Heritage
BANK

CRA Public File

November 5, 2026

Community Reinvestment Act

The Community Reinvestment Act ("CRA") was enacted by Congress in 1977 (12 U.S.C. 2901) with the intent to encourage depository institutions to help meet the credit needs of the communities in which they operate. CRA is implemented through Regulations 12 CFR parts 25, 228, 345, and 195. Based on total asset thresholds set in the CRA implementing regulations, Heritage Bank qualifies as a "Large Bank," thus requiring the disclosures and information presented in this document. For purposes of CRA, Heritage Bank has defined its assessment areas as consisting of the following counties, in their entireties unless otherwise noted:

Assessment Area Name	State	Counties within Assessment Area
Puget Sound CSA	WA	Island, King, Mason, Pierce, Skagit, Snohomish, Thurston & Kitsap
Bellingham MSA	WA	Whatcom
Yakima MSA	WA	Yakima
Longview MSA	WA	Cowlitz
Washington State Non-MSA	WA	San Juan, Clallam* & Jefferson*
Portland-Vancouver-Hillsboro MSA	WA	Clark
	OR	Multnomah, Washington
Eugene-Springfield MSA	OR	Lane
Boise City MSA	ID	Ada, Canyon, Gem, Boise

**Partial County Delineation*

This is a public document. In accordance with CRA, Heritage Bank makes this document available to the public for inspection at the public's request and at no charge. Additionally, upon public request, Heritage Bank must provide copies of the information in this public file, in paper format or in another form acceptable to the person making the request. The regulations permit the Bank to charge a reasonable fee for reproduction of the public file, but the fee must not exceed the cost of copying and, if applicable, mailing.

The information contained in this public file is current as of at least October 15, 2026, as required by regulation. However, Heritage Bank annually revises the April 1st CRA Public File to include the most current CRA Disclosure Statement within three (3) business days of publication, also required by regulation. Additionally, Heritage Bank, at its discretion, may update its CRA Public File for inclusion of revised branching and Assessment Area information related to recent branch additions, mergers and/ or acquisitions.

Questions or comments regarding Heritage Bank's CRA Public File may be addressed to:

Heritage Bank
Compliance Department
3615 Pacific Avenue
Tacoma, WA 98418

Community Reinvestment Act Notice

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each calendar quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination for the next two quarters. This list is available from the Regional Director, FDIC, 25 Jessie Street at Ecker Square, Suite 2300, San Francisco, CA 94105. You may send written comments about our performance in helping to meet community credit needs to Compliance Department - CRA, Heritage Bank, 3615 Pacific Avenue, Tacoma, WA 98418 and FDIC Regional Director. You may also submit comments electronically through the FDIC's website at *www.fdic.gov/regulations/cra*. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Heritage Financial Corporation, a bank holding company. You may request from the Manager of Applications, Federal Reserve Bank of San Francisco, 101 Market Street, San Francisco, CA 94105, an announcement of applications covered by the CRA filed by bank holding companies.

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Written Public Comments and Bank's Responses
Current Year & Prior Two Calendar Years

In 2024, 2025, and through October 1, 2026, Heritage Bank did not receive any written public comments specifically related to the bank's performance in helping meet community credit needs.

PUBLIC DISCLOSURE

July 6, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Heritage Bank
Certificate Number: 29012

201 5th Avenue Southwest
Olympia, Washington 98501

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
San Francisco Regional Office

25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory.**

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas (AAs), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding			
High Satisfactory		X	X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			
** The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*			

The Lending Test is rated Low Satisfactory.
Lending levels reflect adequate responsiveness to AA credit needs. A high percentage of loans are made in the institution's AAs. The distribution of borrowers reflects, given the product lines offered by the institution, poor penetration among business customers of different sizes and retail customers of different income levels. The geographic distribution of loans reflects adequate penetration throughout the AAs. The institution exhibits an adequate record of serving the credit needs of the most economically disadvantaged areas of its AAs, very small businesses, and low-income individuals, consistent with safe and sound banking practices. The institution has made a relatively high level of community development loans and makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs.

The Investment Test is rated High Satisfactory.
The institution has a significant level of qualified community development investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits good responsiveness to credit and community development needs. The institution makes significant use of innovative or complex investments to support community development initiatives.

The Service Test is rated High Satisfactory.
Delivery systems are accessible to essentially all portions of the institution's AAs. To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Services, (including, where appropriate, business hours) do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and individuals. Lastly, the institution provides an adequate level of community development services.

DESCRIPTION OF INSTITUTION

Heritage Bank (HB) is a state-chartered commercial bank headquartered in Olympia, Washington. The bank is wholly-owned by the Heritage Financial Corporation, which is also based in Olympia. HB's subsidiaries include the Heritage Bank Community Development Entity (HBCDE), which makes loans to businesses in economically distressed areas and finances low-income housing tax credit (LIHTC) projects. This evaluation includes all activities provided by HB and the HBCDE. The bank received a Satisfactory rating at its previous FDIC performance evaluation, dated July 5, 2023, using the Interagency Large Institution Examination Procedures.

HB is a full-service retail bank that operates 66 branches across Washington, Oregon, and Idaho. The bank acquired Kitsap Bank effective January 31, 2026. Since the prior evaluation, HB opened or acquired 19 branches and closed 4 branches. Refer to the Service Test sections for details of the impact on LMI individuals and geographies throughout the bank's AAs. HB remains primarily a commercial lender, offering a range of business term loans, business lines of credit, and commercial real estate loans. HB stopped offering consumer residential mortgages beginning in 2024; however, consumer loan products include home equity lines of credit, personal lines of credit, boat and recreational vehicle loans, and deposit-secured loans. Deposit products include personal and business checking, savings, individual retirement, and money market accounts, as well as certificates of deposits.

As of March 31, 2026, HB reported $8.5 billion in total assets, including $5.7 billion in loans and leases, and $1.7 billion in securities. The bank also reported $7.3 billion in total deposits. This represents a 17.4 percent increase in total assets, 38.6 percent increase in total loans and leases, 19.7 percent increase in total securities, and 25.1 percent increase in total deposits since the prior evaluation. As shown in the following table, commercial loans, including commercial real estate and commercial and industrial loans, compose the majority of the bank's outstanding loan portfolio at 64.2 percent. Residential real estate loans, including loans secured by 1-4 family residential properties and multifamily properties, represent 21.5 percent of the loan portfolio. Finally, agricultural lending, including loans secured by farmland and agricultural loans, and consumer loans represent 0.9 percent and 0.2 percent of the loan portfolio, respectively.

Loan Portfolio Distribution as of 3/31/2026		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	394,395	6.9
Secured by Farmland	28,841	0.5
Secured by 1-4 Family Residential Properties	713,668	12.5
Secured by Multifamily (5 or more) Residential Properties	513,782	9.0
Secured by Commercial Real Estate	2,921,869	51.1
Total Real Estate Loans	**4,572,555**	**79.9**
Commercial and Industrial Loans	748,883	13.1
Agricultural Production and Other Loans to Farmers	23,955	0.4
Consumer Loans	13,049	0.2
Obligations of State and Political Subdivisions in the U.S.	275,956	4.8
Other Loans	69,147	1.2
Lease Financing Receivable (net of unearned income)	18,693	0.3
Less: Unearned Income	-	-
Total Loans	**5,722,238**	**100.0**
Source: Reports of Condition and Income; Due to rounding, percentages may not total		

Examiners did not identify any financial, legal, or other impediments that affected the institution's ability to meet AA credit and community development needs over the review period.

DESCRIPTION OF ASSESSMENT AREAS

HB operates in nine AAs throughout three states and one multistate AA. Each state and multistate AA represents a separate rated area. The following table details the rated areas, AAs, and review procedures used for each AA in the order they are presented in this evaluation.

Description of Assessment Areas and Review Procedures		
Rated Area	**Assessment Area**	**Review Procedures**
Washington	Puget Sound Bellingham Yakima Washington Non-MSA Longview Spokane	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope -
Portland Multistate AA	Portland Multistate	Full-Scope
Oregon	Eugene	Full-Scope
Idaho	Boise	Full-Scope

Oregon and Idaho are new rated areas, as they were not included in the prior evaluation due to the timing of their additions to the bank's AA. The Spokane AA is new, effective May 4, 2026, with the opening of an HB branch in the area. Given the late addition of Spokane as an AA during the review period, evaluation of the area is limited to its impact on the bank's retail banking services

under the Service Test and consideration of any community development activities benefiting the area since its addition. Refer to the rated areas and individuals AAs for additional information.

SCOPE OF EVALUATION

General Information

Examiners used the Interagency Large Institution Examination Procedures to evaluate HB's CRA performance. This evaluation covers the period from the prior evaluation, dated July 5, 2023, to the current evaluation, dated July 6, 2026. Based on the distribution of branches, deposits, and reported loans, the bank's performance in Washington contributed the greatest weight to overall conclusions followed by the Portland Multistate AA. Based on the same criteria, the Oregon and Idaho rated areas received significantly less weight in determining bankwide performance conclusions; refer to the following table.

Rated Area Breakdown of Loans, Deposits, and Branches						
Rated Area	**Loans**		**Deposits**		**Branches**	
	$(000s)	**%**	**$(000s)**	**%**	**#**	**%**
Washington	934,921	78.9	4,893,925	84.6	58	87.9
Portland Multistate AA	196,929	16.6	841,407	14.5	6	9.1
Oregon	35,188	3.0	31,295	0.5	1	1.5
Idaho	18,465	1.6	19,943	0.3	1	1.5
Total	**1,185,503**	**100.0**	**5,786,570**	**100.0**	**66**	**100.0**
Source: Bank Data; FDIC Summary of Deposits (6/30/2025); Due to rounding, totals may not equal 100.0 percent						

Activities Reviewed

Considering HB's business strategy, loan portfolio composition, and lending activity during the evaluation period, examiners determined that the bank's primary product lines are small business and residential real estate loans. The bank made a nominal number of small farm and consumer loans over the evaluation period and analyzing these loan products would not meaningfully change performance conclusions; therefore, small farm and consumer loans are excluded from this evaluation. For the Lending Test, examiners analyzed the universe of small business and residential real estate loans originated or purchased from January 1, 2023, to December 31, 2025, as reported pursuant to the CRA and HMDA. Over the review period, the bank made 1,971 small business loans totaling $605.9 million and 1,294 residential real estate loans totaling $767.5 million. While HB exited the traditional consumer mortgage loan market beginning 2024, the bank continued to report both closed- and open-end loans under the HMDA in 2024 and 2025, and these products are evaluated together as residential real estate loans throughout the evaluation. Given the volume of loans made by product, HB's small business lending performance received greater weight than residential real estate lending performance in making conclusions for the retail lending analysis.

Examiners compared HB's lending performance to the aggregate performance of other CRA and HMDA reporting lenders operating within each AA, as well as applicable demographic data. Small business demographics are based on annual D&B survey data and residential real estate

demographics are based on the 2020 Census. Greater consideration is given to lending performance compared to aggregate data than demographics, as aggregate data is a better indicator of actual credit demand each year. Additionally, while examiners analyzed lending by number and dollar amount of loans made, greater emphasis is placed on lending by number, which better represents the number of businesses and individuals served.

The evaluation of community development loans, investments, donations, and service hours includes all qualified activities provided from the date of the prior evaluation July 5, 2023, through July 6, 2026. Examiners evaluated HB's community development activities quantitatively based on the institution's financial capacity, as well as qualitatively based on the impact of those activities on the bank's AAs.

The Investment Test includes new qualified investments and prior period investments with outstanding balances as of the evaluation date. The Service Test includes an analysis of delivery systems for providing retail banking services, including full-service branches, ATMs, and alternative delivery systems available over the review period; the impact of branch openings and closings since the prior evaluation; retail banking products targeted to LMI individuals; and community development services targeted to AA needs. Refer to the appendices for a description of all criteria under the Lending, Investment, and Service Tests.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

HB's Lending Test performance is rated Low Satisfactory. This conclusion is consistent with the bank's performance in the Washington, Portland Multistate AA, Oregon, and Idaho rated areas.

Lending Activity

HB's lending levels reflect adequate responsiveness to AA credit needs. The bank's performance under this criterion was consistent across the rated areas. Lending trends for the products reviewed were consistent across the AAs. Annual small business lending levels were generally consistent over the review period; however, the total number of small business loans made decreased significantly because of the discontinuation of the SBA's Paycheck Protection Program (PPP), which was only offered in 2020 and 2021; refer to the Innovative or Flexible Lending Practices section for more information.

Residential real estate lending decreased annually from 2023 through 2025, and the total number of originated loans decreased significantly from the previous evaluation. This is due to changes in the interest rate environment and the bank's business strategy. Interest rates were near zero during the prior review period, and the Federal Reserve started raising interest rates in March 2022. HB stopped offering traditional consumer mortgage loans beginning in 2024. While the bank continues to offer home equity residential products, the decision to exit traditional mortgage lending did impact lending levels.

Assessment Area Concentration

A high percentage of loans are made in the institution's AAs. As shown in the following table, HB made a high percentage of small business and residential real estate loans within its AAs by both number and dollar amount over the review period.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total #**	**Dollar Amount of Loans $(000)**				**Total $(000)**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**		**$**	**%**	**$**	**%**	
Small Business										
2023	547	91.0	54	9.0	601	166,271	92.1	14,308	7.9	180,579
2024	601	83.8	116	16.2	717	188,236	85.6	31,707	14.4	219,943
2025	587	89.9	66	10.1	653	186,842	91.0	18,497	9.0	205,339
Subtotal	**1,735**	**88.0**	**236**	**12.0**	**1,971**	**541,349**	**89.4**	**64,512**	**10.6**	**605,861**
Residential Real Estate										
2023	456	89.8	52	10.2	508	288,547	81.9	63,629	18.1	352,176
2024	382	92.3	32	7.7	414	180,365	89.2	21,915	10.8	202,280
2025	343	92.2	29	7.8	372	175,242	82.3	37,780	17.7	213,022
Subtotal	**1,181**	**91.3**	**113**	**8.7**	**1,294**	**644,154**	**83.9**	**123,324**	**16.1**	**767,478**
Total	**2,916**	**89.3**	**349**	**10.7**	**3,265**	**1,185,503**	**86.3**	**187,836**	**13.7**	**1,373,339**
Source: 2023-2025 Reported CRA and HMDA Data; Due to rounding, totals may not equal 100.0%.										

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the AAs. This conclusion is consistent with HB's performance in all rated areas except Idaho, where performance exceeded the overall conclusion.

Borrower Profile

The distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels. This conclusion is consistent with the bank's performance across all rated areas.

Innovative or Flexible Lending Practices

The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs. HB participated in 145 innovative and/or flexible loans totaling $85.5 million over the review period. This is a significant decrease from the prior evaluation, where the bank made 2,881 such loans totaling $518.2 million. The decline is due to HB's significant participation in the PPP at the prior evaluation, where the bank received credit for 2,720 PPP loans totaling $394.9 million. The PPP was designed to support basic operating needs of small businesses impacted by the COVID-19 pandemic in 2020 and 2021.

Additionally, with HB exiting the traditional consumer mortgage business in 2024, the bank stopped offering government-backed home loans and mortgage assistance through organizations such as the

Federal Housing Administration (FHA) and Washington State Housing Finance Commission (WSHFC). The bank continues to offer innovative and/or flexible loans through the SBA and Washington State Small Business Credit Initiative (SSBCI); see the table below. The bank's volume of activity as compared to similarly-situated institutions support adequate performance. All innovative and/or flexible lending programs are offered throughout HB's AAs; therefore, this criterion is only discussed at the bankwide level of this performance evaluation.

Innovative or Flexible Lending Programs – Bankwide										
Type of Program	**2023**		**2024**		**2025**		**2026**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
SBA	32	26,320	26	12,479	44	34,641	14	3,874	116	**77,314**
SSBCI	-	-	3	246	17	6,221	7	1,300	27	**7,767**
FHA	1	437	-	-	-	-	-	-	1	**437**
WSHFC	1	17	-	-	-	-	-	-	1	**17**
Totals	**34**	**26,774**	**29**	**12,725**	**61**	**40,862**	**21**	**5,174**	**145**	**85,535**
Source: Bank Data										

The following are notable flexible lending practices employed during the evaluation period:

- SBA – HB is a preferred SBA lender. The SBA's 7(a) and 504 programs provide loans to small businesses with lower down payments and flexible terms to assist in opening, expanding, and continuing business operations.

- SSBCI – The SSBCI is administered by the Washington State Department of Commerce in partnership with the U.S. Department of Treasury to increase the flow of capital to underserved and underbanked small businesses. Through the SSBCI, HB offers commercial real estate loans with lower interest rates and flexible terms to help improve cash flow and lower debt payments for qualifying small businesses.

Community Development Loans

HB has made a relatively high level of community development loans. This conclusion is consistent with the bank's performance in all rated areas. Over the review period, the bank made 81 community development loans totaling $281.1 million: 9 loans totaling $42.9 million in 2023; 22 loans totaling $58.3 million in 2024; 30 loans totaling $96.8 million in 2025; and 20 loans totaling $83.0 million in 2026. This volume of activity represents 3.9 percent of average total assets and 6.0 percent of average total loans.

At the prior evaluation, HB made 116 community development loans totaling $573.2 million, representing 8.1 percent of average total assets and 13.7 percent of average total loans. The decrease in community development lending is attributable to the high number of qualified PPP loans at the prior evaluation. The bank's volume of community development lending compared to similarly-situated institutions supports good performance. Examiners evaluated HB's performance to similarly-situated institutions at the bankwide level and in response to community development

opportunities at the AA level. Refer to the individual rated areas and AAs for notable examples of community development loans made over the review period.

Community Development Lending by Rated Area										
Rated Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Washington	16	132,279	19	22,653	6	2,859	-	-	41	157,791
Portland Multistate AA	5	69,198	15	13,000	3	9,328	3	2,164	26	93,690
Oregon	3	6,910	4	5,076	1	227	-	-	8	12,213
Idaho	2	8,400	-	-	4	8,978	-	-	6	17,378
Total	**26**	**216,787**	**38**	**40,729**	**14**	**21,392**	**3**	**2,164**	**81**	**281,072**
Source: Bank Data										

INVESTMENT TEST

HB's Investment Test performance is rated High Satisfactory. This conclusion is consistent with the bank's performance in the Washington, Portland Multistate AA, and Oregon rated areas, while performance in Idaho was below the overall conclusion.

Investment and Grant Activity

HB has a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. Total qualified investments represent 2.7 percent of average total assets and 12.7 percent of average total securities. This performance level represents a slight increase from the previous evaluation, when the bank provided $173.9 million in total qualified investments and grants, representing 2.4 percent of average total assets and 12.2 percent of average total securities. HB's performance continues to generally compare favorably to similarly situated institutions. The following table depicts an annual distribution of the institution's qualified community development investment, grant and donations during the review period.

Qualified Investments – Bankwide										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	35	108,050	1	796	-	-	-	-	**36**	**108,846**
2023	1	685	-	-	-	-	-	-	**1**	**685**
2024	4	42,214	-	-	-	-	-	-	**4**	**42,214**
2025	4	45,782	-	-	-	-	-	-	**4**	**45,782**
YTD 2026	1	912	-	-	-	-	-	-	**1**	**912**
Qualified Grants & Donations	109	345	423	1,104	155	384	18	10	**705**	**1,843**
Total	**154**	**197,988**	**424**	**1,900**	**155**	**384**	**18**	**10**	**751**	**200,282**
Source: Bank Data										

As reflected in the preceding table, the significant majority qualified community development investments supported affordable housing initiatives, while a plurality of qualified community development grants and donations supported community services targeting LMI populations. Refer to each rated area for details and notable examples of investments or grants made over the review period.

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and community development needs. The significant majority of community development investment activity supported affordable housing, a primary community development credit need identified throughout the institution's rated areas, particularly Washington and the Portland Multistate AA. A significant volume of activity targeted community services primarily for LMI individuals, which was also an identified need in the bank's AAs; refer to the individual AA narratives for details.

Community Development Initiatives

HB makes significant use of innovative or complex investments to support community development initiatives. The majority of qualified community development investments by dollar are LIHTC investments, which are considered complex as they require more bank resources and expertise to purchase than less complex instruments, such as mortgage-backed securities. LIHTCs provide tax incentives to encourage individuals and corporations to invest in the development, acquisition, and rehabilitation of affordable rental housing. To qualify for the credit, a project must meet strict income limits for eligible tenants. Properties are generally required to remain rent-restricted and only available to LMI tenants for a minimum of 30 years. During the evaluation period, HB participated in 9 new LIHTC projects, totaling $88.7 million. The bank also received credit for 12 LIHTC projects made prior to the review period with $67.9 million outstanding as of the evaluation date.

SERVICE TEST

HB demonstrated High Satisfactory performance under the Service Test. This conclusion is consistent with the bank's performance in the Washington rated area. Performance in the Portland Multistate AA, Oregon, and Idaho rated areas was below the overall conclusion.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the institution's AAs. HB operates 66 full-service branches and 1 limited-service mobile/seasonal branch. Those branches include 49 ATMs and 45 of the branches maintain drive-up capabilities. Of the 66 full-service branches, 22 are located in LMI geographies. HB also maintains four Interactive Teller Machines (ITMs) that connect consumers to remote bank tellers through two-way video and audio. Branch and ATM distribution varies by AA, refer to each individual AA for details. Alternative systems for delivering retail banking services are consistent throughout the bank's footprint and include online and mobile banking with features such as bill pay, mobile check deposit, and funds transfer. HB also offers 24/7 telephone banking.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Since the prior evaluation, HB acquired 16 branches, opened 3 branches, and closed 4 branches. As shown in the following table, the net effect of the branch changes resulted in three additional branches in low-income census tracts and two branches in moderate-income tracts. Refer to the individual rated and AAs for specific details on the impact of branch changes on LMI areas and individuals.

Net Distribution of Branch Openings and Acquisitions/Closings						
Assessment Area	**# of Branch Openings**	**# of Branch Closings**	**Income Level of Census Tract (+/-)**			
			Low	**Moderate**	**Middle**	**Upper**
Washington	17	2	+3	+2	+5	+5
Portland Multistate AA	1	1	-	+1	-	-1
Oregon	1	1	-	-1	-	+1
Idaho	-	-	-	-	-	-
Total	19	4	+3	+2	+5	+5

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and individuals. HB's business hours and services are reasonable, convenient, and comparable to other financial institutions operating in the AAs. Operating hours are consistent between branches and accommodate traditional business hours of the communities served from 9:00 a.m. to 5:00 p.m. Most full-service branches maintain an ATM and provide drive-up capabilities. All full-service branches offer the bank's full array of business and consumer deposit and lending products. Refer to subsequent AA sections for additional details regarding business hours and services.

Community Development Services

HB provides an adequate level of community development services. While most of the community development services are not particularly innovative, these services demonstrate the bank's responsiveness to community development needs considering its resources, business strategy, area competition, and available opportunities.

Since the previous evaluation, bank employees provided 2,922 hours of financial expertise or technical assistance to organizations throughout the AAs: 851 hours in 2023; 1,116 hours in 2024; 602 hours in 2025; and 353 hours in 2026. The bank's community development service activity has increased from the previous evaluation, when it received credit for 2,492 service hours. HB's community development service activity falls between that of similarly-situated institutions, supporting adequate performance. The following table illustrates the bank's qualified services by purpose and year.

Community Development Services by Rated Area					
Assessment Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
Washington	146	1,241	72	160	**1,619**
Portland Multistate AA	115	905	59	-	**1,079**
Oregon	11	128	32	-	**171**
Idaho	53	-	-	-	**53**
Total	**325**	**2,274**	**163**	**160**	**2,922**
Source: Bank Data					

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

HB's compliance with laws relating to discrimination and other illegal practices was reviewed, including the Fair Housing Act and Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

WASHINGTON

CRA RATING FOR WASHINGTON: SATISFACTORY

The Lending Test is rated: Low Satisfactory
The Investment Test is rated: High Satisfactory
The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN WASHINGTON

HB operates in six AAs within the State of Washington; see the following table. There have been changes to AAs since the prior evaluation due to changes in branch locations; refer to individual AAs for additional details.

Description of Assessment Areas – Washington		
Assessment Area	**Counties in Assessment Area**	**# of CTs**
Puget Sound	King, Snohomish, Pierce, Island, Mason, Skagit, Thurston, Kitsap	1,070
Bellingham	Whatcom	54
Yakima	Yakima	57
Washington Non-MSA	San Juan, Clallam*, Jefferson*	39
Longview	Cowlitz	30
Spokane	Spokane	130
*Source: 2020 Census; Bank Data; *Partial County Delineation*		

SCOPE OF EVALUATION – WASHINGTON

Based on HB's lending activity, deposit volume, and branch distribution throughout the rated area, the Puget Sound AA was evaluated using full-scope procedures; see the following table. To ensure the regular evaluation of the bank's CRA performance in infrequently reviewed AAs, examiners also conducted a full-scope review of the Bellingham AA. The remaining AAs were reviewed using limited-scope procedures. The Puget Sound AA received the greatest weight in determining rated area conclusions, followed in decreasing weight by the Bellingham, Yakima, Washington Non-MSA, and Longview AAs. As discussed previously, HB's performance in the Spokane AA was not evaluated separately and is limited to its impact on the bank's retail banking services under the Service Test and consideration of any community development activities that benefited the area since its entry as an AA beginning April 4, 2026.

Assessment Area Breakdown of Loans, Deposits, and Branches - Washington						
Assessment Area	**Loans**		**Deposits**		**Branches**	
	$(000s)	**%**	**$(000s)**	**%**	**#**	**%**
Puget Sound	817,511	87.4	4,285,920	87.6	46	79.3
Bellingham	50,526	5.4	168,815	3.4	2	3.4
Yakima	34,697	3.7	226,340	4.6	3	5.2
Washington Non-MSA	16,605	1.8	60,388	1.2	5	8.6
Longview	15,582	1.7	152,462	3.1	1	1.7
Spokane	-	-	-	-	1	1.7
Total	**934,921**	**100.0**	**4,893,925**	**100.0**	**58**	**100.0**
Source: Bank Data; FDIC Summary of Deposits (6/30/2025); Due to rounding, totals may not equal 100.0 percent						

CONCLUSIONS ON PERFORMANCE CRITERIA IN WASHINGTON

LENDING TEST

HB's Lending Test performance in Washington is rated Low Satisfactory, which is consistent with the bank's performance in the Puget Sound, Washington Non-MSA, and Longview AAs. The bank's performance in the Bellingham AA exceeded the rated area conclusion, while performance in the Yakima AA was below.

Lending Activity

Lending levels reflect adequate responsiveness to credit needs in the Washington AAs. This conclusion is consistent across the Washington AAs with the exception of the Bellingham AA, where responsiveness was good.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Washington AAs. This is consistent with the bank's performance in the Puget Sound AA, while performance in the Bellingham and Longview AAs exceeded the rated area conclusion and performance in the Yakima AA was below. The Washington Non-MSA AA did not have any LMI census tracts for the majority of the review period; therefore, this performance criterion was not considered for the AA.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, poor penetration to business customers of different sizes and retail customers of different income levels. This is consistent with the bank's performance in the Puget Sound and Yakima AAs, while performance in the Bellingham, Washington Non-MSA, and Longview AAs exceeded the rated area conclusion.

Community Development Loans

GB has made a relatively high level of community development loans in the Washington rated area. This conclusion is consistent with the bank's performance in the Puget Sound, Bellingham, and Washington Non-MSA AAs. As shown in the following table, HB's performance was below the overall conclusion in the Yakima and Longview AAs, where the bank made no community development loans over the review period. HB also made no community development loans in the Spokane AA; however, this is reasonable given the limited review period for the area. At the prior evaluation, the bank made 80 qualified loans totaling $472.4 million benefiting the Washington rated area, which included a significant number of qualified PPP loans. HB's volume of community development lending as compared to similarly-situated institutions supports good performance.

Community Development Lending by Assessment Area – Washington										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Puget Sound	13	114,544	16	15,009	6	2,859	-	-	35	132,412
Bellingham	2	17,065	3	7,644	-	-	-	-	5	24,709
Yakima	-	-	-	-	-	-	-	-	-	-
Washington Non-MSA	1	670	-	-	-	-	-	-	1	670
Longview	-	-	-	-	-	-	-	-	-	-
Spokane	-	-	-	-	-	-	-	-	-	-
Total	**16**	**132,279**	**19**	**22,653**	**6**	**2,859**	-	-	**41**	**157,791**
Source: Bank Data										

INVESTMENT TEST

HB's Investment Test performance in Washington is rated High Satisfactory, which is consistent with the bank's performance in the Puget Sound, Bellingham, and Yakima AAs. The bank's performance in the Washington Non-MSA, Longview, and Spokane AAs is below the rated area conclusion.

Investment and Grant Activity

HB has a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. HB made $138.0 million in qualified community development investments in Washington, which represents a 6.7 percent increase from the $129.3 million in qualified activities made in Washington at the previous evaluation. HB's level of qualified community development investments and grants in Washington continues to generally compare favorably to similarly situated institutions. A significant majority of activity by dollar amount supported affordable housing initiatives; refer to the following table. Affordable housing was identified as a significant need in several of the Washington AAs, particularly the Puget Sound AA, which carries the greatest weight.

Community Development Investments by Assessment Area – Washington										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Puget Sound	83	97,191	191	568	92	135	10	7	**376**	**97,901**
Bellingham	9	13,790	12	39	4	5	-	-	**25**	**13,834**
Yakima	3	23,868	19	813	9	148	-	-	**31**	**24,829**
Washington Non-MSA	1	5	7	13	5	11	-	-	**13**	**29**
Longview	3	5	7	4	-	-	8	3	**18**	**12**
Spokane	1	514	-	-	-	-	-	-	**1**	**514**
Statewide	1	912	-	-	-	-	-	-	**1**	**912**
Total	**101**	**136,285**	**236**	**1,437**	**110**	**299**	**18**	**10**	**465**	**138,031**
Source: Bank Data										

As shown in the table above, the bank also made an investment benefiting the broader statewide area that includes HB's AAs. In 2026, the institution made a $912,392 bond investment to help qualified LMI persons and families finance the costs of acquiring primary residences within Washington state for one- or two-unit properties.

Responsiveness to Credit and Community Development Needs

HB exhibits good responsiveness to credit and community development needs. The bank demonstrated responsiveness to the AA through its focus on funding investments targeting the identified community development credit need of affordable housing. Overall, HB funded nearly $136.3 million in qualified investments targeted to affordable housing needs.

Community Development Initiatives

HB makes significant use of innovative and complex investments in the Washington AAs to support community development initiatives; refer to bankwide conclusions for full detail. Over the review period, the bank purchased five LIHTC investments, totaling $112.8 million, for projects throughout Washington.

SERVICE TEST

HB's Service Test performance in Washington is rated High Satisfactory. This conclusion is supported by the bank's performance in the Puget Sound AA. The bank's performance in the other AAs was below the rated area conclusion but still adequate.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the institution's Washington AAs. The accessibility of delivery systems varies somewhat throughout the rated area; refer to each individual AA for details. HB operates 58 full-service branches and 48 deposit-taking ATMs in the Washington rated area. Of those 59 total full- and limited-service locations, 43 maintain drive-up capabilities. Of the 58 full-service branches, 20 are within LMI geographies. HB also operates one

limited-service mobile/seasonal branch with a deposit-taking ATM in the Puget Sound AA. Additionally, HB maintains four ITMs with deposit-taking ability.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Since the prior evaluation, HB acquired 16 branches, closed 2 branches, and opened 1 branch in the Washington rated area. Of the 16 acquired branches, 7 are located in moderate-income tracts; though, HB closed 1 of those branches after the acquisition. The other closed branch was located in a middle-income tract. The sole branch opened in this rated area is located in the Spokane AA within a moderate-income geography.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and individuals. Services and business hours in the AAs are consistent with the bank's overall performance. Refer to each AA analysis for additional details.

Community Development Services

HB provided an adequate level of community development services in the Washington rated area. During the evaluation period, employees provided 1,619 hours of financial expertise or technical assistance to organizations that serve the Washington AAs. Service hours primarily benefited the Puget Sound AA and focused heavily on community services for LMI individuals. Further details regarding service hours in each AA are discussed in the applicable AA sections of the evaluation.

The bank's community development service activity increased from the previous evaluation, when it received credit for 1,459 service hours. HB's community development service activity falls between that of similarly-situated institutions, whose community development service hours ranged from 1,427 to 10,485 hours within the Washington rated area. The following table illustrates the bank's community development service activity in the Washington AAs by purpose and year.

Community Development Services by Assessment Area – Washington					
Assessment Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
Puget Sound	124	847	61	38	**1,070**
Bellingham	18	80	-	-	**98**
Yakima	-	108	11	-	**119**
Washington Non-MSA	4	115	-	-	**119**
Longview	-	85	-	122	**207**
Spokane	-	6	-	-	**6**
Total	**146**	**1,241**	**72**	**160**	**1,619**
Source: Bank Data					

PUGET SOUND AA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PUGET SOUND AA

The Puget Sound AA generally borders the Puget Sound and consists of the following full counties in the State of Washington that are all part of the Seattle-Tacoma CSA, as defined by the Office of Management and Budget (OMB):

- King County, which forms the Seattle-Bellevue-Kent MD; Pierce County, which forms the Tacoma-Lakewood MD; and Snohomish County, which forms the Everett MD. All three counties compose the Seattle-Tacoma-Bellevue MSA.
- Skagit County, which forms the Mount Vernon-Anacortes MSA;
- Thurston County, which forms the Olympia-Lacey-Tumwater MSA;
- Kitsap County, which forms the Bremerton-Silverdale-Port Orchard MSA; and
- Island and Mason Counties, which are non-MSA counties designated as micropolitan statistical areas part of the Seattle-Tacoma CSA.

Kitsap County was added to the AA on January 31, 2026, with the acquisition of Kitsap Bank. HB operates under the name Whidbey Island Bank at four branches within Island County.

Economic and Demographic Data

According to the 2020 Census, the AA includes 1,070 census tracts: 47 low-, 219 moderate-, 484 middle-, and 299 upper-income, as well as 21 census tracts without income designations. During the evaluation period, 10 census tracts in Mason County were designated as distressed nonmetropolitan middle-income geographies due to unemployment rates significantly higher than the national average. Additionally, the Federal Emergency Management Agency (FEMA) issued major disaster declarations in April 2024 and April 2026 that included parts of the AA due to severe storms, flooding, landslides, and mudslides. The following table details select demographic information for the AA.

Demographic Information – Puget Sound AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	1,070	4.4	20.5	45.2	27.9	2.0
Population by Geography	4,871,272	4.5	20.6	46.0	28.0	1.0
Housing Units by Geography	1,979,916	4.6	20.1	46.1	28.2	1.1
Owner-Occupied Units by Geography	1,146,464	2.1	16.1	48.8	32.7	0.3
Occupied Rental Units by Geography	711,323	8.5	26.5	41.7	21.1	2.3
Vacant Units by Geography	122,129	4.6	20.1	46.0	28.0	1.2
Businesses by Geography	527,039	4.9	19.3	44.3	30.8	0.7
Farms by Geography	5,325	1.5	12.9	54.3	31.1	0.2
Family Distribution by Income Level	1,182,665	20.0	18.0	22.1	39.8	0.0
Household Distribution by Income Level	1,857,787	22.8	16.8	19.0	41.4	0.0
Median Family Income MSA - 14740 Bremerton-Silverdale-Port Orchard, WA MSA Median Family Income MD - 21794 Everett, WA MD Median Family Income MSA - 34580 Mount Vernon-Anacortes, WA MSA Median Family Income MSA - 36500 Olympia-Lacey-Tumwater, WA MSA Median Family Income MD - 42644 Seattle-Bellevue-Kent, WA MD Median Family Income MD - 45104 Tacoma-Lakewood, WA MD Washington Non-MSA Median Family Income		$93,126 $104,452 $82,149 $91,125 $123,939 $88,892 $70,452	Median Housing Value			$ 492,743
			Median Gross Rent			$1,555
			Families Below Poverty Level			5.5%

Source: 2020 Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.

Seattle-Bellevue-Kent, WA MD (King County)

According to Moody's Analytics as of May 2026, economic growth in King County has slowed in recent years. Contractions in healthcare, construction, and federal government employment have resulted in a steadily increasing unemployment rate during the review period. The MD remains a global center for cloud-computing and software development, and while artificial intelligence technology has supported rapid tech growth, there have been significant job cuts throughout the industry. Aerospace also remains an important sector, as demand remains strong for aircraft manufacturing. Economic strengths of the area include a large port with connections to international markets and a relatively high per capita income. Economic weaknesses include high business and living costs and sensitivity to discretionary spending and interest rates due to a reliance on technology. Top employers in the area include Amazon, Microsoft, the University of Washington, and Boeing.

Tacoma-Lakewood, WA MD (Pierce County)
As of March 2026, indicators point to a slightly stagnating local economy in Pierce County, according to Moody's Analytics. Logistics, a key industry in the area, has been restrained by higher fuel costs and elevated tariff rates. Though shipping volumes are lower, increased military expenditures due to ongoing Middle East conflicts have contributed to significant economic spillover given the large military presence in the MD, which provides a stable base of demand for services. Economic strengths of the area include the military presence and the aerospace and shipping industries, which provide stable mid-wage jobs. An economic weakness of the area is the high cost of living. The top employers in the area are Joint Base Lewis-McChord, MultiCare Health System, Franciscan Health System, and Tacoma Public Utilities.

Everett, WA MD (Snohomish County)
General local economic conditions in Snohomish County are similar to other areas close to the City of Seattle, according to Moody's Analytics as of March 2026. While conflicts in the Middle East have increased fuel prices, global air travel remains robust and Boeing has ordered more consumer aircraft, raising the aerospace industry. The artificial intelligence technology boom has led to financial growth in the tech industry, though accompanied by layoffs and reduced workforces. The housing market is mixed, with housing prices having contracted in recent months and a consistent, lower-than-average number of housing permits being issued. Economic strengths of Snohomish County include the significant concentration of aerospace manufacturing and strong population growth. Economic weaknesses include limited industrial diversity and a high cost of living relative to per capita incomes. Top employers in the area are Boeing, Microsoft, Amazon, and Providence Health.

Mount Vernon-Anacortes, WA MSA (Skagit County)
According to Moody's Analytics as of March 2026, monthly job growth in Skagit County has been well ahead of the State of Washington, driven by gains in private services, particularly leisure and hospitality. Manufacturing, an important industry in the area, faces downward pressure from higher interest rates, tariffs on key inputs, and a decreasing demand for durable goods. The prices of single-family homes have increased, and the price acceleration outpaces the state and national averages. Economic strengths of the county include strong agriculture and timber industries and a diverse manufacturing industry. Economic weaknesses include few high-wage jobs, high employment volatility, and below-average educational attainment. The top employers in the area are Skagit Valley Health, Janicki Industries, Puget Sound Refinery, and Island Hospital.

Olympia-Lacey-Tumwater, WA MSA (Thurston County)
Moody's Analytics as of March 2026 notes that the economy in Thurston County has ground to a near halt, with little employment gains being made in the public or private sectors. Housing prices have grown in line with the national pace, though residential permitting is subdued and low affordability negatively weighs on housing purchases. The proximity of Joint Base Lewis-McChord in neighboring Pierce County helps provide a stabilizing presence. Economic strengths of the area include favorable living and business costs as compared to Seattle and above-average post-secondary educational attainment. Economic weaknesses include overexposure to state government and below-average per capita income. The top employers in the area are Providence Hospital, Safeway, Walmart, and Lucky Eagle Casino.

Bremerton-Silverdale-Port Orchard, WA MSA (Kitsap County)
Local economic indicators in Kitsap County are worrisome as of the March 2026 Moody's Analytics reports. Payroll employment in the MSA is down year-over-year from nearly all industries and led by decreases in federal government employment. Naval Base Kitsap helps to provide economic stability, especially with planned upgrades and increased funding for naval shipbuilding under the One Big Beautiful Bill Act. Economic strengths of the area include the stabilizing presence of Naval Base Kitsap, proximity to Seattle, and above-average educational attainment. Economic weaknesses include a lesser presence of high tech and finance than other areas of the Puget Sound and a lack of other private-sector growth drivers. Top employers in the area include Naval Base Kitsap, Franciscan Medical Group, Olympic College, and Port Madison Enterprises.

Non-MSA areas within the Seattle-Tacoma CSA (Island and Mason Counties)
According to an economic development plan produced by the Board of Island County Commissioners as of 2025, while employment levels in Island County are back to pre-pandemic levels, many employers report difficulty in filling positions. Average wages are lower than the State of Washington while the cost of living has been rising. Housing prices in Island County have increased sharply, with the median home sale price in 2024 over $600,000. Naval Air Station Whidbey Island is the largest employer in Island County and contributes significantly to economic stability in the area. According to a 2026 annual report produced by the Economic Development Council of Mason County, the cost of living in Mason County is 8.7 percent higher than the national average. As a small and mostly rural area, the public sector is the largest source of employment, with the state and local government collectively providing one third of Mason County's jobs. The top individual employers in Mason County are Mason General Hospital, Washington Corrections Center, and Shelton School District.

Competition

According to the FDIC Deposit Market Share Report as of June 30, 2025, 48 FDIC-insured financial institutions shared $151.3 billion in total deposits within the AA. Of these institutions, HB ranked 8th in deposit market share, holding 2.8 percent of the area's deposits. According to the same data, the top 5 institutions are large, national lenders that share a combined 68.7 percent of deposits in the AA, speaking to a highly competitive market for financial services.

Community Contacts

Examiners reviewed recent interviews with organizations that serve the AA in order to better understand the credit and community development needs of the area. Examiners reviewed a community contact with a CDFI serving local entrepreneurs. The representative noted a significant need for small business credit, specifically start-up and working capital, as well as technical assistance. Examiners also reviewed an interview with a representative from a different organization supporting economic development within the AA. The community contact identified an opportunity for banks to meet the need for business loans of approximately $250,000 to $300,000, the level typically required by small businesses as they scale up their operations and financing needs. The contact also spoke of the extremely low housing stock and high cost of housing, especially in King County. Finally, examiners reviewed a recent community contact with an affordable housing

organization in the AA. While the representative described an overall need for more affordable housing, there is a particular need for housing larger than one-bedroom apartments and studios.

Credit and Community Development Needs and Opportunities

Based on demographic and economic information, the primary credit needs in the AA are small business loans and affordable residential real estate loans, particularly to construct multifamily affordable housing projects. As detailed in the lending activity section below, CRA and HMDA reporting institutions originated a greater number of small business loans in the AA than residential real estate loans, speaking to the slightly higher demand and need for commercial credit. As noted by two of the community contacts, there is a particular need for credit to startup businesses and small businesses expanding their operations. The high housing prices and information from the third community contact reflects a need for affordable housing, both affordable rental units and assistance to LMI families in pursuit of homeownership. The high cost of living noted throughout the AA also supports a community development need for community services targeted to LMI individuals

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE PUGET SOUND AA

LENDING TEST

HB demonstrated adequate Lending Test performance in the Puget Sound AA.

Lending Activity

HB's lending levels reflect adequate responsiveness to AA credit needs. During the evaluation period, the bank originated 1,069 small business loans totaling $344.7 million in the AA. This lending volume is a significant decrease from the prior evaluation, where the bank reported 5,837 small business loans totaling $1.1 billion. According to the 2024 aggregate CRA data, HB ranked 23rd out of 164 lenders that reported a total of 128,423 small business loans originated or purchased in the AA with 0.3 percent of the market share by number.

The bank also originated 911 residential real estate loans totaling $472.8 million over the review period. This is a significant decrease from the prior evaluation, where HB reported 1,431 such loans totaling $692.6 million. According to the 2025 aggregate HMDA data, HB ranked 72nd out of 633 lenders that originated or purchased 120,263 residential real estate loans in AA with 0.2 percent of the market share by number.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the AA. This conclusion results from a geographic distribution of small business loans that reflects adequate penetration throughout the AA, and a geographic distribution of home mortgage loans that reflects poor penetration throughout the AA.

Small Business

The geographic distribution of small business loans reflects adequate penetration throughout the AA. As shown in the table below, HB's rate of lending in low-income census tracts was in line with peer lenders in 2023. Penetration decreased over the review period, with the bank slightly below aggregate data in 2024 and slightly below demographic data in 2025. The bank's distribution of loans in moderate-income census tracts slightly exceeded peer and demographic data in all three years.

Geographic Distribution of Small Business Loans – Puget Sound AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	4.9	4.4	16	4.8	5,427	5.1
2024	5.2	4.7	12	3.2	5,679	4.8
2025	5.1	--	13	3.6	4,425	3.7
Moderate						
2023	20.2	18.4	74	22.3	25,211	23.5
2024	19.1	17.1	86	23.0	28,172	23.9
2025	19.1	--	75	20.7	23,316	19.5
Middle						
2023	40.6	40.7	151	45.5	48,056	44.8
2024	43.7	42.4	169	45.2	49,383	41.9
2025	43.8	--	182	50.1	55,111	46.2
Upper						
2023	33.7	35.7	89	26.8	27,955	26.0
2024	31.4	34.8	105	28.1	33,409	28.3
2025	31.3	--	92	25.3	36,032	30.2
NA						
2023	0.7	1.0	2	0.6	716	0.7
2024	0.7	1.0	2	0.5	1,280	1.1
2025	0.7	--	1	0.3	500	0.4
Total						
2023	**100.0**	**100.0**	**332**	**100.0**	**107,365**	**100.0**
2024	**100.0**	**100.0**	**374**	**100.0**	**117,923**	**100.0**
2025	**100.0**	**--**	**363**	**100.0**	**119,384**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

The geographic distribution of residential real estate loans reflects poor penetration throughout the AA. As shown in the following table, the bank's dispersion of residential real estate loans to low-income tracts was less than half that of other HMDA-reporting lenders in the AA over the entire review period. While the bank's rate of lending in moderate-income tracts was slightly below aggregate in 2023, HB fell significantly below other lenders in 2024 and 2025. As previously

discussed, HB exited traditional consumer mortgage lending in 2024. When considering just open-end residential real estate loans, the bank's lending distribution in moderate-tracts in 2024 and 2025 at 7.2 percent and 7.7 percent, respectively, was still approximately half of what was achieved by other HMDA-reporting lenders in those years at 15.0 percent and 14.6 percent.

Geographic Distribution of Residential Real Estate Loans – Puget Sound AA						
Tract Income Level	**% of Owner-Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	2.0	2.1	3	0.9	385	0.2
2024	2.2	2.4	1	0.3	765	0.6
2025	2.2	2.1	2	0.7	230	0.2
Moderate						
2023	17.1	18.4	51	15.0	46,455	24.0
2024	16.0	16.9	22	7.5	10,104	7.3
2025	16.0	16.2	30	10.8	55,215	39.3
Middle						
2023	46.3	47.9	156	45.8	82,080	42.5
2024	47.8	49.4	131	44.9	42,130	30.3
2025	47.8	49.2	136	48.9	39,125	27.8
Upper						
2023	34.4	31.3	131	38.4	64,431	33.3
2024	33.6	31.0	135	46.2	74,353	53.5
2025	33.6	32.1	109	39.2	43,646	31.1
NA						
2023	0.3	0.4	0	0.0	0	0.0
2024	0.3	0.4	3	1.0	11,570	8.3
2025	0.3	0.4	1	0.4	2,350	1.7
Total						
2023	**100.0**	**100.0**	**341**	**100.0**	**193,351**	**100.0**
2024	**100.0**	**100.0**	**292**	**100.0**	**138,922**	**100.0**
2025	**100.0**	**100.0**	**278**	**100.0**	**140,566**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, poor penetration among business customers of different sizes and retail customers of different income levels. This conclusion results from a distribution of small business borrowers that reflects poor penetration among business customers of different sizes and a distribution of home mortgage borrowers that reflects adequate penetration among retail customers of different income levels.

Small Business

The distribution of small business loans reflects poor penetration among business customers of different sizes. As reflected in the table below, HB's rate of lending to businesses with gross annual revenues (GAR) of $1 million or less fell significantly below that of other CRA-reporting lenders in the AA in 2023 and 2024 and was far below area demographics in 2025. Examiners acknowledge the highly competitive banking environment in the Puget Sound AA, and that the top 10 lenders in the market capturing the vast majority of the market share by number of loans made are national financial institutions and industrial loan companies offering products that may be more accessible to smaller businesses. However, HB's distribution of loans to small businesses also significantly trailed that of more similarly-situated community banks operating in the AA.

HB management also launched targeted marketing campaigns beginning in 2025 in an effort to hit small business lending targets. While examiners note the upward trend in lending to businesses with GARs of $1 million or less over the review period, the disparity between the bank's penetration and that of peer lenders and more similarly-situated community bank lenders is too vast to be mitigated by this context.

Distribution of Small Business Loans by Gross Annual Revenue Category – Puget Sound AA

Gross Revenue Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
<= $1,000,000						
2023	92.2	56.5	95	28.6	34,931	32.5
2024	91.7	55.0	114	30.5	36,665	31.1
2025	91.5	--	148	40.8	48,594	40.7
> $1,000,000						
2023	2.3	--	228	68.7	68,731	64.0
2024	2.3	--	252	67.4	79,043	67.0
2025	2.1	--	209	57.6	67,849	56.8
Revenue Not Available						
2023	5.5	--	9	2.7	3,703	3.5
2024	6.1	--	8	2.1	2,215	1.9
2025	6.4	--	6	1.7	2,941	2.5
Total						
2023	**100.0**	**100.0**	**332**	**100.0**	**107,365**	**100.0**
2024	**100.0**	**100.0**	**374**	**100.0**	**117,923**	**100.0**
2025	**100.0**	**--**	**363**	**100.0**	**119,384**	**100.0**

Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Residential Real Estate

The distribution of borrowers reflects adequate penetration among retail customers of different income levels. As shown in the following table, HB's rate of lending to low-income borrowers significantly outperformed aggregate HMDA-reporting lenders in 2023 and 2025 and was in-line with peer in 2024. The bank's rate of lending to moderate-income borrowers was consistent with

aggregate data in 2023 and was modestly below aggregate in 2024. While the bank's penetration to moderate-income borrowers remained consistent in 2025, peer lending performance increased slightly, increasing the lending disparity; however, the bank's borrower profile performance overall is adequate.

Distribution of Residential Real Estate Loans by Borrower Income Level – Puget Sound AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	20.0	4.8	24	7.0	2,213	1.1
2024	20.1	5.0	16	5.5	2,640	1.9
2025	20.1	5.4	20	7.2	1,281	0.9
Moderate						
2023	17.8	14.8	47	13.8	7,296	3.8
2024	17.9	13.2	29	9.9	3,919	2.8
2025	17.9	14.1	27	9.7	3,055	2.2
Middle						
2023	21.9	25.0	72	21.1	14,099	7.3
2024	22.1	23.8	57	19.5	9,143	6.6
2025	22.1	22.9	68	24.5	11,451	8.2
Upper						
2023	40.2	42.1	156	45.8	58,660	30.3
2024	39.9	43.0	135	46.2	45,092	32.5
2025	39.9	41.0	127	45.7	41,852	29.8
NA						
2023	0.0	13.4	42	12.3	111,083	57.5
2024	0.0	15.0	55	18.8	78,128	56.2
2025	0.0	16.6	36	13.0	82,927	59.0
Total						
2023	**100.0**	**100.0**	**341**	**100.0**	**193,351**	**100.0**
2024	**100.0**	**100.0**	**292**	**100.0**	**138,922**	**100.0**
2025	**100.0**	**100.0**	**278**	**100.0**	**140,566**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Community Development Loans

The institution has made a relatively high level of community development loans. Community development lending decreased by number and dollar amount from the prior evaluation, where the bank made 69 qualified loans totaling $417.3 million; however, this total included a significant number of qualified PPP loans. HB's volume of activity compares favorably to similarly-situated institutions operating in the AA, whose community development loan totals ranged from 14 loans totaling $106.3 million to 45 loans totaling $156.1 million. As shown in the following table, the

majority of loans by number supported community services targeted to LMI individuals and a significant majority of loans by dollar volume supported affordable housing, both of which were identified as primary community development needs in the AA.

Community Development Lending – Puget Sound AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2023	1	16,900	1	350	-	-	-	-	2	17,250
2024	3	15,750	4	8,125	2	782	-	-	9	24,657
2025	8	65,894	11	6,534	-	-	-	-	19	72,428
YTD 2026	1	16,000	-	-	4	2,077	-	-	5	18,077
Total	**13**	**114,544**	**16**	**15,009**	**6**	**2,859**	-	-	**35**	**132,412**
Source: Bank Data										

Notable examples of community development loans made in the AA include:

- In 2025, the bank made a $22.5 million loan to construct a mixed-use project that will create 70 units of housing specifically set aside for LMI individuals and a public plaza designed to promote community well-being.

- The bank further supported affordable housing initiatives in the AA by funding a $21.8 million loan in 2025 to finance the construction of a project that will create 100 units of affordable housing. The primary mission of the project is to provide permanent supportive housing to disabled and formerly homeless residents in the area.

- HB supported community services targeted to LMI individuals by making a $6.5 million loan in 2024 to an organization that provides emergency food resources to low-income communities in South Seattle.

INVESTMENT TEST

HB demonstrated good Investment Test performance in the Puget Sound AA.

Investment and Grant Activity

The institution has a significant level of qualified community development investments, grants and donations, particularly those that are not routinely provided by private investors, occasionally in a leadership position. Total qualified community development investments grew 7.5 percent from the previous evaluation, where the bank made $91.1 million in qualified investments. The significant majority of qualified community development investments supported affordable housing initiatives, which was identified as a primary community development need in the AA. A majority of qualified community development grants and donations supported community services targeting LMI populations, which is also a community development need in the AA. The following table depicts the annual distribution of qualified community development investments, grants and donations in the Puget Sound AA.

Community Development Investments – Puget Sound AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	21	51,489	-	-	-	-	-	-	**21**	**51,489**
2023	1	685	-	-	-	-	-	-	**1**	**685**
2024	2	23,517	-	-	-	-	-	-	**2**	**23,517**
2025	1	21,259	-	-	-	-	-	-	**1**	**21,259**
YTD 2026	**-**	**-**	**-**	**-**	**-**	**-**	-	-	**-**	**-**
Subtotal	**25**	**96,950**	**-**	**-**	**-**	**-**	-	-	**25**	**96,950**
Qualified Grants & Donations	58	240	191	568	92	135	10	7	351	950
Total	**83**	**97,190**	**191**	**568**	**92**	**135**	**10**	**7**	**376**	**97,900**
Source: Bank Data										

Below are notable examples of the institution's qualified community development investments:

- In 2023, the institution made a $685,486 LIHTC investment in the redevelopment of a 132-unit market-rate property into a permanently income-restricted affordable housing property in Federal Way, Washington.

- In 2024, the institution made a $22.9 million LIHTC investment in the new construction of an emergency service center in Burien, Washington, that provides 95 housing units for low-income families.

- In 2025, the institution made a $21.3 million LIHTC investment in a 7-story, 86-unit apartment building that provides permanent supportive housing for both low-wage workers and for individuals experiencing homelessness in Seattle, Washington.

Responsiveness to Credit and Community Development Needs

HB exhibits good responsiveness to credit and community development needs. The institution demonstrated responsiveness to the AA through its focus on funding investments targeting the identified community need of affordable housing.

Community Development Initiatives

HB makes significant use of innovative and complex investments in the AA to support community development initiatives. Of the 25 investments made in the AA totaling $96,950 million, 9 investments totaling $74.7 million were LIHTCs, which are considered complex. Refer to bankwide conclusions for additional detail.

SERVICE TEST

HB demonstrated good performance under the Service Test in the Puget Sound AA.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AA. Branch distribution and alternative delivery systems are consistent with the bank's overall performance. HB operates 46 full-service branches and 1 limited-service mobile/seasonal branch in the AA. The full-service branches include 38 locations with ATMs and 34 locations with drive-up capabilities. The limited-service branch, located in a middle-income tract, includes both an ATM and drive-up capabilities. Additionally, HB maintains three ITMs with deposit-taking ability in the AA. One of the ITMs is located in a moderate-income tract. As shown in the following table, the bank's distribution of branches in low-income geographies exceeds the area's demographics, as reflected in 2020 Census data. At 6.5 percent, HB's presence in low-income tracts also exceeds the 5.9 percent of branches operated in these areas by other financial institutions operating in the AA. The bank's distribution of branches in moderate-income geographies also exceeds the AA's demographics and is consistent with the 26.1 percent of branches operated by other institutions. Additionally, 11 branches in middle-income tracts and 3 branches in upper-income tracts are within 1 mile of at least 1 LMI geography, reasonably expanding access to retail banking services to those areas.

Branch and ATM Distribution by Geography Income Level – Puget Sound AA

Tract Income Level	Census Tracts		Population		Full-Service Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	47	4.4	220,159	4.5	3	6.5	1	2.6
Moderate	219	20.5	1,002,885	20.6	12	26.1	10	25.6
Middle	484	45.2	2,238,228	46.0	20	43.5	19	48.7
Upper	299	27.9	1,361,728	28.0	11	23.9	9	23.1
NA	21	2.0	48,272	1.0	-	-	-	-
Total	**1,070**	**100.0**	**4,871,272**	**100.0**	**46**	**100.0**	**39**	**100.0**

Source: 2020 Census Data; Bank Data

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches in the Puget Sound AA has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. HB acquired 12 branches in the AA during the review period: 6 in moderate-income census tracts, 4 in middle-income census tracts, and 2 in upper-income census tracts. The bank subsequently closed one of the acquired branches located in a moderate-income geography. Aside from the acquired branches, HB opened no additional branches in the AA during the review period.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. Services and business hours in this AA are consistent with the bank's overall performance; however, the ITMs do offer extended hours (9:00 a.m. to 7:00 p.m.) when compared to branch office locations.

Community Development Services

HB provides an adequate level of community development services in the Puget Sound AA. During the evaluation period, employees provided 1,070 hours of financial expertise or technical assistance to organizations that serve the AA. HB provided the majority of hours to organizations that facilitate community services for LMI individuals. HB's community development service hour activity in the AA decreased since the previous evaluation, when it received credit for 1,265 service hours. HB's community development service activity falls between that of similarly-situated institutions, whose community development service hours ranged from 417 to 4,117 hours within the AA. The following table illustrates the bank's community development service hour activity in the AA by purpose and year.

Community Development Services – Puget Sound AA					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2023	60	284	11	-	**355**
2024	64	280	39	24	**407**
2025	-	109	-	11	**120**
YTD 2026	-	174	11	3	**188**
Total	**124**	**847**	**61**	**38**	**1,070**
Source: Bank Data					

The following are notable examples of community development services benefiting the AA.

- In 2023 and 2024, an HB officer provided a total of 124 hours of community development service as a Board member for an organization committed to producing, preserving, and increasing equitable access to affordable housing.

- Throughout the review period, an HB officer provided a total of 73 hours of community development service as a Board member for an organization that operates several programs to reduce food access barriers for people experiencing food insecurity.

- In 2024, an HB officer provided a total of 167 hours of community development service as a Board member for an organization dedicated to helping break the cycle of poverty within Latino immigrant communities through employment, education, and community organization programs.

BELLINGHAM AA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE BELLINGHAM AA

The Bellingham AA is located in northern Washington, bordered by the Puget Sound and Canada. The AA consists of Whatcom County, which makes up the Bellingham MSA in its entirety. There have been no changes to the AA delineation since the prior evaluation.

Economic and Demographic Data

According to the 2020 Census, the AA consists of 54 census tracts: 1 low-, 12 moderate-, 26 middle-, and 14 upper-income, as well as 1 census tract without an income designation. Additionally, FEMA issued a major disaster declaration in April 2026 due to severe storms, flooding, landslides, and mudslides in the AA. The following table details select demographic information for the area.

Demographic Information – Bellingham AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	54	1.9	22.2	48.2	25.9	1.9
Population by Geography	226,847	0.9	21.5	52.8	23.0	1.9
Housing Units by Geography	98,000	1.4	20.8	50.2	25.7	2.0
Owner-Occupied Units by Geography	55,361	0.1	14.6	54.9	29.2	1.2
Occupied Rental Units by Geography	33,617	3.6	28.6	47.3	17.0	3.6
Vacant Units by Geography	9,022	0.3	30.4	32.0	36.4	0.9
Businesses by Geography	27,127	6.1	13.9	53.8	24.1	2.1
Farms by Geography	889	0.6	8.8	64.6	24.5	1.6
Family Distribution by Income Level	53,699	19.0	18.9	23.2	38.9	0.0
Household Distribution by Income Level	88,978	23.9	15.7	18.7	41.7	0.0
Median Family Income MSA - 13380 Bellingham, WA MSA		$83,751	Median Housing Value			$ 364,713
			Median Gross Rent			$1,123
			Families Below Poverty Level			7.3%

Source: 2020 Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to Moody's Analytics as of March 2026, higher gasoline prices will provide temporary support to the refineries located in the Bellingham MSA; however, higher gas fuel prices will also negatively impact tourism, which has already been weak through 2025. Domestic tourism to the area and the region more generally is also dampened by a slowing labor market and increasing living costs. Economic strengths of the AA include high educational attainment and worker productivity, a diverse manufacturing industry, and the stabilizing presence of Western Washington University. Economic weaknesses include an overreliance on the energy sector and low-wage

consumer services and low incomes relative to the cost of living. The top employers in the AA are St. Joseph Medical Center, Western Washington University, Lummi Nation, and Whatcom Community College.

Competition

According to the FDIC Deposit Market Share Report as of June 30, 2025, 14 FDIC-insured financial institutions shared $5.2 billion in total deposits within the AA. Of these institutions, HB ranked 11th in deposit market share, holding 3.3 percent of the area's deposits. According to the same data, the top 3 institutions are large, national lenders that share a total of 45.8 percent of the area's deposits, speaking to a competitive market for financial services.

Community Contact

Examiners reviewed a recent community contact with an organization that promotes economic development, optimizes transportation gateways, and manages publicly owned land and facilities within the AA. While the contact identified small business loans as the primary credit need in the area, they went on to state that local financial institutions appear to be adequately meeting that demand. To illustrate, the organization manages an economic development revolving loan fund, which has had a steady but manageable stream of requests and applications over the review period. The community contact stated that there is limited affordable housing, as housing available for sale tends to be extremely expensive. The contact also noted that it is difficult to get affordable housing projects approved and in development.

Credit and Community Development Needs and Opportunities

Considering the community contact interview, economic and demographic information, and conversations with management, the primary credit needs in the AA are small business and affordable housing loans. Affordable housing also represents a primary community development need. The high cost of living and relatively high percentage of families reported living below the poverty level also speaks to a need for community services targeted to LMI individuals.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE BELLINGHAM AA

LENDING TEST

HB demonstrated adequate Lending Test performance in the Bellingham AA.

Lending Activity

HB's lending levels reflect good responsiveness to AA credit needs. During the evaluation period, the bank originated 82 small business loans totaling $25.5 million in the AA. This lending volume is a significant decrease from the prior evaluation, where the bank reported 475 small business loans totaling $64.4 million. According to 2024 aggregate CRA data, HB ranked 17th out of 62 lenders that

reported a total of 5,941 small business loans originated or purchased in the AA with 0.3 percent of the market share by number.

The bank also originated 65 residential real estate loans totaling $25.1 million, a decrease from the 227 such loans totaling $115.5 million at the prior evaluation. According to 2025 aggregate HMDA data, HB ranked 69th out of 269 lenders that originated or purchased 5,592 residential real estate loans in the AA with 0.2 percent of the market share by number.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the AA. This conclusion results from a geographic distribution of small business loans that reflects good penetration throughout the AA and a geographic distribution of home mortgage loans that reflects adequate penetration throughout the AA. As previously described, small business lending performance receives greater weight.

Small Business

The geographic distribution of small business loans reflects good penetration throughout the AA. As shown in the following table, HB's distribution of loans in low-income census tracts was slightly below peer lenders in 2023; however, the bank slightly outpaced other CRA-reporting lenders in 2024 and greatly exceeded business demographics in 2025. The bank's rate of lending in moderate-income tracts exceeded aggregate in 2023 and was double that of other CRA-reporting lenders in 2024. While performance decreased in 2025 and was below area demographics, overall, the performance is good.

Geographic Distribution of Small Business Loans – Bellingham AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	5.8	3.7	1	2.8	110	1.0
2024	6.1	4.4	1	5.0	50	1.0
2025	6.2	--	5	19.2	863	9.3
Moderate						
2023	14.1	14.0	7	19.4	3,478	31.1
2024	13.9	12.5	5	25.0	2,050	40.7
2025	14.2	--	3	11.5	1,700	18.4
Middle						
2023	53.9	57.1	22	61.1	5,261	47.1
2024	53.8	55.8	13	65.0	2,651	52.6
2025	53.6	--	14	53.9	4,883	52.7
Upper						
2023	24.1	23.1	6	16.7	2,325	20.8
2024	24.1	25.2	1	5.0	288	5.7
2025	24.1	--	4	15.4	1,817	19.6
NA						
2023	2.1	2.2	0	0.0	0	0.0
2024	2.1	2.2	0	0.0	0	0.0
2025	2.0	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**36**	**100.0**	**11,174**	**100.0**
2024	**100.0**	**100.0**	**20**	**100.0**	**5,039**	**100.0**
2025	**100.0**	**--**	**26**	**100.0**	**9,263**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Residential Real Estate

The geographic distribution of residential real estate loans reflects adequate penetration throughout the AA. While the bank made no loans in the one low-income census tract in the AA in all three years, there is very little opportunity or credit demand in that geography; refer to the following table. HB's lending penetration in moderate-income tracts exceeded peer in 2023 and was in line with aggregate data in 2024. Although the bank made no residential real estate loans in moderate-income tracts in 2025, it is difficult to draw meaningful conclusions from such a small universe of 10 loans. Overall, HB's performance under this criterion is adequate.

Geographic Distribution of Residential Real Estate Loans – Bellingham AA						
Tract Income Level	**% of Owner-Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	0.1	0.2	0	0.0	0	0.0
2024	0.1	0.2	0	0.0	0	0.0
2025	0.1	0.5	0	0.0	0	0.0
Moderate						
2023	14.6	17.3	8	22.2	2,676	18.1
2024	14.6	15.9	3	15.8	433	7.1
2025	14.6	16.0	0	0.0	0	0.0
Middle						
2023	54.9	56.9	17	47.2	7,429	50.1
2024	54.9	58.7	10	52.6	3,720	61.2
2025	54.9	59.8	6	60.0	2,608	63.0
Upper						
2023	29.2	24.3	11	30.6	4,724	31.9
2024	29.2	24.0	5	26.3	1,775	29.2
2025	29.2	22.8	4	40.0	1,535	37.1
NA						
2023	1.2	1.2	0	0.0	0	0.0
2024	1.2	1.2	1	5.3	150	2.5
2025	1.2	1.0	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**36**	**100.0**	**14,829**	**100.0**
2024	**100.0**	**100.0**	**19**	**100.0**	**6,078**	**100.0**
2025	**100.0**	**100.0**	**10**	**100.0**	**4,143**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among business customers of different sizes and retail customers of different income levels. This conclusion results from a distribution of small business borrowers that reflects adequate penetration SB and poor penetration HMDA.

Small Business

HB's distribution of borrowers reflects adequate penetration among business customers of different sizes. As shown in the following table, HB's rate of lending to small businesses with GARs of $1 million or less was below aggregate in 2023, but not to an unreasonable degree. Performance decreased in 2024, and the bank was modestly below other CRA-reporting lenders in the AA; however, performance increased in 2025 and was in line with historical aggregate levels.

Distribution of Small Business Loans by Gross Annual Revenue Category – Bellingham AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2023	92.3	53.5	17	47.2	5,148	46.1
2024	91.5	52.8	8	40.0	1,206	23.9
2025	91.3	--	13	50.0	5,815	62.8
> $1,000,000						
2023	2.7	--	16	44.4	5,113	45.8
2024	2.6	--	12	60.0	3,833	76.1
2025	2.5	--	13	50.0	3,448	37.2
Revenue Not Available						
2023	5.0	--	3	8.3	913	8.2
2024	5.9	--	0	0.0	0	0.0
2025	6.2	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**36**	**100.0**	**11,174**	**100.0**
2024	**100.0**	**100.0**	**20**	**100.0**	**5,039**	**100.0**
2025	**100.0**	**--**	**26**	**100.0**	**9,263**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

The distribution of borrowers reflects poor penetration among retail customers of different income levels. As shown in the following table, the bank exceeded peer lending to low-income borrowers in 2023 and 2024, but in 2025 the bank made no residential retail loans to low-income borrowers. Additionally, HB significantly trailed aggregate in 2023 and made no loans to moderate-income borrowers in 2024. While the bank was in line with aggregate in 2025, overall, the bank's performance is poor. HB's borrower profile performance when only considering open-end residential real estate loans is also poor and does not mitigate overall lending performance under this criterion.

Distribution of Residential Real Estate Loans by Borrower Income Level – Bellingham AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	19.0	4.8	3	8.3	245	1.7
2024	19.0	4.6	1	5.3	50	0.8
2025	19.0	4.5	0	0.0	0	0.0
Moderate						
2023	18.9	13.4	1	2.8	415	2.8
2024	18.9	12.3	0	0.0	0	0.0
2025	18.9	11.1	1	10.0	68	1.6
Middle						
2023	23.2	24.1	9	25.0	1,934	13.0
2024	23.2	23.5	6	31.6	1,048	17.2
2025	23.2	23.7	3	30.0	645	15.6
Upper						
2023	38.9	47.3	20	55.6	10,630	71.7
2024	38.9	45.7	10	52.6	4,337	71.4
2025	38.9	44.9	5	50.0	2,135	51.5
NA						
2023	0.0	10.4	3	8.3	1,605	10.8
2024	0.0	13.9	2	10.5	643	10.6
2025	0.0	15.8	1	10.0	1,295	31.3
Total						
2023	**100.0**	**100.0**	**36**	**100.0**	**14,829**	**100.0**
2024	**100.0**	**100.0**	**19**	**100.0**	**6,078**	**100.0**
2025	**100.0**	**100.0**	**10**	**100.0**	**4,143**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HB has made a relatively high level of community development loans in the AA. Community development lending increased slightly by number and dollar amount since the prior evaluation, where the bank made 3 qualified loans totaling $16.8 million. As shown in the following table, community development lending targeted affordable housing and community service initiatives, both of which were identified as essential community development needs in the AA. HB's volume of activity compares favorably to that of similarly-situated institutions operating in the area, which provided between 1 loan totaling $100,000 to 5 loans totaling $43.0 million at their most recent FDIC CRA performance evaluations.

Community Development Lending – Bellingham AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2023	-	-	1	3,500	-	-	-	-	1	3,500
2024	1	15,000	2	4,144	-	-	-	-	3	19,144
2025	1	2,065	-	-	-	-	-	-	1	2,065
YTD 2026	-	-	-	-	-	-	-	-		
Total	**2**	**17,065**	**3**	**7,644**	-	-	-	-	**5**	**24,709**
Source: Bank Data										

Notable examples of community development loans made in the AA include:

- In 2023, HB made a $3.5 million loan to an organization that provides education, supportive services, and direct assistance to homeless and low-income families. Programs to support self-sufficiency include food, emergency shelter, eviction prevention, and early childhood education.

- In 2024, the bank supported affordable housing initiatives by funding a $15.0 million loan to develop a mixed-use project that will create 65 units of housing specifically for LMI individuals. While the primary purpose of the project is affordable housing, the project will also include a childcare and early development center that will predominantly serve LMI families, demonstrating a comprehensive investment in housing, education, and health for the most vulnerable communities in the AA.

- The bank further supported community services by funding a $3.1 million loan in 2024 to an organization that provides residential care and outpatient mental health care treatment primarily to LMI individuals in the AA.

INVESTMENT TEST

HB demonstrated good Investment Test performance in the Bellingham AA.

Investment and Grant Activity

The institution has a significant level of qualified community development investments and grants in the Bellingham AA, occasionally in a leadership position, particularly those that are not routinely provided by private investors. Total community development investment dollars declined 21.9 percent from the previous evaluation, where the institution made $17.7 million in total community development investments, grants and donations. Further, the bank's investment activity in the AA were all made prior to the evaluation period. Nonetheless, the institution has a significant level of community development investments and grants relative to the institution's branching presence and lending activity in the Bellingham AA. Additionally, qualified grants and donations increased from 6 donations totaling $14,000 at the previous evaluation to 23 donations totaling $78,000 at the current evaluation, and the bank's total volume of qualified activity compares favorably to similarly situated institutions in the AA.

Qualified Investments in Bellingham AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	2	13,756	-	-	-	-	-	-	**2**	**13,756**
2023	-	-	-	-	-	-	-	-	**-**	**-**
2024	-	-	-	-	-	-	-	-	**-**	**-**
2025	-	-	-	-	-	-	-	-	**-**	**-**
YTD 2026	-	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**2**	**13,756**	**-**	**-**	**-**	**-**	**-**	**-**	**2**	**13,756**
Qualified Grants & Donations	7	34	12	39	4	5	-	-	**23**	**78**
Total	**9**	**13,790**	**12**	**39**	**4**	**5**	**-**	**-**	**25**	**13,834**
Source: Bank Data										

The following are notable examples of qualified community development grants and donations targeted to the Bellingham AA during the review period:

- In 2023, the institution made a $10,000 donation to an organization that provides housing options for LMI families.

- Also in 2023, the bank made a $5,000 donation to an organization that serves the LMI population in the community with services including food and emergency housing.

Responsiveness to Credit and Community Development Needs

HB exhibits good responsiveness to credit and community development needs. The institution demonstrated responsiveness to the AA through its focus on funding investments targeting the identified community need of affordable housing.

Community Development Initiatives

HB makes significant use of innovative and complex investments in the AA to support community development initiatives. Both of the institution's investments totaling $13.8 billion were LIHTCs, which are considered complex. Refer to bankwide conclusions for additional detail.

SERVICE TEST

HB demonstrated adequate performance under the Service Test in the Bellingham AA.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AA. HB operates two full-service branches in the AA, and both include ATMs and drive-up capabilities. As shown in the following table, the bank's distribution of branches in low-income geographies far exceeds census tract and

population percentages. HB's penetration to low-income tracts also surpasses the 13.2 percent of branches operated by other financial institutions in these areas. The bank's distribution of branches in moderate-income tracts also exceeds demographic information and the 23.5 percent of branches operated by other institutions in these areas of the AA.

Branch and ATM Distribution by Geography Income Level – Bellingham AA								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	1	1.9	1,939	0.9	1	50.0	1	50.0
Moderate	12	22.2	48,735	21.5	1	50.0	1	50.0
Middle	26	48.2	119,819	52.8	-	-	-	-
Upper	14	25.9	52,081	23.0	-	-	-	-
NA	1	1.9	4,273	1.9	-	-	-	-
Total	**54**	**100.0**	**226,847**	**100.0**	**2**	**100.0**	**2**	**100.0**
Source: 2020 Census Data; Bank Data								

Changes in Branch Locations

During the evaluation period, HB did not open or close any branches in the AA; therefore, this criterion did not impact the AA level Service Test conclusions.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. Both branches in the AA are full-service and offer all available loan and deposit products. Services and business hours are consistent with the bank's overall performance and similar to those of other banks within the AA.

Community Development Services

HB provided an adequate level of community development services in the Bellingham AA. During the evaluation period, employees provided 98 hours of financial expertise or technical assistance to organizations that serve the AA. HB employees provided the majority of hours to organizations that facilitate community services for LMI individuals. HB's community development activity in the AA increased since the prior evaluation, when it received credit for 39 hours of service. HB's community development service activity trails that of similarly-situated institutions, whose community development service hours ranged from 534 to 951 hours within the AA. However, the other institutions have a greater branch presence in the AA; therefore, HB's volume of activity is adequate. The following table illustrates the bank's community development service hour activity in the AA by purpose and year.

Community Development Services – Bellingham AA					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2023	6	27	-	-	**33**
2024	12	53	-	-	**65**
2025	-	-	-	-	**-**
YTD 2026	-	-	-	-	**-**
Total	**18**	**80**	**-**	**-**	**98**
Source: Bank Data					

The following are notable examples of community development services benefiting the AA.

- In 2023 and 2024, an HB employee provided a total of 80 hours of community development service as a Board member for an organization focused on assisting community college students by providing scholarships, grants, emergency funding, and access to a food pantry.

- In 2023 and 2024, an HB officer provided a total of 18 hours of community development service as a Board member for an affordable housing organization that assists people in obtaining financing and building their own homes.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes HB's performance in the AAs evaluated using limited-scope procedures as compared to the bank's performance in the Puget Sound AA area. Performance conclusions are based on a review of available facts and data, aggregate lending comparisons, and demographic information. The Puget Sound AA received the greatest consideration in determining rated area conclusions, followed in decreasing weight by the Bellingham, Yakima, Washington Non-MSA, and Longview AAs.

Assessment Area	Lending Test	Investment Test	Service Test
Yakima	Below	Consistent	Below
Washington Non-MSA	Consistent	Below	Below
Longview	Consistent	Below	Below

There are no differences in loan products or alternative delivery systems offered, and no material differences in business hours at the branches located in the limited-scope AAs as compared to the Puget Sound AA. Refer to the appendices for additional demographic data and market share information for each limited-scope AA.

Yakima

The Yakima AA is located in southern Washington and consists of Yakima County, which composes the Yakima MSA in its entirety. Delivery systems are reasonably accessible to essentially

all portions of the AA. HB operates three full-service branches in the AA: one in a low-income census tract, and two branches in middle-income census tracts. Branch locations did not change in the AA during the review period.

Activity	#	$(000s)
Small Business Loans	103	24,778
Residential Real Estate Loans	40	9,919
Community Development Loans	-	-
Investments (New)	1	18,183
Investments (Prior Period)	2	6,480
Donations	28	166
CD Services	119	-
Source: Bank Data		

Washington Non-MSA

The Washington Non-MSA AA consists of the entirety of San Juan County and portions of Clallam and Jefferson Counties, areas around the Puget Sound that not part of MSAs or CSAs as defined by the OMB. Delivery systems are accessible to essentially all portions of the AA. HB operates five full-service branches in the AA: one in a low-income census tract, and four branches in middle-income census tracts. HB closed one branch located in a middle-income census tract during the review period.

Activity	#	$(000s)
Small Business Loans	32	7,450
Residential Real Estate Loans	26	9,155
Community Development Loans	1	670
Investments (New)	-	-
Investments (Prior Period)	-	-
Donations	13	29
CD Services	119	-
Source: Bank Data		

Longview

The Longview AA is located in southwest Washington, along the Oregon border. The AA consists of Cowlitz County, which makes up the Longview-Kelso MSA in its entirety. Delivery systems are reasonably accessible to essentially all portions of the AA. HB operates one full-service branch in the AA that is located in a middle-income census tract. Branch locations did not change in the AA during the review period.

Activity	#	$(000s)
Small Business Loans	50	11,974
Residential Real Estate Loans	19	3,608
Community Development Loans	-	-
Investments (New)	-	-
Investments (Prior Period)	-	-
Donations	18	12
CD Services	207	-
Source: Bank Data		

PORTLAND MULTISTATE AA

CRA RATING FOR THE PORTLAND MULTISTATE AA: SATISFACTORY

The Lending Test is rated: Low Satisfactory
The Investment Test is rated: High Satisfactory
The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PORTLAND MULTISTATE AA

HB operates six branches in the Portland Multistate AA, which is located in the greater Portland area, specifically Clark County in the State of Washington and Washington and Multnomah Counties in the State of Oregon. The counties are part of the Portland-Vancouver-Hillsboro MSA. There have been no changes to the AA delineation since the prior evaluation.

Economic and Demographic Data

According to the 2020 Census data, the AA consists of 446 census tracts: 11 low-, 108 moderate-, 195 middle-, and 129 upper-income, as well as 3 census tracts without income designations. Additionally, FEMA issued major disaster declarations in April 2024 and April 2026 that included parts of the AA due to severe storms, flooding, landslides, and mudslides. The following table details select demographic information for the AA.

Demographic Information – Portland Multistate AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	446	2.5	24.2	43.7	28.9	0.7
Population by Geography	1,919,111	2.5	25.3	44.5	27.5	0.2
Housing Units by Geography	772,084	2.5	24.5	44.6	28.1	0.3
Owner-Occupied Units by Geography	438,504	1.4	19.9	46.2	32.3	0.1
Occupied Rental Units by Geography	297,863	4.0	31.5	42.2	21.8	0.5
Vacant Units by Geography	35,717	3.1	22.4	45.3	28.8	0.4
Businesses by Geography	229,798	1.8	24.2	42.4	30.7	0.9
Farms by Geography	2,678	0.8	10.6	54.7	33.4	0.6
Family Distribution by Income Level	452,611	20.6	18.3	20.9	40.1	0.0
Household Distribution by Income Level	736,367	23.3	16.7	18.2	41.8	0.0
Median Family Income MSA - 38900 Portland-Vancouver-Hillsboro, OR-WA MSA		$94,727	Median Housing Value			$ 413,666
			Median Gross Rent			$1,367
			Families Below Poverty Level			6.7%

Source: 2020 Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to Moody's Analytics as of May 2026, the Portland Multistate MSA economy is struggling, with total payroll employment down 2.5 percent year-over-year and a jobless rate higher than the national average. Employment decreases are broad-based, with losses in nearly every major sector, including healthcare, which has historically been a growth driver. Economic strengths of the AA include a diversified economy and skilled workforce and high quality of life. Economic weaknesses include exposure to volatile technology and resource manufacturing, and an expensive housing market. The top employers in the AA are Oregon Health & Science University, Providence Health & Services, Intel, and Kaiser Permanente.

Competition

According to the FDIC Deposit Market Share Report as of June 30, 2025, 25 FDIC-insured financial institutions shared $53.6 billion in total deposits within the AA. Of these institutions, HB ranked 9th in deposit market share, holding 1.2 percent of the area's deposits. According to the same data, the top 4 institutions are large, national lenders that share 73.8 percent of the AA's deposits, speaking to a very competitive market for financial services.

Community Contacts

Examiners reviewed a community contact with an organization representing and supporting small businesses within the AA. The contact described slower population growth and a sharp slowdown of housing production in the area. According to the contact, the greatest credit and community development opportunities lie in attracting and retaining talented workers and making sustained investments to underpin the long-term economic vitality of the region. Examiners also reviewed a

community contact with an economic and urban development organization. According to the contact, there has been a pullback in lending by local financial institutions, particularly to small businesses. The contact described the distinct districts throughout the Portland Multistate MSA that foster entrepreneurial innovation, culture, and the arts. The contact identified a need for small business credit and grants and noted an opportunity for financial institutions to work with CDFIs. Finally, examiners reviewed a community contact with an affordable housing organization. The representative stated that there is an extreme deficit of affordable housing, especially for the lowest-income individuals in the area. According to the contact, while short-term shelter capacity has increased, it has not kept up with the need as there are still thousands of homeless individuals living on the streets.

Credit and Community Development Needs and Opportunities

Based on demographic and economic information, community contact interviews, discussions with bank management, and volume of reported loans by product type made in the AA over the review period, the primary credit needs in the AA are small business loans, particularly to small and very small businesses, and home mortgage loans, primarily to LMI borrowers. Primary community development needs are affordable housing, economic development, and community services targeted to LMI individuals, particularly those experiencing homelessness.

SCOPE OF EVALUATION – PORTLAND MULTISTATE AA

Refer to the overall Scope of Evaluation section for details of the scope of evaluation for the Portland Multistate AA.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE PORTLAND MULTISTATE AA

LENDING TEST

HB's Lending Test performance in the Portland Multistate AA is rated Low Satisfactory.

Lending Activity

HB's lending levels reflect adequate responsiveness to AA credit needs. During the evaluation period, the bank originated 268 small business loans totaling $93.8 million in the AA. This lending volume is a significant decrease from the prior evaluation, where the bank reported 1,311 small business loans totaling $293.2 million. According to 2024 aggregate CRA data, HB ranked 26th out of 136 lenders that reported a total of 52,945 small business loans originated or purchased in the AA with 0.2 percent of the market share by number.

The bank also originated 81 residential real estate loans totaling $103.1 million during the review period, a decrease from the 150 such loans totaling $136.4 million originated at the prior evaluation. According to 2025 aggregate HMDA data, HB ranked 175th out of 551 lenders that originated or purchased 47,205 residential real estate loans in the AA with 0.1 percent of the market share by number.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the AA. This conclusion results from adequate performance in small business and poor performance in home mortgage lending.

Small Business
The geographic distribution of small business loans reflects adequate penetration throughout the AA. As shown in the following table, the bank's small business lending in low-income geographies was consistent with other CRA-reporting lenders in the AA in 2023. While HB made no loans in low-income tracts in 2024, the bank far exceeded demographic data in 2025. The dispersion of loans to businesses in moderate-income tracts trended upward over the review period. HB slightly trailed peer performance in 2023 and was consistent with aggregate in 2024. The bank slightly exceeded the AA's business demographics in 2025.

Geographic Distribution of Small Business Loans – Portland Multistate AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	1.9	1.8	1	1.4	500	2.3
2024	1.8	1.6	0	0.0	0	0.0
2025	1.8	--	3	3.2	504	1.5
Moderate						
2023	23.8	22.8	12	16.7	4,124	18.6
2024	24.2	22.8	22	21.6	10,841	28.3
2025	24.3	--	25	26.6	7,759	23.3
Middle						
2023	42.1	41.7	31	43.1	9,940	44.7
2024	42.4	41.9	44	43.1	17,268	45.1
2025	41.7	--	38	40.4	13,845	41.5
Upper						
2023	31.4	32.7	28	38.9	7,667	34.5
2024	30.7	32.9	35	34.3	10,076	26.3
2025	31.4	--	28	29.8	11,221	33.7
NA						
2023	0.9	1.0	0	0.0	0	0.0
2024	0.9	0.8	1	1.0	82	0.2
2025	0.9	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**72**	**100.0**	**22,231**	**100.0**
2024	**100.0**	**100.0**	**102**	**100.0**	**38,267**	**100.0**
2025	**100.0**	**--**	**94**	**100.0**	**33,329**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

The geographic distribution of residential real estate loans reflects poor penetration throughout the AA's LMI geographies. As shown in the following table, the bank made no residential real estate loans in low-income census tracts in 2023 but vastly exceeded peer in 2024 and 2025. HB's rate of lending in moderate-income tracts was significantly below that of other HMDA-reporting lenders over the entire review period. Examiners do note the upward trend in lending in moderate-income geographies over the review period, the disparity between the bank and other lenders in the AA is too significant to be mitigated by this context. Keeping in mind the bank's change in business strategy, examiners reviewed the bank's HELOC lending to LMI borrowers in 2024 and 2025 relative to the performance of other lenders reporting open-end residential real estate loans in those years, which supported poor performance. Overall, the bank's lending performance is poor.

Geographic Distribution of Residential Real Estate Loans – Portland Multistate AA						
Tract Income Level	**% of Owner-Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	1.4	1.3	0	0.0	0	0.0
2024	1.4	1.2	2	7.1	5,970	32.0
2025	1.4	1.3	1	4.2	300	1.5
Moderate						
2023	19.9	20.5	2	6.9	13,590	21.3
2024	19.9	19.4	3	10.7	1,116	6.0
2025	19.9	19.1	3	12.5	350	1.7
Middle						
2023	46.2	45.9	13	44.8	7,805	12.2
2024	46.2	47.3	12	42.9	7,892	42.3
2025	46.2	47.6	14	58.3	9,765	47.3
Upper						
2023	32.3	32.2	14	48.3	42,423	66.5
2024	32.3	32.0	11	39.3	3,670	19.7
2025	32.3	31.9	6	25.0	10,221	49.5
NA						
2023	0.1	0.1	0	0.0	0	0.0
2024	0.1	0.1	0	0.0	0	0.0
2025	0.1	0.1	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**29**	**100.0**	**63,818**	**100.0**
2024	**100.0**	**100.0**	**28**	**100.0**	**18,648**	**100.0**
2025	**100.0**	**100.0**	**24**	**100.0**	**20,636**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, poor penetration to business customers of different sizes and retail customers of different income levels.

Small Business

HB's distribution of borrowers reflects poor penetration among business customers of different sizes. As shown in the following table, HB's distribution of loans to businesses with GARs of $1 million or less was far below aggregate data in 2023 and penetration decreased significantly in 2023 and 2025. The bank compared unfavorably to aggregate lenders and similarly-situated community banks operating in the AA.

Distribution of Small Business Loans by Gross Annual Revenue Category – Portland Multistate AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2023	92.2	56.4	17	23.6	4,277	19.2
2024	91.7	54.4	10	9.8	2,856	7.5
2025	91.8	--	16	17.0	5,563	16.7
> $1,000,000						
2023	2.4	--	54	75.0	17,874	80.4
2024	2.2	--	88	86.3	33,333	87.1
2025	2.0	--	73	77.7	24,361	73.1
Revenue Not Available						
2023	5.5	--	1	1.4	80	0.4
2024	6.1	--	4	3.9	2,078	5.4
2025	6.3	--	5	5.3	3,405	10.2
Total						
2023	**100.0**	**100.0**	**72**	**100.0**	**22,231**	**100.0**
2024	**100.0**	**100.0**	**102**	**100.0**	**38,267**	**100.0**
2025	**100.0**	**--**	**94**	**100.0**	**33,329**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

HB's distribution of borrowers reflects poor penetration among customers of different income levels. As shown in the following below, the bank's rate of lending to low-income borrowers greatly exceeded peer lenders in 2023 and 2024. HB's performance was in line with aggregate in 2025. However, the bank's distribution of residential real estate loans to moderate-income borrowers fell significantly below that of other HMDA-reporting lenders in all three years. Overall, the bank's performance is poor, especially considering the greater credit demand presented by moderate-income borrowers in the AA.

Distribution of Residential Real Estate Loans by Borrower Income Level – Portland Multistate AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	20.6	4.6	2	6.9	333	0.5
2024	20.6	4.7	3	10.7	95	0.5
2025	20.6	5.4	1	4.2	110	0.5
Moderate						
2023	18.3	15.3	2	6.9	279	0.4
2024	18.3	15.1	1	3.6	510	2.7
2025	18.4	16.5	2	8.3	140	0.7
Middle						
2023	20.9	24.6	3	10.3	1,025	1.6
2024	20.9	24.6	2	7.1	200	1.1
2025	20.9	23.5	2	8.3	520	2.5
Upper						
2023	40.1	39.2	12	41.4	8,251	12.9
2024	40.1	39.5	12	42.9	3,823	20.5
2025	40.1	37.5	11	45.8	4,850	23.5
NA						
2023	0.0	16.4	10	34.5	53,930	84.5
2024	0.0	16.1	10	35.7	14,020	75.2
2025	0.0	17.1	8	33.3	15,016	72.8
Total						
2023	**100.0**	**100.0**	**29**	**100.0**	**63,818**	**100.0**
2024	**100.0**	**100.0**	**28**	**100.0**	**18,648**	**100.0**
2025	**100.0**	**100.0**	**24**	**100.0**	**20,636**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HB has made a relatively high level of community development loans in the AA. Community development lending decreased slightly by number and dollar amount since the prior evaluation, where the bank made 35 qualified loans totaling $98.2 million. HB's volume of community development activity compares well to that of similarly-situated institutions operating in the AA, which provided between 8 qualified loans totaling $26.7 million and 37 loans totaling $56.7 million at their most recent FDIC performance evaluations. As shown in the following table, a majority of loans by number supported community services targeted to LMI individuals and a significant majority by dollar amount supported affordable housing in the AA. A significant amount of activity by dollar was also targeted to economic development initiatives. Affordable housing, community services, and economic development were identified as community development needs in the AA.

Community Development Lending – Portland Multistate AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2023	1	17,700	4	3,750	-	-	-	-	5	21,450
2024	-	-	4	4,750	-	-	2	1,664	6	6,414
2025	2	8,916	3	1,750	-	-	1	500	6	11,166
YTD 2026	2	42,582	4	2,750	3	9,328	-	-	9	54,660
Total	**5**	**69,198**	**15**	**13,000**	**3**	**9,328**	**3**	**2,164**	**26**	**93,690**
Source: Bank Data										

Notable examples of community development loans made in the AA include:

- In 2023, HB supported affordable housing initiatives by making a $17.7 million loan to construct a multifamily residence specifically for low-income seniors. All 82 units of housing will be income-restricted, with 17 units reserved for seniors exiting homelessness. Additionally, the project will have offices and private spaces for service providers and health care professionals to administer wraparound services to the residents.

- HB supported community services through a $3.0 million loan in 2024 to an organization that provides education, physical and mental health services, and substance abuse treatment to LMI Native American individuals in the AA.

- In 2026, the bank also made a $28.2 million loan to fund the construction of project that will create 78 units of affordable housing, with a particular focus on LMI seniors and individuals with intellectual and developmental disabilities.

INVESTMENT TEST

HB's Investment Test performance in the Portland Multistate AA is rated High Satisfactory.

Investment and Grant Activity

The institution has a significant level of qualified community development investments, grants and donations, particularly those that are not routinely provided by private investors, occasionally in a leadership position. Total qualified community development investments grew 51.2 percent from the previous evaluation, where the bank made $35.5 million in qualified investments. The significant majority of qualified community development investments supported affordable housing initiatives, which was identified as a primary community development need in the AA. A majority of qualified community development grants and donations supported community services targeting LMI populations, another AA community development need. The following table depicts the annual distribution of qualified community development investments, grants and donations in the Portland Multistate AA.

Qualified Investments in Bellingham AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	10	28,613	-	-	-	-	-	-	**10**	**28,613**
2023	-	-	-	-	-	-	-	-	**-**	**-**
2024	-	-	-	-	-	-	-	-	**-**	**-**
2025	3	24,523	-	-	-	-	-	-	**3**	**24,523**
YTD 2026	-	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**13**	**53,136**	**-**	**-**	**-**	**-**	**-**	**-**	**13**	**53,136**
Qualified Grants & Donations	33	51	152	393	25	46	-	-	210	490
Total	**46**	**53,187**	**152**	**393**	**25**	**46**	**-**	**-**	**223**	**53,626**
Source: Bank Data										

Below are notable examples of the institution's qualified community development investments:

- In 2025, the institution made a $22.8 million LIHTC investment in the new construction of an 82-unit housing facility for LMI seniors in Vancouver, Washington.

- In 2025, the institution made a $1.2 million LIHTC investment in the new construction of a 116-unit affordable housing community targeting LMI families in Tualatin, Oregon.

- In 2025, the institution made a $531,916 LIHTC investment in the new construction of 61 units of permanent supportive deeply affordable housing in Portland's Central Eastside for people exiting homelessness

Responsiveness to Credit and Community Development Needs

HB exhibits good responsiveness to credit and community development needs. The institution demonstrated responsiveness to the AA through its focus on funding investments targeting the identified community development need of affordable housing.

Community Development Initiatives

HB makes significant use of innovative and complex investments in the AA to support community development initiatives. Of the institution's 13 investments, 7 totaling $43.7 million were LIHTCs, which are considered complex. Refer to bankwide conclusions for additional detail.

SERVICE TEST

HB's Service Test performance in the Portland Multistate AA is rated Low Satisfactory.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the AA. Branch distribution and alternative delivery systems are generally consistent with the bank's overall performance. HB operates six full-service branches in the AA, two of which offer drive-up banking, though none have ATMs. As shown in the following table, HB does not operate any branches in low-income census tracts, which is below area demographics and the 2.3 percent of branches operated by other institutions in these geographies. However, at 33.3 percent, the bank's distribution of branches in moderate-income geographies slightly exceeds area demographics and the 31.4 percent of branches operated by other financial institutions in these areas. Additionally, the branch in a middle-income tract, both branches in upper-income tracts, and the branch in a tract without an income designation are all within one mile of at least one LMI geography, reasonably increasing access to retail banking services to these areas.

Branch and ATM Distribution by Geography Income Level – Portland Multistate AA								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	11	2.5	48,515	2.5	-	-	-	-
Moderate	108	24.2	485,453	25.3	2	33.3	-	-
Middle	195	43.7	854,029	44.5	1	16.7	-	-
Upper	129	28.9	527,417	27.5	2	33.3	-	-
NA	3	0.7	3,697	0.2	1	16.7	-	-
Total	**446**	**100.0**	**1,919,111**	**100.0**	**6**	**100.0**	-	-
Source: 2020 Census Data; Bank Data								

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. HB opened one branch located in a moderate-income census tract while closing one branch located in an upper-income census tract since the prior evaluation.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. In this AA, all branches are full-service and offer all available loan and deposit products. Services and business hours are consistent with the bank's overall performance and similar to those of other banks within this AA.

Community Development Services

HB provided an adequate level of community development services in the Portland Multistate AA. During the evaluation period, employees provided 1,079 hours of financial expertise or technical assistance to organizations that serve the AA. HB employees provided the majority of hours to organizations that facilitate community services for LMI individuals. HB's community development

service hour activity in the AA increased since the prior evaluation, when it received credit for 878 hours. HB's community development service activity falls between similarly-situated institutions, whose community development service hours ranged from 964 to 1,208 hours within the AA. The following table illustrates the bank's community development service hour activity in the AA by purpose and year.

Community Development Services – Portland					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2023	79	246	17	-	**342**
2024	28	253	40	-	**321**
2025	4	378	2	-	**384**
YTD 2026	4	28	-	-	**32**
Total	**115**	**905**	**59**	**-**	**1,079**
Source: Bank Data					

The following are notable examples of community development services benefiting the AA.

- In 2023 through 2025, two HB officers provided a total of 254 hours of community development service as Board members for an organization that directs funds used to provide legal help to LMI individuals who cannot afford a lawyer.

- In 2023 through 2025, an HB officer provided a total of 166 hours of community development service as a committee member for an organization that provides numerous health and housing services primarily to LMI people struggling with or affected by AIDS.

- In 2024 and 2025, a HB officer provided a total of 146 hours of community development service as a committee member for an organization that provides food, counseling, clothing, and household items to those needing assistance in meeting basic needs.

OREGON

CRA RATING FOR OREGON: SATISFACTORY

The Lending Test is rated: Low Satisfactory
The Investment Test is rated: High Satisfactory
The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN OREGON

HB operates one branch in the Oregon rated area, which consists of the Eugene AA. The AA is defined as Lane County, located in western Oregon bordering the Oregon Coast, and composes the Eugene-Springfield MSA in its entirety. There have been no changes to the AA delineation since the prior evaluation.

Economic and Demographic Data

According to the 2020 Census Data, the AA includes 93 census tracts: 23 moderate-, 44 middle-, and 23 upper-income, as well as 3 census tracts without income designations. Additionally, FEMA issued major disaster declarations in April 2024 and April 2026 that included the AA due to winter storms, flooding, landslides, and mudslides. The following table details select demographic information for the AA.

Demographic Information – Eugene AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	93	0.0	24.7	47.3	24.7	3.2
Population by Geography	382,971	0.0	24.7	49.5	24.2	1.7
Housing Units by Geography	163,617	0.0	26.4	47.0	24.4	2.3
Owner-Occupied Units by Geography	91,385	0.0	18.8	53.8	26.9	0.5
Occupied Rental Units by Geography	63,131	0.0	37.0	36.8	21.3	4.8
Vacant Units by Geography	9,101	0.0	28.8	49.5	19.4	2.3
Businesses by Geography	40,003	0.0	27.3	48.6	23.1	1.0
Farms by Geography	1,211	0.0	15.5	62.3	21.9	0.3
Family Distribution by Income Level	90,434	21.4	16.9	21.4	40.3	0.0
Household Distribution by Income Level	154,516	24.4	16.3	16.7	42.6	0.0
Median Family Income MSA - 21660 Eugene-Springfield, OR MSA		$72,092	Median Housing Value			$ 283,501
			Median Gross Rent			$1,033
			Families Below Poverty Level			9.3%

Source: 2020 Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to Moody's Analytics as of March 2026, total payrolls are down 1.0 percent year-over-year in the Eugene MSA despite job gains in the healthcare sector. The AA's economy is reliant on

the agricultural economy, which is facing downward pressure from protectionist trade policies and increasing fuel costs due to conflicts in the Middle East. The University of Oregon, the top employer in the area, faces budgetary and enrollment challenges that will shake its economic stability in the short-term. Despite these challenges, the university remains an economic strength in the AA, as student spending and a steady influx of travelers for university events helps foster private sector growth. An additional economic strength is low business costs, especially office rents. Economic weaknesses include below-average per capita income, a high poverty rate, and low housing affordability. The top employers in the AA are the University of Oregon, PeaceHealth Medical Group, Lane Community College, and McKenzie-Willamette Medical Center.

Competition

According to the FDIC Deposit Market Share Report as of June 30, 2025, 14 FDIC-insured financial institutions shared $6.7 billion in total deposits within the AA. Of these institutions, HB ranked 13th in deposit market share, holding 0.5 percent of the area's deposits. According to the same data, the top 5 institutions are large, national and regional lenders that share 67.4 percent of the AA's deposits, speaking to a competitive market for financial services.

Community Contacts

Examiners reviewed a recent community contact with an organization that provides technical support to small businesses in the AA. The representative noted that challenges faced by entrepreneurs and employees include a difficult business climate, affordable housing, the high cost of childcare, and homelessness. In the contact's opinion, the business environment in the Eugene MSA is uncompetitive due to a lack of a regional economic development strategy and difficulty creating jobs. Insufficient affordable housing, inadequate childcare, and a substantial homeless population makes it difficult to attract new and retain existing businesses and residents.

Examiners also reviewed a community contact with an organization that provides financial support and additional services primarily to LMI individuals. The representative detailed the need for investment in rural areas and underserved communities within the AA. There is a critical need for affordable housing, both affordable rentals and single-family homes that are attainable by LMI individuals. While there is a community development need for affordable housing credit, grants and down payment assistance would be even more responsive and helpful.

Credit and Community Development Needs and Opportunities

Based on demographic and economic information, community contact interviews, discussions with management, and volume of reported loans by product type made in the AA over the review period, the primary credit needs in the AA are home mortgage loans, particularly to LMI individuals, and small business loans, particularly to startup and small businesses. The primary community development needs are affordable housing, community services, and activities to revitalize and/or stabilize areas of the AA.

SCOPE OF EVALUATION – OREGON

Refer to the overall Scope of Evaluation section for details of the scope of evaluation for the Oregon rated area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN OREGON

LENDING TEST

HB's Lending Test performance in Oregon is rated Low Satisfactory.

Lending Activity

HB's lending levels reflect adequate responsiveness to AA credit needs. During the evaluation period, the bank originated 63 small business loans totaling $20.4 million. According to 2024 aggregate CRA data, HB ranked 18th out of 81 lenders that reported a total of 6,618 small business loans originated or purchased in the AA with 0.3 percent of the market share by number. The bank also originated 29 residential real estate loans totaling $14.7 million during the review period. According to 2025 aggregate HMDA data, HB ranked 125th out of 312 lenders that originated or purchased 9,120 residential real estate loans in the AA with less than 0.1 percent of the market share by number.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the AA. Adequate performance in small business and poor performance in home mortgage lending support this conclusion. There are no low-income census tracts within the AA; therefore, analysis focuses on the bank's geographic distribution of loans in moderate-income areas.

Small Business
HB's geographic distribution of small business loans reflects adequate performance. As shown in the following table, HB's rate of small business lending in moderate-income census tracts fell below that of other CRA-reporting lenders in the AA in 2023; however, the bank was in line with aggregate data in 2024. Penetration further improved in 2025 and HB's distribution in these geographies exceeded business demographics.

Geographic Distribution of Small Business Loans – Eugene AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	0.0	--	0	0.0	0	0.0
2024	0.0	--	0	0.0	0	0.0
2025	0.0	--	0	0.0	0	0.0
Moderate						
2023	27.2	26.4	3	15.0	1,453	20.1
2024	27.3	26.3	6	27.3	2,280	32.9
2025	27.3	--	8	38.1	2,398	38.2
Middle						
2023	47.8	47.7	16	80.0	5,491	75.8
2024	48.6	46.4	11	50.0	3,173	45.8
2025	48.4	--	9	42.9	2,461	39.2
Upper						
2023	23.5	24.2	1	5.0	300	4.1
2024	23.1	25.4	5	22.7	1,475	21.3
2025	23.3	--	4	19.1	1,416	22.6
NA						
2023	1.5	1.8	0	0.0	0	0.0
2024	1.0	1.9	0	0.0	0	0.0
2025	1.0	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**20**	**100.0**	**7,244**	**100.0**
2024	**100.0**	**100.0**	**22**	**100.0**	**6,928**	**100.0**
2025	**100.0**	**--**	**21**	**100.0**	**6,275**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Residential Real Estate

HB's geographic distribution of home mortgage loans reflects poor performance. As with HB's small business lending, the bank's rate of residential real estate lending in the AA's moderate-income census tracts trended upwards over the review period. Unfortunately, the disparity between the bank's penetration and that of other HMDA-reporting lenders is too significant to be considered adequate. Examiners do note the very low volume of loans made annually, particularly in 2023 and 2025, which makes drawing substantive conclusions from the data difficult.

Geographic Distribution of Residential Real Estate Loans – Eugene AA						
Tract Income Level	**% of Owner-Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	0.0	--	0	0.0	0	0.0
2024	0.0	--	0	0.0	0	0.0
2025	0.0	--	0	0.0	0	0.0
Moderate						
2023	18.8	19.5	1	11.1	1,125	30.4
2024	18.8	19.6	2	14.3	965	12.4
2025	18.8	20.2	1	16.7	150	4.6
Middle						
2023	53.8	53.3	5	55.6	1,066	28.8
2024	53.8	53.3	8	57.1	4,065	52.4
2025	53.8	51.8	3	50.0	2,901	88.6
Upper						
2023	26.9	26.5	3	33.3	1,514	40.9
2024	26.9	26.3	2	14.3	1,385	17.9
2025	26.9	27.3	2	33.3	224	6.8
NA						
2023	0.5	0.7	0	0.0	0	0.0
2024	0.5	0.8	2	14.3	1,346	17.3
2025	0.5	0.7	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**9**	**100.0**	**3,705**	**100.0**
2024	**100.0**	**100.0**	**14**	**100.0**	**7,761**	**100.0**
2025	**100.0**	**100.0**	**6**	**100.0**	**3,275**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Borrower Profile

The distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels. This conclusion results from poor small business performance and very poor home mortgage lending performance.

Small Business

The distribution of borrowers reflects poor penetration among business customers of different sizes. As shown in the following table, HB's rate of lending to businesses with GARs of $1 million or less was significantly below that of all CRA-reporting lenders in the AA in all three years. Examiners also directly compared the bank's lending penetration in 2023 and 2024 to similarly-situated community banks operating in the AA. The bank's rate of lending compared unfavorably to these other institutions, supporting poor performance.

Distribution of Small Business Loans by Gross Annual Revenue Category – Eugene AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2023	91.0	58.5	4	20.0	1,807	24.9
2024	90.6	56.2	6	27.3	2,600	37.5
2025	90.7	--	7	33.3	2,254	35.9
> $1,000,000						
2023	2.8	--	15	75.0	4,716	65.1
2024	2.5	--	16	72.7	4,328	62.5
2025	2.3	--	10	47.6	2,474	39.4
Revenue Not Available						
2023	6.2	--	1	5.0	721	10.0
2024	6.9	--	0	0.0	0	0.0
2025	6.9	--	4	19.1	1,547	24.7
Total						
2023	**100.0**	**100.0**	**20**	**100.0**	**7,244**	**100.0**
2024	**100.0**	**100.0**	**22**	**100.0**	**6,928**	**100.0**
2025	**100.0**	**--**	**21**	**100.0**	**6,275**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

The distribution of borrowers reflects very poor penetration among retail customers of different income levels. As shown in the following table, HB made no loans to LMI borrowers over the review period. Again, examiners note the low volume of residential real estate loans made each year and correspondingly gave less weight to this product in determining overall conclusions.

Distribution of Residential Real Estate Loans by Borrower Income Level – Eugene AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	21.4	5.0	0	0.0	0	0.0
2024	21.4	4.4	0	0.0	0	0.0
2025	21.4	5.0	0	0.0	0	0.0
Moderate						
2023	16.9	14.2	0	0.0	0	0.0
2024	16.9	13.1	0	0.0	0	0.0
2025	16.9	13.7	0	0.0	0	0.0
Middle						
2023	21.4	25.3	1	11.1	395	10.7
2024	21.4	22.9	1	7.1	75	1.0
2025	21.4	23.0	3	50.0	374	11.4
Upper						
2023	40.3	44.2	2	22.2	144	3.9
2024	40.3	43.8	8	57.1	1,595	20.6
2025	40.3	42.0	1	16.7	101	3.1
NA						
2023	0.0	11.4	6	66.7	3,166	85.5
2024	0.0	15.7	5	35.7	6,091	78.5
2025	0.0	16.3	2	33.3	2,800	85.5
Total						
2023	**100.0**	**100.0**	**9**	**100.0**	**3,705**	**100.0**
2024	**100.0**	**100.0**	**14**	**100.0**	**7,761**	**100.0**
2025	**100.0**	**100.0**	**6**	**100.0**	**3,275**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HB has made a relatively high level of community development loans; see the following table. Total community development loans over the evaluation period include 4 loans totaling $6.5 million specifically targeted to the Eugene AA and 4 loans totaling $5.7 million benefiting areas of Oregon outside of the bank's AA. At the prior evaluation, the bank made 1 qualified $2.6 million loan during the limited time period the AA was in place. HB's volume of activity compares favorably to similarly-situated institutions operating in the AA, which provided between 2 loans totaling $8.7 million and 5 loans totaling $16.4 million at their most recent CRA performance evaluations. As shown in the following table, community development lending primarily supported affordable housing and community services directed to LMI individuals, which were both identified community development needs in the AA.

Community Development Lending – Oregon										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2023	-	-	-	-	-	-	-	-		
2024	2	4,510	2	3,600	-	-	-	-	4	8,110
2025	1	2,400	2	1,476	-	-	-	-	3	3,876
YTD 2026	-	-	-	-	1	227	-	-	1	227
Total	**3**	**6,910**	**4**	**5,076**	**1**	**227**	-	-	**8**	**12,213**
Source: Bank Data										

The following are notable examples of community development loans that benefited the greater State of Oregon:

- In 2024, the bank made a $3.0 million loan to an organization that provides essential supportive services to LMI individuals. Programs include the operation of food pantries and provision of homeless services.

- Also in 2024, HB made a $1.9 million loan to help develop a 30-unit affordable housing community targeted to LMI and formerly homeless veterans.

Notable examples of community development loans targeted to the Eugene AA include:

- HB supported affordable housing by funding a $2.6 million loan in 2024 and a $2.4 million loan in 2025 that will create a combined 75 units of housing specifically set aside for LMI individuals.

- In 2025, the bank made a $1.4 million loan to help finance the establishment of an opioid addiction treatment facility in a moderate-income geography. The organization's clients are also predominantly LMI, and the bank's loan will help to meet an essential community service need in the AA.

INVESTMENT TEST

HB's Investment Test performance in Oregon is rated High Satisfactory.

Investment and Grant Activity

The institution has a significant level of qualified community development investments, grants and donations, particularly those that are not routinely provided by private investors, occasionally in a leadership position. Total qualified community development investments remain largely unchanged from the previous evaluation, where the bank also made $8.5 million in qualified community development investments. Though the institution's sole bond investment was made during the previous review period, the institution's level of qualified community development investments and grants in the Eugene AA is considered significant relative to the institution's branching presence

and lending activity in the AA. The institution's performance generally compares favorably to similarly-situated institutions.

The institution's investment supports affordable housing for the AA's LMI populations. A majority of grants and donations supported community services targeting LMI populations, and a majority of grant and donation dollars supported economic development initiatives in the AA. The following table depicts the annual distribution of qualified community development investments, grants and donations in the AA.

Community Development Investments – Eugene AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	1	8,508	-	-	-	-	-	-	**1**	**8,508**
2023	-	-	-	-	-	-	-	-	**-**	**-**
2024	-	-	-	-	-	-	-	-	**-**	**-**
2025	-	-	-	-	-	-	-	-	**-**	**-**
YTD 2026	**-**	**-**	**-**	**-**	**-**	**-**	-	-	**-**	**-**
Subtotal	**1**	**8,508**	**-**	**-**	**-**	**-**	-	-	**1**	**8,508**
Qualified Grants & Donations	4	5	24	30	14	32	-	-	42	67
Total	**5**	**8,513**	**24**	**30**	**14**	**32**	**-**	**-**	**43**	**8,575**
Source: Bank Data										

Below are notable examples of qualified grants and donations made over the review period:

- Between 2023 and 2025, the bank made 6 donations totaling $18,300 to an economic development organization.

- Between 2024 and 2025, the bank made 4 donations totaling $8,000 to an organization that provides LMI populations with essential services, including access to emergency food and shelter and other programs.

Responsiveness to Credit and Community Development Needs

HB exhibits good responsiveness to credit and community development needs. The institution demonstrated responsiveness to the AA through its investment targeting the identified community need of affordable housing.

Community Development Initiatives

HB makes occasional use of innovative and complex investments in the AA to support community development initiatives. The institution is an active LIHTC investor; however, none of these investments, which are considered complex, were made in the Eugene AA. Refer to bankwide conclusions for additional detail.

SERVICE TEST

HB's Service Test performance in Oregon is rated Low Satisfactory.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the AA. As previously noted, there are no low-income census tracts in the AA and the analysis is focused on the bank's presence in moderate-income tracts. While the bank has limited branch distribution within the AA, the alternative delivery systems are consistent with the bank's overall performance. HB operates one full-service branch in an upper-income census tract that does not include an ATM or drive-up capabilities. The bank does not operate any branches in moderate-income geographies, which is below demographic data and the 37.6 percent of branches operated in these areas by other institutions. However, HB's branch is within one mile of three moderate-income census tracts, reasonably increasing access to retail banking services in these areas.

Branch and ATM Distribution by Geography Income Level – Eugene AA								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	-	-	-	-	-	-	-	-
Moderate	23	24.7	94,566	24.7	-	-	-	-
Middle	44	47.3	189,431	49.5	-	-	-	-
Upper	23	24.7	92,651	24.2	1	100.0	-	-
NA	3	3.2	6,323	1.7	-	-	-	-
Total	**93**	**100.0**	**382,971**	**100.0**	**1**	**100.0**	-	-
Source: 2020 Census Data; Bank Data								

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing branches has adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. HB closed one branch in a moderate-income census tract while opening one branch in an upper-income census tract. The new branch is not within immediate proximity to any moderate-income tracts.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. In this AA, the sole branch is full-service and offers all of the bank's available loan and deposit products. Services and business hours are consistent with the bank's overall performance and similar to those of other banks within this AA.

Community Development Services

HB provided an adequate level of community development services in the Eugene AA. During the

evaluation period, employees provided 171 hours of financial expertise or technical assistance to organizations that serve the AA. HB employees provided the majority of hours to organizations that facilitate community services for LMI individuals. HB's community development service hour activity in the AA increased since the prior evaluation, when it received credit for 35 hours during a limited review timeframe. HB's community development service activity trails that of a similarly-situated institution operating in the AA, whose community development service hours totaled 1,110. However, that institution operates significantly more branches within the AA compared to HB's singular branch. The following table illustrates the bank's community development service hour activity in the AA by purpose and year.

Community Development Services – Eugene					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2023	2	24	-	-	**26**
2024	6	72	32	-	**110**
2025	3	32	-	-	**35**
YTD 2026	-	-	-	-	**-**
Total	**11**	**128**	**32**	**-**	**171**
Source: Bank Data					

The following are notable examples of community development services benefiting the AA.

- In 2023 through 2025, an HB officer provided a total of 76 hours of community development service as a Board member for an organization that guides the design, development, and implementation of strategic initiatives that support health and medical solutions benefiting primarily LMI individuals.

- In 2023 and 2024, an HB officer provided a total of 25 hours of community development service as a committee member for an organization that works to prevent child abuse and neglect through numerous programs and services. Of the families served, approximately 87 percent are at or below the poverty level.

- In 2023 through 2025, an HB officer provided a total of 16 hours of community development service as a committee member for a food bank that is dedicated to reducing hunger by soliciting, collecting, rescuing, growing, preparing, and packaging food for distribution to a network of social service agencies and programs.

IDAHO

CRA RATING FOR IDAHO: SATISFACTORY

The Lending Test is rated: Low Satisfactory
The Investment Test is rated: Low Satisfactory
The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IDAHO

HB operates one branch in the Idaho rated area, which is made up of the Boise AA. The AA is defined as Ada, Boise, Canyon, and Gem Counties in southwest Idaho, which are part of the Boise City MSA. There have been no changes to the AA delineation since the prior evaluation.

Economic and Demographic Data

According to the 2020 Census, the AA consists of 190 census tracts: 4 low-, 37 moderate-, 90 middle-, and 58 upper-income, as well as 1 census tract without an income designation. The following table details select demographic information for the AA.

Demographic Information – Boise AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	190	2.1	19.5	47.4	30.5	0.5
Population by Geography	752,805	2.2	19.4	48.4	29.7	0.3
Housing Units by Geography	278,494	2.0	20.7	47.9	29.0	0.4
Owner-Occupied Units by Geography	188,473	0.6	16.7	50.5	32.3	0.0
Occupied Rental Units by Geography	76,902	5.2	28.2	43.7	21.7	1.2
Vacant Units by Geography	13,119	3.2	35.5	36.4	24.7	0.3
Businesses by Geography	86,617	1.9	19.5	46.6	32.0	0.1
Farms by Geography	1,704	0.5	19.3	44.2	36.0	0.0
Family Distribution by Income Level	177,403	17.1	19.3	22.8	40.9	0.0
Household Distribution by Income Level	265,375	21.2	17.2	21.1	40.6	0.0
Median Family Income MSA - 14260 Boise City, ID MSA		$77,090	Median Housing Value			$ 277,133
			Median Gross Rent			$989
			Families Below Poverty Level			6.6%

Source: 2020 Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to Moody's Analytics as of March 2026, the Boise City MSA economy continues to expand, but at a slower pace than prior years. Investments in the area's burgeoning tech sector have helped expand manufacturing and research and development opportunities, driving high-wage employment growth. The presence of nearby Boise State University and Idaho State University also contribute to positive population inflows and a high-skill workforce. In addition to tech and higher

education, healthcare is a major economic driver, but population growth keeps housing needs front and center as housing supply struggles to keep up with demand. Economic strengths of the AA include the growing tech sector and continued presence of government and universities that provide a stable source of public-sector jobs. The top employers in the AA are Saint Luke's Health System, Micron Technology Incorporated, Saint Alphonsus Health System, and Boise State University.

Competition

According to the FDIC Deposit Market Share Report as of June 30, 2025, 24 FDIC-insured financial institutions shared $17.9 billion in total deposits within the AA. Of these institutions, HB ranked 21st in deposit market share, holding 0.1 percent of the area's deposits. The top 3 institutions in the area are large national lenders that share 49.2 percent of deposits in the AA, which results in a highly competitive market for financial services.

Community Contact

Examiners reviewed a recent community contact with an affordable housing organization serving the AA. The contact noted that the AA struggles with older housing stock that is in need of redevelopment and improvements. There is an opportunity to help repurpose existing buildings to accommodate the populations of particularly LMI individuals in need of affordable housing. Developers have had some difficulty in acquiring capital, and more pre-development funding would help avoid delays in much needed housing supply. The contact also noted significant populations of unbanked individuals in the AA, most often coming from refugee and immigrant communities.

Credit and Community Development Needs and Opportunities

Based on demographic and economic information, community contact interviews, discussions with bank management, and volume of reported loans by product type made in the AA over the review period, the primary credit needs in the AA are home mortgage loans, primarily to LMI borrowers, and small business loans, particularly to small and very small businesses. Primary community development needs are affordable housing and community services targeted to LMI individuals, including essential services and access to retail banking services such as checking accounts.

SCOPE OF EVALUATION – IDAHO

Refer to the overall Scope of Evaluation section for details of the scope of evaluation for the Idaho rated area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN IDAHO

LENDING TEST

HB's Lending Test performance in Idaho is rated Low Satisfactory.

Lending Activity

HB's lending levels reflect adequate responsiveness to AA credit needs. During the evaluation period, the bank originated 68 small business loans totaling $12.7 million. According to 2024 aggregate CRA data, HB ranked 40th out of 99 lenders that reported a total of 19,880 small business loans originated or purchased in the AA with 0.1 percent of the market share by number. The bank also originated 10 residential real estate loans totaling $5.7 million during the review period. According to 2025 aggregate HMDA data, HB ranked 280th out of 420 lenders that originated or purchased 31,545 residential real estate loans in the AA with less than 0.1 percent of the market share by number.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the AA. This results from a geographic distribution of small business loans that reflects excellent penetration throughout the AA and a geographic distribution of home mortgage loans that reflects poor penetration throughout the AA.

Small Business

HB's geographic distribution of small business loans reflects excellent penetration throughout the AA. As shown in the following table, while the bank made no small business loans in low-income census tracts in 2023 or 2024, there is relatively low opportunity and demand for credit in these areas. Additionally, at 12.1 percent, HB's lending distribution vastly exceeded the 1.8 percent of businesses reported in these areas in 2025. The bank's rate of lending in moderate-income areas significantly exceeded aggregate data in 2023 and 2024 and business demographics in 2025.

Geographic Distribution of Small Business Loans – Boise AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	1.7	1.3	0	0.0	0	0.0
2024	1.9	1.2	0	0.0	0	0.0
2025	1.8	--	4	12.1	427	6.7
Moderate						
2023	18.7	18.0	15	93.8	2,712	89.4
2024	19.5	17.2	16	84.2	1,738	52.6
2025	19.2	--	23	69.7	3,173	49.7
Middle						
2023	46.4	46.1	1	6.3	323	10.6
2024	46.6	46.7	3	15.8	1,565	47.4
2025	47.1	--	3	9.1	1,246	19.5
Upper						
2023	33.2	34.5	0	0.0	0	0.0
2024	32.0	34.8	0	0.0	0	0.0
2025	31.8	--	3	9.1	1,541	24.1
NA						
2023	0.1	0.0	0	0.0	0	0.0
2024	0.1	0.1	0	0.0	0	0.0
2025	0.1	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**16**	**100.0**	**3,035**	**100.0**
2024	**100.0**	**100.0**	**19**	**100.0**	**3,303**	**100.0**
2025	**100.0**	**--**	**33**	**100.0**	**6,387**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Residential Real Estate

HB's geographic distribution of residential real estate loans reflects poor penetration. The bank made no residential real estate loans in low-income census tracts in all three years of the evaluation period; however, there is very little opportunity and demand for such credit, as reflected in aggregate and demographic data. While the HB's penetration in moderate-income tracts slightly exceeded peer in 2023, the bank made no loans in these areas in 2024 or 2025. Examiners note that the very low volume of residential real estate loans made in each year makes it difficult to draw substantive conclusions. However, given that residential real estate lending is a primary product for review and there is a need for residential real estate credit in the AA, particularly in LMI areas and to LMI individuals. Overall, the bank's performance is poor.

Geographic Distribution of Residential Real Estate Loans – Boise AA						
Tract Income Level	**% of Owner-Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	0.6	0.7	0	0.0	0	0.0
2024	0.6	0.8	0	0.0	0	0.0
2025	0.6	0.7	0	0.0	0	0.0
Moderate						
2023	16.7	18.0	1	20.0	950	33.3
2024	16.7	17.1	0	0.0	0	0.0
2025	16.7	16.8	0	0.0	0	0.0
Middle						
2023	50.5	49.4	3	60.0	1,165	40.9
2024	50.5	49.9	0	0.0	0	0.0
2025	50.5	49.0	1	50.0	552	84.7
Upper						
2023	32.3	31.9	1	20.0	735	25.8
2024	32.3	32.2	3	100.0	2,238	100.0
2025	32.3	33.5	1	50.0	100	15.3
NA						
2023	0.0	0.0	0	0.0	0	0.0
2024	0.0	0.0	0	0.0	0	0.0
2025	0.0	0.0	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**5**	**100.0**	**2,850**	**100.0**
2024	**100.0**	**100.0**	**3**	**100.0**	**2,238**	**100.0**
2025	**100.0**	**100.0**	**2**	**100.0**	**652**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Borrower Profile

The distribution of borrowers reflects very poor penetration among business customers of different sizes and retail customers of different income levels.

Small Business

The distribution of borrowers reflects very poor penetration among business customers of different sizes. HB made no loans to businesses with GARs of $1 million or less in 2023. The bank's penetration to small businesses was approximately half that of all aggregate lenders in 2024 and was far below business demographics. HB's performance in 2023 and 2024 as compared to similarly-situated community banks supports very poor performance.

Distribution of Small Business Loans by Gross Annual Revenue Category – Boise AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2023	92.4	54.0	0	0.0	0	0.0
2024	90.7	53.0	5	26.3	1,943	58.8
2025	91.0	--	3	9.1	1,417	22.2
> $1,000,000						
2023	2.0	--	16	100.0	3,035	100.0
2024	2.0	--	14	73.7	1,360	41.2
2025	1.7	--	30	90.9	4,970	77.8
Revenue Not Available						
2023	5.6	--	0	0.0	0	0.0
2024	7.4	--	0	0.0	0	0.0
2025	7.3	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**16**	**100.0**	**3,035**	**100.0**
2024	**100.0**	**100.0**	**19**	**100.0**	**3,303**	**100.0**
2025	**100.0**	**--**	**33**	**100.0**	**6,387**	**100.0**
Source: 2023-2025 D&B Data; Bank Data; 2023 & 2024 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Residential Real Estate

The distribution of borrowers reflects very poor penetration among retail customers of different income levels. As noted previously, the very low volume of residential real estate loans made each year makes drawing substantive conclusions difficult. However, the bank made no loans to low-income borrowers over the entire evaluation period and no loans to moderate-income borrowers in 2023 and 2024. While the bank's distribution of loans to moderate-income borrowers exceeded aggregate data in 2025, the bank's performance reflects very poor penetration overall.

Distribution of Residential Real Estate Loans by Borrower Income Level – Boise AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	17.1	5.0	0	0.0	0	0.0
2024	17.1	4.9	0	0.0	0	0.0
2025	17.1	6.0	0	0.0	0	0.0
Moderate						
2023	19.3	17.1	0	0.0	0	0.0
2024	19.3	15.3	0	0.0	0	0.0
2025	19.3	16.6	1	50.0	100	15.3
Middle						
2023	22.8	27.2	0	0.0	0	0.0
2024	22.8	24.2	1	33.3	50	2.2
2025	22.8	23.4	0	0.0	0	0.0
Upper						
2023	40.9	40.2	4	80.0	1,900	66.7
2024	40.9	40.2	1	33.3	1,000	44.7
2025	40.9	37.0	0	0.0	0	0.0
NA						
2023	0.0	10.5	1	20.0	950	33.3
2024	0.0	15.5	1	33.3	1,188	53.1
2025	0.0	17.0	1	50.0	552	84.7
Total						
2023	**100.0**	**100.0**	**5**	**100.0**	**2,850**	**100.0**
2024	**100.0**	**100.0**	**3**	**100.0**	**2,238**	**100.0**
2025	**100.0**	**100.0**	**2**	**100.0**	**652**	**100.0**
Source: 2020 Census; Bank Data; 2023-2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HB has made a relatively high level of community development loans in the rated area; see the following table. All qualified loans benefited the Boise AA. The bank made no community development loans in the AA at the prior evaluation; however, this was considered reasonable given the timing of the AA's addition during the review period. Consideration was given to HB's presence and lending capacity in the AA, and the bank's volume of community development lending when compared to similarly-situated institutions operating in the AA.

Community Development Lending – Idaho										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2023	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-
2025	1	7,300	-	-	-	-	-	-	1	7,300
YTD 2026	1	1,100	-	-	4	8,978	-	-	5	10,078
Total	**2**	**8,400**	-	-	**4**	**8,978**	-	-	**6**	**17,378**
Source: Bank Data										

Notable examples of community development loans made in the AA include:

- In 2025 and 2026, the bank made two loans totaling $8.4 million to an affordable housing organization. The organization develops and manages affordable housing in the AA and offers services including rental and down payment assistance.

- In 2026, HB supported economic development in the AA by making 4 SBA 504 loans totaling $9.0 million. These loans provide flexible underwriting and terms for small businesses and will likely create, retain, and improve jobs for LMI individuals and/or in LMI geographies.

INVESTMENT TEST

HB's Investment Test performance in Idaho is rated Low Satisfactory.

Investment and Grant Activity

The institution has an adequate level of qualified community development investments, grants and donations, although rarely in a leadership position, particularly those that are not routinely provided by private investors. The bank made no qualified investments or donations to the area at the prior evaluation; however, the AA was in place for only part of the review period. At the current evaluation, HB made 20 donations totaling $51,000 targeted to the Boise AA, including 2 donations totaling $5,000 in support of affordable housing initiatives, 12 donations totaling $39,000 in support of community services for LMI individuals, and 6 donations totaling $7,000 in economic development initiatives.

Below are notable examples of the institution's qualified community development grants and donations:

- In 2025 the institution made 2 donations totaling $11,400 to a homeless shelter in the AA.

- In 2025 the institution made a $2,000 donation to an organization that provides homebuyer education, downpayment assistance and homeowner programs to LMI residents.

Responsiveness to Credit and Community Development Needs

HB exhibits adequate responsiveness to credit and community development needs. The institution's grants and donations focus on the provision of community services to LMI populations in the AA.

Community Development Initiatives

HB rarely uses innovative or complex investments to support community development initiatives in the Boise AA. The institution is an active LIHTC investor; however, none of these investments, which are considered complex, were made in the Boise AA. Refer to bankwide conclusions for additional detail.

SERVICE TEST

HB's Service Test performance in Idaho is rated Low Satisfactory.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the institution's AA. While the bank has limited branch distribution within the AA, the alternative delivery systems are consistent with the bank's overall performance. HB operates one full-service branch in the AA that does not include an ATM or drive-up capabilities. As shown in the following table, HB does not operate any branches in low-income census tracts, which is below both demographic data and the 3.4 percent of branches operated by other institutions in the AA. Also, the bank does not operate any branches in moderate-income tracts, which is below the 26.9 percent of branches operated by other institutions. While the bank's single branch is located in an upper-income geography, it is within one mile of LMI tracts, reasonably increasing access to retail banking services in these areas.

Branch and ATM Distribution by Geography Income Level – Boise AA

Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	4	2.1	16,539	2.2	-	-	-	-
Moderate	37	19.5	146,114	19.4	-	-	-	-
Middle	90	47.4	364,616	48.4	-	-	-	-
Upper	58	30.5	223,199	29.7	1	100.0	-	-
NA	1	0.5	2,337	0.3	-	-	-	-
Total	**190**	**100.0**	**752,805**	**100.0**	**1**	**100.0**	-	-

Source: 2020 Census Data; Bank Data

Changes in Branch Locations

During the evaluation period, HB did not open or close any branches in the AA; therefore, this criterion did not impact Service Test conclusions for the AA.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly LMI geographies and individuals. In this AA, there is only one branch which is full-service and offers all of the bank's loan and deposit products. Services and business hours are consistent with the bank's overall performance and similar to those of other banks within the AA.

Community Development Services

HB provided an adequate level of community development services in the Boise AA. During the evaluation period, employees provided 53 hours of financial expertise or technical assistance to an organization that serves the AA. Two HB officers provided all the service hours to an organization consisting of a consortium of lenders and housing experts dedicated to maximizing the number of affordable housing projects within the community. HB's community development service hour activity in the AA increased since the prior evaluation. At the last evaluation it did not receive any service hour credit. However, HB had recently established a presence in the AA at that time, which resulted in a limited review timeframe. HB's community development service activity in the AA trails other similarly-situated institutions, whose community development service hours ranged from 527 to 1,336 hours. This fact was impacted by HB's limited AA presence and one branch. The following table illustrates the bank's qualified services by purpose and year.

Community Development Services – Boise AA					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2023	7	-	-	-	**7**
2024	22	-	-	-	**22**
2025	17	-	-	-	**17**
YTD 2026	7	-	-	-	**7**
Total	**53**	**-**	**-**	**-**	**53**
Source: Bank Data					

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
    i. The proportion of the bank's lending in the bank's assessment area(s);
    ii. The dispersion of lending in the bank's assessment areas(s); and
    iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
    i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
    ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
    iii. Small business and small farm loans by loan amount at origination; and
    iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

SCOPE OF EVALUATION

Heritage Bank	
Scope of Examination: Full scope reviews were performed on the following assessment areas within the noted rated areas: State of Washington: Puget Sound AA Bellingham AA Portland Multistate AA State of Oregon: Eugene AA State of Idaho: Boise AA	
Time Period Reviewed:	7/5/2023 to 7/6/2026
Products Reviewed: Home Mortgage Loans: 1/1/2023 – 12/31/2025 Small Business Loans: 1/1/2023 – 12/31/2025	

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
WASHINGTON	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
PORTLAND MULTISTATE AA	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
OREGON	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
IDAHO	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

GEOGRAPHIC DISTRIBUTION AND BORROWER PROFILE TABLES

Assessment Area Distribution of Small Business Loans by Income Category of the Geography **2023**

Assessment Area:	Total Small Business Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Yakima	38	9,629	6.9	2.6	5.8	19.7	15.8	23.7	31.1	44.7	33.7	42.4	36.8	36.8	0.0	0.0	--
WA Non-MSA	19	3,249	0.0	0.0	--	0.0	0.0	--	57.0	73.7	53.4	39.6	26.3	38.7	1.2	0.0	0.8
Longview	14	2,344	4.9	7.1	4.6	14.6	42.9	14.9	52.9	35.7	50.6	24.1	7.1	28.1	3.5	7.1	1.9

Source: 2023 D&B Data; Bank Data; 2023 CRA Aggregate Data; "--" data not available; Due to rounding, totals may not equal 100.0%

Assessment Area Distribution of Small Business Loans by Income Category of the Geography **2024**

Assessment Area:	Total Small Business Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Yakima	32	7,578	7.2	6.3	4.9	19.7	6.3	21.1	30.9	43.8	32.5	42.3	43.8	41.6	0.0	0.0	--
WA Non-MSA	7	1,861	0.0	0.0	--	0.0	0.0	--	69.3	14.3	72.0	30.7	85.7	28.0	0.0	0.0	--
Longview	25	7,337	4.7	4.0	4.9	15.3	64.0	13.4	52.7	24.0	52.0	23.7	0.0	28.1	3.6	8.0	1.6

Source: 2024 D&B Data; Bank Data; 2024 CRA Aggregate Data; "--" data not available; Due to rounding, totals may not equal 100.0%

Assessment Area Distribution of Small Business Loans by Income Category of the Geography																	2025
Assessment Area:	Total Small Business Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Yakima	33	7,571	7.0	3.0	--	19.8	18.2	--	30.9	24.2	--	42.4	54.6	0.0	0.0	0.0	--
WA Non-MSA	6	2,340	0.0	0.0	--	0.0	0.0	--	69.0	33.3	--	31.0	66.7	0.0	0.0	0.0	--
Longview	11	2,293	4.6	0.0	--	15.5	27.3	--	52.4	72.7	--	24.3	0.0	0.0	3.3	0.0	--
Source: 2025 D&B Data; Bank Data; "--" data not available; Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Residential Real Estate Loans by Income Category of the Geography																	2023
Assessment Area:	Total RRE Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	16	2,614	0.2	0.0	0.2	16.2	12.5	16.2	35.5	25.0	30.6	48.1	62.5	53.0	0.0	0.0	--
WA Non-MSA	16	6,305	0.0	0.0	--	2.6	0.0	2.6	45.5	37.5	35.7	49.3	62.5	59.8	2.6	0.0	1.9
Longview	4	1,075	2.6	0.0	4.0	15.0	0.0	16.1	49.8	50.0	47.2	32.1	50.0	31.8	0.5	0.0	0.9
Source: 2020 Census; Bank Data, 2023 HMDA Aggregate Data; "--" data not available; Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Residential Real Estate Loans by Income Category of the Geography																	2024
Assessment Area:	Total RRE Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	13	2,895	0.2	0.0	0.2	16.2	7.7	16.3	35.5	30.8	33.3	48.1	61.5	50.3	0.0	0.0	--
WA Non-MSA	7	2,615	0.0	0.0	--	0.0	0.0	--	59.4	28.6	58.0	40.6	71.4	42.0	0.0	0.0	--
Longview	6	1,208	2.6	0.0	4.1	15.0	0.0	15.2	49.8	83.3	48.5	32.1	16.7	31.6	0.5	0.0	0.7
Source: 2020 Census; Bank Data, 2024 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Residential Real Estate by Income Category of the Geography																	2025
Assessment Area:	Total RRE Loans		Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	11	4,410	0.2	0.0	0.2	16.2	27.3	15.7	35.5	27.3	32.4	48.1	45.5	51.6	0.0	0.0	--
WA Non-MSA	3	235	0.0	0.0	--	0.0	0.0	--	59.4	33.3	59.7	40.6	66.7	40.3	0.0	0.0	--
Longview	9	1,325	2.6	11.1	3.9	15.0	0.0	14.4	49.8	77.8	49.6	32.1	11.1	30.9	0.5	0.0	1.2
Source: 2020 Census; Bank Data, 2025 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Small Business Loans by Gross Annual Revenues									2023
	Total Small Businesses Loans		Businesses with Revenues <= $1 million			Businesses with Revenues > $1 million		Businesses with Revenues Not Available	
Assessment Area:	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Yakima	38	9,629	87.8	34.2	58.5	3.3	57.9	8.9	7.9
WA Non-MSA	19	3,249	93.0	42.1	52.9	1.8	57.9	5.3	0.0
Longview	14	2,344	89.0	21.4	52.4	3.1	78.6	7.9	0.0
Source: 2023 D&B Data; Bank Data; 2023 CRA Aggregate Data; Due to rounding, totals may not equal 100.0%									

Assessment Area Distribution of Small Business Loans by Gross Annual Revenues									2024
	Total Small Businesses Loans		Businesses with Revenues <= $1 million			Businesses with Revenues > $1 million		Businesses with Revenues Not Available	
Assessment Area:	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Yakima	32	7,578	87.7	37.5	54.4	3.2	56.3	9.2	6.3
WA Non-MSA	7	1,861	94.3	14.3	57.0	1.5	85.7	4.2	0.0
Longview	25	7,337	88.8	64.0	54.4	3.0	36.0	8.2	0.0
Source: 2024 D&B Data; Bank Data; 2024 CRA Aggregate Data; Due to rounding, totals may not equal 100.0%									

Assessment Area Distribution of Small Business Loans by Gross Annual Revenues									2025
	Total Small Businesses Loans		Businesses with Revenues <= $1 million			Businesses with Revenues > $1 million		Businesses with Revenues Not Available	
Assessment Area:	#	$	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Yakima	33	7,571	87.9	45.5	--	3.0	54.6	9.1	0.0
WA Non-MSA	6	2,340	94.0	83.3	--	1.4	16.7	4.6	0.0
Longview	11	2,293	89.2	9.1	--	2.8	90.9	8.0	0.0
Source: 2025 D&B Data; Bank Data; "--" data not available; Due to rounding, totals may not equal 100.0%									

Assessment Area Distribution of Residential Real Estate by Income Category of the Borrower																	2023
Assessment Area:	Total RRE Loans		Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrower			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	16	2,614	20.3	0.0	4.0	18.5	12.5	13.4	21.6	18.8	24.2	39.6	56.3	43.9	0.0	12.5	14.5
WA Non-MSA	16	6,305	14.8	6.3	2.4	15.2	6.3	6.0	21.2	12.5	14.8	48.8	62.5	63.4	0.0	12.5	13.4
Longview	4	1,075	19.5	0.0	5.2	18.1	0.0	16.1	22.5	25.0	28.9	39.9	75.0	36.5	0.0	0.0	13.3
Source: 2020 Census; Bank Data, 2023 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Residential Real Estate by Income Category of the Borrower																	2024
Assessment Area:	Total RRE Loans		Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrower			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	13	2,895	20.3	7.7	3.7	18.5	23.1	11.8	21.6	7.7	26.7	39.6	53.9	43.3	0.0	7.7	14.5
WA Non-MSA	7	2,615	17.2	0.0	3.9	14.2	28.6	9.6	19.4	14.3	10.1	49.2	42.9	58.8	0.0	14.3	17.6
Longview	6	1,208	19.5	0.0	3.7	18.1	16.7	12.5	22.5	33.3	24.3	39.9	33.3	43.1	0.0	16.7	16.4
Source: 2020 Census; Bank Data, 2024 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%																	

Assessment Area Distribution of Residential Real Estate by Income Category of the Borrower																	2025
Assessment Area:	Total RRE Loans		Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrower			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Yakima	11	4,410	20.3	9.1	3.3	18.5	0.0	13.0	21.6	9.1	25.9	39.6	63.6	41.5	0.0	18.2	16.4
WA Non-MSA	3	235	17.2	0.0	4.3	14.2	0.0	5.0	19.4	33.3	10.3	49.3	66.7	69.0	0.0	0.0	11.3
Longview	9	1,325	19.5	0.0	3.3	18.1	0.0	10.4	22.5	0.0	24.4	39.9	100.0	45.5	0.0	0.0	16.5
Source: 2020 Census; Bank Data, 2025 HMDA Aggregate Data; Due to rounding, totals may not equal 100.0%																	

DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS

WASHINGTON

Yakima

The Yakima AA is located in southern Washington and consists of Yakima County, which composes the Yakima MSA in its entirety. There have been no changes to the AA delineation since the prior evaluation. According to the 2020 Census data, the AA consists of 57 census tracts: 1 low-, 15 moderate-, 22 middle-, and 19 upper-income. Additionally, FEMA issued a major disaster declaration in April 2026 that included the AA due to severe storms, flooding, landslides, and mudslides. The following table details select demographic information for the area.

Demographic Information – Yakima AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	57	1.8	26.3	38.6	33.3	0.0
Population by Geography	256,728	1.0	24.9	36.8	37.2	0.0
Housing Units by Geography	89,354	1.1	23.1	34.9	41.0	0.0
Owner-Occupied Units by Geography	52,222	0.2	16.2	35.5	48.1	0.0
Occupied Rental Units by Geography	31,543	2.5	34.3	34.9	28.3	0.0
Vacant Units by Geography	5,589	0.9	23.2	29.5	46.4	0.0
Businesses by Geography	16,497	7.2	19.7	30.9	42.3	0.0
Farms by Geography	1,138	1.8	13.0	44.8	40.4	0.0
Family Distribution by Income Level	60,339	20.3	18.5	21.6	39.6	0.0
Household Distribution by Income Level	83,765	21.5	17.5	20.1	40.9	0.0
Median Family Income MSA - 49420 Yakima, WA MSA		$62,783	Median Housing Value			$ 190,433
			Median Gross Rent			$880
			Families Below Poverty Level			12.8%

Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to the FDIC Deposit Market Share Report as of June 30, 2025, 13 FDIC-insured financial institutions shared $4.0 billion in total deposits within the AA. Of these institutions, HB ranked 7th in deposit market share, holding 5.7 percent of the area's deposits.

According to the 2024 aggregate CRA data, HB ranked 17th out of 41 lenders that reported a total of 1,684 small business loans originated or purchased in the AA with 1.0 percent of the market share by number. According to 2025 aggregate HMDA data, HB ranked 57th out of 237 lenders that reported a total of 4,943 residential real estate loans in the AA with 0.2 percent of the market share by number.

Washington Non-MSA

The Washington Non-MSA AA consists of the entirety of San Juan County and portions of Clallam and Jefferson Counties, areas around the Puget Sound that are not part of MSAs or CSAs as defined by the OMB. There have been changes to the AA since the prior evaluation. The AA included Kittitas County until September 8, 2023, when it was removed due to the closure of the bank's only branch in the area. The partial county delineations of Clallam and Jefferson Counties were added to the AA with the acquisition of Kitsap Bank effective January 31, 2026. HB has elected to define its AA as only the parts of Clallam and Jefferson Counties that it can reasonably serve, given its branch locations and the significant geographic barriers to lending within the full political subdivisions.

Based on the 2020 Census, the AA includes 39 census tracts: 4 moderate-, 24 middle-, and 10 upper-income, as well as 1 census tract without an income designation. During the review period, 5 census tracts in San Juan County were designated as underserved nonmetropolitan middle-income geographies due to their remote and rural nature. Additionally, FEMA issued a major disaster declaration in April 2026 that included parts of the AA due to severe storms, flooding, landslides, and mudslides. The following table details select demographic information for the AA.

Demographic Information – Washington Non-MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	39	0.0	10.3	61.5	25.6	2.6
Population by Geography	116,039	0.0	11.9	61.5	26.7	0.0
Housing Units by Geography	64,540	0.0	11.3	61.6	27.1	0.0
Owner-Occupied Units by Geography	38,659	0.0	11.2	60.0	28.8	0.0
Occupied Rental Units by Geography	13,620	0.0	16.2	64.5	19.3	0.0
Vacant Units by Geography	12,261	0.0	6.3	63.3	30.4	0.0
Businesses by Geography	13,568	0.0	14.8	59.6	25.6	0.0
Farms by Geography	432	0.0	8.1	60.0	31.9	0.0
Family Distribution by Income Level	32,272	17.8	18.7	20.4	43.2	0.0
Household Distribution by Income Level	52,279	23.0	15.4	18.4	43.2	0.0
Washington Non-MSA Median Family Income		$70,452	Median Housing Value			$ 363,966
			Median Gross Rent			$1,037
			Families Below Poverty Level			8.0%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

According to the FDIC Deposit Market Share Report as of June 30, 2025, 13 FDIC-insured financial institutions shared $4.4 billion in total deposits within the AA. Of these institutions, HB ranked 13th in deposit market share, holding 1.4 percent of the area's deposits.

According to the 2024 aggregate CRA data, HB ranked 14th out of 58 lenders that reported a total of 3,268 small business loans originated or purchased in the AA with 1.2 percent of the market share by number. According to the 2025 aggregate HMDA data, HB ranked 25th out of 122 lenders that

originated or purchased a total of 397 residential real estate loans with 0.8 percent of the market share by number.

Longview

The Longview AA is located in southwest Washington, along the Oregon border. The AA consists of Cowlitz County, which makes up the Longview-Kelso MSA in its entirety. There have been no changes to the AA delineation since the prior evaluation. According to the 2020 Census, the AA consists of 30 census tracts: 2 low-, 5 moderate-, 14 middle-, and 8 upper-income, as well as 1 census tract without an income designation. Additionally, FEMA issued major disaster declarations in April 2024 and April 2026 that included the AA due to severe storms, flooding, landslides, and mudslides. The following table details select demographic information for the area.

Demographic Information – Longview AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	30	6.7	16.7	46.7	26.7	3.3
Population by Geography	110,730	5.0	19.9	45.1	28.9	1.2
Housing Units by Geography	44,970	4.7	21.0	46.6	26.2	1.4
Owner-Occupied Units by Geography	27,982	2.6	15.0	49.8	32.1	0.5
Occupied Rental Units by Geography	14,372	8.8	33.5	39.5	15.2	3.0
Vacant Units by Geography	2,616	5.4	15.9	51.9	24.5	2.2
Businesses by Geography	7,718	4.7	15.3	52.7	23.7	3.6
Farms by Geography	190	5.8	7.9	55.8	30.5	0.0
Family Distribution by Income Level	28,007	19.5	18.1	22.5	39.9	0.0
Household Distribution by Income Level	42,354	24.7	15.9	18.3	41.1	0.0
Median Family Income MSA - 31020 Longview-Kelso, WA MSA		$72,234	Median Housing Value			$ 235,088
			Median Gross Rent			$862
			Families Below Poverty Level			8.8%

Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.

According to the FDIC Deposit Market Share Report as of June 30, 2025, 6 FDIC-insured financial institutions shared $856.2 million in total deposits within the AA. Of these institutions, HB ranked 3rd in deposit market share, holding 17.8 percent of the area's deposits.

According to 2024 aggregate CRA data, HB ranked 12th out of 29 lenders that reported a total of 603 small business loans originated or purchased in the AA with 1.5 percent of the market share by number. According to 2025 aggregate HMDA data, HB ranked 62nd out of 238 lenders that originated or purchased a total of 3,848 residential real estate loans in the AA with 0.2 percent of the market share by number.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

(1) Support affordable housing for low- and moderate-income individuals;
(2) Target community services toward low- and moderate-income individuals;
(3) Promote economic development by financing small businesses or farms; or
(4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and

(2) Except in the case of a wholesale or limited purpose bank:

(i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and

(ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;

(2) Is related to the provision of financial services; and

(3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Heritage Bank Branches as of 10-01-2026

UNINUM	Branch Number	Branch Name	Street Address	City	County	State	Zip	Service Type	Hours	Drive Up (Y-N)	Safe Deposit Boxes (Y-N)	Night Drop (Y-N)	ATM (Y-N)	ATM Takes Deposits (Y-N)	Tract Code	Tract Income	Established	Acquired
57174	120	Allenmore	1722 S Union Avenue	Tacoma	Pierce	WA	98405	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0611.00	Middle	12/8/1997	11/5/2010
245352	150	Anacortes	2202 Commercial Avenue	Anacortes	Skagit	WA	98221	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9405.00	Middle	3/30/1998	5/1/2014
61976	140	Auburn North	1001 D Street NE	Auburn	King	WA	98002	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	N		0305.01	Low	1/11/1999	7/15/2013
432602	180	Bellevue Commercial Banking Center	10500 NE 8th Street	Bellevue	King	WA	98004	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0238.05	Upper	4/11/2005	1/16/2018
245351	149	Bellingham	265 York Street	Bellingham	Whatcom	WA	98225	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0006.00	Low	3/3/1997	5/1/2014
654914	191	Boise	250 S 5th Street	Boise	Ada	ID	83702	Full Service - Brick and Mortar	By Appt. Only	N	N	N	N		0001.02	Upper	1/10/2023	
245350	148	Burlington	1800 S Burlington Blvd	Burlington	Skagit	WA	98233	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9518.00	Middle	1/19/1994	5/1/2014
245346	145	Camano Island	165 E McElroy Drive	Camano Island	Island	WA	98282	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9715.00	Upper	12/1/1975	5/1/2014
252509	138	Canyon Road	12803 Canyon Road E	Puyallup	Pierce	WA	98373	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0713.10	Upper	10/2/1995	7/15/2013
12318	142	Coupeville	401 N Main	Coupeville	Island	WA	98239	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9710.00	Upper	7/1/1961	5/1/2014
663389	194	Eugene	3011 N Delta Highway	Eugene	Lane	OR	97408	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0022.01	Upper	3/4/2024	
655180	192	Everett	2831 Colby Ave	Everett	Snohomish	WA	98201	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0408.00	Middle	2/13/2023	
47809	110	Federal Way	32303 Pacific Highway S	Federal Way	King	WA	98003	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	N		0303.14	Low	10/1/1992	6/1/2006
245356	152	Freeland	5590 S Harbor Avenue	Freeland	Island	WA	98249	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9718.00	Upper	10/1/1998	5/1/2014
433916	157	Friday Harbor	535 Market Street	Friday Harbor	San Juan	WA	98250	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9604.00	Middle	1/5/2005	5/1/2014
41846	0	Heritage Bank (Main Office)	201 5th Avenue SW	Olympia	Thurston	WA	98501	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0101.00	Middle	1/1/1927	
73837	182	Hillsboro	314 E Main Street	Hillsboro	Washington	OR	97123	Full Service - Brick and Mortar	9am-5pm M-F	Y	N	Y	N		0326.04	Middle	4/12/1999	7/2/2018
361529	124	Kent	415 W James Street	Kent	King	WA	98032	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0292.03	Moderate	4/16/2001	5/27/2011
272318	2	Lacey	4400 Pacific Avenue SE	Lacey	Thurston	WA	98503	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0112.00	Moderate	1/1/1927	
272323	103	Lakewood	10318 Gravelly Lake Drive SW	Lakewood	Pierce	WA	98499	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0719.02	Upper	1/16/1996	
245349	147	Langley	105 1st Street	Langley	Island	WA	98260	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	9720.00	Upper	2/22/1993	5/1/2014
594813	187	Lloyd	1201 NE Lloyd Boulevard	Portland	Multnomah	OR	97232	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0024.02	Upper	2/5/2018	7/2/2018
15798	111	Longview	927 Commerce Avenue	Longview	Cowlitz	WA	98632	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0021.00	Middle	5/1/1978	7/30/2010
252992	164	Lynnwood	19510 58th Avenue W	Lynnwood	Snohomish	WA	98036	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0517.01	Moderate	2/4/1980	5/1/2014
419398	169	Marysville	1031 State Avenue	Marysville	Snohomish	WA	98270	Full Service - Brick and Mortar	9am-5pm M-F	Y	N	Y	Y	Y	0529.03	Low	7/1/2002	5/1/2014
252998	167	Mill Creek	1504 132nd Street SE	Mill Creek	Snohomish	WA	98012	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0417.04	Middle	11/4/1991	5/1/2014
442531	108	Mobile Branch	201 5th Avenue SW	Olympia	Thurston	WA	98501	Limited Service - Mobile/Seasonal	9am-5pm M-F	Y	Y	Y	Y	Y	0101.00	Middle	8/1/2005	
357005	154	Mount Vernon	1700 Urban Avenue	Mount Vernon	Skagit	WA	98273	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9522.00	Moderate	1/24/2000	5/1/2014
252999	168	Mukilteo	11832 Mukilteo Speedway	Mukilteo	Snohomish	WA	98275	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0420.06	Moderate	4/6/1992	5/1/2014
456861	159	Northwest Avenue - Bellingham	920 W Bakerview Road	Bellingham	Whatcom	WA	98226	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0002.03	Moderate	10/23/2006	5/1/2014
245344	143	Oak Harbor	450 SW Bayshore Drive	Oak Harbor	Island	WA	98277	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9707.00	Middle	2/26/1968	5/1/2014
55113	116	Portland	1000 SW Broadway	Portland	Multnomah	OR	97205	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	N	N		0106.02	Upper	9/23/1994	7/30/2010
14683	133	Puyallup East Main	1307 E Main Avenue	Puyallup	Pierce	WA	98372	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0734.06	Upper	10/1/1973	7/15/2013
521570	121	Puyallup South Hill	4627 S Meridian	Puyallup	Pierce	WA	98373	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0712.11	Middle	9/9/2010	
570716	178	Seattle	1420 5th Avenue	Seattle	King	WA	98101	Full Service - Brick and Mortar	9am-5pm M-F	N	N	Y	N		0082.00	Upper	8/3/2015	
272317	1	Shelton	301 E Wallace Kneeland Blvd	Shelton	Mason	WA	98584	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9606.00	Middle	1/1/1927	
11452	162	Shoreline	20333 Ballinger Way NE	Shoreline	King	WA	98155	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0204.01	Middle	7/9/1955	5/1/2014
492447	160	Smokey Point - Arlington	4220 172nd Street NE	Arlington	Snohomish	WA	98223	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0528.03	Middle	1/5/2009	5/1/2014
683787	213	Spokane	908 N Howard St, Ste 200	Spokane	Spokane	WA	99201	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0024.00	Moderate	5/4/2026	
419852	155	Stanwood	26317 72nd Avenue NW	Stanwood	Snohomish	WA	98292	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0533.01	Moderate	8/5/2002	5/1/2014
450624	109	Sumner	1005 Wood Avenue	Sumner	Pierce	WA	98390	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0733.01	Middle	2/15/2006	
272324	104	Tacoma Downtown	909 A Street	Tacoma	Pierce	WA	98402	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0616.01	Moderate	4/21/1997	

Heritage Bank Branches as of 10-01-2026

UNINUM	Branch Number	Branch Name	Street Address	City	County	State	Zip	Service Type	Hours	Drive Up (Y-N)	Safe Deposit Boxes (Y-N)	Night Drop (Y-N)	ATM (Y-N)	ATM Takes Deposits (Y-N)	Tract Code	Tract Income	Established	Acquired
603999	189	Tacoma Mall Blvd	5801 Tacoma Mall Blvd	Tacoma	Pierce	WA	98409	Full Service - Brick and Mortar	9am-5pm M-F	Y	N	Y	N		0630.00	Moderate	8/27/2018	
365499	184	Tanasbourne	9515 NE Windsor Street	Beaverton	Washington	OR	97006	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	N		0316.26	Moderate	9/30/2002	7/2/2018
662240	193	Tigard	10300 SW Greenburg Road	Portland	Multnomah	OR	97223	Full Service - Brick and Mortar	9am-5pm M-F	N	N	Y	N		0309.00	Moderate	1/29/2024	12/21/1999
12501	127	Toppenish	537 West 2nd Avenue	Toppenish	Yakima	WA	98948	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9400.05	Middle	11/1/1962	6/20/2013
272319	3	Tumwater	850 Trosper Road SW	Tumwater	Thurston	WA	98512	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0109.20	Middle	1/1/1927	
245883	129	Union Gap	2205 S First Street	Yakima	Yakima	WA	98903	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0014.00	Middle	3/15/1994	6/20/2013
452965	119	Vancouver	700 Washington Street	Vancouver	Clark	WA	98660	Full Service - Brick and Mortar	9am-5pm M-F	N	N	N	N		0424.00	Unknown	3/1/2006	7/30/2010
272321	101	West Olympia	900 Cooper Point Road SW	Olympia	Thurston	WA	98502	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0105.10	Moderate	9/8/1994	
245884	130	Yakima Downtown	301 W Yakima Avenue	Yakima	Yakima	WA	98902	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	N		0001.00	Low	5/20/1996	6/20/2013
208898	102	Bremerton East	3425 Wheaton Way	Bremerton	Kitsap	WA	98310	Full Service - Brick and Mortar	9am-5pm M-F	N	N	Y	Y	Y	0801.02	Moderate	5/15/1961	46053
208899	103	Port Orchard East	1700 Village Ln Se	Port Orchard	Kitsap	WA	98366	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0924.00	Middle	10/7/1968	1/31/2026
208901	104	Silverdale	10488 Silverdale Way Nw	Silverdale	Kitsap	WA	98383	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0912.01	Middle	9/14/1972	1/31/2026
208904	106	Bainbridge Island	10140 Ne High School Rd	Bainbridge Island	Kitsap	WA	98110	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0909.02	Upper	12/5/1979	46053
208908	16	Gig Harbor	4714 Point Fosdick Dr	Gig Harbor	Pierce	WA	98335	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0724.08	Upper	10/8/1991	1/31/2026
208909	110	Belfair	24180 Ne State Route 3	Belfair	Mason	WA	98528	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	9604.01	Middle	3/27/1995	46053
208911	111	Port Angeles	716 E Front St	Port Angeles	Clallam	WA	98362	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0010.00	Middle	11/8/1995	1/31/2026
208913	107	Kingston	8190 Ne State Highway 104	Kingston	Kitsap	WA	98346	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0901.02	Middle	1/11/1999	1/31/2026
208915	112	Port Orchard	3324 Bethel Rd Se	Port Orchard	Kitsap	WA	98366	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0923.00	Moderate	6/29/1999	46053
238924	108	Poulsbo	19725 7th Ave Ne	Poulsbo	Kitsap	WA	98370	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	0905.01	Moderate	4/16/1979	1/31/2026
364361	113	Port Townsend	2313 E Sims Way	Port Townsend	Jefferson	WA	98368	Full Service - Brick and Mortar	9am-5pm M-F	N	N	Y	Y	Y	9506.03	Moderate	12/16/2002	46053
431752	114	Port Hadlock	69 Oak Bay Rd	Port Hadlock	Jefferson	WA	98339	Full Service - Brick and Mortar	9am-5pm M-F	Y	Y	Y	Y	Y	9504.00	Middle	8/2/2004	1/31/2026
444896	115	Sequim	1320 W Washington St	Sequim	Clallam	WA	98382	Full Service - Brick and Mortar	9am-5pm M-F	N	Y	Y	Y	Y	0020.01	Middle	9/12/2005	46053
557450	101	VIRTUAL BRANCH	619 Bay St	Port Orchard	Kitsap	WA	98366	Full Service - Home Banking	9am-5pm M-F			Y	Y	Y	0922.00	Moderate	7/1/2013	46053
61799	105	Bremerton	1000 6th St Ste 300	Bremerton	Kitsap	WA	98337	Full Service - Brick and Mortar	9am-5pm M-F	N	N	Y	Y	Y	0805.00	Moderate	3/12/1999	1/31/2026
ITM	ITM	Allyn Drive up ITM	18343 State Highway 3	Allyn	Mason	WA	98524	ITM/ATM	9am-7pm M-F				Y	Y	9604.03	Middle		46053
ITM	ITM	Poulsbo Kiosk	18882 Front Street NE	Poulsbo	Kitsap	WA	98370	ITM/ATM	9am-7pm M-F				Y	Y	0905.01	Moderate	2/18/2025	1/31/2026

2026 Heritage Bank Kitsap Bank Branch Openings and Closings - Last 2 years

Name	Address	City	County	State	Zip	Service Type	MSA	MSA Code	Tract Code	Tract Income	Closed	Opened	Relocation (Y/N)
Durham	7632 SW Durham Rd	Tigard	Washington	OR	97224	Full Service	Portland-Vancouver-Hillsboro	38900	0308.06	Upper	1/26/2024		N
Tigard	10300 SW Greenburg Rd	Portland	Washington	OR	97223	Full Service	Portland-Vancouver-Hillsboro	38900	0309.00	Moderate		1/29/2024	N
Eugene	149 W 12th St	Eugene	Lane	OR	97401	Full Service	Eugene-Springfield	21660	0039.00	Moderate	3/1/2024		N
Eugene	3011 N Delta Hwy	Eugene	Lane	OR	97408	Full Service	Eugene-Springfield	21660	0022.01	Upper		3/4/2024	N
Spkane Commercial Loan Office	908 N Howard St., Ste 200	Spokane	Spokane	WA	99201	Full Service	Spokane - Spokane Valley MSA	44060	0024.00	Moderate		5/4/2026	N
Kitsap Branch	619 Bay St	Port Orchard	Kitsap	WA	98366	Full Service	Seattle-Tacoma CSA	42660	0922.00	Moderate	3/27/2026		N
Kitsap Courier Branch	619 Bay St	Port Orchard	Kitsap	WA	98366	Limited Service - Messenger	Seattle-Tacoma CSA	42660	0922.00	Moderate	3/27/2026		N
Port Orchard - ITM	625 Bay St	Port Orchard	Kitsap	WA	98366	ITM/ATM	Seattle-Tacoma CSA	42660	0922.00	Moderate	3/27/2026		N
Silverdale	10488 Silverdale Way NW	Silverdale	Kitsap	WA	98383	ITM	Seattle-Tacoma CSA	42660	912.01	Middle	4/30/2024		N
Tacoma	1498 Pacific Avenue	Tacoma	Pierce	WA	98402	Full Service	Seattle-Tacoma CSA	42660	0616.01	Moderate		12/4/2024	N

Heritage BANK

DEPOSIT FEES

Effective June 1, 2025. All fees and service charges are subject to change.

The following is our schedule of fees for banking services. These are for elective services and may be assessed against your account should you use these services.

Fee Schedule

Account Closed within 90 days $25.00

Account Research/Reconciliation (per hour) $30.00

Debit Card and ATM Fees

- Heritage Bank ATM[1] ..... no charge
- ATM Transaction Fee (Non-Heritage Bank ATM[1]) $2.50
- Debit Card Cash Advance Fee $2.50
- Foreign Exchange Fee[2] ..... Up to 1% of transaction amount in US Dollars

ATM/Debit Card Replacement $10.00

Bank Check (official/cashier's check) ..... $9.00 each

Collection Item—Outgoing/Incoming $25.00

Copy of Canceled Check ..... $2.50 each

Counter Checks (per sheet of 4) ..... $2.00 each

Dormant Account Fee (monthly) $10.00

Foreign Currency

- Sell $10.00
- Purchase $10.00

Foreign Drafts $30.00

Garnishment/Levies $100.00

Health Savings Account Setup Fee $10.00

ICS Sweep Maintenance Fee (monthly) $100.00

ICS Non-Sweep Maintenance Fee (monthly) $25.00/account

IRA Transfer/Closure $30.00

Paper statement fee (monthly)[3] $3.00

Paper statement with check images (monthly)[3] $5.00

Purchase Rolled Coin (each) ..... $.10

Purchase Currency (per $100) ..... $.10

Returned Deposited Item $12.00

Special Statement cutoff or duplicate $4.00

Stop Payment $34.00

Undeliverable Mail Fee $5.00

Wire Transfer

- Domestic
  - Outgoing $30.00
  - Incoming $15.00
- Foreign
  - Outgoing $50.00
  - Incoming $20.00

Insufficient Funds & Overdrafts

Insufficient funds/overdraft fee (each)[4] ..... $34.00 each

1 Heritage Bank ATM includes transactions at MoneyPass network ATMs.

2 Visa charges an International Service Assessment (ISA) fee up to 1% of the total transaction to purchase goods or services in a foreign currency or in U.S. dollars with a foreign merchant (a "Foreign Transaction"). Foreign Transactions include internet transactions made in the U.S. but with a merchant who processes the transaction in a foreign country. This is not a Heritage Bank fee.

3 Not applicable to all accounts; consult your Truth in Savings Disclosure.

4 There is a limit of 6 insufficient funds/overdraft fees per day. Overdrafts may be created by checks issued by you, in person, ATM, ACH, or other electronic withdrawals authorized by you or published fees or charges for bank products & services.

Heritage BANK

SCHEDULE OF ANALYSIS FEES & SERVICE CHARGES

Effective September 17, 2026. All fees and service charges are subject to change.

Business Analysis Checking

Account Services

Minimum Balance to Open	$100.00
Account Maintenance (monthly)	$20.00/account
Analysis Statement – Mailed (monthly) No charge for online statements	$6.00
Earnings Credit	Variable[1]
Deposit Premium	Variable[2]
Uncollected Funds Usage Rate	WSJ Prime + 3%

Depository Services

ACH Credits Received	$0.16 each
ACH Debits Received	$0.16 each
Cash Deposited Fee (per statement cycle)	$0.0010 per $1.00 deposited
Checks Paid	$0.20 each
Deposited Checks	$0.15 each
Deposits	$0.45 each
Purchased Currency (per $100)	$0.10
Purchased Rolled Coin	$0.10 each
Returned Deposited Items	$12.00 each
Stop Payment Fee	$34.00 each

ACH Origination Services

ACH Setup Fee	$50.00
ACH Origination Maintenance (monthly)	$35.00/profile
ACH Online Batch Fee	$5.00 each
ACH Returned Items	$5.00 each
ACH Originated Credits	$0.15 each
ACH Originated Debits	$0.15 each
Same Day ACH Originated Credits	$1.50 each
Same Day ACH Originated Debits	$1.50 each
ACH Direct Transmission Setup	$350.00
ACH Direct Transmission Maintenance (monthly)	$200.00

Reporting Services

Fed EDI Reporting Service Maintenance (monthly)	$20.00/profile

Fraud Prevention Services

ACH Block Maintenance (monthly)	$10.00/account
ACH Filter Maintenance (monthly)	$15.00/account
ACH Positive Pay Maintenance (monthly)	$20.00/account
Check Positive Pay Maintenance (monthly – first account)	$50.00/account
Each Additional Check Positive Pay Account (monthly)	$15.00/account
Payee Positive Pay Maintenance (monthly) (in addition to Check Positive Pay)	$10.00/account

Debtor in Possession

Debtor in Possession Setup Fee	$100.00/account
Debtor in Possession Maintenance (monthly)	$95.00/account

International Services

Foreign Drafts	$30.00 each

Lockbox Services

Lockbox	Variable[3]

Online Banking Services

Small Business Online Banking Maintenance (monthly)	No charge
Commercial Online Banking Maintenance (monthly)	$35.00/profile
Online Stop Payment Fee	$30.00

Bill Pay Services

Business Bill Pay (monthly)	$7.50/profile
Business Bill Pay with Payroll (monthly)	$12.50/profile

Remote Deposit Capture (RDC) Services

RDC Setup Fee	$100.00
RDC Maintenance (monthly – first scanner)	$50.00/profile
Each Additional Scanner (monthly)	$25.00/scanner
RDC Deposited Items	$0.10 each

Continued on back >

All pricing is subject to change without notice, except as otherwise provided by applicable law. Not all fees and charges are eligible for offset through your earnings credit. Some fees and charges may be directly charged to your analyzed account.

Heritage BANK

SCHEDULE OF ANALYSIS FEES & SERVICE CHARGES

Effective September 17, 2026. All fees and service charges are subject to change.

Wire Services

Online Wire Maintenance (monthly)	$25.00/profile
Online – Originated Domestic Wire	$15.00/wire
Online – Originated Foreign Wire (USD)	$30.00/wire
Online – Originated Foreign Wire (FX)	$30.00/wire
In Branch – Originated Domestic Wire	$30.00/wire
In Branch – Originated Foreign Wire (USD)	$50.00/wire
In Branch – Originated Foreign Wire (FX)	$50.00/wire
Phone/Email – Originated Domestic Wire	$50.00/wire
Phone/Email – Originated Foreign Wire (USD)	$80.00/wire
Phone/Email – Originated Foreign Wire (FX)	$80.00/wire
Incoming Domestic Wire	$15.00/wire
Incoming Foreign Wire	$20.00/wire

Funds Management Services

Business Sweep Maintenance (monthly)	$75.00
Line of Credit (LOC) Sweep Maintenance (monthly)	$150.00
LOC and Business Sweep Maintenance (monthly)	$175.00
ICS Sweep Maintenance Fee (monthly)	$100.00
ICS Non-Sweep Maintenance Fee (monthly)	$25.00/account
ZBA Parent Account Maintenance (monthly)	$30.00/account
ZBA Subsidiary Account Maintenance (monthly)	$15.00/account

Other Fees & Services

Account Closed within 90 days	$25.00
Account Research/Reconciliation (per hour)	$30.00
Debit Card and ATM Fees	
Heritage Bank ATM[4]	No charge
ATM Transaction Fee (Non-Heritage Bank ATM[4])	$2.50
Debit Card Cash Advance Fee	$2.50
Foreign Exchange Fee[5]	Up to 1% of transaction amount in US Dollars
ATM/Debit Card Replacement	$10.00
Bank Check (official/cashier's check)	$9.00
Collection Item—Outgoing/Incoming	$25.00
Copy of Paid Check	$2.50 each
Counter Checks (per sheet of 4)	$2.00 each
Dormant Account Fee (monthly)	$10.00
Duplicate Bank Statement	$4.00
Foreign Currency:	
Sell	$10.00
Purchase	$10.00
Garnishment/Levies	$100.00
Undeliverable Mail Fee	$5.00

Insufficient Funds & Overdrafts

Insufficient Funds & Overdraft Fee (each)[6]	$34.00

Health Savings Accounts for Employees

<25 Employees	$25.00/month
Set Up Fee	$50.00
25-50 Employees	$50.00/month
Set Up Fee	$100.00
51-75 Employees	$75.00/month
Set Up fee	$150.00
>75 Employees	$100.00/month
Set Up Fee	$150.00

1 The rate is periodically set based on current market conditions and is subject to change without notice. Analyzed account service charges may be offset by collected balances and some may be subject to direct charges. The Earnings Credit amount is calculated by multiplying the Balance Available to Support Services by the Earnings Credit Rate for the analysis period times the number of calendar days in the analysis period, divided by the number of calendar days in the current year. The Earnings Credit Amount will be applied against the Current Period Analyzed Charges to determine the Total Charges Due. For more information please contact your treasury management relationship officer.

2 Deposit Premium is a fee based on the average monthly adjusted ledger balance of your analyzed account, which is based in part on what the bank is assessed and charged for deposit insurance. This premium may vary from the assessment as it is not wholly tied to the same assessment base and may not reflect rebates, credits or exceptions. This fee is subject to change without notice.

3 Contact your relationship manager, treasury management relationship officer or local branch for more information.

4 Heritage Bank ATM includes transactions at MoneyPass network ATMs.

5 Visa charges an International Service Assessment (ISA) fee up to 1% of the total transaction to purchase goods or services in a foreign currency or in U.S. dollars with a foreign merchant (a "Foreign Transaction"). Foreign Transactions include internet transactions made in the U.S. but with a merchant who processes the transaction in a foreign country. This is not a Heritage Bank fee.

6 Overdrafts may be created by checks issued by you, in person, ATM, ACH, or other electronic withdrawals authorized by you or published fees or charges for bank products & services.

All pricing is subject to change without notice, except as otherwise provided by applicable law. Not all fees and charges are eligible for offset through your earnings credit. Some fees and charges may be directly charged to your analyzed account.

Heritage BANK

SCHEDULE OF BUSINESS FEES & SERVICE CHARGES

Effective September 17, 2026. All fees and service charges are subject to change.

Business Checking Accounts

Small Business Checking

Minimum Balance to Open $100.00

Maintenance Fee (monthly) $8.00/account
Maintenance fee will not be charged if a $1,500 minimum daily balance is maintained or with 5 or more debit card transactions per cycle.

Combined Transactions[1] (more than 200) ..... $0.35 each

Paper Statement Fee (monthly) $5.00/account
No charge for online statements

Nonprofit Interest Checking

Minimum Balance to Open $100.00

Maintenance Fee (monthly) $6.00/account
Maintenance fee will not be charged if a $100 minimum daily balance is maintained or with 5 or more debit card transactions per cycle.

Minimum Balance to Earn Interest ..... All balances

Combined Transactions[1] (more than 200) ..... $0.35 each

Paper Statement Fee (monthly) $5.00/account
No charge for online statements

Nonprofit Interest Plus Checking

Minimum Balance to Open $500.00
$50,000 in combined deposit and outstanding commercial loan balances required to open.

Maintenance Fee (monthly) $30.00/account
Maintenance fee will not be charged with combined monthly average balance of $50,000 or more in deposit accounts and outstanding commercial loan balances.

Minimum Balance to Earn Interest ..... All balances

Combined Transactions[1] (more than 400) ..... $0.35 each

Paper Statement Fee (monthly) $5.00/account
No charge for online statements

Business Interest/Public Now Checking

Minimum Balance to Open $100.00

Maintenance Fee (monthly) $12.00/account
Maintenance fee will not be charged if a $2,500 minimum daily balance is maintained or with 5 or more debit card transactions per cycle.

Minimum Balance to Earn Interest $2,500

Combined Transactions[1] (more than 200) ..... $0.35 each

Paper Statement Fee (monthly) $5.00/account
No charge for online statements

Business Savings & Money Market Accounts

Business Savings

Minimum Balance to Open $500.00

Maintenance Fee (monthly) $8.00/account
Maintenance fee will not be charged if a $500 minimum daily balance is maintained.

Minimum Balance to Earn Interest ..... All balances

Business Money Market/Public Money Market

Minimum Balance to Open $1,000.00

Maintenance Fee (monthly) $12.00/account
Maintenance fee will not be charged if a $2,500 minimum daily balance is maintained.

Minimum Balance to Earn Interest ..... All balances

Excess Debit Transaction Fee
(more than 10 per statement cycle)[5] ..... $6.50 each

Public Savings

Minimum Balance to Open $5,000.00

Maintenance Fee (monthly) $8.00/account
Maintenance fee will not be charged if a $5,000 minimum daily balance is maintained.

Minimum Balance to Earn Interest $100.00

Treasury Management Solutions

Online Banking Services

Small Business Online Banking
Maintenance (monthly) ..... No charge

Commercial Online Banking
Maintenance (monthly) $35.00/profile

Bill Pay Services

Business Bill Pay (monthly) $7.50/customer

Business Bill Pay with Payroll (monthly) $12.50/customer

ACH Origination Services

ACH Setup Fee $50.00

ACH Origination Maintenance (monthly) $35.00/profile

ACH Direct Transmission Setup $350.00

ACH Direct Transmission Maintenance (monthly) $200.00

Continued on back >

The above outlined fees may not be applicable to all customers. Depending on your type of account, fees may vary.

Heritage BANK

SCHEDULE OF BUSINESS FEES & SERVICE CHARGES

Effective September 17, 2026. All fees and service charges are subject to change.

Reporting Services

Fed EDI Reporting Service Maintenance (monthly) ... $20.00/profile

Fraud Prevention Services

ACH Block Maintenance (monthly) $10.00/account

ACH Filter Maintenance (monthly) $15.00/account

ACH Positive Pay Maintenance (monthly) $20.00/account

Check Positive Pay Maintenance (monthly) $20.00/account

Payee Positive Pay Maintenance (monthly) $10.00/account
(in addition to Check Positive Pay)

Remote Deposit Capture (RDC) Services

RDC Setup Fee $100.00

RDC Maintenance (monthly – first scanner) $50.00/profile

Each Additional Scanner (monthly) $25.00/scanner

Wire Services

Online Wire Maintenance (monthly) $25.00/profile

Online – Originated Domestic Wire $15.00/wire

Online – Originated Foreign Wire $30.00/wire

In Branch – Originated Domestic Wire $30.00/wire

In Branch – Originated Foreign Wire $50.00/wire

Phone/Email – Originated Domestic Wire $50.00/wire

Phone/Email – Originated Foreign Wire (USD) $80.00/wire

Phone/Email – Originated Foreign Wire (FX) $80.00/wire

Incoming Domestic Wire $15.00/wire

Incoming Foreign Wire $20.00/wire

Funds Management Services

Business Sweep Maintenance (monthly) $75.00

Line of Credit (LOC) Sweep Maintenance (monthly) $150.00

LOC and Business Sweep Maintenance (monthly) $175.00

ICS Sweep Maintenance Fee (monthly) $100.00

ICS Non-Sweep Maintenance Fee (monthly) $25.00/account

ZBA Parent Account Maintenance (monthly) $30.00/account

ZBA Subsidiary Account Maintenance (monthly) $15.00/account

Other Fees & Services

Account Closed within 90 days $25.00

Account Research/Reconciliation ..... $30.00 per hour

Debit Card and ATM Fees

- Heritage Bank ATM[2] ..... No charge
- ATM Transaction Fee (Non-Heritage Bank ATM[2]) $2.50
- Debit Card Cash Advance Fee $2.50
- Foreign Exchange Fee[3] ..... Up to 1% of transaction amount in US Dollars
- Debit Card Replacement $10.00

Bank Check (official/cashier's check) $9.00

Collection Item Outgoing/Incoming $25.00

Copy of Paid Check ..... $2.50 each

Counter Checks (per sheet of 4) ..... $2.00 each

Dormant Account Fee (monthly) $10.00

Foreign Currency

- Sell $10.00
- Purchase $10.00
- Foreign Drafts ..... $30.00 per draft

Garnishment/Levies ..... $100.00 per occurrence

Purchased Rolled Coin ..... $.10 each

Purchased Currency (per $100) ..... $.10

Returned Deposited Items ..... $12.00 per item

Special Statement Cutoff or Duplicate $4.00

Stop Payment $34.00

Undeliverable Mail Fee $5.00

Insufficient Funds & Overdrafts

Insufficient funds/overdraft fee (each)[4] ..... $34.00 each

1 Transactions include deposits, deposited items, checks, withdrawals, ACH credits and ACH debits. Excludes debit card transactions.

2 Heritage Bank ATM includes transactions at MoneyPass network ATMs.

3 Visa charges an International Service Assessment (ISA) fee up to 1% of the total transaction to purchase goods or services in a foreign currency or in U.S. dollars with a foreign merchant (a "Foreign Transaction"). Foreign Transactions include internet transactions made in the U.S. but with a merchant who processes the transaction in a foreign country. This is not a Heritage Bank fee.

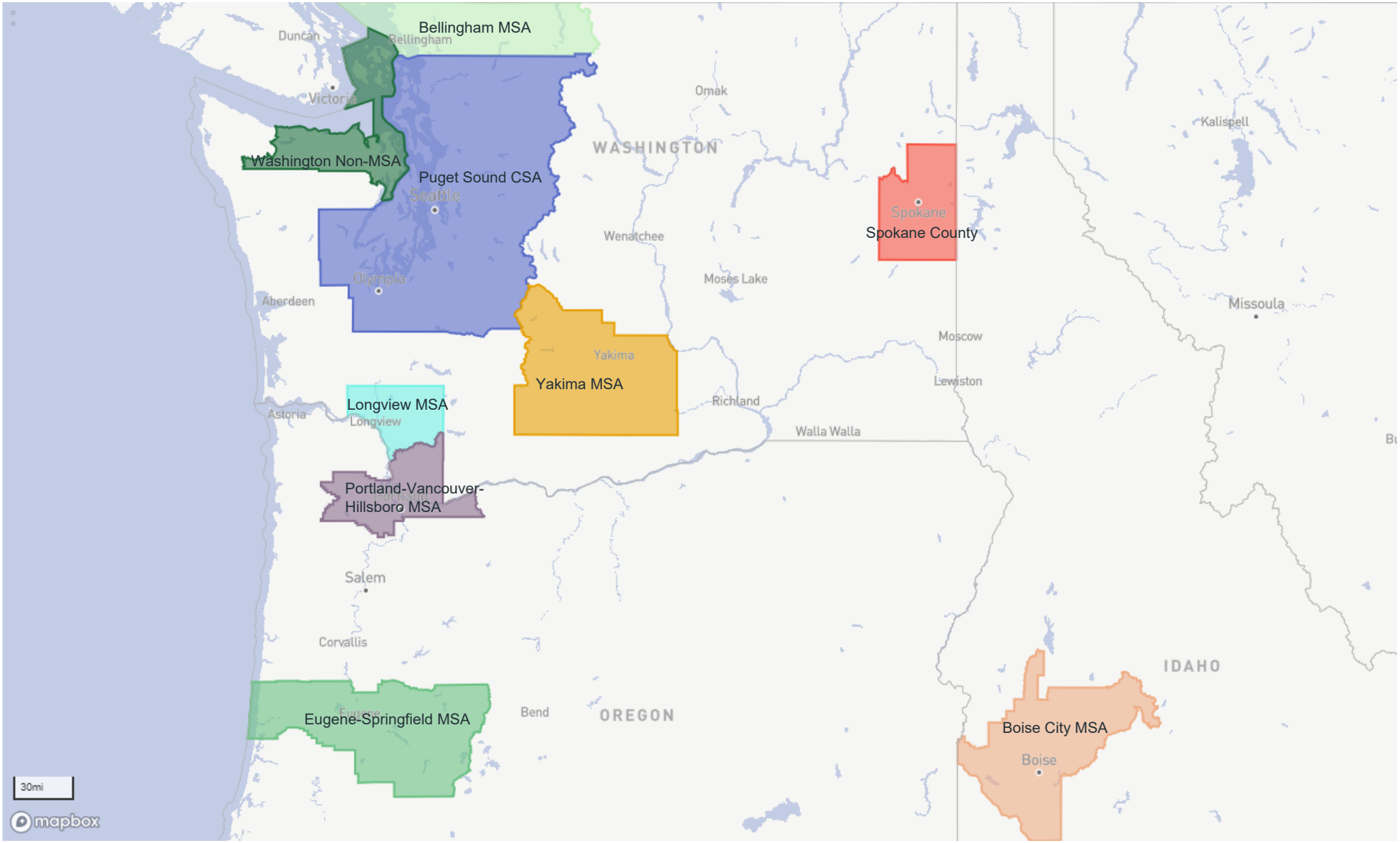
4 There is a limit of 6 insufficient funds/overdraft fees per day. Overdrafts may be created by checks issued by you, in person, ATM, ACH, or other electronic withdrawals authorized by you or published fees or charges for bank products & services.

5 Debits include in-branch withdrawals, ATM withdrawals, POS (point of sale) and debit card withdrawals, checks, ACH debits, wire transfers, one-time or preauthorized transfer to another account of yours or a third party, automatic transfers, and transfers initiated by telephone order or computer transfer.

The above outlined fees may not be applicable to all customers. Depending on your type of account, fees may vary.

ASSESSMENT AREAS MAP

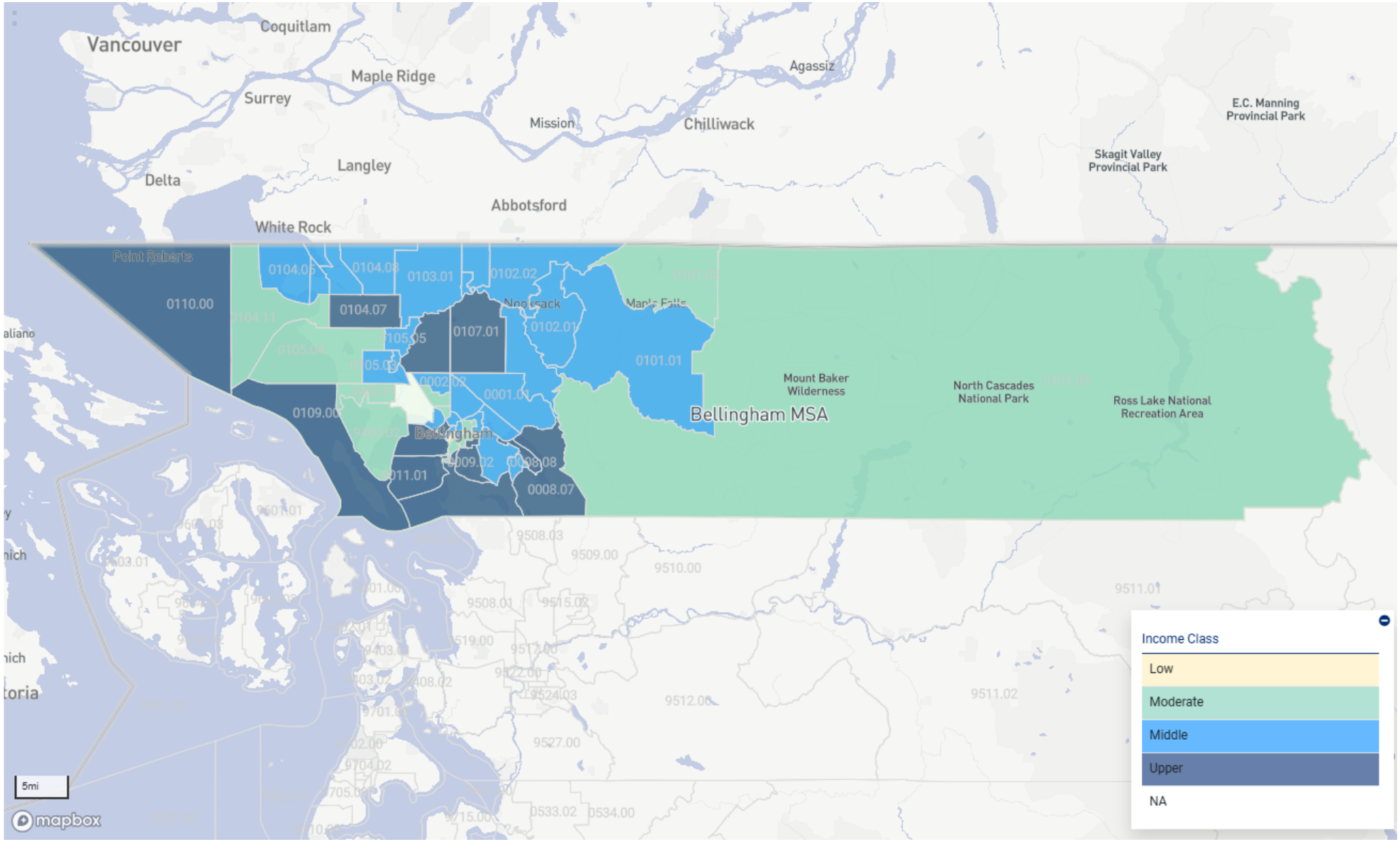
Assessment Set: CRA ASSESSMENT AREA - MAY 2026



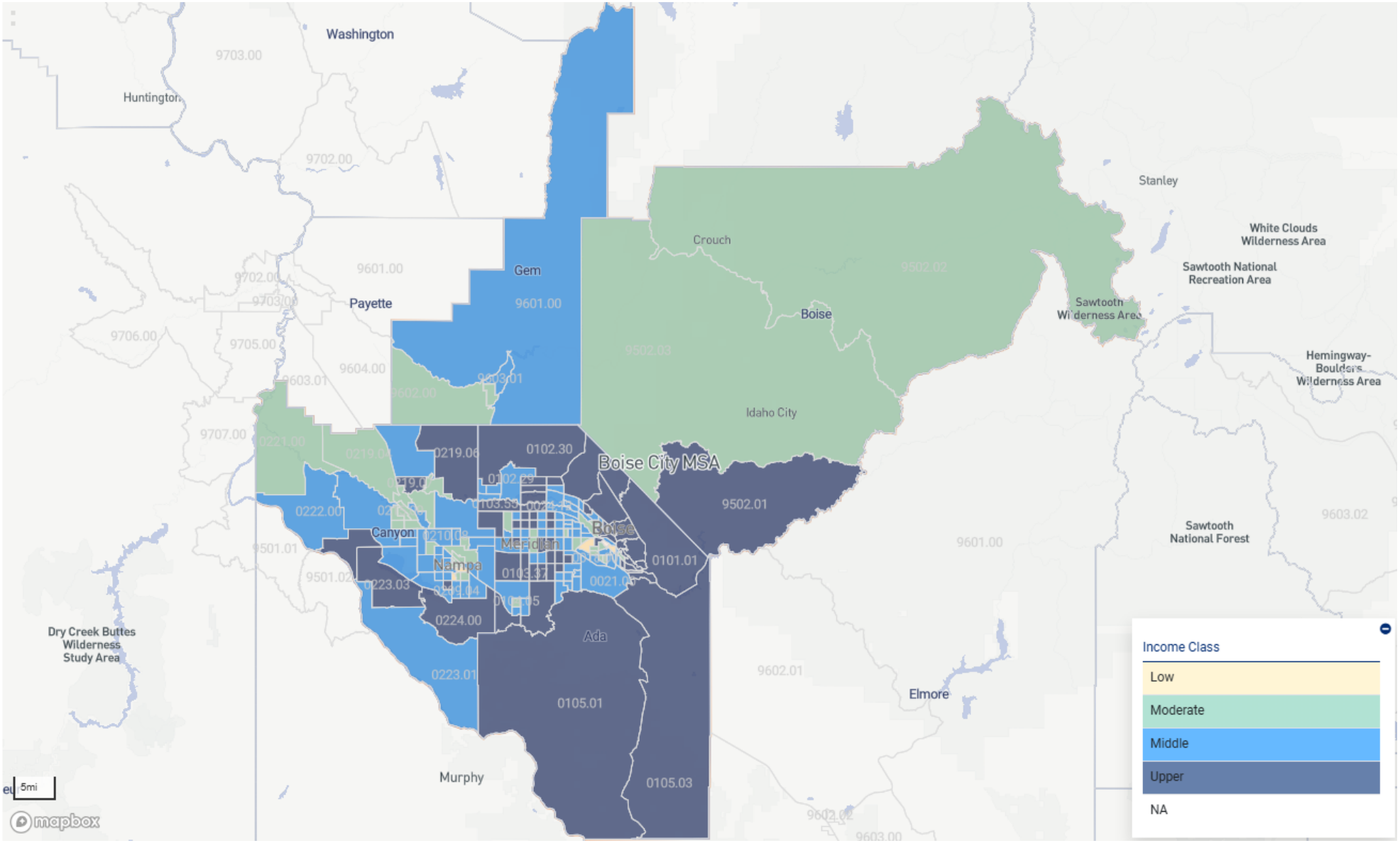
Assessment Area Maps With Census Tracts

Assessment Set: CRA ASSESSMENT AREA - MAY 2026

Assessment Area: BELLINGHAM MSA

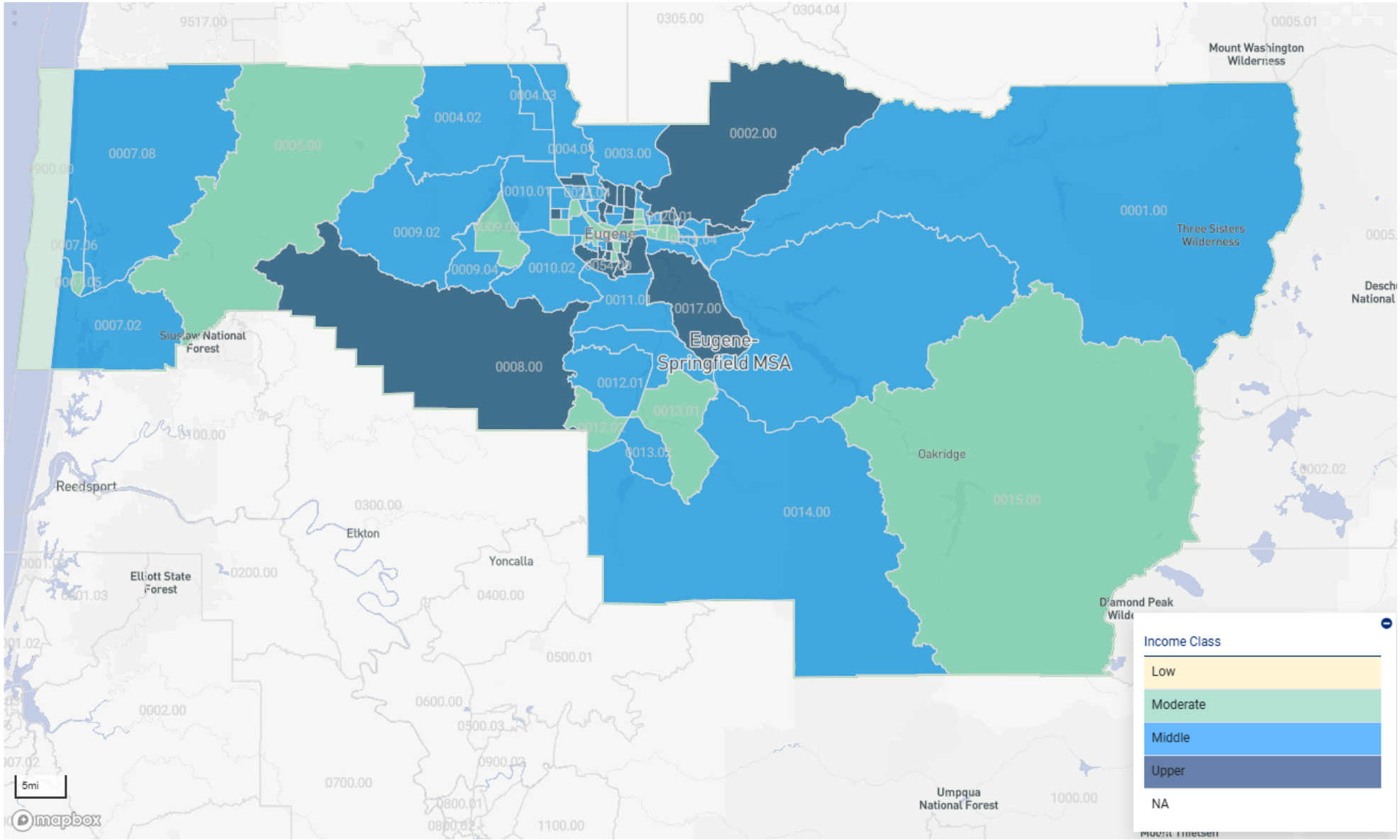


Assessment Set: CRA ASSESSMENT AREA - MAY 2026
Assessment Area: BOISE CITY MSA

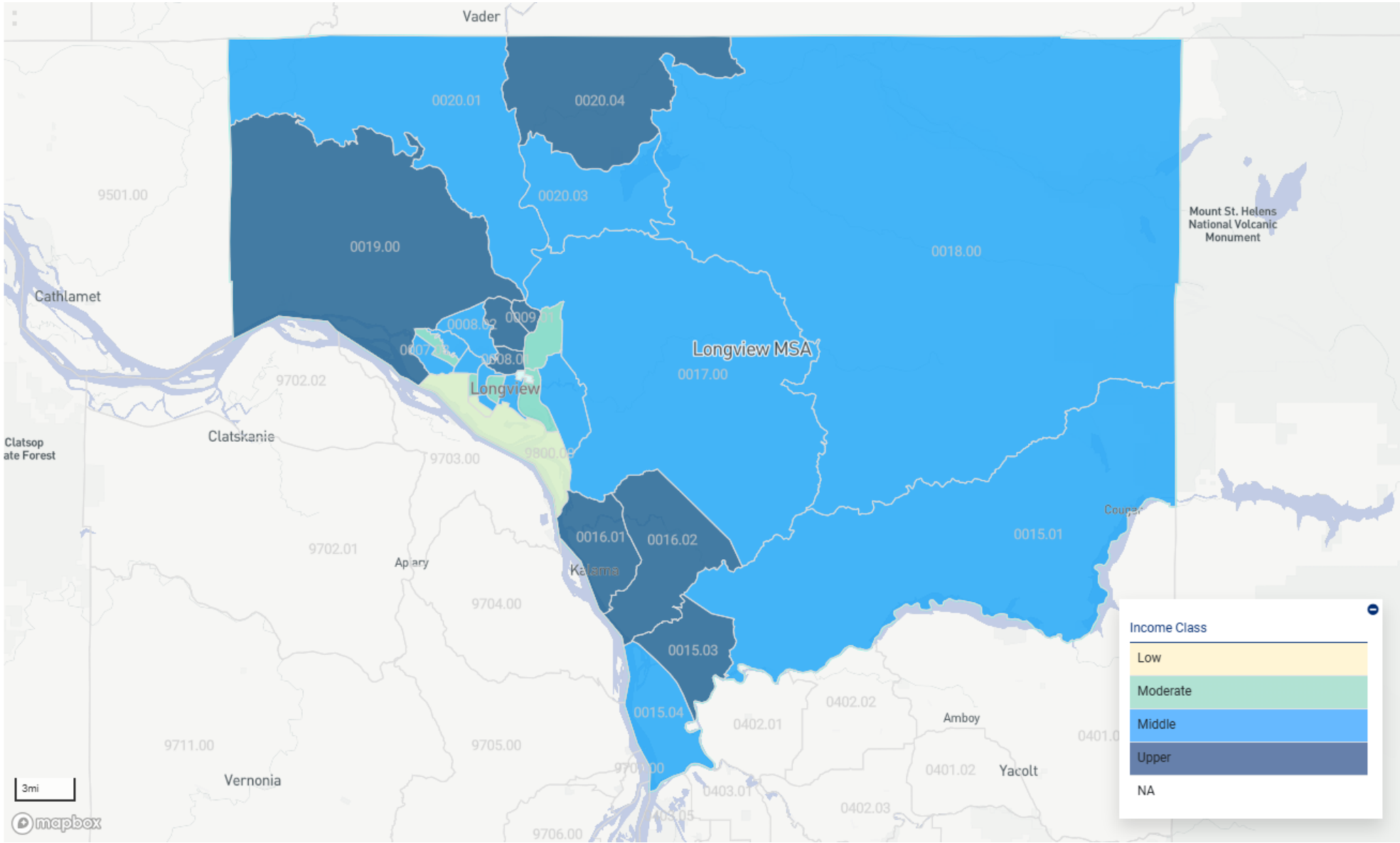


Assessment Set: CRA ASSESSMENT AREA - MAY 2026

Assessment Area: EUGENE-SPRINGFIELD MSA

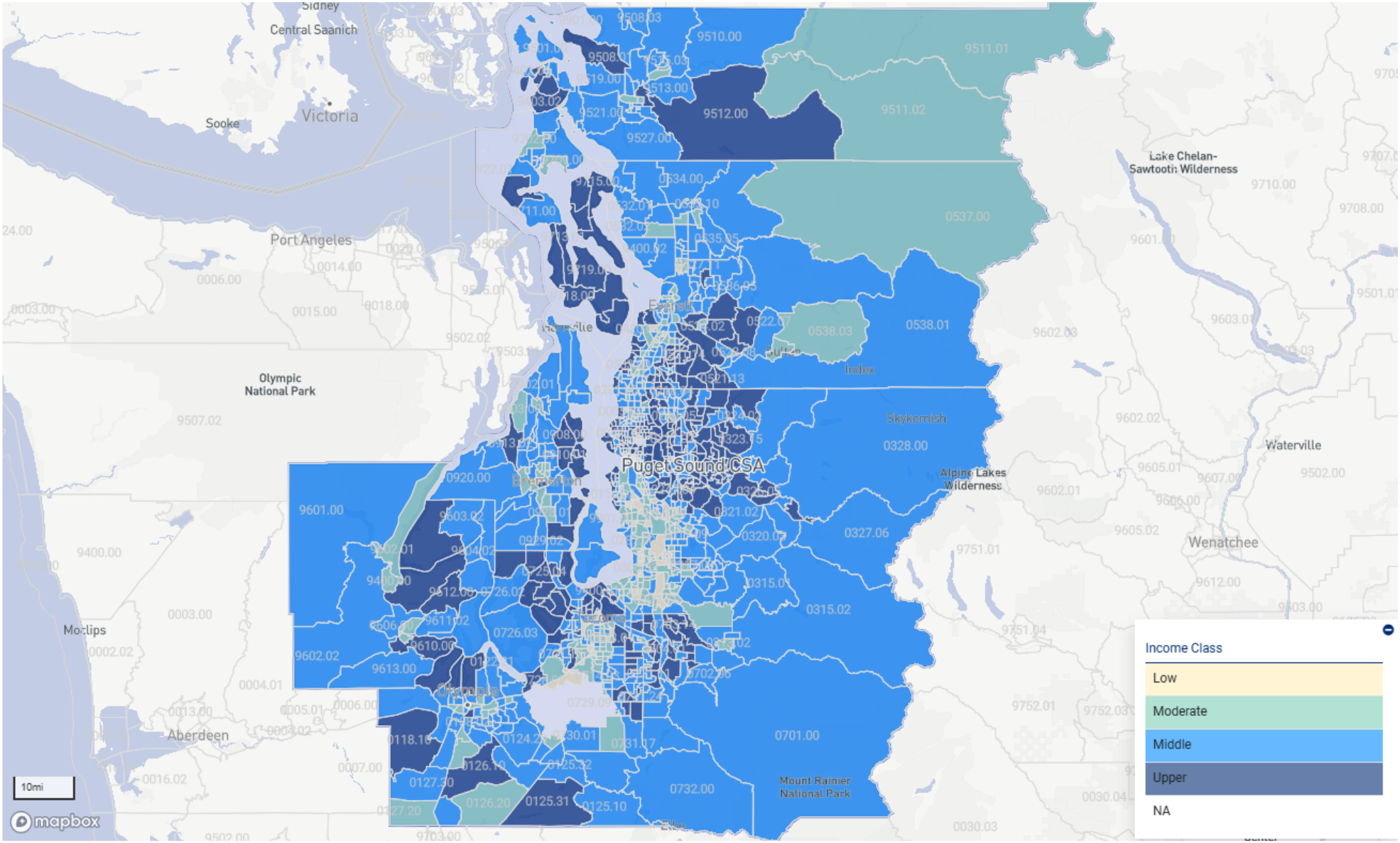


Assessment Set: CRA ASSESSMENT AREA - MAY 2026
Assessment Area: LONGVIEW MSA

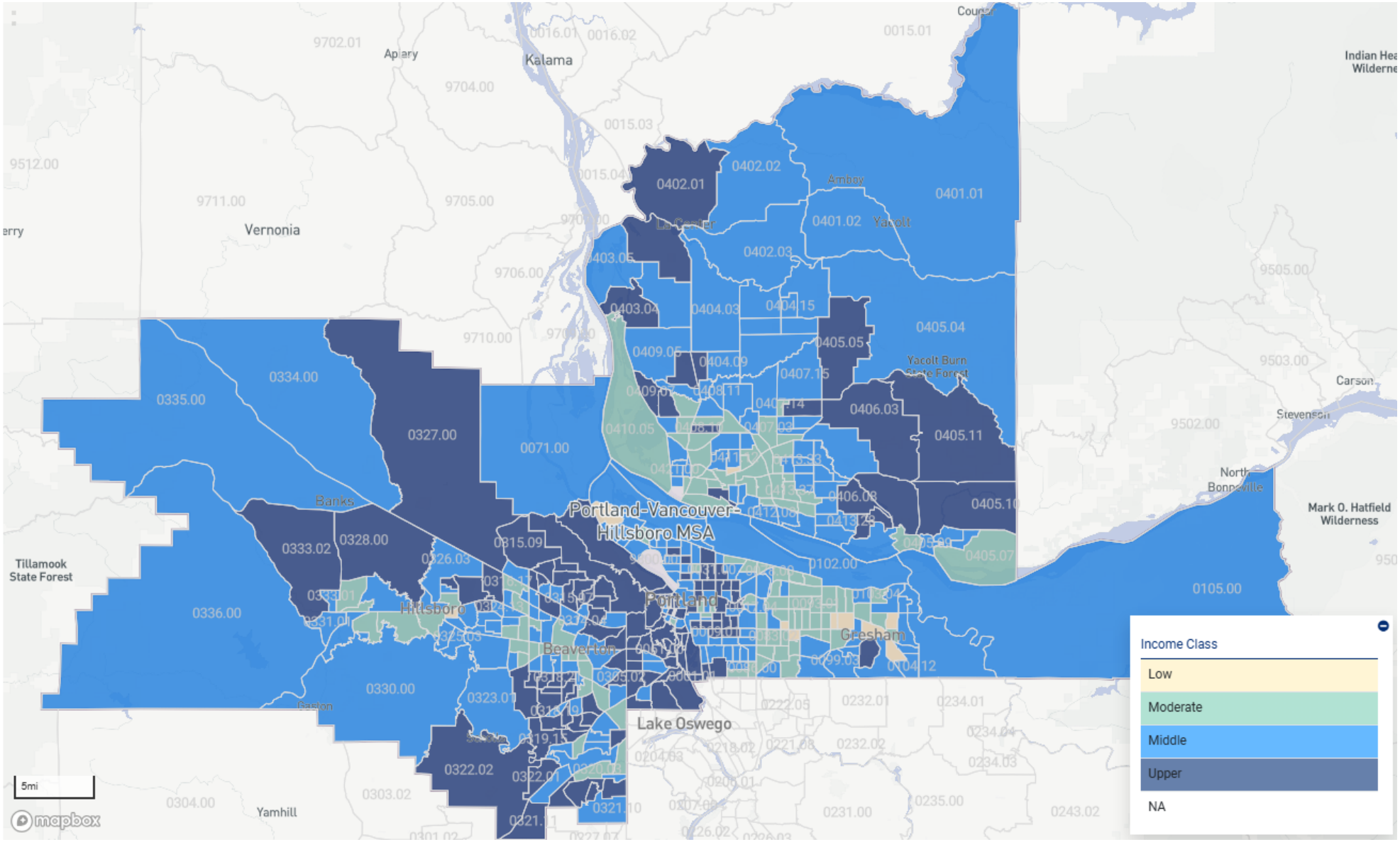


Assessment Set: CRA ASSESSMENT AREA - MAY 2026

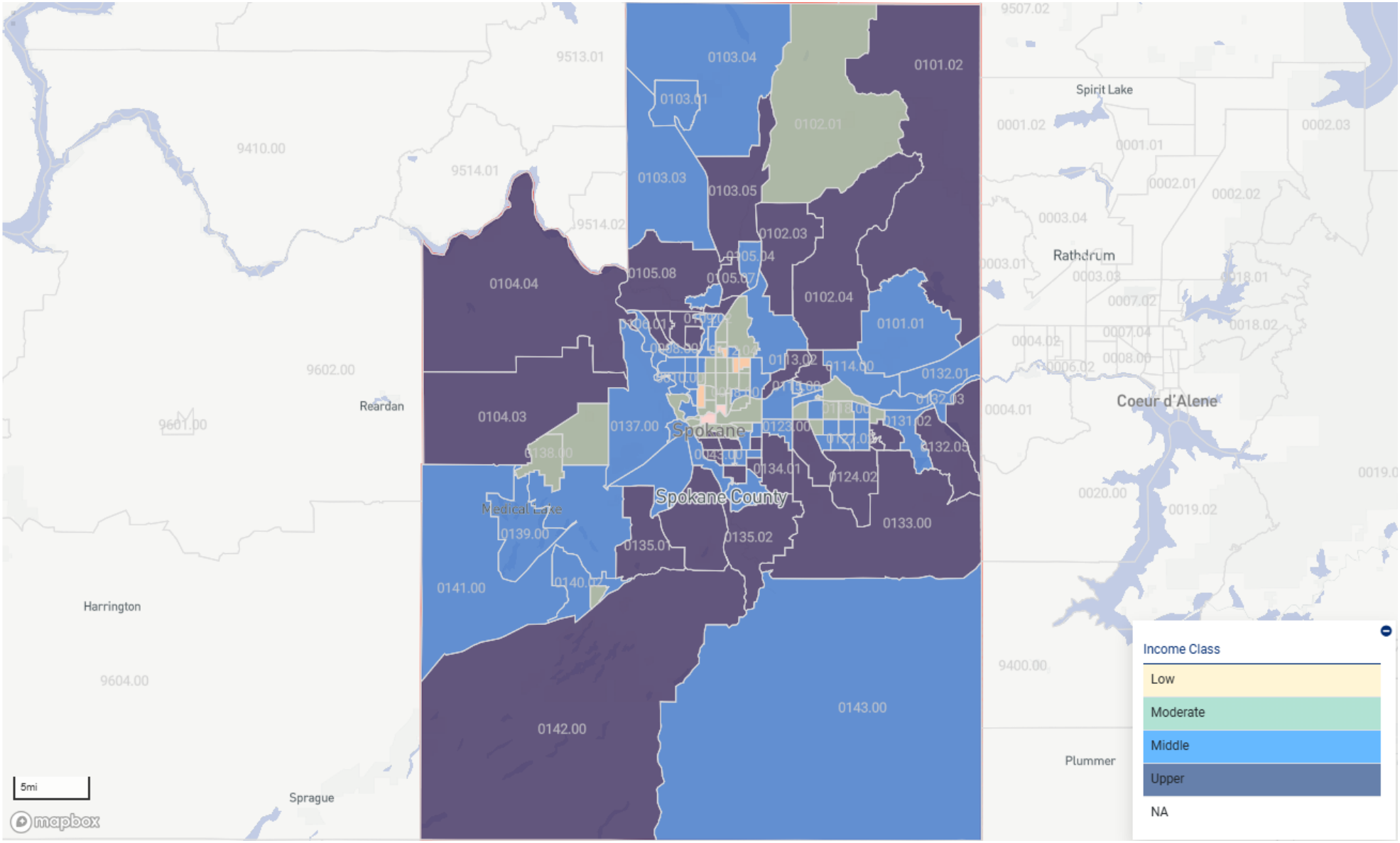
Assessment Area: PUGET SOUND CSA



Assessment Set: CRA ASSESSMENT AREA - MAY 2026
Assessment Area: PORTLAND-VANCOUVER-HILLSBORO MSA

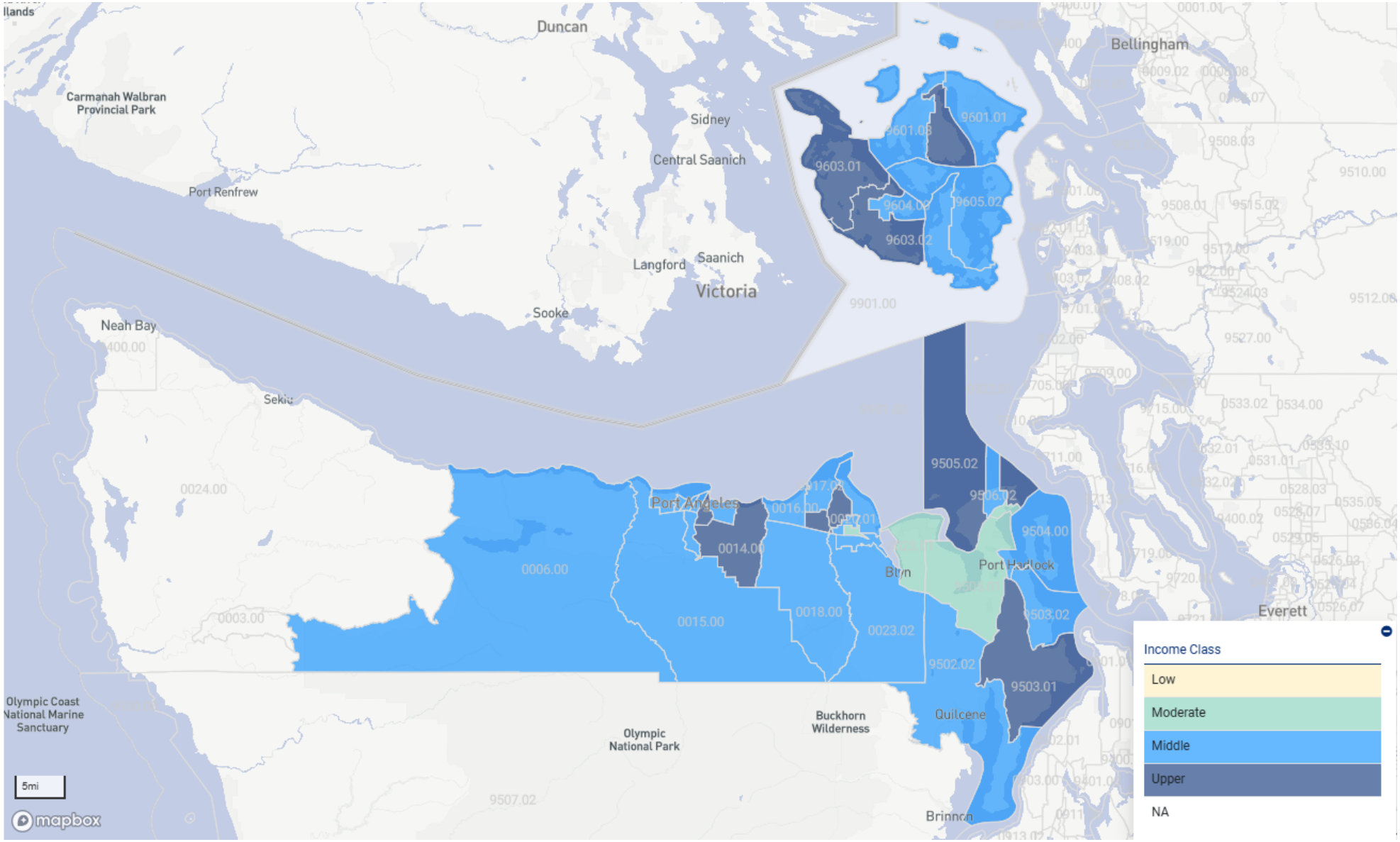


Assessment Set: CRA ASSESSMENT AREA - MAY 2026
Assessment Area: SPOKANE COUNTY



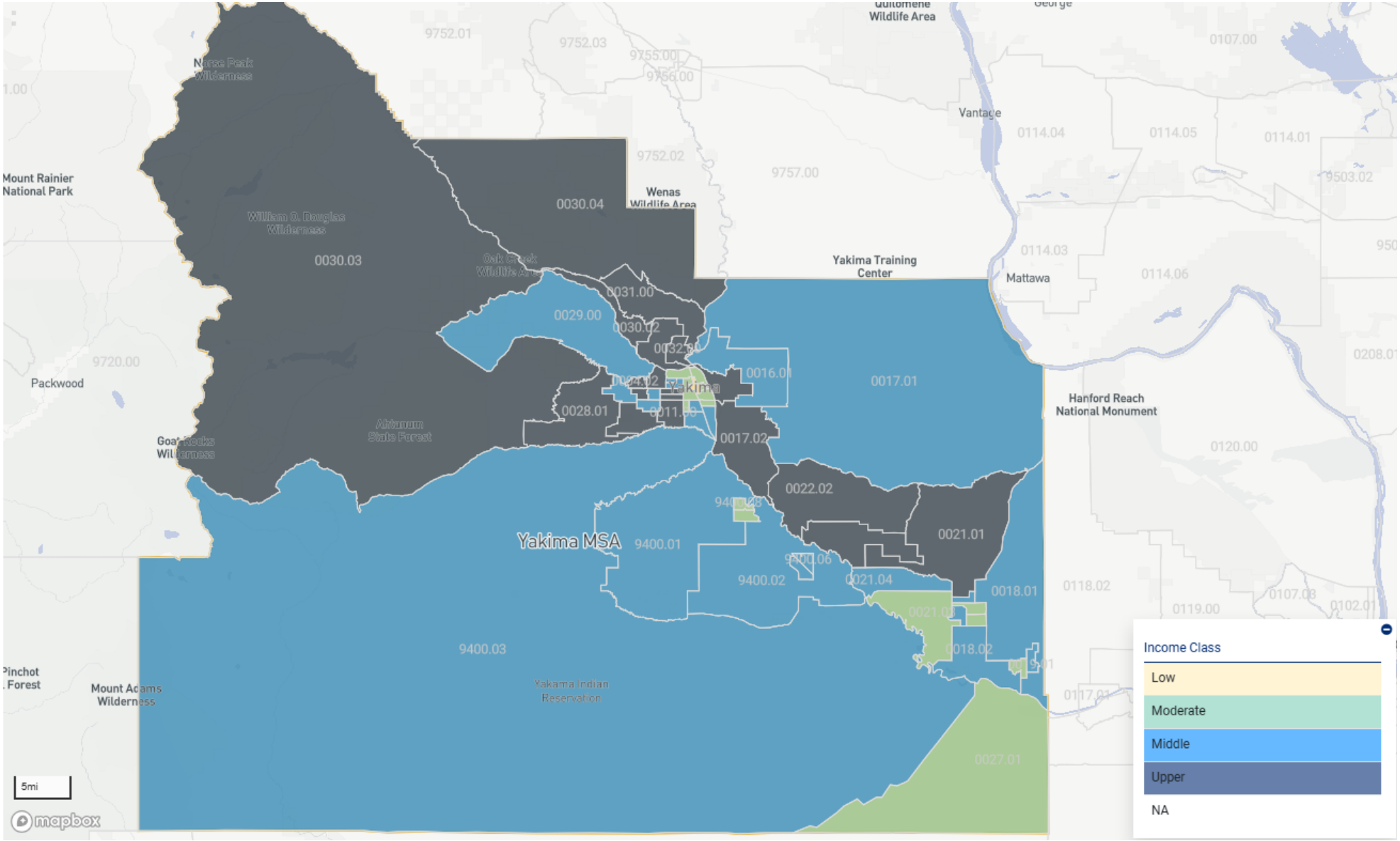
Assessment Set: CRA ASSESSMENT AREA - MAY 2026

Assessment Area: WASHINGTON STATE NON-MSA



Assessment Set: CRA ASSESSMENT AREA - MAY 2026

Assessment Area: YAKIMA MSA



TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: BELLINGHAM MSA

FIPS Codes

WASHINGTON (53) - WHATCOM COUNTY (073) - 54 Tracts

53 073 0001.01	53 073 0001.02	53 073 0002.01	53 073 0002.02	53 073 0002.03	53 073 0003.01	53 073 0003.02	53 073 0004.01	53 073 0004.02	53 073 0005.01
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53 073 0009.03	53 073 0009.04	53 073 0010.00	53 073 0011.01	53 073 0011.02	53 073 0012.02	53 073 0012.03	53 073 0012.04	53 073 0101.01	53 073 0101.02
53 073 0101.03	53 073 0102.01	53 073 0102.02	53 073 0103.01	53 073 0103.02	53 073 0103.03	53 073 0104.05	53 073 0104.06	53 073 0104.07	53 073 0104.08
53 073 0104.09	53 073 0104.10	53 073 0104.11	53 073 0105.03	53 073 0105.04	53 073 0105.05	53 073 0105.06	53 073 0106.00	53 073 0107.01	53 073 0107.02
53 073 0109.00	53 073 0110.00	53 073 9400.01	53 073 9400.02						

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: BOISE CITY MSA

FIPS Codes

IDAHO (16) - ADA COUNTY (001) - 129 Tracts

16 001 0001.01	16 001 0001.02	16 001 0002.01	16 001 0002.02	16 001 0003.02	16 001 0003.03	16 001 0003.05	16 001 0003.06	16 001 0004.01	16 001 0004.02
16 001 0005.01	16 001 0005.02	16 001 0006.01	16 001 0006.02	16 001 0007.01	16 001 0007.03	16 001 0007.04	16 001 0008.03	16 001 0008.05	16 001 0008.06
16 001 0008.07	16 001 0008.08	16 001 0008.09	16 001 0008.10	16 001 0009.01	16 001 0009.02	16 001 0010.01	16 001 0010.02	16 001 0010.03	16 001 0011.00
16 001 0012.01	16 001 0012.03	16 001 0012.04	16 001 0014.01	16 001 0014.02	16 001 0015.00	16 001 0016.00	16 001 0017.01	16 001 0017.02	16 001 0018.00
16 001 0019.00	16 001 0020.00	16 001 0021.00	16 001 0022.23	16 001 0022.25	16 001 0022.26	16 001 0022.27	16 001 0022.28	16 001 0022.29	16 001 0022.30
16 001 0022.31	16 001 0023.13	16 001 0023.14	16 001 0023.15	16 001 0023.16	16 001 0023.17	16 001 0023.18	16 001 0023.19	16 001 0024.12	16 001 0024.14
16 001 0024.15	16 001 0024.16	16 001 0024.17	16 001 0024.18	16 001 0024.19	16 001 0101.01	16 001 0101.02	16 001 0102.24	16 001 0102.26	16 001 0102.27
16 001 0102.28	16 001 0102.29	16 001 0102.30	16 001 0102.31	16 001 0102.32	16 001 0102.33	16 001 0102.34	16 001 0102.35	16 001 0102.36	16 001 0102.37

16 001 0103.36	16 001 0103.37	16 001 0103.38	16 001 0103.39	16 001 0103.40	16 001 0103.41	16 001 0103.42	16 001 0103.43	16 001 0103.44	16 001 0103.45
16 001 0103.46	16 001 0103.47	16 001 0103.48	16 001 0103.49	16 001 0103.50	16 001 0103.51	16 001 0103.52	16 001 0103.53	16 001 0103.54	16 001 0103.55
16 001 0103.56	16 001 0103.57	16 001 0103.58	16 001 0103.59	16 001 0103.60	16 001 0103.61	16 001 0103.62	16 001 0103.63	16 001 0103.64	16 001 0103.65
16 001 0103.66	16 001 0103.67	16 001 0103.68	16 001 0103.69	16 001 0103.70	16 001 0103.71	16 001 0104.03	16 001 0104.04	16 001 0104.05	16 001 0104.06
16 001 0104.07	16 001 0104.08	16 001 0104.09	16 001 0104.10	16 001 0104.11	16 001 0105.01	16 001 0105.03	16 001 0105.05	16 001 0105.06	

IDAHO (16) - BOISE COUNTY (015) - 3 Tracts

16 015 9502.01	16 015 9502.02	16 015 9502.03

IDAHO (16) - CANYON COUNTY (027) - 54 Tracts

16 027 0201.00	16 027 0202.00	16 027 0203.00	16 027 0204.03	16 027 0204.04	16 027 0204.05	16 027 0204.06	16 027 0205.01	16 027 0205.03	16 027 0205.05
16 027 0205.06	16 027 0206.01	16 027 0206.03	16 027 0206.04	16 027 0207.00	16 027 0209.03	16 027 0209.04	16 027 0209.05	16 027 0209.06	16 027 0209.07
16 027 0209.08	16 027 0209.09	16 027 0209.10	16 027 0210.03	16 027 0210.04	16 027 0210.05	16 027 0210.06	16 027 0210.07	16 027 0210.08	16 027 0211.01

16 027 0211.02	16 027 0211.03	16 027 0211.04	16 027 0211.05	16 027 0212.01	16 027 0212.02	16 027 0213.00	16 027 0215.00	16 027 0216.00	16 027 0217.01
16 027 0217.02	16 027 0218.01	16 027 0218.02	16 027 0219.01	16 027 0219.04	16 027 0219.05	16 027 0219.06	16 027 0219.07	16 027 0221.00	16 027 0222.00
16 027 0223.01	16 027 0223.02	16 027 0223.03	16 027 0224.00						

IDAHO (16) - GEM COUNTY (045) - 4 Tracts

16 045 9601.00	16 045 9602.00	16 045 9603.01	16 045 9603.02

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: EUGENE-SPRINGFIELD MSA

FIPS Codes

OREGON (41) - LANE COUNTY (039) - 93 Tracts

41 039 0001.00	41 039 0002.00	41 039 0003.00	41 039 0004.02	41 039 0004.03	41 039 0004.04	41 039 0005.00	41 039 0007.02	41 039 0007.05	41 039 0007.06
41 039 0007.07	41 039 0007.08	41 039 0008.00	41 039 0009.02	41 039 0009.03	41 039 0009.04	41 039 0010.01	41 039 0010.02	41 039 0011.01	41 039 0011.02
41 039 0012.01	41 039 0012.02	41 039 0013.01	41 039 0013.02	41 039 0014.00	41 039 0015.00	41 039 0016.00	41 039 0017.00	41 039 0018.01	41 039 0018.03
41 039 0018.04	41 039 0019.02	41 039 0019.03	41 039 0019.04	41 039 0020.01	41 039 0020.02	41 039 0021.01	41 039 0021.03	41 039 0021.04	41 039 0022.01
41 039 0022.03	41 039 0022.04	41 039 0023.01	41 039 0023.02	41 039 0024.01	41 039 0024.03	41 039 0024.04	41 039 0025.01	41 039 0025.04	41 039 0025.05
41 039 0025.06	41 039 0026.00	41 039 0027.00	41 039 0028.00	41 039 0029.02	41 039 0029.03	41 039 0029.04	41 039 0030.00	41 039 0031.01	41 039 0031.03
41 039 0031.04	41 039 0032.01	41 039 0032.02	41 039 0033.01	41 039 0033.02	41 039 0034.00	41 039 0035.00	41 039 0036.00	41 039 0037.00	41 039 0038.01
41 039 0038.02	41 039 0039.00	41 039 0040.00	41 039 0041.00	41 039 0042.00	41 039 0043.00	41 039 0044.03	41 039 0044.04	41 039 0044.05	41 039 0044.06

Assessment Areas/REMA

41 039 0044.07	41 039 0045.01	41 039 0045.02	41 039 0046.00	41 039 0047.00	41 039 0048.00	41 039 0049.00	41 039 0050.00	41 039 0051.00	41 039 0052.00
41 039 0053.00	41 039 0054.00	41 039 9900.00							

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

Assessment Areas/REMA

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: LONGVIEW MSA

FIPS Codes

WASHINGTON (53) - COWLITZ COUNTY (015) - 30 Tracts

53 015 0004.00	53 015 0005.01	53 015 0005.02	53 015 0006.01	53 015 0006.02	53 015 0007.02	53 015 0007.03	53 015 0007.05	53 015 0007.06	53 015 0008.01
53 015 0008.02	53 015 0009.01	53 015 0009.02	53 015 0010.00	53 015 0011.00	53 015 0012.00	53 015 0013.00	53 015 0015.01	53 015 0015.03	53 015 0015.04
53 015 0016.01	53 015 0016.02	53 015 0017.00	53 015 0018.00	53 015 0019.00	53 015 0020.01	53 015 0020.03	53 015 0020.04	53 015 0021.00	53 015 9800.00

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: PORTLAND-VANCOUVER-HILLSBORO MSA

FIPS Codes

OREGON (41) - MULTNOMAH COUNTY (051) - 197 Tracts

41 051 0001.01	41 051 0001.02	41 051 0002.01	41 051 0002.02	41 051 0003.01	41 051 0003.02	41 051 0004.01	41 051 0004.02	41 051 0005.01	41 051 0005.02
41 051 0006.01	41 051 0006.02	41 051 0007.01	41 051 0007.02	41 051 0008.01	41 051 0008.02	41 051 0009.01	41 051 0009.02	41 051 0010.00	41 051 0011.01
41 051 0011.02	41 051 0012.02	41 051 0012.03	41 051 0012.04	41 051 0013.01	41 051 0013.02	41 051 0014.00	41 051 0015.00	41 051 0016.01	41 051 0016.02
41 051 0017.02	41 051 0017.03	41 051 0017.04	41 051 0018.01	41 051 0018.02	41 051 0019.00	41 051 0020.01	41 051 0020.02	41 051 0021.01	41 051 0021.02
41 051 0022.03	41 051 0023.03	41 051 0024.01	41 051 0024.02	41 051 0025.01	41 051 0025.02	41 051 0026.00	41 051 0027.01	41 051 0027.02	41 051 0028.01
41 051 0028.02	41 051 0029.01	41 051 0029.02	41 051 0029.03	41 051 0030.00	41 051 0031.00	41 051 0032.00	41 051 0033.01	41 051 0033.02	41 051 0034.01
41 051 0034.02	41 051 0035.01	41 051 0035.02	41 051 0036.01	41 051 0036.02	41 051 0036.03	41 051 0037.01	41 051 0037.02	41 051 0038.01	41 051 0038.02
41 051 0038.03	41 051 0039.02	41 051 0039.03	41 051 0039.04	41 051 0040.02	41 051 0040.03	41 051 0041.02	41 051 0041.03	41 051 0041.04	41 051 0042.00

Assessment Areas/REMA

41 051 0043.00	41 051 0045.00	41 051 0046.01	41 051 0046.02	41 051 0047.00	41 051 0048.00	41 051 0049.01	41 051 0049.02	41 051 0050.01	41 051 0050.02
41 051 0051.01	41 051 0051.02	41 051 0051.03	41 051 0052.01	41 051 0052.02	41 051 0055.00	41 051 0056.01	41 051 0056.02	41 051 0057.01	41 051 0057.02
41 051 0058.00	41 051 0059.01	41 051 0059.02	41 051 0059.03	41 051 0060.01	41 051 0060.02	41 051 0061.00	41 051 0062.00	41 051 0063.00	41 051 0064.02
41 051 0064.03	41 051 0064.04	41 051 0065.01	41 051 0065.02	41 051 0066.01	41 051 0066.02	41 051 0067.01	41 051 0067.02	41 051 0068.01	41 051 0068.02
41 051 0069.00	41 051 0070.01	41 051 0070.02	41 051 0071.00	41 051 0072.01	41 051 0072.02	41 051 0073.00	41 051 0074.00	41 051 0075.00	41 051 0076.00
41 051 0077.00	41 051 0078.00	41 051 0079.00	41 051 0080.01	41 051 0080.02	41 051 0081.00	41 051 0082.01	41 051 0082.03	41 051 0082.04	41 051 0083.01
41 051 0083.02	41 051 0084.00	41 051 0085.00	41 051 0086.00	41 051 0087.00	41 051 0088.00	41 051 0089.02	41 051 0089.03	41 051 0089.04	41 051 0090.01
41 051 0090.02	41 051 0091.01	41 051 0091.02	41 051 0092.02	41 051 0092.03	41 051 0092.04	41 051 0093.01	41 051 0093.02	41 051 0094.00	41 051 0095.01
41 051 0095.02	41 051 0096.03	41 051 0096.04	41 051 0096.05	41 051 0096.06	41 051 0097.01	41 051 0097.03	41 051 0097.04	41 051 0098.01	41 051 0098.03
41 051 0098.04	41 051 0099.03	41 051 0099.04	41 051 0099.05	41 051 0099.06	41 051 0099.07	41 051 0100.01	41 051 0100.02	41 051 0101.01	41 051 0101.02
41 051 0102.00	41 051 0103.03	41 051 0103.04	41 051 0103.05	41 051 0103.06	41 051 0104.02	41 051 0104.05	41 051 0104.07	41 051 0104.08	41 051 0104.10

41 051 0104.11	41 051 0104.12	41 051 0104.13	41 051 0105.00	41 051 0106.01	41 051 0106.02	41 051 9800.00

OREGON (41) - WASHINGTON COUNTY (067) - 134 Tracts

41 067 0301.03	41 067 0301.04	41 067 0301.05	41 067 0301.06	41 067 0302.00	41 067 0303.00	41 067 0304.01	41 067 0304.02	41 067 0305.01	41 067 0305.02
41 067 0306.00	41 067 0307.00	41 067 0308.01	41 067 0308.03	41 067 0308.05	41 067 0308.06	41 067 0309.00	41 067 0310.05	41 067 0310.07	41 067 0310.08
41 067 0310.09	41 067 0310.10	41 067 0310.11	41 067 0310.12	41 067 0311.00	41 067 0312.01	41 067 0312.02	41 067 0313.01	41 067 0313.02	41 067 0314.02
41 067 0314.03	41 067 0314.04	41 067 0315.04	41 067 0315.06	41 067 0315.07	41 067 0315.09	41 067 0315.11	41 067 0315.14	41 067 0315.15	41 067 0315.16
41 067 0315.17	41 067 0315.18	41 067 0315.19	41 067 0315.20	41 067 0316.06	41 067 0316.12	41 067 0316.14	41 067 0316.15	41 067 0316.16	41 067 0316.17
41 067 0316.18	41 067 0316.19	41 067 0316.20	41 067 0316.21	41 067 0316.22	41 067 0316.23	41 067 0316.24	41 067 0316.25	41 067 0316.26	41 067 0317.03
41 067 0317.05	41 067 0317.06	41 067 0317.07	41 067 0317.08	41 067 0318.04	41 067 0318.06	41 067 0318.07	41 067 0318.13	41 067 0318.14	41 067 0318.16
41 067 0318.17	41 067 0318.18	41 067 0318.19	41 067 0318.20	41 067 0318.21	41 067 0319.04	41 067 0319.09	41 067 0319.11	41 067 0319.12	41 067 0319.13
41 067 0319.14	41 067 0319.15	41 067 0319.16	41 067 0319.17	41 067 0319.18	41 067 0320.01	41 067 0320.03	41 067 0320.04	41 067 0320.05	41 067 0321.04

41 067 0321.07	41 067 0321.08	41 067 0321.09	41 067 0321.10	41 067 0321.11	41 067 0321.12	41 067 0322.01	41 067 0322.02	41 067 0323.01	41 067 0323.02
41 067 0324.04	41 067 0324.07	41 067 0324.09	41 067 0324.10	41 067 0324.11	41 067 0324.12	41 067 0324.13	41 067 0324.14	41 067 0325.01	41 067 0325.02
41 067 0325.03	41 067 0326.03	41 067 0326.04	41 067 0326.06	41 067 0326.08	41 067 0326.09	41 067 0326.10	41 067 0326.11	41 067 0326.12	41 067 0327.00
41 067 0328.00	41 067 0329.01	41 067 0329.03	41 067 0329.04	41 067 0330.00	41 067 0331.01	41 067 0331.02	41 067 0332.01	41 067 0332.02	41 067 0333.01
41 067 0333.02	41 067 0334.00	41 067 0335.00	41 067 0336.00						

WASHINGTON (53) - CLARK COUNTY (011) - 115 Tracts

53 011 0401.01	53 011 0401.02	53 011 0402.01	53 011 0402.02	53 011 0402.03	53 011 0403.01	53 011 0403.03	53 011 0403.04	53 011 0403.05	53 011 0404.03
53 011 0404.07	53 011 0404.08	53 011 0404.09	53 011 0404.11	53 011 0404.12	53 011 0404.13	53 011 0404.14	53 011 0404.15	53 011 0404.16	53 011 0405.04
53 011 0405.05	53 011 0405.07	53 011 0405.09	53 011 0405.10	53 011 0405.11	53 011 0405.12	53 011 0405.13	53 011 0406.03	53 011 0406.04	53 011 0406.05
53 011 0406.08	53 011 0406.09	53 011 0406.10	53 011 0407.03	53 011 0407.06	53 011 0407.07	53 011 0407.09	53 011 0407.11	53 011 0407.12	53 011 0407.13
53 011 0407.14	53 011 0407.15	53 011 0408.03	53 011 0408.06	53 011 0408.08	53 011 0408.09	53 011 0408.10	53 011 0408.11	53 011 0408.12	53 011 0409.04

Assessment Areas/REMA

53 011 0409.05	53 011 0409.07	53 011 0409.08	53 011 0409.09	53 011 0409.10	53 011 0410.03	53 011 0410.05	53 011 0410.07	53 011 0410.08	53 011 0410.09
53 011 0410.10	53 011 0410.11	53 011 0411.04	53 011 0411.05	53 011 0411.07	53 011 0411.10	53 011 0411.11	53 011 0411.12	53 011 0411.13	53 011 0411.14
53 011 0412.03	53 011 0412.05	53 011 0412.06	53 011 0412.07	53 011 0412.08	53 011 0413.09	53 011 0413.10	53 011 0413.12	53 011 0413.13	53 011 0413.17
53 011 0413.19	53 011 0413.20	53 011 0413.21	53 011 0413.22	53 011 0413.23	53 011 0413.25	53 011 0413.26	53 011 0413.28	53 011 0413.29	53 011 0413.30
53 011 0413.31	53 011 0413.32	53 011 0413.33	53 011 0413.34	53 011 0413.35	53 011 0413.36	53 011 0413.37	53 011 0414.00	53 011 0415.00	53 011 0416.00
53 011 0417.00	53 011 0418.00	53 011 0419.00	53 011 0420.00	53 011 0421.00	53 011 0423.00	53 011 0424.00	53 011 0425.00	53 011 0426.01	53 011 0426.02
53 011 0427.00	53 011 0428.00	53 011 0429.00	53 011 0430.00	53 011 0431.00					

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: PUGET SOUND CSA

FIPS Codes

WASHINGTON (53) - ISLAND COUNTY (029) - 24 Tracts

53 029 9701.00	53 029 9702.00	53 029 9703.00	53 029 9704.01	53 029 9704.02	53 029 9705.00	53 029 9706.01	53 029 9706.02	53 029 9707.00	53 029 9708.00
53 029 9709.00	53 029 9710.00	53 029 9711.00	53 029 9713.01	53 029 9713.02	53 029 9714.00	53 029 9715.00	53 029 9716.00	53 029 9717.00	53 029 9718.00
53 029 9719.00	53 029 9720.00	53 029 9721.00	53 029 9922.01						

WASHINGTON (53) - KING COUNTY (033) - 495 Tracts

53 033 0001.01	53 033 0001.02	53 033 0002.01	53 033 0002.02	53 033 0003.00	53 033 0004.02	53 033 0004.03	53 033 0004.04	53 033 0005.00	53 033 0006.01
53 033 0006.02	53 033 0007.00	53 033 0008.00	53 033 0009.00	53 033 0010.00	53 033 0011.00	53 033 0012.01	53 033 0012.02	53 033 0013.00	53 033 0014.00
53 033 0015.00	53 033 0016.00	53 033 0017.01	53 033 0017.02	53 033 0018.00	53 033 0019.00	53 033 0020.00	53 033 0021.00	53 033 0022.00	53 033 0024.00
53 033 0025.00	53 033 0026.00	53 033 0027.00	53 033 0028.00	53 033 0029.00	53 033 0030.00	53 033 0031.00	53 033 0032.01	53 033 0032.02	53 033 0033.01
53 033 0033.02	53 033 0034.00	53 033 0035.00	53 033 0036.01	53 033 0036.02	53 033 0038.00	53 033 0039.00	53 033 0040.00	53 033 0041.01	53 033 0041.02

Assessment Areas/REMA

53 033 0042.01	53 033 0042.02	53 033 0043.01	53 033 0043.02	53 033 0044.01	53 033 0044.02	53 033 0045.00	53 033 0046.00	53 033 0047.01	53 033 0047.02
53 033 0047.03	53 033 0048.00	53 033 0049.01	53 033 0049.02	53 033 0050.00	53 033 0051.00	53 033 0052.01	53 033 0052.02	53 033 0053.03	53 033 0053.04
53 033 0053.05	53 033 0053.06	53 033 0053.07	53 033 0054.01	53 033 0054.02	53 033 0056.00	53 033 0057.00	53 033 0058.01	53 033 0058.03	53 033 0058.04
53 033 0059.01	53 033 0059.02	53 033 0060.00	53 033 0061.00	53 033 0062.00	53 033 0063.00	53 033 0064.00	53 033 0065.00	53 033 0066.00	53 033 0067.01
53 033 0067.02	53 033 0067.03	53 033 0068.00	53 033 0069.00	53 033 0070.01	53 033 0070.02	53 033 0071.01	53 033 0071.02	53 033 0072.01	53 033 0072.02
53 033 0072.03	53 033 0073.01	53 033 0073.02	53 033 0073.03	53 033 0074.03	53 033 0074.04	53 033 0074.05	53 033 0074.06	53 033 0075.01	53 033 0075.02
53 033 0075.03	53 033 0076.00	53 033 0077.00	53 033 0078.00	53 033 0079.01	53 033 0079.02	53 033 0080.02	53 033 0080.03	53 033 0080.04	53 033 0081.01
53 033 0081.02	53 033 0082.00	53 033 0083.00	53 033 0084.01	53 033 0084.02	53 033 0085.00	53 033 0086.00	53 033 0087.00	53 033 0088.00	53 033 0089.00
53 033 0090.00	53 033 0091.00	53 033 0092.00	53 033 0093.00	53 033 0094.00	53 033 0095.00	53 033 0096.00	53 033 0097.01	53 033 0097.02	53 033 0098.01
53 033 0098.02	53 033 0099.00	53 033 0100.01	53 033 0100.02	53 033 0101.01	53 033 0101.02	53 033 0102.00	53 033 0103.01	53 033 0103.02	53 033 0104.01
53 033 0104.02	53 033 0105.01	53 033 0105.02	53 033 0106.01	53 033 0106.02	53 033 0107.01	53 033 0107.02	53 033 0108.00	53 033 0109.00	53 033 0110.01

53 033 0110.02	53 033 0111.01	53 033 0111.02	53 033 0112.00	53 033 0113.00	53 033 0114.01	53 033 0114.02	53 033 0115.00	53 033 0116.01	53 033 0116.02
53 033 0117.00	53 033 0118.01	53 033 0118.02	53 033 0119.01	53 033 0119.02	53 033 0120.00	53 033 0121.00	53 033 0201.00	53 033 0202.00	53 033 0203.01
53 033 0203.02	53 033 0204.01	53 033 0204.02	53 033 0205.00	53 033 0206.00	53 033 0207.00	53 033 0208.00	53 033 0209.00	53 033 0210.00	53 033 0211.00
53 033 0213.00	53 033 0214.00	53 033 0215.00	53 033 0216.00	53 033 0217.01	53 033 0217.02	53 033 0218.02	53 033 0218.03	53 033 0218.04	53 033 0219.03
53 033 0219.04	53 033 0219.05	53 033 0219.06	53 033 0220.01	53 033 0220.03	53 033 0220.05	53 033 0220.06	53 033 0221.01	53 033 0221.02	53 033 0222.01
53 033 0222.03	53 033 0222.04	53 033 0222.05	53 033 0223.00	53 033 0224.01	53 033 0224.02	53 033 0225.01	53 033 0225.02	53 033 0226.03	53 033 0226.04
53 033 0226.05	53 033 0226.06	53 033 0227.01	53 033 0227.02	53 033 0227.03	53 033 0228.02	53 033 0228.03	53 033 0228.04	53 033 0228.05	53 033 0229.01
53 033 0229.02	53 033 0230.00	53 033 0231.00	53 033 0232.01	53 033 0232.02	53 033 0233.00	53 033 0234.01	53 033 0234.03	53 033 0234.04	53 033 0235.00
53 033 0236.01	53 033 0236.03	53 033 0236.04	53 033 0237.01	53 033 0237.02	53 033 0238.01	53 033 0238.05	53 033 0238.06	53 033 0238.07	53 033 0238.08
53 033 0239.01	53 033 0239.02	53 033 0240.01	53 033 0240.02	53 033 0241.00	53 033 0242.00	53 033 0243.01	53 033 0243.02	53 033 0244.00	53 033 0245.00
53 033 0246.01	53 033 0246.02	53 033 0247.01	53 033 0247.03	53 033 0247.04	53 033 0248.00	53 033 0249.01	53 033 0249.02	53 033 0249.04	53 033 0249.05

Assessment Areas/REMA

53 033 0250.01	53 033 0250.05	53 033 0250.06	53 033 0250.07	53 033 0250.08	53 033 0251.01	53 033 0251.03	53 033 0251.04	53 033 0252.01	53 033 0252.02
53 033 0253.02	53 033 0253.03	53 033 0253.04	53 033 0254.01	53 033 0254.02	53 033 0255.00	53 033 0256.01	53 033 0256.02	53 033 0257.02	53 033 0257.03
53 033 0257.04	53 033 0258.03	53 033 0258.04	53 033 0258.05	53 033 0258.06	53 033 0260.01	53 033 0260.03	53 033 0260.04	53 033 0261.01	53 033 0261.02
53 033 0262.00	53 033 0263.00	53 033 0264.00	53 033 0265.00	53 033 0266.00	53 033 0267.00	53 033 0268.01	53 033 0268.02	53 033 0270.00	53 033 0271.00
53 033 0272.00	53 033 0273.00	53 033 0274.00	53 033 0275.00	53 033 0276.00	53 033 0277.01	53 033 0277.02	53 033 0278.00	53 033 0279.01	53 033 0279.02
53 033 0280.00	53 033 0281.00	53 033 0282.00	53 033 0283.00	53 033 0284.02	53 033 0284.03	53 033 0285.00	53 033 0286.00	53 033 0287.00	53 033 0288.01
53 033 0288.02	53 033 0289.01	53 033 0289.02	53 033 0290.01	53 033 0290.03	53 033 0290.04	53 033 0291.01	53 033 0291.02	53 033 0292.03	53 033 0292.05
53 033 0292.06	53 033 0292.07	53 033 0292.08	53 033 0293.04	53 033 0293.05	53 033 0293.06	53 033 0293.07	53 033 0293.08	53 033 0293.09	53 033 0294.03
53 033 0294.05	53 033 0294.06	53 033 0294.07	53 033 0294.08	53 033 0295.04	53 033 0295.05	53 033 0295.06	53 033 0295.07	53 033 0295.08	53 033 0296.02
53 033 0296.03	53 033 0296.04	53 033 0297.01	53 033 0297.02	53 033 0298.03	53 033 0298.04	53 033 0298.05	53 033 0298.06	53 033 0299.01	53 033 0299.02
53 033 0300.03	53 033 0300.05	53 033 0300.06	53 033 0300.07	53 033 0300.08	53 033 0301.01	53 033 0301.02	53 033 0302.01	53 033 0302.03	53 033 0302.04

Assessment Areas/REMA

53 033 0303.04	53 033 0303.05	53 033 0303.06	53 033 0303.08	53 033 0303.09	53 033 0303.10	53 033 0303.11	53 033 0303.12	53 033 0303.13	53 033 0303.14
53 033 0304.03	53 033 0304.04	53 033 0304.05	53 033 0304.06	53 033 0304.07	53 033 0305.01	53 033 0305.03	53 033 0305.04	53 033 0306.00	53 033 0307.00
53 033 0308.01	53 033 0308.02	53 033 0309.01	53 033 0309.02	53 033 0310.00	53 033 0311.01	53 033 0311.02	53 033 0312.02	53 033 0312.04	53 033 0312.06
53 033 0312.07	53 033 0312.08	53 033 0313.01	53 033 0313.02	53 033 0314.00	53 033 0315.01	53 033 0315.02	53 033 0316.01	53 033 0316.03	53 033 0316.04
53 033 0316.05	53 033 0317.04	53 033 0317.05	53 033 0317.07	53 033 0317.08	53 033 0317.09	53 033 0317.10	53 033 0318.00	53 033 0319.04	53 033 0319.06
53 033 0319.08	53 033 0319.09	53 033 0319.10	53 033 0319.11	53 033 0319.12	53 033 0319.13	53 033 0320.02	53 033 0320.03	53 033 0320.05	53 033 0320.06
53 033 0320.07	53 033 0320.08	53 033 0320.10	53 033 0320.11	53 033 0321.02	53 033 0321.03	53 033 0321.04	53 033 0322.07	53 033 0322.11	53 033 0322.13
53 033 0322.15	53 033 0322.16	53 033 0322.17	53 033 0322.18	53 033 0322.19	53 033 0322.20	53 033 0322.21	53 033 0322.22	53 033 0322.23	53 033 0322.24
53 033 0322.25	53 033 0323.07	53 033 0323.11	53 033 0323.13	53 033 0323.15	53 033 0323.16	53 033 0323.17	53 033 0323.18	53 033 0323.19	53 033 0323.20
53 033 0323.21	53 033 0323.22	53 033 0323.23	53 033 0323.24	53 033 0323.25	53 033 0323.26	53 033 0323.27	53 033 0323.28	53 033 0323.30	53 033 0323.31
53 033 0323.32	53 033 0323.33	53 033 0324.01	53 033 0324.02	53 033 0325.00	53 033 0326.01	53 033 0326.03	53 033 0326.04	53 033 0326.05	53 033 0327.03

53 033 0327.04	53 033 0327.05	53 033 0327.06	53 033 0328.00	53 033 9901.00

WASHINGTON (53) - KITSAP COUNTY (035) - 60 Tracts

53 035 0801.01	53 035 0801.02	53 035 0802.00	53 035 0803.00	53 035 0804.00	53 035 0805.00	53 035 0806.00	53 035 0807.00	53 035 0808.00	53 035 0809.00
53 035 0810.00	53 035 0811.00	53 035 0812.00	53 035 0814.00	53 035 0901.01	53 035 0901.02	53 035 0902.01	53 035 0902.02	53 035 0903.00	53 035 0904.00
53 035 0905.01	53 035 0905.02	53 035 0907.00	53 035 0908.00	53 035 0909.01	53 035 0909.02	53 035 0910.01	53 035 0910.02	53 035 0911.00	53 035 0912.01
53 035 0912.04	53 035 0912.05	53 035 0912.06	53 035 0913.01	53 035 0913.02	53 035 0914.00	53 035 0915.00	53 035 0916.00	53 035 0917.01	53 035 0917.02
53 035 0918.00	53 035 0919.00	53 035 0920.00	53 035 0921.01	53 035 0921.02	53 035 0922.00	53 035 0923.00	53 035 0924.00	53 035 0925.00	53 035 0926.00
53 035 0927.01	53 035 0927.04	53 035 0928.01	53 035 0928.02	53 035 0928.03	53 035 0929.01	53 035 0929.02	53 035 9400.00	53 035 9401.00	53 035 9901.00

WASHINGTON (53) - MASON COUNTY (045) - 19 Tracts

53 045 9400.00	53 045 9601.00	53 045 9602.01	53 045 9602.02	53 045 9603.01	53 045 9603.02	53 045 9604.01	53 045 9604.02	53 045 9604.03	53 045 9605.00
53 045 9606.00	53 045 9607.00	53 045 9608.00	53 045 9609.00	53 045 9610.00	53 045 9611.01	53 045 9611.02	53 045 9612.00	53 045 9613.00	

WASHINGTON (53) - PIERCE COUNTY (053) - 193 Tracts

53 053 0602.00	53 053 0603.00	53 053 0604.00	53 053 0605.00	53 053 0606.00	53 053 0607.00	53 053 0608.00	53 053 0609.03	53 053 0609.04	53 053 0609.06
53 053 0609.07	53 053 0609.08	53 053 0610.01	53 053 0610.02	53 053 0611.00	53 053 0612.00	53 053 0613.00	53 053 0614.00	53 053 0615.01	53 053 0615.02
53 053 0616.01	53 053 0616.02	53 053 0617.00	53 053 0618.00	53 053 0619.00	53 053 0620.00	53 053 0623.00	53 053 0624.00	53 053 0625.01	53 053 0625.02
53 053 0626.00	53 053 0628.01	53 053 0628.02	53 053 0629.01	53 053 0629.02	53 053 0630.00	53 053 0631.00	53 053 0632.00	53 053 0633.01	53 053 0633.02
53 053 0634.01	53 053 0634.02	53 053 0635.01	53 053 0635.02	53 053 0701.00	53 053 0702.04	53 053 0702.05	53 053 0702.06	53 053 0702.07	53 053 0702.08
53 053 0702.09	53 053 0703.07	53 053 0703.08	53 053 0703.09	53 053 0703.10	53 053 0703.11	53 053 0703.12	53 053 0703.13	53 053 0703.14	53 053 0703.15
53 053 0703.16	53 053 0704.01	53 053 0704.03	53 053 0704.04	53 053 0707.03	53 053 0711.00	53 053 0712.05	53 053 0712.06	53 053 0712.07	53 053 0712.09
53 053 0712.10	53 053 0712.11	53 053 0712.12	53 053 0713.04	53 053 0713.05	53 053 0713.06	53 053 0713.07	53 053 0713.09	53 053 0713.10	53 053 0714.03
53 053 0714.08	53 053 0714.09	53 053 0714.11	53 053 0714.12	53 053 0714.13	53 053 0714.14	53 053 0714.15	53 053 0714.16	53 053 0714.17	53 053 0715.03
53 053 0715.04	53 053 0715.05	53 053 0715.06	53 053 0716.01	53 053 0716.03	53 053 0716.04	53 053 0717.03	53 053 0717.04	53 053 0717.05	53 053 0717.06

Assessment Areas/REMA

53 053 0717.07	53 053 0718.03	53 053 0718.05	53 053 0718.06	53 053 0718.07	53 053 0718.08	53 053 0719.01	53 053 0719.02	53 053 0720.00	53 053 0721.05
53 053 0721.06	53 053 0721.07	53 053 0721.08	53 053 0721.09	53 053 0721.11	53 053 0721.12	53 053 0723.05	53 053 0723.07	53 053 0723.09	53 053 0723.10
53 053 0723.11	53 053 0723.12	53 053 0723.13	53 053 0723.14	53 053 0723.15	53 053 0724.05	53 053 0724.06	53 053 0724.07	53 053 0724.08	53 053 0724.09
53 053 0724.10	53 053 0725.03	53 053 0725.04	53 053 0725.06	53 053 0725.07	53 053 0725.08	53 053 0725.09	53 053 0726.01	53 053 0726.02	53 053 0726.03
53 053 0728.01	53 053 0728.02	53 053 0729.01	53 053 0729.03	53 053 0729.07	53 053 0729.08	53 053 0729.09	53 053 0730.01	53 053 0730.05	53 053 0730.06
53 053 0731.10	53 053 0731.11	53 053 0731.14	53 053 0731.15	53 053 0731.16	53 053 0731.17	53 053 0731.18	53 053 0731.19	53 053 0731.20	53 053 0731.21
53 053 0731.22	53 053 0731.23	53 053 0731.24	53 053 0731.26	53 053 0731.27	53 053 0731.28	53 053 0731.29	53 053 0731.30	53 053 0731.31	53 053 0731.32
53 053 0731.33	53 053 0732.00	53 053 0733.01	53 053 0733.02	53 053 0734.04	53 053 0734.05	53 053 0734.06	53 053 0734.07	53 053 0734.08	53 053 0735.01
53 053 0735.02	53 053 9400.01	53 053 9400.02	53 053 9400.04	53 053 9400.05	53 053 9400.06	53 053 9400.07	53 053 9400.08	53 053 9400.09	53 053 9400.10
53 053 9400.11	53 053 9400.12	53 053 9400.13							

WASHINGTON (53) - SKAGIT COUNTY (057) - 42 Tracts

53 057 9402.01	53 057 9403.01	53 057 9403.02	53 057 9404.01	53 057 9404.02	53 057 9404.03	53 057 9405.00	53 057 9406.00	53 057 9407.00	53 057 9408.01
53 057 9408.02	53 057 9501.00	53 057 9508.01	53 057 9508.02	53 057 9508.03	53 057 9509.00	53 057 9510.00	53 057 9511.01	53 057 9511.02	53 057 9512.00
53 057 9513.00	53 057 9514.00	53 057 9515.01	53 057 9515.02	53 057 9515.03	53 057 9516.00	53 057 9517.00	53 057 9518.00	53 057 9519.00	53 057 9521.00
53 057 9522.00	53 057 9523.01	53 057 9523.03	53 057 9523.04	53 057 9524.01	53 057 9524.03	53 057 9524.04	53 057 9524.05	53 057 9525.00	53 057 9526.00
53 057 9527.00	53 057 9901.00								

WASHINGTON (53) - SNOHOMISH COUNTY (061) - 175 Tracts

53 061 0401.00	53 061 0402.00	53 061 0403.00	53 061 0404.00	53 061 0405.00	53 061 0407.00	53 061 0408.00	53 061 0409.00	53 061 0410.00	53 061 0411.00
53 061 0412.01	53 061 0412.02	53 061 0413.01	53 061 0413.03	53 061 0413.04	53 061 0414.00	53 061 0415.00	53 061 0416.01	53 061 0416.05	53 061 0416.06
53 061 0416.07	53 061 0416.09	53 061 0416.10	53 061 0417.01	53 061 0417.03	53 061 0417.04	53 061 0418.05	53 061 0418.08	53 061 0418.09	53 061 0418.10
53 061 0418.12	53 061 0418.13	53 061 0418.14	53 061 0418.15	53 061 0418.16	53 061 0419.01	53 061 0419.04	53 061 0419.05	53 061 0419.06	53 061 0419.07

Assessment Areas/REMA

53 061 0420.01	53 061 0420.03	53 061 0420.04	53 061 0420.05	53 061 0420.06	53 061 0501.01	53 061 0501.02	53 061 0502.00	53 061 0503.00	53 061 0504.02
53 061 0504.03	53 061 0504.04	53 061 0505.01	53 061 0505.02	53 061 0506.00	53 061 0507.00	53 061 0508.00	53 061 0509.00	53 061 0510.00	53 061 0511.00
53 061 0512.00	53 061 0513.01	53 061 0513.02	53 061 0514.01	53 061 0514.02	53 061 0515.00	53 061 0516.01	53 061 0516.02	53 061 0517.01	53 061 0517.02
53 061 0518.02	53 061 0518.03	53 061 0518.04	53 061 0519.12	53 061 0519.13	53 061 0519.14	53 061 0519.16	53 061 0519.17	53 061 0519.18	53 061 0519.21
53 061 0519.22	53 061 0519.26	53 061 0519.27	53 061 0519.28	53 061 0519.29	53 061 0519.30	53 061 0519.31	53 061 0519.32	53 061 0519.33	53 061 0519.34
53 061 0519.35	53 061 0519.36	53 061 0519.37	53 061 0519.38	53 061 0520.04	53 061 0520.05	53 061 0520.06	53 061 0520.07	53 061 0520.08	53 061 0520.09
53 061 0520.10	53 061 0521.04	53 061 0521.05	53 061 0521.07	53 061 0521.08	53 061 0521.12	53 061 0521.13	53 061 0521.14	53 061 0521.19	53 061 0521.20
53 061 0521.21	53 061 0521.22	53 061 0522.03	53 061 0522.04	53 061 0522.06	53 061 0522.07	53 061 0522.08	53 061 0522.10	53 061 0522.11	53 061 0523.01
53 061 0523.02	53 061 0524.01	53 061 0524.02	53 061 0525.02	53 061 0525.04	53 061 0525.05	53 061 0525.06	53 061 0526.03	53 061 0526.04	53 061 0526.05
53 061 0526.06	53 061 0526.07	53 061 0527.01	53 061 0527.06	53 061 0527.07	53 061 0527.08	53 061 0527.09	53 061 0527.10	53 061 0527.11	53 061 0528.03
53 061 0528.05	53 061 0528.07	53 061 0528.08	53 061 0528.09	53 061 0528.10	53 061 0529.03	53 061 0529.04	53 061 0529.05	53 061 0529.06	53 061 0531.01

53 061 0531.02	53 061 0532.01	53 061 0532.02	53 061 0533.01	53 061 0533.02	53 061 0534.00	53 061 0535.05	53 061 0535.06	53 061 0535.07	53 061 0535.08
53 061 0535.09	53 061 0535.10	53 061 0535.11	53 061 0536.03	53 061 0536.04	53 061 0536.05	53 061 0536.06	53 061 0537.00	53 061 0538.01	53 061 0538.02
53 061 0538.03	53 061 9400.01	53 061 9400.02	53 061 9900.02	53 061 9901.00					

WASHINGTON (53) - THURSTON COUNTY (067) - 62 Tracts

53 067 0101.00	53 067 0102.00	53 067 0103.00	53 067 0104.00	53 067 0105.10	53 067 0105.20	53 067 0106.00	53 067 0107.00	53 067 0108.01	53 067 0108.02
53 067 0109.10	53 067 0109.20	53 067 0110.00	53 067 0111.00	53 067 0112.00	53 067 0113.00	53 067 0114.10	53 067 0114.21	53 067 0114.22	53 067 0115.00
53 067 0116.22	53 067 0116.23	53 067 0116.24	53 067 0116.25	53 067 0116.26	53 067 0116.27	53 067 0116.28	53 067 0117.20	53 067 0117.21	53 067 0117.22
53 067 0118.10	53 067 0118.21	53 067 0118.22	53 067 0119.01	53 067 0119.02	53 067 0120.01	53 067 0120.02	53 067 0121.00	53 067 0122.11	53 067 0122.21
53 067 0122.23	53 067 0122.24	53 067 0122.25	53 067 0122.26	53 067 0123.20	53 067 0123.30	53 067 0123.31	53 067 0123.32	53 067 0124.12	53 067 0124.20
53 067 0124.21	53 067 0124.22	53 067 0125.10	53 067 0125.30	53 067 0125.31	53 067 0125.32	53 067 0126.10	53 067 0126.20	53 067 0127.10	53 067 0127.20
53 067 0127.30	53 067 9901.00								

Assessment Areas/REMA

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: SPOKANE COUNTY

FIPS Codes

WASHINGTON (53) - SPOKANE COUNTY (063) - 130 Tracts

53 063 0002.01	53 063 0002.02	53 063 0003.01	53 063 0003.02	53 063 0004.00	53 063 0005.00	53 063 0006.00	53 063 0007.00	53 063 0008.00	53 063 0009.00
53 063 0010.00	53 063 0011.00	53 063 0012.00	53 063 0013.00	53 063 0014.00	53 063 0015.00	53 063 0016.00	53 063 0018.00	53 063 0019.00	53 063 0020.00
53 063 0021.00	53 063 0023.00	53 063 0024.00	53 063 0025.01	53 063 0025.02	53 063 0025.03	53 063 0026.00	53 063 0029.00	53 063 0030.00	53 063 0031.00
53 063 0032.00	53 063 0035.00	53 063 0036.01	53 063 0036.02	53 063 0038.00	53 063 0039.00	53 063 0040.01	53 063 0040.02	53 063 0041.00	53 063 0042.00
53 063 0043.00	53 063 0044.00	53 063 0045.00	53 063 0046.01	53 063 0046.02	53 063 0047.01	53 063 0047.02	53 063 0048.00	53 063 0049.00	53 063 0050.00
53 063 0101.01	53 063 0101.02	53 063 0102.01	53 063 0102.03	53 063 0102.04	53 063 0103.01	53 063 0103.03	53 063 0103.04	53 063 0103.05	53 063 0104.01
53 063 0104.03	53 063 0104.04	53 063 0105.04	53 063 0105.05	53 063 0105.06	53 063 0105.07	53 063 0105.08	53 063 0106.01	53 063 0106.03	53 063 0106.04
53 063 0107.01	53 063 0107.02	53 063 0108.00	53 063 0109.01	53 063 0109.02	53 063 0110.00	53 063 0111.02	53 063 0111.03	53 063 0111.04	53 063 0112.02

Assessment Areas/REMA

53 063 0112.03	53 063 0112.04	53 063 0113.01	53 063 0113.02	53 063 0114.00	53 063 0115.00	53 063 0116.00	53 063 0117.01	53 063 0117.02	53 063 0118.00
53 063 0119.00	53 063 0120.00	53 063 0121.00	53 063 0122.00	53 063 0123.00	53 063 0124.01	53 063 0124.02	53 063 0125.00	53 063 0126.00	53 063 0127.01
53 063 0127.02	53 063 0128.01	53 063 0128.02	53 063 0129.01	53 063 0129.02	53 063 0130.01	53 063 0130.02	53 063 0130.03	53 063 0131.01	53 063 0131.02
53 063 0132.01	53 063 0132.03	53 063 0132.04	53 063 0132.05	53 063 0133.00	53 063 0134.01	53 063 0135.01	53 063 0135.02	53 063 0135.03	53 063 0136.00
53 063 0137.00	53 063 0138.00	53 063 0139.00	53 063 0140.01	53 063 0140.02	53 063 0141.00	53 063 0142.00	53 063 0143.00	53 063 0144.00	53 063 0145.00

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

Assessment Areas/REMA

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: WASHINGTON STATE NON-MSA

FIPS Codes

WASHINGTON (53) - CLALLAM COUNTY (009) - 21 Tracts

53 009 0006.00	53 009 0007.00	53 009 0008.00	53 009 0009.00	53 009 0010.00	53 009 0011.00	53 009 0012.00	53 009 0013.00	53 009 0014.00	53 009 0015.00
53 009 0016.00	53 009 0017.01	53 009 0017.02	53 009 0018.00	53 009 0019.01	53 009 0019.02	53 009 0020.01	53 009 0020.02	53 009 0021.00	53 009 0023.01
53 009 0023.02									

WASHINGTON (53) - JEFFERSON COUNTY (031) - 9 Tracts

53 031 9502.02	53 031 9503.01	53 031 9503.02	53 031 9504.00	53 031 9505.01	53 031 9505.02	53 031 9506.02	53 031 9506.03	53 031 9506.04

WASHINGTON (53) - SAN JUAN COUNTY (055) - 9 Tracts

53 055 9601.01	53 055 9601.02	53 055 9601.03	53 055 9603.01	53 055 9603.02	53 055 9604.00	53 055 9605.01	53 055 9605.02	53 055 9901.00

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

TRACTS LIST

Institution: HERITAGE BANK Assessment Set: CRA ASSESSMENT AREA - MAY 2026 (2026), Area: YAKIMA MSA

FIPS Codes

WASHINGTON (53) - YAKIMA COUNTY (077) - 57 Tracts

53 077 0001.00	53 077 0002.00	53 077 0003.01	53 077 0003.02	53 077 0004.01	53 077 0004.02	53 077 0005.00	53 077 0006.00	53 077 0007.00	53 077 0008.00
53 077 0009.02	53 077 0009.03	53 077 0009.04	53 077 0010.00	53 077 0011.00	53 077 0012.01	53 077 0012.02	53 077 0013.00	53 077 0014.00	53 077 0015.02
53 077 0015.03	53 077 0015.04	53 077 0016.01	53 077 0016.02	53 077 0017.01	53 077 0017.02	53 077 0018.01	53 077 0018.02	53 077 0019.01	53 077 0019.02
53 077 0020.03	53 077 0020.04	53 077 0020.05	53 077 0020.06	53 077 0021.01	53 077 0021.03	53 077 0021.04	53 077 0022.01	53 077 0022.02	53 077 0027.01
53 077 0028.01	53 077 0028.03	53 077 0028.04	53 077 0029.00	53 077 0030.02	53 077 0030.03	53 077 0030.04	53 077 0031.00	53 077 0032.00	53 077 0034.00
53 077 9400.01	53 077 9400.02	53 077 9400.03	53 077 9400.05	53 077 9400.06	53 077 9400.07	53 077 9400.08			

Sources: 2020 Census Data with 2020 ACS-5 Updates and 2026 FFIEC/ACS-1 Updates, 2026 Dun & Bradstreet (As of 01/08/2026). Business and farm counts are provided directly from Dun and Bradstreet for RiskExec reports.

Heritage BANK

Community Reinvestment Act Disclosure Notice

CRA Disclosure Statement Availability

The Community Reinvestment Act (CRA) Disclosure Statement for Heritage Bank, including the bank's CRA-reportable lending data, is available from the **Federal Financial Institutions Examination Council (FFIEC)**.

The Disclosure Statement may be obtained through the FFIEC website at: **https://www.ffiec.gov/cra**

This notice is maintained in accordance with the requirements of the Community Reinvestment Act public file regulations applicable to large banks subject to CRA data collection and reporting requirements.

The most recent data was published by the FFIEC on November 5, 2026.

Heritage BANK

Home Mortgage Disclosure Act Notice

Home Mortgage Disclosure Act Notice The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age, and income of applicants and borrowers; and information about loan approvals and denials.

This data is available online at the Consumer Financial Protection Bureau's Web site (*www.consumerfinance.gov/hmda*). *HMDA data for many other financial institutions are also available at this Web site.*