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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended June 30, 2026**

☐ **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

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

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)

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 16, 2026 was 130,211,953. 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
BOID - Bank of Idaho Holding Co. and its wholly owned subsidiary, Bank of Idaho
CDE – Certified Development Entity
CDFI Fund – Community Development Financial Institutions Fund
CEO – Chief Executive Officer
CFO – Chief Financial Officer
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
Ginnie Mae – Government National Mortgage Association
Guaranty - Guaranty Bancshares, Inc. and its wholly owned subsidiary, Guaranty Bank & Trust
HTM - Held-to-maturity
Interest rate locks - residential real estate derivatives for commitments
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
Repurchase agreements – securities sold under agreements to repurchase
ROU – right-of-use
S&P – Standard and Poor's
SEC – United States Securities and Exchange Commission
SOFR – Secured Overnight Financing Rate
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, 2026	December 31, 2025
Assets		
Cash on hand and in banks	$ 353,748	321,526
Interest bearing cash deposits	702,931	913,735
Cash and cash equivalents	1,056,679	1,235,261
Debt securities, available-for-sale	3,482,725	4,007,512
Debt securities, held-to-maturity	3,004,758	3,110,216
Total debt securities	6,487,483	7,117,728
Loans held for sale, at fair value	45,145	39,186
Loans receivable	21,363,723	20,927,796
Allowance for credit losses	(260,025)	(255,319)
Loans receivable, net	21,103,698	20,672,477
Premises and equipment, net	493,497	486,184
Right-of-use assets, net	76,428	75,574
Other real estate owned and foreclosed assets	1,541	411
Accrued interest receivable	120,254	120,092
Deferred tax asset, net	102,902	101,337
Intangibles, net	95,671	105,269
Goodwill	1,378,283	1,378,283
Federal Home Loan Bank stock, at cost	21,244	42,764
Bank-owned life insurance	235,984	235,090
Other assets	380,192	368,407
Total assets	$ 31,599,001	31,978,063
Liabilities		
Non-interest bearing deposits	$ 7,423,439	7,314,779
Interest bearing deposits	17,230,678	17,276,317
Securities sold under agreements to repurchase	1,952,501	2,084,113
Federal Home Loan Bank advances	—	440,000
Other borrowed funds	52,880	51,473
Finance lease liabilities	31,606	28,808
Subordinated debentures	188,573	187,492
Accrued interest payable	29,542	32,786
Operating lease liabilities	51,320	52,869
Other liabilities	325,440	295,605
Total liabilities	27,285,979	27,764,242
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, 2026 and December 31, 2025, respectively	1,302	1,300
Paid-in capital	3,229,635	3,220,064
Retained earnings	1,253,379	1,159,567
Accumulated other comprehensive loss	(171,294)	(167,110)
Total stockholders' equity	4,313,022	4,213,821
Total liabilities and stockholders' equity	$ 31,599,001	31,978,063
Number of common stock shares issued and outstanding	130,202,054	129,971,712

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 June 30, 2026	Three Months ended June 30, 2025	Six Months ended June 30, 2026	Six Months ended June 30, 2025
Interest Income				
Investment securities	$ 42,890	44,148	$ 88,016	89,794
Residential real estate loans	30,104	25,361	63,812	49,636
Commercial loans	266,123	214,816	524,739	412,204
Consumer and other loans	26,103	23,790	50,990	46,406
Total interest income	365,220	308,115	727,557	598,040
Interest Expense				
Deposits	71,972	65,569	144,223	128,434
Securities sold under agreements to repurchase	13,227	14,109	26,846	27,842
Federal Home Loan Bank advances	—	17,806	4,226	38,525
Other borrowed funds	455	400	898	802
Subordinated debentures	3,138	2,615	6,259	4,842
Total interest expense	88,792	100,499	182,452	200,445
Net Interest Income	276,428	207,616	545,105	397,595
Provision for credit losses	6,355	20,267	12,419	28,081
Net interest income after provision for credit losses	270,073	187,349	532,686	369,514
Non-Interest Income				
Deposit service charges and other fees	16,351	13,910	31,616	27,125
Payment services	12,012	10,457	23,380	19,785
Miscellaneous loan fees and charges	2,558	1,890	4,837	3,581
Gain on sale of loans	5,007	4,273	10,115	8,584
Gain (loss) on sale of securities	—	—	—	—
Other income	5,173	2,414	9,235	6,511
Total non-interest income	41,101	32,944	79,183	65,586
Non-Interest Expense				
Compensation and employee benefits	116,299	94,355	232,069	185,798
Occupancy and equipment	15,661	12,558	31,343	24,852
Advertising and promotions	5,092	4,394	10,348	8,538
Data processing	12,380	9,883	25,653	19,021
Other real estate owned and foreclosed assets	83	26	289	89
Regulatory assessments and insurance	5,506	5,847	11,909	11,381
Intangibles amortization	4,799	3,624	9,598	6,894
Other expenses	26,880	24,432	66,020	49,864
Total non-interest expense	186,700	155,119	387,229	306,437
Income Before Income Taxes	124,474	65,174	224,640	128,663
Federal and state income tax expense	26,612	12,393	44,634	21,314
Net Income	$ 97,862	52,781	$ 180,006	107,349
Basic earnings per share	$ 0.75	0.45	1.38	0.93
Diluted earnings per share	$ 0.75	0.45	1.38	0.93
Dividends declared per share	$ 0.33	0.33	0.66	0.66
Average outstanding shares - basic	130,167,496	116,890,776	130,110,494	115,180,489
Average outstanding shares - diluted	130,346,888	116,918,290	130,283,236	115,244,550

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 June 30, 2026	Three Months ended June 30, 2025	Six Months ended June 30, 2026	Six Months ended June 30, 2025
Net Income	$ 97,862	52,781	$ 180,006	107,349
Other Comprehensive Income, Net of Tax				
Available-For-Sale and Transferred Securities:				
Unrealized gains (losses) on available-for-sale securities	6,695	31,125	(6,618)	91,890
Reclassification adjustment for securities transferred from available-for-sale to held-to-maturity	1,126	1,448	2,325	2,917
Tax effect	(1,939)	(8,117)	1,064	(23,626)
Net of tax amount	5,882	24,456	(3,229)	71,181
Fair Value Hedge:				
Unrealized loss on derivatives used for fair value hedges	(1,499)	—	(1,270)	—
Tax effect	372	—	315	—
Net of tax amount	(1,127)	—	(955)	—
Cash Flow Hedge:				
Unrealized losses on derivatives used for cash flow hedges	—	—	—	(657)
Amount of losses reclassified from other comprehensive income to net income	—	—	—	(63)
Tax effect	—	—	—	180
Net of tax amount	—	—	—	(540)
Total other comprehensive (loss) income, net of tax	4,755	24,456	(4,184)	70,641
Total Comprehensive Income	$ 102,617	77,237	$ 175,822	177,990

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, 2026 and 2025

(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, 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
Balance at April 1, 2026	130,124,378	$	1,301	3,224,619	1,198,628	(176,049)	4,248,499
Net income	—		—	—	97,862	—	97,862
Other comprehensive income	—		—	—	—	4,755	4,755
Cash dividends declared ($0.33 per share)	—		—	—	(43,111)	—	(43,111)
Stock issuances under stock incentive plans	77,676		1	(1)	—	—	—
Stock-based compensation and related taxes	—		—	5,017	—	—	5,017
Balance at June 30, 2026	130,202,054	$	1,302	3,229,635	1,253,379	(171,294)	4,313,022

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, 2026 and 2025

(Dollars in thousands, except share and per share data)	Common Stock		Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
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
Balance at January 1, 2026	129,971,712	$ 1,300	3,220,064	1,159,567	(167,110)	4,213,821
Net income	—	—	—	180,006	—	180,006
Other comprehensive loss	—	—	—	—	(4,184)	(4,184)
Cash dividends declared ($0.66 per share)	—	—	—	(86,194)	—	(86,194)
Stock issuances under stock incentive plans	230,342	2	(2)	—	—	—
Stock-based compensation and related taxes	—	—	9,573	—	—	9,573
Balance at June 30, 2026	130,202,054	$ 1,302	3,229,635	1,253,379	(171,294)	4,313,022

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025
Operating Activities		
Net income	$ 180,006	107,349
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	12,419	28,081
Net amortization of debt securities	3,911	5,778
Net amortization of purchase accounting adjustments and deferred loan fees and costs	(7,169)	(2,158)
Origination of loans held for sale	(421,782)	(349,991)
Proceeds from loans held for sale	425,938	343,897
Gain on sale of loans	(10,115)	(8,584)
Bank-owned life insurance income, net	(3,803)	(2,339)
Stock-based compensation, net of tax benefits	6,918	3,809
Depreciation and amortization	18,871	15,288
Gain on dispositions of premises and equipment	(2,173)	(2,622)
(Gain) loss on sale and write-downs of other real estate owned, net	(70)	32
Amortization of core deposit and other intangibles	9,598	6,894
Amortization of investments in variable interest entities	16,997	15,004
Net increase in accrued interest receivable	(162)	(2,631)
Net increase in other assets	(3,058)	(8,055)
Net decrease in accrued interest payable	(3,244)	(7,537)
Net decrease in operating lease liabilities	(4,696)	(2,113)
Net decrease in other liabilities	(9,755)	(1,623)
Net cash provided by operating activities	208,631	138,479
Investing Activities		
Sales of debt securities, available-for-sale	—	120,245
Maturities, prepayments and calls of available-for-sale debt securities	2,761,629	359,587
Purchases of available-for-sale debt securities	(2,249,395)	(28,239)
Maturities, prepayments and calls of held-to-maturity debt securities	105,610	102,356
Purchases of held-to-maturity debt securities	—	(13,723)
Net increase in loans	(438,360)	(198,386)
Proceeds from sale of premises and equipment	6,187	4,490
Net additions to premises and equipment	(22,611)	(12,178)
Proceeds from sale of other real estate owned	930	649
Proceeds from redemption of equity securities	22,231	30,485
Purchases of equity securities	(711)	(4,666)
Proceeds from bank-owned life insurance	3,108	590
Investments in variable interest entities	(23,897)	(25,838)
Net cash received from acquisitions	—	26,125
Net cash provided by investing activities	164,721	361,497

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025
Financing Activities		
Net increase in deposits	$ 62,778	3,359
Net (decrease) increase in securities sold under agreements to repurchase	(131,612)	198,753
Net decrease in short-term Federal Home Loan Bank advances	—	(13,000)
Repayments of long-term Federal Home Loan Bank advances	(440,000)	(580,000)
Net increase in other borrowed funds	1,406	304
Principal payments on finance lease liabilities	(2,494)	(1,959)
Cash dividends paid	(43,286)	(37,833)
Tax withholding payments for stock-based compensation	(2,269)	(2,501)
Proceeds from stock option exercises	3,543	—
Net cash used in financing activities	(551,934)	(432,877)
Net (decrease) increase in cash and cash equivalents	(178,582)	67,099
Cash, cash equivalents at beginning of period	1,235,261	848,408
Cash, cash equivalents at end of period	$ 1,056,679	915,507
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest	$ 185,697	207,982
Cash paid during the period for income taxes	26,941	16,087
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	1,992	1,397
Right-of-use assets obtained in exchange for new lease liabilities	8,536	604
Equity investments obtained in exchange for delayed equity contributions	15,000	20,849
Dividends declared during the period but not paid	43,249	39,307
Acquisitions		
Fair value of common stock shares issued	—	204,986
Cash consideration	—	2
Fair value of assets acquired	—	1,364,640
Liabilities assumed	—	1,159,652

See accompanying notes to unaudited condensed consolidated financial statements.

GLACIER BANCORP, INC.
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, Nevada, and Texas 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 condensed 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 condensed consolidated financial statements and notes thereto contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. Operating results for the six months ended June 30, 2026 are not necessarily indicative of the results anticipated for the year ending December 31, 2026. The condensed consolidated statement of financial condition of the Company as of December 31, 2025 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 effect on the Company’s unaudited condensed 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 eighteen 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 also has non-bank subsidiaries which hold certain Bank investments. These non-bank subsidiaries are either consolidated or accounted for under the equity method depending on whether the Bank has a controlling interest or significant influence over the entity.

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 consolidated statements of financial condition and its liabilities to the trust subsidiaries are included in subordinated debentures.

Segment Reporting
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 the Bank, its wholly owned subsidiary, 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 unaudited condensed consolidated statements 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 unaudited condensed consolidated statements of operations are considered significant to the banking segment.

The Company 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 unaudited condensed consolidated statements of operations, and
- the level of financial consolidation presented in these financial statements aligns with the CODM's internal reporting and decision-making process

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. From time to time, interest bearing deposits may be maintained at other financial institutions as collateral for certain derivative contracts and are considered restricted cash. Interest earned on interest bearing cash deposits was $15,136,000 and $10,953,000 for the six months ended June 30, 2026 and 2025, respectively, and was included in interest income on investment securities on the unaudited condensed consolidated statements of operations. The Company had no restricted cash held as collateral for derivative contracts as of June 30, 2026 and December 31, 2025, 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, 2026 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 ("HTM") 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 HTM or trading are classified as available-for-sale ("AFS") 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.

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

Allowance for Credit Losses - Available-for-Sale Debt Securities
For AFS 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 AFS 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 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.

The Company has elected to exclude accrued interest from the estimate of credit losses for AFS 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 - HTM Debt Securities
For estimating the allowance for 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 HTM 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 HTM 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 be sold with or without servicing rights. 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 ("CRE"), other commercial, home equity, and other consumer loans. Loans that are intended at origination to be held for investment 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.

<u>Allowance for Credit Losses - Loans Receivable</u>

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, CRE, 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 and 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. CRE 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.

Other Commercial. Other 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 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 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.

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 CRE 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 CRE 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 Company’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 Company 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 Company 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 ACL 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 ACL for off-balance sheet credit exposures, including unfunded loan commitments. Such ACL is included in other liabilities on the Company's unaudited condensed consolidated 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 recorded for off-balance sheet credit exposures that are unconditionally cancellable by the Company. At June 30, 2026 and December 31, 2025, the Company had an ACL of $28,753,000 and $29,973,000, 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 unaudited condensed 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, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Provision for credit loss - loans	$ 10,125	18,009	13,639	24,163
Provision for credit loss - unfunded	(3,770)	2,258	(1,220)	3,918
Total provision for credit losses	$ 6,355	20,267	12,419	28,081

There was no provision for credit losses on debt securities for the six months ended June 30, 2026 and 2025, 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 net premises and equipment as right-of-use ("ROU") assets on the Company's unaudited condensed consolidated statement of financial condition. The operating leases have an ROU liability in operating lease liabilities on the Company's unaudited condensed consolidated statement 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 unaudited condensed consolidated statement of financial condition. The interest expense incurred on the finance lease liability is included in interest expense on other borrowed funds on the Company's unaudited condensed consolidated statement of operations. 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 unaudited condensed consolidated statement 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 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 the aggregated Bank divisions as a single reporting unit (i.e., a component of the Bank operating segment) given that each division has similar economic characteristics, products, services, and are all subject to Federal Deposit Insurance Corporation ("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 2025 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 for the reporting unit 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

Federal Home Loan Bank (“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 other equity securities that are included in other assets on the Company’s unaudited condensed consolidated 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. For equity securities that qualify for the practical expedient method using the net asset value, the equity security is measured at the net asset value and changes in the fair value are recognized in other income.

Other Borrowed Funds

Borrowings of the Company’s consolidated VIEs and finance lease arrangements are included in other borrowed funds. 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 unaudited condensed 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. The Company does not enter into derivative instruments for trading or speculative purposes. At the inception of a derivative contract, the Company designates the derivatives as one of three types based on the intention of the hedge. These three types are (1) a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment (“fair value hedge”), (2) a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (“cash flow hedge”), or (3) an instrument with no hedging designation (“non-designated derivative”).

Hedging Derivatives
The derivatives designated in fair value hedges and cash flow hedges are recognized as other assets or other liabilities on the Company's unaudited condensed consolidated statements of financial condition and are measured at fair value. Earnings effect of fair value hedges and cash flow hedge derivatives are recognized in the same income statement line item that is used to present the earnings effect of the hedged item. Cash flows resulting from the fair value hedge and cash flow hedge derivatives are classified in the Company's cash flow statement in the same category as the cash flows of the items being hedged. For a fair value hedge, the gain or loss on the derivative included in the effectiveness testing, as well as the offsetting gain or loss on the hedged item attributable to the hedged risk, are recognized in earnings as fair value changes. For a fair value hedge, the Company has elected that the amounts excluded from the initial assessment of effectiveness will be amortized in earnings using a systematic and rational method and any difference in the fair value of the excluded component and amounts recognized in earnings to be recognized in OCI. For a cash flow hedge, the gain or loss on the derivative is reported in OCI and is reclassified into earnings in the same periods during which the hedged transaction affects earnings.

The Company formally documents 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 unaudited condensed consolidated 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 cash flows or fair values 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.

When hedge accounting is discontinued, subsequent changes in fair value of the derivative are recorded as non-interest income. When a fair value hedge is discontinued, the hedged asset or liability is no longer adjusted for changes in fair value and the existing basis adjustment is amortized or accreted over the remaining life of the asset or liability. When a cash flow hedge is discontinued but the hedged cash flows or forecasted transactions are still expected to occur, gains or losses that were accumulated in OCI are amortized into earnings over the same periods which the hedged transactions will affect earnings.

Non-Designated Derivatives
Commitments to fund mortgage loans ("interest rate locks") to be sold on the secondary market and forward commitments for the future delivery of these mortgage loans are accounted for as non-designated derivatives. The fair value of the interest rate lock is recorded at the time the commitment to fund the mortgage loan is executed and is adjusted for the expected exercise of the commitment before the loan is funded. In order to economically hedge the change in interest rates resulting from its commitment to fund the majority of these loans, the Company enters into 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. 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 derivatives until the loan is funded. Fair values of these mortgage derivatives are estimated based on changes in mortgage interest rates from the date the interest on the loan is locked. Changes in the fair values of these derivatives are included in net gains on sales of loans.

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 was $54,999,000 and $46,912,000 for the six months ended June 30, 2026 and 2025, respectively, and largely consisted of revenue from service charges and other fees from deposits (e.g., overdraft fees, automated teller machine ("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, 2026 and December 31, 2025 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 and is included in payment services on the unaudited condensed consolidated statement of operations.

Reclassifications

Certain reclassifications have been made to the 2025 financial statements to conform to the 2026 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 recently issued but not yet effective ASUs 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 ASC 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 unaudited condensed consolidated financial statements, including related disclosures, or significant impact on its current processes.

ASU 2025-08 - Financial Instruments - Credit Losses. In November 2025, FASB amended ASC Topic 326 related to purchased loans (the "Update"). The amendments in the Update expand the population of acquired financial assets subject to the gross-up approach in Topic 326. Loans acquired without credit deterioration and deemed seasoned are considered purchased seasoned loans and accounted for using the gross-up approach at acquisition. All non-PCD loans that are acquired in a business combination are deemed seasoned. The amendments in this Update are effective for all entities for annual reporting periods beginning after December 15, 2026. Early adoption is permitted and the amendments should be applied prospectively to loans that are acquired on or after the initial application date. The Company is currently evaluating the impact of this Update.

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:

(Dollars in thousands)	June 30, 2026 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale				
U.S. government and federal agency	$ 66,255	18	(530)	65,743
U.S. government sponsored enterprises	125,746	63	(1,824)	123,985
State and local governments	139,064	699	(2,410)	137,353
Corporate bonds	11,449	220	(203)	11,466
Residential mortgage-backed securities	2,150,347	83	(187,569)	1,962,861
Commercial mortgage-backed securities	1,222,344	108	(41,135)	1,181,317
Total available-for-sale	$ 3,715,205	1,191	(233,671)	3,482,725
Held-to-maturity				
U.S. government and federal agency	$ 868,813	—	(22,176)	846,637
State and local governments	1,560,541	1,298	(158,970)	1,402,869
Residential mortgage-backed securities	575,404	71	(33,071)	542,404
Total held-to-maturity	3,004,758	1,369	(214,217)	2,791,910
Total debt securities	$ 6,719,963	2,560	(447,888)	6,274,635

(Dollars in thousands)	December 31, 2025 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale				
U.S. government and federal agency	$ 257,650	264	(1,984)	255,930
U.S. government sponsored enterprises	315,675	86	(3,273)	312,488
State and local governments	165,305	1,035	(2,256)	164,084
Corporate bonds	33,691	279	(21)	33,949
Residential mortgage-backed securities	2,391,698	1,417	(177,996)	2,215,119
Commercial mortgage-backed securities	1,069,355	998	(44,411)	1,025,942
Total available-for-sale	$ 4,233,374	4,079	(229,941)	4,007,512
Held-to-maturity				
U.S. government and federal agency	$ 865,696	—	(24,129)	841,567
State and local governments	1,587,673	1,341	(175,623)	1,413,391
Residential mortgage-backed securities	656,847	224	(31,913)	625,158
Total held-to-maturity	3,110,216	1,565	(231,665)	2,880,116
Total debt securities	$ 7,343,590	5,644	(461,606)	6,887,628

Maturity Analysis

The following table presents the amortized cost and fair value of AFS and HTM debt securities by contractual maturity at June 30, 2026. Actual maturities may differ from expected or contractual maturities since some issuers have the right to prepay obligations with or without prepayment penalties.

	June 30, 2026			
	Available-for-Sale		Held-to-Maturity	
(Dollars in thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due within one year	$ 126,714	124,821	510,348	503,739
Due after one year through five years	98,294	97,908	480,313	462,025
Due after five years through ten years	64,169	63,101	258,479	247,197
Due after ten years	53,337	52,717	1,180,214	1,036,545
	342,514	338,547	2,429,354	2,249,506
Mortgage-backed securities [1]	3,372,691	3,144,178	575,404	542,404
Total	$ 3,715,205	3,482,725	3,004,758	2,791,910

[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:

	Three Months ended		Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Available-for-sale				
Proceeds from sales and calls of debt securities	$ 6,422	120,245	24,177	120,680
Gross realized gains [1]	—	—	—	—
Gross realized losses [1]	—	—	—	—
Held-to-maturity				
Proceeds from calls of debt securities	9,380	6,365	18,910	10,495
Gross realized gains [1]	—	—	—	—
Gross realized losses [1]	—	—	—	—

[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 AFS debt securities that were in an unrealized loss position based on the length of time the individual securities have been in an unrealized loss position, and for which an ACL has not been recorded. The number of AFS debt securities in an unrealized loss position is also disclosed.

		June 30, 2026					
		Less than 12 Months		12 Months or More		Total	
(Dollars in thousands)	Number of Securities	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Available-for-sale							
U.S. government and federal agency	35	$ 58,732	(206)	5,315	(324)	64,047	(530)
U.S. government sponsored enterprises	5	—	—	114,481	(1,824)	114,481	(1,824)
State and local governments	95	48,439	(446)	41,131	(1,964)	89,570	(2,410)
Corporate bonds	2	1,486	(5)	3,802	(198)	5,288	(203)
Residential mortgage-backed securities	436	192,274	(2,407)	1,749,461	(185,162)	1,941,735	(187,569)
Commercial mortgage-backed securities	150	265,505	(10,974)	732,401	(30,161)	997,906	(41,135)
Total available-for-sale	723	$ 566,436	(14,038)	2,646,591	(219,633)	3,213,027	(233,671)

		December 31, 2025					
		Less than 12 Months		12 Months or More		Total	
(Dollars in thousands)	Number of Securities	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Available-for-sale							
U.S. government and federal agency	39	$ 55,231	(82)	179,092	(1,902)	234,323	(1,984)
U.S. government sponsored enterprises	12	—	—	302,962	(3,273)	302,962	(3,273)
State and local governments	88	36,534	(83)	46,762	(2,173)	83,296	(2,256)
Corporate bonds	2	—	—	13,980	(21)	13,980	(21)
Residential mortgage-backed securities	376	28,843	(42)	1,983,182	(177,954)	2,012,025	(177,996)
Commercial mortgage-backed securities	142	62,427	(215)	864,907	(44,196)	927,334	(44,411)
Total available-for-sale	659	$ 183,035	(422)	3,390,885	(229,519)	3,573,920	(229,941)

The majority of AFS debt securities with unrealized loss positions at June 30, 2026 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 Nationally Recognized Statistical Rating Organizations ("NRSRO" entities, such as Standard and Poor's ("S&P") and Moody's) in the four highest credit rating categories. All of the Company's AFS debt securities with unrealized loss positions at June 30, 2026 have been determined to be investment grade.

The Company did not have any past due AFS debt securities as of June 30, 2026 and December 31, 2025, respectively. Accrued interest receivable on AFS debt securities totaled $8,555,000 and $9,619,000 at June 30, 2026, and December 31, 2025, respectively, and was excluded from the estimate of credit losses.

Based on an analysis of its AFS debt securities with unrealized losses as of June 30, 2026, 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, 2026, management determined it did not intend to sell AFS 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 AFS debt securities at June 30, 2026, and December 31, 2025, respectively. 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 HTM 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 HTM state and local government securities aggregated by NRSRO credit rating:

(Dollars in thousands)		June 30, 2026	December 31, 2025
S&P: AAA / Moody's: Aaa	$	389,136	397,328
S&P: AA+, AA, AA- / Moody's: Aa1, Aa2, Aa3		1,134,925	1,155,450
S&P: A+, A, A- / Moody's: A1, A2, A3		28,512	29,093
S&P: BBB+, BBB, BBB- / Moody's: Baa1, Baa2, Baa3		120	—
Not rated by either entity		7,848	5,802
Total	$	1,560,541	1,587,673

The Company's state and local government securities in the HTM debt securities portfolio are primarily comprised of general obligation and revenue bonds with NRSRO ratings in the four highest credit rating categories. All of the Company's state and local securities that are classified as HTM debt securities at June 30, 2026 have been determined to be investment grade.

HTM 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 U.S. Government providing no indication the zero-loss determination is unjustified.

As of June 30, 2026 and December 31, 2025, the Company did not have any HTM debt securities past due. Accrued interest receivable on HTM debt securities totaled $15,821,000 and $16,175,000 at June 30, 2026 and December 31, 2025, 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 HTM debt securities portfolio; therefore, no ACL was recorded at June 30, 2026 or December 31, 2025.

Note 3. Loans Receivable, Net

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

(Dollars in thousands)		June 30, 2026	December 31, 2025
Residential real estate	$	2,111,683	2,457,907
Commercial real estate		14,155,059	13,565,512
Other commercial		3,615,240	3,497,829
Home equity		1,054,110	977,206
Other consumer		427,631	429,342
Loans receivable [1]		21,363,723	20,927,796
Allowance for credit losses		(260,025)	(255,319)
Loans receivable, net	$	21,103,698	20,672,477
Net deferred origination fees included in loans receivable	$	(34,391)	(32,715)
Net purchase accounting discounts included in loans receivable	$	(66,800)	(76,963)
Accrued interest receivable on loans	$	95,833	94,251

[1] In connection with the first quarter of 2026 Guaranty core system conversion, Guaranty loans were reclassified to conform to the Company's classifications. There were approximately $236 million of loans reclassified from residential loans into other categories, the majority of which were reclassified to commercial real estate loans.

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 their economic performance in the Company's markets.

The Company had no significant purchases or sales of portfolio loans or reclassification of loans held for investment to loans held for sale during the six months ended June 30, 2026.

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, 2026					
(Dollars in thousands)		Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Balance at beginning of period	$	255,771	25,949	171,733	39,025	11,763	7,301
Provision for credit losses		10,125	(731)	9,152	(14)	(333)	2,051
Charge-offs		(7,376)	—	(1,213)	(3,470)	(2)	(2,691)
Recoveries		1,505	8	29	812	9	647
Balance at end of period	$	260,025	25,226	179,701	36,353	11,437	7,308

(Dollars in thousands)	Three Months ended June 30, 2025 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

(Dollars in thousands)	Six Months ended June 30, 2026 Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Balance at beginning of period	$ 255,319	31,875	166,803	37,954	11,645	7,042
Provision for credit losses	13,639	(6,671)	14,176	2,151	80	3,903
Charge-offs	(11,562)	(5)	(1,329)	(4,898)	(303)	(5,027)
Recoveries	2,629	27	51	1,146	15	1,390
Balance at end of period	$ 260,025	25,226	179,701	36,353	11,437	7,308

(Dollars in thousands)	Six Months ended June 30, 2025 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

During the six months ended June 30, 2026, the ACL increased primarily due to portfolio growth, composition changes, various environmental and economic factors and credit quality considerations. During the six months ended June 30, 2025, the ACL increased primarily due to the provision for credit losses recorded as a result of the acquisition of Bank of Idaho.

The sizable 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 three months ended June 30, 2026, 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:

(Dollars in thousands)	June 30, 2026 Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Accruing loans 30-59 days past due	$ 44,839	2,180	30,834	4,176	3,499	4,150
Accruing loans 60-89 days past due	20,644	5,654	7,556	4,443	1,782	1,209
Accruing loans 90 days or more past due	15,867	3,167	7,651	3,091	1,409	549
Non-accrual loans with no ACL	66,632	11,088	28,712	22,366	3,969	497
Non-accrual loans with ACL	7,809	74	10	7,540	—	185
Total past due and non-accrual loans	155,791	22,163	74,763	41,616	10,659	6,590
Current loans receivable	21,207,932	2,089,520	14,080,296	3,573,624	1,043,451	421,041
Total loans receivable	$ 21,363,723	2,111,683	14,155,059	3,615,240	1,054,110	427,631

(Dollars in thousands)	December 31, 2025 Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Accruing loans 30-59 days past due	$ 60,719	14,310	30,212	7,382	4,525	4,290
Accruing loans 60-89 days past due	18,107	6,505	4,366	4,980	991	1,265
Accruing loans 90 days or more past due	5,997	1,857	967	2,882	120	171
Non-accrual loans with no ACL	59,775	13,611	15,783	25,916	3,611	854
Non-accrual loans with ACL	2,712	581	—	1,974	—	157
Total past due and non-accrual loans	147,310	36,864	51,328	43,134	9,247	6,737
Current loans receivable	20,780,486	2,421,043	13,514,184	3,454,695	967,959	422,605
Total loans receivable	$ 20,927,796	2,457,907	13,565,512	3,497,829	977,206	429,342

The Company had $2,219,000 and $715,000 of interest reversed on non-accrual loans during the six months ended June 30, 2026 and 2025, 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, 2026, 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:

(Dollars in thousands)	June 30, 2026 Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Business assets	$ 28,029	—	—	27,984	—	45
Residential real estate	17,314	11,162	844	1,347	3,961	—
Other real estate	35,832	—	35,014	452	8	358
Other	771	—	—	220	—	551
Total	$ 81,946	11,162	35,858	30,003	3,969	954

	December 31, 2025					
(Dollars in thousands)	Total	Residential Real Estate	Commercial Real Estate	Other Commercial	Home Equity	Other Consumer
Business assets	$ 21,741	—	—	21,741	—	—
Residential real estate	20,196	13,638	1,749	1,236	3,512	61
Other real estate	23,227	—	22,328	476	41	382
Other	4,311	—	—	3,535	—	776
Total	$ 69,475	13,638	24,077	26,988	3,553	1,219

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

The following disclosures for loan modifications made to borrowers experiencing financial difficulty ("MBFD") are presented in the following tables and show the amortized cost basis at the end of the periods of the MBFDs by segment:

	At or for the Three Months ended June 30, 2026				
	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	$ 7,803	0.1 %	—	— %	$ 7,803
Other commercial	4,551	0.1 %	—	— %	4,551
Total	$ 12,354		$ —		$ 12,354

	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

(Dollars in thousands)	At or for the Six Months ended June 30, 2026				
	Term Extension and Payment Deferral		Combination - Term Extension and Interest Rate Reduction		
	Amortized Cost Basis	% of Total Class	Amortized Cost Basis	% of Total Class	Total
Residential real estate	$ 803	— %	$ 882	— %	$ 1,685
Commercial real estate	9,056	0.1 %	$ 649	— %	9,705
Other commercial	10,592	0.3 %	—	— %	10,592
Total	$ 20,451		$ 1,531		$ 21,982

(Dollars in thousands)	At or for the Six Months ended June 30, 2025				
	Term Extension and Payment Deferral		Combination - Term Extension and Interest Rate Reduction		
	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

The following tables describe the financial effect of the modifications made to borrowers experiencing financial difficulty by segment:

	At or for the Three Months ended June 30, 2026	
	Weighted Average Interest Rate Reduction	Weighted Average Term Extension
Commercial real estate	—%	5 months
Other commercial	—%	1 month

	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 Six Months ended June 30, 2026	
	Weighted Average Interest Rate Reduction	Weighted Average Term Extension
Residential real estate	0.50%	3.6 years
Commercial real estate	6.00%	5 months
Other commercial	—%	7 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

Loans that were modified within the preceding twelve months that had a payment default during the period ended June 30, 2026 had an ending balances of $5,393,000 and $296,000, and were included in other commercial loans, and residential real estate loans, respectively. During the period ending June 30, 2025, there were loans with period ending balances of $136,000 and $1,082,000, that were modified during the preceding twelve months that had a payment default, and were included in other commercial loans, and commercial real estate loans, respectively. There were no additional unfunded commitments on MBFD loans outstanding at each of June 30, 2026 and December 31, 2025. At June 30, 2026 and December 31, 2025, the Company had $397,000 and $2,935,000, respectively, of consumer mortgage loans secured by residential real estate properties for which formal foreclosure proceedings are in process. The Company had $606,000 and $155,000 of OREO secured by residential real estate properties at June 30, 2026 and December 31, 2025, respectively.

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

	June 30, 2026				
(Dollars in thousands)	Total	Current	30-89 Days Past Due	90 Days or More Past Due	Non-Accrual
Residential real estate	$ 1,685	—	—	—	1,685
Commercial real estate	9,705	9,606	—	—	99
Other commercial	10,592	5,199	—	—	5,393
Total	$ 21,982	14,805	—	—	7,177

	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

Credit Quality Indicators

The Company categorizes CRE 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 CRE 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, 2026						
(Dollars in thousands)	Gross Charge-Offs		Total	Pass	Special Mention	Substandard	Doubtful/ Loss
Commercial real estate loans							
Term loans by origination year							
2026 (year-to-date)	$	—	1,263,792	1,257,649	2,093	4,050	—
2025		—	2,389,207	2,376,469	9,304	3,434	—
2024		12	1,559,474	1,543,707	14,170	1,597	—
2023		55	1,175,196	1,145,614	8,996	20,586	—
2022		406	2,365,113	2,298,879	51,353	14,881	—
Prior		856	4,989,208	4,829,408	36,034	123,766	—
Revolving loans		—	413,069	407,687	2,286	3,096	—
Total	$	1,329	14,155,059	13,859,413	124,236	171,410	—
Other commercial loans							
Term loans by origination year							
2026 (year-to-date)	$	3,139	349,769	347,296	1,832	354	287
2025		88	376,084	368,231	6,422	1,430	1
2024		282	262,616	255,045	4,836	2,735	—
2023		165	192,030	182,198	3,352	6,105	375
2022		898	432,879	425,357	817	6,705	—
Prior		326	921,718	898,353	3,095	14,508	5,762
Revolving loans		—	1,080,144	1,042,728	18,000	16,406	3,010
Total	$	4,898	3,615,240	3,519,208	38,354	48,243	9,435

(Dollars in thousands)	December 31, 2025					
	Gross Charge-Offs	Total	Pass	Special Mention	Substandard	Doubtful/ Loss
Commercial real estate loans						
Term loans by origination year						
2025	$ —	$ 2,114,996	2,109,129	4,397	1,470	—
2024	51	1,622,518	1,609,785	8,433	4,300	—
2023	—	1,349,042	1,318,470	22,639	7,933	—
2022	2,243	2,537,806	2,461,577	58,488	17,741	—
2021	—	2,087,103	1,987,311	35,463	64,329	—
Prior	—	3,399,784	3,283,767	46,443	69,574	—
Revolving loans	—	454,263	440,697	11,055	2,511	—
Total	$ 2,294	$ 13,565,512	13,210,736	186,918	167,858	—
Other commercial loans						
Term loans by origination year						
2025	$ 3,569	$ 512,778	503,334	6,920	2,304	220
2024	306	333,688	329,068	1,554	3,066	—
2023	913	233,025	223,699	4,153	4,797	376
2022	86	477,443	466,556	2,366	8,519	2
2021	1,069	402,519	392,403	3,337	6,774	5
Prior	315	595,651	574,367	9,913	11,343	28
Revolving loans	—	942,725	889,147	29,827	23,741	10
Total	$ 6,258	$ 3,497,829	3,378,574	58,070	60,544	641

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, 2026					
(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						
2026 (year-to-date)	$	—	88,694	88,694	—	—
2025		—	288,240	287,625	615	—
2024		—	167,167	163,491	1,166	2,510
2023		—	231,923	226,316	2,024	3,583
2022		—	621,516	616,494	1,786	3,236
Prior		5	714,087	706,844	2,243	5,000
Revolving loans		—	56	56	—	—
Total	$	5	2,111,683	2,089,520	7,834	14,329
Home equity loans						
Term loans by origination year						
2026 (year-to-date)	$	—	712	712	—	—
2025		—	11,997	11,997	—	—
2024		76	8,324	8,202	27	95
2023		—	4,895	4,753	—	142
2022		225	12,987	12,987	—	—
Prior		2	17,525	17,134	64	327
Revolving loans		—	997,670	987,666	5,190	4,814
Total	$	303	1,054,110	1,043,451	5,281	5,378
Other consumer loans						
Term loans by origination year						
2026 (year-to-date)	$	4,374	80,652	77,777	2,843	32
2025		111	104,474	103,912	430	132
2024		223	68,407	67,864	366	177
2023		158	51,369	50,486	429	454
2022		84	32,816	32,242	436	138
Prior		77	50,688	50,103	323	262
Revolving loans		—	39,225	38,657	532	36
Total	$	5,027	427,631	421,041	5,359	1,231

(Dollars in thousands)	December 31, 2025				
	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	$ —	$ 283,293	283,293	—	—
2024	1	283,422	278,922	2,232	2,268
2023	—	297,393	293,384	1,184	2,825
2022	—	727,941	718,191	6,831	2,919
2021	—	502,487	499,821	1,366	1,300
Prior	—	312,772	297,067	8,968	6,737
Revolving loans	—	50,599	50,365	234	—
Total	$ 1	$ 2,457,907	2,421,043	20,815	16,049
Home equity loans					
Term loans by origination year					
2025	$ —	$ 474	474	—	—
2024	—	2,397	2,397	—	—
2023	—	1,457	1,033	400	24
2022	31	2,113	2,054	—	59
2021	65	3,792	3,792	—	—
Prior	10	3,381	3,321	19	41
Revolving loans	—	963,592	954,888	5,097	3,607
Total	$ 106	$ 977,206	967,959	5,516	3,731
Other consumer loans					
Term loans by origination year					
2025	$ 8,238	$ 143,910	140,869	3,025	16
2024	240	83,178	82,551	470	157
2023	413	68,406	67,016	1,027	363
2022	751	39,801	39,126	441	234
2021	146	25,329	25,018	166	145
Prior	235	29,233	28,982	67	184
Revolving loans	—	39,485	39,043	359	83
Total	$ 10,023	$ 429,342	422,605	5,555	1,182

Note 4. Leases

The Company leases certain land, premises and equipment from third parties. The following table summarizes the Company's leases:

(Dollars in thousands)	June 30, 2026 Finance Leases	June 30, 2026 Operating Leases	December 31, 2025 Finance Leases	December 31, 2025 Operating Leases
Right-of-use assets	$ 47,580		42,353	
Accumulated depreciation	(18,075)		(15,332)	
Net right-of-use assets	$ 29,505	46,923	27,021	48,553
Lease liabilities	$ 31,606	51,320	28,808	52,869
Weighted-average remaining lease term	9 years	13 years	9 years	13 years
Weighted-average discount rate	3.9 %	3.9 %	3.9 %	3.9 %

Maturities of lease liabilities consist of the following:

(Dollars in thousands)	June 30, 2026 Finance Leases	June 30, 2026 Operating Leases
Maturing within one year	$ 6,734	7,716
Maturing one year through two years	6,604	7,252
Maturing two years through three years	6,620	6,389
Maturing three years through four years	5,061	5,598
Maturing four years through five years	1,569	4,723
Thereafter	10,407	36,090
Total lease payments	36,995	67,768
Present value of lease payments		
Short-term	5,625	5,835
Long-term	25,981	45,485
Total present value of lease payments	31,606	51,320
Difference between lease payments and present value of lease payments	$ 5,389	16,448

The components of lease expense included in other expenses on the unaudited condensed consolidated statement of operations consist of the following:

(Dollars in thousands)	Three Months ended June 30, 2026	Three Months ended June 30, 2025	Six Months ended June 30, 2026	Six Months ended June 30, 2025
Finance lease cost				
Amortization of right-of-use assets	$ 1,470	1,077	2,813	2,152
Interest on lease liabilities	318	176	613	358
Operating lease cost	2,057	1,494	4,147	2,775
Short-term lease cost	214	147	470	273
Variable lease cost	573	475	1,332	948
Sublease income	(20)	(19)	(47)	(29)
Total lease expense	$ 4,612	3,350	9,328	6,477

Supplemental cash flow information related to leases is as follows:

	Three Months ended			
	June 30, 2026		June 30, 2025	
(Dollars in thousands)	Finance Leases	Operating Leases	Finance Leases	Operating Leases
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows	$ 318	2,762	176	1,192
Financing cash flows	1,344	N/A	983	N/A

	Six Months ended			
	June 30, 2026		June 30, 2025	
(Dollars in thousands)	Finance Leases	Operating Leases	Finance Leases	Operating Leases
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows	$ 613	4,696	358	2,113
Financing cash flows	2,494	N/A	1,959	N/A

N/A - Not applicable

The Company also leases office space to third parties through operating leases. Rent income from these leases for the six months ended June 30, 2026 and 2025 was $1,738,000 and $808,000, 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:

	Three Months ended		Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net carrying value at beginning of period	$ 1,378,283	1,051,318	1,378,283	1,051,318
Acquisitions and adjustments	—	70,083	—	70,083
Net carrying value at end of period	$ 1,378,283	1,121,401	1,378,283	1,121,401

The Company performed its annual goodwill impairment test during the third quarter of 2025 and determined the fair value of the aggregated reporting units exceeded the carrying value, such that the Company's goodwill was not considered impaired. In recognition, there were no events or circumstances that occurred since the impairment test that would more-likely-than-not reduce the fair value of a reporting unit below its carrying value, the Company did not perform interim testing at June 30, 2026. 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.

Note 6. Loan Servicing

Mortgage loans that are serviced for others are not reported as assets, as 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 are included in other assets, principal balances of loans serviced and the fair value of mortgage servicing rights:

(Dollars in thousands)		June 30, 2026	December 31, 2025
Carrying value at beginning of period	$	11,779	11,958
Additions		871	1,268
Amortization		(726)	(1,447)
Carrying value at end of period	$	11,924	11,779
Principal balances of loans serviced for others	$	1,470,562	1,470,673
Fair value of servicing rights	$	16,844	16,489

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 unaudited condensed 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 unaudited condensed consolidated statements of operations and the federal income tax credit allocations from the investments are recognized in the Company's unaudited condensed 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 unaudited condensed consolidated 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, 2026	December 31, 2025
Assets		
Loans receivable	$ 96,096	95,701
Accrued interest receivable	332	—
Other assets	91,051	91,461
Total assets	$ 187,479	187,162
Liabilities		
Other borrowed funds	$ 52,880	51,473
Accrued interest payable	457	418
Other liabilities	25,869	31,852
Total liabilities	$ 79,206	83,743

Unconsolidated Variable Interest Entities

The Company has equity investments in LIHTC partnerships, both directly and through tax credit funds, with carrying values of $217,263,000 and $216,650,000 as of June 30, 2026 and December 31, 2025, 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 unaudited condensed consolidated 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, 2026 and 2025. Future unfunded contingent equity commitments related to the Company's LIHTC investments at June 30, 2026 are as follows:

(Dollars in thousands)	Amount
Years ending December 31,	
2026	$ 38,347
2027	28,008
2028	7,396
2029	1,412
2030	568
Thereafter	2,381
Total	$ 78,112

The Company also has investments in CDEs where the Company has evaluated the variable interests held by the Company in each CDE (NMTC) investment and determined the Company does not meet the criteria to consolidate. As a result, the investments are recorded as equity investments and reports the investment in other assets on the Company unaudited condensed consolidated statements of financial condition. The carrying amount of such investments were $6,616,000 at June 30, 2026. There were no impairment losses on the Company's NMTC investments during the six months ended June 30, 2026.

The Company has elected to use the proportional amortization method, and more specifically the practical expedient method, for the amortization of all eligible tax credit 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 qualifying investments during the periods presented.

	Three Months ended		Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Amortization expense	$ 7,386	6,343	14,700	12,645
Tax credits and other tax benefits recognized	9,216	7,801	18,318	15,570

The Company also owns trust preferred subsidiaries, each of which has issued securities as capital instruments. 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 unaudited condensed consolidated 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, 2026	December 31, 2025
U.S. government and federal agency	$ 61,366	$ 308,437
Residential mortgage-backed securities	1,571,810	1,775,676
Commercial mortgage-backed securities	319,325	—
Total	$ 1,952,501	$ 2,084,113

The repurchase agreements are secured by debt securities with carrying values of $2,268,707,000 and $2,432,683,000 at June 30, 2026 and December 31, 2025, 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

The following table presents the derivatives that are recorded at fair value in other assets or other liabilities.

	June 30, 2026			December 31, 2025	
(Dollars in thousands)	Average Maturity	Notional Amount	Fair Value Asset (Liability)	Notional Amount	Fair Value Asset (Liability)
Fair value hedge designation					
Interest rate swap agreements	17 days	$ 465,500	49	1,395,500	244
Interest rate cap agreements	4.10 years	355,099	8,312	100,000	2,128
Non-designated derivatives					
Interest rate lock commitments		78,522	1,364	44,089	700
TBA commitments		55,250	(101)	55,250	(241)

The Company has established objectives and strategies that include ongoing monitoring and management of interest rate risk. The Company monitors interest rate risk through simulation modeling to quantify the estimated exposure to net interest income to sustained interest rate changes. The goal of the asset/liability management is to maintain profitability within established risk parameters. In the ordinary course of business, the Company enters into interest rate lock commitments with customers, which exposes the Company to interest rate risk. To mitigate such risk, the Company enters into TBA commitments to reduce the price fluctuations of the interest rate lock commitments. As part of the overall asset/liability strategy, the Company enters into certain fair value hedges and cash flow hedges to manage a portion of the interest rate risk. The following provides additional information related to the Company's hedging transactions. The fair value hedges and cash flow hedges were highly effective when initiated and on an on-going basis.

Cash Flow Hedges

Interest Rate Cap Agreements.

The Company had interest rate cap agreements designated as cash flow hedges on its variable rate subordinated debt, all of which matured prior to March 31, 2025. The interest rate caps required receipt of variable rate amounts from the counterparty when the interest rate rose above the strike price in the agreement. The amount of loss recognized in OCI was $657,000 and the amount of gain reclassified from OCI to interest expense was $63,000 for the six months ended June 30, 2025.

Fair Value Hedges

Interest Rate Swap Agreements

The Company entered into interest rate swap agreements that are designated as 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 SOFR rate, the designated benchmark interest rate. These derivative contracts involve the receipt of variable 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.

Interest Rate Cap Agreements

The Company entered into forward start interest rate cap agreements that are designated as fair value hedges for specific fixed rate AFS debt securities. The instruments are designated as fair value hedges, as the changes in the fair value of the interest rate cap are expected to offset a portion of the changes in the fair value of the hedged item when the variable rate is above the strike price. These derivative contracts involve the receipt of variable rate interest from a counterparty if the variable rate of the benchmark rate (SOFR) exceeds the strike price after the forward start date. The weighted-average strike rate for the interest rate caps was 3.71% at June 30, 2026.

The following amounts were recorded on the unaudited condensed consolidated statement 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 statement of financial condition	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
Investment securities available-for-sale - swap	$ 2,393,120	2,692,319	(49)	(244)
Investment securities available-for-sale - cap	349,259	99,528	(2,383)	(315)

The effects of the fair value hedge relationships on the unaudited condensed consolidated statement of operations during the periods presented below were as follows:

(Dollars in thousands)	Location of Gain (Loss)	Three Months ended June 30, 2026	Three Months ended June 30, 2025	Six Months ended June 30, 2026	Six Months ended June 30, 2025
Interest rate swap	Interest income on investment securities	$ (49)	$ 1,810	$ 298	$ 351
Interest rate caps	Interest income on investment securities	(210)	—	(312)	—
Available-for-sale debt securities	Interest income on investment securities	287	(9,358)	195	(5,201)

The effect of fair value hedge accounting on OCI for the interest rate cap agreements for the periods presented below were as follows:

	Three Months ended		Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Amount of loss recognized in OCI	$ (1,499)	$ —	$ (1,270)	$ —

Note 10. Other Expenses

Other expenses consists of the following:

	Three Months ended		Six Months ended	
(Dollars in thousands)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Consulting and outside services	$ 5,821	4,734	$ 11,048	9,876
Mergers and acquisition expenses	1,590	3,231	10,497	3,818
Debit card expenses	4,785	3,576	9,826	7,407
Loan expenses	2,600	2,329	4,727	4,238
Employee expenses	2,330	2,018	4,344	3,543
Telephone	1,661	1,448	3,319	2,870
Variable interest entities amortization and other expenses	251	320	3,272	3,407
Business development	1,428	1,280	3,093	2,715
Postage	1,392	1,223	3,077	2,587
Printing and supplies	967	786	2,168	1,472
Checking and operating expenses	1,235	1,086	2,055	1,925
Legal fees	695	433	1,341	914
Accounting and audit fees	518	439	959	1,279
Gain on dispositions of premises and equipment	(2,618)	(1,612)	(2,173)	(2,622)
Other	4,225	3,141	8,467	6,435
Total other expenses	$ 26,880	24,432	$ 66,020	49,864

Note 11. Accumulated Other Comprehensive (Losses) Gains

The following table illustrates the activity within accumulated other comprehensive (losses) gains 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	Losses on Derivatives Used for Fair Value Hedges	Total
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)
Balance at January 1, 2026	$ (166,846)	—	(264)	(167,110)
Other comprehensive loss before reclassifications	(4,977)	—	(955)	(5,932)
Reclassification adjustments for amortization included in net income for transferred securities	1,748	—	—	1,748
Net current period other comprehensive loss	(3,229)	—	(955)	(4,184)
Balance at June 30, 2026	$ (170,075)	—	(1,219)	(171,294)

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, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net income available to common stockholders, basic and diluted	$ 97,862	52,781	$ 180,006	107,349
Average outstanding shares - basic	130,167,496	116,890,776	130,110,494	115,180,489
Add: dilutive restricted stock units and stock options	179,392	27,514	172,742	64,061
Average outstanding shares - diluted	130,346,888	116,918,290	130,283,236	115,244,550
Basic earnings per share	$ 0.75	0.45	$ 1.38	0.93
Diluted earnings per share	$ 0.75	0.45	$ 1.38	0.93
Restricted stock units and stock options excluded from the diluted average outstanding share calculation [1]	71	145,840	91,211	109,554

[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, 2026 and 2025.

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, 2026.

*Debt securities, available-for-sal*e. The fair value for AFS 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 AFS 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 losses of $2,000 and net gains of $480,000 for the six month periods ended June 30, 2026 and 2025, 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 cap 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, 2026	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	$ 65,743	—	65,743	—
U.S. government sponsored enterprises	123,985	—	123,985	—
State and local governments	137,353	—	137,353	—
Corporate bonds	11,466	—	11,466	—
Residential mortgage-backed securities	1,962,861	—	1,962,861	—
Commercial mortgage-backed securities	1,181,317	—	1,181,317	—
Loans held for sale, at fair value	45,145	—	45,145	—
Interest rate caps	8,312	—	8,312	—
Interest rate locks	1,364	—	1,364	—
Interest rate swaps	49	—	49	—
Total assets measured at fair value on a recurring basis	$ 3,537,595	—	3,537,595	—
TBA hedge	$ 101	—	101	—
Total liabilities measured at fair value on a recurring basis	$ 101	—	101	—

(Dollars in thousands)	Fair Value December 31, 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)
Debt securities, available-for-sale				
U.S. government and federal agency	$ 255,930	—	255,930	—
U.S. government sponsored enterprises	312,488	—	312,488	—
State and local governments	164,084	—	164,084	—
Corporate bonds	33,949	—	33,949	—
Residential mortgage-backed securities	2,215,119	—	2,215,119	—
Commercial mortgage-backed securities	1,025,942	—	1,025,942	—
Loans held for sale, at fair value	39,186	—	39,186	—
Interest rate caps	2,128	—	2,128	—
Interest rate locks	700	—	700	—
Interest rate swaps	244	—	244	—
Total assets measured at fair value on a recurring basis	$ 4,049,770	—	4,049,770	—

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, 2026.

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:

		Fair Value Measurements At the End of the Reporting Period Using		
(Dollars in thousands)	Fair Value June 30, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Other real estate owned	$ 41	—	—	41
Collateral-dependent impaired loans, net of ACL	5,813	—	—	5,813
Total assets measured at fair value on a non-recurring basis	$ 5,854	—	—	5,854

		Fair Value Measurements At the End of the Reporting Period Using		
(Dollars in thousands)	Fair Value December 31, 2025	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	$ 1,887	—	—	1,887
Total assets measured at fair value on a non-recurring basis	$ 1,887	—	—	1,887

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:

		Quantitative Information about Level 3 Fair Value Measurements		
(Dollars in thousands)	Fair Value June 30, 2026	Valuation Technique	Unobservable Input	Range (Weighted-Average) [1]
Other real estate owned	$ 41	Sales comparison approach	Selling costs	10.0% - 20.0% (13.8%)
Collateral-dependent impaired loans, net of ACL	$ 519	Cost approach	Selling costs	10.0% - 20.0% (10.8%)
	994	Sales comparison approach	Selling costs	10.0% - 20.0% (10.5%)
	4,300	Combined approach	Selling costs	10.0% - 10.0% (10.0%)
	$ 5,813			

(Dollars in thousands)	Fair Value December 31, 2025	Quantitative Information about Level 3 Fair Value Measurements		
		Valuation Technique	Unobservable Input	Range (Weighted-Average) [1]
Collateral-dependent impaired loans, net of ACL	$ 1,381	Cost approach	Selling costs	10.0% - 20.0% (10.3%)
	506	Sales comparison approach	Selling costs	10.0% - 20.0% (10.1%)
	$ 1,887			

[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 from the table. There have been no significant changes in the valuation techniques during the period ended June 30, 2026.

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

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

Loans receivable, net of ACL. The loans were 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 were 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, 2026	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	$	1,056,679	1,056,679	—	—
Debt securities, held-to-maturity		3,004,758	—	2,791,910	—
Loans receivable, net of ACL		21,103,698	—	—	21,073,582
Total financial assets	$	25,165,135	1,056,679	2,791,910	21,073,582
Financial liabilities					
Term deposits	$	3,732,971	—	3,764,721	—
Repurchase agreements and other borrowed funds		2,036,987	—	2,036,987	—
Subordinated debentures		188,573	—	183,325	—
Total financial liabilities	$	5,958,531	—	5,985,033	—

(Dollars in thousands)		Carrying Amount December 31, 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	$	1,235,261	1,235,261	—	—
Debt securities, held-to-maturity		3,110,216	—	2,880,116	—
Loans receivable, net of ACL		20,672,477	—	—	20,779,943
Total financial assets	$	25,017,954	1,235,261	2,880,116	20,779,943
Financial liabilities					
Term deposits	$	3,928,550	—	3,967,087	—
FHLB advances		440,000	—	440,175	—
Repurchase agreements and other borrowed funds		2,135,586	—	2,135,586	—
Subordinated debentures		187,492	—	175,069	—
Total financial liabilities	$	6,691,628	—	6,717,917	—

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 2025 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 the possibility of increases in FDIC insurance rates and assessments, changes in the review and regulation of bank mergers, or increases or changes in 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 the Company's business and the business of the Company's customers arising from current or future tariffs or other trade restrictions, labor or supply chain issues, change in labor force, or geopolitical instability, including the wars in Iran and Ukraine, further conflicts in the Middle East, and potential for future conflicts or disruptions in other parts of the world;
- risks associated with the Company's ability to negotiate, complete, and successfully integrate acquisitions;
- costs or difficulties related to the completion and integration of future 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, additional competition from internet-based financial institutions operating nationally, or further consolidation in the financial services industry, resulting in increased competition, including 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 related to rapidly evolving artificial intelligence technologies;
- risks associated with dependence on the Chief Executive Officer, the senior management team and the Presidents of Glacier Bank's 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 publicly correct or update any forward-looking statement if it later becomes aware that actual results are likely to differ materially from those expressed in such forward-looking statement.

Non-GAAP Financial Measures

Certain financial measures and ratios the Company presents are supplemental measures that are not required by, or are not presented in accordance with, U.S. generally accepted accounting principles (GAAP). The Company refers to these financial measures and ratios as "non-GAAP financial measures." A reconciliation of non-GAAP financial measures to the comparable GAAP financial measures is provided in the tables within this Form 10Q. The Company considers the use of select non-GAAP financial measures and ratios to be useful for financial and operational decision making and in evaluating period-to-period comparisons. The Company believes that these non-GAAP financial measures provide meaningful supplemental information regarding the Company's performance by excluding certain income, expense, or intangible items that the Company believes are not indicative of its primary business operating results.

These non-GAAP financial measures should not be considered a substitute for financial information presented in accordance with GAAP and investors should not rely on non-GAAP financial measures alone as measures of our performance. The non-GAAP financial measures presented may differ from non-GAAP financial measures used by the Company's peers or other companies. The Company compensates for these differences by providing the equivalent GAAP measures whenever the Company presents the non-GAAP financial measures and by including a reconciliation of the impact of the components adjusted for in the non-GAAP financial measure so that both measures and the individual components may be considered when analyzing our performance.

Financial Highlights

(Dollars in thousands, except per share and market data)		At or for the Three Months ended Jun 30, 2026	At or for the Three Months ended Mar 31, 2026	At or for the Three Months ended Jun 30, 2025	At or for the Six Months ended Jun 30, 2026	At or for the Six Months ended Jun 30, 2025
Performance results						
Net income	$	97,862	82,144	52,781	180,006	107,349
Basic earnings per share	$	0.75	0.63	0.45	1.38	0.93
Diluted earnings per share	$	0.75	0.63	0.45	1.38	0.93
Operating diluted earnings per share (non-GAAP) [1]	$	0.76	0.70	0.57	1.45	1.04
Dividends declared per share	$	0.33	0.33	0.33	0.66	0.66
Market value per share						
Closing	$	51.58	44.67	43.08	51.58	43.08
High	$	52.16	53.99	44.70	53.99	52.81
Low	$	44.26	41.87	36.76	41.87	36.76
Selected ratios and other data						
Number of common stock shares outstanding		130,202,054	130,124,378	118,550,475	130,202,054	118,550,475
Average outstanding shares - basic		130,167,496	130,052,858	116,890,776	130,110,494	115,180,489
Average outstanding shares - diluted		130,346,888	130,242,765	116,918,290	130,283,236	115,244,550
Return on average assets (annualized)		1.25 %	1.05 %	0.74 %	1.15 %	0.77 %
Return on average equity (annualized)		9.13 %	7.82 %	6.13 %	8.48 %	6.44 %
Efficiency ratio		56.65 %	63.05 %	62.08 %	59.79 %	63.72 %
Operating efficiency ratio (non-GAAP) [1]		56.21 %	59.25 %	61.19 %	57.70 %	63.49 %
Loan to deposit ratio		86.84 %	85.18 %	85.91 %	86.84 %	85.91 %
Number of full time equivalent employees		4,125	4,139	3,665	4,125	3,665
Number of locations		282	282	247	282	247
Number of ATMs		339	337	300	339	300

[1] Represents a non-GAAP financial measure. Supplemental "Non-GAAP Financial Measures and Reconciliations" tables are provided to reconcile the most directly comparable financial measure calculated and presented in accordance with GAAP.

The Company reported net income of $97.9 million for the current quarter, an increase of $15.8 million, or 19 percent, from the prior quarter net income of $82.1 million and an increase of $45.1 million, or 85 percent, from the prior year second quarter net income of $52.8 million. Diluted earnings per share for the current quarter was $0.75 per share, an increase of $0.12 per share, or 19 percent, from the prior quarter diluted earnings per share of $0.63 and an increase of $0.30 per share, or 67 percent, from the prior year second quarter diluted earnings per share of $0.45. Operating diluted earnings per share for the current quarter was $0.76 per share, an increase of $0.06 per share, or 9 percent, from the prior quarter operating diluted earnings per share of $0.70 and an increase of $0.19 per share, or 33 percent, from the prior year second quarter operating diluted earnings per share of $0.57. The current quarter included $1.6 million in acquisition-related expenses, $2.5 million of compensation from acquisition-related employment agreements and $2.6 million of gains from the sale of former branch facilities and disposal of fixed assets.

Net income for the first half of 2026 was $180 million, an increase of $72.7 million, or 68 percent, from the prior year first half net income of $107 million which was driven primarily by the increase in net interest income from the improvement in the net interest margin. Diluted earnings per share for the first half of 2026 was $1.38 per share, an increase of $0.45 per share, or 48 percent, from the prior year first half diluted earnings per share of $0.93. Operating diluted earnings per share for the first half of 2026 was $1.45 per share, an increase of $0.41 per share, or 39 percent, from the prior year first half operating diluted earnings per share of $1.04.

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, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025
Cash and cash equivalents	$ 1,056,679	1,385,237	1,235,261	915,507	(328,558)	(178,582)	141,172
Debt securities, available-for-sale	3,482,725	3,585,531	4,007,512	4,024,980	(102,806)	(524,787)	(542,255)
Debt securities, held-to-maturity	3,004,758	3,058,662	3,110,216	3,206,133	(53,904)	(105,458)	(201,375)
Total debt securities	6,487,483	6,644,193	7,117,728	7,231,113	(156,710)	(630,245)	(743,630)
Loans receivable [1]							
Residential real estate	2,111,683	2,167,860	2,457,907	1,931,554	(56,177)	(346,224)	180,129
Commercial real estate	14,155,059	13,918,178	13,565,512	11,935,109	236,881	589,547	2,219,950
Other commercial	3,615,240	3,466,863	3,497,829	3,303,889	148,377	117,411	311,351
Home equity	1,054,110	1,048,971	977,206	975,429	5,139	76,904	78,681
Other consumer	427,631	431,791	429,342	386,759	(4,160)	(1,711)	40,872
Loans receivable	21,363,723	21,033,663	20,927,796	18,532,740	330,060	435,927	2,830,983
Allowance for credit losses	(260,025)	(255,771)	(255,319)	(226,799)	(4,254)	(4,706)	(33,226)
Loans receivable, net	21,103,698	20,777,892	20,672,477	18,305,941	325,806	431,221	2,797,757
Other assets	2,951,141	2,926,760	2,952,597	2,552,422	24,381	(1,456)	398,719
Total assets	$ 31,599,001	31,734,082	31,978,063	29,004,983	(135,081)	(379,062)	2,594,018

[1] In connection with the Guaranty core system conversion, Guaranty loans were reclassified in the prior quarter to conform to the Company's classifications. There were approximately $236 million of loans reclassified from residential loans into other categories, the majority of which were reclassified to commercial real estate loans.

Total debt securities of $6.487 billion at June 30, 2026 decreased $157 million, or 2 percent, during the current quarter and decreased $744 million, or 10 percent, from the prior year second quarter. The Company selectively purchased debt securities during the current quarter with the Company's excess liquidity position. Debt securities represented 21 percent of total assets at June 30, 2026 and March 31, 2026 compared to 25 percent at June 30, 2025.

The loan portfolio of $21.364 billion at June 30, 2026 increased $330 million, or 6 percent annualized, from the prior quarter. The loan portfolio increased $2.831 billion, or 15 percent, from the prior year second quarter. Excluding the Guaranty acquisition on October 1, 2025, the loan portfolio organically increased $728 million, or 4 percent, from the prior year second quarter.

Liabilities

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

(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	$ Change from Mar 31, 2026	$ Change from Dec 31, 2025	$ Change from Jun 30, 2025
Deposits							
Non-interest bearing deposits	$ 7,423,439	7,427,280	7,314,779	6,593,728	(3,841)	108,660	829,711
NOW and DDA accounts	6,192,363	6,217,728	6,236,551	5,747,388	(25,365)	(44,188)	444,975
Savings accounts	3,169,141	3,193,293	3,158,939	2,956,387	(24,152)	10,202	212,754
Money market deposit accounts	4,132,820	4,049,361	3,948,201	3,089,115	83,459	184,619	1,043,705
Certificate accounts	3,732,971	3,851,209	3,928,550	3,238,576	(118,238)	(195,579)	494,395
Core deposits, total	24,650,734	24,738,871	24,587,020	21,625,194	(88,137)	63,714	3,025,540
Wholesale deposits	3,383	3,000	4,076	3,308	383	(693)	75
Deposits, total	24,654,117	24,741,871	24,591,096	21,628,502	(87,754)	63,021	3,025,615
Securities sold under agreements to repurchase	1,952,501	2,085,623	2,084,113	1,976,228	(133,122)	(131,612)	(23,727)
FHLB advances	—	—	440,000	1,255,088	—	(440,000)	(1,255,088)
Other borrowed funds	52,880	51,564	51,473	62,366	1,316	1,407	(9,486)
Finance lease liabilities	31,606	31,209	28,808	19,405	397	2,798	12,201
Subordinated debentures	188,573	188,032	187,492	157,127	541	1,081	31,446
Other liabilities	406,302	387,284	381,260	374,003	19,018	25,042	32,299
Total liabilities	$ 27,285,979	27,485,583	27,764,242	25,472,719	(199,604)	(478,263)	1,813,260

Total deposits of $24.7 billion at June 30, 2026 decreased $87.8 million, or 35 basis points, during the current quarter and increased $3.026 billion, or 14 percent, from the prior year second quarter. Excluding the acquisition, total deposits organically increased $319 million, or 1 percent, from the prior year second quarter.

Non-interest bearing deposits of $7.423 billion at June 30, 2026 decreased $3.8 million, or 5 basis points, from the prior quarter and increased $830 million, or 13 percent, from the prior year second quarter. Non-interest bearing deposits represented 30 percent of total deposits at June 30, 2026, March 31, 2026 and June 30, 2025.

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 ratios as of the dates indicated:

(Dollars in thousands, except per share data)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	$ Change from Mar 31, 2026	$ Change from Dec 31, 2025	$ Change from Jun 30, 2025
Common equity	$ 4,484,316	4,424,548	4,380,931	3,770,919	59,768	103,385	713,397
Accumulated other comprehensive loss	(171,294)	(176,049)	(167,110)	(238,655)	4,755	(4,184)	67,361
Total stockholders' equity	4,313,022	4,248,499	4,213,821	3,532,264	64,523	99,201	780,758
Goodwill and core deposit intangible, net	(1,473,954)	(1,478,753)	(1,483,552)	(1,186,350)	4,799	9,598	(287,604)
Tangible stockholders' equity (non-GAAP) [1]	$ 2,839,068	2,769,746	2,730,269	2,345,914	69,322	108,799	493,154
Stockholders' equity to total assets	13.65 %	13.39 %	13.18 %	12.18 %			
Tangible stockholders' equity to total tangible assets (non-GAAP) [1]	9.42 %	9.15 %	8.95 %	8.43 %			
Book value per common share	$ 33.13	32.65	32.42	29.80	0.48	0.71	3.33
Tangible book value per common share (non-GAAP) [1]	$ 21.81	21.29	21.01	19.79	0.52	0.80	2.02

[1] Represents a non-GAAP financial measure. Supplemental "Non-GAAP Financial Measures and Reconciliations" tables are provided to reconcile the most directly comparable financial measure calculated and presented in accordance with GAAP.

Tangible stockholders' equity of $2.839 billion at June 30, 2026 increased $69 million, or 3 percent, compared to the prior quarter and was primarily due to earnings retention. Tangible stockholders' equity at June 30, 2026 increased $493 million, or 21 percent, from the prior year second quarter and was primarily due to $560 million of Company stock issued in connection with the acquisition of Guaranty, earnings retention and a $67 million decrease in accumulated other comprehensive loss. The increase was partially offset by the increase in goodwill and core deposit intangible associated with the Guaranty acquisition. Tangible book value per common share of $21.81 at the current quarter end increased $0.52 per share, or 2 percent, from the prior quarter and increased $2.02 per share, or 10 percent, from the prior year second quarter.

Cash Dividend

On June 23, 2026, the Company's Board of Directors declared a quarterly cash dividend of $0.33 per share. The dividend was payable July 16, 2026 to shareholders of record on July 7, 2026. The dividend was the Company's 165th 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, 2026
Compared to March 31, 2026, and June 30, 2025

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

(Dollars in thousands)	Three Months ended			$ Change from	
	Jun 30, 2026	Mar 31, 2026	Jun 30, 2025	Mar 31, 2026	Jun 30, 2025
Net interest income					
Interest income	$ 365,220	362,337	308,115	2,883	57,105
Interest expense	88,792	93,660	100,499	(4,868)	(11,707)
Total net interest income	276,428	268,677	207,616	7,751	68,812
Non-interest income					
Deposit service charges and other fees	16,351	15,265	13,910	1,086	2,441
Payment services	12,012	11,368	10,457	644	1,555
Miscellaneous loan fees and charges	2,558	2,279	1,890	279	668
Gain on sale of loans	5,007	5,108	4,273	(101)	734
Gain (loss) on sale of securities	—	—	—	—	—
Other income	5,173	4,062	2,414	1,111	2,759
Total non-interest income	41,101	38,082	32,944	3,019	8,157
Total income	$ 317,529	306,759	240,560	10,770	76,969
Net interest margin (tax-equivalent)	3.90%	3.80%	3.21%		
Core net interest margin (tax-equivalent) (non-GAAP) [1]	3.86%	3.73%	3.18%		

[1] Represents a non-GAAP financial measure. Supplemental "Non-GAAP Financial Measures and Reconciliations" tables are provided to reconcile the most directly comparable financial measure calculated and presented in accordance with GAAP.

Net Interest Income
Net interest income of $276 million for the current quarter increased $7.8 million, or 3 percent, from the prior quarter net interest income of $269 million and increased $68.8 million, or 33 percent, from the prior year second quarter net interest income of $208 million. The current quarter interest income of $365 million increased $2.9 million, or 1 percent, over the prior quarter and increased $57.1 million, or 19 percent, over the prior year second quarter and was primarily driven by both increased loans and increased interest rates on the loan portfolio. The loan yield of 6.12 percent in the current quarter decreased 4 basis points from the prior quarter loan yield of 6.16 percent and was principally due to a 3 basis points decrease in loan discount accretion and a 2 basis points decrease in non-accrual loan interest reversal. The core loan yield of 6.06 percent in the current quarter increased 1 basis point from the prior quarter core loan yield of 6.05 percent. The loan yield increased 26 basis points from the prior year second quarter loan yield of 5.86 percent.

The current quarter interest expense of $88.8 million decreased $4.9 million, or 5 percent, from the prior quarter, and decreased $11.7 million, or 12 percent, from the prior year second quarter primarily due to a decrease in interest rates on deposits and a decrease in higher cost borrowings. Core deposit cost (including non-interest bearing deposits) decreased to 1.18 percent in the current quarter compared to 1.20 percent in the prior quarter and 1.25 percent in the prior year second quarter. The total funding cost (including non-interest bearing deposits) decreased to 1.33 percent in the current quarter compared to 1.40 percent in the prior quarter and 1.63 percent in 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 3.90 percent, an increase of 10 basis points from the prior quarter net interest margin of 3.80 percent and was primarily driven by the shift in the earning assets mix to higher yielding loans and a decrease in high cost borrowings. The net interest margin as a percentage of earning assets, on a tax-equivalent basis, for the current quarter increased 69 basis points from the prior year second quarter net interest margin of 3.21 percent and was primarily driven by the increase in loan yields, the shift in the earning assets mix to higher yielding loans and the decrease in high cost borrowings. Core net interest margin was 3.86 percent in the current quarter compared to 3.73 percent in the prior quarter and 3.18 percent in the prior year second quarter.

Non-interest Income

Non-interest income for the current quarter totaled $41.1 million, which was an increase of $3.0 million, or 8 percent, over the prior quarter. Non-interest income increased $8.2 million, or 25 percent, over the prior year second quarter. Deposit service charges and other fees of $16.4 million for the current quarter increased $1.1 million, or 7 percent, compared to the prior quarter and increased $2.4 million, or 18 percent, from the prior year second quarter. Payment services of $12.0 million for the current quarter increased $644 thousand, or 6 percent, from the prior quarter and increased $1.6 million, or 15 percent, over the prior year second 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, 2026	Mar 31, 2026	Jun 30, 2025	Mar 31, 2026	Jun 30, 2025
Compensation and employee benefits	$ 116,299	115,770	94,355	529	21,944
Occupancy and equipment	15,661	15,682	12,558	(21)	3,103
Advertising and promotions	5,092	5,256	4,394	(164)	698
Data processing	12,380	13,273	9,883	(893)	2,497
Other real estate owned and foreclosed assets	83	206	26	(123)	57
Regulatory assessments and insurance	5,506	6,403	5,847	(897)	(341)
Intangibles amortization	4,799	4,799	3,624	—	1,175
Other expenses	26,880	39,140	24,432	(12,260)	2,448
Total non-interest expense	$ 186,700	200,529	155,119	(13,829)	31,581

Total non-interest expense of $187 million for the current quarter decreased $13.8 million, or 7 percent, over the prior quarter. Total non-interest expense increased $31.6 million, or 20 percent, over the prior year second quarter and was primarily driven by increased costs from the acquired banks.

Compensation and employee benefits of $116 million for the current quarter increased by $529 thousand, or 46 basis points, over the prior quarter. Compensation and employee benefits increased $21.9 million, or 23 percent, from the prior year second quarter and was primarily driven by annual salary increases and increases in staffing levels from the acquired banks. Other expenses of $26.9 million decreased $12.3 million, or 31 percent, from the prior quarter and was primarily driven by $7.3 million of decreased acquisition-related expenses and a $3.1 million increase in gains from the sale of former branch facilities and disposal of fixed assets.

Acquisition-related expense was $1.6 million in the current quarter compared to $8.9 million in the prior quarter and $3.2 million in the prior year second quarter. In addition, compensation and employee benefits included $2.5 million of expense attributable to acquisition-related employment agreements in the current quarter compared to $2.8 million in the prior quarter and $544 thousand in the prior year second quarter.

Efficiency Ratio

The efficiency ratio was 56.65 percent in the current quarter compared to 63.05 percent in the prior quarter and 62.08 percent in the prior year second quarter. The decrease from the prior quarter was primarily driven by the combination of a decrease in non-interest expense and an increase in net interest income. The decrease from the prior year second quarter was primarily due to 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 2026	$ 10,125	$ 5,871	1.22 %	0.31 %	0.29 %
First quarter 2026	3,514	3,062	1.22 %	0.44 %	0.25 %
Fourth quarter 2025	32,491	6,368	1.22 %	0.38 %	0.22 %
Third quarter 2025	5,192	2,914	1.22 %	0.21 %	0.19 %
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 %

Net charge-offs for the current quarter were $5.9 million compared to $3.1 million in the prior quarter and $1.6 million for the prior year second quarter. The current quarter net charge-offs included $2.8 million in deposit overdraft net charge-offs and $3.1 million of net loan charge-offs.

The current quarter provision for credit loss expense of $6.4 million included $10.1 million of credit loss expense on loans and $3.7 million of credit loss benefit on unfunded loan commitments.

The allowance for credit losses (“ACL”) on loans as a percentage of total loans outstanding was 1.22 percent at each of June 30, 2026, December 31, 2025 and June 30, 2025. Loan portfolio growth, composition, credit quality considerations, economic forecasts, actual results, and other environmental factors will continue to determine the level of the ACL on 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, 2026
Compared to June 30, 2025

Income Summary

The following table summarizes income for the periods indicated:

	Six Months ended			
(Dollars in thousands)	Jun 30, 2026	Jun 30, 2025	$ Change	% Change
Net interest income				
Interest income	$ 727,557	598,040	129,517	22 %
Interest expense	182,452	200,445	(17,993)	(9)%
Total net interest income	545,105	397,595	147,510	37 %
Non-interest income				
Deposit service charges and other fees	31,616	27,125	4,491	17 %
Payment services	23,380	19,785	3,595	18 %
Miscellaneous loan fees and charges	4,837	3,581	1,256	35 %
Gain on sale of loans	10,115	8,584	1,531	18 %
Gain (loss) on sale of securities	—	—	—	N/A
Other income	9,235	6,511	2,724	42 %
Total non-interest income	79,183	65,586	13,597	21 %
Total income	$ 624,288	463,181	161,107	35 %
Net interest margin (tax-equivalent)	3.85 %	3.12 %		
Core net interest margin (tax-equivalent) (non-GAAP) [1]	3.79 %	3.08 %		

[1] Represents a non-GAAP financial measure. Supplemental "Non-GAAP Financial Measures and Reconciliations" tables are provided to reconcile the most directly comparable financial measure calculated and presented in accordance with GAAP.

Net Interest Income

Net interest income of $545 million for the first half of 2026 increased $148 million, or 37 percent, from the first half of the prior year and was primarily driven by increased interest income and decreased interest expense. Interest income of $728 million for the first half of 2026 increased $130 million, or 22 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 6.14 percent during the first half of 2026, an increase of 32 basis points from the prior year first half loan yield of 5.82 percent.

Interest expense of $182 million for the first half of 2026 decreased $18.0 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 decrease in higher cost borrowings. Core deposit cost (including non-interest bearing deposits) was 1.19 percent for the first half of 2026, which was a decrease of 6 basis points over the first half of the prior year core deposit cost of 1.25 percent. The total funding cost (including non-interest bearing deposits) for the first half of 2026 was 1.36 percent, which was a decrease of 29 basis points over the first half of the prior year funding cost of 1.65 percent.

The net interest margin as a percentage of earning assets, on a tax-equivalent basis, during the first half of 2026 was 3.85 percent, a 73 basis points increase from the net interest margin of 3.12 percent for the first half of the prior year. Core net interest margin during the first half of 2026 was 3.79 percent compared to 3.08 percent in the prior year first half. The increase in net interest margin from the prior year was primarily driven by a 32 basis points increase in loan yields and a 29 basis points decrease in total 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 $79.2 million for the first half of 2026 increased $13.6 million, or 21 percent, over the first half of the prior year and was primarily driven by increased income from the acquired banks. Deposit service charges and other fees of $31.6 million for the first half of 2026 increased $4.5 million, or 17 percent, over the first half of the prior year. Payment services of $23.4 million for the first half of 2026 increased by $3.6 million, or 18 percent, over the first half of the prior year.

Non-interest Expense

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

(Dollars in thousands)	Six Months ended Jun 30, 2026	Six Months ended Jun 30, 2025	$ Change	% Change
Compensation and employee benefits	$ 232,069	$ 185,798	$ 46,271	25 %
Occupancy and equipment	31,343	24,852	6,491	26 %
Advertising and promotions	10,348	8,538	1,810	21 %
Data processing	25,653	19,021	6,632	35 %
Other real estate owned and foreclosed assets	289	89	200	225 %
Regulatory assessments and insurance	11,909	11,381	528	5 %
Intangibles amortization	9,598	6,894	2,704	39 %
Other expenses	66,020	49,864	16,156	32 %
Total non-interest expense	$ 387,229	$ 306,437	$ 80,792	26 %

Total non-interest expense of $387 million for the first half of 2026 increased $80.8 million, or 26 percent, over the first half of the prior year and was primarily driven by increased costs from the acquired banks. Compensation and employee benefits expense of $232 million in the first half of 2026 increased $46.3 million, or 25 percent, over the first half of the prior year and was primarily driven by annual salary increases and staffing increases from acquisitions. Occupancy and equipment expense of $31.3 million in the first half of 2026 increased $6.5 million, or 26 percent, over the first half of the prior year primarily due to increased costs from the acquired banks. Data processing expense of $25.7 million in the first half of 2026 increased $6.6 million, or 35 percent, over the first half of the prior year primarily due to increased costs from the acquired banks. Other expenses of $66.0 million for the first half of 2026 increased $16.2 million, or 32 percent, from the first half of the prior year and was primarily driven by an increase in acquisition-related expenses.

Acquisition-related expense was $10.5 million in the first half of the current year compared to $3.8 million in the prior year first half. In addition, compensation and employee benefits included $5.2 million of expense attributable to acquisition-related employment agreements in the first half of the current year compared to $795 thousand in the first half of the prior year.

Efficiency Ratio

The efficiency ratio was 59.79 percent for the first half of 2026 compared to 63.72 percent for the same period of 2025. 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 $12.4 million for the first half of 2026, a decrease of $15.7 million, or 56 percent, over the same period in the prior year. Included in the first half of the prior year provision for credit losses was $16.7 million from the acquisition of Bank of Idaho. Net charge-offs for the first half of 2026 were $8.9 million compared to $3.4 million in the first half of 2025.

Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025
Tangible Equity				
Total stockholders’ equity	$ 4,313,022	$ 4,248,499	4,213,821	3,532,264
Less: goodwill and intangible assets, net	(1,473,954)	(1,478,753)	(1,483,552)	(1,186,350)
Tangible stockholders' equity (non-GAAP)	$ 2,839,068	$ 2,769,746	2,730,269	2,345,914
Tangible Assets				
Total assets	$ 31,599,001	$ 31,734,082	31,978,063	29,004,983
Less: goodwill and intangible assets, net	(1,473,954)	(1,478,753)	(1,483,552)	(1,186,350)
Tangible assets (non-GAAP)	$ 30,125,047	$ 30,255,329	30,494,511	27,818,633
Tangible equity to tangible assets (non-GAAP)	9.42 %	9.15 %	8.95 %	8.43 %
Book value per share	$ 33.13	$ 32.65	$ 32.42	$ 29.80
Tangible book value per share (non-GAAP)	$ 21.81	$ 21.29	$ 21.01	$ 19.79

	At or for the Three Months ended			At or for the Six Months ended	
(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Jun 30, 2025	Jun 30, 2026	Jun 30, 2025
Core Net Interest Margin					
Net interest income (tax equivalent) [1]	$ 280,016	272,383	211,081	552,399	404,481
Purchase accounting	(3,832)	(5,140)	(2,103)	(8,973)	(5,463)
Non-accrual loan interest (recovery) reversal	825	(42)	191	784	204
Core net interest income (tax equivalent) (non-GAAP)	$ 277,009	267,201	209,169	544,210	399,222
Average earning assets	$ 28,793,343	29,078,665	26,401,636	28,935,216	26,117,798
Net interest margin (tax equivalent)	3.90 %	3.80 %	3.21 %	3.85 %	3.12 %
Core net interest margin (tax equivalent) (non-GAAP)	3.86 %	3.73 %	3.18 %	3.79 %	3.08 %

[1] Includes tax effect of $3.6 million, $3.5 million and $3.7 million on tax-exempt municipal loan and lease income, tax-exempt debt securities income and federal income tax credits for the three months ended June 30, 2026, March 31, 2026, and June 30, 2025, respectively. Includes tax effect of $7.3 million and $6.9 million on tax-exempt municipal loan and lease income, tax-exempt debt securities income and federal income tax credits for the six months ended June 30, 2026 and June 30, 2025, respectively.

(Dollars in thousands)	At or for the Three Months ended Jun 30, 2026	Mar 31, 2026	Jun 30, 2025	At or for the Six Months ended Jun 30, 2026	Jun 30, 2025
Operating Diluted Earnings Per Share					
Net income	$ 97,862	82,144	52,781	180,006	107,349
Provision for credit losses - acquisition ACL expense	—	—	16,693	—	16,693
Operating adjustments - non-interest income					
(Gain) loss on securities	—	—	—	—	—
BOLI proceeds	(63)	(776)	—	(839)	(1,113)
Total operating adjustments - non-interest income	(63)	(776)	—	(839)	(1,113)
Operating adjustments - non-interest expense					
Acquisition-related compensation	2,462	2,775	544	5,237	795
Lease terminations	—	200	—	200	—
FDIC special assessment	—	(87)	—	(87)	(219)
(Gain) loss on fixed assets	(2,618)	445	(1,612)	(2,173)	(2,622)
Acquisition-related expense	1,590	8,907	3,231	10,497	3,818
Total operating adjustments - non-interest expense	1,434	12,240	2,163	13,674	1,772
Tax impact	(341)	(3,028)	(4,699)	(3,369)	(4,432)
Net operating adjustments	1,030	8,436	14,157	9,466	12,920
Operating net income (non-GAAP)	$ 98,892	90,580	66,938	189,472	120,269
Weighted average diluted common shares outstanding	130,346,888	130,242,765	116,890,776	130,283,236	115,244,550
Diluted EPS	$ 0.75	$ 0.63	$ 0.45	$ 1.38	$ 0.93
Operating diluted EPS (non-GAAP)	$ 0.76	$ 0.70	$ 0.57	$ 1.45	$ 1.04

(Dollars in thousands)	At or for the Three Months ended June 30, 2026	At or for the Three Months ended March 31, 2026	At or for the Three Months ended June 30, 2025	At or for the Six Months ended June 30, 2026	At or for the Six Months ended June 30, 2025
Operating Efficiency Ratio					
Non-interest expense	$ 186,700	$ 200,529	$ 155,119	$ 387,229	$ 306,437
OREO expense	(60)	(16)	(13)	(76)	(31)
Intangible amortization	(4,799)	(4,799)	(3,624)	(9,598)	(6,894)
Total expenses	181,841	195,714	151,482	377,555	299,512
Operating expense adjustments (pre-tax) [1]	(1,434)	(12,240)	(2,163)	(13,674)	(1,772)
Total operating non-interest expense (non-GAAP)	180,407	183,474	149,319	363,881	297,740
Net interest income (tax equivalent)	280,016	272,383	211,081	552,399	404,481
Non-interest income	41,101	38,082	32,944	79,183	65,586
Gain (loss) on sale of securities	—	—	—	—	—
OREO income	(110)	(35)	—	(145)	—
Total revenues	321,007	310,430	244,025	631,437	470,067
Operating revenue adjustments (pre-tax)	(63)	(776)	—	(839)	(1,113)
Total revenues (non-GAAP)	$ 320,944	$ 309,654	$ 244,025	$ 630,598	$ 468,954
Efficiency ratio	56.65 %	63.05 %	62.08 %	59.79 %	63.72 %
Efficiency ratio (non-GAAP)	56.21 %	59.25 %	61.19 %	57.70 %	63.49 %

[1] Operating expense adjustments (pre-tax) are as defined on within the Operating Diluted Earnings Per Share table.

Investment Activity

The Company's investment securities primarily consist of debt securities classified as either AFS or HTM. Equity securities primarily consist of capital stock issued by the FHLB of Des Moines.

Debt Securities

Debt securities classified as AFS are carried at estimated fair value and debt securities classified as HTM are carried at amortized cost. Unrealized gains or losses, net of tax, on AFS debt securities are reflected as an adjustment to OCI. The Company's debt securities are summarized below:

	June 30, 2026		December 31, 2025		June 30, 2025	
(Dollars in thousands)	Carrying Amount	Percent	Carrying Amount	Percent	Carrying Amount	Percent
Available-for-sale						
U.S. government and federal agency	$ 65,743	1 %	$ 255,930	4 %	$ 425,300	6 %
U.S. government sponsored enterprises	123,985	2 %	312,488	4 %	315,982	4 %
State and local governments	137,353	2 %	164,084	2 %	70,704	1 %
Corporate bonds	11,466	— %	33,949	1 %	14,633	1 %
Residential mortgage-backed securities	1,962,861	31 %	2,215,119	31 %	2,187,864	30 %
Commercial mortgage-backed securities	1,181,317	18 %	1,025,942	14 %	1,010,497	14 %
Total available-for-sale	3,482,725	54 %	4,007,512	56 %	4,024,980	56 %
Held-to-maturity						
U.S. government and federal agency	868,813	13 %	865,696	12 %	862,536	12 %
State and local governments	1,560,541	24 %	1,587,673	23 %	1,600,848	22 %
Residential mortgage-backed securities	575,404	9 %	656,847	9 %	742,749	10 %
Total held-to-maturity	3,004,758	46 %	3,110,216	44 %	3,206,133	44 %
Total debt securities	$ 6,487,483	100 %	$ 7,117,728	100 %	$ 7,231,113	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 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, 2026		December 31, 2025	
(Dollars in thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
S&P: AAA / Moody's: Aaa	$ 460,449	423,561	470,591	430,538
S&P: AA+, AA, AA- / Moody's: Aa1, Aa2, Aa3	1,194,047	1,072,233	1,228,601	1,093,684
S&P: A+, A, A- / Moody's: A1, A2, A3	33,936	33,520	45,339	45,083
S&P: BBB+, BBB, BBB- / Moody's: Baa1, Baa2, Baa3	120	120	—	—
Not rated by either entity	11,053	10,788	8,447	8,170
Total	$ 1,699,605	1,540,222	1,752,978	1,577,475

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, 2026		December 31, 2025	
(Dollars in thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
General obligation - unlimited	$ 336,005	317,504	368,095	348,356
General obligation - limited	191,507	175,123	204,370	185,810
Revenue	1,133,835	1,011,908	1,142,091	1,008,112
Certificate of participation	34,977	32,373	35,134	31,854
Other	3,281	3,314	3,288	3,343
Total	$ 1,699,605	1,540,222	1,752,978	1,577,475

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

	June 30, 2026		December 31, 2025	
(Dollars in thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
New York	$ 366,918	334,271	367,478	332,746
Texas	184,573	175,412	204,775	194,031
California	108,221	101,441	108,915	101,273
Washington	85,690	79,211	86,633	78,960
Colorado	77,268	69,769	77,665	68,872
All other states	876,935	780,118	907,512	801,593
Total	$ 1,699,605	1,540,222	1,752,978	1,577,475

The following table presents the carrying amount and weighted-average yield of AFS (at fair value) and HTM (at amortized cost) debt securities by contractual maturity at June 30, 2026. 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	$ 5,014	3.73%	$ 54,375	3.66%	$ 834	4.48%	$ 5,520	3.63%	$ —	—%	$ 65,743	3.73%
U.S. government sponsored enterprises	114,481	1.39%	9,504	3.71%	—	—%	—	—%	—	—%	123,985	1.56%
State and local governments	5,326	2.47%	24,161	2.91%	61,364	3.21%	46,502	3.73%	—	—%	137,353	3.30%
Corporate bonds	—	—%	9,868	6.41%	903	5.93%	695	0.46%	—	—%	11,466	6.01%
Residential mortgage-backed securities	—	—%	—	—%	—	—%	—	—%	1,962,861	1.43%	1,962,861	1.43%
Commercial mortgage-backed securities	—	—%	—	—%	—	—%	—	—%	1,181,317	3.82%	1,181,317	3.82%
Total available-for-sale	124,821	1.53%	97,908	3.79%	63,101	3.26%	52,717	3.67%	3,144,178	2.30%	3,482,725	2.35%
Held-to-maturity												
U.S. government and federal agency	502,657	1.12%	366,156	1.22%	—	—%	—	—%	—	—%	868,813	1.16%
State and local governments	7,691	3.80%	114,157	3.54%	258,479	3.41%	1,180,214	3.03%	—	—%	1,560,541	3.13%
Residential mortgage-backed securities	—	—%	—	—%	—	—%	—	—%	575,404	0.99%	575,404	0.99%
Total held-to-maturity	510,348	1.16%	480,313	1.77%	258,479	3.41%	1,180,214	3.03%	575,404	0.99%	3,004,758	2.15%
Total debt securities	$ 635,169	1.23%	$ 578,221	2.11%	$ 321,580	3.38%	$ 1,232,931	3.05%	$ 3,719,582	2.11%	$ 6,487,483	2.26%

[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 AFS debt securities with unrealized losses as of June 30, 2026, 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 HTM debt securities portfolio; therefore, no ACL has been recognized at June 30, 2026 on either category.

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

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.). Loan information included in this section of "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. 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. The following table summarizes the Company's loan portfolio as of the dates indicated:

	June 30, 2026		December 31, 2025		June 30, 2025	
(Dollars in thousands)	Amount	Percent	Amount	Percent	Amount	Percent
Residential real estate	$ 2,111,683	10 %	$ 2,457,907	12 %	$ 1,931,554	11 %
Commercial real estate	14,155,059	67 %	13,565,512	65 %	11,935,109	65 %
Other commercial	3,615,240	17 %	3,497,829	17 %	3,303,889	18 %
Home equity	1,054,110	5 %	977,206	5 %	975,429	5 %
Other consumer	427,631	2 %	429,342	2 %	386,759	2 %
Loans receivable [1]	21,363,723	101 %	20,927,796	101 %	18,532,740	101 %
Allowance for credit losses	(260,025)	(1)%	(255,319)	(1)%	(226,799)	(1)%
Loans receivable, net	$ 21,103,698	100 %	$ 20,672,477	100 %	$ 18,305,941	100 %

[1] In connection with the Guaranty core system conversion in the first quarter 2026, Guaranty loans were reclassified to conform to the Company's classifications. There were approximately $236 million of loans reclassified from residential loans into other categories, the majority of which were reclassified to commercial real estate loans.

The largest category of the Company's loan portfolio is CRE. An additional breakdown of the Company's CRE portfolio follows.

	June 30, 2026			
(Dollars in thousands)	Owner Occupied	Non-Owner Occupied	Total	Percent of total CRE
Office	$ 795,836	$ 934,489	$ 1,730,325	12 %
Retail	517,948	1,195,404	1,713,352	12 %
Industrial and warehouse	979,832	567,258	1,547,090	11 %
Multi-family	—	1,381,319	1,381,319	10 %
Hotel	—	896,605	896,605	6 %
Mini and RV Storage	21,653	774,886	796,539	6 %
Medical and nursing	363,908	358,344	722,252	5 %
Agriculture real estate	703,701	—	703,701	5 %
Land	87,062	607,084	694,146	5 %
Restaurant and entertainment	315,751	154,176	469,927	3 %
Automotive and transportation	390,872	88,149	479,021	3 %
Other commercial real estate	2,404,186	616,596	3,020,782	22 %
Total commercial real estate	$ 6,580,749	$ 7,574,310	$ 14,155,059	100 %

The following table summarizes the Company’s CRE portfolio by geographic location as of the date indicated:

(Dollars in thousands)	June 30, 2026	
	Amount	Percent of total CRE
Montana	$ 3,293,031	23.3 %
Utah	2,178,381	15.4 %
Idaho	1,928,665	13.6 %
Texas	1,485,681	10.5 %
Arizona	1,435,288	10.1 %
Colorado	1,218,960	8.6 %
Washington	1,010,847	7.1 %
Wyoming	830,808	5.9 %
Nevada	773,398	5.5 %
Total commercial real estate	$ 14,155,059	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 nine-state footprint. Specifically, our CRE portfolio has an average loan balance of $823.9 million with an average loan-to-value ratio (“LTV”) of 57% as of June 30, 2026.

Due to the recent trends in the banking industry, there has been increased risk associated with CRE 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, 2026	At or for the Three Months ended March 31, 2026	At or for the Year ended December 31, 2025	At or for the Six Months ended June 30, 2025
Other real estate owned and foreclosed assets	$ 1,541	1,610	411	1,879
Accruing loans 90 days or more past due	15,867	13,470	5,997	11,371
Non-accrual loans	74,441	64,415	62,487	35,356
Total non-performing assets	$ 91,849	79,495	68,895	48,606
Non-performing assets as a percentage of subsidiary assets	0.29 %	0.25 %	0.22 %	0.17 %
ACL as a percentage of non-performing loans	288 %	328 %	373 %	485 %
Accruing loans 30-89 days past due	$ 65,483	91,760	78,826	54,403
U.S. government guarantees included in non-performing assets	$ 7,497	8,066	8,733	2,651
Interest income [1]	$ 2,254	984	3,669	1,016

[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 of $91.8 million at June 30, 2026 increased $12.4 million, or 16 percent, over the prior quarter and increased $43.2 million, or 89 percent, over the prior year second quarter.

Early stage delinquencies (accruing loans 30-89 days past due) of $65.5 million at June 30, 2026 decreased $26.3 million from the prior quarter and increased $11.1 million from the prior year second quarter. Early stage delinquencies as a percentage of loans at June 30, 2026 were 0.31 percent compared to 0.44 percent for the prior quarter and 0.29 percent for the 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 Unaudited Condensed Consolidated Financial Statements in "Part I. Item 1. Financial Statements."

Modifications to Borrowers Experiencing Financial Difficulty

The Company identifies and monitors MBFD loans. 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, 2026 had an amortized cost of $22.0 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 OREO and other foreclosed assets during 2026 was $3.0 million. The fair value of the loan collateral acquired in foreclosure during 2026 was $2.0 million. 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, 2026	At or for the Three Months ended March 31, 2026	At or for the Year ended December 31, 2025	At or for the Six Months ended June 30, 2025
Balance at beginning of period	$ 411	411	1,164	1,164
Acquisitions	—	—	—	1,397
Additions	1,992	1,374	2,367	—
Write-downs	(14)	—	(76)	—
Sales	(848)	(175)	(3,044)	(682)
Balance at end of period	$ 1,541	1,610	411	1,879

Allowance for Credit Losses - Loans Receivable

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

	June 30, 2026			December 31, 2025			June 30, 2025		
(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	$ 25,226	10 %	10 %	$ 31,875	12 %	12 %	$ 27,915	12 %	10 %
Commercial real estate	179,701	69 %	66 %	166,803	65 %	65 %	152,189	67 %	65 %
Other commercial	36,353	14 %	17 %	37,954	15 %	16 %	28,316	13 %	18 %
Home equity	11,437	4 %	5 %	11,645	5 %	5 %	11,701	5 %	5 %
Other consumer	7,308	3 %	2 %	7,042	3 %	2 %	6,678	3 %	2 %
Total	$ 260,025	100 %	100 %	$ 255,319	100 %	100 %	$ 226,799	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, 2026	At or for the Three Months ended March 31, 2026	At or for the Year ended December 31, 2025	At or for the Six Months ended June 30, 2025
Balance at beginning of period	$ 255,319	255,319	206,041	206,041
Acquisitions	—	—	154	35
Provision for credit losses	13,639	3,514	61,846	24,163
Net (charge-offs) recoveries				
Residential real estate	22	14	273	192
Commercial real estate	(1,278)	(94)	(1,827)	311
Other commercial	(3,752)	(1,094)	(3,568)	(685)
Home equity	(288)	(295)	(28)	33
Other consumer	(3,637)	(1,593)	(7,572)	(3,291)
Net charge-offs	(8,933)	(3,062)	(12,722)	(3,440)
Balance at end of period	$ 260,025	255,771	255,319	226,799
ACL as a percentage of total loans	1.22 %	1.22 %	1.22 %	1.22 %
Non-accrual loans as a percentage of total loans	0.35 %	0.31 %	0.30 %	0.19 %
ACL as a percentage of non-accrual loans	349.30 %	397.07 %	408.60 %	641.47 %

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

	June 30, 2026	March 31, 2026	December 31, 2025	June 30, 2025
Residential real estate	— %	— %	0.01 %	— %
Commercial real estate	(0.01)%	— %	(0.02)%	— %
Other commercial	(0.11)%	(0.03)%	(0.11)%	(0.02)%
Home equity	(0.03)%	(0.03)%	— %	— %
Other consumer	(0.85)%	(0.37)%	(1.91)%	(0.86)%
Total net (charge-offs) recoveries	(0.04)%	(0.01)%	(0.70)%	(0.02)%

The provision for credit loss expense was $12.4 million for the first half of 2026, a decrease of $15.7 million, or 56 percent, over the same period in the prior year. Included in the first half of the prior year provision for credit losses was $16.7 million from the acquisition of Bank of Idaho. Net charge-offs for the first half of 2026 were $8.9 million compared to $3.4 million in the first half of 2025.

The ACL on loans as a percentage of total loans outstanding was 1.22 percent at each of June 30, 2026, December 31, 2025 and June 30, 2025. The Company's ACL of $260 million is considered adequate to absorb the estimated credit losses from any segment of its loan portfolio. For the periods ended June 30, 2026 and 2025, 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 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 282 locations, including 238 branches, across Montana, Idaho, Utah, Washington, Wyoming, Colorado, Arizona, Nevada, and Texas. 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 eighteen 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 Unaudited Condensed 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, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025
Custom and owner occupied construction	$ 240,093	$ 227,869	$ 263,713	$ 254,790	5 %	(9)%	(6)%
Pre-sold and spec construction	261,642	268,831	255,542	208,106	(3)%	2 %	26 %
Total residential construction	501,735	496,700	519,255	462,896	1 %	(3)%	8 %
Land development	232,548	218,943	263,262	176,925	6 %	(12)%	31 %
Consumer land or lots	231,468	234,467	247,769	229,823	(1)%	(7)%	1 %
Unimproved land	256,084	240,944	167,796	127,550	6 %	53 %	101 %
Developed lots for operative builders	51,831	50,056	69,786	73,053	4 %	(26)%	(29)%
Commercial lots	131,320	120,528	155,631	175,929	9 %	(16)%	(25)%
Other construction	1,254,856	1,144,637	1,122,350	753,056	10 %	12 %	67 %
Total land, lot, and other construction	2,158,107	2,009,575	2,026,594	1,536,336	7 %	6 %	40 %
Owner occupied	3,928,083	3,908,697	3,950,726	3,529,536	— %	(1)%	11 %
Non-owner occupied	5,195,855	5,125,101	4,859,173	4,283,986	1 %	7 %	21 %
Total commercial real estate	9,123,938	9,033,798	8,809,899	7,813,522	1 %	4 %	17 %
Commercial and industrial	1,687,362	1,630,625	1,649,101	1,545,498	3 %	2 %	9 %
Agriculture	1,313,581	1,252,040	1,282,861	1,167,611	5 %	2 %	13 %
First lien	2,996,965	3,051,563	3,098,023	2,590,433	(2)%	(3)%	16 %
Junior lien	110,601	103,240	106,205	80,170	7 %	4 %	38 %
Total 1-4 family	3,107,566	3,154,803	3,204,228	2,670,603	(1)%	(3)%	16 %
Multifamily residential	1,075,562	1,068,813	1,019,484	975,785	1 %	6 %	10 %
Home equity lines of credit	1,089,052	1,081,438	1,076,201	1,048,595	1 %	1 %	4 %
Other consumer	222,289	227,762	237,393	197,744	(2)%	(6)%	12 %
Total consumer	1,311,341	1,309,200	1,313,594	1,246,339	— %	— %	5 %
States and political subdivisions	950,829	945,587	964,591	973,145	1 %	(1)%	(2)%
Other	178,847	174,174	177,375	188,743	3 %	1 %	(5)%
Total loans receivable, including loans held for sale	21,408,868	21,075,315	20,966,982	18,580,478	2 %	2 %	15 %
Less loans held for sale [1]	(45,145)	(41,652)	(39,186)	(47,738)	8 %	15 %	(5)%
Total loans receivable	$ 21,363,723	$ 21,033,663	$ 20,927,796	$ 18,532,740	2 %	2 %	15 %

[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:

	Non-performing Assets, by Loan Type				Non-Accrual Loans	Accruing Loans 90 Days or More Past Due	Other Real Estate Owned
(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	Jun 30, 2026	Jun 30, 2026	Jun 30, 2026
Custom and owner occupied construction	$ 397	404	183	235	397	—	—
Pre-sold and spec construction	—	889	919	2,806	—	—	—
Total residential construction	397	1,293	1,102	3,041	397	—	—
Land development	1,022	866	898	885	865	157	—
Consumer land or lots	248	17	79	460	15	233	—
Developed lots for operative builders	113	567	456	531	—	—	113
Commercial lots	—	—	556	47	—	—	—
Other construction	500	580	129	—	—	—	500
Total land, lot and other construction	1,883	2,030	2,118	1,923	880	390	613
Owner occupied	5,174	4,254	3,969	4,412	4,102	1,072	—
Non-owner occupied	24,176	18,423	7,606	1,206	21,115	3,061	—
Total commercial real estate	29,350	22,677	11,575	5,618	25,217	4,133	—
Commercial and industrial	24,436	26,480	27,308	14,764	22,787	1,400	249
Agriculture	10,592	6,119	3,549	6,603	7,576	3,016	—
First lien	16,733	14,231	15,816	10,549	11,712	4,627	394
Junior lien	2,302	1,276	1,776	533	1,629	673	—
Total 1-4 family	19,035	15,507	17,592	11,082	13,341	5,300	394
Multifamily residential	—	409	395	398	—	—	—
Home equity lines of credit	4,932	3,746	3,968	4,016	3,561	1,160	211
Other consumer	1,071	1,151	1,229	921	682	315	74
Total consumer	6,003	4,897	5,197	4,937	4,243	1,475	285
Other	153	83	59	240	—	153	—
Total	$ 91,849	79,495	68,895	48,606	74,441	15,867	1,541

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

	Accruing 30-89 Days Delinquent Loans, by Loan Type				% Change from		
(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025
Custom and owner occupied construction	$ 2,277	$ —	$ 533	$ 385	n/m	327 %	491 %
Pre-sold and spec construction	4,498	2,284	1,189	—	97 %	278 %	n/m
Total residential construction	6,775	2,284	1,722	385	197 %	293 %	1,660 %
Land development	2,290	416	3,994	170	450 %	(43)%	1,247 %
Consumer land or lots	1,968	1,041	1,162	1,210	89 %	69 %	63 %
Unimproved land	18	454	—	75	(96)%	n/m	(76)%
Developed lots for operative builders	—	5,218	2,300	—	(100)%	(100)%	n/m
Commercial lots	180	—	965	—	n/m	(81)%	n/m
Other construction	—	—	4,787	7,840	n/m	(100)%	(100)%
Total land, lot and other construction	4,456	7,129	13,208	9,295	(37)%	(66)%	(52)%
Owner occupied	6,038	9,985	6,103	3,903	(40)%	(1)%	55 %
Non-owner occupied	18,064	21,459	15,388	13,806	(16)%	17 %	31 %
Total commercial real estate	24,102	31,444	21,491	17,709	(23)%	12 %	36 %
Commercial and industrial	4,787	11,662	10,215	6,711	(59)%	(53)%	(29)%
Agriculture	6,537	4,424	2,390	8,243	48 %	174 %	(21)%
First lien	7,292	19,407	19,699	3,583	(62)%	(63)%	104 %
Junior lien	1,279	2,576	20	—	(50)%	6,295 %	n/m
Total 1-4 family	8,571	21,983	19,719	3,583	(61)%	(57)%	139 %
Multifamily residential	278	869	150	—	(68)%	85	n/m
Home equity lines of credit	5,354	7,111	5,415	5,482	(25)%	(1)%	(2)%
Other consumer	1,990	1,755	1,866	1,615	13 %	7 %	23 %
Total consumer	7,344	8,866	7,281	7,097	(17)%	1 %	3 %
Other	2,633	3,099	2,650	1,380	(15)%	(1)%	91 %
Total	$ 65,483	$ 91,760	$ 78,826	$ 54,403	(29)%	(17)%	20 %

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n/m - not measurable

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

	Net Charge-Offs (Recoveries), Year-to-Date Period Ending, By Loan Type				Charge-Offs	Recoveries
(Dollars in thousands)	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Jun 30, 2025	Jun 30, 2026	Jun 30, 2026
Pre-sold and spec construction	$ —	—	—	50	—	—
Land development	—	—	(358)	(341)	—	—
Consumer land or lots	—	—	(5)	(3)	—	—
Developed lots for operative builders	—	—	(8)	—	—	—
Total land, lot and other construction	—	—	(371)	(344)	—	—
Owner occupied	256	—	(2)	(1)	349	93
Non-owner occupied	308	—	2,232	(8)	383	75
Total commercial real estate	564	—	2,230	(9)	732	168
Commercial and industrial	2,298	576	2,104	26	2,598	300
Agriculture	—	(2)	(112)	(109)	4	4
First lien	119	86	(182)	(79)	187	68
Junior lien	(22)	(19)	(38)	(137)	—	22
Total 1-4 family	97	67	(220)	(216)	187	90
Multifamily residential	409	—	—	—	409	—
Home equity lines of credit	78	82	43	(20)	116	38
Other consumer	504	173	1,600	656	708	204
Total consumer	582	255	1,643	636	824	242
Other	4,983	2,166	7,448	3,406	6,808	1,825
Total	$ 8,933	3,062	12,722	3,440	11,562	2,629

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, 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 negotiable on withdrawal ("NOW"), demand deposit accounts ("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, 2026		December 31, 2025		June 30, 2025	
(Dollars in thousands)	Amount	Percent	Amount	Percent	Amount	Percent
Non-interest bearing deposits	$ 7,423,439	30 %	$ 7,314,779	30 %	$ 6,593,728	30 %
NOW and DDA accounts	6,192,363	25 %	6,236,551	25 %	5,747,388	27 %
Savings accounts	3,169,141	13 %	3,158,939	13 %	2,956,387	14 %
Money market deposit accounts	4,132,820	17 %	3,948,201	16 %	3,089,115	14 %
Certificate accounts	3,732,971	15 %	3,928,550	16 %	3,238,576	15 %
Wholesale deposits	3,383	— %	4,076	— %	3,308	— %
Total interest bearing deposits	17,230,678	70 %	17,276,317	70 %	15,034,774	70 %
Total deposits	$ 24,654,117	100 %	$ 24,591,096	100 %	$ 21,628,502	100 %

Borrowings
The Bank has secured borrowings through repurchase agreements. This process involves the selling of one or more of the securities in the Bank'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 Bank periodically enters into wholesale repurchase agreements as additional funding sources. The Bank 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 Bank.

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, 2026. The subordinated debentures outstanding as of June 30, 2026 were $189 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, 2026 and determined its ACL of $28.8 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 VIEs, see Note 7 to the Unaudited Condensed 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, 2026	December 31, 2025
FHLB advances		
Borrowing capacity	$ 5,422,173	4,872,433
Amount utilized	—	(440,000)
Letters of credit and other pledged collateral	(17,460)	(10,224)
Amount available	$ 5,404,713	4,422,209
FRB discount window		
Borrowing capacity	$ 2,285,572	2,048,309
Amount utilized	—	—
Amount available	$ 2,285,572	2,048,309
Unsecured lines of credit available	$ 540,000	530,000
Unencumbered debt securities		
U.S. government and federal agency	$ 38,984	90,783
U.S. government sponsored enterprises	52,681	13,758
State and local governments	808,522	929,248
Corporate bonds	11,465	33,949
Residential mortgage-backed securities	67,755	160,623
Commercial mortgage-backed securities	597,929	794,427
Total unencumbered debt securities [1]	$ 1,577,336	2,022,788

[1] Total unencumbered debt securities at June 30, 2026, included $797.3 million classified as AFS and $780.0 million classified as HTM. Total unencumbered debt securities at December 31, 2025, included $1.2 billion classified as AFS, and $828.1 million classified as HTM.

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 130,202,054 have been issued as of June 30, 2026. 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, 2026. 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, 2026, 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, 2026:

	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 regulatory ratios	14.21 %	12.99 %	12.99 %	10.10 %
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, 4.45 percent in Utah, 4.40 percent in Colorado and 4.90 percent in Arizona. Washington, Wyoming, Nevada, and Texas do not impose a corporate income tax. The Company is also required to file in states other than the nine 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, 2026	Six Months ended June 30, 2025
Income before income taxes	$	224,640	128,663
Federal and state income tax expense		44,634	21,314
Net income	$	180,006	107,349
Effective tax rate [1]		19.9%	16.6%
Income from tax-exempt debt securities, municipal loans and leases	$	41,729	41,975
Benefits from federal income tax credits	$	18,318	16,610

[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 $44.6 million for the first half of 2026 increased $23.3 million, or 109 percent, over the same period in the prior year. The effective tax rate for the first half of 2026 was 19.9 percent compared to 16.6 percent for the same period in the prior year. The increase in tax expense and the increase in the effective tax rate was the primarily the result of an increase in the pre-tax income.

The Company has equity investments in CDEs which have received allocations of NMTCs. Administered by the 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 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. As of June 30, 2026, the Company has investments of $1.4 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. The Company has investments in historic tax credits that are claimed over a five-year credit allowance period.

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	$	5,527	31,640	43	564	37,774
2027		5,705	34,042	43	564	40,354
2028		3,689	32,003	43	—	35,735
2029		2,160	30,680	43	—	32,883
2030		1,470	29,179	43	—	30,692
Thereafter		804	102,657	62	—	103,523
	$	19,355	260,201	277	1,128	280,961

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, 2026			Six Months ended June 30, 2026		
(Dollars in thousands)	Average Balance	Interest and Dividends	Average Yield/ Rate	Average Balance	Interest and Dividends	Average Yield/ Rate
Assets						
Residential real estate loans	$ 2,172,055	$ 30,104	5.54 %	$ 2,265,738	$ 63,812	5.63 %
Commercial loans [1]	17,562,322	267,705	6.11 %	17,385,333	527,992	6.12 %
Consumer and other loans	1,479,518	26,103	7.08 %	1,452,740	50,990	7.08 %
Total loans [2]	21,213,895	323,912	6.12 %	21,103,811	642,794	6.14 %
Tax-exempt investment securities [3]	1,624,487	14,246	3.51 %	1,635,986	28,698	3.51 %
Taxable investment securities [4, 5]	5,954,961	30,650	2.06 %	6,195,419	63,359	2.05 %
Total earning assets	28,793,343	368,808	5.14 %	28,935,216	734,851	5.12 %
Goodwill and intangibles	1,476,292			1,478,726		
Non-earning assets	1,201,401			1,202,289		
Total assets	$ 31,471,036			$ 31,616,231		
Liabilities						
Non-interest bearing deposits	$ 7,298,710	$ —	— %	$ 7,264,754	$ —	— %
NOW and DDA accounts	6,206,979	16,103	1.04 %	6,187,446	32,000	1.04 %
Savings accounts	3,170,155	5,451	0.69 %	3,167,020	10,951	0.70 %
Money market deposit accounts	4,052,361	20,154	1.99 %	4,008,235	39,232	1.97 %
Certificate accounts	3,807,368	30,233	3.18 %	3,851,888	61,975	3.24 %
Total core deposits	24,535,573	71,941	1.18 %	24,479,343	144,158	1.19 %
Short-term borrowings						
Wholesale deposits [6]	3,337	31	3.77 %	3,475	65	3.79 %
Repurchase agreements	1,995,035	13,227	2.66 %	2,034,340	26,846	2.66 %
FHLB advances	55	—	3.87 %	179,917	4,226	4.67 %
Total short-term borrowings	1,998,427	13,258	2.62 %	2,217,732	31,137	2.79 %
Long-term borrowings						
Subordinated debentures and other borrowed funds	271,589	3,593	5.31 %	269,531	7,157	5.35 %
Total interest bearing liabilities	26,805,589	88,792	1.33 %	26,966,606	182,452	1.36 %
Other liabilities	364,792			368,648		
Total liabilities	27,170,381			27,335,254		
Stockholders' Equity						
Stockholders' equity	4,300,655			4,280,977		
Total liabilities and stockholders' equity	$ 31,471,036			$ 31,616,231		
Net interest income (tax-equivalent)		$ 280,016			$ 552,399	
Net interest spread (tax-equivalent)			3.81 %			3.76 %
Net interest margin (tax-equivalent)			3.90 %			3.85 %

Average Balance Sheet - continued

[1] Includes tax effect of $1.6 million and $3.3 million on tax-exempt municipal loan and lease income for the three and six months ended June 30, 2026, 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 $1.9 million and $3.9 million on tax-exempt debt securities income for the three and six months ended June 30, 2026, respectively.
[4] Includes interest income of $7.0 million and $15.1 million on average interest-bearing cash balances of $772.3 million and $832.8 million for the three and six months ended June 30, 2026, respectively.
[5] Includes tax effect of $68 thousand and $136 thousand on federal income tax credits for the three and six months ended June 30, 2026, 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, 2026 2026 vs. 2025 Increase (Decrease) Due to:		
(Dollars in thousands)	Volume	Rate	Net
Interest income			
Residential real estate loans	$ 9,147	5,029	14,176
Commercial loans (tax-equivalent)	82,977	29,711	112,688
Consumer and other loans	4,688	(104)	4,584
Investment securities (tax-equivalent)	(6,282)	4,760	(1,522)
Total interest income	90,530	39,396	129,926
Interest expense			
NOW and DDA accounts	3,258	(2,368)	890
Savings accounts	1,040	(651)	389
Money market deposit accounts	10,703	(386)	10,317
Certificate accounts	12,157	(7,924)	4,233
Wholesale deposits	(26)	(14)	(40)
Repurchase agreements	2,431	(3,427)	(996)
FHLB advances	(34,243)	(56)	(34,299)
Subordinated debentures and other borrowed funds	1,146	367	1,513
Total interest expense	(3,534)	(14,459)	(17,993)
Net interest income (tax-equivalent)	$ 94,064	53,855	147,919

Net interest income (tax-equivalent) increased $147.9 million for the six months ended June 30, 2026 compared to the same period in 2025. 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, loan growth and lower cost of borrowings. 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 higher cost borrowings and a decrease in deposit costs.

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 unaudited condensed consolidated 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 and 200 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, 2026.

	Estimated Sensitivity	
Rate Scenarios	One Year	Two Years
-400 bp Rate ramp	0.19%	(2.38%)
-200 bp Rate ramp	(0.14%)	(3.58%)
-200 bp Rate shock	(1.07%)	(6.13%)
-100 bp Rate shock	(1.32%)	(3.73%)
+100 bp Rate shock	1.88%	4.02%
+200 bp Rate shock	1.93%	6.06%
+200 bp Rate ramp	0.72%	3.59%
+400 bp Rate ramp	0.62%	3.05%

The preceding sensitivity analysis does not represent a forecast and should not be relied upon as being indicative of expected operating results. 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 CEO and Chief Financial Officer (“CFO”) 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, 2026. Based on that evaluation, the CEO and CFO 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 2026, 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 2025 Annual Report on Form 10-K. The risks and uncertainties described in the Company’s 2025 Annual Report on Form 10-K 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

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

32 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 4, 2026	/s/ Randall M. Chesler
	Randall M. Chesler
	President and CEO
August 4, 2026	/s/ Ron J. Copher
	Ron J. Copher
	Executive Vice President and CFO

Exhibit 31.1

CERTIFICATIONS

I, Randall M. Chesler, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Glacier Bancorp, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 4, 2026	/s/ Randall M. Chesler
	Randall M. Chesler
	President/CEO

Exhibit 31.2

CERTIFICATIONS

I, Ron J. Copher, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Glacier Bancorp, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 4, 2026

/s/ Ron J. Copher
Ron J. Copher
Executive Vice President/CFO

Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Glacier Bancorp, Inc. (“Company”) on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (“Report”), we, Randall M. Chesler, President and Chief Executive Officer, and Ron J. Copher, Executive Vice President and Chief Financial Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

August 4, 2026	/s/ Randall M. Chesler
	Randall M. Chesler
	President/CEO
August 4, 2026	/s/ Ron J. Copher
	Ron J. Copher
	Executive Vice President/CFO