Less than 12 Months Fair Value | Less than 12 Months Unrealized Loss | 12 Months or More Fair Value | 12 Months or More Unrealized Loss | Total Fair Value | Total Unrealized Loss |
|---|---|---|---|---|---|---|---|
| Available-for-sale | | | | | | | |
| U.S. government and federal agency | 55 | $ 3,756 | (34) | 463,151 | (15,620) | 466,907 | (15,654) |
| U.S. government sponsored enterprises | 14 | — | — | 310,154 | (13,700) | 310,154 | (13,700) |
| State and local governments | 50 | 3,653 | (35) | 49,748 | (3,237) | 53,401 | (3,272) |
| Corporate bonds | 2 | — | — | 13,707 | (315) | 13,707 | (315) |
| Residential mortgage-backed securities | 389 | 13,535 | (240) | 2,341,700 | (304,579) | 2,355,235 | (304,819) |
| Commercial mortgage-backed securities | 152 | 36,466 | (1,042) | 986,809 | (72,530) | 1,023,275 | (73,572) |
| Total available-for-sale | 662 | $ 57,410 | (1,351) | 4,165,269 | (409,981) | 4,222,679 | (411,332) |

With respect to severity, the majority of available-for-sale debt securities with unrealized loss positions at June 30, 2025 were issued by Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac"), Government National Mortgage Association ("Ginnie Mae") and other agencies of the U.S. government or have credit ratings issued by one or more of the NRSRO entities in the four highest credit rating categories. All of the Company's available-for-sale debt securities with unrealized loss positions at June 30, 2025 have been determined to be investment grade.

The Company did not have any past due available-for-sale debt securities as of June 30, 2025 and December 31, 2024, respectively. Accrued interest receivable on available-for-sale debt securities totaled $7,718,000 and $8,037,000 at June 30, 2025, and December 31, 2024, respectively, and was excluded from the estimate of credit losses.

Based on an analysis of its available-for-sale debt securities with unrealized losses as of June 30, 2025, the Company determined the decline in value was unrelated to credit losses and was primarily the result of changes in interest rates and market spreads subsequent to acquisition. The fair value of the debt securities is expected to recover as payments are received and the debt securities approach maturity. In addition, as of June 30, 2025, management determined it did not intend to sell available-for-sale debt securities with unrealized losses, and there was no expected requirement to sell such securities before recovery of their amortized cost. As a result, no ACL was recorded on available-for-sale debt securities at June 30, 2025. As part of this determination, the Company considered contractual obligations, regulatory constraints, liquidity, capital, asset/liability management and securities portfolio objectives and whether or not any of the Company's investment securities were managed by third-party investment funds.

Allowance for Credit Losses - Held-to-Maturity Debt Securities

The Company measured expected credit losses on held-to-maturity debt securities on a collective basis by major security type and NRSRO credit ratings, which is the Company's primary credit quality indicator for state and local government securities. The estimate of expected credit losses considered historical credit loss information that was adjusted for current conditions as well as reasonable and supportable forecasts. The following table summarizes the amortized cost of held-to-maturity municipal bonds aggregated by NRSRO credit rating:

| (Dollars in thousands) | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Municipal bonds held-to-maturity | | |
| S&P: AAA / Moody's: Aaa | $ 404,714 | 414,147 |
| S&P: AA+, AA, AA- / Moody's: Aa1, Aa2, Aa3 | 1,161,795 | 1,168,491 |
| S&P: A+, A, A- / Moody's: A1, A2, A3 | 30,572 | 33,585 |
| Not rated by either entity | 3,767 | 3,627 |
| Total municipal bonds held-to-maturity | $ 1,600,848 | 1,619,850 |

The Company's municipal bonds in the held-to-maturity debt securities portfolio is primarily comprised of general obligation and revenue bonds with NRSRO ratings in the four highest credit rating categories. All of the Company's municipal bonds that are classified as held-to-maturity debt securities at June 30, 2025 have been determined to be investment grade. Held-to-maturity debt securities included in the Company's U.S. government and federal agency and residential mortgage-backed security categories are issued and guaranteed by the U.S. Treasury, Fannie Mae, Freddie Mac, Ginnie Mae and other agencies of the U.S. government and are considered to be zero-loss securities. This determination is in consideration of the explicit and implicit guarantees by the U.S. Government, the U.S. Government's ability to print its own currency, a history of no credit losses by the U.S. Government and noted agencies and the current economic and financial condition of the United States and US Government providing no indication the zero-loss determination is unjustified.

As of June 30, 2025 and December 31, 2024, the Company did not have any held-to-maturity debt securities past due. Accrued interest receivable on held-to-maturity debt securities totaled $16,333,000 and $16,538,000 at June 30, 2025 and December 31, 2024, respectively, and were excluded from the estimate of credit losses.

Based on the Company's evaluation, an insignificant amount of credit losses is expected on the held-to-maturity debt securities portfolio; therefore, no ACL was recorded at June 30, 2025 or December 31, 2024.

**Note 3. Loans Receivable, Net**

The following table presents loans receivable for each portfolio segment of loans:

| (Dollars in thousands) | | June 30, 2025 | December 31, 2024 |
|---|---|---|---|
| Residential real estate | $ | 1,931,554 | 1,858,929 |
| Commercial real estate | | 11,935,109 | 10,963,713 |
| Other commercial | | 3,303,889 | 3,119,535 |
| Home equity | | 975,429 | 930,994 |
| Other consumer | | 386,759 | 388,678 |
| Loans receivable | | 18,532,740 | 17,261,849 |
| Allowance for credit losses | | (226,799) | (206,041) |
| Loans receivable, net | $ | 18,305,941 | 17,055,808 |
| Net deferred origination fees included in loans receivable | $ | (31,169) | (29,187) |
| Net purchase accounting discounts included in loans receivable | $ | (38,344) | (34,361) |
| Accrued interest receivable on loans | $ | 84,139 | 73,935 |

Substantially all of the Company's loans receivable are with borrowers in the Company's geographic market areas. Although the Company has a diversified loan portfolio, a substantial portion of borrowers' ability to service their obligations is dependent upon the economic performance in the Company's markets.

The Company had no significant purchases, other than from acquisitions, or sales of portfolio loans or reclassification of loans held for investment to loans held for sale during the six months ended June 30, 2025.

Allowance for Credit Losses - Loans Receivable

The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on loans. The following tables summarize the activity in the ACL:

| | Three Months ended June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Balance at beginning of period | $ 210,400 | 26,595 | 140,369 | 25,642 | 11,348 | 6,446 |
| Acquisitions | 35 | — | — | 10 | — | 25 |
| Provision for credit losses | 18,009 | 1,190 | 11,865 | 2,869 | 343 | 1,742 |
| Charge-offs | (3,339) | (1) | (51) | (1,100) | (9) | (2,178) |
| Recoveries | 1,694 | 131 | 6 | 895 | 19 | 643 |
| Balance at end of period | $ 226,799 | 27,915 | 152,189 | 28,316 | 11,701 | 6,678 |

| | Three Months ended June 30, 2024 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Balance at beginning of period | $ 198,779 | 24,166 | 135,153 | 22,094 | 10,999 | 6,367 |
| Provision for credit losses | 5,066 | 471 | 1,582 | 1,081 | 210 | 1,722 |
| Charge-offs | (4,135) | — | (395) | (1,461) | — | (2,279) |
| Recoveries | 1,245 | 16 | 6 | 505 | 52 | 666 |
| Balance at end of period | $ 200,955 | 24,653 | 136,346 | 22,219 | 11,261 | 6,476 |

| | Six Months ended June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Balance at beginning of period | $ 206,041 | 25,181 | 138,545 | 24,400 | 11,402 | 6,513 |
| Acquisitions | 35 | — | — | 10 | — | 25 |
| Provision for credit losses | 24,163 | 2,542 | 13,333 | 4,591 | 266 | 3,431 |
| Charge-offs | (7,236) | (1) | (51) | (2,636) | (9) | (4,539) |
| Recoveries | 3,796 | 193 | 362 | 1,951 | 42 | 1,248 |
| Balance at end of period | $ 226,799 | 27,915 | 152,189 | 28,316 | 11,701 | 6,678 |

| | Six Months ended June 30, 2024 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Balance at beginning of period | $ 192,757 | 22,325 | 130,924 | 21,194 | 11,766 | 6,548 |
| Acquisitions | 3 | — | 3 | — | — | — |
| Provision for credit losses | 14,157 | 2,308 | 5,789 | 3,374 | (554) | 3,240 |
| Charge-offs | (8,430) | — | (395) | (3,393) | (25) | (4,617) |
| Recoveries | 2,468 | 20 | 25 | 1,044 | 74 | 1,305 |
| Balance at end of period | $ 200,955 | 24,653 | 136,346 | 22,219 | 11,261 | 6,476 |

During the six months ended June 30, 2025, the ACL increased primarily due to the $14,594,000 provision for credit losses recorded as a result of the acquisition of Bank of Idaho. During the six months ended June 30, 2024, the ACL increased primarily as a result of the $5,271,000 provision for credit losses recorded as a result of the acquisition of Wheatland bank.

The sizeable charge-offs in the other consumer loan segment was driven by deposit overdraft charge-offs which typically experience high charge-off rates and the amounts were comparable to historical trends. The other segments generally experience routine charge-offs and recoveries, with occasional large credit relationships charge-offs and recoveries that cause fluctuations from prior periods. During the six months ended June 30, 2025, there have been no significant changes to the types of collateral securing collateral-dependent loans.

Aging Analysis

The following tables present an aging analysis of the recorded investment in loans:

| | June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Accruing loans 30-59 days past due | $ 41,100 | 9,625 | 19,314 | 7,082 | 2,582 | 2,497 |
| Accruing loans 60-89 days past due | 13,303 | 1,323 | 3,006 | 5,407 | 2,669 | 898 |
| Accruing loans 90 days or more past due | 11,371 | 2,116 | 2,616 | 5,221 | 978 | 440 |
| Non-accrual loans with no ACL | 34,914 | 7,278 | 9,879 | 14,163 | 2,805 | 789 |
| Non-accrual loans with ACL | 442 | 75 | — | 287 | — | 80 |
| Total past due and non-accrual loans | 101,130 | 20,417 | 34,815 | 32,160 | 9,034 | 4,704 |
| Current loans receivable | 18,431,610 | 1,911,137 | 11,900,294 | 3,271,729 | 966,395 | 382,055 |
| Total loans receivable | $ 18,532,740 | 1,931,554 | 11,935,109 | 3,303,889 | 975,429 | 386,759 |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Accruing loans 30-59 days past due | $ 25,347 | 5,195 | 8,852 | 6,261 | 1,965 | 3,074 |
| Accruing loans 60-89 days past due | 6,881 | 404 | 2,792 | 1,180 | 1,699 | 806 |
| Accruing loans 90 days or more past due | 6,177 | 1,509 | 2,899 | 985 | 646 | 138 |
| Non-accrual loans with no ACL | 20,060 | 6,850 | 8,012 | 1,691 | 2,826 | 681 |
| Non-accrual loans with ACL | 385 | 75 | — | 167 | — | 143 |
| Total past due and non-accrual loans | 58,850 | 14,033 | 22,555 | 10,284 | 7,136 | 4,842 |
| Current loans receivable | 17,202,999 | 1,844,896 | 10,941,158 | 3,109,251 | 923,858 | 383,836 |
| Total loans receivable | $ 17,261,849 | 1,858,929 | 10,963,713 | 3,119,535 | 930,994 | 388,678 |

The Company had $715,000 and $25,000 of interest reversed on non-accrual loans during the six months ended June 30, 2025 and June 30, 2024, respectively.

Collateral-Dependent Loans

A loan is considered collateral-dependent when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. The collateral on the loans is a significant portion of what secures the collateral-dependent loans and significant changes to the fair value of the collateral can impact the ACL. During the six months ended June 30, 2025, there were no significant changes to collateral which secures the collateral-dependent loans, whether due to general deterioration or other reasons. The following tables present the amortized cost basis of collateral-dependent loans by collateral type:

| | June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Business assets | $ 13,277 | — | — | 13,277 | — | — |
| Residential real estate | 14,484 | 7,353 | 3,912 | 267 | 2,788 | 164 |
| Other real estate | 19,313 | — | 18,291 | 614 | 18 | 390 |
| Other | 997 | — | — | 413 | — | 584 |
| Total | $ 48,071 | 7,353 | 22,203 | 14,571 | 2,806 | 1,138 |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Residential Real Estate | Commercial Real Estate | Other Commercial | Home Equity | Other Consumer |
| Business assets | $ 11,483 | — | — | 11,480 | — | 3 |
| Residential real estate | 14,425 | 6,924 | 4,107 | 508 | 2,808 | 78 |
| Other real estate | 22,016 | 1 | 21,066 | 561 | 18 | 370 |
| Other | 1,055 | — | — | 383 | — | 672 |
| Total | $ 48,979 | 6,925 | 25,173 | 12,932 | 2,826 | 1,123 |

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

The following disclosures for loan modifications made to borrowers experiencing financial difficulty ("MBFD") are presented in accordance with ASC Topic 310. The following tables show the amortized cost basis of MBFD loans by segment for the periods presented:

| | At or for the Three Months ended June 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Term Extension and Payment Deferral | | Combination - Term Extension and Interest Rate Reduction | | |
| (Dollars in thousands) | Amortized Cost Basis | % of Total Class | Amortized Cost Basis | % of Total Class | Total |
| Commercial real estate | $ 3,434 | — % | $ — | — % | $ 3,434 |
| Other commercial | 1,223 | — % | — | — % | 1,223 |
| Total | $ 4,657 | | $ — | | $ 4,657 |

| | At or for the Three Months ended June 30, 2024 | | | | |
|---|---|---|---|---|---|
| | Term Extension and Payment Deferral | | Combination - Term Extension and Interest Rate Reduction | | |
| (Dollars in thousands) | Amortized Cost Basis | % of Total Class | Amortized Cost Basis | % of Total Class | Total |
| Commercial real estate | $ 7,624 | 0.1 % | — | — % | 7,624 |
| Other commercial | 680 | — % | — | — % | 680 |
| Total | $ 8,304 | | $ — | | $ 8,304 |

| | At or for the Six Months ended June 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Term Extension and Payment Deferral | | Combination - Term Extension and Interest Rate Reduction | | |
| (Dollars in thousands) | Amortized Cost Basis | % of Total Class | Amortized Cost Basis | % of Total Class | Total |
| Commercial real estate | $ 10,399 | 0.1 % | 857 | — % | 11,256 |
| Other commercial | 3,710 | 0.1 % | 247 | — % | 3,957 |
| Total | $ 14,109 | | $ 1,104 | | $ 15,213 |

| | At or for the Six Months ended June 30, 2024 | | | | |
|---|---|---|---|---|---|
| | Term Extension and Payment Deferral | | Combination - Term Extension and Interest Rate Reduction | | |
| (Dollars in thousands) | Amortized Cost Basis | % of Total Class | Amortized Cost Basis | % of Total Class | Total |
| Residential real estate | $ 204 | — % | $ — | — % | $ 204 |
| Commercial real estate | 9,237 | 0.1 % | 30,506 | 0.3 % | 39,743 |
| Other commercial | 10,114 | 0.3 % | 441 | — % | 10,555 |
| Total | $ 19,555 | | $ 30,947 | | $ 50,502 |

The following tables describe the financial effect of the MBFD loans by segment:

| | At or for the Three Months ended June 30, 2025 | |
|---|---|---|
| | Weighted Average Interest Rate Reduction | Weighted Average Term Extension |
| Other commercial | —% | 10 months |
| Home equity | —% | 2 months |

| | At or for the Three Months ended June 30, 2024 | |
|---|---|---|
| | Weighted Average Interest Rate Reduction | Weighted Average Term Extension |
| Commercial real estate | —% | 2 months |
| Other commercial | —% | 2 months |

| | At or for the Six Months ended June 30, 2025 | |
|---|---|---|
| | Weighted Average Interest Rate Reduction | Weighted Average Term Extension |
| Commercial real estate | 4.74% | 8 months |
| Other commercial | 1.48% | 1.2 years |

| | At or for the Six Months ended June 30, 2024 | |
|---|---|---|
| | Weighted Average Interest Rate Reduction | Weighted Average Term Extension |
| Residential real estate | —% | 9 months |
| Commercial real estate | 1.67% | 9 months |
| Other commercial | —% | 9 months |

Loans that were modified within the preceding twelve months that had a payment default during the periods ended June 30, 2025 had an ending balances of $136,000, and $1,082,000, and were included in other commercial loans, and commercial real estate loans, respectively. During the period ending June 30, 2024, there were no loans with that were modified during preceeding the twelve months that had a payment default. There were $1,350,000 and $462,000 of additional unfunded commitments on MBFDs outstanding at June 30, 2025 and December 31, 2024, respectively. At June 30, 2025 and December 31, 2024, the Company had $1,220,000 and $207,000, respectively, of consumer mortgage loans secured by residential real estate properties for which formal foreclosure proceedings are in process. At both June 30, 2025 and December 31, 2024, the Company had no OREO secured by residential real estate properties.

The following tables depict the performance of loans that have been modified in the last twelve months by segment:

| | June 30, 2025 | | | | |
|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Current | 30-89 Days Past Due | 90 Days or More Past Due | Non-Accrual |
| Commercial real estate | $ 11,256 | 8,747 | — | — | 2,509 |
| Other commercial | 3,957 | 3,510 | — | 311 | 136 |
| Total | $ 15,213 | 12,257 | — | 311 | 2,645 |

| | June 30, 2024 | | | | |
|---|---|---|---|---|---|
| (Dollars in thousands) | Total | Current | 30-89 Days Past Due | 90 Days or More Past Due | Non-Accrual |
| Residential real estate | $ 204 | 204 | — | — | — |
| Commercial real estate | 39,743 | 39,359 | — | — | 384 |
| Other commercial | 10,555 | 10,015 | 99 | — | 441 |
| Total | $ 50,502 | 49,578 | 99 | — | 825 |

Credit Quality Indicators

The Company categorizes commercial real estate and other commercial loans into risk categories based on relevant information about the ability of borrowers to service their obligations. The following tables present the amortized cost in commercial real estate and other commercial loans based on the Company's internal risk rating. The date of a modification, renewal or

extension of a loan is considered for the year of origination if the terms of the loan are as favorable to the Company as the terms are for a comparable loan to other borrowers with similar credit risk.

| | June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Gross Charge-Offs | Total | Pass | Special Mention | Substandard | Doubtful/ Loss |
| Commercial real estate loans | | | | | | |
| Term loans by origination year | | | | | | |
| 2025 (year-to-date) | $ — | 815,265 | 813,483 | 1,518 | 264 | — |
| 2024 | 51 | 1,521,568 | 1,483,646 | 2,492 | 35,430 | — |
| 2023 | — | 1,361,814 | 1,341,864 | 15,167 | 4,783 | — |
| 2022 | — | 2,317,259 | 2,276,223 | 22,021 | 19,015 | — |
| 2021 | — | 1,991,372 | 1,928,200 | 31,098 | 32,074 | — |
| Prior | — | 3,441,039 | 3,349,800 | 44,342 | 46,897 | — |
| Revolving loans | — | 486,792 | 480,293 | 2,648 | 3,851 | — |
| Total | $ 51 | 11,935,109 | 11,673,509 | 119,286 | 142,314 | — |
| Other commercial loans | | | | | | |
| Term loans by origination year | | | | | | |
| 2025 (year-to-date) | $ 2,151 | 207,922 | 206,074 | 479 | 1,041 | 328 |
| 2024 | 13 | 351,541 | 349,034 | 189 | 2,144 | 174 |
| 2023 | 286 | 299,180 | 292,491 | 2,156 | 4,157 | 376 |
| 2022 | 26 | 495,610 | 484,447 | 4,510 | 6,651 | 2 |
| 2021 | 98 | 443,849 | 435,498 | 315 | 8,030 | 6 |
| Prior | 62 | 640,665 | 606,904 | 3,254 | 30,475 | 32 |
| Revolving loans | — | 865,122 | 839,813 | 10,621 | 14,679 | 9 |
| Total | $ 2,636 | 3,303,889 | 3,214,261 | 21,524 | 67,177 | 927 |

| (Dollars in thousands) | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Gross Charge-Offs | Total | Pass | Special Mention | Substandard | Doubtful/ Loss |
| Commercial real estate loans | | | | | | |
| Term loans by origination year | | | | | | |
| 2024 | $ — | $ 1,321,385 | 1,287,352 | 5,674 | 28,359 | — |
| 2023 | — | 1,334,689 | 1,311,808 | 18,151 | 4,730 | — |
| 2022 | 1,437 | 2,367,874 | 2,307,217 | 26,662 | 33,995 | — |
| 2021 | 1,128 | 2,043,830 | 1,988,629 | 30,965 | 24,236 | — |
| 2020 | 5 | 1,043,858 | 1,036,774 | — | 7,084 | — |
| Prior | 326 | 2,515,573 | 2,446,084 | 25,922 | 43,567 | — |
| Revolving loans | — | 336,504 | 331,130 | 1,199 | 4,175 | — |
| Total | $ 2,896 | $ 10,963,713 | 10,708,994 | 108,573 | 146,146 | — |
| Other commercial loans | | | | | | |
| Term loans by origination year | | | | | | |
| 2024 | $ 4,260 | $ 407,909 | 402,180 | 3,687 | 1,641 | 401 |
| 2023 | 83 | 315,890 | 312,154 | 533 | 3,203 | — |
| 2022 | 373 | 496,999 | 492,111 | 463 | 4,423 | 2 |
| 2021 | 525 | 462,173 | 452,731 | 743 | 8,680 | 19 |
| 2020 | 291 | 203,771 | 199,643 | 44 | 4,083 | 1 |
| Prior | 246 | 495,291 | 468,850 | — | 26,441 | — |
| Revolving loans | — | 737,502 | 706,991 | 17,612 | 12,886 | 13 |
| Total | $ 5,778 | $ 3,119,535 | 3,034,660 | 23,082 | 61,357 | 436 |

For residential real estate, home equity and other consumer loan segments, the Company evaluates credit quality primarily on the aging status of the loan. The following tables present the amortized cost in residential real estate, home equity and other consumer loans based on payment performance:

| | June 30, 2025 | | | | |
|---|---|---|---|---|---|
| (Dollars in thousands) | Gross Charge-Offs | Total | Performing | 30-89 Days Past Due | Non-Accrual and 90 Days or More Past Due |
| Residential real estate loans | | | | | |
| Term loans by origination year | | | | | |
| 2025 (year-to-date) | $ — | 61,484 | 61,484 | — | — |
| 2024 | 1 | 250,047 | 249,350 | — | 697 |
| 2023 | — | 283,794 | 283,097 | — | 697 |
| 2022 | — | 647,683 | 644,697 | 2,120 | 866 |
| 2021 | — | 432,732 | 430,285 | 471 | 1,976 |
| Prior | — | 252,591 | 239,386 | 7,972 | 5,233 |
| Revolving loans | — | 3,223 | 2,838 | 385 | — |
| Total | $ 1 | 1,931,554 | 1,911,137 | 10,948 | 9,469 |
| Home equity loans | | | | | |
| Term loans by origination year | | | | | |
| 2025 (year-to-date) | $ — | 1,079 | 1,079 | — | — |
| 2024 | — | 445 | 445 | — | — |
| 2023 | — | 1,744 | 1,719 | — | 25 |
| 2022 | 9 | 2,379 | 2,379 | — | — |
| 2021 | — | 1,710 | 1,710 | — | — |
| Prior | — | 4,358 | 4,212 | 24 | 122 |
| Revolving loans | — | 963,714 | 954,851 | 5,227 | 3,636 |
| Total | $ 9 | 975,429 | 966,395 | 5,251 | 3,783 |
| Other consumer loans | | | | | |
| Term loans by origination year | | | | | |
| 2025 (year-to-date) | $ 3,762 | 67,797 | 66,153 | 1,644 | — |
| 2024 | 118 | 91,441 | 90,784 | 300 | 357 |
| 2023 | 171 | 77,179 | 76,631 | 383 | 165 |
| 2022 | 201 | 50,437 | 49,855 | 337 | 245 |
| 2021 | 108 | 28,152 | 27,653 | 287 | 212 |
| Prior | 179 | 33,944 | 33,650 | 101 | 193 |
| Revolving loans | — | 37,809 | 37,329 | 343 | 137 |
| Total | $ 4,539 | 386,759 | 382,055 | 3,395 | 1,309 |

| (Dollars in thousands) | December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Gross Charge-Offs | Total | Performing | 30-89 Days Past Due | Non-Accrual and 90 Days or More Past Due |
| Residential real estate loans | | | | | |
| Term loans by origination year | | | | | |
| 2024 | $ 40 | $ 211,519 | 210,806 | — | 713 |
| 2023 | — | 267,000 | 264,817 | 1,407 | 776 |
| 2022 | — | 655,918 | 652,993 | 2,566 | 359 |
| 2021 | — | 455,196 | 452,628 | 959 | 1,609 |
| 2020 | — | 90,752 | 90,649 | — | 103 |
| Prior | — | 178,544 | 173,003 | 667 | 4,874 |
| Revolving loans | — | — | — | — | — |
| Total | $ 40 | $ 1,858,929 | 1,844,896 | 5,599 | 8,434 |
| Home equity loans | | | | | |
| Term loans by origination year | | | | | |
| 2024 | $ — | $ 219 | 219 | — | — |
| 2023 | 17 | 1,072 | 1,045 | — | 27 |
| 2022 | 8 | 1,858 | 1,858 | — | — |
| 2021 | — | 780 | 780 | — | — |
| 2020 | — | 78 | 78 | — | — |
| Prior | 106 | 4,353 | 4,264 | 4 | 85 |
| Revolving loans | — | 922,634 | 915,614 | 3,660 | 3,360 |
| Total | $ 131 | $ 930,994 | 923,858 | 3,664 | 3,472 |
| Other consumer loans | | | | | |
| Term loans by origination year | | | | | |
| 2024 | $ 8,456 | $ 116,312 | 114,164 | 2,139 | 9 |
| 2023 | 431 | 89,684 | 89,218 | 262 | 204 |
| 2022 | 467 | 64,808 | 63,843 | 665 | 300 |
| 2021 | 238 | 36,755 | 36,233 | 261 | 261 |
| 2020 | 34 | 18,648 | 18,601 | 41 | 6 |
| Prior | 155 | 20,014 | 19,738 | 103 | 173 |
| Revolving loans | — | 42,457 | 42,039 | 409 | 9 |
| Total | $ 9,781 | $ 388,678 | 383,836 | 3,880 | 962 |

**Note 4. Leases**

The Company leases certain land, premises and equipment from third parties. ROU assets for operating and finance leases are included in right-of-use assets and ROU lease liabilities are included in operating lease liabilities and finance lease liabilities, respectively, on the Company's statements of financial condition. The following table summarizes the Company's leases:

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| (Dollars in thousands) | Finance Leases | Operating Leases | Finance Leases | Operating Leases |
| ROU assets | $ 30,860 | | 31,022 | |
| Accumulated depreciation | (12,945) | | (11,056) | |
| Net ROU assets | $ 17,915 | 38,610 | 19,966 | 36,286 |
| Lease liabilities | $ 19,405 | 42,274 | 21,279 | 39,902 |
| Weighted-average remaining lease term | 11 years | 14 years | 11 years | 15 years |
| Weighted-average discount rate | 3.5 % | 3.8 % | 3.6 % | 3.7 % |

Maturities of lease liabilities consist of the following:

| | June 30, 2025 | |
|---|---|---|
| (Dollars in thousands) | Finance Leases | Operating Leases |
| Maturing within one year | $ 4,670 | 5,641 |
| Maturing one year through two years | 4,675 | 5,772 |
| Maturing two years through three years | 2,666 | 4,997 |
| Maturing three years through four years | 658 | 4,185 |
| Maturing four years through five years | 628 | 3,764 |
| Thereafter | 10,251 | 32,281 |
| Total lease payments | 23,548 | 56,640 |
| Present value of lease payments | | |
| Short-term | 4,063 | 4,152 |
| Long-term | 15,342 | 38,122 |
| Total present value of lease payments | 19,405 | 42,274 |
| Difference between lease payments and present value of lease payments | $ 4,143 | 14,366 |

The components of lease expense included in other expense on the consolidated statements of operations consist of the following:

| (Dollars in thousands) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Finance lease cost | | | | |
| Amortization of ROU assets | $ 1,077 | 1,101 | 2,152 | 2,191 |
| Interest on lease liabilities | 176 | 216 | 358 | 440 |
| Operating lease cost | 1,494 | 1,309 | 2,775 | 2,627 |
| Short-term lease cost | 147 | 110 | 273 | 233 |
| Variable lease cost | 475 | 291 | 948 | 755 |
| Sublease income | (19) | (10) | (29) | (20) |
| Total lease expense | $ 3,350 | 3,017 | 6,477 | 6,226 |

Supplemental cash flow information related to leases is as follows:

| (Dollars in thousands) | Three Months ended | | | |
|---|---|---|---|---|
| | June 30, 2025 | | June 30, 2024 | |
| | Finance Leases | Operating Leases | Finance Leases | Operating Leases |
| Cash paid for amounts included in the measurement of lease liabilities | | | | |
| Operating cash flows | $ 176 | 1,192 | 216 | 866 |
| Financing cash flows | 983 | N/A | 968 | N/A |

| (Dollars in thousands) | Six Months ended | | | |
|---|---|---|---|---|
| | June 30, 2025 | | June 30, 2024 | |
| | Finance Leases | Operating Leases | Finance Leases | Operating Leases |
| Cash paid for amounts included in the measurement of lease liabilities | | | | |
| Operating cash flows | $ 358 | 2,113 | 440 | 1,690 |
| Financing cash flows | 1,959 | N/A | 1,916 | N/A |

The Company also leases office space to third parties through operating leases. Rent income from these leases for the six months ended June 30, 2025, and 2024 was $808,000 and $731,000, respectively, and is recorded in other income within non-interest income.

**Note 5. Goodwill**

The following schedule discloses the changes in the carrying value of goodwill:

| (Dollars in thousands) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Net carrying value at beginning of period | $ 1,051,318 | 1,023,762 | 1,051,318 | 985,393 |
| Acquisitions and adjustments | 70,083 | — | 70,083 | 38,369 |
| Net carrying value at end of period | $ 1,121,401 | 1,023,762 | 1,121,401 | 1,023,762 |

The Company performed its annual goodwill impairment test during the third quarter of 2024 and determined the fair value of the aggregated reporting units exceeded the carrying value, such that the Company's goodwill was not considered impaired. Changes in the economic environment, operations of the aggregated reporting units, or other factors could result in the decline in the fair value of the aggregated reporting units which could result in a goodwill impairment in the future. Accumulated impairment charges were $40,159,000 as of June 30, 2025 and December 31, 2024.

For additional information on goodwill related to acquisitions, see Note 14.

**Note 6. Loan Servicing**

Mortgage loans that are serviced for others are not reported as assets, only the servicing rights are recorded and included in other assets. The following schedules disclose the change in the carrying value of mortgage servicing rights that is included in other assets, principal balances of loans serviced and the fair value of mortgage servicing rights:

| (Dollars in thousands) | | June 30, 2025 | December 31, 2024 |
|---|---|---|---|
| Carrying value at beginning of period | $ | 11,958 | 12,534 |
| Additions | | 430 | 811 |
| Amortization | | (650) | (1,387) |
| Carrying value at end of period | $ | 11,738 | 11,958 |
| Principal balances of loans serviced for others | $ | 1,481,486 | 1,507,439 |
| Fair value of servicing rights | $ | 17,427 | 17,902 |

**Note 7. Variable Interest Entities**

A VIE is a partnership, limited liability company, trust or other legal entity that meets one of the following criteria: 1) the entity's equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support from other parties; 2) the holders of the equity investment at risk, as a group, lack the characteristics of a controlling financial interest; and 3) the voting rights of some holders of the equity investment at risk are disproportionate to their obligation to absorb losses or receive returns, and substantially all of the activities are conducted on behalf of the holder of equity investment at risk with disproportionately few voting rights. A VIE must be consolidated by the Company if it is deemed to be the primary beneficiary, which is the party involved with the VIE that has both: 1) the power to direct the activities of the VIE that most significantly affect the VIE's economic performance; and 2) the obligation to absorb the losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company's VIEs are regularly monitored to determine if any reconsideration events have occurred that could cause the primary beneficiary status to change. A previously unconsolidated VIE is consolidated when the Company becomes the primary beneficiary. A previously consolidated VIE is deconsolidated when the Company ceases to be the primary beneficiary or the entity is no longer a VIE.

Consolidated Variable Interest Entities

The Company has equity investments in Certified Development Entities ("CDE") which have received allocations of New Markets Tax Credits ("NMTC"). The NMTC program provides federal tax incentives to investors to make investments in distressed communities and promotes economic improvements through the development of successful businesses in these communities. The NMTC is available to investors over seven years and is subject to recapture if certain events occur during such period. The maximum exposure to loss in the CDEs is the amount of equity invested, tax credit recapture, and credit extended by the Company. However, the Company has credit protection in the form of indemnification agreements, guarantees, and collateral arrangements. The Company has evaluated the variable interests held by the Company in each CDE (NMTC) investment and determined the Company does not individually meet the characteristics of a primary beneficiary; however, the related-party group does meet the criteria as a group and substantially all of the activities of the CDEs either involve or are conducted on behalf of the Company. As a result, the Company is the primary beneficiary of the CDEs and their assets, liabilities, and results of operations are included in the Company's consolidated financial statements. The primary activities of the CDEs are recognized in commercial loans interest income and other borrowed funds interest expense on the Company's consolidated statements of operations and the federal income tax credit allocations from the investments are recognized in the Company's consolidated statements of operations as a component of income tax expense. Such related cash flows are recognized in loans originated, principal collected on loans and change in other borrowed funds.

The Bank is also the sole member of certain tax credit funds that make direct investments in qualified affordable housing projects (e.g., Low-Income Housing Tax Credit ["LIHTC"] partnerships). As such, the Company is the primary beneficiary of these tax credit funds and their assets, liabilities, and results of operations are included in the Company's consolidated financial statements.

The following table summarizes the carrying amounts of the consolidated VIEs' assets and liabilities included in the Company's statements of financial condition and are adjusted for intercompany eliminations. All assets presented can be used only to settle obligations of the consolidated VIEs and all liabilities presented consist of liabilities for which creditors and other beneficial interest holders therein have no recourse to the general credit of the Company.

| (Dollars in thousands) | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Assets | | |
| Loans receivable | $ 123,579 | 123,064 |
| Accrued interest receivable | 356 | — |
| Other assets | 80,530 | 79,858 |
| Total assets | $ 204,465 | 202,922 |
| Liabilities | | |
| Other borrowed funds | $ 62,366 | 62,062 |
| Accrued interest payable | 434 | 270 |
| Other liabilities | 24,197 | 27,577 |
| Total liabilities | $ 86,997 | 89,909 |

Unconsolidated Variable Interest Entities

The Company has equity investments in LIHTC partnerships, both directly and through tax credit funds, with carrying values of $211,577,000 and $203,124,000 as of June 30, 2025 and December 31, 2024, respectively. The LIHTCs are indirect federal subsidies to finance low-income housing and are used in connection with both newly constructed and renovated residential rental buildings. Once a project is placed in service, it is generally eligible for the tax credit for ten years. To continue generating the tax credit and to avoid tax credit recapture, a LIHTC building must satisfy specific low-income housing compliance rules for a full fifteen years. The maximum exposure to loss in the VIEs is the amount of equity invested, tax credit recapture, and credit extended by the Company. However, the Company has credit protection in the form of indemnification agreements, guarantees, and collateral arrangements. The Company has evaluated the variable interests held by the Company in each LIHTC investment and determined that the Company does not have controlling financial interests in such investments, and is not the primary beneficiary. The Company reports the investments in the unconsolidated LIHTCs as other assets on the Company's statements of financial condition and any unfunded equity commitments in other liabilities. There were no impairment losses on the Company's LIHTC investments during the six months ended June 30, 2025 and 2024. Future unfunded contingent equity commitments related to the Company's LIHTC investments at June 30, 2025 are as follows:

| (Dollars in thousands) | Amount |
|---|---|
| Years ending December 31, | |
| 2025 | $ 37,965 |
| 2026 | 33,513 |
| 2027 | 12,713 |
| 2028 | 1,069 |
| 2029 | 866 |
| Thereafter | 2,614 |
| Total | $ 88,740 |

The Company has elected to use the proportional amortization method, and more specifically the practical expedient method, for the amortization of all eligible LIHTC investments and amortization expense is recognized as a component of income tax expense. The following table summarizes the amortization expense and the amount of tax credits and other tax benefits recognized for qualified affordable housing project investments during the periods presented.

| | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| (Dollars in thousands) | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Amortization expense | $ 6,343 | 5,204 | 12,645 | 10,388 |
| Tax credits and other tax benefits recognized | 7,801 | 6,808 | 15,570 | 13,610 |

The Company also owns the following trust subsidiaries, each of which issued trust preferred securities as capital instruments: Glacier Capital Trust II, Glacier Capital Trust III, Glacier Capital Trust IV, Citizens (ID) Statutory Trust I, Bank of the San Juans Bancorporation Trust I, First Company Statutory Trust 2001, First Company Statutory Trust 2003, FNB (UT) Statutory Trust I and FNB (UT) Statutory Trust II. The trust subsidiaries have no assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the securities held by third parties. The trust subsidiaries are not included in the Company's consolidated financial statements because the sole asset of each trust subsidiary is a receivable from the Company, even though the Company owns all of the voting equity shares of the trust subsidiaries, has fully guaranteed the obligations of the trust subsidiaries and may have the right to redeem the third party securities under certain circumstances. The Company reports the trust preferred securities issued to the trust subsidiaries as subordinated debentures on the Company's statements of financial condition.

**Note 8. Securities Sold Under Agreements to Repurchase**

The following table summarizes the carrying value of the Company's securities sold under agreements to repurchase ("repurchase agreements") by remaining contractual maturity of the agreements and category of collateral:

| | Overnight and Continuous | |
|---|---|---|
| (Dollars in thousands) | June 30, 2025 | December 31, 2024 |
| Residential mortgage-backed securities | $ 1,976,228 | 1,777,475 |

The repurchase agreements are secured by debt securities with carrying values of $2,286,335,000 and $2,184,627,000 at June 30, 2025 and December 31, 2024, respectively. Securities are pledged to customers at the time of the transaction in an amount at least equal to the outstanding balance and are held in custody accounts by third parties. The fair value of collateral is continually monitored and additional collateral is provided as deemed appropriate.

**Note 9. Derivatives and Hedging Activities**

Cash Flow Hedges

*Interest Rate Cap Derivatives.* In 2020, the Company purchased interest rate caps designated as cash flow hedges with notional amounts totaling $130,500,000 on its variable rate subordinated debentures. The interest rate caps, which matured as of March 31, 2025, required receipt of variable amounts from the counterparty when interest rates rose above the strike price in the contracts. The strike prices in the five year term contracts had a range from 1.5 percent to 2 percent. The variable rate was based on 90 days of compounded overnight SOFR plus a spread of 0.26161 percent. At June 30, 2025 and December 31, 2024, the interest rate caps had a fair value of $0 and $720,000, respectively, and were reported as other assets on the Company's statements of financial condition. Amortization recorded on the interest rate caps totaled $0 and $84,000 for the six months ended June 30, 2025 and 2024, respectively, and was reported as a component of interest expense on subordinated debentures.

The effect of cash flow hedge accounting on OCI for the periods ending June 30, 2025 and 2024 was as follows:

| (Dollars in thousands) | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Amount of (loss) gain recognized in OCI | $ — | 270 | (657) | 927 |
| Amount of gain reclassified from OCI to net income | — | 1,288 | 63 | 2,548 |

Fair Value Hedges

*Interest Rate Swap Agreements.* The Company entered into fair value hedges for a closed pool of fixed rate debt securities. The instruments are designated as fair value hedges as the changes in the fair value of the interest rate swap are expected to offset changes in the fair value of the hedged item attributable to changes in the compounded overnight secured overnight financing ("SOFR") rate, the designated benchmark interest rate. These derivative contracts involve the receipt of floating rate interest from a counterparty in exchange for the Company making fixed-rate payments over the life of the contract, without the exchange of the underlying notional value.

During the fourth quarter of 2024, the Company terminated the existing fair value hedges and paid $19,825,000. This basis adjustment to the carrying cost of the closed pool will be amortized over the remaining life of the securities in the closed pool. Subsequent to the termination, the Company entered into new fair value hedges that better protected the Company from the risk of changes to the overnight SOFR rate.

The following tables present the notional and estimated fair value amount of derivative positions outstanding:

| | June 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | | | | Weighted Average | | |
| (Dollars in thousands) | Notional Amount | Asset Derivative | Liability Derivative | Remaining Maturity | Receive Rate | Pay Rate |
| Interest rate swap - securities | $ 1,630,500 | $ 4,086 | $ — | 0.7 years | SOFR | 3.68 % |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | | | | Weighted Average | | |
| (Dollars in thousands) | Notional Amount | Asset Derivative | Liability Derivative | Remaining Maturity | Receive Rate | Pay Rate |
| Interest rate swap - securities | $ 1,630,500 | $ 9,287 | $ — | 1.2 years | SOFR | 3.68 % |

The following amounts were recorded on the consolidated statements of financial condition related to cumulative basis adjustments for fair value hedges for the respective periods:

| (Dollars in thousands) | Amortized cost of the Hedged Assets | | Amortized Cost of Fair Value Hedging Included in the Carrying Amount of the Hedged Assets | |
|---|---|---|---|---|
| Line item on the consolidated statements of financial condition | June 30, 2025 | December 31, 2024 | June 30, 2025 | December 31, 2024 |
| Debt securities available-for-sale | $ 2,966,121 | $ 3,242,878 | $ (4,086) | $ (9,287) |

The effects of the fair value hedge relationships on the consolidated statements of operations were as follows:

| (Dollars in thousands) | Location of Gain (Loss) | Three Months Ended | | Six Months ended | |
|---|---|---|---|---|---|
| | | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Interest rate swap | Interest income on investment securities | $ 1,810 | $ 6,358 | $ 351 | 25,958 |
| Debt securities available-for-sale | Interest income on investment securities | (9,358) | (3,520) | (5,201) | (20,297) |

Residential Real Estate Derivatives

The Company enters into residential real estate derivatives for commitments ("interest rate locks") to fund certain residential real estate loans to be sold into the secondary market. At June 30, 2025 and December 31, 2024, loan commitments with interest rate lock commitments totaled $60,761,000 and $22,977,000, respectively. At June 30, 2025 and December 31, 2024, the fair value of the related derivatives on the interest rate lock commitments was $1,243,000 and $410,000, respectively, and was included in other assets with corresponding changes recorded in gain on sale of loans. The Company enters into free-standing derivatives to mitigate interest rate risk for most residential real estate loans to be sold. These derivatives include forward commitments to sell to-be-announced ("TBA") securities which are used to economically hedge the interest rate risk associated with such loans and unfunded commitments. At June 30, 2025 and December 31, 2024, TBA commitments were $55,250,000 and $29,000,000, respectively. At June 30, 2025, the fair value of the related derivatives on the TBA securities was $ 559,000 and was included in other liabilities with corresponding changes recorded in gain on sale of loans. At December 31, 2024, the fair value of the related derivatives on the TBA securities was $169,000, and was included in other assets with corresponding changes recorded in gain on sale of loans. The Company does not enter into a commitment to sell these loans to an investor until the loan is funded and is ready to be delivered to the investor. Due to the forward sales commitments being short-term in nature, the corresponding derivatives are not significant. For all other residential real estate loans to be sold, the Company enters into "best efforts" forward sales commitments for the future delivery of loans to third party investors when interest rate lock commitments are entered into in order to economically hedge the effect of changes in interest rates resulting from its commitments to fund the loans. Forward sales commitments on a "best efforts" basis are not designated in hedge relationships until the loan is funded.

**Note 10. Other Expenses**

Other expenses consists of the following:

| | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| (Dollars in thousands) | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Consulting and outside services | $ 4,734 | 5,285 | $ 9,876 | 10,012 |
| Debit card expenses | 3,576 | 3,300 | 7,407 | 6,882 |
| Loan expenses | 2,329 | 1,635 | 4,238 | 3,934 |
| Mergers and acquisition expenses | 3,231 | 1,783 | 3,818 | 7,508 |
| Employee expenses | 2,018 | 1,602 | 3,543 | 3,034 |
| VIE amortization and other expenses | 320 | 854 | 3,407 | 4,162 |
| Telephone | 1,448 | 1,501 | 2,870 | 3,052 |
| Business development | 1,280 | 1,084 | 2,715 | 2,732 |
| Postage | 1,223 | 1,187 | 2,587 | 2,433 |
| Checking and operating expenses | 1,086 | 1,817 | 1,925 | 3,335 |
| Printing and supplies | 786 | 769 | 1,472 | 1,490 |
| Accounting and audit fees | 439 | 177 | 1,279 | 999 |
| Legal fees | 433 | 534 | 914 | 957 |
| Gain on dispositions of premises and equipment | (1,612) | (1,503) | (2,622) | (2,538) |
| Other | 3,141 | 2,591 | 6,435 | 5,107 |
| Total other expenses | $ 24,432 | 22,616 | $ 49,864 | 53,099 |

**Note 11. Accumulated Other Comprehensive Loss**

The following table illustrates the activity within accumulated other comprehensive loss by component, net of tax:

| (Dollars in thousands) | (Losses) Gains on Available-For-Sale and Transferred Debt Securities | (Losses) Gains on Derivatives Used for Cash Flow Hedges | Total |
|---|---|---|---|
| Balance at January 1, 2024 | $ (377,728) | 3,615 | (374,113) |
| Other comprehensive income before reclassifications | 19,188 | 695 | 19,883 |
| Reclassification adjustments for losses and transfers included in net income | (22) | (1,910) | (1,932) |
| Reclassification adjustments for amortization included in net income for transferred securities | 1,511 | — | 1,511 |
| Net current period other comprehensive income (loss) | 20,677 | (1,215) | 19,462 |
| Balance at June 30, 2024 | $ (357,051) | 2,400 | (354,651) |
| Balance at January 1, 2025 | $ (309,836) | 540 | (309,296) |
| Other comprehensive income (loss) before reclassifications | 68,991 | (493) | 68,498 |
| Reclassification adjustments for losses and transfers included in net income | — | (47) | (47) |
| Reclassification adjustments for amortization included in net income for transferred securities | 2,190 | — | 2,190 |
| Net current period other comprehensive income (loss) | 71,181 | (540) | 70,641 |
| Balance at June 30, 2025 | $ (238,655) | — | (238,655) |

**Note 12. Earnings Per Share**

Basic earnings per share is computed by dividing net income by the weighted-average number of shares of common stock outstanding during the period presented. Diluted earnings per share is computed by including the net increase in shares as if dilutive outstanding restricted stock units were vested and stock options were exercised, using the treasury stock method.

Basic and diluted earnings per share has been computed based on the following:

| | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| (Dollars in thousands, except per share data) | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Net income available to common stockholders, basic and diluted | $ 52,781 | 44,708 | $ 107,349 | 77,335 |
| Average outstanding shares - basic | 116,890,776 | 113,390,539 | 115,180,489 | 112,941,341 |
| Add: dilutive restricted stock units and stock options | 27,514 | 14,952 | 64,061 | 40,190 |
| Average outstanding shares - diluted | 116,918,290 | 113,405,491 | 115,244,550 | 112,981,531 |
| Basic earnings per share | $ 0.45 | 0.39 | $ 0.93 | 0.68 |
| Diluted earnings per share | $ 0.45 | 0.39 | $ 0.93 | 0.68 |
| Restricted stock units and stock options excluded from the diluted average outstanding share calculation [1] | 145,840 | 136,673 | 109,554 | 136,673 |

[1] Anti-dilution occurs when the unrecognized compensation cost per share of a restricted stock unit or the exercise price of a stock option exceeds the market price of the Company's stock.

**Note 13. Fair Value of Assets and Liabilities**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There is a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are as follows:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Transfers in and out of Level 1 (quoted prices in active markets), Level 2 (significant other observable inputs) and Level 3 (significant unobservable inputs) are recognized on the actual transfer date. There were no transfers between fair value hierarchy levels during the six month periods ended June 30, 2025 and 2024.

Recurring Measurements

The following is a description of the inputs and valuation methodologies used for assets and liabilities measured at fair value on a recurring basis, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the period ended June 30, 2025.

*Debt securities, available-for-sal*e. The fair value for available-for-sale debt securities is estimated by obtaining quoted market prices for identical assets, where available. If such prices are not available, fair value is based on independent asset pricing services and models, the inputs of which are market-based or independently sourced market parameters, including but not limited to, yield curves, interest rates, volatilities, market spreads, prepayments, defaults, recoveries, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. Where Level 1 or Level 2 significant inputs are not available, such securities are classified as Level 3 within the hierarchy.

Fair value determinations of available-for-sale debt securities are the responsibility of the Company's corporate accounting and treasury departments. The Company obtains fair value estimates from independent third party vendors on a monthly basis. The vendors' pricing system methodologies, procedures and system controls are reviewed to ensure they are appropriately designed and operating effectively. The Company reviews the vendors' inputs for fair value estimates and the recommended assignments of levels within the fair value hierarchy. The review includes the extent to which markets for debt securities are determined to have limited or no activity, or are judged to be active markets. The Company reviews the extent to which observable and unobservable inputs are used as well as the appropriateness of the underlying assumptions about risk that a market participant would use in active markets, with adjustments for limited or inactive markets. In considering the inputs to the fair value estimates, the Company places less reliance on quotes that are judged to not reflect orderly transactions, or are non-binding indications. In assessing credit risk, the Company reviews payment performance, collateral adequacy, third party research and analyses, credit rating histories and issuers' financial statements. For those markets determined to be inactive or limited, the valuation techniques used are models for which management has verified that discount rates are appropriately adjusted to reflect illiquidity and credit risk.

*Loans held for sale, at fair value.* Loans held for sale measured at fair value, for which an active secondary market and readily available market prices exist, are initially valued at the transaction price and are subsequently valued by using quoted prices for similar assets, adjusted for specific attributes of that loan or other observable market data, such as outstanding commitments from third party investors. Loans held for sale measured at fair value are classified within Level 2. Included in gain on sale of loans were net gains of $480,000 and $434,000 for the six month periods ended June 30, 2025 and 2024, respectively, from the changes in fair value of loans held for sale measured at fair value. Electing to measure loans held for sale at fair value reduces certain timing differences and better matches changes in fair value of these assets with changes in the value of the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting.

*Loan interest rate lock commitments.* Fair value estimates for loan interest rate lock commitments are based upon the estimated sales price, origination fees, direct costs, interest rate changes, etc. and are obtained from an independent third party. The

components of the valuation were observable or could be corroborated by observable market data and, therefore, were classified within Level 2 of the valuation hierarchy.

*Forward commitments to sell TBA securities.* Forward commitments to sell TBA securities are used to economically hedge the interest rate risk associated with certain loan commitments. The fair value estimates for the TBA commitments are based upon the estimated sale of the TBA hedge obtained from an independent third party. The components of the valuation were observable or could be corroborated by observable market data and, therefore, were classified within Level 2 of the valuation hierarchy.

*Interest rate cap derivative financial instruments.* Fair value estimates for interest rate cap derivative financial instruments are based upon the discounted cash flows of known payments plus the option value of each caplet which incorporates market rate forecasts and implied market volatilities. The components of the valuation were observable or could be corroborated by observable market data and, therefore, were classified within Level 2 of the valuation hierarchy. The Company also obtained and compared the reasonableness of the pricing from independent third party valuations.

*Interest rate swap derivative financial instruments.* Fair value estimates for interest rate swap derivative financial instruments are based upon the estimated amounts to settle the contracts considering current interest rates and are calculated using discounted cash flows. The inputs used to determine fair value include the compounded overnight SOFR rate to estimate variable rate cash inflows and the overnight SOFR swap rate to estimate the discount rate. The estimated variable rate cash inflows are compared to the fixed rate outflows and such difference was discounted to a present value to estimate the fair value of the interest rate swaps. The components of the valuation were observable or could be corroborated by observable market data and, therefore, were classified within Level 2 of the valuation hierarchy. The Company also obtained and compared the reasonableness of the pricing from independent third party valuations.

The following tables disclose the fair value measurement of assets and liabilities measured at fair value on a recurring basis:

| | | Fair Value Measurements At the End of the Reporting Period Using | | |
|---|---|---|---|---|
| (Dollars in thousands) | Fair Value June 30, 2025 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Debt securities, available-for-sale | | | | |
| U.S. government and federal agency | $ 425,300 | — | 425,300 | — |
| U.S. government sponsored enterprises | 315,982 | — | 315,982 | — |
| State and local governments | 70,704 | — | 70,704 | — |
| Corporate bonds | 14,633 | — | 14,633 | — |
| Residential mortgage-backed securities | 2,187,864 | — | 2,187,864 | — |
| Commercial mortgage-backed securities | 1,010,497 | — | 1,010,497 | — |
| Loans held for sale, at fair value | 47,738 | — | 47,738 | — |
| Interest rate locks | 1,243 | — | 1,243 | — |
| Interest rate swap | 4,086 | — | 4,086 | — |
| Total assets measured at fair value on a recurring basis | $ 4,078,047 | — | 4,078,047 | — |
| TBA hedge | $ 559 | — | 559 | — |
| Total liabilities measured at fair value on a recurring basis | $ 559 | — | 559 | — |

| (Dollars in thousands) | Fair Value December 31, 2024 | Fair Value Measurements At the End of the Reporting Period Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Debt securities, available-for-sale | | | | |
| U.S. government and federal agency | $ 468,433 | — | 468,433 | — |
| U.S. government sponsored enterprises | 310,154 | — | 310,154 | — |
| State and local governments | 68,680 | — | 68,680 | — |
| Corporate bonds | 14,503 | — | 14,503 | — |
| Residential mortgage-backed securities | 2,355,516 | — | 2,355,516 | — |
| Commercial mortgage-backed securities | 1,027,919 | — | 1,027,919 | — |
| Loans held for sale, at fair value | 33,060 | — | 33,060 | — |
| Interest rate caps | 720 | — | 720 | — |
| Interest rate locks | 410 | — | 410 | — |
| TBA hedge | 169 | — | 169 | — |
| Interest rate swap | 9,287 | — | 9,287 | — |
| Total assets measured at fair value on a recurring basis | $ 4,288,851 | — | 4,288,851 | — |

Non-recurring Measurements

The following is a description of the inputs and valuation methodologies used for assets recorded at fair value on a non-recurring basis, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the period ended June 30, 2025.

*Other real estate owned.* OREO is initially recorded at fair value less estimated cost to sell, establishing a new cost basis. OREO is subsequently accounted for at lower of cost or fair value less estimated cost to sell. Estimated fair value of OREO is based on appraisals or evaluations (new or updated). OREO is classified within Level 3 of the fair value hierarchy.

*Collateral-dependent loans, net of ACL.* Fair value estimates of collateral-dependent loans that are individually reviewed are based on the fair value of the collateral, less estimated cost to sell. Collateral-dependent individually reviewed loans are classified within Level 3 of the fair value hierarchy.

The Company's credit department reviews appraisals for OREO and collateral-dependent loans, giving consideration to the highest and best use of the collateral. The appraisal or evaluation (new or updated) is considered the starting point for determining fair value. The valuation techniques used in preparing appraisals or evaluations (new or updated) include the cost approach, income approach, sales comparison approach, or a combination of the preceding valuation techniques. The key inputs used to determine the fair value of the collateral-dependent loans and OREO include selling costs, discounted cash flow rate or capitalization rate, and adjustment to comparables. Valuations and significant inputs obtained by independent sources are reviewed by the Company for accuracy and reasonableness. The Company also considers other factors and events in the environment that may affect the fair value. The appraisals or evaluations (new or updated) are reviewed at least quarterly and more frequently based on current market conditions, including deterioration in a borrower's financial condition and when property values may be subject to significant volatility. After review and acceptance of the collateral appraisal or evaluation (new or updated), adjustments to the impaired loan or OREO may occur. The Company generally obtains appraisals or evaluations (new or updated) annually.

The following tables disclose the fair value measurement of assets with a recorded change during the period resulting from re-measuring the assets at fair value on a non-recurring basis:

| (Dollars in thousands) | Fair Value June 30, 2025 | Fair Value Measurements At the End of the Reporting Period Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Collateral-dependent impaired loans, net of ACL | $ 419 | — | — | 419 |
| Total assets measured at fair value on a non-recurring basis | $ 419 | — | — | 419 |

| (Dollars in thousands) | Fair Value December 31, 2024 | Fair Value Measurements At the End of the Reporting Period Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Collateral-dependent impaired loans, net of ACL | $ 2,052 | — | — | 2,052 |
| Total assets measured at fair value on a non-recurring basis | $ 2,052 | — | — | 2,052 |

Non-recurring Measurements Using Significant Unobservable Inputs (Level 3)

The following tables present additional quantitative information about assets measured at fair value on a non-recurring basis and for which the Company has utilized Level 3 inputs to determine fair value:

| (Dollars in thousands) | Fair Value June 30, 2025 | Quantitative Information about Level 3 Fair Value Measurements: Valuation Technique | Unobservable Input | Range (Weighted-Average) [1] |
|---|---|---|---|---|
| Collateral-dependent impaired loans, net of ACL | $ 316 | Cost approach | Selling costs | 10.0% - 20.0% (11.6%) |
| | 103 | Sales comparison approach | Selling costs | 10.0% - 20.0% (13.3%) |
| | $ 419 | | | |

| (Dollars in thousands) | Fair Value December 31, 2024 | Quantitative Information about Level 3 Fair Value Measurements | | |
|---|---|---|---|---|
| | | Valuation Technique | Unobservable Input | Range (Weighted-Average) [1] |
| Collateral-dependent impaired loans, net of ACL | $ 1,605 | Cost approach | Selling costs | 10.0% - 10.0% (10.0%) |
| | 192 | Sales comparison approach | Selling Costs | 10.0% - 20.0% (15.9%) |
| | 255 | Combined approach | Selling costs | 10.0% - 10.0% (10.0%) |
| | $ 2,052 | | | |

[1] The range for selling cost inputs represents reductions to the fair value of the assets.

Fair Value of Financial Instruments

The following tables present the carrying amounts, estimated fair values and the level within the fair value hierarchy of the Company's financial instruments not carried at fair value. Receivables and payables due in one year or less, equity securities without readily determinable fair values and deposits with no defined or contractual maturities are excluded. There have been no significant changes in the valuation techniques during the period ended June 30, 2025.

*Cash and cash equivalents*. Fair value is estimated at book value.

*Debt securities, held-to-maturity*. Fair value for held-to-maturity debt securities is estimated in the same manner as available-for sale debt securities, which is described above.

*Loans receivable, net of ACL*. The loans are fair valued on an individual basis, with consideration given to the loans' underlying characteristics, including account types, remaining terms and balance, interest rates, past delinquencies, current market rates, etc. The model utilizes a discounted cash flow approach to estimate the fair value of the loans using various assumptions such as prepayment speeds, projected default probabilities, losses given defaults, etc. The discounted cash flow approach models the credit losses directly in the projected cash flows. The model applies various assumptions regarding credit, interest, and prepayment risks for the loans based on loan types, payment types and fixed or variable classifications.

*Term deposits*. Fair value of term deposits is estimated by discounting the future cash flows using rates of similar deposits with similar maturities. The market rates used are obtained from an independent third party based on current rates offered by the Company's regional competitors.

*FHLB advances*. Fair value of advances is estimated based on borrowing rates currently available to the Company for advances with similar terms and maturities.

*Repurchase agreements and other borrowed funds*. Fair value of term repurchase agreements and other term borrowings is estimated based on current repurchase rates and borrowing rates currently available to the Company for repurchases and borrowings with similar terms and maturities. The estimated fair value for overnight repurchase agreements and other borrowings is book value.

*Subordinated debentures*. Fair value of the subordinated debt is estimated by discounting the estimated future cash flows using current estimated market rates obtained from an independent third party.

*Off-balance sheet financial instrument*s. Unused lines of credit and letters of credit represent the principal categories of off-balance sheet financial instruments. The fair value of commitments is based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing. The fair value of unused lines of credit and letters of credit is not material; therefore, such commitments are not included in the following tables.

| (Dollars in thousands) | Carrying Amount June 30, 2025 | Fair Value Measurements At the End of the Reporting Period Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Financial assets | | | | |
| Cash and cash equivalents | $ 915,507 | 915,507 | — | — |
| Debt securities, held-to-maturity | 3,206,133 | — | 2,871,520 | — |
| Loans receivable, net of ACL | 18,305,941 | — | — | 18,489,016 |
| Total financial assets | $ 22,427,581 | 915,507 | 2,871,520 | 18,489,016 |
| Financial liabilities | | | | |
| Term deposits | $ 3,238,576 | — | 3,268,762 | — |
| FHLB advances | 1,255,088 | — | 1,222,487 | — |
| Repurchase agreements and other borrowed funds | 2,057,999 | — | 2,057,999 | — |
| Subordinated debentures | 157,127 | — | 148,127 | — |
| Total financial liabilities | $ 6,708,790 | — | 6,697,375 | — |

| (Dollars in thousands) | Carrying Amount December 31, 2024 | Fair Value Measurements At the End of the Reporting Period Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Financial assets | | | | |
| Cash and cash equivalents | $ 848,408 | 848,408 | — | — |
| Debt securities, held-to-maturity | 3,294,847 | — | 2,968,570 | — |
| Loans receivable, net of ACL | 17,055,808 | — | — | 17,017,298 |
| Total financial assets | $ 21,199,063 | 848,408 | 2,968,570 | 17,017,298 |
| Financial liabilities | | | | |
| Term deposits | $ 3,139,821 | — | 3,176,722 | — |
| FHLB advances | 1,800,000 | — | 1,797,310 | — |
| Repurchase agreements and other borrowed funds | 1,860,816 | — | 1,860,816 | — |
| Subordinated debentures | 133,105 | — | 122,785 | — |
| Total financial liabilities | $ 6,933,742 | — | 6,957,633 | — |

**Note 14. Mergers & Acquisitions**

On April 30, 2025, the Company acquired 100 percent of the outstanding common stock of Bank of Idaho Holding Co. ("BOID") and its wholly-owned subsidiary, Bank of Idaho ("BOI"), a community bank based in Idaho Falls, Idaho. BOI provides banking services to individuals and businesses throughout Idaho and Eastern Washington. BOI will be combined with three existing Glacier Bank divisions upon operational conversion. The preliminary value of the BOI acquisition was $204,988,000 and as part of the transaction, the Company issued 5,029,102 shares of its common stock and paid $2,000 in cash in exchange for all of BOID's outstanding shares of common stock and options to purchase common stock. The fair value of the Company shares issued was determined on the basis of the closing market price of the Company's common stock on the April 30, 2025 acquisition date. The excess of the preliminary fair value of consideration transferred over total identifiable net assets was recorded as goodwill. The goodwill arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the Bank and BOI. None of the goodwill is deductible for income tax purposes as the acquisition was accounted for as a tax-free exchange.

The assets and liabilities of BOID were recorded on the Company's consolidated statements of financial condition at their preliminary estimated fair values as of the acquisition date and the results of operations have been included in the Company's consolidated statements of operations since that date. The acquisition constituted a *business combination* as defined in ASC Topic 805, *Business Combinations.* The Company determined fair values in accordance with the guidance provided in ASC Topic 820, *Fair Value Measurements and Disclosures*. In many cases, the determination of these fair values require management to make estimates about discount rates, future expected cash flows, market conditions and other future events that are subjective in nature and subject to change, and actual results could differ materially.

The following table discloses the preliminary fair value estimates of the consideration transferred, the total identifiable net assets acquired and the resulting goodwill arising from the acquisition of BOID. The Company is continuing to obtain information to determine the fair values of assets acquired and liabilities assumed.

| (Dollars in thousands) | BOID April 30, 2025 |
|---|---|
| Fair value of consideration transferred | |
| Fair value of Company shares issued | $ 204,986 |
| Cash consideration | 2 |
| Total fair value of consideration transferred | 204,988 |
| Recognized amounts of identifiable assets acquired and liabilities assumed | |
| Identifiable assets acquired | |
| Cash and cash equivalents | 26,127 |
| Debt securities | 139,974 |
| Loans receivable, net of ACL | 1,075,197 |
| Core deposit intangible [1] | 19,758 |
| Accrued income and other assets | 33,501 |
| Total identifiable assets acquired | 1,294,557 |
| Liabilities assumed | |
| Deposits | 1,078,377 |
| Borrowings | 71,932 |
| Accrued expenses and other liabilities | 9,343 |
| Total liabilities assumed | 1,159,652 |
| Total identifiable net assets | 134,905 |
| Goodwill recognized | $ 70,083 |

[1] The core deposit intangible for the acquisition was determined to have an estimated life of 10 years.

The preliminary fair values of the BOID assets acquired include loans with fair values of $1,075,232,000. The gross principal and contractual interest due under the loans acquired were $1,080,765,000. The Company evaluated the loans at acquisition date and determined there were PCD loans of $8,726,000 with an ACL of $35,000.

The Company incurred $3,087,000 of expenses in connection with the BOID acquisition during the six months ended June 30, 2025. Mergers and acquisition expenses are included in other expense in the Company's consolidated statements of operations and consist of third-party costs and employee severance expenses.

Total income consisting of net interest income and non-interest income of the acquired operations was approximately $9,755,000 and net loss was approximately $10,067,000 from April 30, 2025 to June 30, 2025. The following unaudited pro forma summary presents consolidated information of the Company as if the BOID acquisition had occurred on January 1, 2024:

| | Three Months ended | | Six Months ended | |
|---|---|---|---|---|
| (Dollars in thousands) | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Net interest income and non-interest income | $ 245,536 | 212,305 | $ 482,951 | 422,302 |
| Net income | 48,065 | 47,294 | 106,579 | 82,988 |

Pending Acquisitions

On June 24, 2025, the Company announced the signing of a definitive agreement to acquire Guaranty Bancshares, Inc. and its wholly-owned subsidiary, Guaranty Bank & Trust, N.A., a community bank headquartered in Mount Pleasant, Texas (collectively, "Guaranty"). As of June 30, 2025, Guaranty had total assets of $3.1 billion, total gross loans of $2.1 billion and total deposits of $2.7 billion. Upon closing of the transaction, Guaranty will operate as a new banking division under the name "Guaranty Bank & Trust, Division of Glacier Bank", representing the Company's 18th separate bank division. The acquisition is subject to regulatory approvals, approval of Guaranty's shareholders and other customary conditions of closing and is expected to be completed in the fourth quarter of 2025.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following management's discussion and analysis is intended to provide a more comprehensive review of the Company's operating results and financial condition than can be obtained from reading the Consolidated Financial Statements alone. The discussion should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in "Part I. Item 1. Financial Statements."

**FORWARD-LOOKING STATEMENTS**

This Form 10-Q may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about the Company's plans, objectives, expectations and intentions that are not historical facts, and other statements identified by words such as "expects," "anticipates," "will" "intends," "plans," "believes," "should," "projects," "seeks," "estimates" or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are based on current beliefs and expectations of management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control. In addition, these forward-looking statements are based on assumptions that are subject to change. The following factors, among others, including additional factors identified in the sections titled "Risk Factors," "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," as applicable, in this report and in the Company's 2024 Annual Report on Form 10-K, could cause actual results to differ materially from the anticipated results (express or implied) or other expectations in the forward-looking statements:

- risks associated with lending and potential adverse changes in the credit quality of the Company's loan portfolio;
- changes in monetary and fiscal policies, including interest rate policies of the Federal Reserve Board, which could adversely affect the Company's net interest income and margin, the fair value of its financial instruments, profitability, and stockholders' equity;
- legislative or regulatory changes, including increased FDIC insurance rates and assessments, changes in the review and regulation of bank mergers, or increased banking and consumer protection regulations, that may adversely affect the Company's business and strategies;
- risks related to overall economic conditions, including the impact on the economy of an uncertain interest rate environment, inflationary pressures, recently passed legislation, and the potential for significant additional changes in economic and trade policies in the current administration;
- risks to our business and the businesses of our customers arising from current or future tariffs or other trade restrictions, labor or supply chain issues, changes in the labor force, or geopolitical instability, including the wars in Ukraine and the Middle East;
- risks associated with the Company's ability to negotiate, complete, and successfully integrate pending or future acquisitions;
- costs or difficulties related to the completion and integration of pending or recently completed acquisitions;
- impairment of the goodwill recorded by the Company in connection with acquisitions, which may have an adverse impact on earnings and capital;
- reduction in demand for banking products and services, whether as a result of changes in customer behavior, economic conditions, banking environment, or competition;
- deterioration of the reputation of banks and the financial services industry, which could adversely affect the Company's ability to obtain and maintain customers;
- changes in the competitive landscape, including as may result from new market entrants or further consolidation in the financial services industry, resulting in the creation of larger competitors with greater financial resources;
- risks presented by public stock market volatility, which could adversely affect the market price of the Company's common stock and the ability to raise additional capital or grow through acquisitions;
- risks associated with dependence on the Chief Executive Officer ("CEO), the senior management team and the Presidents of Glacier Bank's (the "Bank") divisions;
- material failure, potential interruption or breach in security of the Company's systems or changes in technology which could expose the Company to cybersecurity risks, fraud, system failures, or direct liabilities;
- risks related to natural disasters, including droughts, fires, floods, earthquakes, pandemics, and other unexpected events;
- success in managing risks involved in any of the foregoing; and
- effects of any reputational damage to the Company resulting from any of the foregoing.

Forward-looking statements speak only as of the date of this Form 10-Q. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

**Financial Highlights**

| (Dollars in thousands, except per share and market data) | At or for the Three Months ended | | | At or for the Six Months ended | |
|---|---|---|---|---|---|
| | Jun 30, 2025 | Mar 31, 2025 | Jun 30, 2024 | Jun 30, 2025 | Jun 30, 2024 |
| Operating results | | | | | |
| Net income | $ 52,781 | 54,568 | 44,708 | 107,349 | 77,335 |
| Basic earnings per share | $ 0.45 | 0.48 | 0.39 | 0.93 | 0.68 |
| Diluted earnings per share | $ 0.45 | 0.48 | 0.39 | 0.93 | 0.68 |
| Dividends declared per share | $ 0.33 | 0.33 | 0.33 | 0.66 | 0.66 |
| Market value per share | | | | | |
| Closing | $ 43.08 | 44.22 | 37.32 | 43.08 | 37.32 |
| High | $ 44.70 | 52.81 | 40.18 | 52.81 | 42.75 |
| Low | $ 36.76 | 43.18 | 34.35 | 36.76 | 34.35 |
| Selected ratios and other data | | | | | |
| Number of common stock shares outstanding | 118,550,475 | 113,517,944 | 113,394,092 | 118,550,475 | 113,394,092 |
| Average outstanding shares - basic | 116,890,776 | 113,451,199 | 113,390,539 | 115,180,489 | 112,941,341 |
| Average outstanding shares - diluted | 116,918,290 | 113,546,365 | 113,405,491 | 115,244,550 | 112,981,531 |
| Return on average assets (annualized) | 0.74 % | 0.80 % | 0.66 % | 0.77 % | 0.56 % |
| Return on average equity (annualized) | 6.13 % | 6.77 % | 5.77 % | 6.44 % | 5.01 % |
| Efficiency ratio | 62.08 % | 65.49 % | 67.97 % | 63.72 % | 71.17 % |
| Loan to deposit ratio | 85.91 % | 83.64 % | 84.03 % | 85.91 % | 84.03 % |
| Number of full time equivalent employees | 3,665 | 3,457 | 3,399 | 3,665 | 3,399 |
| Number of locations | 247 | 227 | 231 | 247 | 231 |
| Number of ATMs | 300 | 286 | 286 | 300 | 286 |

The Company reported net income of $52.8 million for the current quarter, a decrease of $1.8 million, or 3 percent from the prior quarter net income of $54.6 million and an increase of $8.1 million, or 18 percent, from the $44.7 million of net income for the prior year second quarter. Diluted earnings per share for the current quarter was $0.45 per share, a decrease of 6 percent from the prior quarter diluted earnings per share of $0.48 per share and an increase of 15 percent from the prior year second quarter diluted earnings per share of $0.39. The current quarter included $3.2 million in acquisition-related expenses and $16.7 million of credit loss expense from the acquisition of BOID.

On June 24, 2025, the Company announced the signing of a definitive agreement to acquire Guaranty, a leading community bank headquartered in Mount Pleasant, Texas. As of June 30, 2025, Guaranty had total assets of $3.1 billion, total gross loans of $2.1 billion and total deposits of $2.7 billion. Upon closing of the transaction, Guaranty will operating as a new banking division under the name "Guaranty Bank & Trust, Division of Glacier Bank", representing the Company's 18th separate bank division. The acquisition is subject to regulatory approvals, approval of Guaranty's shareholders, and other customary conditions of closing and is expected to be completed in the fourth quarter of 2025.

On April 30, 2025, the Company completed its acquisition of BOID, which had 15 branches across eastern Idaho, Boise and eastern Washington. Upon the core system conversion, the BOID operations will join three existing Glacier Bank divisions. The Eastern Idaho operations of Bank of Idaho will join Citizens Community Bank, the Boise operations will join Mountain West Bank and the Eastern Washington operations will join Wheatland Bank. The Company's results of operations and financial condition include the BOID acquisition beginning on the acquisition date. The following table discloses the preliminary fair value estimates of select classifications of assets and liabilities acquired:

| *(Dollars in thousands)* | BOID April 30, 2025 |
|---|---|
| Total assets | $ 1,364,640 |
| Debt securities | 139,974 |
| Loans receivable | 1,075,232 |
| Non-interest bearing deposits | 271,385 |
| Interest bearing deposits | 806,992 |
| Borrowings and subordinated debt | 71,932 |

**Market Conditions**
The current macroeconomic and geopolitical environment is subject to a number of uncertainties, including geopolitical conflicts, tariffs (or the threat thereof) or other changes in trade policies, capital markets volatility, and inflation. These and other factors may contribute to slower or negative economic growth and a challenging business environment for banking customers. The Company continues to monitor the changing macroeconomic and geopolitical environment and any potential future negative impact on our financial condition or results of operations. For more information about these risks, see "Part II, Item 1A, Risk Factors" below."

## Financial Condition Analysis

**Assets**
The following table summarizes the Company's assets as of the dates indicated:

| | | | | | $ Change from | | |
|---|---|---|---|---|---|---|---|
| (Dollars in thousands) | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 |
| Cash and cash equivalents | $ 915,507 | 981,485 | 848,408 | 800,779 | (65,978) | 67,099 | 114,728 |
| Debt securities, available-for-sale | 4,024,980 | 4,172,312 | 4,245,205 | 4,499,541 | (147,332) | (220,225) | (474,561) |
| Debt securities, held-to-maturity | 3,206,133 | 3,261,575 | 3,294,847 | 3,400,403 | (55,442) | (88,714) | (194,270) |
| Total debt securities | 7,231,113 | 7,433,887 | 7,540,052 | 7,899,944 | (202,774) | (308,939) | (668,831) |
| Loans receivable | | | | | | | |
| Residential real estate | 1,931,554 | 1,850,079 | 1,858,929 | 1,771,528 | 81,475 | 72,625 | 160,026 |
| Commercial real estate | 11,935,109 | 10,952,809 | 10,963,713 | 10,713,964 | 982,300 | 971,396 | 1,221,145 |
| Other commercial | 3,303,889 | 3,121,477 | 3,119,535 | 3,066,028 | 182,412 | 184,354 | 237,861 |
| Home equity | 975,429 | 920,132 | 930,994 | 905,884 | 55,297 | 44,435 | 69,545 |
| Other consumer | 386,759 | 374,021 | 388,678 | 394,587 | 12,738 | (1,919) | (7,828) |
| Loans receivable | 18,532,740 | 17,218,518 | 17,261,849 | 16,851,991 | 1,314,222 | 1,270,891 | 1,680,749 |
| Allowance for credit losses | (226,799) | (210,400) | (206,041) | (200,955) | (16,399) | (20,758) | (25,844) |
| Loans receivable, net | 18,305,941 | 17,008,118 | 17,055,808 | 16,651,036 | 1,297,823 | 1,250,133 | 1,654,905 |
| Other assets | 2,552,422 | 2,435,389 | 2,458,719 | 2,453,581 | 117,033 | 93,703 | 98,841 |
| Total assets | $ 29,004,983 | 27,858,879 | 27,902,987 | 27,805,340 | 1,146,104 | 1,101,996 | 1,199,643 |

The Company continues to maintain a strong cash position of $916 million at June 30, 2025 which was a decrease of $66 million over the prior quarter and an increase of $115 million over the prior year second quarter. Total debt securities of $7.231 billion at June 30, 2025 decreased $203 million, or 3 percent, during the current quarter and decreased $669 million, or 8 percent, from the prior year second quarter. Debt securities represented 25 percent of total assets at June 30, 2025 compared to 27 percent at March 31, 2025 and 28 percent at June 30, 2024.

The loan portfolio of $18.533 billion at June 30, 2025 increased $1.314 billion, or 8 percent, during the current quarter and increased $1.681 billion, or 10 percent, from the prior year second quarter. Excluding the BOID acquisition, the loan portfolio organically increased $239 million, or 6 percent annualized, during the current quarter. Excluding the BOID acquisition, the loan category with the largest dollar increase during the current quarter was commercial real estate which increased $250 million, or 2 percent over the prior quarter. Excluding the BOID acquisition and the Rocky Mountain Bank ("RMB") acquisition on July 19, 2024, the loan portfolio organically increased $334 million, or 2 percent, since the prior year second quarter. Excluding the acquisitions, the loan category with the largest dollar increase in the last twelve months was commercial real estate which increased $368 million, or 3 percent over the prior quarter.

**Liabilities**

The following table summarizes the Company's liabilities as of the dates indicated:

| | | | | | $ Change from | | |
|---|---|---|---|---|---|---|---|
| (Dollars in thousands) | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 |
| Deposits | | | | | | | |
| Non-interest bearing deposits | $ 6,593,728 | 6,100,548 | 6,136,709 | 6,093,430 | 493,180 | 457,019 | 500,298 |
| NOW and DDA accounts | 5,747,388 | 5,676,177 | 5,543,512 | 5,219,838 | 71,211 | 203,876 | 527,550 |
| Savings accounts | 2,956,387 | 2,896,378 | 2,845,124 | 2,862,034 | 60,009 | 111,263 | 94,353 |
| Money market deposit accounts | 3,089,115 | 2,816,874 | 2,878,213 | 2,858,850 | 272,241 | 210,902 | 230,265 |
| Certificate accounts | 3,238,576 | 3,140,333 | 3,139,821 | 3,064,613 | 98,243 | 98,755 | 173,963 |
| Core deposits, total | 21,625,194 | 20,630,310 | 20,543,379 | 20,098,765 | 994,884 | 1,081,815 | 1,526,429 |
| Wholesale deposits | 3,308 | 3,740 | 3,615 | 2,994 | (432) | (307) | 314 |
| Deposits, total | 21,628,502 | 20,634,050 | 20,546,994 | 20,101,759 | 994,452 | 1,081,508 | 1,526,743 |
| Securities sold under agreements to repurchase | 1,976,228 | 1,849,070 | 1,777,475 | 1,629,504 | 127,158 | 198,753 | 346,724 |
| Federal Home Loan Bank advances | 1,255,088 | 1,520,000 | 1,800,000 | 2,350,000 | (264,912) | (544,912) | (1,094,912) |
| Other borrowed funds | 62,366 | 62,216 | 62,062 | 64,702 | 150 | 304 | (2,336) |
| Finance lease liabilities | 19,405 | 20,227 | 21,279 | 23,447 | (822) | (1,874) | |
| Subordinated debentures | 157,127 | 133,145 | 133,105 | 133,024 | 23,982 | 24,022 | 24,103 |
| Other liabilities | 374,003 | 352,563 | 338,218 | 365,459 | 21,440 | 35,785 | 8,544 |
| Total liabilities | $ 25,472,719 | 24,571,271 | 24,679,133 | 24,667,895 | 901,448 | 793,586 | 808,866 |

Total deposits of $21.629 billion at June 30, 2025 increased $994 million, or 5 percent, from the prior quarter and increased $1.527 billion, or 8 percent, from the prior year second quarter. Non-interest bearing deposits of $6.594 billion increased $493 million, or 8 percent, from the prior quarter and organically increased $222 million, or 4 percent, from the prior quarter. Total repurchase agreements of $1.976 billion at June 30, 2025 increased $127 million, or 7 percent, from the prior quarter and increased $347 million, or 21 percent, from the prior year second quarter. Excluding acquisitions, total deposits and repurchase agreements organically increased $43 million, or 1 percent annualized, from the prior quarter and increased $394 million, or 2 percent, from the prior year second quarter. Non-interest bearing deposits represented 30 percent of total deposits at each of June 30, 2025, December 31, 2024 and June 30, 2024.

Subordinated debentures of $157 million, increased $24.0 million, or 18 percent, during the current quarter as a result of the acquisition of BOID. Federal Home Loan Bank ("FHLB") advances of $1.255 billion decreased $265 million, or 17 percent, from the prior quarter and decreased $1.095 billion, or 47 percent, from the prior year second quarter. See "Additional Management's Discussion and Analysis - Source of Funds - Borrowers" for additional information regarding borrowings.

**Stockholders' Equity**
The following table summarizes the stockholders' equity balances as of the dates indicated:

| (Dollars in thousands, except per share data) | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | $ Change from Mar 31, 2025 | $ Change from Dec 31, 2024 | $ Change from Jun 30, 2024 |
|---|---|---|---|---|---|---|---|
| Common equity | $ 3,770,919 | 3,550,719 | 3,468,333 | 3,492,096 | 220,200 | 302,586 | 278,823 |
| Accumulated other comprehensive loss | (238,655) | (263,111) | (244,479) | (354,651) | 24,456 | 5,824 | 115,996 |
| Total stockholders' equity | 3,532,264 | 3,287,608 | 3,223,854 | 3,137,445 | 244,656 | 308,410 | 394,819 |
| Goodwill and core deposit intangible, net | (1,186,350) | (1,099,229) | (1,102,500) | (1,066,790) | (87,121) | (83,850) | (119,560) |
| Tangible stockholders' equity | $ 2,345,914 | 2,188,379 | 2,121,354 | 2,070,655 | 157,535 | 224,560 | 275,259 |
| Stockholders' equity to total assets | 12.18 % | 11.80 % | 11.55 % | 11.28 % | | | |
| Tangible stockholders' equity to total tangible assets | 8.43 % | 8.18 % | 7.92 % | 7.74 % | | | |
| Book value per common share | $ 29.80 | 28.96 | 28.43 | 27.67 | 0.84 | 1.37 | 2.13 |
| Tangible book value per common share | $ 19.79 | 19.28 | 18.71 | 18.26 | 0.51 | 1.08 | 1.53 |

Tangible stockholders' equity of $2.346 billion at June 30, 2025 increased $158 million, or 7 percent, compared to the prior quarter and was primarily due to $205 million of Company stock issued in connection with the acquisition of BOID, and was partially offset by the increase in goodwill and core deposits associated with the BOID acquisition. Tangible book value per common share of $19.79 at the current quarter end increased $0.51 per share, or 3 percent, from the prior quarter and increased $1.53 per share, or 8 percent, from the prior year second quarter.

**Cash Dividend**
On June 24, 2025, the Company's Board of Directors declared a quarterly cash dividend of $0.33 per share. The dividend was payable July 17, 2025 to shareholders of record on July 8, 2025. The dividend was the Company's 161st consecutive regular dividend. Future cash dividends will depend on a variety of factors, including net income, capital, asset quality, general economic conditions and regulatory considerations.

**Operating Results for Three Months Ended June 30, 2025**
**Compared to March 31, 2025, and June 30, 2024**

**Income Summary**
The following table summarizes income for the periods indicated:

| (Dollars in thousands) | Three Months ended | | | $ Change from | |
|---|---|---|---|---|---|
| | Jun 30, 2025 | Mar 31, 2025 | Jun 30, 2024 | Mar 31, 2025 | Jun 30, 2024 |
| Net interest income | | | | | |
| Interest income | $ 308,115 | 289,925 | 273,834 | 18,190 | 34,281 |
| Interest expense | 100,499 | 99,946 | 107,356 | 553 | (6,857) |
| Total net interest income | 207,616 | 189,979 | 166,478 | 17,637 | 41,138 |
| Non-interest income | | | | | |
| Service charges and other fees | 20,405 | 18,818 | 19,422 | 1,587 | 983 |
| Miscellaneous loan fees and charges | 5,067 | 4,664 | 4,821 | 403 | 246 |
| Gain on sale of loans | 4,273 | 4,311 | 4,669 | (38) | (396) |
| Gain on sale of investments | — | — | (12) | — | 12 |
| Other income | 3,199 | 4,849 | 3,304 | (1,650) | (105) |
| Total non-interest income | 32,944 | 32,642 | 32,204 | 302 | 740 |
| Total income | $ 240,560 | 222,621 | 198,682 | 17,939 | 41,878 |
| Net interest margin (tax-equivalent) | 3.21% | 3.04% | 2.68% | | |

**Net Interest Income**
Net interest income of $208 million for the current quarter increased $17.6 million, or 9 percent, from the prior quarter net interest income of $190 million and increased $41.1 million, or 25 percent, from the prior year second quarter net interest income of $166 million. The current quarter interest income of $308 million increased $18.2 million, or 6 percent, over the prior quarter and increased $34.3 million, or 13 percent, over the prior year second quarter, both increases primarily due to the increase in the loan yields and the increase in average balances of the loan portfolio. The loan yield of 5.86 percent in the current quarter increased 9 basis points from the prior quarter loan yield of 5.77 percent and increased 28 basis points from the prior year second quarter loan yield of 5.58 percent.

The current quarter interest expense of $100 million increased $553 thousand or 55 basis points, over the prior quarter primarily due to an increase in average deposit balances. The current quarter interest expense decreased $6.9 million, or 6 percent, over the prior year second quarter and was primarily the result of lower average wholesale borrowings and a decrease in deposit costs. Core deposit cost (including non-interest bearing deposits) was 1.25 percent for both the current and prior quarters compared to 1.36 percent in the prior year second quarter. The total cost of funding (including non-interest bearing deposits) of 1.63 percent in the current quarter decreased 5 basis points from the prior quarter and decreased 17 basis points from the prior year second quarter.

The net interest margin as a percentage of earning assets, on a tax-equivalent basis, for the current quarter was 3.21 percent, an increase of 17 basis points from the prior quarter net interest margin of 3.04 percent and was primarily driven by an increase in loan yields and a decrease in total cost of funding. The net interest margin as a percentage of earning assets, on a tax-equivalent basis, for the current quarter was an increase of 53 basis points from the prior year second quarter net interest margin of 2.68 percent and was also primarily driven by the increase in loan yields and the decrease in total cost of funding. Core net interest margin excludes the impact from discount accretion and non-accrual interest. Excluding the 3 basis points from discount accretion, the core net interest margin was 3.18 percent in the current quarter compared to 2.99 percent in the prior quarter and 2.63 in the prior year second quarter.

**Non-interest Income**
Non-interest income for the current quarter totaled $32.9 million, which was an increase of $302 thousand, or 1 percent, over the prior quarter and an increase of $740 thousand, or 2 percent, over the prior year second quarter. Service charges and other fees of $20.4 million for the current quarter increased $1.6 million, or 8 percent, compared to the prior quarter and increased $983 thousand, or 5 percent, compared to the prior year second quarter. Gain on the sale of residential loans of $4.3 million for the current quarter decreased $38 thousand, or 88 basis points, compared to the prior quarter and decreased $396 thousand, or 8 percent, from the prior year second quarter. Other income of $3.2 million decreased $1.7 million, or 34 percent, over the prior quarter primarily due to other income of $1.1 million related to bank owned life insurance proceeds in the prior quarter.

**Non-interest Expense**
The following table summarizes non-interest expense for the periods indicated:

| | Three Months ended | | | $ Change from | |
|---|---|---|---|---|---|
| (Dollars in thousands) | Jun 30, 2025 | Mar 31, 2025 | Jun 30, 2024 | Mar 31, 2025 | Jun 30, 2024 |
| Compensation and employee benefits | $ 94,355 | 91,443 | 84,434 | 2,912 | 9,921 |
| Occupancy and equipment | 12,558 | 12,294 | 11,594 | 264 | 964 |
| Advertising and promotions | 4,394 | 4,144 | 4,362 | 250 | 32 |
| Data processing | 9,883 | 9,138 | 9,387 | 745 | 496 |
| Other real estate owned | 26 | 63 | 149 | (37) | (123) |
| Regulatory assessments and insurance | 5,847 | 5,534 | 5,393 | 313 | 454 |
| Intangibles amortization | 3,624 | 3,270 | 3,017 | 354 | 607 |
| Other expenses | 24,432 | 25,432 | 22,616 | (1,000) | 1,816 |
| Total non-interest expense | $ 155,119 | 151,318 | 140,952 | 3,801 | 14,167 |

Total non-interest expense of $155 million for the current quarter increased $3.8 million, or 3 percent, over the prior quarter and increased $14.2 million, or 10 percent, over the prior year second quarter. Compensation and employee benefits of $94.4 million increased by $2.9 million, or 3 percent, over the prior quarter primarily attributable to increased costs from the BOID acquisition. Compensation and employee benefits increased $9.9 million, or 12 percent, from the prior year second quarter and was primarily driven by annual salary increases and increases in staffing levels from current and prior year acquisitions.

Other expenses of $24.4 million decreased $1.0 million, or 4 percent, from the prior quarter and increased $1.8 million, or 8 percent, from the prior year second quarter. Acquisition-related expense was $3.2 million in the current quarter compared to $587 thousand in the prior quarter and $1.8 million in the prior year second quarter. The current quarter other expenses included $1.6 million of gain from the sale of a former branch facility compared to a $1.2 million gain in the prior quarter and a $2.0 million gain in the prior year second quarter.

**Efficiency Ratio**
The efficiency ratio was 62.08 percent in the current quarter compared to 65.49 percent in the prior quarter and 67.97 percent in the prior year second quarter. The decrease from the prior quarter and the prior year second quarter was principally driven by the increase in net interest income which outpaced the increase in non-interest expense.

**Provision for Credit Losses for Loans**

The following table summarizes provision for credit losses for loans, net charge-offs and select ratios relating to provision for credit losses for the previous eight quarters:

| (Dollars in thousands) | Provision for Credit Losses on Loans | Net Charge-Offs (Recoveries) | Allowance for Credit Losses as a Percent of Loans | Accruing Loans 30-89 Days Past Due as a Percent of Loans | Non-Performing Assets to Total Sub-sidiary Assets |
|---|---|---|---|---|---|
| Second quarter 2025 | $ 18,009 | $ 1,645 | 1.22 % | 0.29 % | 0.17 % |
| First quarter 2025 | 6,154 | 1,795 | 1.22 % | 0.27 % | 0.14 % |
| Fourth quarter 2024 | 6,041 | 5,170 | 1.19 % | 0.19 % | 0.10 % |
| Third quarter 2024 | 6,981 | 2,766 | 1.19 % | 0.33 % | 0.10 % |
| Second quarter 2024 | 5,066 | 2,890 | 1.19 % | 0.29 % | 0.06 % |
| First quarter 2024 | 9,091 | 3,072 | 1.19 % | 0.37 % | 0.09 % |
| Fourth quarter 2023 | 4,181 | 3,695 | 1.19 % | 0.31 % | 0.09 % |
| Third quarter 2023 | 5,095 | 2,209 | 1.19 % | 0.09 % | 0.15 % |

Net charge-offs for the current quarter were $1.6 million compared to $1.8 million in the prior quarter and $2.9 million for the prior year second quarter. The current quarter net charge-offs included $1.5 million in deposit overdraft net charge-offs and $111 thousand of net loan charge-offs.

The current quarter provision for credit loss expense of $20.3 million included $14.6 million of credit loss expense on loans and $2.1 million of credit loss expense on unfunded loan commitments from the acquisition of BOID. Excluding the acquisition of BOID, the current quarter credit loss expense was $3.6 million, including $3.4 million of credit loss expense on loans and $159 thousand of credit loss expense on unfunded commitments.

The allowance for credit losses ("ACL") on loans as a percentage of total loans outstanding at June 30, 2025 and March 31, 2025 was 1.22 percent compared to 1.19 percent at June 30, 2024. Loan portfolio growth, composition, average loan size, credit quality considerations, economic forecasts, actual results, and other environmental factors will continue to determine the level of the provision for credit losses for loans. The determination of the ACL on loans and the related provision for credit losses is a critical accounting estimate that involves management's judgments about the loan portfolio that impact credit losses. For additional information on the allowance, see the Allowance For Credit Losses section under "Additional Management's Discussion and Analysis."

**Operating Results for Six Months Ended June 30, 2025**
**Compared to June 30, 2024**

**Income Summary**
The following table summarizes income for the periods indicated:

| (Dollars in thousands) | Six Months ended Jun 30, 2025 | Jun 30, 2024 | $ Change | % Change |
|---|---|---|---|---|
| Net interest income | | | | |
| Interest income | $ 598,040 | 553,236 | 44,804 | 8 % |
| Interest expense | 200,445 | 220,278 | (19,833) | (9)% |
| Total net interest income | 397,595 | 332,958 | 64,637 | 19 % |
| Non-interest income | | | | |
| Service charges and other fees | 39,223 | 37,985 | 1,238 | 3 % |
| Miscellaneous loan fees and charges | 9,731 | 9,183 | 548 | 6 % |
| Gain on sale of loans | 8,584 | 8,031 | 553 | 7 % |
| Gain on sale of debt securities | — | 4 | (4) | (100)% |
| Other income | 8,048 | 6,990 | 1,058 | 15 % |
| Total non-interest income | 65,586 | 62,193 | 3,393 | 5 % |
| Total income | $ 463,181 | 395,151 | 68,030 | 17 % |
| Net interest margin (tax-equivalent) | 3.12 % | 2.64 % | | |

**Net Interest Income**
Net-interest income of $398 million for the first half of 2025 increased $64.6 million, or 19 percent, from the prior year and was primarily driven by increased interest income and decreased interest expense. Interest income of $598 million for the first half of 2025 increased $44.8 million, or 8 percent, from the prior year and was primarily attributable to the increase in the loan portfolio and an increase in loan yields. The loan yield was 5.82 percent during the first half of 2025, an increase of 30 basis points from the prior year first half loan yield of 5.52 percent.

Interest expense of $200 million for the first half of 2025 decreased $19.8 million, or 9 percent, over the same period in the prior year and was primarily the result of lower interest rates on deposits and a decreases in higher cost borrowings. Core deposit cost (including non-interest bearing deposits) was 1.25 percent for the first half of 2025, which was a decrease of 10 basis points over the first half of the prior year core deposit costs of 1.35 percent. The total funding cost (including non-interest bearing deposits) for the first half of 2025 was 1.65 percent, which was a decrease of 17 basis points over the first half of the prior year funding cost of 1.82 percent.

The net interest margin as a percentage of earning assets, on a tax-equivalent basis, during the first half of 2025 was 3.12 percent, a 48 basis points increase from 2.64 percent for the first half of the prior year. Excluding the 4 basis points from discount accretion, the core net interest margin was 3.08 percent in the first half of the current year compared to 2.60 percent in the prior year first half. The increase in net interest margin from the prior year was primarily driven by increased loan yields and decreased funding costs combined with a shift in earning asset mix to higher yielding loans and a shift in funding liabilities to lower cost deposits.

**Non-interest Income**
Non-interest income of $65.6 million for the first half of 2025 increased $3.4 million, or 5 percent, over the same period in the prior year. Service charges and other fees of $39.2 million for the first half of 2025 increased $1.2 million, or 3 percent, over the first half of the prior year. Gain on sale of residential loans of $8.6 million for the first half of 2025 increased by $553 thousand, or 7 percent, over the first half of the prior year. Other income of $8.0 million for the first half of 2025 increased $1.1 million over the prior year first half and was primarily due to other income of $1.1 million related to bank owned life insurance proceeds in the current year.

**Non-interest Expense**
The following table summarizes non-interest expense for the periods indicated:

| (Dollars in thousands) | Six Months ended Jun 30, 2025 | Jun 30, 2024 | $ Change | % Change |
|---|---|---|---|---|
| Compensation and employee benefits | $ 185,798 | $ 170,223 | $ 15,575 | 9 % |
| Occupancy and equipment | 24,852 | 23,477 | 1,375 | 6 % |
| Advertising and promotions | 8,538 | 8,345 | 193 | 2 % |
| Data processing | 19,021 | 18,546 | 475 | 3 % |
| Other real estate owned | 89 | 174 | (85) | (49) % |
| Regulatory assessments and insurance | 11,381 | 13,154 | (1,773) | (13) % |
| Intangibles amortization | 6,894 | 5,777 | 1,117 | 19 % |
| Other expenses | 49,864 | 53,099 | (3,235) | (6) % |
| Total non-interest expense | $ 306,437 | $ 292,795 | $ 13,642 | 5 % |

Total non-interest expense of $306 million for the first half of 2025 increased $13.6 million, or 5 percent, over the same period in the prior year. Compensation and employee benefits expense of $186 million in the first half of 2025 increased $15.6 million, or 9 percent, over the same period in the prior year and was primarily driven by annual salary increases and staffing increases from acquisitions. Regulatory assessment and insurance expense of $11.4 million for the first half of 2025 decreased $1.8 million, or 13 percent, from the prior year first half primarily as a result of adjustments to the FDIC special assessment. Other expenses of $49.9 million for the first half of 2025 decreased $3.2 million, or 6 percent, from the first half of the prior year and was primarily driven by an decrease of $3.7 million of acquisition-related expenses.

**Efficiency Ratio**
The efficiency ratio was 63.72 percent for the first half of 2025 compared to 71.17 percent for the same period of 2024. The decrease from the prior year was primarily attributable to the increase in net interest income that outpaced the increase in non-interest expense.

**Provision for Credit Losses**
The provision for credit loss expense was $28.1 million for the first half of 2025, an increase of $16.3 million, or 139 percent, over the same period in the prior year. Included in the current year provision for credit losses was $16.7 million from the acquisition of BOID and included in the prior year was $5.3 million from the acquisition of Wheatland Bank. Net charge-offs for the first half of 2025 were $3.4 million compared to $6.0 million in the first half of 2024.

**Investment Activity**
The Company's investment securities primarily consist of debt securities classified as either available-for-sale or held-to-maturity. Non-marketable equity securities primarily consist of capital stock issued by the FHLB of Des Moines.

Debt Securities
Debt securities classified as available-for-sale are carried at estimated fair value and debt securities classified as held-to-maturity are carried at amortized cost. Unrealized gains or losses, net of tax, on available-for-sale debt securities are reflected as an adjustment to other comprehensive income. The Company's debt securities are summarized below:

| | June 30, 2025 | | December 31, 2024 | | June 30, 2024 | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Carrying Amount | Percent | Carrying Amount | Percent | Carrying Amount | Percent |
| Available-for-sale | | | | | | |
| U.S. government and federal agency | $ 425,300 | 6 % | $ 468,433 | 6 % | $ 457,508 | 6 % |
| U.S. government sponsored enterprises | 315,982 | 4 % | 310,154 | 4 % | 301,583 | 4 % |
| State and local governments | 70,704 | 1 % | 68,680 | 1 % | 95,639 | 1 % |
| Corporate bonds | 14,633 | 1 % | 14,503 | 1 % | 14,240 | 1 % |
| Residential mortgage-backed securities | 2,187,864 | 30 % | 2,355,516 | 31 % | 2,558,020 | 32 % |
| Commercial mortgage-backed securities | 1,010,497 | 14 % | 1,027,919 | 14 % | 1,072,551 | 14 % |
| Total available-for-sale | 4,024,980 | 56 % | 4,245,205 | 57 % | 4,499,541 | 58 % |
| Held-to-maturity | | | | | | |
| U.S. government and federal agency | 862,536 | 12 % | 859,432 | 11 % | 856,307 | 11 % |
| State and local governments | 1,600,848 | 22 % | 1,619,850 | 21 % | 1,636,726 | 20 % |
| Residential mortgage-backed securities | 742,749 | 10 % | 815,565 | 11 % | 907,370 | 11 % |
| Total held-to-maturity | 3,206,133 | 44 % | 3,294,847 | 43 % | 3,400,403 | 42 % |
| Total debt securities | $ 7,231,113 | 100 % | $ 7,540,052 | 100 % | $ 7,899,944 | 100 % |

The Company's debt securities were primarily comprised of U.S. government and federal agency and mortgage-backed securities. State and local government securities are largely exempt from federal income tax and the Company's federal statutory income tax rate of 21 percent is used in calculating the tax-equivalent yields on the tax-exempt securities. Mortgage-backed securities largely consists of short, weighted-average life U.S. agency guaranteed residential and commercial mortgage pass-through securities and to a lesser extent, short, weighted-average life U.S. agency guaranteed residential collateralized mortgage obligations. Combined, the mortgage-backed securities provide the Company with ongoing liquidity as scheduled and pre-paid principal is received on the securities.

State and local government securities carry different risks that are not as prevalent in other security types. The Company evaluates the investment grade quality of its securities in accordance with regulatory guidance. Investment grade securities are those where the issuer has an adequate capacity to meet the financial commitments under the security for the projected life of the investment. An issuer has an adequate capacity to meet financial commitments if the risk of default by the obligor is low and the full and timely payment of principal and interest are expected. In assessing credit risk, the Company may use credit ratings from Nationally Recognized Statistical Rating Organizations ("NRSRO" entities such as S&P and Moody's) as support for the evaluation; however, they are not solely relied upon. There have been no significant differences in the Company's internal evaluation of the creditworthiness of any issuer when compared with the ratings assigned by the NRSROs.

The following table stratifies the state and local government securities by the associated NRSRO ratings. The highest issued rating was used to categorize the securities in the table for those securities where the NRSRO ratings were not at the same level.

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| (Dollars in thousands) | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| S&P: AAA / Moody's: Aaa | $ 421,405 | 360,393 | 429,267 | 379,793 |
| S&P: AA+, AA, AA- / Moody's: Aa1, Aa2, Aa3 | 1,201,776 | 1,011,963 | 1,207,309 | 1,046,083 |
| S&P: A+, A, A- / Moody's: A1, A2, A3 | 43,435 | 42,941 | 48,143 | 47,345 |
| Not rated by either entity | 8,046 | 7,842 | 6,868 | 6,617 |
| Total | $ 1,674,662 | 1,423,139 | 1,691,587 | 1,479,838 |

State and local government securities largely consist of general obligation and revenue bonds. The following table stratifies the state and local government securities by the associated security type.

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| (Dollars in thousands) | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| General obligation - unlimited | $ 334,982 | 304,360 | 348,129 | 322,414 |
| General obligation - limited | 170,442 | 144,032 | 172,537 | 151,445 |
| Revenue | 1,133,899 | 944,450 | 1,135,421 | 974,076 |
| Certificate of participation | 35,289 | 30,247 | 35,443 | 31,846 |
| Other | 50 | 50 | 57 | 57 |
| Total | $ 1,674,662 | 1,423,139 | 1,691,587 | 1,479,838 |

The following table outlines the five states in which the Company owns the highest concentrations of state and local government securities.

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| (Dollars in thousands) | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| New York | $ 369,595 | 319,897 | 370,189 | 329,252 |
| Texas | 115,873 | 98,699 | 118,219 | 104,938 |
| California | 110,617 | 97,365 | 111,324 | 101,021 |
| Washington | 89,671 | 78,910 | 92,198 | 82,872 |
| Michigan | 79,586 | 66,810 | 79,987 | 69,527 |
| All other states | 909,320 | 761,458 | 919,670 | 792,228 |
| Total | $ 1,674,662 | 1,423,139 | 1,691,587 | 1,479,838 |

The following table presents the carrying amount and weighted-average yield of available-for-sale and held-to-maturity debt securities by contractual maturity at June 30, 2025. Weighted-average yields are based upon the amortized cost of securities and are calculated using the interest method which takes into consideration premium amortization, discount accretion and mortgage-backed securities' prepayment provisions. Weighted-average yields on tax-exempt debt securities exclude the federal income tax benefit.

| | One Year or Less | | After One through Five Years | | After Five through Ten Years | | After Ten Years | | Mortgage-Backed Securities [1] | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (Dollars in thousands) | Amount | Yield | Amount | Yield | Amount | Yield | Amount | Yield | Amount | Yield | Amount | Yield |
| Available-for-sale | | | | | | | | | | | | |
| U.S. government and federal agency | $ 415,516 | 1.09% | $ 1,576 | 2.52% | $ 1,670 | 4.84% | $ 6,538 | 3.86% | $ — | —% | $ 425,300 | 1.15% |
| U.S. government sponsored enterprises | 205,054 | 1.23% | 110,928 | 1.39% | — | —% | — | —% | — | —% | 315,982 | 1.29% |
| State and local governments | 13,438 | 1.50% | 17,963 | 1.97% | 18,287 | 3.10% | 21,016 | 2.64% | — | —% | 70,704 | 2.39% |
| Corporate bonds | 9,963 | 3.66% | — | —% | 3,911 | 4.00% | 759 | 0.46% | — | —% | 14,633 | 3.59% |
| Residential mortgage-backed securities | — | —% | — | —% | — | —% | — | —% | 2,187,864 | 1.07% | 2,187,864 | 1.07% |
| Commercial mortgage-backed securities | — | —% | — | —% | — | —% | — | —% | 1,010,497 | 3.73% | 1,010,497 | 3.73% |
| Total available-for-sale | 643,971 | 1.18% | 130,467 | 1.48% | 23,868 | 3.36% | 28,313 | 2.86% | 3,198,361 | 1.89% | 4,024,980 | 1.78% |
| Held-to-maturity | | | | | | | | | | | | |
| U.S. government and federal agency | — | —% | 862,536 | 1.16% | — | —% | — | —% | — | —% | 862,536 | 1.16% |
| State and local governments | 9,887 | 3.42% | 100,596 | 3.58% | 238,847 | 3.45% | 1,251,518 | 3.01% | — | —% | 1,600,848 | 3.11% |
| Residential mortgage-backed securities | — | —% | — | —% | — | —% | — | —% | 742,749 | 0.98% | 742,749 | 0.98% |
| Total held-to-maturity | 9,887 | 3.42% | 963,132 | 1.42% | 238,847 | 3.45% | 1,251,518 | 3.01% | 742,749 | 0.98% | 3,206,133 | 2.09% |
| Total debt securities | $ 653,858 | 1.22% | $ 1,093,599 | 1.42% | $ 262,715 | 3.44% | $ 1,279,831 | 3.00% | $ 3,941,110 | 1.73% | $ 7,231,113 | 1.91% |

[1] Mortgage-backed securities, which have prepayment provisions, are not assigned to maturity categories due to fluctuations in their prepayment speeds.

Based on an analysis of its available-for-sale debt securities with unrealized losses as of June 30, 2025, the Company determined the decline in value was unrelated to credit loss and was primarily the result of interest rate changes and market spreads subsequent to acquisition. The fair value of the debt securities is expected to recover as payments are received and the debt securities approach maturity. In addition, the Company determined an insignificant amount of credit losses is expected on the held-to-maturity debt securities portfolio; therefore, no ACL has been recognized at June 30, 2025.

For additional information on the Company's debt securities, see Note 2 to the Consolidated Financial Statements in "Part I. Item 1. Financial Statements."

Equity securities

Non-marketable equity securities primarily consist of capital stock issued by the FHLB of Des Moines and are carried at cost less impairment. The Company also has an insignificant amount of equity securities that are included in other assets on the Company's statements of financial condition.

Non-marketable equity securities and equity securities without readily determinable fair values are evaluated for impairment whenever events or circumstances suggest the carrying value may not be recoverable. Based on the Company's evaluation of its investments in non-marketable equity securities and equity securities without readily determinable fair values as of June 30, 2025, the Company determined that none of such securities were impaired.

**Lending Activity**

The Company focuses its lending activities primarily on the following types of loans: 1) first-mortgage, conventional loans secured by residential properties, particularly single-family; 2) commercial lending, including agriculture and public entities; and 3) installment lending for consumer purposes (e.g., home equity, automobile, etc.). Supplemental information regarding the Company's loan portfolio and credit quality based on regulatory classification of loans is provided in the section captioned "Loans by Regulatory Classification" included in "Part I. Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations." The regulatory classification of loans is based primarily on the type of collateral for the loans. Loan information included in "Part I. Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" is based on the Company's loan segments, which are based on the purpose of the loan, unless otherwise noted as a regulatory classification. The following table summarizes the Company's loan portfolio as of the dates indicated:

| | June 30, 2025 | | December 31, 2024 | | June 30, 2024 | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Amount | Percent | Amount | Percent | Amount | Percent |
| Residential real estate | $ 1,931,554 | 11 % | $ 1,858,929 | 11 % | $ 1,771,528 | 11 % |
| Commercial real estate | 11,935,109 | 65 % | 10,963,713 | 64 % | 10,713,964 | 64 % |
| Other commercial | 3,303,889 | 18 % | 3,119,535 | 18 % | 3,066,028 | 18 % |
| Home equity | 975,429 | 5 % | 930,994 | 6 % | 905,884 | 6 % |
| Other consumer | 386,759 | 2 % | 388,678 | 2 % | 394,587 | 2 % |
| Loans receivable | 18,532,740 | 101 % | 17,261,849 | 101 % | 16,851,991 | 101 % |
| Allowance for credit losses | (226,799) | (1) % | (206,041) | (1) % | (200,955) | (1) % |
| Loans receivable, net | $ 18,305,941 | 100 % | $ 17,055,808 | 100 % | $ 16,651,036 | 100 % |

The largest category of the Company's loan portfolio is Commercial Real Estate ("CRE"). An additional breakdown of the Company's CRE portfolio follows.

| | June 30, 2025 | | | |
|---|---|---|---|---|
| (Dollars in thousands) | Owner Occupied | Non-Owner Occupied | Total | Percent of total CRE |
| Office | $ 1,084,001 | $ 792,538 | $ 1,876,539 | 15.7 % |
| Multi-family | 149,569 | 1,137,818 | 1,287,387 | 10.8 % |
| Industrial and warehouse | 832,137 | 398,684 | 1,230,821 | 10.3 % |
| Retail | 404,696 | 841,748 | 1,246,444 | 10.4 % |
| Medical and nursing | 312,333 | 291,651 | 603,984 | 5.1 % |
| Mini and RV Storage | 38,575 | 592,648 | 631,223 | 5.3 % |
| Agriculture real estate | 667,903 | — | 667,903 | 5.6 % |
| Hotel | 8,074 | 549,393 | 557,467 | 4.7 % |
| Land | 112,753 | 381,958 | 494,711 | 4.1 % |
| Restaurant and entertainment | 227,583 | 90,925 | 318,508 | 2.7 % |
| Automotive and transportation | 308,800 | 52,696 | 361,496 | 3.0 % |
| Other commercial real estate | 2,136,664 | 521,962 | 2,658,626 | 22.3 % |
| Total commercial real estate | $ 6,283,088 | $ 5,652,021 | $ 11,935,109 | 100 % |

The following table summarizes the Company's CRE portfolio by geographic location, including occupancy as of the date indicated:

| (Dollars in thousands) | June 30, 2025 | |
|---|---|---|
| | Amount | Percent of total CRE |
| Montana | $ 3,041,617 | 25.5 % |
| Utah | 1,958,144 | 16.4 % |
| Idaho | 2,320,050 | 19.4 % |
| Arizona | 1,353,360 | 11.3 % |
| Colorado | 1,105,620 | 9.3 % |
| Wyoming | 770,057 | 6.5 % |
| Nevada | 759,624 | 6.4 % |
| Washington | 626,637 | 5.3 % |
| Total commercial real estate | $ 11,935,109 | 100 % |

The CRE portfolio is comprised of loans made to purchase, construct and finance commercial real estate properties. On average, the balances are small and geographically disbursed across our eight-state footprint. Specifically, our CRE portfolio has an average loan balance of $787 thousand with an average loan-to-value ratio ("LTV") of 58% as of June 30, 2025.

Due to the recent trends in the banking industry, there has been increased risk associated with commercial real estate loans, including with respect to the higher vulnerability of these credits to pressure as interest rates remain elevated and market conditions in many large metropolitan areas continue to show signs of stress. The Company has limited exposure to the office building sector in central business districts as the office portfolio is generally diversified in suburban and rural markets with strong occupancy levels. The Company maintains a practice of regular and ongoing loan reviews, stress tests, and sensitivity analyses to assess the level of risk in the loan portfolio. Loan reviews include monitoring past due rates, non-performing trends, concentrations, LTV's, among other qualitative factors. Loan policies are robust and are updated as needed to meet the strategic and risk mitigation goals of the Company.

**Non-performing Assets**
The following table summarizes information regarding non-performing assets at the dates indicated:

| (Dollars in thousands) | At or for the Six Months ended June 30, 2025 | At or for the Three Months ended March 31, 2025 | At or for the Year ended December 31, 2024 | At or for the Six Months ended June 30, 2024 |
|---|---|---|---|---|
| Other real estate owned and foreclosed assets | $ 1,879 | 1,153 | 1,164 | 630 |
| Accruing loans 90 days or more past due | 11,371 | 5,289 | 6,177 | 4,692 |
| Non-accrual loans | 35,356 | 32,896 | 20,445 | 12,686 |
| Total non-performing assets | $ 48,606 | 39,338 | 27,786 | 18,008 |
| Non-performing assets as a percentage of subsidiary assets | 0.17 % | 0.14 % | 0.10 % | 0.06 % |
| ACL as a percentage of non-performing loans | 485 % | 551 % | 774 % | 1,116 % |
| Accruing loans 30-89 days past due | $ 54,403 | 46,458 | 32,228 | 49,678 |
| U.S. government guarantees included in non-performing assets | $ 2,651 | 685 | 748 | 1,228 |
| Interest income [1] | $ 1,016 | 468 | 1,142 | 354 |

[1] Amounts represent estimated interest income that would have been recognized on loans accounted for on a non-accrual basis as of the end of each period had such loans performed pursuant to contractual terms.

Non-performing assets as a percentage of subsidiary assets at June 30, 2025 was 0.17 percent compared to 0.14 percent in the prior quarter and 0.06 percent in the prior year second quarter. Non-performing assets of $48.6 million at June 30, 2025 increased $9.3 million, or 24 percent, over the prior quarter and increased $30.6 million, or 170 percent, over the prior year second quarter.

Early stage delinquencies (accruing loans 30-89 days past due) as a percentage of loans at June 30, 2025 were 0.28 percent compared to 0.27 percent for the prior quarter end and 0.29 percent for the prior year second quarter. Early stage delinquencies of $54.4 million at June 30, 2025 increased $7.9 million from the prior quarter and decreased $4.7 million from prior year second quarter.

Most of the Company's non-performing assets are secured by real estate, and based on the most current information available to management, including updated appraisals or evaluations (new or updated), the Company believes the value of the underlying real estate collateral is adequate to minimize significant charge-offs or losses to the Company. Through pro-active credit administration, the Company works closely with its borrowers to seek favorable resolution to the extent possible, thereby attempting to minimize net charge-offs or losses to the Company. With very limited exceptions, the Company does not disburse additional funds on non-performing loans. Instead, the Company proceeds to collection and foreclosure actions in order to reduce the Company's exposure to loss on such loans.

For additional information on accounting policies relating to non-performing assets, see Note 1 to the Consolidated Financial Statements in "Part I. Item 1. Financial Statements."

Modifications to Borrowers Experiencing Financial Difficulty
The Company identifies loans modified to borrowers experiencing financial difficulty ("MBFD"). The Company considers some of the indicators that a borrower is experiencing financial difficulty to be: current payment default on any of their debt, declaring bankruptcy, going concern, borrower's securities have been delisted, and other indicators of inability to meet obligations. Each debt modification is separately negotiated with the borrower and includes terms and conditions that reflect the borrower's prospective ability to service their obligations as modified. Such loans at June 30, 2025 had an amortized cost of $15.2 million.

Other Real Estate Owned and Foreclosed Assets

The book value of loans prior to the acquisition of collateral and transfer of the loans into other real estate owned ("OREO") and other foreclosed assets during 2025 was $1,514 thousand. The fair value of the loan collateral acquired in foreclosure during 2025 was $1,397 thousand. The following table sets forth the changes in OREO for the periods indicated:

| (Dollars in thousands) | At or for the Six Months ended June 30, 2025 | At or for the Three Months ended March 31, 2025 | At or for the Year ended December 31, 2024 | At or for the Six Months ended June 30, 2024 |
|---|---|---|---|---|
| Balance at beginning of period | $ 1,164 | 1,164 | 1,503 | 1,503 |
| Additions | 1,397 | 30 | 879 | 104 |
| Capital improvements | — | — | 1 | 1 |
| Write-downs | — | — | (16) | (16) |
| Sales | (682) | (41) | (1,203) | (962) |
| Balance at end of period | $ 1,879 | 1,153 | 1,164 | 630 |

**Allowance for Credit Losses - Loans Receivable**

The following table summarizes the allocation of the ACL as of the dates indicated:

| | June 30, 2025 | | | December 31, 2024 | | | June 30, 2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| (Dollars in thousands) | ACL | Percent of ACL in Category | Percent of Loans in Category | ACL | Percent of ACL in Category | Percent of Loans in Category | ACL | Percent of ACL in Category | Percent of Loans in Category |
| Residential real estate | $ 27,915 | 12 % | 10 % | $ 25,181 | 11 % | 11 % | $ 24,653 | 12 % | 11 % |
| Commercial real estate | 152,189 | 67 % | 65 % | 138,545 | 64 % | 64 % | 136,346 | 68 % | 64 % |
| Other commercial | 28,316 | 13 % | 18 % | 24,400 | 18 % | 18 % | 22,219 | 11 % | 18 % |
| Home equity | 11,701 | 5 % | 5 % | 11,402 | 5 % | 5 % | 11,261 | 6 % | 5 % |
| Other consumer | 6,678 | 3 % | 2 % | 6,513 | 2 % | 2 % | 6,476 | 3 % | 2 % |
| Total | $ 226,799 | 100 % | 100 % | $ 206,041 | 100 % | 100 % | $ 200,955 | 100 % | 100 % |

The following table summarizes the ACL experience for the periods indicated:

| (Dollars in thousands) | At or for the Six Months ended June 30, 2025 | At or for the Three Months ended March 31, 2025 | At or for the Year ended December 31, 2024 | At or for the Six Months ended June 30, 2024 |
|---|---|---|---|---|
| Balance at beginning of period | $ 206,041 | 206,041 | 192,757 | 192,757 |
| Acquisitions | 35 | — | 3 | 3 |
| Provision for credit losses | 24,163 | 6,154 | 27,179 | 14,157 |
| Net (charge-offs) recoveries | | | | |
| Residential real estate | 192 | 62 | (6) | 20 |
| Commercial real estate | 311 | 356 | (2,828) | (370) |
| Other commercial | (685) | (480) | (3,956) | (2,349) |
| Home equity | 33 | 23 | 5 | 49 |
| Other consumer | (3,291) | (1,756) | (7,113) | (3,312) |
| Net charge-offs | (3,440) | (1,795) | (13,898) | (5,962) |
| Balance at end of period | $ 226,799 | 210,400 | 206,041 | 200,955 |
| ACL as a percentage of total loans | 1.22 % | 1.22 % | 1.19 % | 1.19 % |
| Non-accrual loans as a percentage of total loans | 0.19 % | 0.19 % | 0.12 % | 0.08 % |
| ACL as a percentage of non-accrual loans | 641.47 % | 639.59 % | 1,007.78 % | 1584.07 % |

The following table summarizes net (charge-offs) recoveries as a percentage of average loans for the periods indicated:

| | June 30, 2025 | March 31, 2025 | December 31, 2024 | June 30, 2024 |
|---|---|---|---|---|
| Residential real estate | — % | — % | — % | — % |
| Commercial real estate | — % | — % | (0.03) % | — % |
| Other commercial | (0.02)% | (0.02)% | (0.13) % | (0.08)% |
| Home equity | — % | — % | — % | 0.01 % |
| Other consumer | (0.86)% | (0.46)% | (1.79) % | (0.84)% |
| Total net (charge-offs) recoveries | (0.02)% | (0.01)% | (0.08) % | (0.04)% |

The provision for credit loss expense was $28.1 million for the first half of 2025, an increase of $16.3 million, or 139 percent, over the same period in the prior year. Included in the current year provision for credit losses was $16.6 million from the acquisition of BOID and included in the prior year was $5.3 million from the acquisition of Wheatland Bank. Net charge-offs for the first half of 2025 were $3.4 million compared to $6.0 million in the first half of 2024.

The ACL on loans as a percentage of total loans outstanding was 1.22 percent at both June 30, 2025 and March 31, 2025 compared to 1.19 percent at June 30, 2024. The Company's ACL of $227 million is considered adequate to absorb the estimated credit losses from any segment of its loan portfolio. For the periods ended June 30, 2025 and 2024, the Company believes the ACL is commensurate with the risk in the Company's loan portfolio and is directionally consistent with the change in the quality of the Company's loan portfolio.

At the end of each quarter, the Company analyzes its loan portfolio and maintains an ACL at a level that is appropriate and determined in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Determining the adequacy of the ACL involves a high degree of judgment and is inevitably imprecise as the risk of loss is difficult to quantify. The ACL methodology is designed to reasonably estimate the probable credit losses within the Company's loan portfolio. Accordingly, the ACL is maintained within a range of estimated losses. The determination of the ACL on loans, including credit loss expense and net charge-offs, is a critical accounting estimate that involves management's judgments about the loan portfolio that impact credit losses, including the credit risk inherent in the loan portfolio, economic forecasts nationally and in the local markets in which the Company operates, trends and changes in collateral values, delinquencies, non-performing assets, net charge-offs, credit-related policies and personnel, and other environmental factors.

In determining the allowance, the loan portfolio is separated into pools of loans that share similar risk characteristics which are the Company's loan segments. The Company then derives estimated loss assumptions from its model by loan segment. The loss assumptions are then applied to each segment of loan to estimate the ACL on the pooled loans. For any loans that do not share similar risk characteristics, the estimated credit losses are determined on an individual loan basis and such loans primarily consist of non-accrual loans. An estimated credit loss is recorded on individually reviewed loans when the fair value of a collateral-dependent loan or the present value of the loan's expected future cash flows (discounted at the loans original effective interest rate) is less than the amortized cost of the loan.

The Company provides commercial banking services to individuals, small to medium-sized businesses, community organizations and public entities from 247 locations, including 206 branches, across Montana, Idaho, Utah, Washington, Wyoming, Colorado, Arizona and Nevada. The states in which the Company operates have diverse economies and markets that are tied to commodities (crops, livestock, minerals, oil and natural gas), tourism, real estate and land development and an assortment of industries, both manufacturing and service-related. Thus, the effects of changes in the global, national, and local economies are not uniform across the Company's geographic locations. The geographic dispersion of these market areas helps to mitigate the risk of credit loss. The Company's model of seventeen bank divisions with separate management teams is also a significant benefit in mitigating and managing the Company's credit risk. This model provides substantial local oversight to the lending and credit management function and requires multiple reviews of larger loans before credit is extended.

The primary responsibility for credit risk assessment and identification of problem loans rests with the loan officer of the account. This continuous process of identifying non-performing loans is necessary to support management's evaluation of the ACL adequacy. An independent loan review function verifying credit risk ratings evaluates the loan officer's and management's evaluation of the loan portfolio credit quality. The ACL evaluation is well documented and approved by the Company's Board. In addition, the policy and procedures for determining the balance of the ACL are reviewed annually by the Company's Board, the internal audit department, independent credit reviewers and state and federal bank regulatory agencies.

Although the Company continues to actively monitor economic trends and regulatory developments, no assurance can be given that the Company will not, in any particular period, sustain losses that are significant relative to the ACL amount, or that subsequent evaluations of the loan portfolio applying management's judgment about then current factors will not require significant changes in the ACL. Under such circumstances, additional credit loss expense could result.

For additional information regarding the ACL, its relation to credit loss expense and risks related to asset quality, see Note 3 to the Consolidated Financial Statements in "Part I. Item 1. Financial Statements."'

**Loans by Regulatory Classification**

Supplemental information regarding identification of the Company's loan portfolio and credit quality based on regulatory classification is provided in the following tables. The regulatory classification of loans is based primarily on the type of collateral for the loans. There may be differences when compared to loan tables and loan amounts appearing elsewhere which reflect the Company's internal loan segments which are based on the purpose of the loan.

The following table summarizes the Company's loan portfolio by regulatory classification:

| | Loans Receivable, by Loan Type | | | | % Change from | | |
|---|---|---|---|---|---|---|---|
| (Dollars in thousands) | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 |
| Custom and owner occupied construction | $ 254,790 | $ 233,584 | $ 242,844 | $ 233,978 | 9 % | 5 % | 9 % |
| Pre-sold and spec construction | 208,106 | 200,921 | 191,926 | 198,219 | 4 % | 8 % | 5 % |
| Total residential construction | 462,896 | 434,505 | 434,770 | 432,197 | 7 % | 6 % | 7 % |
| Land development | 176,925 | 177,448 | 197,369 | 209,794 | — % | (10)% | (16)% |
| Consumer land or lots | 229,823 | 197,553 | 187,024 | 190,781 | 16 % | 23 % | 20 % |
| Unimproved land | 127,550 | 115,528 | 113,532 | 108,763 | 10 % | 12 % | 17 % |
| Developed lots for operative builders | 73,053 | 64,782 | 61,661 | 57,140 | 13 % | 18 % | 28 % |
| Commercial lots | 175,929 | 95,574 | 99,243 | 99,036 | 84 % | 77 % | 78 % |
| Other construction | 753,056 | 714,151 | 693,461 | 810,536 | 5 % | 9 % | (7)% |
| Total land, lot, and other construction | 1,536,336 | 1,365,036 | 1,352,290 | 1,476,050 | 13 % | 14 % | 4 % |
| Owner occupied | 3,529,536 | 3,182,589 | 3,197,138 | 3,087,814 | 11 % | 10 % | 14 % |
| Non-owner occupied | 4,283,986 | 4,054,107 | 4,053,996 | 3,941,786 | 6 % | 6 % | 9 % |
| Total commercial real estate | 7,813,522 | 7,236,696 | 7,251,134 | 7,029,600 | 8 % | 8 % | 11 % |
| Commercial and industrial | 1,545,498 | 1,392,365 | 1,395,997 | 1,400,896 | 11 % | 11 % | 10 % |
| Agriculture | 1,167,611 | 1,016,081 | 1,024,520 | 962,384 | 15 % | 14 % | 21 % |
| First lien | 2,590,433 | 2,499,494 | 2,481,918 | 2,353,912 | 4 % | 4 % | 10 % |
| Junior lien | 80,170 | 85,343 | 76,303 | 56,049 | (6)% | 5 % | 43 % |
| Total 1-4 family | 2,670,603 | 2,584,837 | 2,558,221 | 2,409,961 | 3 % | 4 % | 11 % |
| Multifamily residential | 975,785 | 874,071 | 895,242 | 1,027,962 | 12 % | 9 % | (5)% |
| Home equity lines of credit | 1,048,595 | 989,043 | 1,005,783 | 974,000 | 6 % | 4 % | 8 % |
| Other consumer | 197,744 | 188,388 | 209,457 | 220,755 | 5 % | (6)% | (10)% |
| Total consumer | 1,246,339 | 1,177,431 | 1,215,240 | 1,194,755 | 6 % | 3 % | 4 % |
| States and political subdivisions | 973,145 | 1,001,058 | 983,601 | 777,426 | (3)% | (1)% | 25 % |
| Other | 188,743 | 176,961 | 183,894 | 180,505 | 7 % | 3 % | 5 % |
| Total loans receivable, including loans held for sale | 18,580,478 | 17,259,041 | 17,294,909 | 16,891,736 | 8 % | 7 % | 10 % |
| Less loans held for sale [1] | (47,738) | (40,523) | (33,060) | (39,745) | 18 % | 44 % | 20 % |
| Total loans receivable | $ 18,532,740 | $ 17,218,518 | $ 17,261,849 | $ 16,851,991 | 8 % | 7 % | 10 % |

[1] Loans held for sale are primarily First lien 1-4 family loans.

The following table summarizes the Company's non-performing assets by regulatory classification:

| (Dollars in thousands) | Non-performing Assets, by Loan Type | | | | Non-Accrual Loans | Accruing Loans 90 Days or More Past Due | OREO |
|---|---|---|---|---|---|---|---|
| | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Jun 30, 2025 | Jun 30, 2025 | Jun 30, 2025 |
| Custom and owner occupied construction | $ 235 | 194 | 198 | 206 | 189 | 46 | — |
| Pre-sold and spec construction | 2,806 | 2,896 | 2,132 | 2,908 | 2,043 | 763 | — |
| Total residential construction | 3,041 | 3,090 | 2,330 | 3,114 | 2,232 | 809 | — |
| Land development | 885 | 935 | 966 | — | 875 | 10 | — |
| Consumer land or lots | 460 | 173 | 78 | 429 | 164 | 296 | — |
| Developed lots for operative builders | 531 | 531 | 531 | 608 | — | 531 | — |
| Commercial lots | 47 | 47 | 47 | 47 | — | 47 | — |
| Other construction | — | — | — | 25 | — | — | — |
| Total land, lot and other construction | 1,923 | 1,686 | 1,622 | 1,109 | 1,039 | 884 | — |
| Owner occupied | 4,412 | 3,601 | 2,979 | 1,992 | 4,407 | 5 | — |
| Non-owner occupied | 1,206 | 2,235 | 2,235 | 257 | — | — | 1,206 |
| Total commercial real estate | 5,618 | 5,836 | 5,214 | 2,249 | 4,407 | 5 | 1,206 |
| Commercial and industrial | 14,764 | 12,367 | 2,069 | 2,044 | 13,452 | 1,243 | 69 |
| Agriculture | 6,603 | 2,382 | 2,335 | 2,442 | 2,141 | 4,462 | — |
| First lien | 10,549 | 8,752 | 9,053 | 2,923 | 7,856 | 2,162 | 531 |
| Junior lien | 533 | 296 | 315 | 492 | 293 | 240 | — |
| Total 1-4 family | 11,082 | 9,048 | 9,368 | 3,415 | 8,149 | 2,402 | 531 |
| Multifamily residential | 398 | 400 | 389 | 385 | 398 | — | — |
| Home equity lines of credit | 4,016 | 3,479 | 3,465 | 2,145 | 2,834 | 1,182 | — |
| Other consumer | 921 | 1,003 | 955 | 1,089 | 704 | 144 | 73 |
| Total consumer | 4,937 | 4,482 | 4,420 | 3,234 | 3,538 | 1,326 | 73 |
| Other | 240 | 47 | 39 | 16 | — | 240 | — |
| Total | $ 48,606 | 39,338 | 27,786 | 18,008 | 35,356 | 11,371 | 1,879 |

The following table summarizes the Company's accruing loans 30-89 days past due by regulatory classification:

| (Dollars in thousands) | Accruing 30-89 Days Delinquent Loans, by Loan Type | | | | % Change from | | |
|---|---|---|---|---|---|---|---|
| | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 |
| Custom and owner occupied construction | $ 385 | $ 786 | $ 969 | $ 1,323 | (51)% | (60)% | (71)% |
| Pre-sold and spec construction | — | — | 564 | 816 | n/m | (100)% | (100)% |
| Total residential construction | 385 | 786 | 1,533 | 2,139 | (51)% | (75)% | (82)% |
| Land development | 170 | — | 1,450 | — | n/m | (88)% | n/m |
| Consumer land or lots | 1,210 | 1,026 | 402 | 411 | 18 % | 201 % | 194 % |
| Unimproved land | 75 | 32 | 36 | 158 | 134 % | 108 % | (53)% |
| Developed lots for operative builders | — | — | 214 | — | n/m | (100)% | n/m |
| Commercial lots | — | 189 | — | — | (100)% | n/m | n/m |
| Other construction | 7,840 | — | — | 21 | n/m | n/m | 37,233 % |
| Total land, lot and other construction | 9,295 | 1,247 | 2,102 | 590 | 645 % | 342 % | 1,475 % |
| Owner occupied | 3,903 | 3,786 | 2,867 | 4,326 | 3 % | 36 % | (10)% |
| Non-owner occupied | 13,806 | 346 | 5,037 | 8,119 | 3,890 % | 174 % | 70 % |
| Total commercial real estate | 17,709 | 4,132 | 7,904 | 12,445 | 329 % | 124 % | 42 % |
| Commercial and industrial | 6,711 | 5,358 | 6,194 | 17,591 | 25 % | 8 % | (62)% |
| Agriculture | 8,243 | 5,731 | 744 | 5,288 | 44 % | 1,008 % | 56 % |
| First lien | 3,583 | 14,826 | 6,326 | 2,637 | (76)% | (43)% | 36 % |
| Junior lien | — | 1,023 | 214 | 17 | (100)% | (100)% | (100)% |
| Total 1-4 family | 3,583 | 15,849 | 6,540 | 2,654 | (77)% | (45)% | 35 % |
| Home equity lines of credit | 5,482 | 6,993 | 3,731 | 5,432 | (22)% | 47 % | 1 % |
| Other consumer | 1,615 | 1,824 | 1,775 | 2,192 | (11)% | (9)% | (26)% |
| Total consumer | 7,097 | 8,817 | 5,506 | 7,624 | (20)% | 29 % | (7)% |
| States and political subdivisions | — | 3,220 | — | — | (100)% | n/m | n/m |
| Other | 1,380 | 1,318 | 1,705 | 1,347 | 5 % | (19)% | 2 % |
| Total | $ 54,403 | $ 46,458 | $ 32,228 | $ 49,678 | 17 % | 69 % | 10 % |

n/m - not measurable

The following table summarizes the Company's charge-offs and recoveries by regulatory classification:

| (Dollars in thousands) | Net Charge-Offs (Recoveries), Year-to-Date Period Ending, By Loan Type | | | | Charge-Offs | Recoveries |
|---|---|---|---|---|---|---|
| | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Jun 30, 2024 | Jun 30, 2025 | Jun 30, 2025 |
| Pre-sold and spec construction | $ 50 | — | (4) | (4) | 51 | 1 |
| Land development | (341) | (341) | 1,095 | (1) | — | 341 |
| Consumer land or lots | (3) | (3) | (22) | (22) | — | 3 |
| Unimproved land | — | — | 1,338 | 5 | — | — |
| Commercial lots | — | — | 319 | 319 | — | — |
| Total land, lot and other construction | (344) | (344) | 2,730 | 301 | — | 344 |
| Owner occupied | (1) | (1) | (73) | (73) | — | 1 |
| Non-owner occupied | (8) | (6) | 2 | (2) | — | 8 |
| Total commercial real estate | (9) | (7) | (71) | (75) | — | 9 |
| Commercial and industrial | 26 | 92 | 1,422 | 644 | 827 | 801 |
| Agriculture | (109) | (1) | 64 | 68 | — | 109 |
| First lien | (79) | (69) | 32 | (22) | 1 | 80 |
| Junior lien | (137) | (5) | (65) | (55) | — | 137 |
| Total 1-4 family | (216) | (74) | (33) | (77) | 1 | 217 |
| Home equity lines of credit | (20) | (20) | 69 | 1 | 10 | 30 |
| Other consumer | 656 | 276 | 1,078 | 493 | 789 | 133 |
| Total consumer | 636 | 256 | 1,147 | 494 | 799 | 163 |
| Other | 3,406 | 1,873 | 8,643 | 4,611 | 5,558 | 2,152 |
| Total | $ 3,440 | 1,795 | 13,898 | 5,962 | 7,236 | 3,796 |

**Sources of Funds**

The Company's deposits have traditionally been the principal source of funds for use in lending and other business purposes. The Company also obtains funds from repayment of loans and debt securities, securities sold under agreements to repurchase ("repurchase agreements"), wholesale deposits, advances from FHLB, Federal Reserve facilities, and other borrowings. Loan repayments are a relatively stable source of funds, while interest bearing deposit inflows and outflows are significantly influenced by general interest rate levels and market conditions. Borrowings and advances may be used on a short-term basis to compensate for reductions in normal sources of funds such as deposit inflows at less than projected levels. Borrowings also may be used on a long-term basis to support expanded activities, match maturities of longer-term assets or manage interest rate risk.

Deposits

The Company has several deposit programs designed to attract both short-term and long-term deposits from the general public by providing a wide selection of accounts and rates. These programs include non-interest bearing deposit accounts and interest bearing deposit accounts such as NOW, DDA, savings, money market deposits, fixed rate certificates of deposit with maturities ranging from three months to five years, negotiated-rate jumbo certificates, and individual retirement accounts. These deposits are obtained primarily from individual and business residents in the Bank's geographic market areas. Wholesale deposits are obtained through various programs and include brokered deposits classified as NOW, DDA, money market deposits and certificate accounts. The Company's deposits are summarized below:

| | June 30, 2025 | | December 31, 2024 | | June 30, 2024 | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Amount | Percent | Amount | Percent | Amount | Percent |
| Non-interest bearing deposits | $ 6,593,728 | 30 % | $ 6,136,709 | 30 % | $ 6,093,430 | 30 % |
| NOW and DDA accounts | 5,747,388 | 27 % | 5,543,512 | 27 % | 5,219,838 | 26 % |
| Savings accounts | 2,956,387 | 14 % | 2,845,124 | 14 % | 2,862,034 | 14 % |
| Money market deposit accounts | 3,089,115 | 14 % | 2,878,213 | 14 % | 2,858,850 | 14 % |
| Certificate accounts | 3,238,576 | 15 % | 3,139,821 | 15 % | 3,064,613 | 16 % |
| Wholesale deposits | 3,308 | — % | 3,615 | — % | 2,994 | — % |
| Total interest bearing deposits | 15,034,774 | 70 % | 14,410,285 | 70 % | 14,008,329 | 70 % |
| Total deposits | $ 21,628,502 | 100 % | $ 20,546,994 | 100 % | $ 20,101,759 | 100 % |

Borrowings

The Company borrows money through repurchase agreements. This process involves the selling of one or more of the securities in the Company's investment portfolio and simultaneously entering into an agreement to repurchase the same securities at an agreed upon later date, typically overnight. A rate of interest is paid for the agreed period of time. The Bank enters into repurchase agreements with local municipalities, and certain customers, and has adopted procedures designed to ensure proper transfer of title and safekeeping of the underlying securities. In addition to retail repurchase agreements, the Company periodically enters into wholesale repurchase agreements as additional funding sources. The Company has not entered into reverse repurchase agreements.

The Bank is a member of the FHLB of Des Moines, which is one of eleven banks that comprise the FHLB system. The Bank is required to maintain a certain level of activity-based stock in order to borrow or to engage in other transactions with the FHLB of Des Moines. Additionally, the Bank is subject to a membership capital stock requirement that is based upon an annual calibration tied to the total assets of the Bank. The borrowings are collateralized by eligible categories of loans and debt securities (principally, securities which are obligations of, or guaranteed by, the U.S. government and its agencies), provided certain standards related to credit-worthiness have been met. Advances are made pursuant to several different credit programs, each of which has its own interest rates and range of maturities. The Bank's maximum amount of FHLB advances is limited to the lesser of a fixed percentage of the Bank's total assets or the discounted value of eligible collateral. FHLB advances fluctuate to meet seasonal and other withdrawals of deposits and to expand lending or investment opportunities of the Company.

Additionally, the Company has other sources of secured and unsecured borrowing lines from various sources that may be used from time to time.

Short-term borrowings

A critical component of the Company's liquidity and capital resources is access to short-term borrowings to fund its operations. Short-term borrowings are accompanied by increased risks managed by the Bank's Asset Liability Committee ("ALCO") such as rate increases or unfavorable change in terms which would make it more costly to obtain future short-term borrowings. The Company's short-term borrowing sources include FHLB advances, federal funds purchased and retail and wholesale repurchase agreements. The Company also has access to the short-term discount window borrowing programs (i.e., primary credit) of the FRB as well as a line of credit with a large national banking institution. FHLB advances and certain other short-term borrowings may be renewed as long-term borrowings to decrease certain risks such as liquidity or interest rate risk; however, the reduction in risks are weighed against the increased cost of funds and other risks.

Subordinated Debentures

In addition to funds obtained in the ordinary course of business, the Company formed or acquired financing subsidiaries for the purpose of issuing or holding trust preferred securities that entitle the investor to receive cumulative cash distributions thereon. Subordinated debentures were issued in conjunction with the trust preferred securities and the terms of the subordinated debentures and trust preferred securities are the same. For regulatory capital purposes, the trust preferred securities are included in Tier 2 capital at June 30, 2025. The subordinated debentures outstanding as of June 30, 2025 were $157 million, including fair value adjustments from acquisitions.

Contractual Obligations and Off-Balance Sheet Arrangements

In the normal course of business, there may be various outstanding commitments to obtain funding and to extend credit, such as letters of credit and unfunded loan commitments, which are not reflected in the accompanying condensed consolidated financial statements. The Company assessed the off-balance sheet credit exposures as of June 30, 2025 and determined its ACL of $24.3 million was adequate to absorb the estimated credit losses.

Off-balance sheet arrangements also include any obligation related to a variable interest held in an unconsolidated entity. The Company does not anticipate any material losses as a result of these transactions. For additional information regarding the Company's interests in unconsolidated variable interest entities ("VIE"), see Note 7 to the Unaudited Consolidated Financial Statements in "Part I. Item 1. Financial Statements."

**Liquidity Risk**

In the normal course of business, the Company has commitments that require material cash requirements for customer deposits outflows, repurchase agreements, borrowed funds, lease obligations, off-balance sheet obligations, operating expenses and other contractual obligations. The source of funding for such requirements includes loan repayments, customer deposit inflows, borrowings, revenue from operations, and capital resources. Liquidity risk is the possibility that the Company will not be able to fund present and future obligations as they come due because of an inability to liquidate assets or obtain adequate funding at a reasonable cost. The objective of liquidity management is to maintain cash flows adequate to meet current and future needs for credit demand, deposit withdrawals, maturing liabilities and corporate operating expenses. Effective liquidity management entails three elements:

1. assessing on an ongoing basis, the current and expected future needs for funds, and ensuring that sufficient funds or access to funds exist to meet those needs at the appropriate time;
2. providing for an adequate cushion of liquidity to meet unanticipated cash flow needs that may arise from potential adverse circumstances ranging from high probability/low severity events to low probability/high severity; and
3. balancing the benefits between providing for adequate liquidity to mitigate potential adverse events and the cost of that liquidity.

The Company has a wide range of versatility in managing the liquidity and asset/liability mix. The Bank's ALCO meets regularly to assess liquidity risk, among other matters. The Company monitors liquidity and contingency funding alternatives through management reports of liquid assets (e.g., debt securities), both unencumbered and pledged, as well as borrowing capacity, both secured and unsecured, including off-balance sheet funding sources. The Company evaluates its potential funding needs across alternative scenarios and maintains contingency funding plans consistent with the Company's access to diversified sources of contingent funding.

The following table identifies certain liquidity sources and capacity available to the Company as of the dates indicated:

| (Dollars in thousands) | | June 30, 2025 | December 31, 2024 |
|---|---|---|---|
| FHLB advances | | | |
| Borrowing capacity | $ | 4,383,474 | 4,355,976 |
| Amount utilized | | (1,255,000) | (1,800,000) |
| Letters of credit and other pledged collateral | | (11,459) | (6,165) |
| Amount available | $ | 3,117,015 | 2,549,811 |
| FRB discount window | | | |
| Borrowing capacity | $ | 1,700,260 | 1,860,932 |
| Amount utilized | | — | — |
| Amount available | $ | 1,700,260 | 1,860,932 |
| Unsecured lines of credit available | $ | 530,000 | 525,000 |
| Unencumbered debt securities | | | |
| U.S. government and federal agency | $ | 477,608 | 608,979 |
| U.S. government sponsored enterprises | | 307,681 | 301,990 |
| State and local governments | | 817,463 | 907,832 |
| Corporate bonds | | 14,638 | 14,503 |
| Residential mortgage-backed securities | | 237,251 | 615,310 |
| Commercial mortgage-backed securities | | 828,415 | 837,169 |
| Total unencumbered debt securities [1] | $ | 2,683,056 | 3,285,783 |

[1] Total unencumbered debt securities at June 30, 2025, included $1.5 billion classified as available for sale and $1.2 billion classified as held to maturity. Total unencumbered debt securities at December 31, 2024, included $1.6 billion classified as available for sale, and $1.6 billion classified as held to maturity.

**Capital Resources**
Maintaining capital strength continues to be a long-term objective of the Company. Abundant capital is necessary to sustain growth, provide protection against unanticipated declines in asset values, and to safeguard the funds of depositors. Capital is also a source of funds for loan demand and enables the Company to effectively manage its assets and liabilities. The Company has the capacity to issue 234,000,000 shares of common stock of which 118,550,475 have been issued as of June 30, 2025. The Company also has the capacity to issue 1,000,000 shares of preferred stock of which none have been issued as of June 30, 2025. Conversely, the Company may decide to utilize a portion of its strong capital position, as it has done in the past, to repurchase shares of its outstanding common stock, depending on market price and other relevant considerations.

The Federal Reserve has adopted capital adequacy guidelines that are used to assess the adequacy of capital in supervising a bank holding company. The federal banking agencies issued final rules ("Final Rules") that established a comprehensive regulatory capital framework based on the recommendation of the Basel Committee on Banking Supervision and certain requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Final Rules require the Company to hold a 2.5 percent capital conservation buffer designed to absorb losses during periods of economic stress. As of June 30, 2025, management believes the Company and Bank meet all capital adequacy requirements to which they are subject and there are no conditions or events subsequent to this date that management believes have changed the Company's or Bank's risk-based capital category.

The following table illustrates the Bank's regulatory capital ratios and the Federal Reserve's capital adequacy guidelines as of June 30, 2025:

| | Total Capital (To Risk-Weighted Assets) | Tier 1 Capital (To Risk-Weighted Assets) | Common Equity Tier 1 (To Risk-Weighted Assets) | Leverage Ratio/ Tier 1 Capital (To Average Assets) |
|---|---|---|---|---|
| Glacier Bank actual regulatory ratios | 13.83 % | 12.62 % | 12.62 % | 9.47 % |
| Minimum capital requirements | 8.00 % | 6.00 % | 4.50 % | 4.00 % |
| Minimum capital requirements plus capital conservation buffer | 10.50 % | 8.50 % | 7.00 % | N/A |
| Well capitalized requirements | 10.00 % | 8.00 % | 6.50 % | 5.00 % |

**Federal and State Income Taxes**
The Company files a consolidated federal income tax return using the accrual method of accounting. All required tax returns have been timely filed. Financial institutions are subject to the provisions of the Internal Revenue Code of 1986, as amended, in the same general manner as other corporations. The federal statutory corporate income tax rate is 21 percent.

Within the Company's geographic footprint under Montana, Idaho, Utah, Colorado and Arizona law, financial institutions are subject to a corporation income tax, which incorporates or is substantially similar to applicable provisions of the Internal Revenue Code. The corporation income tax is imposed on federal taxable income, subject to certain adjustments. State taxes are incurred at the rate of 6.75 percent in Montana, 5.30 percent in Idaho, 4.55 percent in Utah, 4.00 percent in Colorado and 4.90 percent in Arizona. Washington, Wyoming and Nevada do not impose a corporate income tax. The Company is also required to file in states other than the eight states in which it has properties.

The following table summarizes information relevant to the Company's federal and state income taxes:

| (Dollars in thousands) | Six Months ended June 30, 2025 | June 30, 2024 |
|---|---|---|
| Income before income taxes | $ 128,663 | 90,589 |
| Federal and state income tax expense | 21,314 | 13,254 |
| Net income | $ 107,349 | 77,335 |
| Effective tax rate [1] | 16.6% | 14.6% |
| Income from tax-exempt debt securities, municipal loans and leases | $ 41,975 | 42,139 |
| Benefits from federal income tax credits | $ 16,610 | 13,985 |

[1] The current and prior year's low effective income tax rates are due to income from tax-exempt debt securities, municipal loans and leases and benefits from federal income tax credits.

Tax expense of $21.3 million for the first half of 2025 increased $8.1 million, or 61 percent, over the same period in the prior year. The effective tax rate for the first half of 2025 was 16.6 percent compared to 14.6 percent for the same period in the prior year. The increase in tax expense and the increase in the effective tax rate was primarily the result of an increase in the pre-tax income.

The Company has equity investments in Certified Development Entities ("CDE") which have received allocations of New Markets Tax Credits ("NMTC"). Administered by the Community Development Financial Institutions Fund ("CDFI Fund") of the U.S. Department of the Treasury, the NMTC program is aimed at stimulating economic and community development and job creation in low-income communities. The federal income tax credits received are claimed over a seven-year credit allowance period. The Company also has equity investments in Low-Income Housing Tax Credits ("LIHTC") which are indirect federal subsidies used to finance the development of affordable rental housing for low-income households. The federal income tax credits are claimed over a ten-year credit allowance period. The Company has investments of $11.2 million in Qualified School Construction bonds whereby the Company receives quarterly federal income tax credits in lieu of taxable interest income. The federal income tax credits on these debt securities are subject to federal and state income tax.

Following is a list of expected federal income tax credits to be received in the years indicated.

| (Dollars in thousands) | New Markets Tax Credits | Low-Income Housing Tax Credits | Debt Securities Tax Credits | Historic Tax Credits | Total |
|---|---|---|---|---|---|
| 2026 | $ 5,192 | 31,334 | 405 | 564 | 37,495 |
| 2027 | 5,370 | 30,392 | 220 | 564 | 36,546 |
| 2028 | 3,354 | 28,031 | 43 | — | 31,428 |
| 2029 | 1,758 | 26,656 | 43 | — | 28,457 |
| 2030 | 1,068 | 25,136 | 43 | — | 26,247 |
| Thereafter | — | 77,092 | 106 | — | 77,198 |
| | $ 16,742 | 218,641 | 860 | 1,128 | 237,371 |

**Average Balance Sheet**

The following schedule provides 1) the total dollar amount of interest and dividend income of the Company for earning assets and the average yields; 2) the total dollar amount of interest expense on interest bearing liabilities and the average rates; 3) net interest and dividend income and interest rate spread; and 4) net interest margin (tax-equivalent).

| | Three Months ended June 30, 2025 | | | Six Months ended June 30, 2025 | | |
|---|---|---|---|---|---|---|
| (Dollars in thousands) | Average Balance | Interest and Dividends | Average Yield/ Rate | Average Balance | Interest and Dividends | Average Yield/ Rate |
| **Assets** | | | | | | |
| Residential real estate loans | $ 1,940,514 | $ 25,361 | 5.23 % | $ 1,913,157 | $ 49,636 | 5.19 % |
| Commercial loans [1] | 14,884,885 | 216,385 | 5.83 % | 14,490,240 | 415,306 | 5.78 % |
| Consumer and other loans | 1,336,030 | 23,790 | 7.14 % | 1,319,451 | 46,406 | 7.09 % |
| Total loans [2] | 18,161,429 | 265,536 | 5.86 % | 17,722,848 | 511,348 | 5.82 % |
| Tax-exempt investment securities [3] | 1,594,895 | 13,999 | 3.51 % | 1,599,845 | 27,935 | 3.49 % |
| Taxable investment securities [4,5] | 6,645,312 | 32,045 | 1.93 % | 6,795,105 | 65,643 | 1.93 % |
| Total earning assets | 26,401,636 | 311,580 | 4.73 % | 26,117,798 | 604,926 | 4.67 % |
| Goodwill and intangibles | 1,153,466 | | | 1,127,279 | | |
| Non-earning assets | 918,007 | | | 883,125 | | |
| Total assets | $ 28,473,109 | | | $ 28,128,202 | | |
| **Liabilities** | | | | | | |
| Non-interest bearing deposits | $ 6,256,245 | $ — | — % | $ 6,123,604 | $ — | — % |
| NOW and DDA accounts | 5,674,990 | 16,045 | 1.13 % | 5,600,895 | 31,110 | 1.12 % |
| Savings accounts | 2,904,389 | 5,402 | 0.75 % | 2,883,150 | 10,561 | 0.74 % |
| Money market deposit accounts | 3,000,487 | 15,389 | 2.06 % | 2,925,396 | 28,915 | 1.99 % |
| Certificate accounts | 3,211,418 | 28,667 | 3.58 % | 3,181,971 | 57,742 | 3.66 % |
| Total core deposits | 21,047,529 | 65,503 | 1.25 % | 20,715,016 | 128,328 | 1.25 % |
| **Short-term borrowings** | | | | | | |
| Wholesale deposits [6] | 5,618 | 66 | 4.67 % | 4,615 | 106 | 4.62 % |
| Repurchase agreements | 1,898,841 | 14,109 | 2.98 % | 1,870,962 | 27,842 | 3.00 % |
| FHLB advances | 1,494,781 | 17,806 | 4.71 % | 1,618,702 | 38,525 | 4.73 % |
| Total short-term borrowings | 3,399,240 | 31,981 | 3.72 % | 3,494,279 | 66,473 | 3.78 % |
| **Long-term borrowings** | | | | | | |
| Subordinated debentures and other borrowed funds | 231,902 | 3,015 | 5.21 % | 224,031 | 5,644 | 5.08 % |
| Total interest bearing liabilities | 24,678,671 | 100,499 | 1.63 % | 24,433,326 | 200,445 | 1.65 % |
| Other liabilities | 338,289 | | | 332,558 | | |
| Total liabilities | 25,016,960 | | | 24,765,884 | | |
| **Stockholders' Equity** | | | | | | |
| Stockholders' equity | 3,456,149 | | | 3,362,318 | | |
| Total liabilities and stockholders' equity | $ 28,473,109 | | | $ 28,128,202 | | |
| Net interest income (tax-equivalent) | | $ 211,081 | | | $ 404,481 | |
| Net interest spread (tax-equivalent) | | | 3.10 % | | | 3.02 % |
| Net interest margin (tax-equivalent) | | | 3.21 % | | | 3.12 % |

**Average Balance Sheet - continued**

[1] Includes tax effect of $1.6 million and $3.1 million on tax-exempt municipal loan and lease income for the six months ended June 30, 2025, and June 30, 2024 respectively.
[2] Total loans are gross of the allowance for credit losses, net of unearned income and include loans held for sale. Non-accrual loans were included in the average volume for the entire period.
[3] Includes tax effect of $1.7 million and $3.5 million on tax-exempt debt securities income for the six months ended June 30, 2025, and June 30, 2024 respectively.
[4] Includes interest income of $4.8 million and $11.0 million on average interest-bearing cash balances of $433.7 million and $0.5 billion for the three months ended June 30, 2025, and June 30, 2024 respectively.
[5] Includes tax effect of $151 thousand and $301 thousand on federal income tax credits for the six months ended June 30, 2025, and June 30, 2024 respectively.
[6] Wholesale deposits include brokered deposits classified as NOW, DDA, money market deposit and certificate accounts with contractual maturities.

**Rate/Volume Analysis**

Net interest income can be evaluated from the perspective of relative dollars of change in each period. Interest income and interest expense, which are the components of net interest income, are shown in the following table on the basis of the amount of any increases (or decreases) attributable to changes in the dollar levels of the Company's interest earning assets and interest bearing liabilities ("volume") and the yields earned and paid on such assets and liabilities ("rate"). The change in interest income and interest expense attributable to changes in both volume and rates has been allocated proportionately to the change due to volume and the change due to rate.

| | Six Months ended June 30, 2025 2025 vs. 2024 Increase (Decrease) Due to: | | |
|---|---|---|---|
| (Dollars in thousands) | Volume | Rate | Net |
| Interest income | | | |
| Residential real estate loans | $ 3,388 | 3,730 | 7,118 |
| Commercial loans (tax-equivalent) | 21,450 | 20,872 | 42,322 |
| Consumer and other loans | 834 | 3,035 | 3,869 |
| Investment securities (tax-equivalent) | (10,281) | 655 | (9,626) |
| Total interest income | 15,391 | 28,292 | 43,683 |
| Interest expense | | | |
| NOW and DDA accounts | 1,937 | (2,473) | (536) |
| Savings accounts | (162) | (946) | (1,108) |
| Money market deposit accounts | (168) | 223 | 55 |
| Certificate accounts | 3,021 | (8,047) | (5,026) |
| Wholesale deposits | 21 | (20) | 1 |
| Repurchase agreements | 5,130 | (3,452) | 1,678 |
| FHLB advances | 10,380 | (283) | 10,097 |
| FRB Bank Term Funding | (27,097) | — | (27,097) |
| Subordinated debentures and other borrowed funds | 20 | 2,083 | 2,103 |
| Total interest expense | (6,918) | (12,915) | (19,833) |
| Net interest income (tax-equivalent) | $ 22,309 | 41,207 | 63,516 |

Net interest income (tax-equivalent) decreased $63.5 million for the six months ended June 30, 2025 compared to the same period in 2024. The interest income for the first six months of the current year increased over the same period in the prior year, primarily from increased loan yields and loan growth. The decrease in interest expense for the first six months of the current year compared to prior year was primarily the result of a decrease in interest rates and the pay down of the FRB Bank Term Funding in the prior year.

**Market Risk**

Market risk is the risk of loss in a financial instrument arising from adverse changes in market rates/prices such as interest rates, foreign currency exchange rates, commodity prices, and equity prices. The Company's primary market risk exposure is interest rate risk.

Interest Rate Risk

Interest rate risk is the potential for loss of future earnings resulting from adverse changes in the level of interest rates. Interest rate risk results from many factors and could have a significant impact on the Company's net interest income, which is the Company's primary source of net income. Net interest income is affected by a myriad of variables, including changes in interest rates, the relationship between rates on interest bearing assets and liabilities, the impact of the interest fluctuations on asset prepayments and the mix of interest bearing assets and liabilities.

Although interest rate risk is inherent in the banking industry, banks are expected to have sound risk management practices in place to measure, monitor and control interest rate exposures. The objective of interest rate risk management is to appropriately manage the risks associated with interest rate fluctuations. The process includes identification and management of the sensitivity of net interest income to changing interest rates.

Net interest income simulation

The Company uses a detailed and dynamic simulation model to quantify the estimated exposure of net interest income ("NII") to sustained interest rate changes. While ALCO routinely monitors simulated NII sensitivity over rolling two-year and five-year horizons, it also utilizes additional tools to monitor potential longer-term interest rate risk. The simulation model captures the impact of changing interest rates on the interest income received and interest expense paid on all assets and liabilities reflected on the Company's statements of financial condition. This sensitivity analysis is compared to ALCO policy limits which specify a maximum tolerance level for NII exposure over a one year and two year horizon, assuming no balance sheet growth. The ALCO policy rate scenarios include upward and downward shifts in interest rates for 100 bps, 200 bps, and 400 bps scenarios with instantaneous and parallel changes in current market yield curves. The ALCO policy also includes 200 bps and 400 bps rate scenarios with gradual parallel shifts in interest rates over 12-month and 24-month periods, respectively. Other non-parallel rate movement scenarios are also modeled to determine the potential impact on net interest income. The additional scenarios are adjusted as the economic environment changes and provide ALCO additional interest rate risk monitoring tools to evaluate current market conditions. The following is indicative of the Company's overall NII sensitivity analysis as of June 30, 2025.

| | Estimated Sensitivity | |
|---|---|---|
| Rate Scenarios | One Year | Two Years |
| -400 bp Rate ramp | 0.33% | (0.37%) |
| -200 bp Rate ramp | 0.58% | (1.52%) |
| -200 bp Rate shock | (0.74%) | (4.19%) |
| -100 bp Rate shock | (0.46%) | (2.12%) |
| +100 bp Rate shock | 2.02% | 3.34% |
| +200 bp Rate shock | 1.69% | 4.25% |
| +200 bp Rate ramp | 0.29% | 1.67% |
| +400 bp Rate ramp | 0.27% | 0.19% |

The preceding sensitivity analysis does not represent a forecast and should not be relied upon as being indicative of expected operating results. Growth in the Company's core deposit franchise, updated deposit pricing assumptions, and other balance sheet changes. It is important to note that these hypothetical estimates are based upon numerous assumptions that are specific to our Company and thus may not be directly comparable to other institutions. These assumptions include: the nature and timing of interest rate levels including, but not limited to, yield curve shape, prepayments on loans and securities, deposit decay rates, pricing decisions on loans and deposits and reinvestment/replacement of asset and liability cash flows. While assumptions are developed based upon current economic and local market conditions, the Company cannot make any assurances as to the predictive nature of these assumptions including how customer preferences or competitor influences might change. Also, as market conditions vary from those assumed in the sensitivity analysis, actual results will also differ due to prepayment/refinancing levels likely deviating from those assumed, the varying impact of interest rate caps or floors on adjustable rate assets, the potential effect of changing debt service levels on customers with adjustable rate loans, depositor early withdrawals and product preference changes, and other internal and external variables. Furthermore, the sensitivity analysis does not reflect actions that ALCO might take in responding to or anticipating changes in interest rates.

## Item 3. Quantitative and Qualitative Disclosure about Market Risk

See "Market Risk" of this Management's Discussion and Analysis of Financial Condition and Results of Operations in this Form 10-Q.

## Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures
The Company's Chief Executive Officer and Chief Financial Officer have reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as required by Exchange Act Rules 240.13a-15(b) and 15d-14(c)) as of June 30, 2025.

The Company acquired Bank of Idaho Holding Co. and its wholly-owned subsidiary, Bank of Idaho, (collectively "BOI") during the second quarter of 2025. Management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of June 30, 2025 BOI's internal control over financial reporting associated with total assets of $1.3 billion, or 4% of the Company's total consolidated assets, and net interest income of $9.2 million, or 2% of the Company's total consolidated net interest income.

Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's current disclosure controls and procedures are effective and timely, providing them with material information relating to the Company required to be disclosed in the reports the Company files or submits under the Exchange Act.

Changes in Internal Controls
There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the second quarter of 2025, to which this report relates that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

# PART II – OTHER INFORMATION

## Item 1. Legal Proceedings

The Company is involved in various claims, legal actions and complaints which arise in the ordinary course of business. In the Company's opinion, all such matters are adequately covered by insurance, are without merit or are of such kind, or involve such amounts, that unfavorable disposition would not have a material adverse effect on the financial condition or results of operations of the Company.

## Item 1A. Risk Factors

The Company believes there have been no material changes from the risk factor previously disclosed in the Company's 2024 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the quarter ended March 31, 2025. The risks and uncertainties described in those reports should be carefully reviewed. These are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties that the Company does not currently know about or that we currently believe are immaterial, or that the Company has not predicted, may also harm our business operations or adversely affect the Company. If any of these risks or uncertainties actually occurs, the Company's business, financial condition, operating results or liquidity could be adversely affected.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not Applicable

(b) Not Applicable

(c) Not Applicable

## Item 3. Defaults upon Senior Securities

(a) Not Applicable

(b) Not Applicable

## Item 4. Mine Safety Disclosures

Not Applicable

## Item 5. Other Information

(a) Not Applicable

(b) Not Applicable

(c) None

## Item 6. Exhibits

10.1 2025 Stock Incentive Plan

10.2 Form of Restricted Share Units Award Agreement under 2025 Stock Incentive Plan

10.3 Form of Restricted Share Units Award Agreement under 2025 Stock Incentive Plan (409A Exempt)

31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes - Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes - Oxley Act of 2002

3 2 Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes - Oxley Act of 2002

101.INS XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

101.SCH XBRL Taxonomy Extension Schema Document

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF XBRL Taxonomy Extension Definition Linkbase Document

101.LAB XBRL Taxonomy Extension Labels Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLACIER BANCORP, INC.

August 1, 2025 /s/ Randall M. Chesler

Randall M. Chesler
President and CEO

August 1, 2025 /s/ Ron J. Copher

Ron J. Copher
Executive Vice President and CFO