

# A MESSAGE FROM THE BOARD OF DIRECTORS



On behalf of the Board, I am pleased to share that Banner Corporation (“Banner” or “Corporation”) has made substantial progress in the development of our Environmental, Social and Governance (ESG) Program this past year. Doing the right thing has long been the guiding principle of all we do. ESG represents new ways of categorizing the good efforts our colleagues undertake every day to serve our clients, investors and communities. We believe that operating a sustainable business is a multi-faceted undertaking. We recognize that incorporating sustainable practices into our strategy and operations is essential and we strive to create positive change in the communities we serve, through our day-to-day business activities, longer-term strategic initiatives and community engagement.

The Board, through its various committees, oversees the Corporation’s ESG Program. Oversight of the overall ESG Program primarily rests with our Corporate Governance/Nominating Committee. The Committee reviews the Corporation’s policies and programs that relate to corporate social responsibility matters and periodically reviews and reassesses the Corporation’s environmental, social and governance framework and initiatives.

The Audit Committee is tasked with overseeing and reviewing any external ESG reporting and related internal controls outlining the Corporation’s ESG related activities.

Our Compensation and Human Capital Committee, in coordination with the Corporate Governance/Nominating Committee, oversees ESG matters related to human capital resource management. This Committee is also charged with annually reviewing the Corporation’s diversity and inclusion metrics, including our consolidated EEO-1 statement, detailing the racial and gender diversity of the organization’s workforce.

The Risk Committee periodically reviews risks associated with our ESG Program. Additionally, the Risk Committee will review the Corporation’s progress on ESG risk management initiatives and activities, including climate change risk management, relative to any stated ESG Program goals.

We have formed an ESG working group consisting of senior leaders representing various departments throughout the Corporation and its primary subsidiary, Banner Bank. The ESG working group has been tasked with the development of a strategy to highlight Banner’s existing ESG accomplishments and to continue to evolve our ESG efforts, considering the interests of all our stakeholders – including our shareholders, clients, colleagues and communities. One of the ESG working group’s initial goals has already been achieved – the publication of this inaugural ESG Highlights Report.

As a Board, we are proud of Banner’s commitment to ESG matters. We encourage you to read about our achievements and follow our ESG Program’s progress in the coming years as we continue to do the right thing.

**Roberto R. Herencia**

Board Chair  
Banner Corporation