2025 ANNUAL REPORT

To Our Shareholders

At First Interstate Bank, our purposeful vision is simple: we meet people where they are, helping them get to where they want to be. In 2025, during my first year as CEO, that vision guided a year of focusing our footprint, exiting lines of business, and disciplined capital management as we sharpened our strategy around what we do best: relationship banking, organic growth, and serving communities.

First Interstate continues to benefit from a low-cost deposit base, strong market share in attractive growth markets, convenient branch locations, a competitive technology offering, and a hospitality driven client-centric culture.

To further build on these strengths, we made strategic decisions to exit indirect lending and certain nonrelationship large transactional loans, as well as outsource our consumer credit card business. At the same time, decisive action was taken to optimize our footprint. In 2025, we divested our Arizona and Kansas branches, closed single branches in Minnesota and North Dakota in early 2026, and announced the sale of 11 rural Nebraska locations to be finalized in 2026. These actions resulted in a more focused, contiguous 10-state footprint with a stronger deposit profile, improved efficiency, and enhanced brand density.

We reorganized our bank, focused on creating a flatter banking organization designed to enable decisions to be made closer to the client. This, combined with key hires and strategic promotions of existing team members, has resulted in faster decision making, improved accountability, and best-in-class client experiences.

To drive organic growth, in addition to our Banking organization redesign, we have made key investments. In the fourth quarter, we began building out a commercial banking team in Colorado, along with additional investments in relationship managers across our footprint. We opened a new branch in Columbia Falls, Montana in 2025, along with a new branch in Billings, Montana in early 2026.

Guided by our strategy, we maintained strong capital levels while deploying capital to shareholders. In the fourth quarter alone, we returned approximately $138 million through share repurchases and dividends, with the quarterly dividend holding steady at $0.47 per common share.

Community commitment remained central to who we are. In 2025, First Interstate surpassed $100 million in philanthropic giving since the founding of the First Interstate BancSystem Foundation in 1990, supporting food security, financial education, volunteerism, and nonprofit partners across our footprint. Our philosophy is a strong community leads to a strong bank.

Looking ahead, First Interstate is well positioned with a clear strategy, a strong balance sheet, and a team offering best-in-class experience and products to our clients. I am confident in our direction and grateful for the trust you place in us.

Sincerely,

Jim Reuter
President & CEO
First Interstate BancSystem, Inc.

ROOTED IN RELATIONSHIPS EVERY DAY

Across every market and line of business, First Interstate's purposeful vision remains top of mind: to meet people where they are and help them get to where they want to be.

We do this through:

- Responsive financial solutions that support individuals, families, and businesses
- Philanthropic investments that uplift nonprofits and essential services
- Volunteerism and personal engagement that strengthen community bonds

At First Interstate, we don't just work in our communities, we're part of them. Serving our clients goes hand-in-hand with serving our communities. It's not an either or proposition, it's who we are. Across our footprint, we work every day to strengthen local economies, meet financial needs with care and expertise, and invest deeply in the well being of the places we call home. Our approach blends philanthropy, volunteerism, and responsive banking solutions that ensure individuals, families, and businesses have the support they need to thrive.

Core Principles

Our Core Principles are our Compass. They guide how we move forward, wherever we are. These principles shape intentional practices that ground our culture and empower our team to deliver meaningful results.

Courage

We grow relationships by showing up with respect, seeking to understand, and being free to challenge.

Collaboration

We build together as one team bringing the best of our collective experiences.

Curiosity

We lead with inquiry to unlock potential, balancing what is with what could be.

BRANCH NETWORK OPTIMIZATION

In 2025, First Interstate continued to take important steps to align our branch network with the markets that offer the greatest opportunity for long-term growth. Our branch transformation strategy remains focused on creating a balanced, efficient footprint, one that supports our clients' evolving preferences while positioning us to invest more deeply in the communities where we have the strongest potential for organic growth.

As part of this effort, we completed the divestiture of our Arizona and Kansas branches to Enterprise Bank & Trust in October 2025. This transaction allowed us to sharpen our geographic focus and redeploy resources into markets more closely aligned with our long-term strategic priorities. We also announced the planned sale of 11 Nebraska branches to Security First Bank. That transaction closed April 10, 2026, further streamlining our presence and strengthening our ability to focus on high-growth regions where we can make the greatest impact.

At the same time, we are expanding where we see strong population and business growth. In May 2025, we opened a de novo branch in Columbia Falls, Montana, expanding our presence in the rapidly growing Flathead Valley.

In addition, we opened a new location on the west end of Billings, Montana where there are significant growth opportunities. We are also relocating branch #1 for First Interstate to a new location in Sheridan, Wyoming, where we are honoring our history while creating a more modern, efficient branch experience.

DIGITAL FOCUS

In 2025, First Interstate continued to focus on digital transformation to meet the evolving ways our clients choose to bank.

Client engagement across our digital platforms reached record levels in 2025. Clients logged more than 55 million combined online and mobile banking sessions during the year, including over 40 million mobile app logins. In November alone, digital account opening reached a milestone, with improvement in accounts opened online, demonstrating increased demand for seamless, self-service onboarding.

Digital capabilities also continue to play a critical role in how clients move money and manage their finances. Enhancements to mobile deposit limits, Zelle® transfer limits, and card management features further improved day-to-day usability, while upgrades to reporting and money management tools gave clients deeper insight into their financial activity.

Throughout the year, we executed a series of targeted digital enhancements designed to reduce friction and improve access. These included a redesigned login experience from our homepage, the migration of business clients to Online Business Banking, and continued promotion of personal financial management tools.

Looking ahead, digital innovation remains a key pillar of our strategy. In 2026, we will continue modernizing our platforms with refreshed branding, next-generation user interface enhancements, and expanded real-time capabilities. Planned initiatives include faster payments, additional fraud and security protections, and improved online account opening. These investments will support more meaningful digital engagement, stronger cross-selling capabilities, and ongoing efforts to deliver safe, efficient, and intuitive banking experiences.

Local giving. Lasting impact.

First Interstate Bank and its Foundation are committed to supporting our communities through philanthropy. Since the Foundation's inception in 1990, the Bank and Foundation together have contributed

$101,586,383

toward enhancing the communities we serve. As we continue to recognize the importance of giving back, here's a look at how our communities were supported in 2025.

$7.2M
Donated in 2025

First Interstate contributes a portion of pretax net income to charitable giving. In 2025, the Bank and Foundation gifted over $7.2 million to make a difference in our communities.

3,304 Nonprofits Served

55% Tackled Poverty

With 3,304 nonprofit organizations supported by the Bank and Foundation, 55% of them focused on issues surrounding poverty and Low- and Moderate-Income.

$3 Million
Over the Last 16 Years

We strive to help the hungry through food programs like our "Neighbors Feeding Neighbors" initiative. Throughout 2025, employee donations through this program were double-matched by our Foundation and totaled $271,297.

Foundation Match Programs

First Interstate supports nonprofits by matching eligible volunteer hours and charitable gifts through our matching program, enriching charitable organizations with much-needed support and financial resources.

Over
$955K Contributed

Volunteer Day

Helping our neighbors, particularly those most in need, is at the heart of our company. Service projects included financial literacy trainings, food collection and sorting, building affordable housing, and creating hygiene and wellness kits for people struggling with homelessness.

11.5K+
Volunteer Hours

2,885+ Employees
375 Organizations
$170K Grants

Over
60,540
Dedicated Service Hours to Our Communities

Believe in Local

$1 Million
Community Support

In 2025, First Interstate Bank, in partnership with First Interstate BancSystem Foundation, gifted $1 million in grants as part of our "Believe in Local" campaign. Employee nominations determined 40 impactful nonprofit organizations that each received $25,000 gifts to further their mission.

Coats and More

Our "Coats and More" initiative, started in 2009, has helped thousands of people get through challenging winters. A total of 6,583 winter items were donated to this program in 2025.

86,986
Winter Items Collected Over the Last 17 Years

Financial Education

With new virtual tools allowing greater outreach, our financial education efforts reached more people in new and engaging ways.

334 Presentations Given

15,447 Attendees Present

10,538 Info Packets Distributed

Executive Management

James A. Reuter
President & Chief Executive Officer

Kristina R. Robbins
Executive Vice President &
Chief Operations Officer

David P. Della Camera
Executive Vice President &
Chief Financial Officer

Leslie A. Scharfe
Chief of Staff

Kirk D. Jensen
Executive Vice President &
General Counsel/Corporate Secretary

Christopher L. Shepler
Executive Vice President &
Chief Banking Officer

Nathan R. Jones
Executive Vice President &
Chief Risk Officer

Rachel B. Turitto
Executive Vice President &
Chief Human Resources Officer

Lori A. Meyer
Executive Vice President &
Chief Information Officer

Board of Directors

Stephen B. Bowman
Chair of the Board
Retired Chief Financial Officer,
The Northern Trust Corporation

Stephen M. Lacy
Retired Chair, Meredith Corporation

James A. Reuter
President & Chief Executive Officer,
First Interstate BancSystem, Inc.

Patricia L. Moss
Retired President & Chief Executive Officer, Bank of the Cascades and Cascade Bancorp

Renu Agrawal
Former Executive Vice President
& Chief Operating Officer,
Financial Institutions Group,
Wells Fargo

Joyce A. Phillips
Chief Executive Officer,
EqualFuture Corp.

Alice S. Cho
Consultant, Ludwig Advisors LLC

Daniel A. Rykhus
Retired President & Chief Executive Officer, Raven Industries

John M. Heyneman, Jr.
Managing Partner, Awe LLC
and Towanda Investments LLC

James R. Scott, Jr.
Managing General Partner,
JS Investments LP

David L. Jahnke
Retired Partner, KPMG

Jeremy P. Scott
Co-Founder & Chief Executive Officer, J&G Brothers Biz, Inc.

Dennis L. Johnson
Retired President & Chief Executive Officer, United Heritage Mutual Holding Company

Michael L. Scudder
Retired Executive Chairman,
Old National Bancorp

To learn more about our Executive Management and Board of Directors, please visit **FIBK.com**.

Form 10-K

DECEMBER 31, 2025

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-K

(Mark One)

☑ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2025

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from __________ to __________.

Commission File Number: 001-34653

FIRST INTERSTATE BANCSYSTEM, INC.

(Exact name of registrant as specified in its charter)

Delaware	**81-0331430**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

401 North 31st Street **Billings, MT**	**59101**
(Address of principal executive offices)	(zip code)

(406) 255-5311

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common stock, $0.00001 par value	FIBK	NASDAQ

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

None

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☑ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☑ No

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of voting and non-voting common equity held by non-affiliates, computed by reference to the price at which the common equity was last sold on the NASDAQ, as of the last business day of the registrant's most recently completed second fiscal quarter was $2.6 billion.

As of January 31, 2026, there were 101,118,302 shares outstanding of the registrant's Common stock.

Documents Incorporated by Reference

The registrant intends to file a definitive Proxy Statement on Schedule 14A with the SEC within 120 days after the end of its fiscal year ended December 31, 2025, in connection with its Annual Meeting of Shareholders scheduled to be held on May 27, 2026. The information required by Part III of this Form 10-K is incorporated by reference to such Proxy Statement.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES

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December 31, 2025

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PART I

Cautionary Note Regarding Forward-Looking Statements

When we refer to "we," "our," "us," "First Interstate," or the "Company" in this report, we mean First Interstate BancSystem, Inc. and our consolidated subsidiaries, including our wholly-owned subsidiary, First Interstate Bank, unless the context indicates that we refer only to the parent company, First Interstate BancSystem, Inc. When we refer to the "Bank" or "FIB" in this report, we mean only First Interstate Bank.

This report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Rule 175 promulgated thereunder, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Rule 3b-6 promulgated thereunder, that involve inherent risks and uncertainties. Any statements about our plans, objectives, expectations, strategies, beliefs, or future performance, financial condition, results of operations, investment portfolio, market position, or events constitute forward-looking statements. Such statements are identified by words or phrases such as "believes," "expects," "anticipates," "plans," "trends," "objectives," "continues," "projected," as well as the negative forms of those words or similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "might," "may," or similar expressions. Forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other important factors that could cause actual results to differ materially from any results, performance or events expressed or implied by such forward-looking statements. The factors included below under the caption "Summary Risk Factors" and described in further detail below under Item 1A Risk Factors of this report, among others, may cause actual results to differ materially from current expectations in the forward-looking statements, including those set forth in this report.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth herein. Interested parties are urged to read in their entirety the referenced risk factors prior to making any investment decision with respect to the Company. Forward-looking statements speak only as of the date they are made and we do not undertake or assume any obligation to update publicly any of these statements to reflect actual results, new information, or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable laws. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Summary Risk Factors

An investment in shares of our common stock involves a high degree of risk. If any of the factors enumerated below and described in more detail in the section entitled "Risk Factors" under Item 1A of this report occurs, our business, financial condition, liquidity, and results of operations could be materially and adversely affected. In that case, the market price for our common stock could decline, and you may lose some or all of your investment. Some of the most material risks relating to an investment in our common stock include the impact or effect on our Company and its operating results, or its investors, of:

Regulatory and Compliance Risks, including:

- new or changes in existing governmental regulations or in the way such regulations are interpreted or enforced;
- negative developments in the banking industry and increased regulatory scrutiny;
- tax legislative initiatives or assessments;
- more stringent capital requirements, to the extent they may become applicable to us;
- changes in accounting standards;
- any failure to comply with applicable laws and regulations, including, but not limited to, the Community Reinvestment Act ("CRA") and fair lending laws, the USA PATRIOT ACT, OFAC guidelines and requirements, the BSA, and the related FinCEN and FFIEC Guidelines and regulations (as each of such terms and acronyms is defined below); and
- federal deposit insurance assessment rate increases;

Credit Risks, including:

- lending risks and risks associated with loan portfolio concentrations;
- a decline in economic conditions that could reduce demand for our products and services and negatively impact the credit quality of loans;
- credit losses on loans exceeding estimates;
- potential effects on the U.S. economy resulting from the implementation of governmental policies, including tax regulations and changes to United States trade policies, including the imposition of tariffs and retaliatory tariffs and geopolitical uncertainty; and
- the soundness of other financial institutions;

Liquidity Risks, including:

- the ability to meet cash flow needs and availability of financing sources for working capital and other needs;
- a loss of deposits or a change in product mix that increases the Company's funding costs; and
- inability to access funding or to monetize liquid assets;

Market Risks, including:

- changes in interest rates; and
- interest rate effect on the value of our investment securities;

Operational Risks, including:

- cybersecurity risks, including business disruptions from denial-of-service attacks, network intrusions, business e-mail compromise, and other malicious behavior that could result in the disclosure of confidential information;
- privacy, information security, and data protection laws, rules, and regulations that affect or limit how we collect and use personal information or otherwise have an adverse effect on us;
- the potential impairment of our goodwill and other intangible assets;
- our reliance on third parties that provide key components of our business infrastructure;
- events that may tarnish our reputation;
- mainstream and social media contagion;
- the loss of the services of key members of our management team and directors;
- our ability to attract and retain qualified employees to operate our business;
- costs associated with repossessed properties, including potential environmental remediation;
- the effectiveness of our operational processes, policies and procedures, and internal control over financial reporting;
- our ability to implement technology-facilitated products and services or be successful in marketing these products and services to our clients; and
- the development and use of artificial intelligence ("AI");

Strategic Risks, including:

- risks related to acquisitions, mergers, strategic partnerships, divestitures, and other transactions;
- competition from new or existing financial institutions and non-banks;
- investing in technology; and
- incurrence of significant costs related to mergers and related integration activities;

Common Stock Risks, including:

- the volatility in the price and trading volume of our common stock;
- "anti-takeover" provisions in our certificate of incorporation and regulations, which may make it more difficult for a third party to acquire control of us even in circumstances that could be deemed beneficial to stockholders;
- changes in our dividend policy or our ability to pay dividends;
- the possibility that we may fail to realize the anticipated benefits of our stock repurchase program;
- our common stock not being an insured deposit;
- the potential dilutive effect of future equity issuances; and
- the subordination of our common stock to our existing and future indebtedness;

General Risk Factors, including:

- the effect of global conditions, earthquakes, volcanoes, tsunamis, floods, fires, drought, and other natural catastrophic events; and
- the impact of climate change and environmental sustainability matters.

The foregoing risk factors are not necessarily all of the factors that could cause our actual results, performance, or achievements to differ materially from expectations. Other unknown or unpredictable factors also could harm our results. Investors and other interested parties are encouraged to read the information included under the section captioned "Risk Factors" below in its entirety before making an investment decision about our securities.

Item 1. Business

Our Company

We are a financial and bank holding company focused on community banking. Since our incorporation in Montana in 1971, we have grown both organically and through strategic acquisitions. As of February 20, 2026, we operated 290 banking offices, including branches and detached drive-up facilities, in communities across 12 states— Colorado, Idaho, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming. Through our bank subsidiary, First Interstate Bank, we deliver a comprehensive range of banking products and services—including online and mobile banking—to individuals, businesses, government entities, and others throughout our market areas.

We are proud to provide financial services and products to clients that participate in a wide variety of industries, including:

- Agriculture
- Construction
- Education
- Governmental services
- Healthcare
- Hospitality
- Housing
- Professional services
- Real Estate Development
- Retail
- Technology
- Tourism
- Wholesale trade

Our common stock is traded on the NASDAQ Global Select Market, or NASDAQ, under the symbol "FIBK." Since our initial public offering, we have expanded our market reach through organic growth and strategic acquisitions, including our acquisitions of Mountain West Bank, United Bank, N.A., Flathead Bank of Bigfork, Bank of the Cascades, Inland Northwest Bank, Idaho Independent Bank, Community 1st Bank, and Great Western Bank. Our current strategy emphasizes disciplined organic growth by deepening and expanding full client relationships across deposits, lending and fee-based services. As of December 31, 2025, we had consolidated assets of $26.6 billion, deposits of $22.1 billion, loans held for investment of $15.2 billion, and total stockholders' equity of $3.4 billion.

Our vision is to meet people where they are and help them reach where they want to be. Rooted in the principles of community banking, we build lasting relationships and make thoughtful decisions that serve our employees, clients, communities and shareholders.

Our long-term philosophy emphasizes providing high-quality financial products and services, delivering exceptional client service, influencing business leadership within our communities through professional and dedicated bankers, supporting our communities through financial contributions and socially responsible leadership, and cultivating a strong corporate culture.

Building on this foundation, we are executing a strategic plan intended to refocus capital investment, optimize our balance sheet and improve core profitability, while continuing to advance our business in a disciplined and prudent manner. This plan includes initiatives to enhance credit processes and risk culture, optimize our footprint and branch network, and emphasize disciplined, relationship-driven organic growth in our existing market areas. In furtherance of our strategic plan focused on organic growth and relationship banking, we are prioritizing investment into existing market areas where we have brand density and are well positioned to serve the needs of our customers. Accordingly, we are undertaking a comprehensive review of our branch network to optimize our physical footprint, including exiting markets that are not aligned with our strategic plan and reallocating capital, talent and resources to expand in markets where we have meaningful market share and attractive growth prospects. For example, in October 2025, we completed the divestiture of our banking operations in Arizona and Kansas and also announced the contemplated sale of 11 branches in Nebraska, which transaction is expected to close at the beginning of the second quarter of 2026. We opened one branch in Montana on February 2, 2026 and intend to close four branches in eastern Nebraska, one in Minnesota, and one in North Dakota at the end of February 2026.

We have further aligned select products and activities with our strategic plan, emphasizing relationship-based business and disciplined underwriting consistent with long-term performance. In 2025, we took deliberate actions to reduce or exit selected exposures, including the intentional runoff of certain non-relationship and transactional credits and the discontinuation or outsourcing of lending products. For example, we exited our indirect lending origination business in early 2025 and outsourced our consumer credit card portfolio in mid-2025, as further described in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations."

In addition, during the fourth quarter of 2025, we initiated a transformation of our banking organization, changing from a layered, regional and market structure to a flatter model. The redesign includes new State Presidents at the Bank, a majority of whom are from within the Bank, supplemented by select external hires, and a more streamlined chain of responsibility designed to speed up local decision-making and align the decision framework with our relationship-driven organic growth strategy. We expect this redesign to be nearly complete in the first quarter of 2026.

Community Banking

We have one operating segment—community banking. The Company's chief operating decision maker is its Chief Executive Officer who is charged with management of the Company and is responsible for the evaluation of operating performance and decision making about the allocation of resources to the operating segment. Community banking encompasses commercial, governmental, and consumer banking services provided through our Bank, which primarily include the acceptance of deposits, the extension of credit, mortgage loan origination and servicing, and wealth management, which includes trust, employee benefit, investment management, insurance, agency, and custodial services to individuals, businesses, and nonprofit organizations. Our philosophy emphasizes a local focus through a personalized service approach while also strengthening the communities in our market areas through community involvement, service activities, and philanthropy. We grant our banking offices significant authority in delivering products in response to local market considerations and client needs. This autonomy enables our banking offices to remain competitive by quickly responding to local market conditions and enhancing relationships with our clients in those markets. While our banking offices enjoy a level of flexibility, they remain accountable to company-wide standards and established limits on their authority and discretion. This combination of authority and accountability allows our banking offices to provide personalized service and localized community support while at the same time remaining focused on our overall financial vitality.

Lending Activities

We offer real estate, consumer, commercial, agricultural, and other loans to individuals, government entities, and businesses in our market areas. We have comprehensive credit policies that establish company-wide underwriting and documentation standards to manage the lending process and limit our risk. Each loan must meet minimum underwriting standards specified in our credit policies and procedures, with certain exceptions to those policies, which generally specify that loans:

(1) are made to borrowers who are generally located within or adjacent to our market footprint or own businesses and/or real estate within or adjacent to our footprint, with limited exceptions that may include participation loans and loans to national accounts;
(2) are made only for identified legal purposes;
(3) have specifically identified sources of repayment;
(4) mature within designated maximum maturity periods that coincide with repayment sources;
(5) are appropriately collateralized whenever possible;
(6) are supported by current credit information;
(7) do not exceed the Bank's legal lending limit;
(8) include medium-term fixed interest rates or variable rates that are adjusted within designated time frames; and
(9) require compliance with laws and regulations including a flood zone and risk determination prior to closing.

In addition, our credit policies include lending limitations to minimize undue (or excessive) concentrations of credit in agricultural, commercial, real estate, or consumer loans. Furthermore, the criteria meeting our underwriting standards must be documented, with exceptions noted, as a part of the loan approval process.

While each loan must meet minimum underwriting standards, qualified bankers are granted levels of credit authority for approving and pricing loans to assure that banking offices are responsive to competitive issues and community needs in each market area. Credit authorization is established by individual role and assigned based on the credit experience, credit acumen and performance of each banker. Credit authorization is granted under the direction of our Chief Credit Officer and is reviewed on an ongoing basis. Loan requests over the authority of our bankers are approved by designated Credit Officers and, if necessary, by our new credit committee as further discussed below.

In 2025, we completed a comprehensive internal review and assessment of our credit risk management framework and credit policies that was initiated in late 2024. Among other things, we implemented a new credit review and approval process under which new and renewed loans and commitments above defined exposure thresholds are reviewed by a centralized credit committee comprised of senior credit and executive leadership. This committee-based process is designed to promote consistent application of our credit policies and enhance our risk culture for higher-exposure relationships, while still maintaining efficient approval procedures to ensure timely speed to market.

In addition, during 2025 we conducted a comprehensive review of our largest loan exposures, including detailed borrower-level assessments of these relationships. As part of this review, we enhanced our ongoing monitoring and action plans for higher-exposure relationships, including certain larger criticized credits, and pursued targeted paydowns and payoffs where appropriate. We believe these proactive steps, together with our disciplined underwriting standards on new production, position us well to continue supporting stable asset quality over time and in various economic scenarios.

Deposit Products

We offer traditional depository products including checking, savings, and time deposits. Deposits at the Bank are insured by the Federal Deposit Insurance Corporation, or the FDIC, up to statutory limits. We also offer repurchase agreements primarily to commercial and municipal depositors. Under repurchase agreements, we sell investment securities held by the Bank to our clients under an agreement to repurchase the investment securities at a specified time or on demand. All outstanding repurchase agreements are due in one business day. Additionally, the Company is a member of the IntraFi Network, which enables us to offer our customers insurance coverage on interest-bearing demand, money market and certificate of deposit balances in excess of the FDIC insurance coverage limits.

Wealth Management

We provide a wide range of trust, employee benefit, investment management, insurance, agency, and custodial services to individuals, businesses, and nonprofit organizations. These services include the administration of estates and personal trusts, management of investment accounts for individuals, employee benefit plans and charitable foundations, and insurance planning.

Centralized Services

We have centralized certain operational activities to provide consistent service levels to our clients across the Bank, which helps us gain efficiency in management of those activities as well as ensure regulatory compliance. Centralized operational activities generally support our banking offices in the delivery of products and services to clients and include:

- marketing;
- credit review;
- loan servicing;
- credit card servicing;
- mortgage loan sales and servicing;
- loan collections; and
- other operational activities.

To reduce operating costs and capitalize on the technical capabilities of selected vendors, we also leverage third-party service providers to selectively outsource certain bank operations and services, such as certain data processing, loan servicing, credit card issuance, and deposit processing systems.

Additionally, specialized staff support services have been centralized to enable our branches to more efficiently serve their markets. These services include:

- credit risk management;
- finance;
- human resource management;
- internal audit;
- facilities management;
- technology;
- risk management;
- legal;
- compliance; and
- other support services.

Market Area

The following table reflects our deposit market share and branch locations by state:

Deposit Market Share and Branch Locations by State	% of Market Deposits (1)	Deposit Market Share Rank (1)	Number of Branches (2)
Colorado	0.5	26	19
Idaho	4.2	9	20
Iowa	1.6	11	45
Minnesota[3]	—	289	1
Missouri	0.1	157	6
Montana[4]	16.6	2	42
Nebraska[5]	2.1	8	44
North Dakota[3]	0.1	72	1
Oregon	2.4	9	33
South Dakota	0.4	5	46
Washington	0.4	29	17
Wyoming	13.3	1	15
Total			289

(1) Source: FDIC.gov-data as of June 30, 2025.

(2) As of December 31, 2025.

(3) The branches in Fargo, North Dakota and Marshall, Minnesota are expected to close at the end of February 2026.

(4) One branch in Billings, Montana opened in February 2026.

(5) Four Nebraska branches are expected to close at the end of February 2026. Eleven Nebraska branches are under agreement to be sold to Security First Bank, which transaction is currently anticipated to close at the beginning of the second quarter of 2026. The Company will have 29 branches remaining in Nebraska after completion of the pending sale and closures.

We operate in markets with a diverse employment base covering numerous industries and we believe our community bank approach to providing client service is a competitive advantage that strengthens the Company’s ability to effectively provide financial products and services to businesses and individuals in its markets.

Competition

There is significant competition among commercial banks in our market areas. We also compete with other providers of financial services that actively engage in providing various types of loans and other financial services to their clients, such as:

- savings and loan associations;
- credit unions;
- financial technology companies;
- internet banks;
- consumer finance companies;
- brokerage firms;
- mortgage banking companies;
- insurance companies;
- securities firms;
- mutual funds;
- government agencies; and
- major retailers.

To remain competitive in this congested industry, we continue to develop our omni-channel experience across our website, social media, and email, in addition to our offline channels, such as brick and mortar banking offices. Some of our competitors have greater resources and, as such, may have higher lending limits and may offer other services that we do not provide. We generally compete on the basis of service and responsiveness to client needs, available loan and deposit products, rates of interest charged on loans, rates of interest paid for deposits, and the availability and pricing of services such as trust, employee benefit, investment, and insurance services.

Government Regulation and Supervision

We are subject to extensive government regulation and supervision under federal and state laws. Summaries of the material laws and regulations that are applicable to us are provided below. The descriptions that follow are not intended to summarize all laws and regulations applicable to us. Furthermore, the descriptions that follow do not purport to be complete and are qualified in their entirety by reference to the full provisions of those laws and regulations. In addition to laws and regulations, state and federal banking regulatory agencies may issue policy statements, interpretive letters, and similar written guidance that may impose additional regulatory obligations or otherwise affect the conduct of our business. Additionally, proposals to change laws and regulations are frequently introduced at both the federal and state levels. The likelihood and timing of any such changes and their impact on the Company cannot be determined with certainty.

Regulatory Authorities

As a public company with our securities listed for trading on the NASDAQ, we are subject to the disclosure and regulatory requirements of the Securities and Exchange Commission, or SEC, including under the Securities Act, the Exchange Act, and the rules and listing standards of the NASDAQ.

As a financial and bank holding company, we are subject to regulation under the Bank Holding Company Act of 1956, as amended, and to supervision, regulation, and regular examination by the Board of Governors of the Federal Reserve System (the "Federal Reserve").

The Bank is subject to supervision and regular examination by its primary banking regulators, the Federal Reserve and the Montana Department of Administration, Division of Banking and Financial Institutions (the "Montana Division"). The Bank is also subject to supervision and examination by the Consumer Financial Protection Bureau ("CFPB").

The Bank's deposits are insured by the Deposit Insurance Fund ("DIF") administered by the FDIC in the manner and to the extent provided by law. As such, the Bank is subject to the Federal Deposit Insurance Act (the "FDIA") and FDIC regulations relating to deposit insurance and may also be subject to supervision and examination by the FDIC.

We are currently subject to the regulatory capital framework and guidelines reached by Basel III as adopted by the Federal Reserve. The Federal Reserve has risk-based capital adequacy guidelines intended to measure capital adequacy with regard to a banking organization's balance sheet, including off-balance sheet exposures such as unused portions of loan commitments, letters of credit, and recourse arrangements.

The extensive regulation of the Bank limits both the activities in which the Bank may engage and the conduct of its permitted activities. Further, the laws and regulations impose reporting and information collection obligations on the Bank. The Bank incurs significant costs relating to compliance with various laws and regulations and the collection and retention of information. As the regulatory framework for bank holding companies and banks continues to evolve and become more complex, the cost of complying with regulatory requirements continues to increase.

Financial and Bank Holding Company

First Interstate is a bank holding company and has registered as a financial holding company under regulations issued by the Federal Reserve. As a financial holding company, we may engage in business activities that are determined by the Federal Reserve to be financial in nature or incidental to financial activities as well as all activities authorized generally to bank holding companies. We may continue to engage in authorized financial activities provided that we remain a financial holding company and are "well-capitalized" and "well-managed." We do not currently engage in significant financial holding company business or activities not otherwise permitted generally for bank holding companies.

Under federal law, First Interstate is required to serve as a source of financial and managerial strength to the Bank, which may include providing financial assistance to the Bank if the Bank experiences financial distress. Under existing Federal Reserve source of strength policies, the Federal Reserve may require a bank holding company to make capital injections into a troubled subsidiary bank. The Federal Reserve may also determine that the bank holding company is engaging in unsafe and unsound practices if it fails to commit resources to a subsidiary bank.

We are required by the Bank Holding Company Act to obtain Federal Reserve approval prior to acquiring, directly or indirectly, ownership or control of voting shares of any bank, if, after such acquisition, we would own or control more than 5% of its voting stock. The Federal Reserve considers a number of factors in evaluating acquisitions, including the financial and managerial resources and future prospects of the parties, the convenience and needs of the communities served, and competitive factors. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), when considering an application, the Federal Reserve is also required to evaluate whether the transaction would result in more concentrated risks to the United States banking or financial system. Under federal law and regulations, a bank holding company may acquire banks in states other than its home state if, among other things, the bank holding company is both "well-capitalized" and "well-managed" both before and after the acquisition.

Banks may also merge across state lines. With additional changes made to federal statutes under the Dodd-Frank Act, banks are also permitted to establish new interstate branches if a bank located in the target state could establish a new branch at the proposed location without regard to state laws limiting interstate de novo branching. A state can prohibit interstate mergers entirely or prohibit them if the continuing bank would control insured bank deposits in excess of a specified percentage of total insured bank deposits in the state. Under Montana law, a bank cannot acquire control of a bank located in Montana if, after the acquisition, the acquiring institution would control, in the aggregate, more than 30% of the total deposits of insured depository institutions located in Montana. As of June 30, 2025, based on publicly available information provided by the FDIC, we believe the Bank controlled approximately 16.6% of the total deposits of all insured depository institutions located in Montana. As such, the state limitation may limit our ability to directly or indirectly acquire additional banks located in Montana.

In order to assess the financial strength of the bank holding company, the Federal Reserve and the State of Montana may conduct periodic on-site and off-site inspections and credit reviews throughout the year. The federal banking agencies, including the Federal Reserve, may require additional information and reports from us. In addition, the Federal Reserve may examine, and require reports and information regarding, any entity that we control, including entities other than banks or entities engaged in financial activities. In certain circumstances, the Federal Reserve may require us to divest of non-bank entities or limit the activities of those entities even if the activities are otherwise permitted for bank holding companies under governing law.

Dividends and Restrictions on Transfers of Funds

Dividends from the Bank are the primary source of funds for the payment of our operating expenses and for the payment of dividends to our shareholders. Dividends are also limited by state and federal laws and regulations. We are also subject to various regulatory restrictions relating to capital distributions, including dividends, regulatory capital minimums, and the requirement to remain "well-capitalized" under the prompt corrective action regulations summarized below under the caption "Business – Government Regulation and Supervision – Capital Standards and Prompt Corrective Action." In general, the Bank is limited to paying dividends that do not exceed the current year net profits together with retained earnings from the two preceding calendar years unless prior consent of the Federal Reserve is obtained. In addition, the Bank may not pay dividends in excess of the previous two years' net earnings without providing notice to the Montana Division.

The capital buffer rules adopted by the federal banking regulators in accordance with the Basel Accords impose further limitations on the Bank's ability to pay dividends. In general, the Bank's ability to pay dividends is limited under the capital buffer rules unless the Bank's common equity conservation buffer exceeds the minimum required capital ratio by 2.5% of risk-weighted assets.

A state or federal banking regulator may also impose, by regulatory order or agreement of the Bank, specific dividend limitations or prohibitions. The Bank is not, however, currently subject to a specific regulatory dividend limitation.

The Federal Reserve has issued a policy statement regarding the payment of dividends and the repurchase of common stock by bank holding companies. In general, the policy provides that dividends should be paid only out of current earnings and only if the prospective rate of earnings retention by the holding company appears consistent with the organization's capital needs, asset quality, and overall financial condition. Regulatory guidance provides for prior regulatory consultation with respect to capital distributions in certain circumstances such as where the company's net income for the past four quarters (net of previous capital distributions) is insufficient to fully fund the dividend or the company's overall rate of earnings retention is inconsistent with the company's capital needs and overall financial condition. The ability of a holding company to pay dividends may be restricted if a subsidiary bank becomes under-capitalized. The policy statement also states that a holding company should inform the Federal Reserve supervisory staff prior to redeeming or repurchasing common stock or perpetual preferred stock if the holding company is experiencing financial weaknesses or if the repurchase or redemption would result in a net reduction, as of the end of a quarter, in the amount of such equity instruments outstanding compared with the beginning of the quarter in which the redemption or repurchase occurred. These regulatory policies may affect our ability to pay dividends, repurchase shares of common stock, or otherwise engage in capital distributions. The Bank remains compliant with these policies and requirements.

Capital Standards and Prompt Corrective Action

Banks and bank holding companies are subject to various regulatory capital requirements administered by state and federal banking agencies, which involve quantitative measures of assets, liabilities, and certain off-balance sheet items calculated under regulatory accounting practices. Capital amounts and classifications are also subject to qualitative judgments by regulators about components, risk weighting, and other factors. The capital requirements are intended to ensure that banking organizations have adequate capital given the risk levels of assets and off-balance sheet financial instruments and are applied separately to the Bank and its parent holding company.

Federal regulations require FDIC-insured depository institutions and bank holding companies to meet several minimum capital standards:

- a common equity Tier 1 capital to risk-based assets ratio of 4.5%;
- a Tier 1 capital to risk-based assets ratio of 6.0%;
- a total capital to risk-based assets ratio of 8.0%; and
- a 4.0% Tier 1 capital to total assets leverage ratio.

The existing capital requirements were effective January 1, 2015, and are based on recommendations of the Basel Committee on Banking Supervision and requirements of the Dodd-Frank Act.

For purposes of the regulatory capital requirements, common equity Tier 1 capital is generally defined as common stockholders' equity and retained earnings and is reduced by substantially all of the regulatory deductions including items such as goodwill and other intangibles and certain deferred tax assets. Tier 1 capital is generally defined as common equity Tier 1 capital and additional Tier 1 capital. Additional Tier 1 capital includes certain noncumulative perpetual preferred stock and related surplus and minority interests in equity accounts of consolidated subsidiaries. Total capital includes Tier 1 capital (common equity Tier 1 capital plus additional Tier 1 capital) and Tier 2 capital. Tier 2 capital is composed of capital instruments and related surplus, meeting specified requirements, and may include cumulative preferred stock and long-term perpetual preferred stock, mandatory convertible securities, intermediate preferred stock, and subordinated debt. Also included in Tier 2 capital is the allowance for credit losses limited to a maximum of 1.25% of risk-weighted assets and, for institutions like us that have exercised an opt-out election regarding the treatment of Accumulated Other Comprehensive Income ("AOCI"), up to 45.0% of net unrealized gains on available-for-sale equity securities with readily determinable fair market values. Institutions that have not exercised the AOCI opt-out have AOCI incorporated into common equity Tier 1 capital (including unrealized gains and losses on available-for-sale-securities). Calculation of all types of regulatory capital is subject to deductions and adjustments specified in the regulations.

In determining the amount of risk-weighted assets for purposes of calculating risk-based capital ratios, all assets, including certain off-balance sheet assets (for example, recourse obligations, direct credit substitutes, residual interests), are multiplied by a risk weight factor assigned by the regulations based on the risks believed inherent in the type of asset.

Higher levels of capital are required for asset categories believed to present greater risk. For example, a risk weight of 0% is assigned to cash and United States government securities, a risk weight of 50% generally is assigned to prudently underwritten first lien one- to four-family residential mortgages, a risk weight of 100% is assigned to commercial and consumer loans, a risk weight of 150% is assigned to certain past due loans, and a risk weight of between 0% to 600% is assigned to permissible equity interests, depending on certain specified factors.

In addition to establishing the minimum regulatory capital requirements, the regulations limit capital distributions and certain discretionary bonus payments to management if the institution does not hold a "capital conservation buffer" consisting of 2.5% of common equity Tier 1 capital to risk-weighted assets above the amount necessary to meet its minimum risk-based capital requirements. In assessing an institution's capital adequacy, the Federal Reserve takes into consideration not only these numeric factors, but qualitative factors as well and has the authority to establish higher capital requirements in individual cases where deemed necessary. The Federal Reserve has not established individual capital requirements applicable to us.

Federal law requires the federal banking agencies to take "prompt corrective action" in respect of depository institutions that do not meet minimum capital requirements. The law sets forth the following five capital tiers:

- "well capitalized;"
- "adequately capitalized;"
- "under-capitalized;"
- "significantly under-capitalized;" and
- "critically under-capitalized."

A depository institution's capital tier will depend upon how its capital levels compare with various relevant capital measures and certain other factors, as established by regulation. The relevant capital measures are the common equity tier 1 capital ratio, total capital ratio, the tier 1 capital ratio, and the leverage ratio.

A depository institution is generally prohibited from making any capital distributions (including payment of a dividend) or paying any management fee to its parent holding company if the depository institution would thereafter be under-capitalized. Under-capitalized institutions may be subject to growth limitations and other restrictions and are required to submit a capital restoration plan. If a depository institution fails to submit an acceptable plan, it is treated as if it is "significantly under-capitalized."

“Significantly under-capitalized” depository institutions are subject to additional requirements and restrictions, such as orders to sell sufficient stock to become “adequately capitalized,” to reduce total assets, restrict interest rates paid, remove management and directors, and cease receipt of deposits from correspondent banks. “Critically under-capitalized” institutions are subject to the appointment of a receiver or conservator.

The capital stock of banks organized under Montana law, such as the Bank, may be subject to assessment upon the direction of the Montana Department of Administration under the Montana Bank Act. Under the Montana Bank Act, if the Department of Administration determines an impairment of a bank’s capital exists, it may notify the Bank’s Board of the impairment and require payment of an assessment on the bank stock. If the bank fails to do so, the Department of Administration may, among other things, take charge of the bank and proceed to liquidate the bank.

Restrictions on Transactions with Affiliates, Directors, and Officers

Under the Federal Reserve Act, the Bank may not lend funds or otherwise extend credit to its parent holding company or any other affiliate, except on specified types and amounts of collateral generally upon market terms and conditions. The Federal Reserve also has authority to define and limit the transactions between banks and their affiliates. The Federal Reserve’s Regulation W and relevant federal statutes and regulations, among other authorities, impose significant limitations on transactions in which the Bank may engage with us or with other affiliates, including per-affiliate and aggregate limits on affiliate transactions.

Federal Reserve Regulation O restricts loans to the Bank’s and its parent holding company’s insiders, which includes directors, certain officers, and principal shareholders and their respective related interests. All extensions of credit to the insiders and their related interests must be on the same terms as, and subject to the same loan underwriting requirements as, loans to persons who are not insiders. In addition, Regulation O imposes lending limits on loans to insiders and their related interests and imposes, in certain circumstances, requirements for prior approval of the loans by the Bank Board.

Safety and Soundness Standards and Other Supervisory and Enforcement Mechanisms

The federal banking agencies have adopted guidelines establishing standards for safety and soundness, asset quality and earnings, loan documentation, credit underwriting, interest rate risk exposure, internal controls, and audit systems. These standards are designed to identify potential concerns and ensure action is taken to address those concerns before they pose a risk to the DIF. If a federal banking agency determines that an institution fails to meet any of these standards, the agency may require the institution to submit an acceptable plan to achieve compliance with the standard. If the institution fails to submit an acceptable plan within the time allowed by the agency or fails in any material respect to implement an accepted plan, the agency must, by order, require the institution to correct the deficiency and may take other supervisory action.

Pursuant to the Dodd-Frank Act, federal banking regulators impose additional supervisory measures on banking organizations such as us when they exceed $10 billion in assets. These include enhanced risk management and corporate governance processes specified by the regulators.

The Federal Reserve has authority to bring an enforcement action against a bank or bank holding company and all “institution-affiliated parties” of a bank or bank holding company, including directors, officers, stockholders, and under certain circumstances, attorneys, appraisers, and accountants for the bank or holding company. Formal enforcement actions may include measures such as the issuance of a capital directive or cease and desist order for the removal of officers and/or directors or the appointment of a receiver or conservator. Civil money penalties cover a wide range of violations and actions, and can range up to $5,000 per day, unless a finding of knowing or reckless disregard is made, in which case penalties may be as high as $1 million per day. The FDIC also has the authority to terminate deposit insurance or recommend to the Federal Reserve that enforcement action be taken with respect to a particular bank. If such action is not taken, the FDIC has authority to take the action under specified circumstances. Montana law also provides the Montana Division with various enforcement mechanisms and, ultimately, authority to appoint a receiver or conservator for a Montana bank.

Deposit Insurance

The FDIC insures our client deposits through the DIF up to $250,000 per depositor. The amount of FDIC assessments paid by each DIF member institution is based on financial measures and supervisory ratings derived from a statistical model estimating the probability of failure within a three-year period, with banks deemed more risky paying higher assessments.

The FDIC was required by the Dodd-Frank Act to take actions necessary to cause the DIF to reach a reserve ratio of 1.35% of total estimated insured deposits by September 30, 2020. As of September 30, 2020, the FDIC had announced that the ratio was 1.30% due largely to consequences of the COVID-19 pandemic. The FDIC adopted a plan to restore the fund to the 1.35% ratio within eight years, but did not change its assessment schedule. On October 18, 2022, the FDIC finalized a rule that would increase initial base deposit insurance assessment rates by two basis points, beginning with the first quarterly assessment period of 2023 and in 2024 and 2025 the FDIC Board maintained the designated reserve ratio for the DIF at two basis points for 2025 and 2026, respectively.

In addition, to recover costs associated with protecting uninsured depositors during the bank failures in the first half of 2023, in November 2023, the FDIC implemented a 13.4 basis point annual special assessment on uninsured deposits above $5 billion, to be collected during eight consecutive quarters beginning with the first quarter of 2024. The Company accrued $10.5 million in the fourth quarter of 2023 and an additional $1.5 million in the first quarter of 2024 for the special assessment. The special assessment is in addition to the assessment rates finalized as part of FDIC's Amended Restoration Plan. In an update provided on December 16, 2025, the FDIC staff projects that the reserve ratio is on track to exceed the initial estimate ahead of the statutory deadline of September 30, 2028 and reduced the special assessment rate for the eighth collection quarter from 3.36 basis points to 2.97 basis points. This is intended to allow the FDIC to recover approximately the full amount of estimated losses as of September 30, 2025, while minimizing any amounts collected in excess of the estimated losses.

All FDIC-insured institutions are also required to pay assessments to the FDIC to fund interest payments on bonds issued by the Financing Corporation, or the FICO, an agency of the Federal government established to recapitalize the predecessor to the DIF. The assessment rate is applied to total average assets less tangible equity, as defined under the Dodd-Frank Act. The assessment rate schedule can change from time-to-time at the discretion of the FDIC, subject to certain limits. Under the current system, premiums are assessed quarterly.

Interchange Fees

Under the Durbin Amendment to the Dodd-Frank Act, also known as Regulation II, the Federal Reserve adopted rules establishing standards for assessing whether the interchange fees that may be charged with respect to certain electronic debit transactions are "reasonable and proportional" to the costs incurred by issuers for processing such transactions, which alters the competitive structure of the debit card payment processing industry and caps debit card interchange fees for banks with over $10 billion in assets. Interchange fees are charges that merchants pay to us and other card-issuing banks for processing electronic payment transactions. The Federal Reserve also has rules governing routing and exclusivity that require issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product.

On October 3, 2022, the Federal Reserve finalized a rule that amends Regulation II to specify, among other things, that debit card issuers should enable all debit card transactions, including card-not-present transactions such as online payments, to be processed on at least two unaffiliated payment card networks. The final rule became effective July 1, 2023. In October 2023, the Federal Reserve proposed revising Regulation II to lower the cap from its current rate of 21 cents and 0.05% of the transaction, plus a one-cent fraud-prevention adjustment, to 14.4 cents and 0.04% per transaction and a 1.3 cents fraud-prevention adjustment, which originally was to take effect on June 30, 2025. Due to active litigation involving the rule, it is not clear whether the Federal Reserve will finalize the October 2023 proposed rulemaking, and how, if at all, the Federal Reserve will enforce the rule. We are subject to the interchange fee cap and having at least two unaffiliated payment card networks because our assets exceed $10 billion.

Client Privacy and Other Consumer Protections

Federal and State laws impose client privacy requirements on any company engaged in financial activities, including us. Under these requirements, a financial company is required to protect the security and confidentiality of clients' nonpublic personal information. In addition, for clients who obtain a financial product such as a loan for personal, family, or household purposes, a financial holding company is required to disclose its privacy policy to the client at the time the relationship is established and annually thereafter. The financial company must also disclose its policies concerning the sharing of the client's nonpublic personal information with affiliates and third parties. Finally, a financial company is prohibited from disclosing an account number or similar item to a third party for use in telemarketing, direct mail marketing, or marketing through electronic mail.

The Bank is subject to a variety of federal and state laws, regulations, and reporting obligations aimed at protecting consumers and Bank clients. Failure to comply with these laws and regulations may, among other things, impair the collection of loans made in violation of the laws and regulations, provide borrowers or other clients certain rights and remedies, or result in the imposition of penalties on the Bank. Certain of these laws and regulations are described below.

The Equal Credit Opportunity Act generally prohibits discrimination in credit transactions on, among other things, the basis of race, color, religion, national origin, sex, marital status, or age and, in certain circumstances, limits the Bank's ability to require co-obligors or guarantors as a condition of the extension of credit to an individual.

The Real Estate Settlement Procedures Act ("RESPA") requires certain disclosures be provided to borrowers in real estate loan closings or other real estate settlements. In addition, RESPA limits or prohibits certain settlement practices, fee sharing, "kickbacks," and similar practices that are considered to be abusive.

The Truth in Lending Act ("TILA") requires disclosures to borrowers and other parties in consumer loans, including, among other things, disclosures relating to interest rates and other finance charges, payments and payment schedules, and annual percentage rates.

The Fair Housing Act regulates, among other things, lending practices in residential housing and prohibits discrimination in housing-related lending activities on the basis of race, color, religion, national origin, sex, handicap, disability, or familial status.

The Home Mortgage Disclosure Act requires certain lenders and other firms engaged in the home mortgage industry to collect and report information relating to applicants, borrowers, and home mortgage lending activities in which they engage in their market areas or communities. The information is used for, among other purposes, evaluation of discrimination or other impermissible acts in home mortgage lending.

The Home Ownership and Equity Protection Act regulates terms and disclosures of certain closed-end home mortgage loans that are not purchase money loans and includes loans classified as "high-cost loans."

The Fair Credit Reporting Act, as amended by the Fair and Accurate Credit Transactions Act, generally limits lenders and other financial firms in their collection, use, or dissemination of client credit information, gives clients some access to, and control over, their credit information, and requires financial firms to establish policies and procedures intended to deter identity theft and related frauds.

The Fair Debt Collection Practices Act regulates actions that may be taken in the collection of consumer debts and provides consumers with certain rights of access to information related to collection actions.

The Electronic Fund Transfer Act regulates fees and other terms on electronic funds transactions.

The Dodd-Frank Wall Street Reform and Consumer Protection Act prohibits, among other things, lending practices to consumers that are unfair, deceptive, or abusive.

The CFPB has promulgated numerous regulations relating to consumer financial services-related topics, such as mortgage origination disclosures, mortgage servicing practices, and others. In addition, the CFPB continues to issue and reconsider significant regulations affecting consumer financial products and data access (including rules implementing Sections 1033 and 1071 of the Dodd-Frank Act), and certain of these rulemakings and compliance timelines have been subject to litigation, stays, or extensions, which may create uncertainty regarding the scope and timing of our compliance obligations and could require additional operational, technology, and compliance investments.

The CRA generally requires the federal banking agencies to evaluate the record of a financial institution in meeting the credit needs of its local communities, including low- and moderate-income neighborhoods. In addition to substantial penalties and corrective measures that may be assessed for a violation of fair lending laws, the federal banking agencies may take compliance with such laws and the CRA into account when evaluating applications for transactions such as mergers and for new branches. Federal banking agencies issued a final rule in October 2023 intended to modernize the CRA implementing regulations; however, the rule has been subject to litigation and has not taken effect and the agencies have proposed to rescind and replace it, and accordingly the applicable CRA regulatory framework and implementation timeline remain uncertain, which could increase our compliance costs and could affect our CRA ratings and our ability to open branches, complete acquisitions, or undertake other strategic transactions. In July 2025, the federal banking agencies issued a proposal to rescind the 2023 CRA rulemaking in favor of returning to a standard largely similar to the rules that were in effect in 1995. To date, the agencies have not issued a final rulemaking to implement the July 2025 proposal.

In connection with its assessment of CRA performance, the appropriate bank regulatory agency assigns a rating of "outstanding," "satisfactory," "needs to improve," or "substantial noncompliance." The Bank received a "satisfactory" rating on its most recently published CRA examination. Although the Bank's policies and procedures are designed to achieve compliance with all fair lending and CRA requirements, instances of non-compliance are occasionally identified through normal operational activities. Management endeavors to respond proactively to any instances of non-compliance and to implement and update appropriate procedures to prevent instances of non-compliance and other violations from occurring.

USA PATRIOT Act

The USA PATRIOT Act of 2001 amended the Bank Secrecy Act of 1970 and the Money Laundering Control Act of 1986 and adopted additional measures requiring insured depository institutions, broker-dealers, and certain other financial institutions to have policies, procedures, and controls to detect, prevent, and report money laundering and terrorist financing. The laws and related regulations also provide for information sharing, subject to conditions, between federal law enforcement agencies and financial institutions, as well as among financial institutions, for counter-terrorism purposes. Federal banking regulators are required, when reviewing bank holding company acquisition or merger applications, to take into account the effectiveness of the anti-money laundering activities of the applicants.

Office of Foreign Asset Control

The United States Treasury Office of Foreign Asset Control enforces economic and trade sanctions imposed by the United States on foreign persons and governments. Among other authorities, the Office of Foreign Asset Control, or OFAC, may require United States financial institutions to block or "freeze" assets of identified foreign persons or governments which come within the control of the financial institution. Financial institutions are required to adopt procedures for identification of new and existing deposit accounts and other relationships with persons or governments identified by OFAC and to timely report the accounts or relationships to OFAC.

Incentive Compensation

In May 2016, the Federal Reserve Board, other federal banking agencies, and the SEC jointly published a re-proposed rule-making designed to implement provisions of the Dodd-Frank Act prohibiting incentive compensation arrangements that would encourage inappropriate risk taking at a covered institution, which includes a bank or bank holding company with $1 billion or more of assets, such as us. The proposed rule (i) prohibits incentive-based compensation arrangements that encourage executive officers, employees, directors, or principal shareholders to expose the institution to inappropriate risks by providing excessive compensation (based on the standards for excessive compensation adopted pursuant to the FDIA) and (ii) prohibits incentive-based compensation arrangements for executive officers, employees, directors or principal shareholders that could lead to a material financial loss for the institution. The proposed rule requires covered institutions to establish policies and procedures for monitoring and evaluating their compensation practices. The comment period ended in July 2016 and a notice of proposed rulemaking was released in May 2024. Although final rules had not been adopted as of December 31, 2025, if these or other regulations are adopted in a form similar to the proposed rule-making, they could impose limitations on the manner in which we may structure compensation for our executives.

Cybersecurity

Federal regulators have issued two related statements regarding cybersecurity. One statement indicates that financial institutions should design multiple layers of security controls to establish lines of defense and ensure their risk management processes also address the risk posed by compromised client credentials, including security measures to reliably authenticate clients accessing internet-based services of the financial institution. The other statement indicates that a financial institution's management is expected to maintain sufficient business continuity planning processes to ensure the rapid recovery, resumption, and maintenance of the institution's operations after a cyber-attack involving destructive malware. A financial institution is also expected to develop appropriate processes to enable recovery of data and business operations and address rebuilding network capabilities and restoring data if the institution or its critical service providers fall victim to this type of cyber-attack. If we fail to observe the regulatory guidance, we could be subject to various regulatory sanctions, including financial penalties.

For additional discussion on cybersecurity, see Part I, Item 1C, "Cybersecurity" included herein.

Recent Executive Orders

Banking regulation and supervisory priorities may shift in response to political developments, including executive actions and changes in regulatory leadership. In 2025, federal actions affecting the financial services industry included changes relating to the use of "reputational risk" in supervision and the application of disparate-impact liability in connection with certain federal civil rights and fair lending laws. For example, on August 7, 2025, the President issued an executive order titled "Guaranteeing Fair Banking for All Americans," which directs federal banking regulators, to the extent permitted by law, to remove the use of reputational risk or similar concepts from guidance documents, manuals and other materials within 180 days of the order. In addition, on April 23, 2025, the President issued an executive order titled "Restoring Equality of Opportunity and Meritocracy," which directs federal agencies to deprioritize enforcement of statutes and regulations to the extent they include disparate-impact liability and to review certain pending matters under federal civil rights laws, including the Equal Credit Opportunity Act and the Fair Housing Act. The Bank continues to monitor these and other regulatory developments and remains committed to providing fair and competitive banking products and services in compliance with applicable laws and regulations.

Human Capital

Culture is critically important to the Company's success; our people are our number one priority. We approach our culture with an aspirational lens. It is not a stand-alone initiative or program—it is integrated in our systems, and our processes. Our principles guide how we make decisions, treat each other, and serve our clients.

Workforce

As of December 31, 2025, we employed 3,376 employees, with none represented by a collective bargaining agreement. This represents a decrease of 105 employees from December 31, 2024. As of December 31, 2025, approximately 67.2% of our workforce was female, 32.6% was male, and 0.2% have not declared. The executive team is comprised of 37.5% female and 62.5% male, and the Company's senior leadership team was 32.4% female and 67.6% male.

Commitment to Community / Volunteerism

We are "all-in" when it comes to giving back—with time, money, and heart. We have a vested interest in the strength of our communities and strive to make them better places to live and work. Each year, the Company creates commitment to community plans for all our markets, which includes donating a portion of our net income before tax for charitable purposes. These plans help align strategies for philanthropy, volunteering and leadership, financial education outreach, community development, and sustainability.

We encourage employees to take active leadership roles within their communities to further demonstrate our principles and help us respond to the needs of the markets we serve. In 2025, the Company provided employees an opportunity to participate in a Bank-sponsored service project annually, marking the second Wednesday in September as our Commitment to Community Volunteer Day. We closed all offices in the afternoon on Volunteer Day so employees could lend a hand in their community, either as teams or as individuals. We have also implemented a Volunteer Time benefit, which allows employees to utilize up to eight work hours each year to participate in volunteer activities of their choosing.

Employee Engagement

Our employee engagement strategy prioritizes creating a work environment where every employee feels heard and valued. We measure our success by how effectively we address workplace needs and empower local leaders to activate meaningful progress.

To deepen our understanding of organizational dynamics, we conduct an annual census survey each fall and administer strategic pulse surveys throughout the year. These insights drive innovative solutions tailored to our employees' needs.

Leaders across the organization are held accountable for fostering engagement through active participation, sharing team results, and creating actionable engagement plans. The aggregated results serve as a key indicator of the overall health of our workforce and are shared with the Company's board of directors (the "Board").

Compensation and Benefits

We strive to provide competitive wages, benefits, and programs that meet the varying needs of our workforce. We continually review our programs to ensure we remain competitive and take care of our employees.

Our compensation philosophy is designed to attract, retain, and motivate talent through fair, competitive, and performance-driven pay. We benchmark roles against market data to ensure competitiveness, maintain a clear job architecture for internal equity and career progression, and reward performance through merit increase and incentive programs.

The approach we take in our benefit offerings is a holistic one to address our employees' total well-being, which includes aspects of their health, physical, mental/emotional, social, and financial needs.

We offer the following compensation and benefit programs as part of our total rewards package:

- Competitive Total Compensation
  - Base salary
  - Short-term Incentive Plan (for eligible employees)
  - Long-term Incentive Plan (for eligible employees)
  - Referral incentive programs

- Comprehensive Benefit Programs
  - Medical, dental, and vision plans
  - 401(k) plan with a 100% match on the first 6% contributed
  - Paid time off
  - Health savings accounts with employer contribution

- Flexible spending accounts
- Company paid childcare assistance program
- Student debt employer repayment program
- Additional Benefits: short-term disability; long-term disability; employee assistance program; free or discounted banking products and services; wellness program; and flexible work arrangements

Growth and Development

As part of our commitment to fostering a dynamic and competitive workforce, we have invested significant time and resources to develop and empower our talent. We made meaningful progress in our development programs centered on emotional intelligence, and manager effectiveness. These initiatives were further enhanced by role-specific training programs and on-demand learning opportunities, ensuring our employees are equipped with the skills necessary to excel in their roles.

Better Together

At First Interstate Bank we recognize that fostering an inclusive workplace contributes to innovation, enhances decision-making, and improves client experiences. Our commitment to inclusion is reflected not only within our Company but also in the communities where we live and work. We take pride in creating a workplace that values the unique skills and experiences our employees bring. We are committed to advocating for the rights and respect of all and actively participate in achieving this by setting an example of this leadership in the communities we call home.

To help ensure our educational and connection opportunities align with the needs of our employees, we have an employee Council that is comprised of 18 individuals across the footprint from various departments and with a range of tenure with the Company (2-26 years). The Council meets quarterly with smaller working groups convening as necessary to drive optional education opportunities, employee engagement, and communications that fit within our overall business strategy.

Our Employee Engagement survey allows us to track year over year progress, through the Culture of Inclusion Index questions, giving us insight into areas of strengths and opportunities for improvement, helping us continuously refine our approach to inclusion and workplace culture.

In conjunction with our Learning & Development team, we created Better Together, a voluntary learning opportunity to ensure employees understand what belonging means at First Interstate, how it can enhance our work with colleagues and clients, and how an inclusive culture strengthens team performance. Better Together is now the foundational learning opportunity for incoming employees and creates a common understanding among new and more tenured employees. Launched in the third quarter of 2024, 78% of our workforce has engaged with Better Together as of December 31, 2025.

We continued our Collective Learning Series, a monthly educational and community-building webinar that brings together employees to share experiences, perspectives, and learn more about our team and the communities we serve. Now in its third year, this series has experienced remarkable growth, with attendance climbing significantly year after year. Mental health remains one of our most sought-after topics, and we proudly recognized Men's Mental Health Month in June 2025. In August 2025, our CEO partnered with Community Banking and Contact Center leadership for a standout event focused on creating inclusive environments for clients. Additional sessions explored critical themes such as Substance Abuse Prevention Month, generational diversity in the workplace, and Eating Disorder Awareness — each contributing to meaningful conversations and engagement across our organization.

We believe we are better together and are committed to moving forward while making an impact and difference for all communities and employees. We look forward to another year of providing voluntary resources and engagement opportunities that we believe bring value to our employees, serve our mission of helping people get to where they want to be, and support the communities where we live and work.

Website Access to SEC Filings

The Company's electronic filings with the SEC, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and Proxy Statements, as well as amendments to these reports and statements filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, are made available at no cost through our website at www.FIBK.com by clicking through the "Financials" tab found there and selecting "SEC Filings," as soon as reasonably practicable after the Company files such material with, or furnishes such materials to, the SEC. The Company's SEC filings are also available through the SEC's website at www.sec.gov. In addition, we routinely post important information for investors on our website at www.FIBK.com. We use this website as a means of disclosing material information in compliance with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts. Our website and the information contained therein or connected thereto is not intended to be incorporated by reference into this report and should not be considered a part of this report, and the referenced websites are not intended to act as active hyperlinks.

Item 1A. Risk Factors

Like other financial institutions and bank holding companies, the success of our business is subject to a number of risks and uncertainties, many of which are outside of our control. The material risks and uncertainties of which we are currently aware are set forth below under headings that are provided for convenience and intended to organize the risks and uncertainties into related categories to improve readability for investors; no inference should be drawn, however, that the placement of a risk factor under a particular category means it is not applicable to another category of risks or that it may be more or less material than another risk factor. Regardless, if any of the events or circumstances described below actually occur, our business, financial condition, and results of operations could be harmed. These risks are not the only ones we may face. Other risks of which we are not aware, including those which relate to the banking and financial services industry in general and us in particular, or those which we do not currently believe are material, may harm our future business, financial condition, results of operations, and prospects. You should consider carefully the following important factors in evaluating us and our business before you make an investment decision about our securities.

Regulatory and Compliance Risks

New governmental regulations and/or changes in existing governmental regulations, or in the way such regulations are interpreted or enforced, could have a material adverse effect on the Company.

The Company is extensively regulated under federal and state banking laws and regulations that are intended primarily for the protection of clients, the DIF, and the banking system. Both the scope of the laws and regulations and the intensity of the supervision to which our business is subject have increased in recent years in response, we believe, to various factors including the 2008 financial crisis and 2023 banking crisis as well as technological and market changes. Regulatory enforcement and fines have also increased across the banking and financial services sector. Many of these changes have occurred as a result of the Dodd-Frank Act and its implementing regulations. The Company expects its business will remain subject to extensive regulation and supervision.

Regulations, along with the currently existing tax, accounting, securities, insurance, employment, monetary, and other laws and regulations, rules, standards, policies, and interpretations control the methods by which we conduct business, implement strategic initiatives and tax compliance, and govern financial reporting and disclosures. In addition, the Company is subject to changes in federal and state laws as well as changes in banking and credit regulations and governmental economic and monetary policies. Congress may enact legislation from time-to-time that affects the regulation of the financial services industry, and state legislatures may enact legislation from time-to-time affecting the regulation of financial institutions chartered by or operating in those states. Federal and state regulatory agencies also periodically propose and adopt changes to their regulations or change the application of existing regulations. In recent years, the CFPB has increased its scrutiny of fee-based business models and various fees on consumer financial products and services, including depositor, overdraft and late fee charges. More recently, CFPB leadership has publicly indicated potential shifts in supervisory and enforcement priorities, including an increased focus on conciliation, correction, and remediation efforts with supervised entities to resolve problems, and a focus on addressing actual fraud against consumers, where there are identifiable victims with material and measurable consumer damages; however, such priorities may change over time.

The CFPB has also focused on consumer data access, including through its final rule implementing Section 1033 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly referred to as the “open banking” rule to empower consumers and authorized third parties to access account data controlled by financial institutions. Open banking rulemaking has long been expected to have a significant impact on both financial institutions and third parties. The scope, timing, and compliance obligations associated with the open banking rule are subject to ongoing litigation, and the rule may be revised or replaced through further rulemaking, which could create regulatory uncertainty and require us to make additional operational, technology, and compliance investments. In fact, the CFPB has issued an advanced notice of proposed rulemaking soliciting public comment to reconsider the implementation of Section 1033 of the open banking rule. This signals a further shift in regulatory expectations for consumer-authorized data sharing, and further clouds the degree of compliance burden on covered entities. Decreases in federal supervisory activities in selected areas may result in a corresponding increase in state supervisory and enforcement activities in those or other areas. The degree and scope of state regulation remains to be seen.

In addition, in June 2024, the U.S. Supreme Court reversed its longstanding approach under the Chevron doctrine, which provided for judicial deference to regulatory agencies. As a result of this decision, we cannot be sure whether there will be increased challenges to existing regulations with which we are required to comply or how lower courts will apply the decision in the context of regulatory schemes applicable to us, leading to increased regulatory uncertainty and potential changes in the way laws or regulations applicable to us are interpreted or enforced. With the advent of efforts by the current administration to enhance regulatory efficiency, including deregulation and tailoring of regulatory proposals, reducing agency budgets, and the restructure of federal agencies, there could be a significant impact on rulemaking, supervision, examination and enforcement priorities of the federal banking agencies, including agencies like the CFPB. In addition, future changes in the presidential administration or in makeup of the Senate and the House of Representatives may lead to new or changed laws and regulations applicable to us, and there may also be significant changes to the fiscal and monetary policies of the federal government and its agencies, including the Federal Reserve. Changes in leadership at the Federal Reserve, in connection with the scheduled end of the current Chair's term in May 2026 or otherwise, could also result in shifts in interest rate policy, the Federal Reserve's balance sheet management, or supervisory priorities.

Recent executive actions and related changes in federal and state supervisory priorities could increase regulatory uncertainty and adversely affect our business. For example, in 2025, the President issued executive orders addressing, among other things, (i) regulatory approaches to customer access to financial services and the use of "reputational risk" or similar concepts in supervision and (ii) the use of disparate-impact liability in connection with certain federal civil rights and fair lending laws. The scope and implementation of these executive orders (including any related changes in agency guidance, examination procedures, enforcement priorities, or supervisory expectations) are uncertain and may change over time. In addition, federal and state regulators and attorneys general may take differing approaches to supervision and enforcement, and heightened or divergent state-level scrutiny or enforcement activity could increase our compliance costs and operational burden. These developments could require us to modify policies, procedures, controls, and documentation practices, and could subject us to increased investigations, supervisory findings, enforcement actions, civil money penalties, litigation, and reputational harm, any of which could materially and adversely affect our business, financial condition, and results of operations.

Any of these changes or new legislation could increase our future compliance and other operating expenses and could have a material adverse effect on our business, financial condition, and results of operations.

Negative developments in the banking industry could result in increased regulatory scrutiny.

Events like the 2023 bank failures and the related negative media that involve adverse developments affecting financial institutions, transactional counterparties or other companies in the banking industry, or the development of concerns or rumors about these or similar events, have in the past and may in the future lead to erosion of confidence in the banking system, deposit volatility, liquidity issues, stock price volatility, and other adverse developments.

These developments can have and resulted in modifications to or additional laws and regulations governing banks and bank holding companies. These may include, an increase in capital requirements, modifications to regulatory requirements with respect to liquidity risk management, increased supervision over deposit concentrations, enhanced capital adequacy requirements, more stress testing and contingency planning requirements, implementation of other safe and sound banking practices, or other enhanced supervisory or enforcement activities. Other legislative initiatives could detrimentally impact our operations in the future. Regulatory bodies may enact new laws or promulgate new regulations or view matters or interpret laws and regulations differently than they have in the past, or commence investigations or inquiries into our business practices. Increased regulatory scrutiny, whether by virtue of new regulations (if any) or during routine examinations, could increase our cost of doing business and reduce our profitability. Among other things, there may be increased focus by both regulators and investors on deposit composition, the level of uninsured deposits, collateralized deposits, brokered deposits, unrealized losses in securities portfolios, liquidity, commercial real estate composition and concentration, and capital and general oversight and control of the foregoing.

Tax legislative initiatives or assessments could adversely affect our results of operations and financial condition.

We are subject to income and other taxes in the United States and in the various state and local jurisdictions where we operate. The laws and regulations related to tax matters are extremely complex and subject to varying interpretations. Although management believes our positions are reasonable, we are subject to audit by the Internal Revenue Service in the United States and by state and local tax authorities in all the jurisdictions in which we conduct business operations. While we believe we comply with all applicable tax laws, rules, and regulations in the relevant jurisdictions, the tax authorities may determine that we owe additional taxes or apply existing laws and regulations differently, which could result in a significant increase in liabilities for taxes and interest in excess of accrued liabilities and harm our business and financial condition.

New tax legislative initiatives, including changes in the corporate tax rate, may be enacted, negatively impacting our effective tax rate at the federal and state level, and potentially adversely affecting our tax positions or tax liabilities. For example, the U.S. has implemented a 15% minimum tax on corporations and a 1% excise tax on certain share buybacks. We have adopted and completed material share repurchase programs over the past several years as a means by which to return value to shareholders, and the new excise tax may have a material and negative impact on our willingness to engage in such programs in the future or may materially increase our costs associated with engaging in any such programs to the extent we determine to engage in them in the future. In addition, unilateral or multi-jurisdictional actions by various tax authorities, including an increase in tax audit activity, could have an adverse impact on our tax liabilities. In any event, significant uncertainties exist with respect to the amount of our tax liabilities, including those arising from potential and already implemented changes in tax laws. These and other tax related items could increase our future tax expense, could change our future intentions regarding the use of our earnings, and could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to more stringent capital requirements in the future, the impact of which could have a material risk to our operations.

Federal and state banking regulators possess broad powers to take supervisory actions as they deem appropriate. These supervisory actions may result in higher capital requirements, higher deposit insurance assessment rates, and limitations on the Company's activities that could have a material adverse effect on its business and profitability. For example, federal banking agencies implemented "Basel III" regulatory capital reforms, which became effective in 2015 and were fully phased in as of January 2019, that substantially amended the regulatory risk-based capital rules applicable to us, as further described in Part I, Item 1. "Business" included herein.

While the current risk-based guidelines applicable to us and the Bank are based on the Basel III framework, regulators may, from time to time, implement changes to the regulatory capital adequacy and liquidity requirements applicable to us. For example, in September 2022, the federal banking regulators announced their intent to revise U.S. regulatory capital requirements to align with Basel IV requirements, more recently referred to as the Basel III "Endgame," and in July 2023 issued a notice of proposed rulemaking for comment that would substantially revise the regulatory capital framework for banking organizations with total assets of $100 billion or more and their depository institutions subsidiaries and banking organizations with significant trading activity. Public review and comment commenced with no final rule being issued. In numerous speeches by the Federal Reserve's Vice Chair for Supervision, the regulator has signaled a more focused method to and re-evaluation of the capital rules, which may result in a more institution-specific approach. The impact of Basel IV will depend upon the way it is implemented in the U.S. with respect to institutions like First Interstate and FIB, but to the extent its implementation or other more stringent capital requirements become applicable to us and our operations, our results of operations and profitability could be materially and adversely affected.

Changes in accounting standards could materially negatively impact our financial statements.

From time-to-time, the Financial Accounting Standards Board ("FASB") and the SEC change the financial accounting and reporting standards that govern the preparation of our financial statements. These changes can materially impact how we record and report our financial condition and results of operations.

Any failure to comply with laws and regulations, including the Community Reinvestment Act (CRA) and fair lending laws, could lead to material penalties.

We are subject to regulation and supervision by the FDIC and Federal Reserve. We must comply with the CRA, the Equal Credit Opportunity Act, the Fair Housing Act, and other fair lending laws and regulations, as well as all other applicable laws and regulations that impose non-discriminatory lending and other requirements on financial institutions. A failure to comply with these laws and regulations could result in a wide variety of sanctions, including the required payment of damages and civil money penalties, injunctive relief, imposition of restrictions on mergers and acquisitions activity, and restrictions on expansion. In addition to actions by the U.S. Department of Justice and other federal agencies, including the Federal Reserve and CFPB, who are responsible for enforcing these laws, our compliance with fair lending laws could be challenged in private class action litigation. The costs of defending any such challenge and any adverse outcome arising from such a challenge could damage our reputation or could have a material adverse effect on our business, financial condition, or results of operations. Even absent formal enforcement, the costs of remediating compliance deficiencies, maintaining ongoing compliance, and defending against potential regulatory actions could divert management resources, reduce earnings, and negatively impact stockholder returns.

We are subject to the USA PATRIOT Act, OFAC guidelines and requirements, the Bank Secrecy Act ("BSA"), and related Financial Crimes Enforcement Network ("FinCEN") and Federal Financial Institutions Examination Council ("FFIEC") Guidelines and regulations and any failure to comply with them could result in material implications that could harm our business.

We are routinely examined by our regulators for compliance with the USA PATRIOT Act, OFAC guidelines and requirements, the BSA, and related FinCEN and FFIEC Guidelines. Failure to maintain and implement adequate programs and fully comply with relevant laws or regulations could have serious legal, financial, and reputational consequences for us, including causing applicable bank regulatory authorities not to approve merger or acquisition transactions when regulatory approval is required, or to prohibit such transactions even if approval is not required. Regulatory authorities have imposed cease and desist orders and significant civil money penalties against institutions found to be violating these regulations. If any of the foregoing were to come to pass, our business, financial condition, or results of operations could be materially and adversely affected.

Federal deposit insurance assessment rates could increase further in the future.

The FDIC insures deposits at FDIC-insured financial institutions, including the Bank. The FDIC charges insured financial institutions assessment rates to maintain the DIF at a specific level. Historically, unfavorable economic conditions increased bank failures and these additional bank failures decreased the DIF balance. As further described in Item 1. Business - Government Regulation and Supervision – Deposit Insurance, extraordinary growth in insured deposits during the COVID-19 pandemic caused the ratio of the DIF to total insured deposits to fall below the current statutory minimum of 1.35%. To restore the DIF to its statutorily mandated minimums, the FDIC significantly increased deposit insurance assessment rates, including the Bank's assessment rates, and imposed special assessments as discussed above, resulting in increased expenses to the Bank.

The FDIC may further increase the assessment rates or impose additional special assessments in the future to restore the DIF to these statutory target levels. Any increase in the Bank's FDIC assessment rates could have an adverse effect on its business, financial condition and results of operations. FDIC insurance assessment rates could increase in the future in response to similar declining economic conditions.

Credit Risks

We may be subject to lending risks and risks associated with loan portfolio concentrations, which could adversely affect the Company.

We take on credit risk by virtue of making loans and extending loan commitments and letters of credit. Our credit standards, procedures, and policies may not prevent us from incurring substantial credit losses.

Our loans held for investment portfolio are concentrated in commercial real estate and commercial business loans. As of December 31, 2025, we had $10.5 billion of commercial loans, including $8.1 billion of commercial real estate loans, representing approximately 69.1% of our loans held for investment portfolio.

Commercial loans may involve greater risks than our other types of lending. Because payments on such loans are often dependent on the successful operation or development of the property or business involved, repayment of such loans can be more sensitive to adverse conditions in the real estate market or the general economy. Commercial loans typically are made based on borrowers' ability to make repayment from the cash flow of their commercial venture. If the cash flow from business operations is reduced because of adverse conditions, the borrower's ability to repay the loan may be impaired. Commercial loans are, on average, larger loans as compared to other loans with less readily marketable collateral. Given these factors, losses incurred on commercial real estate and commercial loans could have a material adverse impact on our business, financial condition, and results of operations. For example, in the fourth quarter of 2025, we recognized a charge-off of approximately $15.8 million relating to a commercial real estate loan that had become impaired as a result of adverse developments impacting the borrower's business.

In addition, many of our borrowers operate in industries that are directly or indirectly impacted by changes in commodity prices, such as agriculture and livestock businesses, as well as businesses indirectly impacted by commodities prices, such as businesses that transport commodities or manufacture equipment used in production of commodities. Changes in commodity products prices depend on local, regional, and global events or conditions that affect supply and demand for the relevant commodity. For example, in 2025 we experienced increased credit stress in certain of our grain credit relationships as lower commodity prices and elevated input costs pressured borrower cash flows. If such conditions persist or recur, we could experience higher criticized or nonperforming loans and increased credit losses in these portfolios.

Deterioration in economic conditions or in the real estate market could result in increased delinquencies and foreclosures and could have an adverse effect on the collateral value for many of these loans and on the repayment ability of many of our borrowers. Deterioration in economic conditions or in the real estate market could also reduce the number of loans we make to businesses in the construction and real estate industry, which could negatively impact our interest income and results of operations. For example, in 2025, we experienced slower lease-up in our commercial real estate multi-family portfolio, which contributed to an increase in criticized assets in the middle of 2025 before improving later in the year. More recently, we have experienced weaker than anticipated loan production, including muted demand for certain commercial real estate and construction lending and softer new construction activity in several of our markets. If these conditions persist or we are unable to generate sufficient new loan production to offset ongoing runoff, amortization and payoffs, our loan balances may decline. If economic conditions or the real estate market deteriorate, or if any of the foregoing trends persist or worsen, we could experience higher levels of criticized and nonperforming assets, increased net charge-offs and provisions for credit losses, and reduced profitability, any of which could have a material adverse effect on our business, financial condition and results of operations. Similarly, the occurrence of a natural or man-made disaster in our market areas could impair the value of the collateral we hold for real estate secured loans. Any factor or combination of factors identified above could negatively impact our business, financial condition, and results of operations.

A decline in economic conditions could reduce demand for our products and services and negatively impact the credit quality of loans, which could have an adverse effect on our results of operations.

Our clients are located predominantly in Colorado, Idaho, Iowa, Missouri, Montana, Nebraska, Oregon, South Dakota, Washington, and Wyoming. Unlike larger banks that are more geographically diversified, our profitability largely depends on the general economic conditions in these areas. Deterioration in economic conditions could result in the following consequences, any of which could have a material adverse effect on our business, financial condition, liquidity, and results of operations:

- demand for our products and services may decline;
- loan delinquencies, problem assets, and foreclosures may increase;
- increases in the provisions for credit losses and loans and lease charge-offs;
- decrease in net interest income derived from lending activities;
- collateral for loans, especially real estate, may decline in value;
- future borrowing power of our clients may be reduced;
- the value of our securities portfolio may decline;
- the net worth and liquidity of loan guarantors may decline, impairing their ability to honor commitments to us; and
- increases in our operating expenses associated with attending to the effects of the above noted consequences.

Volatility and uncertainty related to inflation and the effects of inflation, which may lead to increased costs for businesses and consumers and potentially contribute to poor business and economic conditions generally, may enhance or contribute to some of the risks discussed herein. For example, higher inflation, or volatility and uncertainty related to inflation, could reduce demand for our products, adversely affect the creditworthiness of the Company's borrowers, increase our operating costs, or result in lower values for our investment securities and other interest-earning assets. Following a period of elevated inflation during 2022 and 2023, the Federal Reserve has stated that its objective is to return the rate of inflation to 2% and actions taken to pursue that objective, including changes in monetary policy and interest rates, could further affect economic activity, borrowing demand and our funding costs. To the extent inflationary pressures persist, monetary policy actions do not mitigate inflation, or economic conditions otherwise worsen, we could experience adverse effects on our business, financial condition, and results of operations. For additional discussion of the risks related to Federal Reserve action related to changes in interest rates, see "Changes in interest rates may have an adverse effect on demand for our products and services and on our profitability" under "Market Risks" below.

Deflationary pressures, while possibly lowering some of our operating costs, could also weaken economic activity and have a significant negative effect on our borrowers, especially our business borrowers, and the values of underlying collateral securing loans, which could negatively affect our business, financial condition, and results of operations.

Additionally, a significant decline in general economic conditions caused by the economic slowdown in Europe and the United States, the impact of trade negotiations, escalating tensions with China, economic conditions in China, including the global economic impacts of the Chinese economy, China's regulation of commerce, escalating military tensions in Europe as a result of Russia's military action in Ukraine, escalating military tensions in South America or other impacts related to the United States' actions related to Venezuela, heightened geopolitical uncertainty involving Greenland, and the conflict in Israel and the surrounding regions, the outbreak of other international or domestic hostilities or other unrest, a default by the United States or other governments in repaying financial obligations, a shutdown of all or part of the United States government or other governments, the effects of pandemics or other health crises, acts of terrorism, climate-related events such as prolonged drought, unemployment, or other economic and geopolitical factors beyond our control, could further impact these local economic conditions and negatively affect our business and results of operations.

If we experience credit losses on loans in excess of estimated amounts, our earnings could be adversely affected.

The risk of credit losses on loans varies with, among other things, general economic conditions, the composition of our loan portfolio, the creditworthiness of the borrower over the term of the loan, and, in the case of a collateralized loan, the value and marketability of the collateral for the loan. We maintain an allowance for credit losses based upon, among other things, historical experience, delinquency trends, economic conditions, and regular reviews of loan portfolio quality. Based upon such factors, management makes various assumptions and judgments about the ultimate collectability of our loan portfolio and provides an allowance for credit losses. These assumptions and judgments are complex and difficult to determine given the significant uncertainty surrounding future conditions in the general economy and banking industry. If management's assumptions and judgments prove to be incorrect and the allowance for credit losses is inadequate, or if banking authorities or regulations require us to increase the allowance for credit losses, our net income may be adversely affected. As a result, an increase in credit losses could have a material adverse effect on our earnings, financial condition, and results of operations.

United States trade policies and other factors beyond the Company's control, including the imposition of tariffs and retaliatory tariffs, may adversely impact our business, financial condition, and results of operations.

The U.S. government recently announced changes to its trade policies including increasing tariffs on imports, in some cases significantly, and potentially renegotiating or terminating existing trade agreements. The current tariff environment is dynamic and uncertain, as the U.S. government has announced widespread tariff reform, with the timing of the tariffs delayed in many cases. For example, in January 2026, the President announced (and later rescinded) additional tariffs on imports from certain European countries (including EU member states) in connection with public statements regarding Greenland, and such actions (and any retaliatory measures) could further increase trade uncertainty and market volatility. Changes to tariffs and other trade restrictions can be announced at any time with little or no notice. We cannot predict with certainty the future trade policy of the United States or other countries. These changes, including trade policies and tariffs affecting other countries, including China, countries comprising the European Union or Middle East, Canada, and Mexico, and retaliatory tariffs by such countries, could materially harm our business. Tariffs and retaliatory tariffs have been imposed, and additional tariffs and retaliatory tariffs are periodically discussed.

If maintained, announced tariffs and the potential escalation of trade disputes, a trade war or other governmental action related to tariffs or international trade agreements or policies, as well as potential epidemics or pandemics, have the potential to negatively impact our and/or our clients' costs, demand for our clients' products, and/or the U.S. economy or certain sectors thereof and, thus, adversely affect our business, financial condition, and results of operations. In addition, changes in U.S. trade policies could impact us by impacting the level of deposits (one of our primary lending sources) held by our clients, whether through a higher volume of withdrawals or through a lower volume of deposits.

The soundness of other financial institutions could adversely affect the Company.

Financial services companies are interrelated as a result of trading, clearing, counterparty, or other relationships. We have exposure to many different industries and counterparties. For example, we execute transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, and other institutional clients. As a result, defaults by, or even rumors or questions about, one or more financial services companies or the financial services industry at times have led to market-wide liquidity problems and could lead to losses or defaults by us or by other institutions. Many of these transactions expose us to increased credit risk in the event of default of a counterparty or client.

Liquidity Risks

We are subject to liquidity risks which could impair our cash flows and adversely affect the Company.

Liquidity is the ability to meet current and future cash flow needs on a timely basis at a reasonable cost. Our liquidity is used to make loans and repay deposit liabilities as they become due or are demanded by clients. We rely on our ability to generate deposits and effectively manage the repayment and maturity schedules of our loans and investment securities, respectively, to provide adequate liquidity to fund our operations. While scheduled loan repayments are a relatively stable source of funds, they are subject to the ability of borrowers to repay the loans. The ability of borrowers to repay loans can be adversely affected by a number of factors, including changes in economic conditions, adverse trends or events affecting business industry groups, reductions in real estate values or markets, business closings or lay-offs, inclement weather, natural disasters, which could be exacerbated by potential climate change, and international instability.

Additionally, deposit levels may be affected by several factors, including rates paid by competitors, general interest rate levels, regulatory capital requirements, returns available to clients on alternative investments or other cash management, payment, or store-of-value products (including stablecoin or other digital-asset-based products offered by non-bank providers) and general economic conditions. We may experience potential stresses on liquidity management. We may see deposit levels decrease as clients adjust to distressed economic conditions by using the funds that would otherwise be savings. Accordingly, we may be required from time to time to rely on secondary sources of liquidity to meet withdrawal demands or otherwise fund operations. We maintain a portfolio of investment securities that may be used as a secondary source of liquidity to the extent the securities are not pledged as collateral. Other potential sources of liquidity include the sale of loans, the utilization of available government and regulatory assistance programs, the ability to acquire brokered deposits, the issuance of additional collateralized borrowings such as Federal Home Loan Bank advances, the issuance of debt or equity securities, the sale of available-for-sale securities which may require the sale of securities in a loss position, securities sold under repurchase agreements, federal funds purchased, and borrowings through the Federal Reserve's discount window. Without sufficient liquidity from these potential sources, we may not be able to meet the cash flow requirements of our depositors and borrowers.

Additionally, our access to funding sources in amounts adequate to finance our activities or on terms that are acceptable to us could be impaired by factors specific to us, the financial services industry, or the economy in general. Factors that could reduce our access to liquidity sources include a downturn in our local or national economies, unfavorable market conditions, difficult or illiquid credit markets, impairments on the value of the collateral we use to secure certain of our borrowings, or adverse regulatory actions against us. A failure to maintain adequate liquidity could have a material, adverse effect on our regulatory standing, business, financial condition, and results of operations.

Loss of deposits or a change in deposit mix could increase the Company's funding costs and negatively affect the Company's operations.

Deposits are a low cost and stable source of funding. We depend on checking and savings, negotiable order of withdrawal, money market deposit account balances, and other forms of client deposits as our primary source of funding. Deposit levels may be affected by several factors, including interest rates paid by competitors, general interest rate levels, returns available to customers on alternative investments and general economic conditions that affect savings levels and the amount of liquidity in the economy, including government stimulus efforts in response to economic crises. The availability of internet banking products has increased the mobility of client deposits. We compete with banks and other financial institutions for deposits. Funding costs may increase because the Company may lose deposits and replace them with more expensive sources of funding. Clients may shift their deposits into higher-cost products, or the Company may need to raise its interest rates to remain competitive in the marketplace. Higher funding costs reduce the Company's net interest income and net income. We cannot be assured that unusual deposit withdrawal activity will not affect banks generally in the future or the Bank specifically.

Our liquidity could be impacted by an inability to access funding, by an unforeseen outflow of cash, or by the inability to monetize liquid assets.

Factors outside of the Company's control, such as a general market disruption or an operational problem that affects third parties, could impair the Company's ability to access short-term funding or create an unforeseen outflow of cash due to, among other factors, draws on unfunded commitments or deposit attrition. Such deposit attrition or withdrawals could be amplified by rapid electronic movement of funds to non-bank platforms, including digital-asset and stablecoin-based products offered by non-bank providers, which may increase the speed and severity of outflows and our liquidity needs. Large-scale withdrawals of deposits could require us to access short-term funding sources to meet immediate cash needs or pay significantly higher interest rates to obtain or maintain our deposits, which would have an adverse impact on our net interest income and net income. In addition, changes to the underwriting guidelines or lending policies may limit or restrict our ability to borrow, and therefore could have a significant adverse impact on our liquidity. In the event of future turmoil in the banking industry or other events, there is no guarantee that the U.S. government will invoke the systemic risk exception, create additional liquidity programs, or take any other action to stabilize the banking industry or provide liquidity. The Company's inability to monetize liquid assets or to access short-term funding or capital markets could limit the Company's ability to make new loans or meet existing lending commitments and could impact the Company's liquidity and capitalization.

Market Risks

Changes in interest rates may have an adverse effect on demand for our products and services and on our profitability.

Our earnings and cash flows are largely dependent on net interest income, which is the difference between interest income earned on interest-earning assets, such as loans and investment securities, and interest expense paid on interest-bearing liabilities, such as deposits and borrowed funds. The level of net interest income is primarily a function of the average balance of interest-earning assets, the average balance of interest-bearing liabilities, and the spread between the yield on such assets and the cost of such liabilities. The narrowing of interest rate spreads could adversely affect our earnings and financial condition. After materially tightening monetary policy in 2022 and 2023 in an effort to curb inflation, the Federal Reserve has more recently paused and begun reducing the target federal funds rate. The Federal Reserve decreased the federal funds rate by 100 basis points between September and December 2024 and decreased the federal funds rate by an additional 75 basis points in 2025. The Federal Reserve also indicated in December 2025 that there may be further interest rate decreases during 2026, although we cannot control or predict with certainty changes in interest rates. Regional and local economic conditions, competitive pressures, and the policies of regulatory authorities, including monetary policies of the Federal Reserve and the speed of their implementation, affect interest income and interest expense.

As of December 31, 2025, 41.1% of our loans were advanced to our clients on a variable or adjustable-rate basis. Any prolonged higher borrowing costs resulting from the increases by the Federal Reserve may cause financial hardship on our borrowers, reducing the ability of borrowers to repay their current loan obligations. As a result, any increases in interest rates could result in increased loan defaults, foreclosures, and charge-offs and could necessitate further increases to the allowance for credit losses, any of which could have a material adverse effect on our business, financial condition, or results of operations. In addition, a decrease in interest rates could negatively impact our margins and profitability and uncertainty about the timing and magnitude of future interest rate changes could reduce borrowing demand and, thus, the need for our lending services.

In a declining interest rate environment, our ability to benefit from lower short-term rates depends in significant part on how quickly and to what extent we can reduce the rates paid on interest-bearing deposits and other funding sources. Competition for deposits and client preferences for higher-yielding or longer-term products may limit our ability to lower deposit costs, or may cause a lag between reductions in market rates and reductions in our funding costs, particularly for time deposits and exception-priced relationships. In recent periods, we have experienced select customer movement into higher-yielding deposit products, and our ability to move interest-bearing deposit costs lower (with some lag, including in CDs and certain exception-priced relationships) will be a key factor affecting net interest income in a declining rate environment. If we are unable to decrease interest-bearing deposit costs at least in line with the repricing of our earning assets, or if competitive pressures require us to maintain above-market deposit rates or offer promotional products, our net interest margin and net interest income could be adversely affected.

Changes in monetary policy, including changes in interest rates, could influence not only the interest we receive on loans and securities and the amount of interest we pay on deposits and borrowings, but could also adversely affect (1) our ability to originate loans and obtain deposits, (2) the fair value of our financial assets and liabilities, including mortgage servicing rights, (3) our ability to realize gains on the sale of assets, and (4) the average duration of our mortgage-backed securities and collateralized mortgage obligations portfolios. For example, rising interest rates could adversely affect our mortgage banking business because higher interest rates could cause clients to apply for fewer mortgages. Similarly, rising interest rates would increase the required periodic payment for variable rate loans and may result in an increase in non-performing loans and may increase the cost of our deposits, which are a primary source of funding. Conversely, in a declining interest rate environment, we may experience compression of loan and securities yields, lower reinvestment rates on cash flows from our investment portfolio, faster repayments on mortgage and other fixed-rate loans and securities, and potential reductions in the value of certain interest rate risk management positions. Accordingly, any substantial, unexpected, or prolonged change in market interest rates could have a material, adverse effect on our cash flows, financial condition, and results of operations.

Changes in interest rates can also affect the slope of the yield curve. The impact from a decline in the current yield curve or a flatter or inverted yield curve could cause our net interest income and net interest margin to contract, which could have a material adverse effect on our net income and cash flows, as well as the value of our assets. An inverted yield curve or downward shift in interest rates may also adversely affect the yield on investment securities by increasing the prepayment risk on certain securities. A flattening or inversion of the yield curve or a negative interest rate environment in the United States could create downward pressure on our net interest margin.

Changes in interest rates may have an adverse effect on the value of our investment securities.

Inflation and rapid increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. Any sale of investment securities that are held in an unrealized loss position by us for liquidity or other purposes will cause actual losses to be realized. There can be no assurance that there will not be additional bank failures or issues such as liquidity concerns in the broader financial services industry or in the U.S. financial system. Adverse financial market and economic conditions can exert downward pressure on stock prices, security prices, and credit availability for financial institutions without regard to their underlying financial strength.

Operational Risks

Our Company faces cybersecurity risks, including denial-of-service attacks, network intrusions, business e-mail compromise, and other malicious behavior that could result in the disclosure of confidential information, adversely affect our business or reputation, and create significant legal, operational, and financial exposure.

Our computer systems and network infrastructure and those of third-party service providers on which we are dependent, are subject to security risks and could be susceptible to cyber-attacks, such as denial-of-service attacks, hacking, malware, terrorist activities, and other cybersecurity incidents. Industry experts report increasing cyber-attacks against financial services institutions, and the cost of responding to cybersecurity incidents is higher for victims within the financial sector relative to other sectors. Financial services institutions have reported breaches in the security of their websites or other systems, some of which have involved sophisticated and targeted attacks intended to obtain unauthorized access to confidential information, destroy data, disable or degrade service, achieve illicit financial gain, or sabotage systems, often through the introduction of computer viruses, malware, ransomware, cyber-attacks, and other means. Denial-of-service attacks have been launched against several large financial services institutions, primarily resulting in inconvenience, but can also cause operational disruption. Ransomware and other types of cyber-attacks could be more disruptive and damaging. Hacking and identity theft risks arising from instances of data loss or compromise could also cause serious reputational harm to the Company and the Bank.

Our reliance on vendors subjects us to additional cybersecurity risks and vulnerabilities and other threats to our business operations, as vendor security incidents are common. For example, the hardware and software we purchase from suppliers and vendors to facilitate financial services and perform company operations are at risk of having embedded malware, viruses, and other methods intended to develop unauthorized access to confidential information. These types of attacks, known as "supply-chain attacks," have become more prevalent and are creating additional risks through the solutions and tools upon which we rely. While we have a third-party risk management program to oversee our vendors and procurement, our ability to successfully mitigate these risks that occur in the hardware and software of these vendors is limited. Although we generally have agreements relating to cybersecurity and data privacy in place with our vendors, we cannot guarantee that such agreements will prevent a cyber-incident impacting our systems or information or enable us to obtain adequate or any reimbursement from our service providers in the event we should suffer any such incidents. Additionally, the existence of cyber-attacks or security breaches at third-party vendors with access to our data may not be disclosed to us in a timely manner. To the extent we experience supply-chain attacks, our business and reputation could be materially adversely affected, and these third (or fourth) party security incidents could give rise to legal and regulatory risk for the Company and the Bank.

We also face more indirect technology, cybersecurity, and operational risks relating to the customers, clients, and other third parties with whom we do business or upon whom we rely to facilitate or enable our business activities, including, for example, financial counterparties, regulators, and providers of critical infrastructure such as internet access and electrical power. As a result of increasing consolidation, interdependence, and complexity of financial entities and technology systems, a technology failure, cyber-attack, or other information or security breach that significantly degrades, deletes, or compromises the systems or data of one or more of the entities within our operating ecosystem could have a material impact on us and on our customers. This consolidation, interconnectivity, and complexity within the financial services sector increases the risk of operational failure. Any third-party or fourth-party technology failure, cyber-attack, or other information or security breach, termination, or constraint within our ecosystem could, among other things, adversely affect our ability to effect transactions, service our clients, manage our exposure to risk, or expand our business.

In addition, we provide our clients with the ability to bank remotely, including online, through their mobile devices, and over the telephone. The secure transmission of confidential information over the internet and other remote channels is a critical element of remote banking. Our network, or the network of third parties upon which we rely, could be vulnerable to unauthorized access, computer viruses, malware, phishing schemes, and other internal and external security breaches. We may be required to spend significant capital and other resources to protect against threats, or to alleviate problems caused by security breaches or malicious software. To the extent that our activities or the activities of our clients involve the storage and transmission of confidential information, security breaches and malware could expose us to claims, regulatory scrutiny, litigation, and other possible liabilities. Other possible points of intrusion or disruption not within the Company's control include internet service providers, electronic mail portal providers, social media portals, distant-server (cloud) service providers, electronic data security providers, telecommunications companies, and smart phone manufacturers.

Despite efforts to evaluate threats to the security of our systems and data and to implement controls and policies and procedures designed to address the same, cyber threats are rapidly evolving, and we may not be able to anticipate or prevent all such attacks, nor may we be able to implement guaranteed preventive measures against such security breaches. The techniques used by cyber criminals change frequently, may be novel (for example, "zero-day" vulnerabilities), and/or may not be recognized until launched or later (for example, threat actor evading detection for some time), and can originate from a wide variety of sources, including external service providers. These risks may increase in the future as we continue to increase our mobile payment and other internet-based product offerings and expand our internal usage of web-based products and applications. Further, targeted social engineering attacks may be sophisticated and difficult to prevent and our employees, clients, or other users of our systems may be fraudulently induced to disclose sensitive information, allowing cyber criminals to gain access to our systems or data of our clients. Cyber-attacks also could include phishing attempts or e-mail fraud to cause payments or information to be transmitted to an unintended recipient and could include the use of AI and machine learning to launch more automated, targeted and coordinated attacks on targets.

In addition, some of our employees work remotely, including while traveling for business, which increases our cybersecurity risk, creates data accessibility concerns, and makes us more susceptible to security breaches or business disruptions. While we have implemented measures to secure remote access to our systems and to educate our users on the risks associated with working remotely, we cannot guarantee that unauthorized access will not occur through these remote channels.

A successful penetration or circumvention of system security could cause us serious negative consequences, including significant disruption of operations, misappropriation of confidential information, or damage to our computers or systems or to those of our clients and counterparties. A successful security breach or other cybersecurity incident involving our computer systems and network infrastructure, or those of the third-party service providers upon which we rely, could result in violations of applicable data privacy and data security/data breach and other laws and contractual requirements, financial loss to us or to our clients, loss of confidence in our security measures, significant litigation exposure, and harm to our reputation, all of which could have a material adverse effect on our business, financial condition, and results of operations.

Privacy, information security, and data protection laws, rules, and regulations could affect or limit how we collect and use personal information, increase our compliance and technology costs, create litigation and regulatory enforcement risks, and adversely affect our business opportunities.

We are subject to various and constantly evolving privacy, information security, and data protection laws and regulatory guidance, including without limitation: (i) certain limitations on our ability to share non-public personal information about our clients with non-affiliated third parties; (ii) requirements for certain disclosures to clients about our information collection, sharing, and security practices and that afford clients the right to "opt out" of any information sharing by us with non-affiliated third parties (with certain exceptions); and (iii) requirements that we develop, implement, and maintain a written information security program containing appropriate safeguards based on our size and complexity, the nature and scope of our activities, and the sensitivity of client information we process, as well as plans for responding to data security breaches. The number of compliance requirements facing financial institutions continues to increase year over year, as more and more states continue to update and add to their existing data security and data breach requirements and more and more states enact comprehensive data privacy laws. While we have developed policies and procedures and designed our privacy and cybersecurity risk management and governance programs to align with the various statutory and regulatory requirements to which we are subject, these requirements are constantly changing, and the financial services industry continues to face heightened regulatory scrutiny over data privacy and information security practices. Compliance with current or future privacy, data protection, and information security laws (including those regarding security breach notification) affecting client or employee data could result in higher compliance and technology costs and could restrict our ability to provide certain products and services, which could have a material adverse effect on our business, financial conditions, or results of operations. Our failure to comply with privacy, data protection, and information security laws could result in potentially significant regulatory or governmental investigations or actions, litigation, fines, sanctions, and damage to our reputation, which could have a material adverse effect on our business, financial condition, or results of operations.

In addition, while we have taken steps to implement and maintain privacy policies that are accurate, comprehensive and compliant with applicable laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our data processing practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to privacy or cybersecurity. The publication of our privacy policies and other related documentation about our privacy and cybersecurity practices can subject us to potential legal claims or regulatory proceedings if they are found or alleged to be deceptive, unfair, or not representative of our actual practices. Additional risks could arise in connection with any failure or perceived failure by us, our service providers or other third parties with which we do business to provide adequate disclosure or transparency to our customers about the personal information collected from them and its use, to receive, document or honor the privacy preferences expressed by our customers, to protect personal information from unauthorized disclosure or to maintain proper training on privacy practices for all employees or third parties who have access to personal information in our possession or control.

Moreover, many U.S. and foreign laws and regulations, including those promulgated by the SEC, require companies to provide notice of cybersecurity incidents involving certain types of personal data or unauthorized access to, or interference with, our information systems to the public, certain individuals, the media, government authorities, or other third parties. Certain of these laws and regulations include notice or disclosure obligations contingent upon the result of complex analyses, including in some cases a determination of materiality. The nature of cybersecurity incidents can make it difficult to assess an incident’s overall impact quickly and comprehensively to our business, and we may make errors in our assessments. If we are unable to appropriately assess a cybersecurity incident in the context of required analyses, then we could face compliance risk under these laws and regulations, and we could be subject to lawsuits, regulatory fines or investigations, or other liabilities, any of which could adversely affect our business and operating results. Furthermore, cybersecurity incidents experienced by us, or by our customers or vendors, that lead to public disclosures may also lead to widespread negative publicity and increased government or regulatory scrutiny. Any compromise of our network or data, or any security incident experienced by a member of our supply chain, whether actual or perceived, could harm our reputation; erode customer confidence in our security measures; negatively affect our ability to attract new customers; or subject us to third-party lawsuits, regulatory fines or investigations, or other liability, any of which could adversely affect our business and operating results. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain existing customers.

Additionally, we could be required under applicable data breach reporting laws and governing contracts to expend significant capital and other resources to investigate and address any actual or suspected cybersecurity incident or to implement measures to prevent further or additional incidents. To maintain business relationships, we may find it necessary or desirable to incur costs to provide remediation and incentives to customers or other business partners following an actual or suspected security incident. While we do maintain cyber liability insurance to mitigate the financial risks associated with security incidents that is reviewed annually, we cannot be sure that our existing cybersecurity insurance will continue to be available on acceptable terms, in sufficient amounts to cover any claims we submit, or at all. Further, we cannot be sure that insurers will not deny coverage as to any claim, and some security incidents may be outside the scope of our coverage, including in instances where they are considered force majeure events, or there are applicable sub-limits on our coverage. Security incidents may result in increased costs for cybersecurity insurance. One or more large, successful claims against us in excess of our available insurance coverage, or changes in our insurance policies, including premium increases or large deductible or co-insurance requirements, could have an adverse effect on our insurance coverage and on our business, operating results, and financial condition.

Our goodwill and other intangible assets may become impaired, which may adversely impact our results of operations and financial condition.

The excess purchase price over the fair value of net assets from acquisitions, or goodwill, is evaluated for impairment at least annually and on an interim basis if an event or circumstance indicates it is likely an impairment has occurred. In testing for impairment, the Company performs a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is in excess of its carrying value. If it is not more likely than not that the fair value of the reporting unit is in excess of the carrying value, the fair value of net assets is estimated based on analyses of our market value, discounted cash flows, and peer values. Consequently, the determination of goodwill is sensitive to market-based economics and other key assumptions. Variability in market conditions or in key assumptions could result in impairment of goodwill, which is recorded as a non-cash adjustment to income. An impairment of goodwill could have a material adverse effect on our financial condition and results of operations. As of December 31, 2025, we had goodwill of $1,100.9 million, or 31.9% of our total stockholders’ equity.

Identifiable intangible assets other than goodwill consist of core deposit intangibles and other intangible assets (primarily customer relationships). Adverse events or circumstances could impact the recoverability of these intangible assets including loss of core deposits, significant losses of customer accounts and/or balances, increased competition or adverse changes in the economy. To the extent these intangible assets are deemed unrecoverable, a non-cash impairment charge would be recorded which could have a material adverse effect on our results of operations.

The Company relies on third parties to provide certain key components of its business infrastructure.

We are reliant upon certain external vendors to provide products and services necessary to maintain our day-to-day operations and we currently outsource, or may outsource in the future, many of our major systems, such as certain data processing, loan servicing, credit card issuance and servicing, and deposit processing systems. Through our contractual relationships, external vendors are subject to some of the same rules and regulations that are applicable to the Company and their compliance with regulatory requirements is our responsibility. While the Company has selected these external vendors and systems carefully and continues to manage and oversee these vendors, it does not control their operations. Failure of certain external vendors or systems to perform or provide services in accordance with contractual arrangements could be disruptive to our operations and limit our ability to provide certain products and services demanded by our clients. Because our information technology and telecommunications systems interface with and depend on third-party systems, we could experience disruptions if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. If significant, sustained, or repeated, a system failure or disruption could compromise our ability to operate effectively, damage our reputation, result in a loss of client business, and/or subject us to additional regulatory scrutiny and possible financial liability. Any of the failures or disruptions mentioned above could negatively impact our financial condition, results of operations, and cash flows. Replacing these third-party vendors could also entail significant delay and expense.

Our use of third parties also extends to certain consumer credit products. Following the outsourcing of our consumer credit card portfolio in 2025, we rely on a third-party provider to support that product line. Even if the related loans are held by the provider rather than on our balance sheet, we may be exposed to reputational, legal, compliance and operational risks arising from that provider's activities, including its marketing, servicing, collections, information security and data privacy practices. Any failure by a third-party provider to comply with applicable laws, regulations or contractual requirements, or to otherwise meet our expectations or those of our customers and regulators, could result in regulatory scrutiny, enforcement actions, litigation, customer dissatisfaction or other harm to our business.

Our reputation is very important to our ability to maintain, attract and retain client relationships and if our reputation were impaired, it could have an adverse effect on the Company.

Our clients expect us to deliver personalized financial services with the highest standards of performance, professionalism, compliance, and ethics. If our clients or others were to sue us,by class action or otherwise, claiming that we or third parties for whom they say we are responsible have failed to perform under a contract or failed to carry out a duty perceived to be owed to them,our reputation could be damaged, even if any such suit were to be determined to be frivolous. This risk may be heightened when we act as a fiduciary for our clients and may be further heightened during periods when credit, equity or other financial markets are experiencing deterioration in value or volatility, or when clients or investors are experiencing losses. Damage to our reputation from any of these circumstances could undermine retention of our current clients and our ability to attract potential clients while also impairing the confidence of our counterparties and vendors, the result of which could affect our ability to effect transactions. Maintaining our reputation depends, in part, on our ability to identify and promptly address issues that may arise such as potential conflicts of interest, anti-money laundering concerns, fair lending issues, client personal information and privacy issues, cybersecurity, employee, client and other third-party fraud, record-keeping matters, regulatory investigations, and any litigation that may arise from the failure or perceived failure of us to comply with applicable legal and regulatory requirements. To maintain our reputation, we also must prevent third parties from infringing on the "First Interstate Bank" brand and associated trademarks and our other intellectual property. Our reputation or prospects could be significantly damaged by adverse publicity or negative information regarding our Company, whether or not true, that may be posted on social media, reported in the news, or posted in other parts of the internet. Defending our reputation, trademarks, and other intellectual property, including through litigation, could result in costs that could have a material adverse effect on our business, financial condition, or results of operations. Furthermore, claims made or actions brought against us, whether founded or unfounded, may result in other lawsuits, injunctions, settlements, damages, fines or penalties, any of which could have a material adverse effect on our financial condition or results of operations or require changes to our business and damage our reputation. Even if we were to defend ourselves successfully in such an instance, litigation can be costly and time-consuming and distract our management, and public reports regarding claims made against us may cause damage to our reputation among existing and prospective clients or negatively impact the confidence of counterparties, rating agencies and stockholders, consequently affecting negatively our business, financial condition, or results of operations.

The results of mainstream media and social media contagion and speculation could impact the banking system and have an adverse effect on us.

Dissemination of information by mainstream media and social media platforms is extensive and can occur at a rapid pace. Adverse conditions at financial institutions of significant size can negatively impact other financial institutions, despite the quality of leadership and decision making of the other financial institutions or their ability to effectively identify, measure, manage and control risk. Misinformed or inaccurate reporting regarding an incident or incidents at any financial institution can impact the broader banking industry, particularly given the speed and breadth of such reporting. Any adverse condition could be reported in a way to negatively affect the price of financial institution securities and could impact credit availability for certain issuers without regard to their underlying financial strength. This contagion risk can also occur when a perceived lack of trust in the banking system spreads throughout the industry based upon the results of a few poorly managed, or allegedly poorly managed, larger financial institutions.

We are dependent upon the services of our management team and directors and if the services of any of them were to become unavailable, it could have an adverse effect on the Company.

Our future success and profitability are substantially dependent upon the management skills of senior management and directors. The unanticipated loss or unavailability of key employees could harm our ability to operate our business or execute our business strategy. We face significant competition in the recruitment of highly motivated individuals who can deliver our Company's vision and core principles, which has recently intensified as a result of changes in the labor market. Regulators have from time to time considered or proposed rules that could affect incentive compensation practices at banking organizations, which could increase costs and limit flexibility in attracting and retaining talent. We may not be successful in retaining key employees or finding and integrating suitable successors in the event of key employee loss or unavailability.

We may not be able to attract and retain qualified employees to operate our business effectively, which could have an adverse effect on our business.

There is substantial competition to attract and retain talented and diverse employees in our markets. It may be difficult for us to attract and retain qualified employees at all management and staffing levels. Failure to attract and retain employees and maintain adequate staffing of qualified personnel could adversely impact our operations and our ability to execute our business strategy. Furthermore, relatively low unemployment rates may lead to significant increases in labor costs such as salaries, wages, and employee benefits expenses as we compete for qualified and skilled employees, which could negatively impact our results of operations.

In addition, in order to continue to hire and retain highly qualified personnel, we will need to continue to manage remote working policies, which may add to the complexity and costs of our business operations. From time to time, we have experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater acceptance of remote or hybrid work environments, which may increase the competition for talent.

Costs associated with repossessed properties, including potential environmental remediation, may adversely impact our results of operations, cash flows, and financial condition.

A significant portion of our loan portfolio is secured by real property. During the ordinary course of business, we may foreclose on and take title to properties serving as collateral for certain loans. There are significant costs associated with our ownership of these properties including, but not limited to, personnel costs, taxes and insurance, completion and repair costs, and valuation adjustments. Additionally, we may experience unfavorable pricing in connection with our disposition of foreclosed properties. These costs, along with unfavorable pricing upon disposition, may adversely affect our cash flows, financial condition, and results of operations.

If hazardous or toxic substances are found on these properties, we may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws may require us to incur substantial expenses and may materially reduce the affected property's value or limit our ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material, adverse effect on our cash flows, financial condition, and results of operations.

If we fail to maintain effective operational processes, policies and procedures, and internal control over financial reporting, our ability to accurately and timely report our financial results may be impacted, which could result in a loss of investor confidence and adversely impact our stock price and our business.

As an SEC reporting company, we are required to, among other things, maintain a system of effective internal control over financial reporting. We establish and maintain systems of internal operational and accounting controls that provide us with critical information used to manage our business. These systems are subject to various inherent limitations, including cost, judgments used in decision-making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, controls may become inadequate because of changes in conditions or processes and the risk that the degree of compliance with policies or procedures may deteriorate over time. Because of these limitations, any system of internal operating controls may not be successful in preventing all errors or fraud or in making all material information known in a timely manner to the appropriate levels of management. From time-to-time, control deficiencies and losses from operational malfunctions or fraud have occurred and may occur in the future. Any future deficiencies, weaknesses, or losses related to internal operating control systems could have an adverse effect on our business, financial condition, results of operations, and prospects.

If we are unable to maintain effective internal control over financial reporting, our ability to record, process and report financial information accurately, and to prepare financial statements within required time periods, could be adversely affected; our liquidity, our access to capital markets, the perceptions of our creditworthiness, and our ability to complete acquisitions may be adversely affected; and we may be unable to maintain compliance with applicable securities laws and the rules and listing standards of the NASDAQ, which could subject us to litigation or investigations requiring management resources and payment of legal and other expenses which may negatively impact results of operations and financial condition, could negatively affect investor confidence in the accuracy and completeness of our financial statements, and could adversely impact our stock price.

We may not effectively implement technology-facilitated products and services or be successful in marketing these products and services to our clients, which could negatively impact our business.

The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-facilitated products and services. The effective use of technology enables financial institutions to better serve clients and perform more efficiently. Our future success depends, in part, upon our ability to use technology to provide products and services that will satisfy clients' demands for convenience, as well as create additional efficiencies in our operations. Many of our competitors have substantially greater resources to invest in technological improvements. We may not be able to effectively implement new technology-facilitated products and services or be successful in marketing these products and services to our clients. Failure to successfully keep pace with technological change affecting the financial services industry could have a material, adverse impact on our business and, in turn, on our financial condition, and results of operations.

The development and use of AI by us or others, or our inability to effectively and timely implement its use, may adversely affect the Company.

The use of AI in the banking industry is developing and growing and ultimately, we may offer products or services incorporating AI. As a developing technology, AI presents risks and challenges that could affect its further development, adoption, and use, and therefore our business. To effectively make necessary investments in AI, we may need to expend significant financial, human, and other resources. As a result, we may not be able to effectively implement AI in a timely way which could adversely impact our operations. Our ability to compete with financial institutions which have greater resources to invest in such technological improvements may be adversely impacted. Ultimately, any AI we develop or use may be flawed. If our use of AI, or its use by third parties with which we do business or otherwise interact, is deficient, biased, or inaccurate, or compromises customer privacy or implicates other ethics issues, we could be subject to competitive harm, potential legal liability, and brand or reputational harm.

Strategic Risks

Acquisitions, mergers, strategic partnerships, divestitures, and other transactions introduce a broad range of anticipated and unanticipated risks, which may prevent us from achieving the expected benefits from these transactions, investments, or relationships.

Acquisitions of other companies or of financial assets and related deposits and other liabilities present risks and uncertainties to us based in part on the nature of the business or assets and liabilities acquired. For example, if an acquisition includes loan portfolios, the extent of credit losses following completion of the acquisition could adversely affect our combined results of operations. Similarly, if an acquisition includes deposits, the extent of deposit attrition after closing could adversely affect our combined results of operations. Acquisitions of banking companies typically include both loans and deposits, and the extent of any post-closing credit losses and deposit attrition could be affected by a number of factors, including the state of the economy following the acquisition and the geographic area or markets in which the target operates. If the markets were to react negatively to the announcement of the acquisition, or if the economy were to suffer or enter into a recession following an acquisition, we may not timely, or at all, achieve the expected benefits of an acquisition and our business and the value of our common stock could be harmed.

Acquisitions of other companies or of financial assets and related deposits and other liabilities also present risks and uncertainties to us in addition to those presented by the nature of the business acquired. These risks include unanticipated costs incurred in connection with the integration of the acquired business. For example, the total cost and time required to complete the integration successfully could be greater than estimated and result in higher acquisition costs than expected or a loss of market opportunity due to any such delay. Furthermore, the results of litigation or governmental investigations that may have been pending at the time of an acquisition, or may be filed or commenced thereafter, as a result of an acquisition or otherwise, may be materially underestimated and harm our operating results more than originally anticipated. On the other hand, some or all of the anticipated benefits of a particular acquisition, such as cost savings from synergies or strategic gains from being able to offer product sets to a broader potential client base, may not be realized. It can take longer or require greater resources than originally expected to achieve any of such benefits. It also may prove impossible to achieve them at all or in their entirety as a result of unexpected factors or events. As a result, any acquisition could ultimately prove dilutive to our equity and shareholders' earnings per share, thereby adversely affecting our financial condition and results of operations.

Acquisitions may also result in business disruptions that could cause clients to remove their accounts from us and move their business to competing financial institutions. It is possible that the integration process related to acquisitions could also result in the disruption of our ongoing businesses or inconsistencies in standards, controls, procedures, and policies that could adversely affect our ability to maintain relationships with clients and employees. The loss of key employees in connection with an acquisition could also adversely affect our ability to successfully conduct our business. Acquisition and integration efforts could divert management attention and resources, which could have an adverse effect on our financial condition and results of operations. Additionally, the operation of the acquired branches may adversely affect our existing profitability, and we may not be able to achieve results in the future similar to those achieved by the existing banking business or manage growth resulting from the acquisition effectively, any of which could harm our business and reputation.

In addition to post-acquisition integration-related risks, inherent uncertainties exist when assessing or integrating the operations of another business into which we may make an investment or with which we may enter a commercial relationship. We may not be able to fully achieve the strategic objectives and planned operating efficiencies relevant to an investment or strategic relationship. In addition, the markets and industries in which we and the potential investment targets operate are highly competitive. Investment targets and commercial contract counterparties may lose clients or otherwise perform poorly or unprofitably, or in the case of a strategic relationship, cause us to lose clients or perform poorly or unprofitably. Future investment activities and efforts to monitor or reap the benefits of a new strategic relationship may require us to devote substantial time and resources and may cause these investments and relationships to be unprofitable or cause us to be unable to pursue other business opportunities, any of which could harm our business.

Other transactions and actions taken as part of our strategic plan to optimize our branch network, such as divestitures or planned closures of any of our branches or other financial assets, also present a number of risks, including, in the case of any divestiture, the risks of not being able to timely or fully replace liquidity previously provided by deposits which may be transferred as part of such divestiture, and any divestiture, strategic action or other transaction we undertake could adversely affect our business, financial condition, results of operations and cash flows. For example, as further described in Part I, Item 1. "Business", we recently sold 12 branches in Kansas and Arizona, entered into an agreement to sell 11 branches in Nebraska, which transaction is expected to close at the beginning of the second quarter of 2026, disclosed our intent to close four additional Nebraska branches, one branch in Minnesota, and one branch in North Dakota at the end of February 2026, and opened one branch in Montana in February 2026. These divestitures and planned closures and other similar strategic actions or transactions, may involve significant uncertainty and execution complexity, which may cause us not to achieve our strategic objectives, realize expected cost savings, or obtain other benefits from such transaction. Whether such divestitures or other transactions are completed or not, their pendency could have a number of negative effects on our current business, including potentially disrupting our regular operations, harming our reputation, and diverting the attention of our workforce and management team. It could also disrupt existing business relationships, make it harder to develop new business relationships, or otherwise negatively impact the way that we operate our business. In addition, any divestitures or planned closures reduce our physical presence in certain markets and may increase our dependence on deposits and customer relationships in our remaining markets. If we are unable to retain or replace deposits and customer relationships associated with these branch sales and closures on acceptable terms, our funding costs, liquidity, and results of operations could be adversely affected.

The Company may experience significant competition from new or existing competitors, which may reduce its client base or cause it to adjust prices for its products and services in order to maintain market share.

There is intense competition among banks in the Company's market areas. In addition, the Company competes with other providers of financial services, such as savings and loan associations, credit unions, consumer finance companies, securities firms, insurance companies, commercial finance and leasing companies, factoring companies, the mutual funds industry, financial technology ("fintech") companies, full-service brokerage firms, and discount brokerage firms, some of which are subject to less extensive regulations than us with respect to the products and services they provide. Our success depends, in part, on our ability to adapt our products and services to evolving industry standards and client expectations. There is increasing pressure to provide products and services at lower prices. Lower prices can reduce our net interest margin and revenues from our fee-based products and services. In 2025, we also experienced in some cases heightened competition for certain commercial lending opportunities in some of our markets. In light of our underwriting standards and risk appetite, we may determine that we are not willing to assume the same level or type of risk as certain more aggressive competitors, even if doing so results in the loss of business, which could adversely affect our loan growth, net interest income, and overall results of operations.

In addition, the adoption of new technologies by competitors, including internet banking services, mobile applications, and advanced ATM functionality, could require us to make substantial expenditures to modify or adapt our existing products and services. Also, these and other capital investments in our business may not produce expected growth in earnings anticipated at the time of the expenditure. The Company may not be successful in introducing new products and services, achieving market acceptance of its products and services, anticipating or reacting to consumers' changing technological preferences, or developing and maintaining loyal clients. In addition, we could lose market share to the shadow banking system or other non-traditional banking organizations. Some of our larger competitors may have greater capital and resources than the Company, higher lending limits, and products and services not offered by us. Any potential adverse reactions to our financial condition or status in the marketplace, as compared to its competitors, could limit our ability to attract and retain clients and to compete for new business opportunities. The inability to attract and retain clients or to effectively compete for new business may have a material and adverse effect on our financial condition and results of operations.

The Company also experiences competition from non-bank companies inside and outside of its market area and, in some cases, from companies other than those traditionally considered financial sector participants. In particular, technology companies have begun to focus on the financial sector and offer software and products primarily over the internet, with an increasing focus on mobile device delivery. These companies generally are not subject to regulatory requirements comparable to those to which financial institutions are subject and may accordingly realize certain cost savings and offer products and services at more favorable rates and with greater convenience to the client. For example, a number of companies offer bill pay and funds transfer services that allow clients to avoid using a bank. Technology companies are generally positioned and structured to quickly adapt to technological advances and directly focus resources on implementing those advances. This competition could result in the loss of fee income and client deposits and related income. In addition, changes in consumer spending and saving habits could adversely affect our operations, and the Company may be unable to develop competitive and timely new products and services in response. As technology continues to advance, continuous innovation is expected to exert long-term pressure on the financial services industry.

Investing in technology, and the inability or failure to integrate technologies into the Company's operations may affect our business and earnings negatively.

Our success in the competitive environment in which we operate requires consistent investment of capital and human resources in innovation and technology, particularly in light of the current "FinTech" environment, in which financial institutions are investing significantly in new technologies, such as AI, machine learning, blockchain and other distributed ledger technologies, and developing potentially industry-changing new products, services and industry standards in order to attract clients. Our investment is directed at meeting the needs of our clients, adapting existing products and services to consider the evolving demands of the marketplace, and maintaining the security of our systems and building a platform for future innovation, technology, and a competitive advantage that is scalable. Our investment focuses on enhancing the delivery of our products and services, such as our recent implementation of Encompass Mortgage Loan Origination System, Mortgage Online Banking and Mobile Application, Commercial Center Online Banking, Healthcare Receivables Manager, Contactless Credit and Debit Cards, and Zelle. Falling significantly behind our competition in technology, or if the Company is not able to properly or timely anticipate or implement such technologies, or effectively train its staff to use such technologies, its business, financial condition, or operating results could be adversely affected.

In addition, the recent emerging technology trends, such as AI, including large language models, require us to keep pace with evolving regulations and industry standards. In the United States, there are various current and proposed regulatory frameworks relating to the use of AI in products and services. We expect that the legal and regulatory environment relating to emerging technologies such as AI will continue to develop and could increase the cost of doing business, and create compliance risks and potential liability, all which may have a material adverse effect on our financial condition and results of operations. Governments are also considering the new issues in intellectual property law that AI creates, which could result in different intellectual property rights in technology we create with AI and development processes and procedures and could have a material adverse effect on our business.

We may incur significant costs related to future acquisitions by merger and subsequent integration activities.

We have incurred and expect to incur certain non-recurring costs associated with mergers. These costs include financial advisory, legal, accounting, consulting and other advisory fees, severance/employee benefit-related costs, public company filing fees and other regulatory fees, printing costs, and other related costs.

We may incur substantial costs in connection with the integration of acquired companies. There are many processes, policies, procedures, operations, technologies, and systems that may need to be integrated, including purchasing, accounting and finance, payroll, compliance, treasury management, branch operations, vendor management, risk management, lines of business, pricing, and benefits. While we have assumed that a certain level of costs will be incurred, there are many factors beyond our control that could affect the total amount or the timing of the integration costs. Moreover, many of the costs that will be incurred are, by their nature, difficult to estimate accurately. These integration costs may result in us taking charges against earnings, the amount and timing of which are uncertain at present.

Common Stock Risks

Volatility in the price and volume of our common stock may be unfavorable.

The market price of our common stock is volatile and could be subject to wide fluctuations in price in response to various factors, some of which are beyond our control. These factors include:

- general economic conditions;
- prevailing market conditions;
- our historical performance and capital structure;

- estimates of our business potential and earnings prospects;
- an overall assessment of our management;
- our performance relative to our peers;
- market demand for our shares;
- impact of potential large sales by investors with significant holdings, including members of the Scott Family shareholder group;
- perceptions of the banking industry in general;
- political influences on investor sentiment;
- consumer confidence;
- consummation of a strategic acquisition or other implementation of our expansion plans;
- international or domestic hostilities, or other international or domestic calamities, including wars or international conflicts with respect to which the United States may or may not be directly involved; and
- global conditions, earthquakes, tsunamis, tornados, floods, fires, pandemics, and other natural catastrophic events.

At times, the stock markets, including the NASDAQ on which our common stock is listed, may experience significant price and volume fluctuations. As a result, the market price of our common stock is likely to be similarly volatile and investors in our common stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance.

In addition, following periods of volatility in the overall market and the market price of a company's securities, securities class action litigation has often been instituted against companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.

"Anti-takeover" provisions and the regulations to which we are subject may also make it more difficult for a third party to acquire control of us, even if the change in control could be deemed beneficial to stockholders.

We are a financial and bank holding company incorporated in the State of Delaware. Anti-takeover provisions in Delaware law and our certificate of incorporation and bylaws, as well as regulatory approvals that would be required under federal law, could make it more difficult for a third party to acquire control of us and may prevent stockholders from receiving a premium for their shares of our common stock. These provisions could adversely affect the market price of our common stock and could reduce the amount stockholders might receive if we are sold.

Our certificate of incorporation provides that our Board may issue up to 100,000 shares of preferred stock, in one or more series, without stockholder approval and with such terms, conditions, rights, privileges, and preferences as the Board may deem appropriate. In addition, our certificate of incorporation provides for staggered terms for our Board and limitations on persons authorized to call a special meeting of stockholders and advance notice requirements for stockholder proposals at stockholder meetings. In addition, while we have opted out of Section 203 of the General Corporation Law of the State of Delaware, in order to effect a change of control transaction as such term is used in our certificate of incorporation, our certificate of incorporation requires approval of stockholders holding the greater of (A) a majority of the voting power of the issued and outstanding shares of our capital stock then entitled to vote thereon, voting together as a single class, and (B) sixty-six and two-thirds percent (66.67%) of the voting power of the shares of our capital stock present in person or represented by proxy at the stockholder meeting called to consider such transaction and entitled to vote thereon. These and other provisions may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under circumstances that otherwise could provide the holders of our common stock with the opportunity to realize a premium over the then-prevailing market price of such common stock.

Further, the acquisition of specified amounts of our common stock (in some cases, the acquisition or control of more than 5% of our voting stock) may require certain regulatory approvals, including the approval of the Federal Reserve and one or more of our state banking regulatory agencies. The filing of applications with these agencies and the accompanying review process can take several months. This and the other factors described above may hinder or even prevent a change in control of us, even if a change in control would be beneficial to our stockholders.

Our dividend policy, or our ability to pay dividends, may change.

We are a legal entity separate and distinct from our subsidiary Bank. Since we are a holding company with no significant assets other than the capital stock of our subsidiaries, we depend upon dividends from our Bank for a substantial part of our revenue. Accordingly, our ability to pay dividends, cover operating expenses, and acquire other institutions depends primarily upon the receipt of dividends or other capital distributions from the Bank. The ability of our Bank to pay dividends to us is subject to, among other things, its earnings, financial condition, and need for funds, as well as federal and state governmental policies and regulations applicable to us and the Bank, which limit the amount that may be paid as dividends without prior approval.

Although we have historically paid dividends to our stockholders, we have no obligation to continue doing so and may change our dividend policy at any time without notice to our stockholders. Holders of our common stock are only entitled to receive such cash dividends as our Board may declare out of funds legally available for such payments. The amount of any dividend declaration is subject to our evaluation of our strategic plans, growth initiatives, capital availability, projected liquidity needs, and other factors.

An investment in our common stock is not an insured deposit.

Our common stock is not a bank savings account or deposit and, therefore, is not insured against loss by the FDIC, any other deposit insurance fund, or any other public or private entity. As a result, holders of our common stock could lose some or all of their investment.

Future equity issuances could result in dilution, which could cause our common stock price to decline.

We may issue additional shares of common stock in the future pursuant to current or future employee equity compensation plans or in connection with future acquisitions or financings. Should we choose to raise capital by selling shares of common stock for any reason, the issuance would have a dilutive effect on the holders of our common stock and could have a material negative effect on the market price of our common stock.

The common stock is equity and is subordinate to our existing and future indebtedness.

Shares of our common stock are equity interests and do not constitute indebtedness. As such, shares of our common stock rank junior to all our indebtedness, including any subordinated term loans, subordinated debentures held by trusts that have issued trust-preferred securities, and other non-equity claims on us with respect to assets available to satisfy claims on us. In the future, we may make additional offerings of debt or equity securities, or we may issue additional debt or equity securities as consideration for future mergers and acquisitions.

We may not realize the anticipated benefits of our stock repurchase program, and the timing and level of shares of our common stock repurchased may have an adverse impact.

On August 28, 2025, we announced that the Board approved a stock repurchase program, pursuant to which we have been authorized to repurchase up to $150 million worth of our issued and outstanding shares of common stock on or prior to March 31, 2027, which is the expiration date of the program. On January 27, 2026, the Board authorized an increase to the repurchase program of an additional $150.0 million, or a total of $300.0 million since August 2025. Under the repurchase program, we intend to repurchase our shares through open market purchases, private transactions, block trades, authorized Rule 10b5-1 trading plans (which, if adopted, would permit us to repurchase shares when we might otherwise be precluded from doing so under applicable securities laws), or otherwise in accordance with applicable federal securities laws, including pursuant to Rule 10b-18 under the Exchange Act. We would expect to enter into a Rule 10b5-1 plan only during an open trading window under our Insider Trading Policy. Additional information regarding our stock repurchase program, including the remaining dollar amount authorized for repurchases under the program, is disclosed in Part II, Item 5. “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities” and Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Capital Resources and Liquidity.”

The timing and amount of any purchases under the repurchase program will depend on a number of factors, such as the price of our common stock, economic and market conditions, the availability of alternative investment opportunities, our liquidity, corporate and regulatory requirements, and other factors deemed appropriate. If we do not purchase shares of our common stock under the repurchase program, our reputation, investor confidence, and the price of our common stock may be adversely impacted.

The existence of the repurchase program could cause the price of our common stock to be higher than it otherwise would be and potentially reduce the market liquidity for our common stock. Further, we cannot guarantee that any purchases under the repurchase program will enhance long-term stockholder value. For example, the price of our common stock may decline below the levels at which we purchase such shares, and short-term fluctuations in the price of our common stock could reduce the effectiveness of the repurchase program. Purchasing shares of our common stock under the repurchase program will also reduce the amount of cash we have available to fund capital expenditures, investments in strategic initiatives, other operating requirements, and further share repurchases, and we may fail to realize the anticipated benefits of the repurchase program.

General Risk Factors

Our business is subject to the risks of certain global conditions, earthquakes, volcanoes, tsunamis, tornados, floods, fires, drought, and other natural catastrophic events.

A major catastrophe, such as a pandemic, disease outbreak, or other natural disaster including extreme weather or other events, such as an earthquake, tornados, tsunami, flood, fire, drought, winter storms, or other type of natural disaster, could adversely affect our financial condition or result in a prolonged interruption of our business. We have operations and clients in the West and Midwest, a geographical region that has been or may be affected by disease, earthquake, volcano, tsunami, tornados, fires, drought, and flooding activity, which could be adversely impacted by these natural disasters or other severe weather in the region. Unpredictable natural and other disasters could have an adverse effect on the Company in that such events could materially disrupt our operations or the ability or willingness of our clients to access the financial services offered by the Company. These events could reduce our earnings and cause volatility in our financial results for any fiscal quarter or year and have a material, adverse effect on our financial condition and/or results of operations.

Climate change manifesting as physical or transition risks could adversely affect our operations, businesses and customers.

There continues to be concern over the risks of climate change and related environmental sustainability matters. The physical risks of climate change include discrete events, such as flooding and wildfires, and longer-term shifts in climate patterns, such as extreme heat, sea level rise, and more frequent and prolonged drought. Such events could disrupt our operations or those of our clients or third parties on which we rely, including through direct damage to assets and indirect impacts from supply chain disruption and market volatility. Additionally, transitioning to a low carbon economy may entail extensive policy, legal, technology, and market initiatives. Transition risks, including changes in consumer preferences and additional regulatory requirements or taxes, could increase our expenses and undermine our strategies. In addition, due to divergent policies and viewpoints regarding climate change, we are at increased risk of being subject to different and potentially conflicting legal or regulatory requirements and stakeholder expectations. Further, our reputation and client relationships may be damaged as a result of our practices related to climate change, including our involvement, or our clients' involvement, in certain industries or projects associated with causing or exacerbating climate change, as well as any decisions we make to continue to conduct or change our activities in response to considerations relating to climate change. As climate risk is interconnected with all key risk types, we have developed and continue to enhance processes to embed climate risk considerations into our risk management strategies such as market, credit and operational risks; however, because the timing and severity of climate change may not be predictable, our risk management strategies may not be effective in mitigating climate risk exposure.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

The Company provides cybersecurity services to the Bank. In the ordinary course of business, we rely on electronic communications and information systems to conduct our operations and to store sensitive data. Cybersecurity risk management is overseen both as a critical component of our overall risk management program and as a standalone program. As further described below, we have implemented a risk-based, cross-functional approach to identifying, preventing and mitigating cybersecurity threats and incidents, while also implementing controls and procedures that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding the public disclosure and reporting of such incidents can be made by management in a timely manner. We also offset cyber risk through internal training and testing of our employees, among other processes, in accordance with our policies and procedures.

Risk Management and Strategy

We have developed policies and procedures to provide processes and guidelines for managing cybersecurity incidents with the goal of minimizing disruption, damage, protecting data, and helping recover from a cybersecurity incident as quickly as possible.

In addition, in furtherance of our fiduciary responsibility to protect and account for information and information systems that are recognized as critical bank assets, we have established policies that require, among other things, that we perform an information security risk and vulnerability assessment at least annually, and implement corresponding risk management controls; implement a defense-in-depth security architecture, which may include firewalled network segmentation, malicious software protection, and data loss prevention; leverage data loss prevention technology to assist in preventing unauthorized disclosure of non-public information; and engage independent third parties to review, audit, and test the information security control structure and program to ensure processes and controls are functioning properly.

As part of our overall cybersecurity risk management process, employees receive annual training on incident preparedness, response, and recovery which we believe to be commensurate with their responsibilities. Employees are given directions on where to report actual or suspected incidents, both with respect to cybersecurity incidents as well as other risks, such as office closures, robbery, physical security, and employee or client injury. In addition to employees, individuals with a leadership role in the cybersecurity incident response processes are trained on their responsibilities annually, and the processes and those responsible for implementing them will be tested at least annually to assist in improving performance of the incident handlers and to identify issues with policies, procedures, and communication process.

To manage the information security processes related to relationships with third parties and contractors, we maintain a policy which requires all third parties and contractors to implement controls and abide by a non-disclosure agreement, and we regularly evaluate existing critical third-party service providers to ensure they continue to meet our minimum information security practices. Proposed relationships with new third-party service providers are evaluated to ensure the technology provided is in alignment with our standards and guidelines.

We have not experienced a significant compromise, significant data loss, or any material financial losses related to cybersecurity attacks, and no risks from cybersecurity threats that are known to us are believed to be reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. Risks and exposures related to cybersecurity attacks, however, are expected to remain high for the foreseeable future, due to the rapidly evolving nature and sophistication of these threats, as well as due to the expanding use of third-party service providers, internet banking, mobile banking, and other technology-based products and services.

Governance

The Board oversees the Company's risk associated with cybersecurity matters with the support of the Risk Committee of the Board (the "Risk Committee"). Management is responsible for identifying, assessing, monitoring, and managing risk, including cybersecurity risk, in a rapidly changing environment. All employees, including members of our information technology ("IT") team, are also required to report any known or suspected security event, pursuant to our policies and procedures.

The following members of Company management are tasked specifically with the responsibilities described below:

- *Cybersecurity Incident Response Team ("CIRT")* – The CIRT was established to provide quick, effective, and orderly responses to serious successful cybersecurity related incidents such as system and application outages, virus infections, hacker attempts, system compromises, improper disclosure of confidential information, system service interruptions, breach of personal identifiable information, or other technology related events with serious security implications or business disruptions.

  The CIRT consists of various IT groups with the knowledge and expertise needed to execute the technical aspect of the Company's cybersecurity policies and procedures, including our Chief Information Officer ("CIO") and Chief Information Security Officer ("CISO"). As further described below, these officers are responsible for facilitating communications with the Risk Committee.

  When an incident is reported, the CIRT determines the scope, scale and severity of the event and determines if the event is an incident. When the CIRT has determined an incident has occurred, the team is responsible for responding to such incident in a timely, cost-effective manner and reporting findings as necessary and appropriate, including communicating to other key stakeholders for the duration of such incident.

- *Enterprise Risk Management Committee ("ERMC")* – The ERMC is a management committee of the Bank and has primary oversight responsibility of the Company's cybersecurity programs.

- *Chief Risk Officer ("CRO")* – Nathan Jones has served as our CRO and Executive Vice President since April 22, 2025. Mr. Jones has over 25 years of experience in financial services and has experience in senior level Risk and Credit roles within regional and money center banks. As CRO, Mr. Jones is responsible for reporting serious incidents to the Risk Committee as well as external authorities pursuant to advice from internal or external legal counsel, unless otherwise delegated.

- *Chief Information Officer ("CIO")* – Lori Meyer has served as our CIO since June 30, 2023, after serving in several leadership roles in the Company, including Director of Enterprise Program Management, Director of IT Business Management, Director of IT Business Relations, and Business Process Improvement Lead. As CIO, Ms. Meyer is responsible for oversight of the Company's cybersecurity policies and informing the ERMC on current computer security readiness, information security standards, procedures, regulatory compliance, data security and privacy concerns, and the remediation plans annually, or as needed.

- *Chief Information Security Officer ("CISO")* – Dale Daugherty has more than 24 years of experience in technology and information security leadership, including roles in security operations, risk, and audit, and holds multiple cybersecurity certifications. Serving as the CISO since 2021, Mr. Daugherty is responsible for establishing and monitoring the effectiveness of the Company's cybersecurity policies and reporting the status and a summary of cybersecurity incidents to the CRO, CIO, ERMC, and Risk Committee. In this role, Mr. Daugherty serves as an intermediary between the CRO and the CIRT. Since 2002, Mr. Daugherty has served in the roles of Information Security Officer, AVP – IT Audit Manager, and Director of IT Compliance, Risk, and Security for the Bank and holds the CISSP, CISA, GCIH, GCIA, and GSEC certifications.
- *Chief Human Resources Officer ("CHRO")* – Rachel B. Turitto has served as our CHRO since 2019. As CHRO, Ms. Turitto is responsible for appropriate administration of the Company's cybersecurity policies with respect to employee-related cybersecurity incidents. Ms. Turitto joined us with over 15 years of diverse experience across multiple human resource disciplines, including human resource information systems.

- *Risk Committee* – The Risk Committee reviews periodic updates on cybersecurity matters from the CISO, CIO and the CRO. These updates include the information security risk and vulnerability assessment, the overall status of the information security program, and compliance with regulatory guidelines. In addition, reporting includes periodic assessments of business resiliency including oversight and management of incidents.

The Company believes its risk management strategy and governance programs related to cybersecurity matters are appropriate for a growing banking system of its size, but we continue to monitor them and improve upon them as warranted under our programs, policies, and procedures. Finally, we maintain customary cybersecurity insurance that we believe is appropriate for our industry and comparable to our peers.

Item 2. Properties

Our principal executive offices and one of our banking offices are anchor tenants in an 18-story commercial building located in Billings, Montana. The building is owned by a joint venture limited liability company in which FIB owns a 50.0% interest. We lease approximately 100,000 square feet of office space in the building. We also own a building with approximately 66,000 square feet that houses our operations center in Billings, Montana. As of December 31, 2025, we provided banking services at 289 locations in Colorado, Idaho, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming, of which 65 properties are leased from independent third parties, one property was leased from a related entity, and 223 physical properties are owned by us. We believe each of our facilities is suitable and adequate to meet our current operational needs.

As further described in Part I, Item 1. "Business," we have entered into an agreement to sell 11 branches in Nebraska, which transaction is expected to close in the second quarter of 2026. Additionally, we opened one branch in Montana on February 2, 2026 and intend to close four additional Nebraska branches, one branch in Minnesota, and one branch in North Dakota at the end of February 2026.

Item 3. Legal Proceedings

In the normal course of business, we may be named or threatened to be named as a defendant in various lawsuits. We record accruals for outstanding legal matters when it is believed to be probable that a loss will be incurred and the amount can be reasonably estimated. Management, following consultation with legal counsel, does not expect the ultimate disposition of any or a combination of any such ongoing or anticipated matters to have a material, adverse effect on our business, financial condition, or operating results.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company's common stock is listed on the NASDAQ Global Select Market under the symbol "FIBK." As of December 31, 2025, we had 1,561 record shareholders, including the Wealth Management division of FIB as trustee for 213,376 shares of common stock held on behalf of 350 individual participants in the Savings and Profit Sharing Plan for Employees of First Interstate BancSystem, Inc., or the Savings Plan.

Dividends

It is our policy to pay a quarterly dividend to all common shareholders. On January 27, 2026, the Company declared a quarterly cash dividend amount of $0.47 per share of common stock. While we currently intend to continue paying quarterly dividends, the Board may change or eliminate the payment of future dividends.

Dividend Restrictions

For a description of restrictions on the payment of dividends, see Part I, Item 1, "Business — Government Regulation and Supervision — Dividends and Restrictions on Transfers of Funds," and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Capital Resources and Liquidity" included herein.

Sales of Unregistered Securities

There were no sales of equity securities by us during the year ended December 31, 2025 that were not registered under the Securities Act.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table provides information with respect to purchases made by or on behalf of us or any "affiliated purchasers" (as defined in Rule 10b-18(a)(3) under the Exchange Act), of our common stock during the three months ended December 31, 2025.

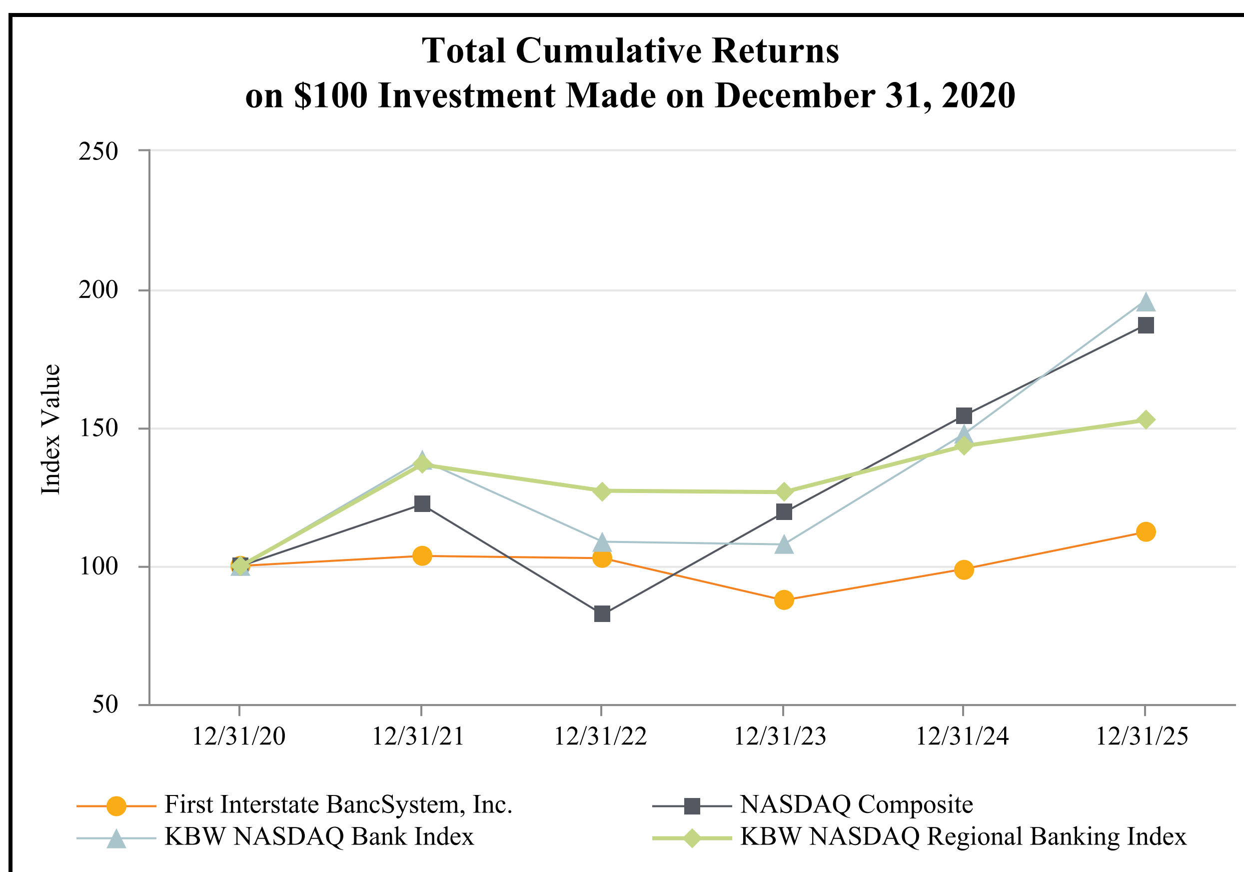
Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs[1]
October 1, 2025 to October 31, 2025				
Stock Repurchase Program[1]	1,039,718	$31.48	1,039,718	$89,810,374
November 1, 2025 to November 30, 2025				
Stock Repurchase Program[1]	1,237,052	31.83	1,237,052	50,429,170
December 1, 2025 to December 31, 2025				
Stock Repurchase Program[1]	534,241	33.70	534,241	32,423,367
Total	2,811,011	$32.06	2,811,011	$32,423,367

(1) On August 28, 2025, the Board adopted a new stock repurchase program. Under the new stock repurchase program, the Company was provided authorization to repurchase up to $150.0 million of its issued and outstanding shares of common stock on or prior to March 31, 2027, which is the expiration date of the program. On January 27, 2026, the Board authorized an increase to the repurchase program of an additional $150.0 million of the Company's issued and outstanding shares of common stock, bringing the total repurchase authorization since August 2025 to $300.0 million. Shares of common stock may be purchased through open market purchases, private transactions, block trades, authorized Rule 10b5-1 trading plans, or otherwise in accordance with applicable federal securities laws, including pursuant to Rule 10b-18 under the Exchange Act. Management's decision to repurchase shares of common stock will depend on a number of factors, such as general market and economic conditions, the trading price of the common stock, alternative uses for capital, the Company's financial performance, and corporate and regulatory requirements. See Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Capital Resources and Liquidity" for additional information.

Performance Graph

The performance graph below compares the cumulative total shareholder return on our common stock with the cumulative total return on equity securities of companies included in the NASDAQ Composite Index, KBW NASDAQ Bank Index, and the KBW NASDAQ Regional Banking Index, measured on the last trading day of each year shown. The NASDAQ Composite Index is a comparative broad market index comprised of all domestic and international common stocks listed on the NASDAQ Stock Market. The KBW NASDAQ Bank Index is designed to track the performance of the leading banks and thrifts that are publicly-traded in the U.S. and includes 24 banking stocks representing the large U.S. national money centers, regional banks and thrift institutions. The KBW NASDAQ Regional Banking Index seeks to reflect the performance of U.S. companies that do business as publicly traded regional banks or thrifts in the U.S.

This graph assumes a $100 investment in our common stock on December 31, 2020, and reinvestment of dividends on the date of payment without commissions. The plot points on the graph were provided by S&P Global Market Intelligence. The performance graph represents past performance, which may not be indicative of the future performance of our common stock.



Index	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
First Interstate BancSystem, Inc.	$ 100.00	$ 103.58	$ 102.77	$ 87.57	$ 98.90	$ 112.22
NASDAQ Composite	100.00	122.18	82.43	119.22	154.48	187.14
KBW NASDAQ Bank Index	100.00	138.33	108.73	107.76	147.85	196.00
KBW NASDAQ Regional Banking Index	100.00	136.64	127.17	126.67	143.39	152.71

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K for the year ended December 31, 2025. We make statements in this section that are forward-looking statements within the meaning of the federal securities laws. All of such forward-looking statements are expressly qualified by reference to the cautionary statements provided under the caption "Cautionary Note Regarding Forward-Looking Statements" included on page 1 in Part I of this report. Furthermore, a number of known and unknown factors may cause our actual results, performance or achievements to differ materially from those expressed or implied by the following discussion. Therefore, you are encouraged to read in its entirety the information provided under the caption "Risk Factors" included under Item 1A in Part I of this report for a discussion of risk factors that may negatively impact our expected results, performance, or achievements discussed below.

Non-GAAP Financial Measures

In addition to financial measures presented in accordance with generally accepted accounting principles ("GAAP") in the United States, this document contains non-GAAP financial measures where management believes it would be helpful to understand our results of operations or financial position. The Company's management believes that the non-GAAP financial measures provide additional information about ongoing operations and enhance comparability of results of operations with prior periods by presenting financial results without the impact of items or events that may obscure trends in the Company's underlying performance. This information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found herein.

Fully-Taxable Equivalent Basis. The Company adjusts its net interest income to include its interest income on a fully-taxable equivalent (FTE) basis and further adjusts to exclude purchase accounting interest accretion on acquired loans. Interest income, yields, and ratios on an FTE basis are considered non-GAAP financial measures. Net interest margin (FTE) is calculated as annualized net interest income on an FTE basis divided by average earning assets. Management believes net interest income on an FTE basis provides an insightful picture of the interest margin for comparison purposes. The FTE basis also allows management to assess the comparability of revenue arising from both taxable and tax-exempt sources. The FTE basis assumes a federal statutory tax rate of 21 percent. These measures are considered standard measures of comparison within the banking industry. We encourage readers to consider the Consolidated Financial Statements and other financial information contained in this Form 10-K in their entirety, and not to rely on any single financial measure. See Non-GAAP Financial Measures included herein for a reconciliation to the most directly comparable GAAP financial measures.

Limitations associated with non-GAAP financial measures include the risks that persons might disagree as to the appropriateness of items included in these measures and that other companies might calculate these measures differently. These non-GAAP disclosures should not be considered an alternative to the Company's GAAP results.

Executive Overview

We are a financial and bank holding company headquartered in Billings, Montana. As of December 31, 2025, we had consolidated assets of $26.6 billion, deposits of $22.1 billion, loans held for investment of $15.2 billion, and total stockholders' equity of $3.4 billion.

As of December 31, 2025, we operated 289 banking offices, including branches and detached drive-up facilities, in communities across twelve states— Colorado, Idaho, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming. Through our bank subsidiary, First Interstate Bank, we deliver a comprehensive range of banking products and services—including online and mobile banking—to individuals, businesses, government entities, and others throughout our market areas. We are proud to provide financial services and products to clients that participate in a wide variety of industries, including:

- Agriculture
- Construction
- Education
- Governmental services
- Healthcare
- Hospitality
- Housing
- Professional services
- Real Estate Development
- Retail
- Technology
- Tourism
- Wholesale trade

Our Business

Our principal business activity is lending to, accepting deposits from, and conducting financial transactions for individuals, businesses, governmental entities, and other entities located in the communities we serve. We derive our income principally from interest charged on loans and, to a lesser extent, from interest and dividends earned on fixed income investments. We also derive income from noninterest sources such as: (i) fees received in connection with various lending and deposit services; (ii) wealth management services, such as trust, employee benefit, investment, and insurance services; (iii) mortgage loan originations, sales, and servicing; (iv) merchant and electronic banking services; and (v) from time-to-time, gains on sales of assets and securities.

Our principal expenses include: (i) interest expense on deposit accounts and other borrowings; (ii) salaries and employee benefits; (iii) information technology and communication costs primarily associated with maintaining loan and deposit functions; (iv) furniture, equipment, and occupancy expenses for maintaining our facilities; (v) professional fees, including FDIC insurance assessments; (vi) income tax expense; (vii) provisions for credit losses; (viii) intangible amortization; (ix) other real estate owned expenses; and (x) other segment expenses including advertising and promotion, donations, credit card rewards expense, fees associated with originating and closing loans, insurance, and other expenses necessary to support our employees and service our clients. From time to time, we have incurred, and may incur in the future, costs related to our strategic acquisitions, divestitures and other transactions.

Our loan portfolio consists of a mix of real estate, consumer, commercial, agricultural, and other loans, including fixed, adjustable, and variable rate loans. Our real estate loans comprise commercial real estate, construction (including residential, commercial, and land development construction loans), residential, agricultural, and other real estate loans. Fluctuations in the loan portfolio are directly related to the economies of the communities we serve. While each loan we originate must meet minimum underwriting standards we establish through our credit policies, our bankers are granted limited discretion to approve and price loans within pre-approved limits which assures that we are responsive to community needs in each market area and remain competitive. We fund our loan portfolio primarily with the core deposits from our clients. Historically, we have not relied on brokered deposits as a source of funding. We have also utilized wholesale funding sources to a limited extent. For additional information about our underwriting standards and loan approval process, see “Business—Lending Activities,” included in Part I, Item 1 of this report.

Recent Trends and Developments

Our community banking footprint spans across the Rocky Mountain, Pacific Northwest, and Midwest regions of the U.S.

Indirect Loans

In January 2025, we announced our plans to stop originating indirect loans as of February 28, 2025. Under our indirect lending program, indirect loans were created when we purchased consumer loan contracts advanced for the purchase of automobiles, boats, recreational vehicles, and other consumer goods from the consumer product dealer network within the market areas we serve. At December 31, 2025, indirect loans represented approximately 3.1% of loan balances and 78.4% of our consumer loan portfolio.

Sale of Arizona and Kansas Branches

On October 10, 2025, the Bank closed the previously disclosed transaction with Enterprise Bank & Trust (“Enterprise Bank”), a wholly-owned subsidiary of Enterprise Financial Services Corp, pursuant to which Enterprise Bank acquired twelve branches from the Bank, including approximately $641.6 million in deposits and certain commercially-oriented loans with outstanding balances of $291.5 million, and the owned real estate and fixed and other assets associated with the branches. The branches included all of the Bank’s Kansas and Arizona locations, with ten branches in Arizona and two branches in Kansas.

Consumer Credit Card Outsourcing

In June 2025, we completed the outsourcing of our consumer credit card portfolio resulting in the sale of $74.2 million of consumer credit card loans and recognition of a $4.3 million gain, net of the related consumer credit card rewards liability.

2020 Subordinated Notes Redemption

On August 15, 2025, the Company redeemed in full the outstanding $100.0 million of aggregate principal amount of its 5.25% fixed-to-floating rate subordinated notes due 2030 (the “2020 Subordinated Notes”) without any prepayment penalty, at a redemption price of 100% of the principal amount plus accrued and unpaid interest to, but excluding, August 15, 2025.

Redemption of Trust Preferred Securities

On October 7, 2025, the Company redeemed in full the trust securities of HF Financial Capital Trust III ("Trust XI") at a redemption price of 100% of the principal amount of the issued and outstanding debt securities plus accrued and unpaid interest through October 6, 2025. The redemption included all of the outstanding debt securities ($5.2 million aggregate principal amount) which obligated the issuer trust to concurrently redeem all of the outstanding trust securities ($5.0 million capital securities and $0.2 million common securities).

On October 8, 2025, the Company redeemed in full the trust securities of HF Trust IV ("Trust XII") at a redemption price of 100% of the principal amount of the issued and outstanding debt securities plus accrued and unpaid interest through October 7, 2025. The redemption included all of the outstanding debt securities ($7.2 million aggregate principal amount) which obligated the issuer trust to concurrently redeem all of the outstanding trust securities ($7.0 million capital securities and $0.2 million common securities).

Pending Sale of Certain Nebraska Branches

As previously disclosed, on October 16, 2025, the Bank entered into a Purchase and Assumption Agreement with Security First Bank ("Security First") pursuant to which Security First will acquire eleven Nebraska branches from the Bank. The Purchase and Assumption Agreement provides for the transfer by the Bank to Security First of the facilities and other associated assets of the branches, consisting of approximately $72.5 million in loans and $303.5 million of deposits at December 31, 2025. Consummation of the transaction is subject to regulatory approvals and other customary conditions to closing. It is currently anticipated that the closing of the transaction will take place in the second quarter of 2026.

Closure of Four Nebraska Branches

As previously announced, following a strategic review as discussed in Part I, Item 1. "Business", the Company intends to close four additional branches in Nebraska at the end of February 2026. These branch closures are intended to enhance operational efficiency and better position the Company for long-term success. Subsequent to the pending sale of eleven Nebraska branches and the pending closure of these four branches, the Company will have 29 branches remaining in Nebraska.

Closure and Exit of North Dakota and Minnesota Branches; Branch Opening in Montana

As previously announced, following a strategic review, as discussed in Part I, Item 1. "Business", the Company intends to exit the States of North Dakota and Minnesota at the end of February 2026, by closing the single branch location in each of those states. One branch in Billings, Montana opened in February 2026.

Economic Conditions

The Company has ample liquidity, and its capital ratios exceed all regulatory requirements to be deemed "well-capitalized" as of December 31, 2025. Our deposit base is diversified, including by depositor, which includes individuals, businesses across multiple industries, governmental units, and other entities, as well as geographically, across the communities we serve.

As of December 31, 2025, our FDIC insured deposits were 63.8% of total deposits, including accounts eligible for pass-through insurance. As of February 19, 2026, the Bank had available borrowing capacity of $5.0 billion with the Federal Home Loan Bank ("FHLB") and $3.9 billion with the Federal Reserve Bank ("FRB") based on pledged investment securities and loan collateral.

With general inflationary pressures easing since July 2023, the Federal Reserve had paused any further changes to short-term interest rates until September 2024 and then decreased them by a total of 100 basis points in 2024 and an additional 75 basis points in 2025.

The Company's quarterly yield on interest earning assets decreased to 4.67% as of December 31, 2025 from 4.73% as of September 30, 2025, and decreased from 4.86% as of December 31, 2024.

The recent declines in short-term interest rates have benefited the Company's cost of funds, primarily resulting in reduced rates on variable rate debt and deposits. The Company's cost of funds decreased to 1.35% during the three months ended December 31, 2025, from 1.45% during the three months ended September 30, 2025, and decreased from 1.72% during the three months ended December 31, 2024. During the fourth quarter of 2025, the changes in the mix and cost of funds was partially offset by the change in the mix and yield on earning assets, resulting in an increase of the Company's net interest margin during the three months ended December 31, 2025 to 3.36% from 3.34% during the three months ended September 30, 2025 and from 3.18% for the three months ended December 31, 2024. The Company's FTE net interest margin, a non-GAAP financial measure, increased to 3.38% during the three months ended December 31, 2025, from 3.36% during the three months ended September 30, 2025, and increased from 3.20% during the three months ended December 31, 2024. For annual comparisons refer to "Results of Operations – Net Interest Income" included in this report below.

The Company expects to see continued volatility in the economic markets, which may include recessionary signs in the economy resulting from, among other things, uncertain conditions due to changes in U.S. policies like the implementation of new tariffs, retaliatory tariffs, and other trade policies. These uncertain conditions could have adverse impacts on the balance sheet and income statement of the Company during 2026.

A slowdown, downturn, or recession in the U.S. economy or changes in U.S. trade policies could impact the Company by impacting the level of deposits held by our clients, whether through a higher volume of withdrawals or through a lower volume of deposits. Client deposits are one of the Company's primary lending sources. The credit quality of the Company's loans may also be impacted if clients must weather adverse economic conditions which could result in an increase in credit losses or other related expenses. In the fourth quarter of 2025, criticized assets improved as compared to the third quarter. For additional information regarding criticized assets, see "Note – Loans Held for Investment – Credit Quality Indicators" in the accompanying "Notes to Consolidated Financial Statements" included in this report.

Primary Factors Used in Evaluating Our Business

As a banking institution, we manage and evaluate our financial condition and our results of operations. We monitor and evaluate the levels and trends of the line items included in our balance sheet and statements of income, as well as the various financial ratios that are commonly used in our industry. We analyze these ratios and financial trends against both our own historical levels as well as the financial condition and performance of comparable banking institutions in our region and nationally.

Results of Operations

Principal tools we use to manage and evaluate the results of our operations include tracking performance through metrics such as return on average equity, return on average tangible common equity, return on average assets, efficiency ratio, noninterest expense as a percent of total average assets, earnings per share, credit quality metrics, total shareholder return, net interest income, noninterest income, noninterest expense, and net income.

Net interest income is affected by a number of factors such as the level of interest rates, changes in interest rates, the speed of changes in interest rates, and changes in the volume and composition of interest earning assets and interest-bearing liabilities. Changes in interest rate spread, which is the difference between interest earned on assets and interest paid on liabilities, has the most significant impact on net interest income. Other factors like volume of loans, investment securities, and other interest earning assets, compared to the volume of interest-bearing deposits, short-term borrowings, and other indebtedness, also cause changes in our net interest income between periods. Noninterest-bearing sources of funds, such as demand deposits and stockholders' equity, help support earning assets.

The impact of funding, including noninterest-bearing deposit sources, is captured in the net interest margin, which is calculated as net interest income divided by average earning assets. We evaluate our net interest income by assessing the yields on our loans and other earning assets, the costs of our deposits and other funding sources, and the levels of our net interest spread and net interest margin.

We seek to increase our noninterest income over time, and we evaluate our noninterest income relative to the trends of the individual types of noninterest income in view of changes in the regulatory environment and prevailing market conditions. We manage our noninterest expenses in consideration of growth opportunities and our community banking model that emphasizes client service and responsiveness. We evaluate our noninterest expense on factors that include our noninterest expense relative to our average assets, our efficiency ratio, and the trends of the individual categories of noninterest expense.

Finally, we seek to increase our net income and provide favorable shareholder returns over time, and we evaluate our net income relative to the performance of similar bank holding companies on factors that include return on average assets, return on average equity, return on average tangible common equity, total shareholder return, and growth in earnings.

Financial Condition

We manage and evaluate our financial condition by focusing on liquidity, the diversification and quality of our loans, the adequacy of our allowance for credit losses, the diversification and terms of our deposits, the level of our short-term borrowings and other funding sources, the re-pricing characteristics and maturities of our assets and liabilities, including potential interest rate exposure, and the adequacy of our capital levels. We seek to maintain sufficient levels of cash and investment securities to meet potential payment and funding obligations, and we evaluate our liquidity on factors that include the levels of cash and highly liquid assets relative to our liabilities, the quality and maturities of our investment securities, the ratio of loans held for investment to deposits, and any reliance on brokered certificates of deposit or other wholesale funding sources.

We seek to maintain a diverse and high-quality loan portfolio and evaluate our asset quality on factors that include the allocation of our loans among loan types, credit exposure to any single borrower or industry type, non-performing assets as a percentage of loans held for investment and other real estate owned ("OREO"), and loan charge-offs as a percentage of average loans. We maintain our allowance for credit losses based on an estimate of expected credit losses in the loans held for investment portfolio over the life of the loan, including the incorporation of a two-year forecast period as of the balance sheet date.

We seek to fund our assets primarily using core client deposits. We evaluate our deposit and funding mix on factors that include the allocation of our deposits among deposit types, the level of our noninterest-bearing deposits, the ratio of our core deposits (i.e. excluding time deposits above $250,000) to our total deposits, and our reliance on brokered deposits or other wholesale funding sources. We seek to manage the mix, maturities, and re-pricing characteristics of our assets and liabilities to mitigate the impact of a changing interest rate environment on our net interest margin, and we evaluate our asset-liability management using models to evaluate the changes to our net interest income under different interest rate scenarios.

Finally, we seek to maintain adequate capital levels to absorb unforeseen operating losses and to help support the growth of our balance sheet. We evaluate our capital adequacy using the regulatory and financial capital ratios including tangible common equity to tangible assets, leverage capital ratio, tier 1 common capital to total risk-weighted assets, tier 1 risk-based capital ratio, and total risk-based capital ratio.

Critical Accounting Estimates and Significant Accounting Policies

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles ("GAAP") in the United States and follow practices prescribed within the banking industry. Application of these principles requires management to make estimates, assumptions, and judgments that affect the amounts reported in the consolidated financial statements and accompanying notes. The most significant accounting policies we follow are summarized in "Notes to Consolidated Financial Statements—Summary of Significant Accounting Policies" included in Part IV, Item 15 of this report.

Our critical accounting estimates are summarized below. Management considers an accounting estimate to be critical if: (1) the accounting estimate requires management to make particularly difficult, subjective, and/or complex judgments about matters that are inherently uncertain, and (2) changes in the estimate that are reasonably likely to occur from period to period, or the use of different estimates that management could have reasonably used in the current period, would have a material impact on our consolidated financial statements, results of operations, or liquidity.

Allowance for Credit Losses

The allowance for credit losses represents our estimate of credit losses expected over the life of loans, which is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Increases in the allowance for credit losses are recorded through net income as a provision for credit loss expense. Decreases in the allowance for credit losses are recorded through net income as a reversal of provision for credit loss expense. Loans are charged-off against the allowance for credit losses when management confirms the uncollectibility of a loan balance. Expected recoveries recorded do not exceed the aggregate of loan amounts previously charged-off. The allowance for credit losses represents management's estimate of expected credit losses in the loans held for investment portfolio over the life of the loan, including the incorporation of a two-year forecast period with one-year reversion period for economic conditions.

We perform a quarterly assessment of the risks inherent in our loan portfolio, as well as a detailed review of each significant loan we have assessed to have weaknesses that does not share common risk characteristics with other loans. Based on this analysis, we record a provision for credit losses in order to maintain the allowance for credit losses at appropriate levels. In determining the allowance for credit losses, management estimates the allowance for credit losses balance using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts.

Historical credit loss experience provides the basis for the estimation of expected credit losses. The qualitative valuation allowance represents adjustments to historical loss information and segment-specific multipliers based on asset quality trends, industry concentrations, environmental risks, changes in portfolio composition, and other qualitative risk factors, both internal and external to the Company. Other qualitative factors, including changes in loan and lending policies, collateral quality, underwriting standards and personnel, credit review quality, and model imprecision, are also considered. The allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist.

The allowance for credit losses incorporates macroeconomic information provided by a third-party forecasting service. The baseline forecast used in the estimate includes stable to slightly increasing expected GDP, a lower probability of recession, and steady unemployment. To illustrate the sensitivity of the allowance to alternative macroeconomic conditions, management performed a hypothetical analysis using the provider's severe forecast, which assumes a higher probability of recession and higher unemployment, among other assumptions. Use of the severe forecast increased the allowance for credit losses by approximately $41.1 million. This analysis is intended solely to demonstrate model sensitivity and does not reflect management's judgments or assumptions as of December 31, 2025.

The allowance for credit losses is maintained at an amount we believe to be sufficient to provide for estimated losses expected over the life of the loans at each balance sheet date resulting from management's assessment of the quantitative and qualitative factors utilized to determine the allowance for credit losses. Management monitors trends in the loan portfolio, including changes in the levels of past due, internally classified, and non-performing loans. Changes in the estimates and assumptions are possible and may have a material impact on our allowance for credit losses, and as a result, on our consolidated financial statements or results of operations.

See "Notes to Consolidated Financial Statements—Summary of Significant Accounting Policies" for a description of the methodology used to determine the allowance for credit losses and our policy pertaining to acquired loans. See "Notes to Consolidated Financial Statements—Loans Held for Investment" for a discussion on the factors driving changes in the amount of the allowance for credit losses. See also Part I, Item 1A, "Risk Factors—Credit Risks."

Goodwill

The excess purchase price over the fair value of net assets from acquisitions, or goodwill, is evaluated for impairment at least annually and on an interim basis if an event or circumstance indicates it is likely impairment has occurred. Goodwill impairment is determined by comparing the fair value of a reporting unit to its carrying amount. In any given year, the Company may elect to perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is in excess of its carrying value. If it is not more likely than not that the fair value of the reporting unit is in excess of the carrying value, or if the Company elects to bypass the qualitative assessment, a quantitative impairment test is performed. In performing a quantitative test for impairment, the fair value of net assets is estimated based on analyses of the Company's market value, discounted cash flows, and peer values. The determination of goodwill impairment is sensitive to market-based economics and other key assumptions used in determining or allocating fair value. Variability in the market and changes in assumptions or subjective measurements used to estimate fair value are reasonably possible and may have a material impact on our consolidated financial statements or results of operations.

Our annual goodwill impairment test is performed each year as of July 1. The Company performed its 2025 annual goodwill impairment qualitative assessment and determined the Company's goodwill was not considered impaired.

For additional information regarding goodwill, see "Notes to Consolidated Financial Statements—Summary of Significant Accounting Policies," included in Part IV, Item 15 of this report and "Risk Factors—Operational Risks," included in Part I, Item 1A of this report.

Results of Operations

The following discussion and analysis is intended to provide detail about the results of operations by comparing the years ended December 31, 2025 to December 31, 2024. A similar discussion and analysis that compares the fiscal year ended December 31, 2024 to the fiscal year ended December 31, 2023, may be found in Part II, Item 7, "Results of Operations" of our Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 28, 2025, which is incorporated herein by reference.

Net Income

Net income increased $76.1 million, or 33.7%, to $302.1 million, or $2.94 per diluted share, in 2025, compared to $226.0 million, or $2.19 per diluted share, in 2024, primarily as a result of the $62.7 million pre-tax gain from the sale of the Arizona and Kansas branches, which transaction closed on October 10, 2025, a decrease in provision for credit losses, and lower FDIC insurance assessment rates, partially offset by lower payment services revenues and higher income tax expense.

Performance Ratios

As of or for the year ended December 31,	2025	2024	2023
Return on average assets	1.09 %	0.75 %	0.83 %
Return on average common stockholders' equity	8.83	6.92	8.17
Efficiency ratio [(1)]	59.19	62.30	62.50
Common stock dividend payout ratio [(2)]	63.73	85.84	75.81

[(1)] Our efficiency ratio definition conforms with the FDIC definition for all periods presented as noninterest expense less amortization of intangible assets divided by net interest income plus noninterest income.

[(2)] Common stock dividend payout ratio represents dividends per common share divided by basic earnings per common share.

Net Interest Income

Net interest income, the largest source of our operating income, is derived from interest, dividends, and fees received on interest earning assets, less interest expense incurred on interest bearing liabilities. Interest earning assets primarily include loans and investment securities. Interest bearing liabilities include deposits, short-term borrowings, and various other forms of indebtedness. Net interest income is affected by the level of interest rates, changes in interest rates, the speed of changes to interest rates, and changes in the volume and composition of interest earning assets and interest-bearing liabilities. Changes in interest rate spread, which is the difference between interest earned on assets and interest paid on liabilities, has the most significant impact on net interest income. Other factors like volume of loans, investment securities, and other interest earning assets compared to the volume of interest-bearing deposits, short-term borrowings, and other indebtedness also cause changes in our net interest income between periods. Noninterest-bearing sources of funds, such as demand deposits and stockholders' equity, help to support earning assets.

Net interest income increased $3.8 million during 2025, as compared to 2024, primarily due to lower costs of funds as a result of decreased interest expense due to lower average other borrowed funds balances and decreased interest expense as a result of lower rates on savings and time deposits, which was partially offset by lower interest and dividends on investment securities and loans as a result of a decrease in average balances during the comparable periods.

Net interest income included interest accretion related to the fair value of acquired loans of $15.0 million during 2025 as compared to $24.6 million in 2024, of which $3.0 million was the result of early loan payoffs during 2025, as compared to $7.2 million in 2024.

Included within net interest income were recoveries of $5.6 million and $5.5 million in recoveries of previously charged-off loan interest in 2025 and 2024, respectively.

Our net interest margin ratio increased 28 basis points to 3.30% during 2025, as compared to 3.02% in 2024. Our net FTE interest margin ratio, a non-GAAP financial measure, increased 28 basis points to 3.32% during 2025, as compared to 3.04% in 2024. Exclusive of the impact of interest accretion on acquired loans, our 2025 net FTE interest margin ratio increased 31 basis points over our similarly calculated net interest margin ratio in 2024.

For the periods indicated, the following table presents average balance sheet information, together with interest income and yields earned on average interest earning assets and interest expense and rates paid on average interest-bearing liabilities.

Average Balance Sheets, Yields, and Rates

	Year Ended December 31,								
	2025			2024			2023		
(Dollars in millions)	Average Balance	Interest [3] [6]	Average Rate	Average Balance	Interest [3] [6]	Average Rate	Average Balance	Interest [3] [6]	Average Rate
Interest earning assets:									
Loans[1]	$16,663.9	$ 940.7	5.65 %	$18,182.0	$ 1,028.2	5.66 %	$18,299.6	$ 986.0	5.39 %
Investment securities									
Taxable[2]	7,303.9	199.4	2.73	8,261.5	243.5	2.95	9,173.1	269.1	2.93
Tax-exempt	180.8	3.5	1.94	186.5	3.4	1.82	199.7	3.9	1.95
Investment in FHLB and FRB stock	132.2	7.4	5.60	178.8	11.8	6.60	207.5	12.4	5.98
Interest bearing deposits in banks	759.9	32.7	4.30	422.5	22.2	5.25	303.0	15.7	5.18
Federal funds sold	0.1	—	—	0.1	—	—	0.5	—	—
Total interest earning assets	25,040.8	1,183.7	4.73	27,231.4	1,309.1	4.81	28,183.4	1,287.1	4.57
Noninterest earning assets	2,712.1			2,825.0			2,951.1		
Total assets	$27,752.9			$30,056.4			$31,134.5		
Interest bearing liabilities:									
Demand deposits	$ 6,364.3	$ 60.0	0.94 %	$ 6,224.9	$ 57.8	0.93 %	$ 6,553.3	$ 47.2	0.72 %
Savings deposits	7,831.6	145.8	1.86	7,784.8	161.2	2.07	7,989.3	122.2	1.53
Time deposits	2,783.7	94.0	3.38	2,894.1	106.9	3.69	2,676.3	73.2	2.74
Repurchase agreements	509.3	4.7	0.92	687.2	6.7	0.97	940.4	6.4	0.68
Other borrowed funds	563.5	26.2	4.65	2,434.7	123.4	5.07	2,514.6	133.8	5.32
Long-term debt	159.6	10.7	6.70	253.4	11.8	4.66	120.8	5.8	4.80
Subordinated debentures held by subsidiary trusts	160.0	11.2	7.00	163.1	13.1	8.03	163.1	12.7	7.79
Total interest bearing liabilities	18,372.0	352.6	1.92	20,442.2	480.9	2.35	20,957.8	401.3	1.91
Noninterest bearing deposits	5,535.2			5,879.4			6,549.9		
Other noninterest bearing liabilities	423.9			468.8			475.9		
Stockholders' equity	3,421.8			3,266.0			3,150.9		
Total liabilities and stockholders' equity	$27,752.9			$30,056.4			$31,134.5		
Net FTE interest income (non-GAAP)[4]		$ 831.1			$ 828.2			$ 885.8	
Less FTE adjustments[3]		(5.7)			(6.6)			(7.0)	
Net interest income from consolidated statements of income		$ 825.4			$ 821.6			$ 878.8	
Interest rate spread			2.81 %			2.46 %			2.66 %
Net interest margin			3.30			3.02			3.12
Net FTE interest margin (non-GAAP)[4]			3.32			3.04			3.14
Cost of funds, including noninterest-bearing demand deposits[5]			1.47			1.83			1.46

(1) Average loan balances include loans held for sale and loans held for investment, net of deferred fees and costs, which include non-accrual loans. Interest income includes amortization of deferred loan fees net of deferred loan costs, which is not material for the periods presented.

(2) Includes average balance of unsettled trades on investment securities.

(3) The Company adjusts interest income and average rates for tax exempt loans and securities to an FTE basis utilizing the statutory tax rate of 21.00% for the periods presented.

(4) Management believes fully taxable equivalent, or FTE, interest income is useful to investors in evaluating the Company's performance as a comparison of the returns between a tax-free investment and a taxable alternative. Net FTE interest income and net FTE interest margin are non-GAAP financial measures. See "Non-GAAP Reconciliations" included herein for a reconciliation to the most directly comparable GAAP financial measures.

(5) Calculated by dividing total annualized interest on interest-bearing liabilities by the sum of total interest-bearing liabilities plus non-interest-bearing deposits.

(6) Dividends on FHLB and FRB stock.

The table below sets forth, for the periods indicated, a summary of the changes in interest income and interest expense resulting from estimated changes in average asset and liability balances (volume) and estimated changes in average interest rates (rate). Changes which are not due solely to volume or rate have been allocated to these categories based on the respective percent changes in average volume and average rate as they compare to each other.

Analysis of Interest Changes Due To Volume and Rates

	Year Ended December 31, 2025 compared with December 31, 2024			Year Ended December 31, 2024 compared with December 31, 2023			Year Ended December 31, 2023 compared with December 31, 2022		
(Dollars in millions)	Volume	Rate	Net	Volume	Rate	Net	Volume	Rate	Net
Interest earning assets:									
Loans [1]	$ (85.9)	$ (1.6)	$ (87.5)	$ (6.3)	$ 48.5	$ 42.2	$ 71.0	$ 117.8	$ 188.8
Investment Securities [1]	(28.1)	(15.9)	(44.0)	(26.9)	0.8	(26.1)	(13.2)	67.3	54.1
Investment in FHLB and FRB Stock [2]	(3.1)	(1.3)	(4.4)	(1.7)	1.1	(0.6)	3.7	3.9	7.6
Interest bearing deposits in banks	17.7	(7.2)	10.5	6.2	0.3	6.5	(6.9)	13.9	7.0
Total change	(99.4)	(26.0)	(125.4)	(28.7)	50.7	22.0	54.6	202.9	257.5
Interest bearing liabilities:									
Demand deposits	1.3	0.9	2.2	(2.4)	13.0	10.6	(2.1)	33.6	31.5
Savings deposits	1.0	(16.4)	(15.4)	(3.1)	42.1	39.0	(2.1)	99.8	97.7
Time deposits	(4.1)	(8.8)	(12.9)	6.0	27.7	33.7	5.6	59.5	65.1
Repurchase agreements	(1.7)	(0.3)	(2.0)	(1.7)	2.0	0.3	(0.4)	4.3	3.9
Other borrowed funds	(94.9)	(2.3)	(97.2)	(4.3)	(6.1)	(10.4)	78.3	40.2	118.5
Long-term debt	(4.4)	3.3	(1.1)	6.4	(0.4)	6.0	(0.1)	(0.1)	(0.2)
Subordinated debentures held by subsidiary trusts	(0.2)	(1.7)	(1.9)	—	0.4	0.4	0.3	5.6	5.9
Total change	(103.0)	(25.3)	(128.3)	0.9	78.7	79.6	79.5	242.9	322.4
Increase in FTE net interest income [1]	$ 3.6	$ (0.7)	$ 2.9	$ (29.6)	$ (28.0)	$ (57.6)	$ (24.9)	$ (40.0)	$ (64.9)

[1] Interest income and average rates for tax exempt loans and securities are presented on an FTE basis.

[2] Dividends on FHLB and FRB stock is used to determine the rate.

Non-GAAP Reconciliation

The table below provides a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measure.

		For the Year Ended		
(In millions, except % and per share data)		Dec 31, 2025	Dec 31, 2024	Dec 31, 2023
Net interest income	(A)	$ 825.4	$ 821.6	$ 878.8
FTE interest income		5.7	6.6	7.0
Net FTE interest income (Non-GAAP)	(B)	831.1	828.2	885.8
Less purchase accounting accretion		15.0	24.6	20.4
Adjusted net FTE interest income (Non-GAAP)	(C)	$ 816.1	$ 803.6	$ 865.4
Average interest earning assets	(D)	$ 25,040.8	$ 27,231.4	$ 28,183.4
Net interest margin (GAAP)	(A) / (D)	3.30 %	3.02 %	3.12 %
Net interest margin (FTE) (Non-GAAP)	(B) / (D)	3.32	3.04	3.14
Adjusted net interest margin (FTE) (Non-GAAP)	(C) / (D)	3.26	2.95	3.07

Provision for (reduction of) Credit Losses

Fluctuations in the provision for credit losses reflect charge-offs and recoveries as well as management's estimate of possible credit losses based upon the composition of our loan portfolio, evaluation of the borrowers' ability to repay, collateral value of underlying loans, loan loss trends, and estimated effects of current and forecasted economic conditions on our loans held for investment and investment securities portfolios.

During 2025, the Company recorded a provision for credit losses of $26.8 million, as compared to a $67.8 million provision for credit losses in 2024. The 2025 provision includes a provision for credit losses of $26.5 million related to loans held for investment and $0.7 million related to unfunded commitments, and a reduction of credit losses of $0.4 million related to held-to-maturity securities. The provision incorporated the impact of credit movement during the year, changes in loan balances, the attributes of the current portfolio, asset quality metrics, a review of the current economic outlook, and net charge-offs. Net charge-offs for 2025 were $39.2 million, or 0.24% of average loans outstanding compared to $104.5 million, or 0.57% of average loans outstanding in 2024.

For information regarding our non-performing loans, see "Non-Performing Assets" included herein. For more information on our allowance for credit losses, see "Financial Condition—Allowance for Credit Losses" included herein.

Noninterest Income

Noninterest income also contributes to our operating results with fee-based revenues such as payment services, mortgage banking and wealth management revenues, service charges on deposit accounts, and other service charges, commissions, and fees. The following table presents the composition of our noninterest income for the periods indicated:

Noninterest Income	Year Ended December 31,			$ Change		% Change	
(Dollars in millions)	2025	2024	2023	2025 vs 2024	2024 vs 2023	2025 vs 2024	2024 vs 2023
Payment services revenues	$ 67.9	$ 73.6	$ 76.4	$ (5.7)	$ (2.8)	(7.7)%	(3.7)%
Mortgage banking revenues	5.8	6.6	8.4	(0.8)	(1.8)	(12.1)	(21.4)
Wealth management revenues	40.6	38.8	35.3	1.8	3.5	4.6	9.9
Service charges on deposit accounts	27.0	25.7	23.0	1.3	2.7	5.1	11.7
Other service charges, commissions and fees	8.8	9.0	9.5	(0.2)	(0.5)	(2.2)	(5.3)
Investment securities losses, net	—	—	(23.5)	—	23.5	—	NM*
Other income	83.3	24.4	17.9	58.9	6.5	NM*	36.3
Total noninterest income	$ 233.4	$ 178.1	$ 147.0	$ 55.3	$ 31.1	31.0	21.2

* NM - not meaningful

Noninterest income increased $55.3 million in 2025 as compared to 2024. Significant components of these fluctuations are discussed below.

Payment services revenues consist of interchange revenue that merchants pay for processing electronic payment transactions, associated fees earned from the issuance of business credit cards, consumer credit cards (prior to the outsourcing of the consumer credit card business in the second quarter of 2025), debit cards, and ATM service fees. Payment services revenues decreased $5.7 million in 2025 as compared to 2024, mainly related to the outsourcing of consumer credit cards in the second quarter of 2025.

Wealth management revenues are principally comprised of fees earned for management of trust assets and investment services. Wealth management revenues increased $1.8 million in 2025 as compared to 2024, mainly as a result of an increase in estate and trust services. The Company had $8.7 billion of assets under management at December 31, 2025 compared to $8.1 billion at December 31, 2024.

Service charge fees primarily consist of treasury services and overdraft charges on deposit accounts. These service charges increased $1.3 million in 2025, as compared to 2024. The increase in 2025 is mainly driven by increases in ACH, wire, sweep, and healthcare treasury service fees.

Other income primarily includes company-owned life insurance revenues, check printing income, agency stock dividends, and gains on sales of miscellaneous assets. Other income increased $58.9 million in 2025 as compared to 2024, primarily due to the $62.7 million gain from the sale of the Arizona and Kansas branches, which transaction closed on October 10, 2025, partially offset by a gain-on-sale of assets decrease of $4.5 million during the 2025 period.

Noninterest expense

Noninterest expense increased $2.9 million in 2025 as compared to 2024. The increase was primarily a result of increases to occupancy, net, other expenses, professional fees, and salaries and wages, partially offset by decreases in special FDIC insurance assessment fees, OREO expense, and employee benefits. Significant components of noninterest expense are discussed below.

The following table presents the composition of our noninterest expense for the periods indicated:

Noninterest expense	Year Ended December 31,			$ Change		% Change	
(Dollars in millions)	2025	2024	2023	2025 vs 2024	2024 vs 2023	2025 vs 2024	2024 vs 2023
Salaries and wages	$ 274.6	$ 270.9	$ 263.1	$ 3.7	$ 7.8	1.4 %	3.0 %
Employee benefits	74.6	76.4	75.3	(1.8)	1.1	(2.4)	1.5
Outsourced technology services	57.5	56.2	59.0	1.3	(2.8)	2.3	(4.7)
Occupancy expense, net	54.8	48.7	48.0	6.1	0.7	12.5	1.5
Furniture and equipment	20.6	20.7	22.1	(0.1)	(1.4)	(0.5)	(6.3)
OREO expense, net	0.5	4.1	1.5	(3.6)	2.6	(87.8)	173.3
Professional fees	23.7	21.6	19.1	2.1	2.5	9.7	13.1
FDIC insurance premiums	14.4	24.0	31.5	(9.6)	(7.5)	(40.0)	(23.8)
Other intangibles amortization	13.6	14.6	15.7	(1.0)	(1.1)	(6.8)	(7.0)
Other expenses	106.0	100.2	121.5	5.8	(21.3)	5.8	(17.5)
Total noninterest expense	$ 640.3	$ 637.4	$ 656.8	$ 2.9	$ (19.4)	0.5	(3.0)

Salaries and wages expense primarily consist of salaries, severance, commissions, overtime, bonus accrual, and temporary employee expenses. Salaries and wages expense increased $3.7 million in 2025 as compared to 2024, primarily as a result of higher severance and salaries and wages, which were partially offset by lower short-term incentive accruals related to the Company's performance and lower deferred loan costs in 2025.

Employee benefits include payroll taxes, medical insurance, long term incentive, and 401K plans. Employee benefits expense decreased $1.8 million in 2025 as compared to 2024, primarily due to lower health insurance costs, which were partially offset by higher long term incentive accruals and higher payroll tax costs in 2025.

Outsourced technology services primarily include technology services related to the core system platform, software as a service, automated teller machines, technology equipment and software maintenance. Outsourced technology services expense increased $1.3 million in 2025 as compared to 2024, primarily due to higher software maintenance costs, which were partially offset by lower core processing costs in 2025.

Occupancy expense, net includes building expenses such as lease, depreciation, rent, maintenance and repairs, property taxes, snow removal, utility and janitorial, and insurance. Occupancy expense, net increased $6.1 million in 2025 as compared to 2024, primarily due to increased costs in 2025 related to maintenance and repairs, janitorial services, and snow removal costs in addition to an increase in charges related to the 2025 branch sales and expected February 2026 branch closures.

OREO expense, net includes expenses and income, gain or loss on sale, and valuation adjustments on property acquired through foreclosure on defaulted loans. OREO expense, net decreased $3.6 million in 2025 as compared to 2024 as a result of downward valuation adjustments in 2024 partially offset by an increase to gains on sale during the same period.

Professional fee expense is comprised of legal fees, audit and tax fees, consultant fees, and outside services. Professional fee expense increased $2.1 million in 2025 as compared to 2024, primarily related to an increase in legal fees in 2025.

The FDIC insures deposits at FDIC-insured financial institutions and charges insured financial institutions assessment rates to maintain the DIF at a specific level. FDIC insurance premiums decreased $9.6 million in 2025 as compared to 2024, primarily attributable to lower FDIC assessment rates in 2025 due to lower average assets and as a result of the reduction in the special assessment accrual to cover the losses incurred by the DIF in response to the 2023 bank failures, including the reversal of $1.6 million during 2025 related to the 2025 interim rule collection updates released by the FDIC.

Other expenses primarily include advertising and public relations costs; office supply, postage, freight, telephone, and travel expenses; donations expense; debit and credit card expenses; board of director fees; and other operational losses. Other expenses increased $5.8 million in 2025 as compared to 2024, primarily resulting from increases of $4.0 million in donation expense and $1.0 million in advertising expense in 2025.

Income Tax Expense

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law and contains numerous tax provisions. There was no significant financial statement impact resulting from the OBBBA reflected in 2025. The Company will continue, however, to evaluate and apply the provisions of the OBBBA, but it does not expect any material impact on the consolidated financial statements for the foreseeable future.

Our effective federal tax rate was 17.8% for the year ended December 31, 2025 compared to 18.1% for the year ended December 31, 2024. Fluctuations in effective federal income tax rates are primarily driven by changes in actual and forecasted pre-tax income.

State income tax applies primarily to pretax earnings generated within Arizona, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, and South Dakota. Our effective state tax rate was 5.1% for the year ended December 31, 2025 compared to 5.2% for the year ended December 31, 2024.

Financial Condition

The financial condition discussion below is based upon our Consolidated Balance Sheet in Part IV, Item 15 of this Report. A similar discussion and analysis comparing the fiscal year ended December 31, 2024 to the fiscal year ended December 31, 2023 may be found in Part II, Item 7, "Financial Condition" in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 28, 2025, which is incorporated herein by reference.

Total Assets

Total assets decreased $2,496.8 million, or 8.6%, to $26,640.6 million as of December 31, 2025, from $29,137.4 million as of December 31, 2024, primarily due to decreases in investment securities and loans, the funds from which were partially used to pay down debt. Significant fluctuations in balance sheet accounts are discussed below.

Investment Securities

We manage our investment portfolio to obtain the highest yield possible while meeting our credit and interest rate risk tolerance and liquidity guidelines and satisfying the pledging requirements for deposits of state and political subdivisions and securities sold under repurchase agreements. Our portfolio principally comprises U.S. treasury notes, U.S. government agency, U.S. government agency commercial mortgage-backed securities, U.S. government residential mortgage-backed securities, U.S. government agency collateralized mortgage obligations, collateralized loan obligations, corporate securities, and tax-exempt municipal securities.

Debt securities rated in the highest category by nationally recognized rating agencies and debt securities backed by the U.S. Government and government sponsored agencies, both on a direct and indirect basis, represented approximately 95.1% and 94.2% of the investment portfolio's available-for-sale and held-to-maturity segments, respectively, at December 31, 2025.

Federal funds sold and interest-bearing deposits in the Bank are additional investments that are classified as cash equivalents rather than as investment securities. Investment securities classified as available-for-sale are recorded at fair value, while investment securities classified as held-to-maturity are recorded at amortized cost. Unrealized gains or losses, net of the deferred tax effect, on available-for-sale securities are reported as increases or decreases in accumulated other comprehensive income or loss, a component of stockholders' equity.

Investment securities decreased $114.4 million, or 1.5%, to $7,630.2 million as of December 31, 2025, from $7,744.6 million as of December 31, 2024. The decrease was primarily resulting from called securities and normal pay-downs and maturities, partially offset by purchases of investment securities and a $187.8 million increase in fair market values during the period. See "Notes to Consolidated Financial Statements — Investment Securities" included in Part IV, Item 15 of this report for additional details.

As of December 31, 2025, the estimated duration of our investment portfolio was 3.3 years, as compared to 3.7 years as of December 31, 2024. The weighted average yield on investment securities decreased 21 basis point to 2.71% in 2025, from 2.92% in 2024.

As of December 31, 2025, investment securities with amortized costs and fair values of $2,983.6 million and $2,781.2 million, respectively, were pledged to secure public deposits, derivatives, and securities sold under repurchase agreements, as compared to $3,460.2 million and $3,092.6 million, respectively, as of December 31, 2024. For additional information concerning securities sold under repurchase agreements, see “Securities Sold Under Repurchase Agreements” included herein.

Mortgage-backed securities and, to a limited extent other securities, have uncertain cash flow characteristics that present additional interest rate risk in the form of prepayment or extension risk primarily caused by changes in market interest rates. This additional risk is generally rewarded in the form of higher yields. Maturities of mortgage-backed securities presented below are included in maturity categories based on their stated maturity date. Expected maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. As of December 31, 2025, the carrying value of our investments in non-agency, mortgage-backed securities totaled $193.9 million. All other mortgage-backed securities included in the table below were issued by U.S. government entities and sponsored entities. As of December 31, 2025, there were no significant concentrations of investments (greater than 10% of stockholders’ equity) in any individual security issuer, except for U.S. government or agency-backed securities.

Approximately 73.6% and 74.0% of our tax-exempt securities were general obligation securities as of December 31, 2025 and 2024, respectively, of which 28.3% and 29.8%, respectively, were issued by political subdivisions or agencies within the states we operated in during 2025 and 2024, including Arizona, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming.

As of December 31, 2025, we had $5,645.8 million of investment securities that had been in a continuous loss position for more than twelve months. Gross unrealized losses on these securities totaled $443.2 million as of December 31, 2025, and were attributable to changes in interest rates. At December 31, 2025 and December 31, 2024, the Company had no allowance for credit losses on available-for-sale securities and an allowance for credit losses on held-to maturity securities classified as corporate and municipal securities of $0.5 million and $0.9 million, respectively.

The following table sets forth the carrying value as of December 31, 2025 and 2024, and the percentage of total investment securities and weighted average yields on investment securities as of December 31, 2025. Weighted-average yields have been computed on a fully taxable-equivalent basis using a tax rate of 21%.

Securities Maturities and Yield *(Dollars in millions)*	December 31, 2024	December 31, 2025		
	Carrying Value	Carrying Value	% of Total Investment Securities	Weighted Average FTE Yield
U.S. Treasury securities				
Maturing within one year	$ 99.8	$ —	— %	— %
Maturing in one to five years	245.0	246.5	3.23	2.01
Mark-to-market adjustments on securities available-for-sale	(18.1)	(8.8)	(0.11)	NA
Total	326.7	237.7	3.12	2.01
U.S. government agency securities				
Maturing within one year	5.9	57.2	0.75	3.08
Maturing in one to five years	303.0	414.2	5.43	2.11
Maturing in five to ten years	233.1	67.9	0.89	2.32
Maturing after ten years	152.3	128.1	1.68	2.38
Mark-to-market adjustments on securities available-for-sale	(10.8)	(4.2)	(0.06)	NA
Total	683.5	663.2	8.69	2.27
Mortgage-backed securities				
Maturing within one year	53.3	41.4	0.54	2.25
Maturing in one to five years	1,023.8	1,054.1	13.82	2.50
Maturing in five to ten years	627.4	803.1	10.53	1.87
Maturing after ten years	3,914.0	3,684.7	48.29	2.83
Mark-to-market adjustments on securities available-for-sale	(333.4)	(182.2)	(2.39)	NA
Total	5,285.1	5,401.1	70.79	2.63
Collateralized loan obligation securities				
Maturing in one to five years	—	0.1	—	5.24
Maturing in five to ten years	376.4	50.4	0.66	5.31
Maturing after ten years	394.3	703.8	9.22	5.61
Mark-to-market adjustments on securities available-for-sale	1.3	1.2	0.02	NA
Total	772.0	755.5	9.90	5.59
Municipal securities				
Maturing within one year	1.9	8.4	0.11	3.83
Maturing in one to five years	45.6	44.7	0.59	2.61
Maturing in five to ten years	221.4	245.1	3.21	1.73
Maturing after ten years	159.4	122.3	1.60	1.91
Mark-to-market adjustments on securities available-for-sale	(40.0)	(27.2)	(0.36)	NA
Total	388.3	393.3	5.15	1.92
Corporate securities				
Maturing within one year	5.0	40.1	0.53	1.82
Maturing in one to five years	157.2	97.1	1.27	3.21
Maturing in five to ten years	144.4	51.4	0.67	2.49
Mark-to-market adjustments on securities available-for-sale	(17.6)	(9.2)	(0.12)	NA
Total	289.0	179.4	2.35	2.72
Total	$ 7,744.6	$ 7,630.2	100.00 %	2.83

Maturities of the 2025 securities noted above reflect $603.6 million of investment securities at their final maturities, which have call provisions within the next year. Based on current market interest rates, management expects approximately $50.1 million of these securities will be called in 2026. For additional information concerning investment securities, see "Notes to Consolidated Financial Statements — Investment Securities" included in Part IV, Item 15.

Federal Reserve Bank (FRB) and Federal Home Loan Bank (FHLB) Stock

The Bank is a member of the FHLB of Des Moines and the Minneapolis FRB system. Members are required to own a certain amount of stock based on the level of borrowings and other factors and may invest in additional amounts. As of December 31, 2025 and December 31, 2024, the Company held $106.3 million and $177.4 million, respectively, primarily in equity securities in a combination of FRB and FHLB stocks, which are restricted nonmarketable securities acquired to meet regulatory requirements. These securities are carried at cost.

Loans Held for Sale

Loans held for sale consist of residential mortgage loans pending sale to investors in the secondary market and loans reclassified from loans held for investment due to management's intent and decision to sell the loans. Loans held for sale increased $72.7 million to $73.6 million as of December 31, 2025, compared to $0.9 million as of December 31, 2024, primarily due to loans held for investment that were transferred to loans held-for-sale related to the pending sale of the 11 Nebraska branches, which transaction is expected to close in the second quarter of 2026.

Loans Held for Investment, Net of Deferred Fees and Costs

The following table presents the composition and comparison of our loans held for investment for the periods indicated:

Loans Outstanding
(Dollars in millions)

	As of December 31,					
	2025	Percent	2024	Percent	2023	Percent
Real estate:						
Commercial	$ 8,144.4	53.6 %	$ 9,263.2	51.9 %	$ 8,869.2	48.4 %
Construction	837.2	5.5	1,244.6	7.0	1,826.5	10.0
Residential	2,108.8	13.9	2,191.6	12.3	2,244.3	12.3
Agricultural	629.0	4.1	701.1	3.9	716.8	3.9
Total real estate	11,719.4	77.1	13,400.5	75.1	13,656.8	74.6
Consumer:						
Indirect	477.5	3.1	725.0	4.0	740.9	4.1
Direct	131.5	0.9	134.0	0.7	141.6	0.8
Credit card	—	—	77.6	0.4	76.5	0.4
Total consumer	609.0	4.0	936.6	5.1	959.0	5.3
Commercial	2,359.6	15.5	2,829.4	15.9	2,906.8	15.9
Agricultural	520.2	3.4	687.9	3.9	769.4	4.2
Other, including overdrafts	1.7	—	1.6	—	0.1	—
Loans held for investment	15,209.9	100.0 %	17,856.0	100.0 %	18,292.1	100.0 %
Deferred loan fees and costs	(8.3)		(11.1)		(12.5)	
Loans held for investment, net of deferred fees and costs	15,201.6		17,844.9		18,279.6	
Allowance for credit losses	(191.4)		(204.1)		(227.7)	
Net loans held for investment	$ 15,010.2		$ 17,640.8		$ 18,051.9	
Allowance for credit losses to loans held for investment		1.26 %		1.14 %		1.25 %

Loans held for investment, net of deferred fees and costs, decreased $2,643.3 million, or 14.8%, to $15,201.6 million as of December 31, 2025, as compared to $17,844.9 million as of December 31, 2024. The Company discontinued accepting applications to originate indirect loans during the first quarter of 2025, which resulted in $202.7 million of amortization for the indirect portfolio in 2025. See "—Indirect Loans" above for additional information. The Company sold $74.2 million of consumer credit card loans in the second quarter of 2025. See "—Consumer Credit Card Outsourcing" above for additional information. The Company sold $291.5 million of loans during the fourth quarter of 2025. See "—Sale of Arizona and Kansas Branches" above for additional information regarding the transaction. Additionally, as of December 31, 2025, the Company transferred $72.5 million of loans held for investment to loans held for sale related to the pending sale of the 11 Nebraska branches, which transaction is expected to close in the second quarter of 2026. See "—Pending Sale of Certain Nebraska Branches" above for additional information regarding the transaction. The remaining decline in loan balances is due to paydowns and maturities.

Real Estate Loans. We provide interim construction and permanent financing for both single-family and multi-unit properties, medium-term loans for commercial, agricultural and industrial property and/or buildings and equity lines of credit secured by real estate.

Commercial real estate loans. Commercial real estate loans include loans for property and improvements used commercially by the borrower or for lease to others for the production of goods or services. Approximately 33.4% and 33.0% of our commercial real estate loans were owner occupied as of December 31, 2025 and 2024, respectively.

Construction loans. Construction loans are primarily to commercial builders for residential lot development and the construction of single-family residences and commercial real estate properties. Construction loans are generally underwritten pursuant to pre-approved permanent financing. As of December 31, 2025, our construction loan portfolio was divided among the following categories: approximately $169.4 million, or 20.2%, residential construction; approximately $450.9 million, or 53.9%, commercial construction; and approximately $216.9 million, or 25.9%, land acquisition and development.

Residential real estate loans. Residential real estate loans are typically secured by first liens on the financed property. Included in residential real estate loans were home equity loans and lines of credit of $583.9 million, or 27.7%, and $557.0 million, or 25.4%, as of December 31, 2025 and 2024, respectively.

Agricultural real estate loans. Agricultural real estate loans are secured by farmland or ranchland consisting of short, intermediate, and long-term structures to experienced agriculturalists who have demonstrated management capabilities, established production and historical financial performance.

Consumer Loans. Our consumer loans include direct personal loans; credit card loans and lines of credit; and indirect loans created when we purchase consumer loan contracts advanced for the purchase of automobiles, boats, and other consumer goods from the consumer product dealer network within the market areas we serve. Personal loans and indirect dealer loans are generally secured by automobiles, recreational vehicles, boats, and other types of personal property and are made on an installment basis. In January 2025, we announced our plans to no longer originate indirect loans as of February 28, 2025, as further discussed above (see "—Recent Trends and Developments—Indirect Loans"). Credit cards are offered to clients in our market areas. The Company outsourced consumer credit card loans in the second quarter of 2025, as further discussed above (see "—Recent Trends and Developments—Consumer Credit Card Outsourcing"). Lines of credit are generally floating rate loans that are unsecured or secured by personal property. Approximately 78.4% and 77.4% of our consumer loans as of December 31, 2025 and 2024, respectively, were indirect consumer loans.

Commercial Loans. We provide a mix of variable and fixed rate commercial loans. The loans are typically made to small- and medium-sized manufacturing, wholesale, retail, and service businesses for working capital needs and business expansions. Commercial loans generally include lines of credit, business credit cards, and loans with maturities of five years or less and outstanding balances tend to be cyclical in nature. The loans are generally made with business operations as the primary source of repayment and are typically collateralized by inventory, accounts receivable, equipment, and/or personal guarantees.

Agricultural Loans. Our agricultural loans generally consist of short- and medium-term loans and lines of credit that are primarily used for crops, livestock, equipment, and general operations. Agricultural loans are ordinarily secured by assets such as livestock or equipment and are repaid from the operations of the farm or ranch. Agricultural loans generally have maturities of five years or less, with operating lines for one production season.

The following table presents the contractual maturity distribution and interest rates of our loan portfolio as of December 31, 2025. The amounts provided below do not reflect scheduled repayment or prepayment assumptions related to the loan portfolio. The within one year category includes loans overdrafts and loans with no stated maturity.

Maturities and Interest Rate Sensitivities

	Contractual Maturity Range					Maturing After One Year	
(Dollars in millions)	Within One Year	One Year to Five Years	Five Years to Fifteen Years	After Fifteen Years	Total	Fixed Interest Rate	Floating/Variable Interest Rate
Real estate	$ 1,263.2	$ 4,719.2	$ 3,816.2	$ 1,920.8	$ 11,719.4	$ 6,189.3	$ 4,266.9
Consumer	23.8	357.7	204.3	23.2	609.0	571.4	13.6
Commercial	787.1	940.6	548.3	83.6	2,359.6	1,029.1	543.5
Agricultural	398.7	92.4	25.0	4.1	520.2	112.2	9.4
Other	1.7	—	—	—	1.7	—	—
Loans held for investment	$ 2,474.5	$ 6,109.9	$ 4,593.8	$ 2,031.7	$ 15,209.9	$ 7,902.0	$ 4,833.4

Non-Performing Assets

Non-performing assets include non-performing loans and OREO.

Non-performing loans. Non-performing loans include non-accrual loans and loans contractually past due 90 days or more and still accruing interest.

Non-accrual loans. We generally place loans on non-accrual status when they become 90 days past due, unless they are well secured and in the process of collection, or if the collection of principal and interest is in doubt. When a loan is placed on non-accrual status, any interest previously accrued but not collected is reversed from income. Non-accrual loans decreased $4.8 million, to $133.5 million, as of December 31, 2025, from $138.3 million as of December 31, 2024, primarily due to a decrease of $11.8 million of commercial loans, partially offset by an increase of $1.5 million of real estate loans and $3.7 million of agricultural loans. As of December 31, 2025 there were approximately $59.8 million of non-accrual loans for which there was no related allowance for credit losses, as these loans had sufficient collateral securing the loan for repayment.

Loans contractually past due 90 days or more and still accruing interest. Loans past due 90 days or more accruing interest decreased $1.6 million, or 53.3%, to $1.4 million as of December 31, 2025, from $3.0 million as of December 31, 2024.

Other Real Estate Owned (OREO). OREO consists of real property acquired through foreclosure on the collateral underlying defaulted loans. We record OREO at fair value less estimated selling costs. Any excess of loan carrying value over the fair value of the real estate at the time it is acquired, is recorded as a charge against the allowance for credit losses. Estimated losses that result from the ongoing periodic valuation of these properties are charged to earnings in the period in which they are identified. The fair values of OREO properties are estimated using appraisals and management estimates of current market conditions. OREO properties are appraised every 18-24 months unless deterioration in local market conditions indicates the need to obtain new appraisals sooner.

OREO properties are evaluated by management quarterly to determine if additional write-downs are appropriate or necessary based on current market conditions. Quarterly evaluations include a review of the most recent appraisal of the property as well as changes in the market conditions from the prior quarter. Commercial and agricultural OREO properties are listed with unrelated third party professional real estate agents or brokers local to the areas where the marketed properties are located. Residential properties are typically listed with local realtors, after any redemption period has expired. We rely on these local real estate agents and/or brokers to list the properties on the local multiple listing system, to provide marketing materials and advertisements for the properties, and to conduct open houses.

OREO decreased to $3.4 million as of December 31, 2025, from $4.3 million as of December 31, 2024, primarily attributable to dispositions. As of December 31, 2025, 8.4% of our OREO balance was related to a 1-4 residential property, 79.6% was related to commercial properties, and 12.0% was related to construction properties.

The following table sets forth information regarding non-performing assets as of the dates indicated:

Non-Performing Assets	As of December 31,		
(Dollars in millions)	2025	2024	2023
Non-performing loans:			
Non-accrual loans	$ 133.5	$ 138.3	$ 106.4
Accruing loans past due 90 days or more	1.4	3.0	4.9
Total non-performing loans	134.9	141.3	111.3
OREO	3.4	4.3	16.5
Total non-performing assets	$ 138.3	$ 145.6	$ 127.8
Non-accrual loans to loans held for investment	0.88 %	0.78 %	0.58 %
Non-performing assets to loans held for investment and OREO	0.91	0.82	0.70
Non-performing assets to total assets	0.52	0.50	0.42
Allowance for credit losses to non-performing loans	141.88	144.44	204.58

For additional information regarding non-performing loans, see “Notes to Consolidated Financial Statements—Loans Held For Investment” included in financial statements included Part IV, Item 15 of this report.

Non-Performing Loans by Loan Type *(Dollars in millions)*	As of December 31, 2025	Percent	2024	Percent	2023	Percent
Real estate:						
Commercial	$ 35.9	26.6 %	$ 55.4	39.2 %	$ 28.2	25.3 %
Construction	4.3	3.2	3.3	2.3	17.2	15.5
Residential	14.0	10.4	15.8	11.2	11.3	10.2
Agricultural	27.1	20.1	5.3	3.8	5.4	4.8
Total real estate	81.3	60.3	79.8	56.5	62.1	55.8
Consumer:						
Indirect	5.7	4.2	4.6	3.3	3.1	2.8
Direct	0.7	0.5	0.9	0.6	0.3	0.3
Credit card	—	—	1.0	0.7	0.6	0.5
Total consumer	6.4	4.7	6.5	4.6	4.0	3.6
Commercial	22.6	16.8	34.1	24.1	11.8	10.6
Agricultural	24.6	18.2	20.9	14.8	33.4	30.0
Total non-performing loans	$ 134.9	100.0 %	$ 141.3	100.0 %	$ 111.3	100.0 %

Collateral-dependent loans. Collateral-dependent loans rely solely on the operation or sale of the collateral for repayment. In evaluating the overall risk associated with a loan, the Company considers character, overall financial condition and resources, and payment record of the borrower; the prospects for support from any financially responsible guarantors; and the nature and degree of protection provided by the cash flow and value of any underlying collateral. A loan may become collateral-dependent when foreclosure is probable or the borrower is experiencing financial difficulty and its source of repayment becomes inadequate over time. At such time, the Company develops an expectation that repayment will be provided substantially through the operation or sale of the collateral. Collateral-dependent loans increased to $102.1 million as of December 31, 2025, from $97.6 million as of December 31, 2024.

Modifications to borrowers experiencing financial difficulty. Modifications of loans are made in the ordinary course of business and are completed on a case-by-case basis through negotiation with the borrower in connection with the ongoing loan collection processes. Loan modifications are made to provide borrowers payment relief. From time to time, we may modify certain loans to borrowers who are experiencing financial difficulty. In some cases, these modifications may result in new loans. Loan modifications to borrowers experiencing financial difficulty may be in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, or a term extension or a combination thereof, among other things.

For additional information regarding modifications to borrowers experiencing financial difficulty, see "Notes to Consolidated Financial Statements—Loans Held For Investment" included in financial statements included Part IV, Item 15 of this report.

Allowance for Credit Losses

The Company performs a quarterly assessment of the appropriateness of its allowance for credit losses in accordance with GAAP. The allowance for credit losses is established through a provision for credit losses based on our evaluation of quantitative and qualitative risk factors in our loan portfolio at each balance sheet date. In determining the allowance for credit losses, we estimate losses on specific loans, or groups of loans, where the expected loss can be identified and reasonably determined over the life of the loans. The balance of the allowance for credit losses is based on historical loan loss rates, changes in the nature or tenure of the loan portfolio, overall portfolio quality, industry concentrations, delinquency trends, current environmental and economic factors, and the estimated impact of forecasted economic conditions on historical loan loss rates. See the discussion under "Critical Accounting Estimates and Significant Accounting Policies — Allowance for Credit Losses" above.

The allowance for credit losses is increased by provisions charged against earnings and net recoveries of charged-off loans and is reduced by negative provisions credited to earnings and net loan charge-offs. The allowance for credit losses consists of three elements:

(1) A specific valuation allowance associated with collateral-dependent and other individually evaluated loans. Specific valuation allowances are determined based on assessment of the fair value of the collateral underlying the loans as determined through independent appraisals, the present value of future cash flows, observable market prices, and any relevant qualitative or environmental factors impacting loans.

(2) A collective valuation allowance based on loan loss experience and future expectations for similar loans with similar characteristics and trends. The Company applies open pool methodologies for all portfolio segments. The open pool methodology averages quarterly loss rates by modeling segment, calculated as quarter-to-date net charge off balance divided by the end of period balance. Loss rates are recalculated quarterly with recoveries captured in the quarter a loan was charged off, are averaged across a look back period from 2009 to the current period, and are annualized. Macroeconomic-conditioned historical loss rates are applied to loan-level cash flows. Expected future principal and interest cash flows are calculated using contractual repayment terms and prepayment, utilization, interest rate, and probability of default assumptions. Macroeconomic sensitivity models calculate segment-specific multipliers using third party forecast data. The multipliers condition the annual loss rates over the 2-year forecast period, followed by a 1-year straight-line reversion to the unadjusted historical average loss rates. The unadjusted loss rates then apply for the remaining life of the loan. Estimated losses are totaled and aggregated to the segment level.

(3) A qualitative valuation allowance determined based on asset quality trends, industry concentrations, environmental risks, changes in portfolio composition, and other qualitative risk factors, both internal and external to the Company. Other qualitative factors, including changes in loan and lending policies, collateral quality, underwriting standards and personnel, credit review quality, and model imprecision, are also considered.

Based on the assessment of the appropriateness of the allowance for credit losses, the Company records provisions for credit losses to maintain the allowance for credit losses at appropriate levels.

Loans acquired in business combinations are initially recorded at fair value as adjusted for credit risk. For loans with no significant evidence of credit deterioration since origination, the difference between the fair value and the unpaid principal balance of the loan at the acquisition date is amortized into interest income using the effective interest method over the remaining period to contractual maturity. An allowance for credit losses is recorded for the expected credit losses over the life of the loan. Subsequent changes to the allowance for credit losses are recorded through provision expense using the same methodology as other loans held for investment.

For loans acquired in business combinations with evidence of deterioration in credit quality since origination, the Company determines the fair value of the loans by estimating the amount and timing of principal and interest cash flows initially expected to be collected on the loans and discounting those cash flows at an appropriate market rate of interest. An allowance for credit losses is recognized by estimating the expected credit losses of the purchased asset and recording an adjustment to the acquisition date fair value to establish the initial amortized cost basis of the asset. Differences between the established amortized cost basis, and the unpaid principal balance of the asset, is considered to be a non-credit discount/ premium and is accreted/amortized into interest income using the level yield interest method. Subsequent changes to the allowance for credit losses are recorded through provision expense using the same methodology as other loans held for investment.

Loans, or portions thereof, are charged-off against the allowance for credit losses when management believes the collectability of the principal is unlikely, or, with respect to consumer installment loans, according to an established delinquency schedule. Generally, loans are charged-off when (1) there has been no material principal reduction within the previous 90 days and there is no pending sale of collateral or other assets, (2) there is no significant or pending event which will result in principal reduction within the upcoming 90 days, (3) it is clear that we will not be able to collect all or a portion of the loan, or (4) foreclosure or repossession actions are pending. Loan charge-offs do not directly correspond with the receipt of independent appraisals or the use of observable market data if the collateral value is determined to be sufficient to repay the principal balance of the loan.

If a collateral-dependent loan is adequately collateralized, a specific valuation allowance for credit losses is not recorded. As such, significant changes in collateral-dependent and non-performing loans do not necessarily correspond proportionally with changes in the specific valuation component of the allowance for credit losses. Additionally, the Company expects the timing of charge-offs will vary between quarters and will not necessarily correspond proportionally to changes in the allowance for credit losses or changes in non-performing or collateral-dependent loans due to timing differences among the initial identification of a collateral-dependent loan, recording of a specific valuation allowance for collateral-dependent loans, and any resulting charge-off of uncollectible principal.

Our allowance for credit losses on loans was $191.4 million, or 1.26% of loans held for investment as of December 31, 2025, as compared to $204.1 million, or 1.14% of loans held for investment, as of December 31, 2024.

Although we have established our allowance for credit losses in accordance with GAAP in the United States and we believe that the allowance for credit losses is appropriate to provide for known and expected losses in the portfolio at all times, future provisions will be subject to on-going evaluations of the risks in the loan portfolio. If the economy declines or asset quality deteriorates more than expected, material additional provisions could be required. The following table sets forth information regarding our allowance for credit losses as of the dates and for the periods indicated.

Allowance for Credit Losses
(Dollars in millions)

As of and for the year ended December 31,	2025	2024	2023
Allowance for credit losses on loans:			
Beginning balance	$ 204.1	$ 227.7	$ 220.1
Provision for (reduction of) credit losses	26.5	80.9	31.1
Charge-offs:			
Real estate			
Commercial	22.0	25.4	7.6
Construction	—	13.2	10.3
Residential	1.4	1.0	0.6
Agricultural	0.2	—	—
Consumer	17.5	15.4	14.0
Commercial	8.9	59.4	3.4
Agricultural	5.0	0.3	—
Total charge-offs	55.0	114.7	35.9
Recoveries:			
Real estate			
Commercial	5.1	0.8	4.2
Construction	1.4	0.1	0.1
Residential	0.4	0.2	0.1
Agricultural	0.7	0.1	0.3
Consumer	5.7	4.9	4.7
Commercial	2.3	3.8	2.6
Agricultural	0.2	0.3	0.4
Total recoveries	15.8	10.2	12.4
Net charge-offs	39.2	104.5	23.5
Ending balance	$ 191.4	$ 204.1	$ 227.7
Allowance for off-balance sheet credit losses:			
Beginning balance	$ 5.2	$ 18.4	$ 16.2
(Reduction of) provision for off-balance sheet credit losses	0.7	(13.2)	2.2
Ending balance	$ 5.9	$ 5.2	$ 18.4
Allowance for credit losses on investment securities:			
Beginning balance	$ 0.9	$ 0.8	$ 1.9
Provision for (reduction of) credit losses	(0.4)	0.1	(1.1)
Ending balance	$ 0.5	$ 0.9	$ 0.8
Total allowance for credit losses	$ 197.8	$ 210.2	$ 246.9
Total provision for credit losses	26.8	67.8	32.2
Loans held for investment, net of deferred fees and costs	15,201.6	17,844.9	18,279.6
Average loans	16,663.9	18,182.0	18,299.6
Net charge-offs to average loans	0.24 %	0.57 %	0.13 %
Allowance to non-accrual loans	143.37	147.58	214.00
Allowance to loans held for investment	1.26	1.14	1.25

The allowance for credit losses is allocated to loan categories based on the relative risk characteristics, asset classifications, and expected losses of the loan portfolio. The following table provides a summary of the allocation of the allowance for credit losses for specific loan categories as of the dates indicated. The allocations presented should not be interpreted as an indication that charges to the allowance for credit losses will be incurred in these amounts or proportions, or that the portion of the allowance for credit losses allocated to each loan category represents the total amount available for future losses that may occur within these categories.

Allocation of the Allowance for Credit Losses
(Dollars in millions)

As of December 31,	2025			2024			2023		
	Allocated Reserves	Allocated Reserves %	% of Loan Category to Loans	Allocated Reserves	Allocated Reserves %	% of Loan Category to Loans	Allocated Reserves	Allocated Reserves %	% of Loan Category to Loans
Real estate	$ 131.2	68.5 %	77.1 %	$ 139.4	68.3 %	75.1 %	$ 160.1	70.4 %	74.6 %
Consumer	11.2	5.9	4.0	16.8	8.2	5.1	13.0	5.7	5.3
Commercial	36.9	19.3	15.5	38.9	19.1	15.9	50.2	22.0	15.9
Agricultural	12.1	6.3	3.4	9.0	4.4	3.9	4.4	1.9	4.2
Totals	$ 191.4	100.0 %	100.0 %	$ 204.1	100.0 %	100.0 %	$ 227.7	100.0 %	100.0 %

Deferred Tax Asset

The net deferred tax asset decreased $58.8 million, to $59.6 million as of December 31, 2025, from $118.4 million as of December 31, 2024, primarily due to a decrease in deferred tax assets related to the unrealized fair value of investment securities.

Total Liabilities

Total liabilities decreased $2,639.8 million, or 10.2%, to $23,193.6 million as of December 31, 2025, from $25,833.4 million as of December 31, 2024, primarily due to decreases of $927.3 million in deposits and $1,567.5 million in other borrowed funds. Significant fluctuations in liability accounts are discussed below.

Deposits

Total deposits decreased $927.3 million, to $22,088.3 million as of December 31, 2025, from $23,015.6 million as of December 31, 2024, primarily due to decreases in all deposit categories except for savings deposits, driven by the Arizona and Kansas branch sales which consisted of $641.6 million of deposits.

As of December 31, 2025 and 2024, we had certificate of deposits of $13.4 million and $12.5 million, respectively, through IntraFi Network Deposits, or Intrafi. We had no brokered deposits as of December 31, 2025 and 2024.

Total demand deposits as of December 31, 2025 include $538.8 million in ICS reciprocal deposits, compared to $380.1 million as of December 31, 2024.

The following table summarizes our deposits as of the dates indicated:

Deposits
(Dollars in millions)

As of December 31,	2025	Percent	2024	Percent	2023	Percent
Noninterest bearing demand	$ 5,286.8	23.9 %	$ 5,797.6	25.2 %	$ 6,029.6	25.9 %
Interest bearing:						
Demand	6,319.7	28.6	6,495.2	28.2	6,507.8	27.9
Savings	7,843.5	35.5	7,832.3	34.0	7,775.8	33.3
Time, $250k or more	792.9	3.6	825.0	3.6	811.6	3.5
Time, other	1,845.4	8.4	2,065.5	9.0	2,198.3	9.4
Total interest bearing	16,801.5	76.1	17,218.0	74.8	17,293.5	74.1
Total deposits	$ 22,088.3	100.0 %	$ 23,015.6	100.0 %	$ 23,323.1	100.0 %

For additional information concerning client deposits, including the use of repurchase agreements, see "Business—Community Banking—Deposit Products," included in Part I, Item 1 and "Notes to Consolidated Financial Statements—Deposits," included in Part IV, Item 15 of this report.

Securities Sold Under Repurchase Agreements

Under repurchase agreements with commercial and municipal depositors, client deposit balances are invested in U.S. government agency securities overnight and are then repurchased the following day. All outstanding repurchase agreements are due in one day and balances fluctuate in the normal course of business. Repurchase agreement balances decreased $44.3 million, or 8.5%, to $479.6 million as of December 31, 2025, from $523.9 million as of December 31, 2024.

The following table sets forth certain information regarding securities sold under repurchase agreements as of the dates indicated:

Securities Sold Under Repurchase Agreements
(Dollars in millions)

As of and for the year ended December 31,	2025	2024	2023
Securities sold under repurchase agreements:			
Balance at period end	$ 479.6	$ 523.9	$ 782.7
Average balance	509.3	687.2	940.4
Maximum amount outstanding at any month-end	539.4	825.8	1,100.5
Average interest rate:			
During the year	0.92 %	0.97 %	0.68 %
At period end	0.87	0.90	1.24

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses decreased $92.1 million, to $286.8 million as of December 31, 2025, from $378.9 million as of December 31, 2024, primarily attributable to a decrease in derivative liabilities of $56.5 million and a decrease in tax credit obligations of $20.0 million.

Other Borrowed Funds

Other borrowed funds are composed of variable-rate, overnight and fixed-rate borrowings with remaining contractual tenors of up to one year through the Federal Home Loan Bank, to address short-term funding needs. Other borrowed funds decreased $1,567.5 million, to zero as of December 31, 2025 compared to $1,567.5 million at December 31, 2024.

Capital Resources and Liquidity

Capital Resources

Stockholders' equity is influenced primarily by earnings, dividends, sales and redemptions of common stock, and changes in the unrealized holding gains or losses, net of taxes, on available-for-sale investment securities. Stockholders' equity increased $143.0 million, or 4.3%, to $3,447.0 million as of December 31, 2025 from $3,304.0 million as of December 31, 2024, due to changes in accumulated other comprehensive loss related to unrealized gains on available-for-sale securities, stock-based compensation expense, and retention of earnings, which are partially offset by stock repurchases of vested restricted shares tendered in lieu of cash for payment of income tax withholding amounts by participants, stock purchases pursuant to the stock repurchase program as further discussed below, and cash dividends paid. Regular cash dividends paid to common shareholders during 2025 amounted to approximately $194.3 million.

On January 27, 2026, we declared a quarterly dividend to common stockholders of $0.47 per share, which was paid on February 20, 2026 to shareholders of record as of February 10, 2026. The dividend equates to a 5.7% annual yield based on the $32.72 average closing price of the Company's common stock as reported on NASDAQ during the fourth quarter of 2025.

On August 28, 2025, the board of directors of the Company adopted a new stock repurchase program, pursuant to which the Company has been authorized to repurchase up to $150.0 million worth of its issued and outstanding shares of common stock on or prior to March 31, 2027, which is the expiration date of the program. On January 27, 2026, the board of directors authorized an increase to the repurchase program of an additional $150.0 million, bringing the total repurchase authorization since August 2025 to $300.0 million. Any repurchased shares will be returned to authorized but unissued shares of common stock, as permitted under applicable Delaware law. For additional information regarding the repurchases, see below and "Notes to Consolidated Financial Statements—Capital Stock and Dividend Restrictions" included in Part IV, Item 15 of this report.

During 2025, the Company repurchased and retired 3,653,914 shares of common stock under the stock repurchase program at a total cost of $117.6 million or a weighted average price of $32.18 per share. As of December 31, 2025, following these repurchases, approximately $32.4 million remained available for future purchases under the program at December 31, 2025. From January 1, 2026 to February 20, 2026, the Company purchased approximately 600 thousand shares of common stock, for a total repurchase of approximately $23.0 million. As of February 20, 2026, following these 2026 repurchases and the increase in the authorized aggregate dollar value of shares to be repurchased under the repurchase program, approximately $159.4 million remained available for future purchases under the program.

During 2025, the Company granted 39,058 restricted stock units of its common stock to directors for their annual service on the Company's Board. The aggregate value of the units issued to directors of $1.1 million is amortized into stock-based compensation expense in the accompanying consolidated statements of changes in stockholders' equity over a one-year service-based period.

As a bank holding company, the Company must comply with the capital requirements established by the Federal Reserve, and our subsidiary Bank must comply with the capital requirements established by the FDIC. The current risk-based guidelines applicable to us and our Bank are based on the Basel III framework, as implemented by the federal bank regulators. As of December 31, 2025 and 2024, the Company had capital levels that, in all cases, exceeded the guidelines to be deemed "well-capitalized."

For additional information regarding our capital levels, see "Notes to Consolidated Financial Statements—Regulatory Capital," included in Part IV, Item 15 of this report.

Liquidity

Liquidity measures our ability to meet current and future cash flow needs on a timely basis and at a reasonable cost. We manage our liquidity position to meet the daily cash flow needs of clients, while maintaining an appropriate balance between assets and liabilities to meet the return on investment objectives of our shareholders. Our liquidity position is supported by management of liquid assets and liabilities and access to alternative sources of funds. Liquid assets include cash, interest bearing deposits in banks, federal funds sold, available-for-sale investment securities, and maturing or prepaying balances in our held-to-maturity investment and loan portfolios. Liquid liabilities include core deposits, federal funds purchased, securities sold under repurchase agreements, and borrowings. Other sources of liquidity include the sale of loans, the ability to acquire additional national market funds through non-core deposits, the issuance of additional collateralized borrowings such as FHLB advances, the issuance of debt securities, additional borrowings through the Federal Reserve's discount window, and the issuance of preferred or common securities.

The primary effect of inflation on our operations is reflected in increased operating costs. In our management's opinion, changes in interest rates affect the financial condition of a financial institution to a far greater degree than changes in the inflation rate. While interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or in the same magnitude as the inflation rate. Interest rates are highly sensitive to many factors that are beyond our control, including changes in the expected rate of inflation, the influence of general and local economic conditions, and the monetary and fiscal policies of the United States government, its agencies, and various other governmental regulatory authorities.

In the ordinary course of business, we have entered into contractual obligations and have made other commitments to make future payments. Our short-term and long-term liquidity requirements are primarily to fund on-going operations, including payment of interest on deposits and debt, extensions of credit to borrowers, capital expenditures, and shareholder dividends. These liquidity requirements are met primarily through cash flow from operations, redeployment of prepaying and maturing balances in our loan and investment portfolios, debt financing, and increases in client deposits. For the year ended December 31, 2025, net cash provided by operating activities was $305.6 million, net cash provided by investing activities was $2,311.6 million and net cash used in financing activities was $2,204.1 million. Major outflows of cash were $285.7 million in deposits, and $1,567.5 million in repayment of other borrowed funds. Major inflows of cash included $2,159.9 million in net loan activity and $1,739.8 million in investment security maturities and paydowns. Total cash and cash equivalents were $1,309.7 million as of December 31, 2025, compared to $896.6 million as of December 31, 2024. For additional information regarding our operating, investing and financing cash flows, see "Consolidated Financial Statements—Consolidated Statements of Cash Flows," included in Part IV, Item 15 of this report.

The Company had deposits without a stated maturity of $19,450.0 million and time deposits of $2,530.5 million, due in one year or less in addition to time deposits due in more than one year of $107.8 million as of December 31, 2025. For additional details in regard to the Company's deposits see "Notes to Consolidated Financial Statements—Deposits" included in Part IV, Item 15 of this report.

As of December 31, 2025, the Company had securities sold under repurchase agreements of $479.6 million due in one year or less as the agreements with our client counterparties mature on the next banking day.

As of December 31, 2025, the Company had no FHLB borrowings due in less than one year, $122.3 million of fixed-to-floating rate subordinated notes issued in 2025 and due in more than one year, and available borrowing capacity of $5,402.7 million with the FHLB. The Company has unused federal fund lines of credit with third parties amounting to $235.0 million, subject to funds availability. These lines are subject to cancellation without notice. The Company also has an unused line of credit with the FRB for borrowings up to $3,585.5 million secured by government and agency backed securities and a blanket pledge of agricultural and commercial loans. For additional information concerning long-term debt, see "Notes to Consolidated Financial Statements—Long Term Debt and Other Borrowed Funds" included in Part IV, Item 15 of this report.

The 2020 Subordinated Notes were scheduled to mature on May 15, 2030 and bore interest equal to a benchmark rate, which was Three-Month Term SOFR (as defined in the indenture governing the 2020 Subordinated Notes) plus a spread of 518.0 basis points, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, commencing on August 15, 2025. On August 15, 2025, we redeemed in full the 2020 Subordinated Notes, without any prepayment penalty, at a redemption price of 100% of the principal amount plus accrued and unpaid interest to, but excluding, August 15, 2025.

The Company guarantees the distribution and payment for redemption or liquidation of capital trust preferred securities issued by our wholly owned subsidiary business trusts to the extent of funds held by the trusts. Although the guarantees are not separately recorded, the obligations underlying the guarantees are fully reflected on our consolidated balance sheets as subordinated debentures held by subsidiary trusts. The subordinated debentures currently qualify as tier 2 capital under the Federal Reserve capital adequacy guidelines. As of December 31, 2025, the Company had subordinated debentures held by subsidiary trusts of $149.8 million due in more than one year. For additional information concerning the subordinated debentures, see "Notes to Consolidated Financial Statements—Subordinated Debentures Held by Subsidiary Trusts" included in Part IV, Item 15 of this report.

The Company has future minimum rental commitments, exclusive of maintenance and operating costs, required under operating leases that have initial or remaining noncancelable lease terms in excess of one year at December 31, 2025 with $10.2 million due in one year or less and $28.3 million due in more than one year. For additional information concerning leases, see "Notes to Consolidated Financial Statements—Commitments and Contingencies" included in Part IV, Item 15 of this report.

The Company is a limited partner in several tax-advantaged limited partnerships that have been formed for the purpose of investing in approved qualified affordable housing or other renovation or community revitalization projects. As of December 31, 2025, the Company expects to recover its investments through the use of tax credits generated by the investments. The Company's unfunded capital commitments to these investments were $5.2 million and $25.2 million as of December 31, 2025 and 2024, respectively, reported within accounts payable and accrued expenses on the consolidated balance sheets.

The Company has entered into various arrangements not reflected on the consolidated balance sheet that have or are reasonably likely to have a current or future effect on our financial condition, results of operations, or liquidity. As of December 31, 2025, the Company had commitments to extend credit of $2,638.8 million and standby letters of credit of $60.4 million. Included in the $2,638.8 million in credit commitments outstanding, $602.6 million are related to home equity and home equity lines of credit, $1,336.7 million are related to traditional working capital commercial lines, and $146.8 million are unfunded commitments for current or future construction projects. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. For additional information regarding our off-balance sheet arrangements, see "Notes to Consolidated Financial Statements—Financial Instruments with Off-Balance Sheet Risk" included in Part IV, Item 15 of this report.

As a bank holding company, we are a corporation separate and apart from our subsidiary Bank and, therefore, we provide for our own liquidity. Our primary sources of funding include management fees and dividends declared and paid by the Bank and access to capital markets. There are statutory, regulatory, and debt covenant limitations that affect the ability of our Bank to pay dividends to us. Management believes that such limitations will not impact our ability to meet our ongoing short-term cash obligations. For additional information regarding dividend restrictions, see "Financial Condition—Capital Resources and Liquidity" above, "Business—Government Regulation and Supervision—Dividends and Restrictions on Transfers of Funds" included in Part I, Item 1 of this report, and "Risk Factors—Liquidity Risks" and "Risk Factors—Regulatory and Compliance Risks" included in Part I, Item 1A of this report.

Company management continuously monitors our liquidity position and adjustments are made to the balance between sources and uses of funds as deemed appropriate. Our management is not aware of any events that are reasonably likely to have a material adverse effect on our liquidity, capital resources, or operations. In addition, our management is not aware of any regulatory recommendations regarding liquidity, which if implemented, would have a material adverse effect on us.

The Bank satisfies incremental liquidity needs with either liquid assets or external funding sources. Available liquidity includes cash, FHLB advances and FRB borrowings through the discount window. The Bank has pledged its investment securities portfolio to access wholesale funding as needed and does not intend to sell or restructure securities at this time.

	December 31, 2025			December 31, 2024			
(Dollars in billions)	FHLB	FRB	Total	FHLB	FRB	BTFP	Total
Total borrowing capacity	$ 5.4	$ 3.6	$ 9.0	$ 5.9	$ 1.8	$ —	$ 7.7
Borrowings outstanding	—	—	—	1.5	—	—	1.5
Remaining Capacity, at period end	$ 5.4	$ 3.6	$ 9.0	$ 4.4	$ 1.8	$ —	$ 6.2
Cash and due from banks			0.4				0.4
Interest-bearing deposits			1.0				0.5
Total available liquidity			$ 10.4				$ 7.1

Through the Bank's relationship with the FHLB, the Bank owns $10.7 million of FHLB stock and has access to additional liquidity and funding sources through FHLB advances. The Bank's borrowing capacity is dependent upon the amount of collateral the Bank places at the FHLB.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our primary market risk exposure is interest rate risk. Our business and the composition of our balance sheet consists of investments in interest earning assets (principally loans and investment securities) which are primarily funded by interest bearing liabilities (deposits and indebtedness). Such financial instruments have varying levels of sensitivity to changes in market interest rates such as the level of interest rates, changes in interest rates, the speed of changes in interest rates, and changes in the volume and composition of interest earning assets and interest-bearing liabilities. Interest rate risk results when, due to different maturity dates and repricing intervals, interest rate indices for interest earning assets fluctuate adversely relative to interest bearing liabilities, thereby creating a risk of decreased net earnings and cash flow.

Although we characterize some of our interest-sensitive assets as securities available-for-sale, such securities are not purchased with the intent to sell in the near term. Rather, such securities may be sold in response to or in anticipation of changes in interest rates and resulting prepayment risk. We do not have any trading instruments nor do we classify any portion of the investment portfolio as trading. See "Notes to Consolidated Financial Statements—Summary of Significant Accounting Policies" included in Part IV, Item 15 of this report.

Asset Liability Management

The goal of asset liability management is the prudent control of market risk, liquidity, and capital. Asset liability management is governed by policies, goals, and objectives adopted and reviewed by the Bank's board of directors. Development of asset liability management strategies and monitoring of interest rate risk are the responsibility of the Asset Liability Committee, or ALCO, which is composed of members of senior management.

Interest Rate Risk

Interest rate risk is the risk of loss of future earnings or long-term value due to changes in interest rates. Our primary source of earnings is net interest income, which is affected by the level of interest rates, changes in interest rates, the speed of changes in interest rates, the relationship between rates on interest-bearing assets and liabilities, the impact of interest rate fluctuations on asset prepayments, and the mix of interest-bearing assets and liabilities.

The ability to optimize net interest income is largely dependent upon the achievement of an interest rate spread that can be managed during periods of fluctuating interest rates. Interest sensitivity is a measure of the extent to which net interest income will be affected by market interest rates over a period.

Net Interest Income Sensitivity

We believe net interest income sensitivity provides the best perspective of how day-to-day decisions affect our interest rate risk profile. We monitor net interest income sensitivity by utilizing an income simulation model to subject 12- and 24-month net interest income to various rate movements. Simulations modeled quarterly include scenarios where market rates change instantaneously up or down in a parallel or non-parallel manner. Estimates produced by our income simulation model are based on numerous assumptions including, but not limited to: (1) the timing of changes in interest rates, (2) shifts or rotations in the yield curve, (3) repricing characteristics for market rate sensitive instruments, (4) differing sensitivities of financial instruments due to differing underlying rate indices, (5) varying loan prepayment speeds for different interest rate scenarios, (6) the effect of interest rate limitations in our assets, such as caps and floors, and (7) overall growth and repayment rates and product mix of assets and liabilities. Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest rates on our results, but rather to provide insight into our current interest rate exposure and execute appropriate asset/liability management strategies accordingly.

The following table presents the net interest income simulation model's projected change in net interest income over a one-year horizon due to a change in interest rates. The net interest income simulation assumes parallel shifts in the yield curve and a static balance sheet. The net interest income simulation also uses a "deposit beta" modeling assumption which is an estimate of the change in total deposit pricing for a given change in market interest rates. In up-rate scenarios, the total deposit beta is 30% over the 12-month simulation with the pricing change occurring in the first month of the net interest income simulation horizon. In down-rate scenarios, the total deposit beta is 29% over the 12-month simulation with the pricing change occurring in the first month of the net interest income simulation horizon. Actual changes to deposit pricing may vary significantly from this simulation due to management actions, customer behavior, and market forces, which may have significant impacts to our net interest income. The net interest income simulations at December 31, 2025 indicate a balanced repricing dynamic between interest earning assets and interest-bearing liabilities.

Change in Interest Rate	**Percent Change in Net Interest Income**
(basis points)	**December 31, 2025**
+200	0.49%
+100	0.36
-100	(0.64)
-200	(1.49)

The preceding interest rate sensitivity analysis does not represent a forecast and should not be relied upon as being indicative of expected operating results.

The Company's objectives in using interest rate derivatives are to add stability to interest income (expense) and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps and collars as part of its interest rate risk management strategy.

As of December 31, 2025, the Company does not have any active interest rate derivatives designated as cash flow hedges. Amounts previously deferred in AOCI will be reclassified to income over time as the previously hedged, forecasted transactions remain probable of occurring. The Company continues to monitor its interest rate risk exposure and may enter into new derivative contracts in the future as part of its ongoing risk management activities.

Refer to "Note – Derivatives and Hedging Activities" in the accompanying "Notes to Consolidated Financial Statements" included in this report for further discussion on how we manage interest rate risk.

Recent Accounting Pronouncements

The expected impact of accounting standards recently issued but not yet adopted are discussed in "Notes to Consolidated Financial Statements—Recent Authoritative Accounting Guidance" included in Part IV, Item 15 of this report.

Item 8. Financial Statements and Supplementary Data

The following consolidated financial statements of First Interstate BancSystem, Inc. and subsidiaries are contained in Part IV, Item 15 of this report and are incorporated herein by reference.

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm for the years ended December 31, 2025 and December 31, 2024 (PCAOB ID: 42)
Report of RSM US LLP, Independent Registered Public Accounting Firm for the year ended December 31, 2023 (PCAOB ID: 49)
Consolidated Balance Sheets — December 31, 2025 and 2024
Consolidated Statements of Income — Years Ended December 31, 2025, 2024, and 2023
Consolidated Statements of Comprehensive Income — Years Ended December 31, 2025, 2024, and 2023
Consolidated Statements of Stockholders' Equity — Years Ended December 31, 2025, 2024, and 2023
Consolidated Statements of Cash Flows — Years Ended December 31, 2025, 2024, and 2023
Notes to Consolidated Financial Statements

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management, under the supervision and with the participation of the Chief Executive Officer (who is our principal executive officer) and Chief Financial Officer (who is our principal financial officer), evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of December 31, 2025. The term "disclosure controls and procedures" means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of December 31, 2025, our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods required by the SEC's rules and forms and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting for the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined under Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Internal control over financial reporting is a process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that: pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with proper authorizations; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All internal control over financial reporting processes and systems, no matter how well designed, have inherent limitations. Therefore, even processes and systems deemed to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, based on the criteria and guidelines established in the *Internal Control--Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on such assessment, management determined that the Company's internal control over financial reporting was effective as of December 31, 2025.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm. Ernst & Young LLP's report on our internal control over financial reporting as of December 31, 2025 is presented below this management report in Item 9A of this Annual Report on Form 10-K.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of First Interstate BancSystem, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited First Interstate BancSystem, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, First Interstate BancSystem, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for each of the two years in the period ended December 31, 2025, and the related notes, and our report dated February 26, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Salt Lake City, Utah
February 26, 2026

Item 9B. Other Information

The Company has filed as exhibits to this form (a) a new form of Performance Restricted Stock Unit Grant Agreement (Core Return on Average Tangible Common Equity) and a new form of Performance Restricted Stock Unit Grant Agreement (Total Shareholder Return), each of which may be used as a template for awards of performance restricted stock units and (b) a new form of Restricted Stock Unit Grant Agreement (Time-Based) that may be used as a template for awards of restricted stock units, in each case that may be granted to eligible participants under the 2023 Equity and Incentive Plan, unless otherwise determined by the Compensation Committee of the Board.

Rule 10b5-1 Trading Plans

During the fiscal quarter ended December 31, 2025, none of the Company's directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance

Information concerning directors, executive officers, and corporate governance is set forth under the headings "Proposal One—Election of Directors," "Director and Director Nominee Biographies," "Human Capital Management," "Securities Trading Policy," "Board Committees," and "Corporate Governance" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference.

Information concerning our compliance with section 16(a) of the Securities Exchange Act of 1934 is set forth under the heading "Delinquent Section 16(a) Reports" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference.

Item 11. Executive Compensation

Information concerning executive compensation is set forth under the headings "Compensation Discussion and Analysis," "Compensation of Named Executive Officers," "Director Compensation," "Board Committees," and "Corporate Governance" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information concerning security ownership of certain beneficial owners and management as well as related stockholder matters is set forth under the heading "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plans" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference.

The following table provides information, as of December 31, 2025, regarding our equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights(1)	Weighted Average Exercise Price of Outstanding Options, Warrants, and Rights	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans(2)
Equity compensation plans approved by shareholders(3)	1,490,583	$—	2,073,307
Equity compensation plans not approved by shareholders	NA	NA	NA
Total	1,490,583	$—	2,073,307

(1) Includes 748,111 shares of our common stock issuable in respect of performance restricted stock units and 742,472 shares of our common stock issuable in respect of time-based restricted stock units. The shares of common stock underlying performance restricted stock units included represent the maximum number of shares that may be issued upon vesting if the maximum performance goal is achieved for the applicable performance period.

(2) Excludes number of securities to be issued upon exercise of outstanding options, warrants and rights.

(3) Includes only remaining shares available for future issuance under the 2023 Equity and Incentive Plan. No additional awards can be issued under the 2015 Equity and Incentive Plan.

Item 13. Certain Relationships and Related Transactions and Director Independence

Information concerning relationships and related party transactions of certain of our executive officers, directors, and greater than 5% shareholders as well as the independence of our directors is set forth under the headings "Certain Relationships and Related Party Transactions" and "Corporate Governance" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference. In addition, see "Notes to Consolidated Financial Statements—Related Party Transactions" included in Part IV, Item 15.

Item 14. Principal Accountant Fees and Services

Information concerning principal accountant fees and services and related information is set forth under the headings "Principal Accounting Fees and Services" and "Audit Committee Pre-Approval Policies and Procedures" in our Proxy Statement relating to our 2026 annual meeting of shareholders and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. Our audited consolidated financial statements follow. The list of all financial statements filed as part of this filing is included above under Part II, Item 8. Financial Statements and Supplementary Data, on page 73, and incorporated herein by reference. Such audited consolidated financial statements follow:

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of First Interstate BancSystem, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of First Interstate BancSystem Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 26, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses (ACL)

Description of the Matter	At December 31, 2025, the Company's loans held for investment portfolio was $15,201.6 million with an associated ACL of $191.4 million. The provision for credit losses was $26.8 million for the year ended December 31, 2025. As discussed in Notes 1 and 5 to the consolidated financial statements, the ACL is an estimate and consists of three elements: a specific valuation allowance associated with collateral-dependent and other individually evaluated loans; a collective valuation allowance for loans with similar characteristics and trends; and a qualitative valuation allowance to adjust historical loss information based on an evaluation of qualitative factors. The collective valuation allowance is calculated based on the expected future principal and interest cash flows over the remaining life of a loan, adjusted for prepayment and annual loss rate assumptions. Management's calculation includes segment-specific multipliers that adjust the annual loss rates to the level expected under economic conditions over a two-year forecast period, followed by a one-year, straight-line reversion to the unadjusted, historical average loss rates.

The qualitative valuation allowance represents adjustments to historical loss information and segment-specific multipliers based on asset quality trends, industry concentrations, environmental risks, changes in portfolio composition, and other qualitative risk factors. Other qualitative factors, including changes in loan and lending policies, collateral quality, underwriting standards and personnel, credit review quality, and model imprecision, are also considered. Judgment was required by management to determine the changes in portfolio composition and model imprecision adjustments, which are both part of the qualitative factors management considers.

Auditing the ACL involves a high degree of subjectivity due to the qualitative factors specific to changes in portfolio composition and model imprecision. Management's identification and measurement of expected credit losses specific to these risk factors is highly judgmental and could have a significant effect on the ACL.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls over the ACL process, which include, among others, management's review and approval controls designed to assess the need for and level of the qualitative adjustments for changes in portfolio composition and model imprecision, which are part of the qualitative factors, and the controls related to the reliability of the data utilized to support management's assessment.

To test the qualitative factors for changes in portfolio composition and model imprecision, we evaluated the appropriateness of management's methodology and assessed the reasonableness of the adjustments and whether all relevant risks were reflected in the ACL. Additionally, with respect to the model imprecision adjustment, with the support of specialists, we evaluated the model methodology and factors that could impact the accuracy of the model results.

Regarding the measurement of the qualitative factors for changes in portfolio composition and model imprecision, we evaluated the completeness, accuracy and relevance of the underlying internal and external data utilized in management's estimate and considered the existence of additional or contrary information. We also evaluated the mathematical accuracy of the calculation of qualitative factors.

We evaluated the overall ACL, inclusive of the qualitative factors, and whether the amount appropriately reflects a reasonable estimate of expected credit losses by comparing the overall ACL to historical losses and ACL reserves established by peer banking institutions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2024.

Salt Lake City, Utah
February 26, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of First Interstate BancSystem, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of income, comprehensive income, stockholders' equity and cash flows of First Interstate BancSystem, Inc. and subsidiaries (the Company), for the year in the period ended December 31, 2023, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the results of the Company's operations and its cash flows for the year in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ RSM US LLP

We served as the Company's auditor from 2004 to 2024.

Des Moines, Iowa
February 29, 2024

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

December 31,	2025	2024
Assets		
Cash and due from banks	$ 358.2	$ 378.0
Interest bearing deposits in banks	951.4	518.5
Federal funds sold	0.1	0.1
Total cash and cash equivalents	1,309.7	896.6
Investment securities:		
Available-for-sale, at fair value	5,288.1	5,057.1
Held-to-maturity (estimated fair values of $2,136.6 and $2,358.6 at December 31, 2025 and 2024, respectively)	2,342.1	2,687.5
Total investment securities	7,630.2	7,744.6
FHLB and FRB stock, at cost	106.3	177.4
Loans held for sale ($1.1 and $0.9 of which is recorded at fair value at December 31, 2025 and December 31, 2024, respectively)	73.6	0.9
Loans held for investment, net of deferred fees and costs	15,201.6	17,844.9
Allowance for credit losses	(191.4)	(204.1)
Net loans held for investment	15,010.2	17,640.8
Goodwill	1,100.9	1,100.9
Company-owned life insurance	523.0	513.0
Premises and equipment, net of accumulated depreciation	406.6	427.2
Other intangibles, net of accumulated amortization	53.3	66.8
Accrued interest receivable	102.6	116.8
Mortgage servicing rights, net of accumulated amortization	23.1	25.7
Other real estate owned	3.4	4.3
Deferred tax asset, net	59.6	118.4
Other assets	238.1	304.0
Total assets	$ 26,640.6	$ 29,137.4
Liabilities and Stockholders' Equity		
Deposits:		
Noninterest-bearing	$ 5,286.8	$ 5,797.6
Interest bearing	16,801.5	17,218.0
Total deposits	22,088.3	23,015.6
Securities sold under repurchase agreements	479.6	523.9
Accounts payable and accrued expenses	286.8	378.9
Accrued interest payable	36.9	47.0
Other borrowed funds	—	1,567.5
Long-term debt	146.3	132.2
Allowance for credit losses on off-balance sheet credit exposures	5.9	5.2
Subordinated debentures held by subsidiary trusts	149.8	163.1
Total liabilities	23,193.6	25,833.4
Stockholders' equity:		
Preferred stock, $0.00001 par value; 100,000 shares authorized at December 31, 2025 and 2024; zero issued and outstanding, respectively	—	—
Common stock and additional paid-in-capital, $0.00001 par value; 150,000,000 shares authorized at December 31, 2025 and 2024; 101,105,745 and 104,585,964 shares issued and outstanding, respectively	2,350.9	2,459.5
Retained earnings	1,274.2	1,166.4
Accumulated other comprehensive loss, net	(178.1)	(321.9)
Total stockholders' equity	3,447.0	3,304.0
Total liabilities and stockholders' equity	$ 26,640.6	$ 29,137.4

See accompanying notes to consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share data)

Year Ended December 31,	2025	2024	2023
Interest income:			
Interest and fees on loans	$ 935.6	$ 1,022.2	$ 979.7
Interest and dividends on investment securities:			
Taxable	199.4	243.5	269.1
Exempt from federal taxes	2.9	2.8	3.2
Interest and dividends on FHLB and FRB stock	7.4	11.8	12.4
Interest on deposits in banks	32.7	22.2	15.7
Total interest income	1,178.0	1,302.5	1,280.1
Interest expense:			
Interest on deposits	299.8	325.9	242.6
Interest on securities sold under repurchase agreements	4.7	6.7	6.4
Interest on other borrowed funds	26.2	123.4	133.8
Interest on long-term debt	10.7	11.8	5.8
Interest on subordinated debentures held by subsidiary trusts	11.2	13.1	12.7
Total interest expense	352.6	480.9	401.3
Net interest income	825.4	821.6	878.8
Provision for credit losses	26.8	67.8	32.2
Net interest income after provision for credit losses	798.6	753.8	846.6
Noninterest income:			
Payment services revenues	67.9	73.6	76.4
Mortgage banking revenues	5.8	6.6	8.4
Wealth management revenues	40.6	38.8	35.3
Service charges on deposit accounts	27.0	25.7	23.0
Other service charges, commissions, and fees	8.8	9.0	9.5
Investment securities losses, net	—	—	(23.5)
Other income	83.3	24.4	17.9
Total noninterest income	233.4	178.1	147.0
Noninterest expense:			
Salaries and wages	274.6	270.9	263.1
Employee benefits	74.6	76.4	75.3
Outsourced technology services	57.5	56.2	59.0
Occupancy, net	54.8	48.7	48.0
Furniture and equipment	20.6	20.7	22.1
OREO expense, net	0.5	4.1	1.5
Professional fees	23.7	21.6	19.1
FDIC insurance premiums	14.4	24.0	31.5
Other intangibles amortization	13.6	14.6	15.7
Other expenses	106.0	100.2	121.5
Total noninterest expense	640.3	637.4	656.8
Income before income tax	391.7	294.5	336.8
Provision for income tax	89.6	68.5	79.3
Net income	$ 302.1	$ 226.0	$ 257.5
Earnings per common share (Basic)	$ 2.95	$ 2.19	$ 2.48
Earnings per common share (Diluted)	2.94	2.19	2.48

See accompanying notes to consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

Year ended December 31,	2025	2024	2023
Net income	$ 302.1	$ 226.0	$ 257.5
Other comprehensive income, before tax:			
Investment securities available for sale:			
Change in net unrealized losses during the period	187.8	48.6	144.8
Reclassification adjustment for net losses included in net income	—	—	23.5
Reclassification adjustment for securities transferred from held-to-maturity to available-for-sale	—	—	(7.2)
Net change in unamortized gains (losses) on available-for-sale securities transferred into held-to-maturity	0.2	(0.5)	(1.3)
Cash flow hedges:			
Change in unrealized gains (losses) on derivatives	1.9	(15.0)	(6.5)
Reclassification adjustment for derivatives net losses included in net income	1.6	12.8	7.4
Other comprehensive income, before tax	191.5	45.9	160.7
Deferred tax expense related to other comprehensive income	(47.7)	(11.3)	(40.1)
Other comprehensive income, net of tax	143.8	34.6	120.6
Comprehensive income, net of tax	$ 445.9	$ 260.6	$ 378.1

See accompanying notes to consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions, except share and per share data)

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance at December 31, 2022	$ 2,478.2	$ 1,072.7	$ (477.1)	$ 3,073.8
Net income	—	257.5	—	257.5
Other comprehensive income, net of tax expense	—	—	120.6	120.6
Common stock transactions:				
1,056,191 common shares purchased and retired	(34.0)	—	—	(34.0)
683,574 non-vested common shares issued	—	—	—	—
127,780 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	4.7	—	—	4.7
Common cash dividends declared ($1.88 per share)	—	(195.1)	—	(195.1)
Balance at December 31, 2023	2,448.9	1,135.1	(356.5)	3,227.5
Cumulative change related to the adoption of ASU 2023-02	—	1.2	—	1.2
Adjusted balance at January 1, 2024	2,448.9	1,136.3	(356.5)	3,228.7
Net income	—	226.0	—	226.0
Other comprehensive income, net of tax expense	—	—	34.6	34.6
Common stock transactions:				
49,568 common shares purchased and retired	(1.2)	—	—	(1.2)
807,913 non-vested common shares issued	—	—	—	—
114,007 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	11.8	—	—	11.8
Common cash dividends declared ($1.88 per share)	—	(195.9)	—	(195.9)
Balance at December 31, 2024	2,459.5	1,166.4	(321.9)	3,304.0
Net income	—	302.1	—	302.1
Other comprehensive income, net of tax expense	—	—	143.8	143.8
Common stock transactions:				
3,764,290 common shares purchased and retired	(121.9)	—	—	(121.9)
39,058 common shares issued	—	—	—	—
487,532 non-vested common shares issued	—	—	—	—
242,519 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	13.3	—	—	13.3
Common cash dividends declared ($1.88 per share)	—	(194.3)	—	(194.3)
Balance at December 31, 2025	$ 2,350.9	$ 1,274.2	$ (178.1)	$ 3,447.0

See accompanying notes to consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

Year Ended December 31,	2025	2024	2023
Cash flows from operating activities:			
Net income	$ 302.1	$ 226.0	$ 257.5
Adjustments to reconcile net income from operations to net cash provided by operating activities:			
Provision for credit losses	26.8	67.8	32.2
Net loss (gain) on disposal of premises and equipment	8.4	(2.9)	0.7
Depreciation and amortization	50.8	57.0	53.8
Net (discount) premium amortization on investment securities	(0.2)	1.1	2.4
Net (gain) loss on investment securities transactions	—	—	23.5
Realized and unrealized net gains on mortgage banking activities	(1.5)	(1.8)	(2.8)
Net losses and write-downs of OREO and other assets pending disposal	0.5	3.9	1.0
Net gain on extinguishment of debt	(0.1)	—	—
Valuation allowance for loans held-for-sale	6.0	—	—
Deferred taxes	11.3	21.3	20.4
Net increase in cash surrender value of company-owned life insurance	(11.1)	(14.7)	(9.7)
Stock-based compensation expense	13.3	11.8	4.7
Originations of mortgage loans held for sale	(66.7)	(149.6)	(351.5)
Proceeds from sales of mortgage loans held for sale	67.6	150.3	359.5
Gain on sale of consumer credit card loans	(4.3)	—	—
Gain on sale of branches, net	(62.7)	—	—
Changes in operating assets and liabilities:			
Decrease (increase) in accrued interest receivable	13.4	12.3	(10.8)
Decrease (increase) in other assets	73.0	(23.2)	80.5
(Decrease) increase in accrued interest payable	(9.5)	(5.2)	37.7
(Decrease) increase in accounts payable and accrued expenses	(111.5)	0.9	(71.1)
Net cash provided by operating activities	305.6	355.0	428.0
Cash flows from investing activities:			
Purchases of investment securities	(1,437.0)	(102.2)	(134.7)
Proceeds from sales, maturities, and pay-downs of investment securities:			
Held-to-maturity	349.7	524.7	227.3
Available-for-sale	1,390.1	924.2	1,390.7
Net sales (purchases) of FHLB and FRB stock	72.5	45.8	(24.6)
Proceeds from company-owned life insurance settlements	1.1	4.1	5.2
Proceeds from sales of consumer credit card loans	81.3	—	—
Net change in loans held for investment	2,159.9	372.3	(185.8)
Proceeds from sale of OREO	0.9	12.9	3.5
Net cash distributed in sale of branches	(279.1)	—	—
Capital expenditures, net of sales	(27.8)	(23.0)	(28.2)
Net cash provided by investing activities	$ 2,311.6	$ 1,758.8	$ 1,253.4

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(In millions)

Year Ended December 31,	2025	2024	2023
Cash flows from financing activities:			
Net decrease in deposits	$ (285.7)	$ (307.5)	$ (1,750.5)
Net decrease in securities sold under repurchase agreements	(44.3)	(258.8)	(270.2)
Net (decrease) increase in other borrowed funds	(1,567.5)	(1,285.5)	276.0
Repayments of long-term debt	(112.6)	(0.2)	(0.1)
Proceeds on long-term debt	—	253.9	—
Payment of debt issuance costs	(2.8)	—	—
Proceeds from issuance of subordinated notes	125.0	—	—
Purchase and retirement of common stock	(121.9)	(1.2)	(34.0)
Dividends paid to common stockholders	(194.3)	(195.9)	(195.1)
Net cash used in financing activities	(2,204.1)	(1,795.2)	(1,973.9)
Net increase (decrease) in cash and cash equivalents	413.1	318.6	(292.5)
Cash and cash equivalents at beginning of period	896.6	578.0	870.5
Cash and cash equivalents at end of period	$ 1,309.7	$ 896.6	$ 578.0
Supplemental disclosures of cash flow information:			
Cash paid during the period for income taxes, net[1]	$ 36.6	$ 34.3	$ 51.2
Cash paid during the period for interest expense	362.4	475.7	363.6
Supplemental disclosures of noncash investing and financing activities:			
Transfer of held-to-maturity to available-for-sale securities	$ —	$ —	$ 23.0
Right-of-use assets obtained in exchange for operating lease liabilities	6.8	1.6	6.4
Transfer of loans to other real estate owned	0.5	4.6	8.3
Transfer of held-for-sale loans to held for investment	—	—	29.6
Transfer of held for investment loans to held-for-sale	370.0	—	30.4
Transfer of premises and equipment held-for-sale	19.7	—	—
Capitalization of internally originated mortgage servicing rights	0.5	0.7	1.1

[1]Cash paid during the period for income taxes, net for 2025 related to the adoption of ASU 2025-09. 2024 and 2023 periods are gross cash paid during the period for income taxes.

See accompanying notes to consolidated financial statements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business. First Interstate BancSystem, Inc. (the "Parent Company" and collectively with its subsidiaries, the "Company") is a financial and bank holding company that, through the branch offices of its bank subsidiary, provides a comprehensive range of banking products and services to individuals, businesses, municipalities, and other entities throughout Colorado, Idaho, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming. In addition to its primary emphasis on commercial and consumer banking services, the Company also offers trust, employee benefit, investment, and insurance services through its bank subsidiary. The Company is subject to competition from other financial institutions and nonbank financial companies and is also subject to the regulations of various government agencies and undergoes periodic examinations by those regulatory authorities.

Basis of Presentation. The Company's consolidated financial statements include the accounts of the Parent Company and its operating subsidiaries. As of December 31, 2025, the Company had one significant subsidiary, First Interstate Bank ("FIB"). Intercompany balances and transactions have been eliminated in consolidation. Certain reclassifications, none of which were material, have been made in the consolidated financial statements for 2024 and 2023 to conform to the 2025 presentation. These reclassifications did not change previously reported net income, financial condition, cash flows, or stockholders' equity.

Business Combinations. The Company accounts for all business combinations using the acquisition method of accounting. Under this method of accounting, acquired assets and assumed liabilities are included with the acquirer's accounts as of the date of acquisition, with any excess of purchase price over the fair value of the net assets acquired recognized as either finite lived intangibles or capitalized as goodwill. In addition, acquisition-related costs and restructuring costs are recognized as period expenses as incurred. Fair values are subject to refinement over the measurement period, not to exceed one year after the closing date.

Equity Method Investments. The Company has investments in real estate joint ventures that are not consolidated because the Company does not own a majority voting interest, control the operations, or receive a majority of the losses or earnings of the joint venture. These joint ventures are accounted for using the equity method of accounting whereby the Company initially records its investment at cost (or fair value at the date of acquisition) and then subsequently adjusts the carrying value for the Company's proportionate share of distributions and earnings or losses of the joint ventures.

Variable Interest Entities. The Company's wholly owned business trusts, FI Statutory Trust I ("Trust I"), FI Capital Trust II ("Trust II"), FI Statutory Trust III ("Trust III"), FI Capital Trust IV ("Trust IV"), FI Statutory Trust V ("Trust V"), FI Statutory Trust VI ("Trust VI"), Northwest Bancorporation Capital Trust I ("Trust VII"), GWB Capital Trust VI ("Trust VIII"), Sunstate Bancshares Trust II ("Trust IX"), Great Western Statutory Trust IV ("Trust X"), HF Trust V ("Trust XIII"), and HF Trust VI ("Trust XIV") are variable interest entities for which the Company is not a primary beneficiary. Accordingly, the accounts of Trust I through Trust XIV are not included in the accompanying consolidated financial statements and are instead accounted for using the equity method of accounting.

The Company has equity investments in variable interest Certified Development Entities ("CDEs") which have received allocations under the New Markets Tax Credits Program. The underlying activities of the CDEs are community development projects designed primarily to promote community welfare, such as economic rehabilitation and development of low-income areas by providing housing, services, or jobs for residents. The maximum exposure to loss in the CDEs is the amount of equity invested and credit extended by the Company. The Company has credit protection in the form of indemnification agreements, guarantees, and collateral arrangements.

The Company is required to consolidate VIEs in New Market Tax Credit CDEs in which it has concluded it has a controlling financial interest. At December 31, 2025, approximately $19.4 million of the Company's assets and liabilities included in the consolidated balance sheets were related to New Market Tax Credit VIEs which the Company has consolidated. These amounts were $28.4 million at December 31, 2024.

Assets Held in Fiduciary or Agency Capacity. The Company holds certain trust assets in a fiduciary or agency capacity. The Company also purchases and sells federal funds as an agent. These and other assets held in an agency or fiduciary capacity are not assets of the Company and, accordingly, are not included in the accompanying consolidated financial statements.

Use of Estimates. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and income and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate impacting the Company's consolidated financial statements is the allowance for credit losses.

Cash and Cash Equivalents. For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, federal funds sold for less than three-month periods, and interest-bearing deposits in banks with original maturities of less than three months. As of December 31, 2025 and 2024, the Company had cash of $951.4 million and $518.2 million, respectively, on deposit with the Federal Reserve Bank (FRB). On March 15, 2020, the Federal Reserve reduced reserve requirement ratios to zero percent effective March 26, 2020. This action eliminated reserve requirements for all depository institutions.

Debt Security Investments. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity and carried at amortized cost. Investments in debt securities that may be sold in response to or in anticipation of changes in interest rates and resulting prepayment risk, or other factors, are classified as available-for-sale and carried at fair value. The unrealized gains and losses on these securities are reported, net of applicable income taxes, as a separate component of stockholders' equity and comprehensive income. Management determines the appropriate classification of securities at the time of purchase.

The amortized cost of debt securities classified as held-to-maturity or available-for-sale is adjusted for accretion of discounts to maturity and amortization of premiums over the estimated average life of the security, without anticipating prepayments, except for mortgage-backed securities where prepayments are anticipated, or in the case of callable securities, through the first call date, using the effective yield method. Such amortization and accretion is included in interest income. Realized gains and losses on sales are recorded on the trade date in investment securities gains and losses and determined using the specific identification method.

Accrued interest receivable on investment securities totaled $27.8 million and $29.6 million at December 31, 2025 and 2024, respectively, and was reported in the accrued interest receivable line item on the consolidated balance sheets.

Allowance for Credit Losses - Held-to-Maturity Securities: Management measures expected credit losses on held-to-maturity debt securities on a collective basis by major security type. Accrued interest receivable on held-to-maturity debt securities is excluded from the estimate of credit losses. The estimate of expected credit losses considers historical credit loss information that is adjusted for current conditions and reasonable and supportable forecasts.

Management classifies the held-to-maturity portfolio into the following major security types:

U.S. Treasury notes. U.S. Treasury notes issued by the U.S. Department of the Treasury are guaranteed by the U.S. government with very little risk to default.

State, county, and municipal securities. Municipal bonds issued by municipal governments within the U.S. These types of securities are primarily composed of general obligation bonds, or municipal bonds backed by the credit and taxing power of the issuing jurisdiction and revenue obligation bonds, or municipal bonds that are financed by income-producing projects and are secured by a specified source of revenue. Municipal issues shall have at least a "BBB" rating by Moody's and/or Standard and Poor's, or equivalent creditworthiness must be established prior to purchase. All non-rated or private placement securities must be analyzed and approved by the Company's Credit Department and documented prior to purchase.

Obligations of U.S. government agencies and entities. Securities held by the Company are primarily issued by The Federal Home Loan Mortgage Corporation, known as Freddie Mac, The Federal National Mortgage Association, known as Fannie Mae, and The Small Business Administration.These securities are either explicitly or implicitly guaranteed by the U.S. government with very little risk of default.

U.S. agency commercial mortgage-backed securities. Commercial mortgage-backed securities held by the Company are primarily issued by U.S. government agencies and entities. These securities are either explicitly or implicitly guaranteed by the U.S. government with very little risk of default.

U.S. agency residential mortgage-backed securities. Residential mortgage-backed securities held by the Company are primarily issued by U.S. government agencies and entities. These securities are either explicitly or implicitly guaranteed by the U.S. government with very little risk of default.

U.S. agency collateralized mortgage obligations. Collateralized mortgage obligations include agency residential securities which either explicitly or implicitly guaranteed by the U.S. government with very little risk of default.

Corporate securities. Securities held by the Company are primarily comprised of corporate bonds (both senior and subordinated-debt) issued by a firm or public entity which carry ratings no lower than investment grade "BBB" or better by Moody's, Standard and Poor's, or Kroll rating agencies. All corporate subordinated-debt securities are analyzed and approved by the Company prior to purchase.

Allowance for Credit Losses - Available-For-Sale Securities: For available-for-sale debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For available-for-sale debt securities that do not meet the aforementioned criteria, the Company performs a qualitative assessment as to whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income.

Changes in the allowance for credit losses are recorded as provision for (or reversal of) credit loss expense. Losses are charged against the allowance for credit losses when management believes the uncollectibility of an available-for-sale security is confirmed or when either of the criteria regarding intent or requirement to sell is met. Accrued interest receivable on available-for-sale debt securities is excluded from the estimate of credit losses.

Loans Held for Sale. The Company originates certain loans intended for sale in the secondary market. Conforming agency mortgage production is sold on a servicing retained basis. Certain loans, such as government guaranteed mortgage loans, are sold on a servicing released basis. The Company has elected the fair value option for residential mortgage loans the Company originated with the intent to sell that are classified as loans held for sale and are recorded at fair value, determined individually, as of the balance sheet date. The loan's fair value includes the servicing value of the loans as well as any accrued interest. The fair value of loans held for sale are primarily determined based on quoted prices for similar loans in active markets or outstanding commitments from third-party investors.

Performing residential real estate loans that are held for sale are generally sold with servicing rights retained. Upon the sale of an originated loan, the mortgage servicing right is recorded at its estimated fair value.

Loans that are originated and classified as held for investment are periodically sold in order to manage liquidity, asset credit quality, interest rate risk, or concentration risk. Loans that are reclassified into loans held for sale from loans held for investment, due to a change in intent, are recorded at the lower of cost or fair value less cost to sell. Any changes in fair value attributable to credit deterioration at the time of transfer are charged against the allowance for credit losses. Net unrealized losses, if any, are recorded as a valuation allowance. The valuation allowance and any net gains and losses are recorded as a component of noninterest income in the consolidated statements of operations.

Loans Held for Investment. Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at amortized cost or principal balance outstanding. Amortized cost is the principal balance outstanding, net of purchase premiums and discounts and deferred loan fees and costs. Loan origination fees, net of certain direct origination costs, are deferred and recognized in interest income using the level-yield method without anticipating prepayments.

Accrued interest receivable on loans held for investment totaled $73.4 million and $84.8 million at December 31, 2025 and 2024, respectively, and was reported in the accrued interest receivable line item on the consolidated balance sheets. Interest income is accrued on the unpaid principal balance of underlying loans. Interest income on mortgage and commercial loans is discontinued and placed on nonaccrual status at the time the loan is 90 days delinquent unless the loan is well secured and in process of collection.

Mortgage loans that are 180 days past due and commercial loans are charged off to the extent principal or interest is deemed uncollectible. Consumer loans continue to accrue interest until they are charged off no later than 120 days past due unless the loan is in the process of collection. Past-due status is based on the contractual terms of the loan. The Company considers a loan to be past due when it is 30 days or more past its contractual payment due date. In all cases, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful.

All interest accrued but not received for loans placed on nonaccrual is reversed against interest income. Interest received on such loans reduces the principal balances and interest income is not recognized until the loan balance is reduced to zero or the loan qualifies for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and when, in the opinion of management, the loans are estimated to be fully collectible as to both principal and interest.

Allowance for Credit Losses - Loans held for investment

The allowance for credit losses is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected over the life of the loans. Loans are charged off against the allowance for credit losses when management determines that a loan balance cannot be collected. The Company applies recoveries when received and has elected not to forecast recoveries for purposes of calculating the allowance for credit losses.

The allowance for credit losses estimate consists of three elements: a specific valuation allowance associated with collateral-dependent and other individually evaluated loans; a collective valuation allowance for loans with similar characteristics and trends; and a qualitative valuation allowance to adjust historical loss information based on an evaluation of qualitative factors.

The specific valuation allowance is determined based on an assessment of the fair value of the collateral underlying the loans as determined through independent appraisals, the present value of future cash flows, observable market prices, and any relevant qualitative or environmental factors impacting loans.

The collective valuation allowance is estimated using relevant available information from internal and external sources relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses.

The qualitative valuation allowance represents adjustments to historical loss information and segment-specific multipliers based on asset quality trends, industry concentrations, environmental risks, changes in portfolio composition, and other qualitative risk factors, both internal and external to the Company. Other qualitative factors, including changes in loan and lending policies, collateral quality, underwriting standards and personnel, credit review quality, and model imprecision, are also considered.

Annualized loss rates are recalculated quarterly, with subsequent recoveries captured in the quarter a loan was charged off and are averaged across a look back period from 2009 to the current period. Expected future principal and interest cash flows are calculated using contractual terms while considering prepayment, utilization, and annual loss rate assumptions. Macroeconomic models calculate segment-specific multipliers using third party forecast data. The multipliers adjust the annual loss rates to the level expected under the economic conditions over the 2-year forecast period, followed by a 1-year straight-line reversion to the unadjusted historical average loss rates. The unadjusted loss rates then apply for the remaining life of the loan. Estimated losses are totaled and aggregated to the portfolio segment level.

Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments, defaults, interest rates, and utilization rates. The contractual term excludes expected extensions, renewals, and modifications unless either management has a reasonable expectation at the reporting date that a modification to a borrower experiencing financial difficulty will be executed or the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Company.

A loan for which the terms have been modified and for which the borrower is experiencing financial difficulties is considered to be a modification to borrowers experiencing financial difficulty. The allowance for credit losses on a loan to borrowers experiencing financial difficulty is measured using the same method as all other loans held for investment, except when the loan is individually assessed for credit loss.

The Company segments the loan portfolio into pools based on the following risk characteristics: financial asset type, collateral type, loan structure, and credit characteristics.

The Company has identified the following portfolio segments:

Real Estate loans. Include commercial real estate loans which are non-farm, non-residential real estate loans generally secured by first liens on income-producing real estate and generally mature in less than 10 years; construction development loans which are primarily to commercial builders for residential lot development and the construction of single-family residences and commercial real estate properties; commercial construction loans which are primarily made to commercial builders for the development of commercial real estate properties; and construction and development loans which are generally underwritten pursuant to credit worthiness or pre-qualification for permanent financing. During the construction phase for any of the above loans, the borrower pays interest only. In most cases, construction and development loans generally transition to permanent real estate loans or otherwise mature in three years or less.

Real estate loans also include agricultural real estate loans that generally mature in ten years or less, secured by farmland or ranchland. These loans fund the construction of short, intermediate, and long-term structures and are made to experienced agriculturalists who have demonstrated management capabilities, established production and historical financial performance. Real estate loans also include consumer home equity and home equity lines of credit (“HELOC”) that are secured by residential property and generally mature in 25 years or less, and residential loans which are loans to finance the purchase or refinance of residential property which are typically secured by first liens or are construction loans to commercial builders or owner occupants for the construction of single-family residences. Residential 1-4 family loans generally mature within 15 years, although in some instances, they could mature in up to 30 years. Construction loans are generally underwritten pursuant to credit worthiness or pre-qualification for permanent financing. During the construction phase, the borrower pays interest only. Residential construction loans generally transition to a permanent residential loan or otherwise mature in two years or less.

Consumer loans. Include indirect loans, direct advance lines, and credit cards loans. Indirect are loan contracts advanced for the purchase of automobiles, boats, and other consumer goods from the consumer product dealer networks within our market areas. Indirect dealer loans are generally secured by automobiles, recreational vehicles, boats, and other types of personal property and are made on an installment basis. Consumer indirect line loans generally mature in seven years or less. Consumer direct and advance line loans are originated for a variety of purposes including the purchase of automobiles, boats and other consumer goods, home improvements, medical expenses, vehicle repairs, debt consolidation, and planned expenses in addition to the purchase of automobiles, boats, and other consumer goods. Consumer direct and advance line loans generally mature in seven years or less. The Company outsourced consumer credit card loans in the second quarter of 2025. Consumer credit card loans were lines of credit offered to clients in our market areas that were generally floating rate loans and included both unsecured and secured lines. Consumer credit card loans generally did not have stated maturities but were reviewed periodically and were unconditionally cancellable.

Commercial loans. Include commercial and industrial loans through a mix of variable and fixed rate commercial loans, including loans to finance showroom floor inventories and other loans for commercial purposes that are secured by 1-4 family residential property. These loans are typically made to small- and medium-sized manufacturing, wholesale, retail, and service businesses for working capital needs and business expansions. Floor plan loans and commercial purpose loans secured by 1-4 family residential property generally mature in seven years or less. Commercial loans also include secured and unsecured lines of credit, business credit cards, and loans with maturities of five years or less. Outstanding balances on these commercial loans tend to be cyclical in nature. These loans are generally made with business operations as the primary source of repayment, and are typically collateralized by inventory, accounts receivable, equipment, and/or personal guarantees.

Agricultural loans. Agricultural loans generally consist of short- and medium-term loans and lines of credit that are primarily used for crops, livestock, equipment, and general operations. Agricultural loans are ordinarily secured by assets such as livestock or equipment and are repaid from the operations of the farm or ranch. Agricultural loans generally have maturities of seven years or less, with operating lines for one production season.

Allowance for Credit Losses on Off-Balance Sheet Credit Exposures. The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk via a contractual obligation to extend credit unless that obligation is unconditionally cancellable by the Company. Management considers unused credit card lines and federal fund lines, extended to others, to be unconditionally cancellable. The allowance for credit losses on off-balance sheet credit exposures is adjusted through the provision for credit losses. The estimate considers the likelihood that funding will occur and includes expected credit losses on commitments expected to be funded over the estimated life.

The Company has identified commitments to extend credit and standby letters of credit determined not to be unconditionally cancellable as categories with off-balance sheet credit exposures and uses the commitment balance, expected loss rate, expected cash flows, and utilization rate as primary assumptions to develop the allowance for credit losses on those exposures. The utilization rate represents management’s best estimate of the probability that the unfunded portion of the commitment will be funded given existing economic conditions.

Goodwill. The excess purchase price over the fair value of net assets from acquisitions, or goodwill, is evaluated for impairment at least annually and on an interim basis if an event or circumstance indicates that it is likely impairment has occurred. Goodwill impairment is determined by comparing the fair value of a reporting unit to its carrying amount. In any given year the Company may elect to perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is in excess of its carrying value. If it is not more likely than not that the fair value of the reporting unit is in excess of the carrying value, or if the Company elects to bypass the qualitative assessment, a quantitative impairment test is performed. In performing a quantitative test for impairment, the fair value of net assets is estimated based on analyses of the Company’s market value, discounted cash flows and peer values.

Core Deposit and Other Customer Relationship Intangibles. Intangible assets consist of core deposit intangibles and other customer relationship intangibles. Core deposit intangibles represent the intangible value of depositor relationships resulting from deposit liabilities assumed, as a result of acquisitions, and are amortized using an accelerated method based on the estimated weighted average useful lives of the related deposits, which is generally ten years. Other customer relationship intangibles represent the value of the identifiable intangible value assigned to customer relationships arising from acquired companies and are amortized within other intangibles amortization expense in the consolidated statements of income using the straight-line method over the estimated useful life, which is 12 years.

Mortgage Servicing Rights. The Company recognizes the rights to service mortgage loans for others, whether acquired or internally originated. Mortgage servicing rights are initially recorded at fair value based on comparable market data and are amortized in proportion to and over the period of estimated net servicing income within mortgage banking revenues in the consolidated statements of income. Mortgage servicing rights are evaluated quarterly for impairment by comparing carrying value of mortgage servicing rights to the discounted expected future cash flows, taking into consideration the estimated level of prepayments based on current industry expectations and the predominant risk characteristics of the underlying loans including loan type, note rate, and loan term. Impairment adjustments, if any, are recorded through a valuation allowance to other income in the consolidated statements of income.

Premises and Equipment. Buildings, furniture, and equipment are stated at cost less accumulated depreciation. Depreciation expense recorded within occupancy, net on the consolidated statements of income is computed using straight-line methods over estimated useful lives of 5 to 45 years for buildings and improvements and 3 to 15 years for furniture and equipment. Leasehold improvements and assets acquired under a financing lease are amortized over the shorter of their estimated useful lives or the terms of the related leases. Land is recorded at cost. Costs incurred for maintenance and repairs are expensed as incurred.

We have leased branches and office space and have entered into various other agreements in conducting our business. Operating lease right-of-use assets are included within the premises and equipment, net of accumulated depreciation line item and our operating lease liability is included within the accounts payable and accrued expenses on the consolidated balance sheets. Operating lease expense is recognized within occupancy, net on the consolidated statements of income on a straight-line basis over the lease term, subject to any changes in the lease or expectations regarding the terms. Variable lease costs such as property taxes are expensed as incurred. Lease and non-lease components are accounted for separately as the amounts are readily determinable under our lease contracts. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets.

In recognizing lease right-of use assets and related lease liabilities, we determine whether an agreement represents a lease and at commencement of the lease we evaluate each agreement to determine whether the lease is an operating or financing lease. Some of our lease agreements have contained renewal options, tenant improvement allowances, rent holidays, and rent escalation clauses. Right-of-use lease assets represent our right to use the underlying asset for the lease term and the lease obligation represents our commitment to make the lease payments arising from the lease. Right-of-use lease assets and obligations are recognized at the commencement date based on the present value of remaining lease payments over the lease term. For the Company's leases that do not provide an implicit rate, we use an estimated incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The right-of-use lease asset includes any lease payments made prior to commencement and excludes any lease incentives. The estimated lease term may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

Company-Owned Life Insurance. Key executive and group life insurance policies are recorded at their cash surrender value. Separate account group life insurance policies are subject to a stable value contract that offsets the impact of interest rate fluctuations on the market value of the policies and are recorded at the stabilized investment value. Changes in the cash surrender or stabilized investment value of insurance policies, as well as insurance proceeds received, are recorded as other income within the consolidated statements of income and are not subject to income taxes.

Deferred Compensation Plan. The Company has a deferred compensation plan for the benefit of certain highly compensated officers and directors of the Company. The plan allows for discretionary employer contributions in excess of tax limits applicable to the Company's 401(k) plan and the deferral of salary, short-term incentives, or director fees subject to certain limitations. Deferred compensation plan assets and liabilities are included in other assets and accounts payable and accrued expenses, respectively, within the Company's consolidated balance sheets at fair value. As of December 31, 2025 and 2024, deferred compensation plan assets were $23.2 million and $22.7 million, respectively. Corresponding deferred compensation plan liabilities were $23.2 million and $22.7 million as of December 31, 2025 and 2024, respectively.

Impairment of Long-Lived Assets. Long-lived assets, including premises and equipment and certain identifiable intangibles, are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. The amount of the impairment loss, if any, is based on the asset's fair value. During 2025, $5.1 million of impairment losses were recognized related to the Arizona and Kansas branch sales, pending Nebraska branch sales, and pending Nebraska, Minnesota, and North Dakota branch closures, compared to none in 2024 or 2023.

OREO. Real estate acquired in satisfaction of loans is initially carried at current fair value less estimated selling costs. Any excess of loan carrying value over the fair value of the real estate acquired is recorded as a charge to the allowance for credit losses. Subsequent adjustments are based on the lower of cost or fair value (less estimated selling costs) and are included in OREO expense on the consolidated statements of income. Subsequent increases in fair value less estimated selling costs are recorded as a reduction in OREO expense to the extent of recognized losses. Operating expenses, net of related income, and gains or losses on sales are included in OREO expense on the consolidated statements of income.

Restricted Equity Securities. The Company, as a member of the FRB and the FHLB, is required to maintain investments in each of the organization's capital stock. As of December 31, 2025 and 2024, restricted equity securities of the FRB were $95.0 million for both years, and restricted equity securities of the FHLB of $10.7 million and $81.3 million, respectively, in addition to other equity securities of $0.7 million and $1.2 million, respectively, were included in the consolidated balance sheets caption FHLB and FRB stock, at cost. No ready market exists for the FHLB and FRB restricted equity securities, and they have no quoted market values. Restricted equity securities are periodically reviewed for impairment based on ultimate recovery of par value.

The determination of whether a decline affects the ultimate recovery of par value is influenced by the significance of the decline compared to the cost basis of the restricted equity securities, length of time a decline has persisted, impact of legislative and regulatory changes on the issuing organizations, and the liquidity positions of the issuing organizations. Based on management's assessment, no impairment losses were recorded on restricted equity securities during 2025, 2024, or 2023.

Derivatives and Hedging Activities. For asset and liability management purposes, the Company enters into interest rate swap contracts to hedge against changes in forecasted cash flows or changes in the fair value of financial instruments due to interest rate exposures. Interest rate swaps are contracts in which a series of interest payments are exchanged over a prescribed period. The notional amount upon which the interest payments are based is not exchanged.

The Company formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows or fair values of hedged items. For derivatives that are designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income and subsequently reclassified into interest income in the same period(s) during which the hedged transaction affects earnings.

When it is determined that a derivative is not highly effective as a hedge or that it has ceased to be a highly effective hedge, the Company discontinues hedge accounting prospectively when (a) it is determined that the derivative is no longer effective in offsetting changes in the cash flows or fair value of a hedged item (including forecasted transactions); (b) the derivative expires or is sold, terminated, or exercised; (c) the derivative is de-designated as a hedge instrument, because it is unlikely that a forecasted transaction will occur; or (d) management determines that designation of the derivative as a hedge instrument is no longer appropriate.

When cash flow hedge accounting is discontinued because it is probable that a forecasted transaction will not occur, the derivative will continue to be carried on the balance sheet at its fair value, and gains and losses that were accumulated in other comprehensive income will be recognized immediately in earnings. In all other situations in which hedge accounting is discontinued, the derivative will be carried at its fair value on the balance sheet, with subsequent changes in its fair value recognized in current-period earnings and the amounts remaining in accumulated other comprehensive income will be reclassified into earnings in the same period or periods during which the hedged forecasted transaction affects earnings.

The Company enters into certain interest rate swap contracts that are not designated as hedging instruments. In the normal course of business, the Company enters into interest rate lock commitments to finance residential mortgage loans that are not designated as accounting hedges. These commitments, which contain fixed expiration dates, offer the borrower an interest rate guarantee provided the loan meets underwriting guidelines and closes within the timeframe established by the Company. Interest rate risk arises on these commitments and subsequently closed loans if interest rates change between the time of the interest rate lock and the delivery of the loan to the investor. Loan commitments related to residential mortgage loans intended to be sold are considered derivatives and are marked to market through earnings. In addition to the effects of the change in market interest rate, the fair value measurement of the derivative also contemplates the expected cash flows to be received from the counterparty from the future sale of the loan.

The Company also sells residential mortgage loans on either a best efforts or mandatory delivery basis and mitigates the effect of the interest rate risk inherent in providing interest rate lock commitments by entering into forward loan sales contracts.

The Company has elected to present the derivatives on a gross basis. For more information regarding our derivatives, see “Derivatives and Hedging Activities” footnote included herein.

Software. Capitalized software, stated at cost less accumulated amortization, includes purchased software, capitalizable application development costs associated with internally developed software, and cloud computing arrangements, including capitalizable implementation costs associated with hosting arrangements that are not service contracts. Capitalized software is included in premises and equipment, net of accumulated depreciation on the consolidated balance sheets. Amortization expense, generally computed on the straight-line method, is charged to furniture and equipment expense in the consolidated statements of income over the estimated useful life of the software, generally three to five years, or the term of the hosting arrangement for implementation costs related to service contracts.

Cloud computing arrangements include software as a service (SaaS), platform as a service (PaaS), infrastructure as a service (IaaS) and other similar hosting arrangements. The Company primarily utilizes SaaS and PaaS arrangements. Capitalized costs related to cloud computing arrangements are presented within “Other Assets” on the balance sheet with related expenses presented within “Outsourced Technology Services” on the income statement. Capitalized implementation costs of hosting arrangements that are service contracts were $3.5 million and 2.9 million as of December 31, 2025 and 2024, respectively. Expenses totaled $2.2 million for each of the years ended December 31, 2025 and 2024.

Earnings Per Common Share. Basic earnings per common share is calculated by dividing net income available to common shareholders by the weighted average number of common shares outstanding during the period, excluding outstanding participating securities. Participating securities include non-vested performance restricted stock awards granted and all non-vested time restricted stock awards. Diluted earnings per common share is calculated by dividing net income available to common shareholders by the weighted average number of common shares outstanding determined for the basic earnings per share calculation plus the dilutive effect of stock compensation using the treasury stock method.

Income Taxes. The Parent Company and its subsidiaries have elected to be included in a consolidated federal income tax return. For state income tax purposes, the combined taxable income of the Parent Company and its subsidiaries is apportioned among the states in which operations take place. Federal and state income taxes attributable to the subsidiaries, computed on a separate return basis, are paid to or received from the Parent Company.

The Company accounts for income taxes using the liability method. Under the liability method, deferred tax assets and liabilities are determined based on enacted income tax rates which will be in effect when the differences between the financial statement carrying values and tax bases of existing assets and liabilities are expected to be reported in taxable income. Deferred tax assets are reduced by a valuation allowance if, based on the weight of evidence available, it is more-likely-than-not that some portion or all of a deferred tax asset will not be realized.

Positions taken in the Company's tax returns may be subject to challenge by the taxing authorities upon examination. Uncertain tax positions are initially recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions are both initially and subsequently measured as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement with the tax authority, assuming full knowledge of the position and all relevant facts. The Company provides for interest and, in some cases, penalties on tax positions that may be challenged by the taxing authorities. Interest expense is recognized beginning in the first period that such interest would begin accruing. Penalties are recognized in the period that the Company claims the position in the tax return. Interest and penalties on income tax uncertainties are classified within income tax expense in the consolidated statements of income. With few exceptions, the Company is no longer subject to U.S. federal and state examinations by tax authorities for years before 2022. The Company had no material penalties as of December 31, 2025, 2024, or 2023.

Revenue Recognition. The Company recognizes revenue as it is earned based on contractual terms, as transactions occur, or as services are provided and collectability is reasonably assured. The principal source of revenue is interest income from loans and investments. The Company also earns noninterest income from various banking and financial services offered to its clients. Certain specific policies related to noninterest income include the following:

Wealth management and trust fee income

Wealth management and trust fee income included within wealth management revenues within the consolidated statements of income represents monthly or other periodic fees due from wealth management clients as consideration for managing the clients' assets. Wealth management and trust services include custody of assets, investment management, fees for trust services and similar fiduciary activities. Revenue is recognized when our performance obligation is completed. The Company does not earn performance-based incentives. Optional services such as estate settlement and other court appointed services are available to existing trust and asset management clients. The Company's performance obligation for these transactional-based services is generally satisfied, and related revenue recognized, at a point in time.

Service charges on deposit accounts

Service charges on deposit accounts represent general service fees for account maintenance and activity- or transaction-based fees and consist of transaction-based revenue, time-based revenue (service period), item-based revenue or some other individual attribute-based revenue. Revenue is recognized when our performance obligation is completed for account maintenance services or when a transaction has been completed (such as a wire transfer or check orders). Payment for such performance obligations are generally received at a point in time when the performance obligations are satisfied.

Interchange and other fees

Payment services revenue includes interchange and other fees earned whenever the Company's debit and credit cards are processed through card payment networks such as MasterCard. ATM fees are primarily generated when a Company cardholder uses a non-Company ATM or a non-Company cardholder uses a Company ATM. Merchant services income primarily represents fees charged to merchants to process their debit and credit card transactions, in addition to account management fees. Swap fee income primarily represents income associated with the execution of dealer bank swap agreements. Other service charges include revenue from processing wire transfers, bill pay service, cashier's checks, and other services. The Company's performance obligation for interchange and other service charges are largely satisfied, and related revenue recognized, when completion of the services is rendered at a point in time.

Annuity and insurance commissions

Annuity and insurance commissions, included in wealth management revenues, primarily represent commissions received on annuity and insurance product sales. The Company acts as an intermediary between the Company's client and the insurance carrier. The Company's performance obligation is generally satisfied upon the issuance of the annuity or insurance policy, the carrier then remits the commission payment to the Company, and the Company recognizes the revenue at a point in time.

Comprehensive Income (Loss). Comprehensive income (loss) includes net income, as well as other changes in stockholders' equity that result from transactions and economic events other than those with shareholders. In addition to net income, the Company's comprehensive income (loss) includes the after tax effect of changes in unrealized gains and losses on available-for-sale investment securities and derivatives designated as cash flow hedges, and changes in the unamortized gain or loss on available-for-sale investment securities transferred to held-to-maturity.

Segment Reporting. An operating segment is defined as a component of a business for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and evaluate performance. The Company has identified one reporting unit and one operating segment, community banking, which encompasses commercial and consumer banking services to serve a similar base of clients utilizing company-wide offerings of similar products and services managed through similar processes and platforms offered to individuals, businesses, municipalities and other entities. The Company's chief operating decision maker ("CODM") is its Chief Executive Officer who is charged with management of the Company and is responsible for the evaluation of operating performance and decision making about the allocation of resources to operating segments.

The CODM regularly assesses performance of the single operating and reporting segment and decides how to allocate resources based on net income calculated on the same basis as is net income reported in the Company's consolidated statements of income. The CODM is also regularly provided with expense information at a level consistent with that disclosed in the Company's consolidated statements of income.

Our principal expenses include: (i) interest expense on deposit accounts and other borrowings; (ii) salaries and employee benefits; (iii) information technology and communication costs primarily associated with maintaining loan and deposit functions; (iv) furniture, equipment, and occupancy expenses for maintaining our facilities; (v) professional fees, including FDIC insurance assessments; (vi) income tax expense; (vii) provisions for credit losses; (viii) intangible amortization; (ix) other real estate owned expenses; and (x) other segment expenses including advertising and promotion, donations, credit card rewards expense, fees associated with originating and closing loans, insurance, and other expenses necessary to support our employees and service our clients. See the consolidated financial statements for other financial information regarding the Company's operating segment.

Advertising Costs. Advertising costs are expensed as incurred within other expenses. Advertising expense was $1.7 million, $0.7 million, and $0.9 million in 2025, 2024, and 2023, respectively.

Transfers of Financial Assets. Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when the assets have been isolated from the Company; the transferee obtains the right, free of conditions that constrain it from taking advantage of that right, to pledge or exchange the transferred assets; and the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Stock-Based Compensation. Compensation cost for all stock-based awards is measured at fair value on the date of grant and is recognized over the requisite service period for awards expected to vest. The impact of forfeitures of stock-based payment awards on compensation expense is recognized as forfeitures occur. Stock-based compensation expense of $13.3 million, $11.8 million, and $4.7 million for the years ended December 31, 2025, 2024, and 2023, respectively, is included in employee benefits expense in the Company's consolidated statements of income.

Fair Value Measurements. In general, fair value measurements are based upon quoted market prices, where available. If quoted market prices are not available, fair value measurements are estimated using relevant market information and other assumptions. Fair value estimates involve uncertainties and require some degree of judgment regarding interest rates, credit risk, prepayments and other factors. The use of different assumptions or estimation techniques may have a significant effect on the fair value amounts reported.

(2) GOODWILL AND OTHER INTANGIBLES

Goodwill

The Company has goodwill with a carrying value of $1,100.9 million as of December 31, 2025 and 2024 and performed its annual impairment assessment as of July 1, 2025 and 2024 concluding there was no impairment to goodwill. In addition, there were no events or circumstances that occurred during the second half of 2025 that would more-likely-than-not reduce the fair value of the Company's reporting unit below its carrying value.

Other Intangible Assets

Other intangible assets are comprised of core deposit intangibles ("CDI") and other customer relationship intangibles ("OCRI") and amounted to the following at December 31, 2025 and 2024:

December 31, 2025	CDI	OCRI	Total
Gross other intangible assets, at January 1, 2025	$ 154.7	$ 22.8	$ 177.5
Accumulated amortization	(116.9)	(7.3)	(124.2)
Net other intangible assets, end of period	$ 37.8	$ 15.5	$ 53.3
December 31, 2024			
Gross other intangible assets, at January 1, 2024	$ 154.7	$ 22.8	$ 177.5
Accumulated amortization	(105.2)	(5.5)	(110.7)
Net other intangible assets, end of period	$ 49.5	$ 17.3	$ 66.8

The Company recorded $13.6 million, $14.6 million and $15.7 million of other intangible asset amortization expense for the years ended December 31, 2025, 2024, and 2023 respectively.

CDI and OCRI are evaluated for impairment if events and circumstances indicate a possible impairment.

The following table provides the estimated aggregate future amortization expense of other intangible assets:

Years ending December 31,	CDI	OCRI	Total
2026	$ 11.2	$ 1.9	$ 13.1
2027	8.3	1.9	10.2
2028	5.4	1.9	7.3
2029	4.5	1.9	6.4
2030	4.2	1.9	6.1
Thereafter	4.2	6.0	10.2
Total	$ 37.8	$ 15.5	$ 53.3

(3) INVESTMENT SECURITIES

The amortized cost and the approximate fair values of investment securities are summarized as follows:

December 31, 2025	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-Sale:				
U.S. Treasury notes	$ 246.5	$ —	$ (8.8)	$ 237.7
State, county, and municipal securities	247.3	—	(27.2)	220.1
Obligations of U.S. government agencies	205.1	—	(4.2)	200.9
U.S. agency commercial mortgage-backed securities	891.7	1.1	(36.1)	856.7
U.S. agency residential mortgage-backed securities	1,834.4	4.4	(68.7)	1,770.1
U.S. agency collateralized mortgage obligations	986.1	1.4	(64.8)	922.7
Private mortgage-backed securities	193.9	—	(19.5)	174.4
Collateralized loan obligation	754.3	1.2	—	755.5
Corporate securities	158.7	—	(8.7)	150.0
Total	$ 5,518.0	$ 8.1	$ (238.0)	$ 5,288.1

December 31, 2025	Amortized Cost[(1)]	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Held-to Maturity:				
State, county, and municipal securities	$ 173.2	$ 0.2	$ (18.6)	$ 154.8
Obligations of U.S. government agencies	462.3	—	(37.7)	424.6
U.S. agency commercial mortgage-backed securities	354.8	—	(18.8)	336.0
U.S. agency residential mortgage-backed securities	941.3	0.1	(84.7)	856.7
U.S. agency collateralized mortgage obligations	381.1	0.7	(46.4)	335.4
Corporate securities	29.9	—	(0.8)	29.1
Total	$ 2,342.6	$ 1.0	$ (207.0)	$ 2,136.6

[(1)] Amortized cost presented above is net of an allowance for credit losses of $0.5 million and includes $5.9 million of unamortized gains and $13.7 million of unamortized losses related to the 2021 and 2022 transfer of securities from available-for-sale to held-to-maturity, respectively.

December 31, 2024	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-Sale:				
U.S. Treasury notes	$ 245.0	$ —	$ (18.1)	$ 226.9
State, county, and municipal securities	252.0	—	(40.0)	212.0
Obligations of U.S. government agencies	224.1	—	(10.8)	213.3
U.S. agency commercial mortgage-backed securities	1,057.2	0.1	(74.5)	982.8
U.S. agency residential mortgage-backed securities	1,301.2	0.4	(125.8)	1,175.8
U.S. agency collateralized mortgage obligations	1,156.9	0.6	(106.6)	1,050.9
Private mortgage-backed securities	218.1	—	(27.6)	190.5
Collateralized loan obligation	770.7	1.3	—	772.0
Corporate securities	249.6	—	(16.7)	232.9
Total	$ 5,474.8	$ 2.4	$ (420.1)	$ 5,057.1

December 31, 2024	Amortized Cost[1]	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Held-to Maturity:				
U.S. Treasury notes	$ 99.8	$ —	$ (0.4)	$ 99.4
State, county, and municipal securities	176.3	0.2	(26.7)	149.8
Obligations of U.S. government agencies	470.1	—	(59.9)	410.2
U.S. agency commercial mortgage-backed securities	374.9	—	(33.4)	341.5
U.S. agency residential mortgage-backed securities	1,082.5	—	(140.7)	941.8
U.S. agency collateralized mortgage obligations	427.8	—	(66.1)	361.7
Corporate securities	57.0	—	(2.8)	54.2
Total	$ 2,688.4	$ 0.2	$ (330.0)	$ 2,358.6

[1] Amortized cost presented above is net of an allowance for credit losses of $0.9 million and includes $8.0 million of unamortized gains and $15.9 million of unamortized losses related to the 2021 and 2022 transfer of securities from available-for-sale to held-to-maturity, respectively.

The following tables show the gross unrealized losses and fair values of available-for-sale investment securities and the length of time individual investment securities have been in an unrealized loss position as of December 31, 2025 and 2024.

	Less than 12 Months		12 Months or More		Total	
December 31, 2025	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available-for-Sale:						
U.S. Treasury notes	$ —	$ —	$ 237.7	$ (8.8)	$ 237.7	$ (8.8)
State, county, and municipal securities	—	—	210.4	(27.2)	210.4	(27.2)
Obligations of U.S. government agencies	2.4	—	195.8	(4.2)	198.2	(4.2)
U.S. agency commercial mortgage-backed securities	1.3	—	821.6	(36.1)	822.9	(36.1)
U.S. agency residential mortgage-backed securities	254.4	(1.1)	956.5	(67.6)	1,210.9	(68.7)
U.S. agency collateralized mortgage obligations	—	—	869.9	(64.8)	869.9	(64.8)
Private mortgage-backed securities	—	—	174.3	(19.5)	174.3	(19.5)
Corporate securities	—	—	150.0	(8.7)	150.0	(8.7)
Total	$ 258.1	$ (1.1)	$ 3,616.2	$ (236.9)	$ 3,874.3	$ (238.0)

	Less than 12 Months		12 Months or More		Total	
December 31, 2024	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available-for-Sale:						
U.S. Treasury notes	$ —	$ —	$ 226.8	$ (18.1)	$ 226.8	$ (18.1)
State, county, and municipal securities	—	—	210.1	(40.0)	210.1	(40.0)
Obligations of U.S. government agencies	3.6	—	206.2	(10.8)	209.8	(10.8)
U.S. agency commercial mortgage-backed securities	38.1	(0.4)	934.9	(74.1)	973.0	(74.5)
U.S. agency residential mortgage-backed securities	33.7	(1.5)	1,086.2	(124.3)	1,119.9	(125.8)
U.S. agency collateralized mortgage obligations	20.5	(0.3)	987.1	(106.3)	1,007.6	(106.6)
Private mortgage-backed securities	—	—	190.4	(27.6)	190.4	(27.6)
Collateralized loan obligation	10.0	—	—	—	10.0	—
Corporate securities	27.5	(0.5)	205.5	(16.2)	233.0	(16.7)
Total	$ 133.4	$ (2.7)	$ 4,047.2	$ (417.4)	$ 4,180.6	$ (420.1)

The Company determines the allowance for credit losses on both available-for-sale and held-to-maturity investment securities by a discounted cash flow approach when needed, using each security's effective interest rate at the time of purchase or upon acquisition. The allowance for credit losses for available-for-sale investment securities is measured as the amount by which an investment security's amortized cost exceeds the net present value of expected future cash flows, however, the amount of credit losses is limited to the amount of a security's unrealized loss. The allowance for credit loss on held-to-maturity investment securities is representative of current expected credit losses that management expects to be incurred over the life of the investment and established through a charge to provision for credit losses in current period earnings. For held-to-maturity investment securities, the Company has the intent and ability to hold these investment securities to maturity.

The investment securities portfolio primarily contains securities that are guaranteed by a sovereign entity or are generally considered to have non-credit related risks, such as interest rate risk or liquidity factors. The Company considers whether the securities are issued by the federal government or its agencies and whether downgrades by bond rating agencies have occurred.

As of December 31, 2025 and 2024, the Company had 633 and 670 individual available-for-sale investment securities, respectively, that were in an unrealized loss position, which was related primarily to fluctuations in current interest rates. As of December 31, 2025, the Company does not intend to sell nor is it more likely than not the Company will be required to sell any available-for-sale securities with unrealized losses.

The Company had no allowance for credit losses on available-for-sale investment securities as of December 31, 2025 and 2024, respectively.

On a quarterly basis, the Company refreshes the credit quality indicator of each held-to-maturity security. As of December 31, 2025 and 2024, the held-to-maturity portfolio is primarily composed of investment grade or better securities. The Company had a $0.5 million and a $0.9 million allowance for credit losses for held-to-maturity corporate and state, county, and municipal investment securities as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Company had $27.8 million and $29.6 million, respectively, of accrued interest receivable from investment securities on the consolidated balance sheets. Accrued interest receivable is presented as a separate line item on the consolidated balance sheets and is not included in the carrying value of our securities.

During the years ended December 31, 2025 and 2024, there were no realized gains or losses on the disposition of available-for-sale investment securities.

The following schedule represents the amortized cost of debt securities by contractual maturity except for maturities of mortgage-backed securities, which have been adjusted to reflect shorter maturities based upon estimated prepayments of principal.

	Available-for-Sale		Held-to-Maturity	
December 31, 2025	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Within one year	$ 114.4	$ 113.5	$ 32.8	$ 32.9
After one year but within five years	1,239.7	1,192.6	617.0	587.1
After five years but within ten years	944.6	877.5	273.2	249.8
After ten years	3,219.3	3,104.5	1,419.6	1,266.8
Total	$ 5,518.0	$ 5,288.1	$ 2,342.6	$ 2,136.6

As of December 31, 2025, the Company held investment securities callable within one year having amortized costs and estimated fair values of $603.6 million and $577.8 million, respectively. These investment securities are primarily included in the "after five year" categories in the table above.

As of December 31, 2025 and 2024, the Company had securities with carrying values of $2,983.6 million and $3,460.2 million, respectively, for investment securities pledged to secure public deposits, derivatives, and securities sold under repurchase agreements that had estimated fair values as of December 31, 2025 and 2024 of $2,781.2 million and $3,092.6 million, respectively. All securities sold under repurchase agreements are with clients and mature on the next banking day. The Company retains possession of the underlying securities sold under repurchase agreements.

As of December 31, 2025 and 2024, the Company held $106.3 million and $177.4 million, respectively, in equity securities primarily in a combination of Federal Reserve Bank and Federal Home Loan Bank ("FHLB") stocks, which are restricted nonmarketable securities acquired to meet regulatory requirements and related to outstanding borrowings. These securities are carried at cost.

(4) LOANS HELD FOR SALE

Residential mortgage loans that the Company originated with the intent to sell are recorded at fair value. The following table presents (i) residential mortgage loans recorded at fair value and (ii) other loans held for sale at lower of cost or market by class of receivable related to the sale of the Nebraska branches (which was pending as of December 31, 2025), for the dates indicated:

	December 31, 2025	December 31, 2024
Real estate:		
Commercial	$ 19.5	$ —
Construction	1.3	—
Residential	3.5	—
Residential mortgage, at fair value	1.1	0.9
Agricultural	17.8	—
Total real estate	43.2	0.9
Consumer:		
Direct and advance lines	2.5	—
Total consumer	2.5	—
Commercial	7.4	—
Agricultural	20.5	—
Total loans held for sale	$ 73.6	$ 0.9

(5) LOANS HELD FOR INVESTMENT

The following table presents loans by class of receivable and portfolio segment as of the dates indicated:

December 31,	2025	2024
Real estate:		
Commercial	$ 8,144.4	$ 9,263.2
Construction	837.2	1,244.6
Residential	2,108.8	2,191.6
Agricultural	629.0	701.1
Total real estate	11,719.4	13,400.5
Consumer:		
Indirect	477.5	725.0
Direct and advance lines	131.5	134.0
Credit card	—	77.6
Total consumer	609.0	936.6
Commercial	2,359.6	2,829.4
Agricultural	520.2	687.9
Other, including overdrafts	1.7	1.6
Loans held for investment	15,209.9	17,856.0
Deferred loan fees and costs	(8.3)	(11.1)
Loans held for investment, net of deferred fees and costs	15,201.6	17,844.9
Allowance for credit losses	(191.4)	(204.1)
Net loans held for investment	$ 15,010.2	$ 17,640.8

Allowance for Credit Losses

The following tables represent, by loan portfolio segments, the activity in the allowance for credit losses for loans held for investment:

December 31, 2025	Beginning Balance	Provision for Credit Losses	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 139.4	$ 7.8	$ (23.6)	$ 7.6	$ 131.2
Consumer	16.8	6.2	(17.5)	5.7	11.2
Commercial	38.9	4.6	(8.9)	2.3	36.9
Agricultural	9.0	7.9	(5.0)	0.2	12.1
Total allowance for credit losses	$ 204.1	$ 26.5	$ (55.0)	$ 15.8	$ 191.4

December 31, 2024	Beginning Balance	Provision for Credit Loss	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 160.1	$ 17.7	$ (39.6)	$ 1.2	$ 139.4
Consumer	13.0	14.3	(15.4)	4.9	16.8
Commercial	50.2	44.3	(59.4)	3.8	38.9
Agricultural	4.4	4.6	(0.3)	0.3	9.0
Total allowance for credit losses	$ 227.7	$ 80.9	$ (114.7)	$ 10.2	$ 204.1

December 31, 2023	Beginning Balance	Provision for (reversal of) Credit Loss	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 138.7	$ 35.2	$ (18.5)	$ 4.7	$ 160.1
Consumer	23.3	(1.0)	(14.0)	4.7	13.0
Commercial	54.9	(3.9)	(3.4)	2.6	50.2
Agricultural	3.2	0.8	—	0.4	4.4
Total allowance for credit losses	$ 220.1	$ 31.1	$ (35.9)	$ 12.4	$ 227.7

[1] Amounts presented exclude the allowance for credit losses related to unfunded commitments and investment securities. The allowance for credit losses related to unfunded commitments and investment securities are included in the "Financial Instruments with Off-Balance Sheet Risk" Note and "Investment Securities" Note, respectively.

[2] Loans, or portions thereof, are charged-off against the allowance for credit losses when management believes the collectability of the principal is unlikely, or, with respect to consumer installment loans, according to an established delinquency schedule.

Collateral-Dependent Loans

A collateral-dependent loan relies substantially on the operation or sale of the collateral securing the loan for repayment. A loan may become collateral-dependent when foreclosure is probable or the borrower is experiencing financial difficulty and its sources of repayment become inadequate over time.

The following tables present the principal balance of collateral-dependent loans by class of receivable as of the dates indicated:

	Collateral Type			
As of December 31, 2025	Business Assets	Real Property	Other	Total
Real estate:				
Commercial	$ —	$ 33.5	$ —	$ 33.5
Construction	—	3.8	—	3.8
Residential	—	2.6	—	2.6
Agricultural	0.5	23.3	—	23.8
Total real estate	0.5	63.2	—	63.7
Commercial	5.3	8.4	1.3	15.0
Agricultural	22.9	0.5	—	23.4
Total collateral-dependent loans	$ 28.7	$ 72.1	$ 1.3	$ 102.1

	Collateral Type			
As of December 31, 2024	Business Assets	Real Property	Other	Total
Real estate:				
Commercial	$ —	$ 47.3	$ —	$ 47.3
Construction	—	3.2	—	3.2
Residential	—	2.7	—	2.7
Agricultural	—	1.8	—	1.8
Total real estate	—	55.0	—	55.0
Commercial	20.3	1.1	0.8	22.2
Agricultural	—	20.3	0.1	20.4
Total collateral-dependent loans	$ 20.3	$ 76.4	$ 0.9	$ 97.6

Loans are considered past due if the required principal and interest payments have not been received 30 days or more past the contractual payment due date. Loans classified in the following table as 90 days or more past due continue to accrue interest. The following tables present the contractual aging of the Company's recorded principal balance of loans by class of receivable as of the dates indicated:

As of December 31, 2025	30 - 59 Days Past Due	60 - 89 Days Past Due	90 or more Days Past Due	Total Loans Past Due	Current Loans	Non-accrual Loans[1][2][3]	Total Loans
Real estate:							
Commercial	$ 34.1	$ 5.7	$ 0.3	$ 40.1	$ 8,068.7	$ 35.6	$ 8,144.4
Construction	13.4	0.1	—	13.5	819.4	4.3	837.2
Residential	8.3	2.5	0.1	10.9	2,084.0	13.9	2,108.8
Agricultural	0.2	—	—	0.2	601.7	27.1	629.0
Total real estate	56.0	8.3	0.4	64.7	11,573.8	80.9	11,719.4
Consumer:							
Indirect	6.5	1.7	0.1	8.3	463.6	5.6	477.5
Direct and advance lines	0.9	0.2	—	1.1	129.7	0.7	131.5
Total consumer	7.4	1.9	0.1	9.4	593.3	6.3	609.0
Commercial	3.1	4.9	0.9	8.9	2,329.0	21.7	2,359.6
Agricultural	0.5	0.6	—	1.1	494.5	24.6	520.2
Other, including overdrafts	—	—	—	—	1.7	—	1.7
Loans held for investment	$ 67.0	$ 15.7	$ 1.4	$ 84.1	$ 14,992.3	$ 133.5	$ 15,209.9

As of December 31, 2024	30 - 59 Days Past Due	60 - 89 Days Past Due	90 or more Days Past Due	Total Loans Past Due	Current Loans	Non-accrual Loans[1][2][3]	Total Loans
Real estate:							
Commercial	$ 4.9	$ 2.8	$ —	$ 7.7	$ 9,200.1	$ 55.4	$ 9,263.2
Construction	3.7	—	—	3.7	1,237.6	3.3	1,244.6
Residential	6.6	2.7	0.4	9.7	2,166.5	15.4	2,191.6
Agricultural	7.6	2.8	—	10.4	685.4	5.3	701.1
Total real estate	22.8	8.3	0.4	31.5	13,289.6	79.4	13,400.5
Consumer:							
Indirect	8.4	2.6	0.7	11.7	709.4	3.9	725.0
Direct and advance lines	0.6	0.2	0.3	1.1	132.3	0.6	134.0
Credit card	0.7	0.5	1.0	2.2	75.4	—	77.6
Total consumer	9.7	3.3	2.0	15.0	917.1	4.5	936.6
Commercial	11.2	3.0	0.6	14.8	2,781.1	33.5	2,829.4
Agricultural	2.4	2.8	—	5.2	661.8	20.9	687.9
Other, including overdrafts	—	—	—	—	1.6	—	1.6
Loans held for investment	$ 46.1	$ 17.4	$ 3.0	$ 66.5	$ 17,651.2	$ 138.3	$ 17,856.0

[1] As of December 31, 2025 and 2024, none of our non-accrual loans were earning interest income. Additionally, $5.6 million and $5.5 million of interest income was recognized on non-accrual loans at December 31, 2025 and 2024, respectively. There were $3.4 million and $4.1 million in reversals of accrued interest at December 31, 2025 and 2024, respectively.

[2] As of December 31, 2025 and 2024, there were approximately $59.8 million and $56.9 million, respectively, of non-accrual loans for which there was no related allowance for credit losses, as these loans had sufficient collateral securing the loan for repayment.

[3] As of December 31, 2025, there were approximately $4.5 million, $3.8 million, and $60.5 million of non-accrual loans that were 30-59 days past due, 60-89 days past due, and 90 days or more past due, respectively. As of December 31, 2024, there were approximately $13.5 million, $6.2 million, and $40.5 million of non-accrual loans that were 30-59 days past due, 60-89 days past due, and 90 days or more past due, respectively.

Modifications to Borrowers Experiencing Financial Difficulty

Modifications of loans are made in the ordinary course of business and are completed on a case-by-case basis through negotiation with the borrower in connection with the ongoing loan collection processes. Loan modifications with borrowers are made to provide payment relief to borrowers experiencing financial difficulty.

From time to time, we may modify certain loans to borrowers who are experiencing financial difficulty. In some cases, these modifications may result in new loans. Loan modifications to borrowers experiencing financial difficulty may be in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, a term extension, or a combination thereof, among other things.

The following tables present the amortized cost basis of loans, by class and by type of modification, as of and for the years ended December 31, 2025, 2024, and 2023, that were both experiencing financial difficulty and modified during the periods indicated. The percentage of the principal balance of loans that were modified to borrowers in financial distress as compared to the principal balance of each class of receivable is also presented below:

2025	Principal Forgiveness	Term Extension	Rate Reduction	Term Extension and Interest Rate Reduction	Total	% of Total Class of Loans Held for Investment [1]
Real estate:						
Commercial	$ —	$ 28.5	$ —	$ 1.5	$ 30.0	0.37 %
Construction	—	1.9	—	—	1.9	0.23
Residential	—	0.3	—	0.1	0.4	0.02
Agricultural	—	11.6	—	2.8	14.4	2.29
Total real estate	—	42.3	—	4.4	46.7	0.40
Consumer:						
Indirect	—	0.1	—	—	0.1	0.02
Total consumer	—	0.1	—	—	0.1	0.02
Commercial	—	34.2	—	0.4	34.6	1.47
Agricultural	—	9.2	—	—	9.2	1.77
Loans held for investment[2]	$ —	$ 85.8	$ —	$ 4.8	$ 90.6	0.60
2024						
Real estate:						
Commercial	$ —	$ 26.4	$ —	$ —	$ 26.4	0.28 %
Construction	—	1.9	—	—	1.9	0.15
Residential	—	—	—	0.3	0.3	0.01
Agricultural	—	12.0	—	—	12.0	1.71
Total real estate	—	40.3	—	0.3	40.6	0.30
Consumer:						
Indirect	—	0.1	—	—	0.1	0.01
Total consumer	—	0.1	—	—	0.1	0.01
Commercial	—	8.9	—	0.6	9.5	0.34
Agricultural	—	20.1	—	—	20.1	2.92
Loans held for investment[2]	$ —	$ 69.4	$ —	$ 0.9	$ 70.3	0.39
2023						
Real estate:						
Commercial	$ 1.5	$ 28.6	$ 1.1	$ 0.6	$ 31.8	0.36 %
Construction	—	13.7	—	—	13.7	0.75
Residential	0.1	0.6	—	—	0.7	0.03
Agricultural	—	6.4	—	—	6.4	0.89
Total real estate	1.6	49.3	1.1	0.6	52.6	0.39
Consumer:						
Indirect	—	0.1	—	—	0.1	0.01
Direct and advance lines	—	0.1	—	—	0.1	0.07
Total consumer	—	0.2	—	—	0.2	0.02
Commercial	—	7.4	—	0.2	7.6	0.26
Agricultural	—	36.1	—	—	36.1	4.69
Loans held for investment[2]	$ 1.6	$ 93.0	$ 1.1	$ 0.8	$ 96.5	0.53

[1] Based on the principal balance as of period end, divided by the period end principal balance of the corresponding class of receivables.

[2] As of and for the years ended December 31, 2025 and 2024, and 2023, the Company excluded $1.4 million, $0.2 million, and $1.6 million, respectively, in accrued interest from the amortized cost of the identified loans.

The following tables present the financial effect of the loan modifications presented above to borrowers experiencing financial difficulty as of and for the years ended December 31, 2025, 2024, and 2023:

				Term Extension and Interest Rate Reduction	
2025	Principal Forgiveness	Weighted-Average Months of Term Extension	Weighted-Average Interest Rate Reduction	Weighted-Average Months of Term Extension	Weighted-Average Interest Rate Reduction
Real estate:					
Commercial	$ —	9.3	— %	10.7	1.0 %
Construction	—	7.4	—	0.0	—
Residential	—	22.3	—	84.8	2.2
Agricultural	—	12.7	—	4.0	0.3
Total real estate	—				
Consumer:					
Indirect	—	10.5	—	0.0	—
Total consumer	—				
Commercial	—	7.7	—	71.8	1.4
Agricultural	—	7.1	—	7.9	1.0
Loans held for investment [1]	$ —				

2024					
Real estate:					
Commercial	$ —	8.6	— %	0.0	— %
Construction	—	4.0	—	0.0	—
Residential	—	0.0	—	31.2	3.4
Agricultural	—	10.4	—	0.0	—
Total real estate	—				
Consumer:					
Indirect	—	7.0	—	0.0	—
Total consumer	—				
Commercial	—	20.2	—	10.0	1.0
Agricultural	—	9.4	—	0.0	—
Loans held for investment [1]	$ —				

2023					
Real estate:					
Commercial	$ 1.3	5.8	0.35 %	6.0	0.3 %
Construction	—	9.1	—	0.0	—
Residential	0.3	131.6	—	0.0	—
Agricultural	—	4.5	—	0.0	—
Total real estate	1.6				
Consumer:					
Indirect	—	8.3	—	0.0	—
Direct and advance lines	—	62.1	—	0.0	—
Total consumer	—				
Commercial	—	12.2	—	14.6	0.5
Agricultural	—	9.2	—	0.0	—
Loans held for investment [1]	$ 1.6				

[1] Balances based on loan original contractual terms.

The Company monitors the performance of loan modifications to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. Of the loans that were modified during the twelve-months ended December 31, 2025 and 2024, there were $18.9 million and no loans classified as past due 30 days or more, respectively, with the remaining loans performing in accordance with the modified terms and classified as current at December 31, 2025 and 2024. Of the non-accrual loans that were modified during the twelve-months ended December 31, 2025 and 2024, there were $7.7 million and $7.8 million of loans classified as past due 30 days or more, respectively, with the remaining non-accrual loans performing in accordance with the modified terms and classified as current at December 31, 2025 and 2024.

There were no commitments to lend additional funds related to the loan modifications to borrowers experiencing financial difficulty during the years ended December 31, 2025 and 2024.

There were $0.6 million, $20.9 million and no payment defaults on these loans subsequent to their modifications during the twelve-months ended December 31, 2025, 2024, and 2023, respectively. The Company considers a payment default to occur when the loan is 90 days or more past due or the loan is placed on non-accrual status after the modification. The Company monitors the performance of modified loans on an ongoing basis. In the event of subsequent default, the allowance for credit losses continues to be reassessed based on an individual evaluation of each loan. The modifications made during the periods presented did not significantly impact the Company's determination of the allowance for credit losses.

Credit Quality Indicators

As part of the on-going and continuous monitoring of the credit quality of the Company's loan portfolio, management tracks internally assigned risk classifications of loans based on relevant information about the ability of borrowers to service their debt. The factors considered by the Company include, among other factors, the borrower's current financial information, historical payment experience, credit documentation, public information, and current economic trends. The Company analyzes loans individually to classify the credit risk of the loans. This analysis generally includes loans with an outstanding balance greater than $1.0 million, which are generally considered non-homogeneous loans, such as commercial loans and commercial real estate loans. This analysis is performed no less than on an annual basis, depending upon the size of exposure and the contractual obligations governing the borrower's financial reporting frequency. Homogeneous loans, including small business loans, are typically monitored by payment performance. The Company internally risk rates its loans in accordance with a Uniform Classification System developed jointly by the various bank regulatory agencies. The Uniform Classification System defines three broad categories of criticized assets, which the Company uses as credit quality indicators in addition to the 6 Pass ratings in its 10-point rating scale:

Special Mention — includes loans that exhibit a potential weakness in financial condition, loan structure, or documentation that warrants management's close attention. If not promptly corrected, the potential weaknesses may result in deterioration of the repayment prospects for the loan or of the institution's credit position at some future date.

Substandard — includes loans that are inadequately protected by the current net worth and paying capacity of the borrower which have well-defined weaknesses that jeopardize the liquidation of the debt. Although the primary source of repayment for a substandard loan may not currently be sufficient, collateral or other sources of repayment are sufficient to satisfy the debt.

Doubtful — includes loans that exhibit pronounced weaknesses based on currently existing facts, conditions, and values to a point where collection or liquidation for full repayment is highly questionable and improbable. Doubtful loans are required to be placed on non-accrual status and are assigned specific loss exposure.

Loans not meeting the criteria above that are analyzed individually as part of the above-described process are considered pass-rated loans. A pass-rated loan can be assets where there is virtually no credit risk, such as cash secured loans with funds on deposit with the Bank. Pass-rated loans also include loans that are on our watch lists; these loans are currently performing but are subject to closer monitoring due to certain risk factors or emerging weaknesses that could, if not corrected, result in future deterioration of repayment capacity. These loans do not meet the criteria for classification as *Special Mention* or a criticized asset, but are included on the bank's internal watch list to ensure proactive management and early identification of potential credit issues.

The Company evaluates the credit quality and loan performance for the allowance for credit losses of the following class of receivables by origination year using the origination date or the loan's subsequent renewal or modification date based on the aforementioned risk scale as of and for the periods ended:

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Commercial real estate:									
Pass	$1,025.6	$ 948.6	$1,095.2	$1,344.8	$1,101.6	$1,892.9	$ 59.0	$ 49.5	$7,517.2
Special mention	96.3	28.9	43.7	35.4	64.6	88.4	0.6	—	357.9
Substandard	81.1	41.4	27.8	32.7	27.7	48.4	—	—	259.1
Doubtful	1.9	2.2	5.7	—	0.4	—	—	—	10.2
Total	$1,204.9	$1,021.1	$1,172.4	$1,412.9	$1,194.3	$2,029.7	$ 59.6	$ 49.5	$8,144.4
Construction real estate:									
Pass	$ 240.1	$ 211.5	$ 110.4	$ 92.3	$ 25.4	$ 21.3	$ 85.9	$ 12.5	$ 799.4
Special mention	3.8	5.0	—	14.4	—	—	—	—	23.2
Substandard	10.7	0.1	0.2	0.3	1.0	0.1	0.2	—	12.6
Doubtful	—	1.3	—	—	0.7	—	—	—	2.0
Total	$ 254.6	$ 217.9	$ 110.6	$ 107.0	$ 27.1	$ 21.4	$ 86.1	$ 12.5	$ 837.2
Agricultural real estate:									
Pass	$ 100.8	$ 68.5	$ 36.5	$ 104.0	$ 73.7	$ 121.6	$ 19.7	$ —	$ 524.8
Special mention	10.2	10.1	3.4	4.5	8.7	13.8	2.1	—	52.8
Substandard	15.9	9.5	6.6	2.9	8.1	7.8	—	0.6	51.4
Doubtful	—	—	—	—	—	—	—	—	—
Total	$ 126.9	$ 88.1	$ 46.5	$ 111.4	$ 90.5	$ 143.2	$ 21.8	$ 0.6	$ 629.0
Commercial:									
Pass	$ 301.3	$ 287.8	$ 228.4	$ 277.2	$ 225.5	$ 260.4	$ 593.3	$ 4.6	$2,178.5
Special mention	6.4	23.7	3.3	1.4	3.2	0.4	52.8	0.2	91.4
Substandard	9.3	13.4	6.8	14.2	4.7	0.7	26.2	1.3	76.6
Doubtful	4.9	1.0	0.5	6.3	0.4	—	—	—	13.1
Total	$ 321.9	$ 325.9	$ 239.0	$ 299.1	$ 233.8	$ 261.5	$ 672.3	$ 6.1	$2,359.6
Agricultural:									
Pass	$ 80.2	$ 25.0	$ 15.1	$ 25.6	$ 7.5	$ 4.7	$ 277.8	$ 5.6	$ 441.5
Special mention	7.9	1.4	2.7	2.0	0.4	—	26.0	—	40.4
Substandard	3.3	3.6	0.8	0.8	—	0.4	9.6	1.0	19.5
Doubtful	6.2	—	2.6	—	—	—	2.0	8.0	18.8
Total	$ 97.6	$ 30.0	$ 21.2	$ 28.4	$ 7.9	$ 5.1	$ 315.4	$ 14.6	$ 520.2

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Commercial real estate:									
Pass	$1,208.5	$1,340.2	$1,909.1	$1,344.1	$1,069.7	$1,778.3	$ 74.1	$ 109.8	$8,833.8
Special mention	78.4	17.5	15.8	16.1	4.9	79.2	0.6	9.8	222.3
Substandard	81.5	12.1	22.0	37.3	10.2	43.5	0.5	—	207.1
Doubtful	—	—	—	—	—	—	—	—	—
Total	$1,368.4	$1,369.8	$1,946.9	$1,397.5	$1,084.8	$1,901.0	$ 75.2	$ 119.6	$9,263.2
Construction:									
Pass	$ 438.0	$ 233.0	$ 320.2	$ 76.5	$ 17.3	$ 20.9	$ 124.8	$ 1.8	$1,232.5
Special mention	2.1	—	6.4	—	—	—	—	—	8.5
Substandard	—	—	—	—	—	—	—	—	—
Doubtful	3.6	—	—	—	—	—	—	—	3.6
Total	$ 443.7	$ 233.0	$ 326.6	$ 76.5	$ 17.3	$ 20.9	$ 124.8	$ 1.8	$1,244.6
Agricultural real estate:									
Pass	$ 118.6	$ 53.0	$ 104.7	$ 107.9	$ 66.0	$ 144.1	$ 33.4	$ 0.5	$ 628.2
Special mention	1.1	0.2	6.8	6.1	8.5	0.7	—	—	23.4
Substandard	12.9	8.2	19.7	3.4	4.4	0.9	—	—	49.5
Doubtful	—	—	—	—	—	—	—	—	—
Total	$ 132.6	$ 61.4	$ 131.2	$ 117.4	$ 78.9	$ 145.7	$ 33.4	$ 0.5	$ 701.1
Commercial:									
Pass	$ 438.8	$ 353.0	$ 375.9	$ 316.0	$ 165.9	$ 255.2	$ 767.3	$ 8.9	$2,681.0
Special mention	3.9	13.9	3.1	2.2	6.2	0.6	19.1	—	49.0
Substandard	30.8	5.4	12.8	5.5	1.6	3.4	35.2	1.5	96.2
Doubtful	—	1.6	1.1	0.5	—	—	—	—	3.2
Total	$ 473.5	$ 373.9	$ 392.9	$ 324.2	$ 173.7	$ 259.2	$ 821.6	$ 10.4	$2,829.4
Agricultural:									
Pass	$ 109.6	$ 34.1	$ 39.4	$ 16.6	$ 13.5	$ 5.8	$ 379.4	$ 1.1	$ 599.5
Special mention	4.1	1.4	0.9	0.2	0.9	0.1	5.1	—	12.7
Substandard	4.1	25.9	0.1	—	0.5	—	25.9	0.3	56.8
Doubtful	18.9	—	—	—	—	—	—	—	18.9
Total	$ 136.7	$ 61.4	$ 40.4	$ 16.8	$ 14.9	$ 5.9	$ 410.4	$ 1.4	$ 687.9

The Company evaluates the credit quality, loan performance, and the allowance for credit losses of its residential and consumer loan portfolios based primarily on the aging status of the loan and borrower payment activity. Accordingly, loans on non-accrual status and loans past due 90 days or more and still accruing interest are considered nonperforming for purposes of credit quality evaluation. The following tables present the recorded investment of these loan portfolios based on the credit risk profile of loans that are performing and loans that are nonperforming as of the periods indicated:

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Residential:									
Performing	$ 45.6	$ 35.5	$ 71.5	$ 394.6	$ 449.2	$ 596.8	$ 494.2	$ 7.4	$ 2,094.8
Nonperforming	0.4	1.1	1.0	4.4	2.2	4.8	0.1	—	14.0
Total	$ 46.0	$ 36.6	$ 72.5	$ 399.0	$ 451.4	$ 601.6	$ 494.3	$ 7.4	$ 2,108.8
Consumer indirect:									
Performing	$ 30.8	$ 169.6	$ 74.5	$ 102.1	$ 39.9	$ 54.9	$ —	$ —	$ 471.8
Nonperforming	0.7	1.4	1.2	1.0	0.6	0.8	—	—	5.7
Total	$ 31.5	$ 171.0	$ 75.7	$ 103.1	$ 40.5	$ 55.7	$ —	$ —	$ 477.5
Consumer direct and advance lines:									
Performing	$ 47.7	$ 25.6	$ 13.3	$ 9.9	$ 5.3	$ 5.0	$ 23.9	$ 0.1	$ 130.8
Nonperforming	0.1	0.2	0.1	0.1	—	0.1	—	0.1	0.7
Total	$ 47.8	$ 25.8	$ 13.4	$ 10.0	$ 5.3	$ 5.1	$ 23.9	$ 0.2	$ 131.5

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Residential:									
Performing	$ 22.6	$ 73.8	$ 409.1	$ 487.3	$ 440.2	$ 252.5	$ 477.8	$ 12.5	$ 2,175.8
Nonperforming	1.3	1.5	4.9	2.1	1.1	4.9	—	—	15.8
Total	$ 23.9	$ 75.3	$ 414.0	$ 489.4	$ 441.3	$ 257.4	$ 477.8	$ 12.5	$ 2,191.6
Consumer indirect:									
Performing	$ 266.8	$ 127.2	$ 167.5	$ 68.9	$ 44.4	$ 45.6	$ —	$ —	$ 720.4
Nonperforming	0.9	1.1	1.1	0.6	0.4	0.5	—	—	4.6
Total	$ 267.7	$ 128.3	$ 168.6	$ 69.5	$ 44.8	$ 46.1	$ —	$ —	$ 725.0
Consumer direct and advance lines:									
Performing	$ 46.5	$ 25.4	$ 18.5	$ 10.0	$ 4.2	$ 5.2	$ 23.2	$ 0.1	$ 133.1
Nonperforming	0.4	0.1	0.2	0.1	—	0.1	—	—	0.9
Total	$ 46.9	$ 25.5	$ 18.7	$ 10.1	$ 4.2	$ 5.3	$ 23.2	$ 0.1	$ 134.0
Consumer credit card:									
Performing	$ —	$ —	$ —	$ —	$ —	$ —	$ 76.6	$ —	$ 76.6
Nonperforming	—	—	—	—	—	—	1.0	—	1.0
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ 77.6	$ —	$ 77.6

The following table summarizes the current-period gross charge-offs by class of receivable and portfolio segment as of the dates indicated:

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Real estate:									
Commercial	$ —	$ 0.4	$ 0.1	$ 16.2	$ 5.1	$ 0.2	$ —	$ —	$ 22.0
Residential	0.1	0.5	0.1	0.4	0.2	0.1	—	—	1.4
Agricultural	—	—	0.2	—	—	—	—	—	0.2
Total real estate	0.1	0.9	0.4	16.6	5.3	0.3	—	—	23.6
Consumer:									
Indirect	0.6	2.4	2.4	2.4	0.8	1.0	—	—	9.6
Direct and advance lines	0.4	1.2	0.6	0.2	0.1	1.9	—	—	4.4
Credit card	—	—	—	—	—	—	3.5	—	3.5
Total consumer	1.0	3.6	3.0	2.6	0.9	2.9	3.5	—	17.5
Commercial	0.7	1.0	2.5	1.3	0.3	0.4	2.5	0.2	8.9
Agricultural	2.0	2.9	—	—	—	—	0.1	—	5.0
Total current-period gross charge-offs	$ 3.8	$ 8.4	$ 5.9	$ 20.5	$ 6.5	$ 3.6	$ 6.1	$ 0.2	$ 55.0

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Real estate:									
Commercial	$ 0.2	$ 5.7	$ —	$ 19.4	$ —	$ 0.1	$ —	$ —	$ 25.4
Construction	—	—	13.1	—	0.1	—	—	—	13.2
Residential	—	0.2	0.2	0.1	0.3	0.2	—	—	1.0
Total real estate	0.2	5.9	13.3	19.5	0.4	0.3	—	—	39.6
Consumer:									
Indirect	0.5	2.0	3.4	1.1	0.4	1.1	—	—	8.5
Direct and advance lines	0.2	0.6	0.9	0.2	—	1.8	0.1	0.1	3.9
Credit card	—	—	—	—	—	—	3.0	—	3.0
Total consumer	0.7	2.6	4.3	1.3	0.4	2.9	3.1	0.1	15.4
Commercial	21.6	2.2	1.1	0.3	0.1	0.1	31.1	2.9	59.4
Agricultural	—	—	—	0.3	—	—	—	—	0.3
Total current-period gross charge-offs	$ 22.5	$ 10.7	$ 18.7	$ 21.4	$ 0.9	$ 3.3	$ 34.2	$ 3.0	$ 114.7

In the normal course of business, there were no material purchases of portfolio loans and no material sales of loans held for investment during the periods ended December 31, 2025 or 2024.

(6) PREMISES AND EQUIPMENT

Premises and equipment and related accumulated depreciation are as follows:

December 31,	2025	2024
Land	$ 83.2	$ 87.2
Buildings and improvements	468.6	473.7
Furniture and equipment	99.3	112.2
Total premises and equipment	651.1	673.1
Less accumulated depreciation	(244.5)	(245.9)
Premises and equipment, net	$ 406.6	$ 427.2

Depreciation expense was $32.5 million, $38.8 million, and $34.3 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The Parent Company and a FIB branch office lease premises from an affiliated entity. See Note —Commitments and Contingencies.

(7) OTHER REAL ESTATE OWNED

OREO is a category of real estate owned by the Company resulting from a default by the borrower. Information with respect to the Company's OREO is reflected in the following table:

Year Ended December 31,	2025	2024	2023
Balance at beginning of year	$ 4.3	$ 16.5	$ 12.7
Additions	0.4	4.6	8.3
Valuation adjustments	(0.2)	(4.3)	(1.1)
Dispositions	(1.1)	(12.5)	(3.4)
Balance at end of year	$ 3.4	$ 4.3	$ 16.5

There were $0.2 million, $4.3 million and $1.1 million of valuation adjustments at December 31, 2025, 2024, and 2023 respectively, which were adjustments based on internal evaluations and other sources, including management estimates of the current fair value of properties, and adjustments directly related to receipt of updated appraisals.

The carrying value of foreclosed residential real estate properties included in OREO was not material as of December 31, 2025 and 2024. The Company had $1.9 million and $2.2 million of recorded investments in consumer mortgage loans secured by residential real estate for which formal foreclosure proceedings were in process of foreclosure as of December 31, 2025 and December 31, 2024, respectively.

(8) DERIVATIVES AND HEDGING ACTIVITIES

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through the management of its business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and derivative financial instruments. The Company enters into derivative financial instruments, such as interest rate swap contracts to manage or hedge exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates and interest rate exposures. The Company does not enter into interest rate swap agreements for trading or speculative purposes.

The Company sells residential mortgage loans on either a best efforts or mandatory delivery basis. The Company mitigates the effect of the interest rate risk inherent in providing interest rate lock commitments by entering into forward loan sales contracts. The forward loan sales contracts are recorded at fair value with changes in fair value recorded through earnings and are not designated as accounting hedges. Exclusive of the fair value component associated with the projected cash flows from the loan delivery to the investor, the changes in fair value related to movements in market rates of the interest rate lock commitments and the forward loan sales contracts generally move in opposite directions, and the net impact of changes in these valuations on net income during the loan commitment period is generally inconsequential. When the loan is funded to the borrower, the interest rate lock commitment expires, and the Company records a loan held for sale. The forward loan sales contract acts as a hedge against movements in the market interest rates from the time the Company enters into the interest rate lock commitment. The changes in measurement of the estimated fair values of the interest rate lock commitments and forward loan sales contracts are included in mortgage banking revenues in the accompanying consolidated statements of income. The Company charges a fee for these transactions, which is included in mortgage banking revenues on the consolidated statements of income. The transaction fees were not material for the periods ended December 31, 2025, 2024, and 2023.

The Company also enters into derivative contracts related to transactions in which the Company enters into an interest rate swap with a client while at the same time entering into an offsetting interest rate swap with a third-party financial institution. Because the Company acts as an intermediary for the client, changes in the fair value of the underlying derivative contracts primarily offset each other and do not significantly impact the Company's results of operations. The Company charges a fee for these transactions, which is included in other service charges, commissions, and fees on the consolidated statements of income. The transaction fees were not material for the periods ended December 31, 2025, 2024, and 2023.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest income (expense) and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps and collars as part of its interest rate risk management strategy.

As of December 31, 2025, the Company does not have any active interest rate derivatives designated as cash flow hedges. Amounts previously deferred in AOCI will be reclassified to income over time as the previously hedged, forecasted transactions remain probable of occurring. The Company continues to monitor its interest rate risk exposure and may enter into new derivative contracts in the future as part of its ongoing risk management activities.

Fair Value Hedges of Interest Rate Risk

The Company is exposed to changes in the fair value of fixed-rate assets due to changes in benchmark interest rates. The Company uses interest rate swaps to manage its exposure to changes in fair value on these instruments attributable to changes in the designated benchmark interest rate. Interest rate swaps designated as fair value hedges involve the payment of fixed-rate amounts to a counterparty in exchange for the Company receiving variable-rate payments over the life of the agreements.

For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in interest income. As of December 31, 2025, the Company does not have any active derivatives designated as fair value hedges.

Derivatives Not Designated as Accounting Hedges

Derivative instruments not designated as accounting hedges are not speculative and result from a service the Company provides to certain customers. The Company executes interest rate swaps with commercial banking customers to facilitate their respective risk management strategies. Those interest rate swaps are simultaneously economically hedged by offsetting derivatives that the Company executes with a third party, such that the Company minimizes its net risk exposure resulting from such transactions. As the interest rate derivatives associated with this program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer derivatives and the offsetting derivatives are recognized in other income.

Risk Participation Agreements

The Company acquired, from Great Western Bank, risk participation agreements under which it assumed credit risk associated with a borrower's performance related to derivative contracts. The Company only entered into these credit risk participation agreements in instances in which the Company was also a party to the related loan participation agreements for such borrowers. The Company manages its credit risk under risk participation agreements by monitoring the creditworthiness of the borrower, based on its normal credit review process.

The following table summarizes the fair values of our derivative instruments on a gross and net basis for the periods indicated. The derivative asset and liability balances are presented on a gross basis, prior to the application of bilateral collateral and master netting agreements, but after the variation margin payments with central clearing organizations have been applied as settlement, as applicable. Total derivative assets and liabilities are adjusted to account for the impact of legally enforceable master netting agreements that allow us to settle all derivative contracts with a single counterparty on a net basis and to offset the net derivative position with the related cash collateral. Securities collateral related to legally enforceable master netting agreements is not offset on the consolidated balance sheets.

	December 31, 2025			December 31, 2024		
	Notional Amount	Consolidated Balance Sheet Location	Estimated Fair Value	Notional Amount	Consolidated Balance Sheet Location	Estimated Fair Value
Derivatives not designated as accounting hedges:						
Interest rate swap contracts	$ 1,199.0		$ 26.6	$ 1,415.4		$ 44.9
Interest rate lock commitments	1.0		—	2.7		—
Forward loan sales contracts	1.0		—	2.4		—
Derivative assets	$ 1,201.0	Other assets	$ 26.6	$ 1,420.5	Other assets	$ 44.9
Derivatives designated as accounting hedges:						
Interest rate collars	$ —		$ —	$ 300.0		$ 1.0
Interest rate swap contracts	—		—	300.0		2.8
Derivatives not designated as accounting hedges:						
Interest rate swap contracts	1,204.9		77.3	1,415.4		130.0
Risk participation agreements	64.6		—	91.6		—
Derivative liabilities	$ 1,269.5	Accounts payable and accrued expenses	$ 77.3	$ 2,107.0	Accounts payable and accrued expenses	$ 133.8

There was an unrealized fair value loss on cash flow hedging derivative instruments recognized in other comprehensive income of $1.9 million and $15.0 million for the periods ended December 31, 2025 and 2024, respectively. All derivatives are carried at fair value in either other assets or other liabilities and all related cash flows are reported in the operating section of the consolidated statements of cash flows.

The tables below present the gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of the dates indicated:

	December 31, 2025					
	Gross Assets Recognized	Gross Assets Offset in the Balance Sheet	Net Assets in the Balance Sheet	Financial Instruments	Cash Collateral Received[1]	Net Amount
Interest rate swap and collar contracts	$ 26.6	$ —	$ 26.6	$ —	$ 26.4	$ 0.2
Total derivatives	26.6	—	26.6	—	26.4	0.2
Total assets	$ 26.6	$ —	$ 26.6	$ —	$ 26.4	$ 0.2

[1] Netting adjustments represent the amounts recorded to convert derivatives assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance. The application of the collateral cannot reduce the net derivative position below zero. Therefore, excess collateral, if any, is not reflected above.

	Gross Liabilities Recognized	Gross Liabilities Offset in the Balance Sheet	Net Liabilities in the Balance Sheet	Financial Instruments	Cash Collateral Posted	Net Amount
Interest rate swap and collar contracts	$ 77.3	$ —	$ 77.3	$ —	$ —	$ 77.3
Total derivatives	77.3	—	77.3	—	—	77.3
Repurchase agreements[2]	479.6	—	479.6	—	—	479.6
Total liabilities	$ 556.9	$ —	$ 556.9	$ —	$ —	$ 556.9

[2] Repurchase agreements are fully collateralized by investment securities.

	December 31, 2024					
	Gross Assets Recognized	Gross Assets Offset in the Balance Sheet	Net Assets in the Balance Sheet	Financial Instruments	Cash Collateral Received[1]	Net Amount
Interest rate swap and collar contracts	$ 44.9	$ —	$ 44.9	$ —	$ 42.4	$ 2.5
Total derivatives	44.9	—	44.9	—	42.4	2.5
Total assets	$ 44.9	$ —	$ 44.9	$ —	$ 42.4	$ 2.5

[1] Netting adjustments represent the amounts recorded to convert derivatives assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance. The application of the collateral cannot reduce the net derivative position below zero. Therefore, excess collateral, if any, is not reflected above.

	Gross Liabilities Recognized	Gross Liabilities Offset in the Balance Sheet	Net Liabilities in the Balance Sheet	Financial Instruments	Cash Collateral Posted	Net Amount
Interest rate swap and collar contracts	$ 133.8	$ —	$ 133.8	$ —	$ —	$ 133.8
Total derivatives	133.8	—	133.8	—	—	133.8
Repurchase agreements[2]	523.9	—	523.9	—	—	523.9
Total liabilities	$ 657.7	$ —	$ 657.7	$ —	$ —	$ 657.7

[2] Repurchase agreements are fully collateralized by investment securities.

(9) MORTGAGE SERVICING RIGHTS

Information with respect to the Company's mortgage servicing rights follows:

Year Ended December 31,	2025	2024	2023
Balance at beginning of year	$ 25.7	$ 28.3	$ 31.1
Originations of mortgage servicing rights	0.5	0.7	1.1
Amortization expense	(3.1)	(3.3)	(3.9)
Balance at end of year	$ 23.1	$ 25.7	$ 28.3
Principal balance of serviced loans underlying mortgage servicing rights	$ 2,591.3	$ 2,853.2	$ 3,091.1
Mortgage servicing rights as a percentage of serviced loans	0.89 %	0.90 %	0.92 %

At December 31, 2025, the estimated fair value and weighted average remaining life of the Company's mortgage servicing rights were $32.3 million and 7.7 years, respectively. The fair value of mortgage servicing rights was determined using discount rates ranging from 10.4% to 11.6% and monthly prepayment speeds ranging from 0.4% to 2.3% depending upon the risk characteristics of the underlying loans. At December 31, 2024, the estimated fair value and weighted average remaining life of the Company's mortgage servicing rights were $35.4 million and 7.6 years, respectively. The fair value of mortgage servicing rights was determined using discount rates ranging from 11.1% to 12.4% and monthly prepayment speeds ranging from 0.2% to 2.2% depending upon the risk characteristics of the underlying loans. There were no temporary impairments or impairment reversals in 2025, 2024, and 2023. There was no valuation reserve and no permanent impairment was recorded in 2025, 2024, or 2023.

(10) DEPOSITS

Deposits are summarized as follows:

December 31,	2025	2024
Noninterest bearing	$ 5,286.8	$ 5,797.6
Interest bearing:		
Demand	6,319.7	6,495.2
Savings	7,843.5	7,832.3
Time, $250 and over	792.9	825.0
Time, other	1,845.4	2,065.5
Total interest bearing	16,801.5	17,218.0
Total deposits[1]	$ 22,088.3	$ 23,015.6

[1] Inclusive of approximately $303.5 million in deposits related to the pending sale of the 11 branches in Nebraska expected to close in the second quarter of 2026 and six branches pending closure at the end of February 2026.

Other time deposits include time deposits under $250,000 and deposits obtained through the Company's participation in Intrafi. Intrafi deposits totaled $13.4 million and $12.5 million as of December 31, 2025 and 2024, respectively. The Company had no brokered deposits as of December 31, 2025 and December 31, 2024.

As of December 31, 2025 and 2024, the Company had time deposits of $792.9 million and $825.0 million, respectively, that met or exceeded the FDIC insurance limit of $250,000.

Maturities of time deposits at December 31, 2025 are as follows:

	Time, $250 and Over	Time, other	Total Time
Due within 3 months or less	$ 417.7	$ 780.2	$ 1,197.9
Due after 3 months and within 6 months	236.9	636.5	873.4
Due after 6 months and within 12 months	120.9	338.3	459.2
Due within 2027	14.9	62.0	76.9
Due within 2028	0.7	13.3	14.0
Due within 2029	0.7	6.4	7.1
Due within 2030 and thereafter	1.1	8.7	9.8
Total	$ 792.9	$ 1,845.4	$ 2,638.3

Interest expense on time deposits of $250,000 and over was $29.7 million, $32.7 million, and $21.5 million for the years ended December 31, 2025, 2024, and 2023, respectively.

(11) LONG-TERM DEBT AND OTHER BORROWED FUNDS

A summary of long-term debt follows:

December 31,	2025	2024
Parent Company:		
Fixed to floating subordinated notes, 5.25% fixed rate effective May 2020 through May 14, 2025. Effective May 15, 2025, floating Three-Month Term Secured Overnight Financing Rate plus 518.0 basis points.	$ —	$ 99.1
Fixed to floating subordinated notes, 7.625% fixed rate effective June 2025 through June 2030	122.3	—
Subsidiaries:		
0.00% FHLB borrowings maturing in August 2029	3.9	3.9
8.00% finance lease obligation with term ending October 31, 2029	0.6	0.8
3.90% finance lease obligation with term ending July 31, 2030	0.1	—
Note payable maturing March 31, 2038, interest only payable at 1.30% monthly until March 31, 2025 and then principal and interest at 3.25% until maturity	—	2.0
1.30% note payable maturing June 1, 2034, interest only payable monthly until March 31, 2025 and then principal and interest until maturity	—	0.6
1.12% note payable maturing December 31, 2045, interest only payable annually until December 31, 2028 and then principal and interest until maturity	6.8	6.8
1.35% note payable maturing December 31, 2046 interest only payable annually until December 31, 2025 and then principal and interest until maturity	—	6.4
1.26% note payable maturing December 31, 2051 interest only payable annually until December 31, 2031 and then principal and interest until maturity	12.6	12.6
Total long-term debt	$ 146.3	$ 132.2

Maturities of long-term debt at December 31, 2025 were as follows:	
2026	$ 0.1
2027	0.2
2028	0.2
2029	4.1
2030	—
Thereafter	141.7
Total	$ 146.3

On August 15, 2025, the Company redeemed in full the outstanding $100.0 million of aggregate principal amount of 5.25% fixed-to-floating rate subordinated notes due 2030 (the “2020 Subordinated Notes”) set forth in the table above without any prepayment penalty, at a redemption price of 100% of the principal amount plus accrued and unpaid interest to, but excluding, August 15, 2025.

On June 10, 2025, the Company completed a public offering of $125.0 million fixed-to-floating rate subordinated notes due June 15, 2035 (the “Notes”). The Company may elect to redeem the Notes, in whole or in part, on any early redemption date which is any interest payment date on or after June 15, 2030 at a redemption price equal to 100% of the principal amount plus any accrued and unpaid interest. The Company may also redeem the Notes, in whole but not in part, upon certain conditions as defined in the indenture governing the Notes. Any early redemption of the Notes will be subject to regulatory approval to the extent then required under applicable laws or regulations, including capital regulations.

From and including the date of issuance to, but excluding, June 15, 2030, or earlier redemption date, the Notes will bear interest at an initial fixed rate of 7.625% per annum, payable semi-annually in arrears on June 15 and December 15 of each year, commencing on December 15, 2025. From and including June 15, 2030 to, but excluding, June 15, 2035, or earlier redemption date, the Notes will bear interest at a floating rate per annum equal to a benchmark rate, which is expected to be Three-Month Term Secured Overnight Financing Rate (“SOFR”) (as defined in the indenture governing the Notes), plus 398.0 basis points, payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on September 15, 2030. Notwithstanding the foregoing, if the benchmark rate is less than zero, then the benchmark rate shall be deemed to be zero.

Unamortized debt issuance costs of $2.7 million, as of December 31, 2025, are being amortized to maturity. Subordinated debt is presented net of issuance costs on the consolidated balance sheet.

The Notes are unsecured, subordinated obligations of the Company and: (i) rank junior to all of the Company’s existing and future senior indebtedness; (ii) rank equal in right of payment with any of the Company’s existing and future subordinated indebtedness; (iii) rank senior to the Company’s obligations relating to any junior subordinated debt securities issued to its capital trust subsidiaries; (iv) are effectively subordinated to all of the Company’s secured indebtedness to the extent of the value of the assets securing such indebtedness; and (v) are structurally subordinated to all of the existing and future liabilities and obligations of the Company’s subsidiaries, including deposit liabilities and claims of other creditors of the Company’s bank subsidiary, First Interstate Bank.

Proceeds from the issuance of the Notes were used to redeem the 2020 Subordinated Notes and for general corporate purposes.

At December 31, 2025, the Company had $3.9 million in 5-year FHLB borrowings at 0.00%, maturing in August 2029.

The Company has financing lease obligations on a banking office and equipment. Assets acquired under the financing lease on the banking office consist of a building and leasehold improvements. The banking office and equipment financing leases are included in premises and equipment subject to depreciation.

Additionally, the Company borrowed or assumed through acquisitions $19.4 million and $28.4 million as of December 31, 2025 and 2024, respectively, related to New Market Tax Credits that the Company is required to consolidate through its controlling interest in variable interest entity investments. The long-term debt obligations consist of fixed rate note payables with various interest rates from 1.00% to 3.25% and maturities from June 1, 2034 through December 31, 2051, collateralized by the Company’s equity interest in various CDEs, which are 99.9% owned by the Company.

At December 31, 2025, the Company had no outstanding short-term FHLB borrowings as compared to $1,567.5 million of outstanding FHLB fixed rate borrowings at an average rate of 4.77% at December 31, 2024. As of December 31, 2025 and December 31, 2024, the Company had no other material outstanding borrowings classified as other borrowed funds.

At December 31, 2025, the Company has remaining available lines of credit with the FHLB of approximately $5,402.7 million, subject to collateral availability. The available line of credit and outstanding borrowings with the FHLB are collateralized by certain loans with an advance equivalent collateral value of $5,406.6 million.

The Company has unused federal fund lines of credit with third parties amounting to $235.0 million, subject to funds availability. These lines are subject to cancellation without notice. The Company also has an unused line of credit with the FRB for borrowings up to $3,585.5 million secured by a blanket pledge of investment securities and agricultural and commercial loans.

(12) SUBORDINATED DEBENTURES HELD BY SUBSIDIARY TRUSTS

The Company sponsors twelve wholly owned business trusts, Trust I through Trust XIV, excluding Trust XI and XII which were redeemed in full during October 2025 (collectively, the "Trusts"). The Trusts were formed for the exclusive purpose of issuing an aggregate of $149.8 million of 30-year floating rate mandatorily redeemable capital trust preferred securities ("Trust Preferred Securities") to third-party investors. The Trusts also issued, in aggregate, $4.9 million of common equity securities to the Parent Company. Proceeds from the issuance of the Trust Preferred Securities and common equity securities were invested in 30-year junior subordinated deferrable interest debentures ("Subordinated Debentures") issued by the Parent Company.

A summary of Subordinated Debenture issuances follows:

				December 31, 2025		December 31, 2024	
	Issuance	Interest Rate[1]	Maturity Date	Amount	Common Shares[2]	Amount	Common Shares [2]
Trust I	November 2007	6.73%	December 15, 2037	$ 15.5	$ 0.5	$ 15.5	$ 0.5
Trust II	October 2007	6.50	January 1, 2038	10.3	0.3	10.3	0.3
Trust III	December 2007	6.38	December 15, 2037	20.6	0.6	20.6	0.6
Trust IV	December 2007	6.95	April 1, 2038	15.5	0.5	15.5	0.5
Trust V	January 2008	7.00	April 1, 2038	10.3	0.3	10.3	0.3
Trust VI	January 2008	7.00	April 1, 2038	10.3	0.3	10.3	0.3
Trust VII	June 2005	5.65	June 30, 2035	5.2	0.2	5.2	0.2
Trust VIII	March 2006	5.45	March 15, 2036	30.9	0.9	30.9	0.9
Trust IX	June 2005	5.83	June 15, 2035	2.1	0.1	2.1	0.1
Trust X	December 2003	6.82	December 17, 2033	23.1	0.7	23.1	0.7
Trust XI	December 2002	—	January 7, 2033	—	—	5.2	0.2
Trust XII	September 2003	—	October 8, 2033	—	—	7.2	0.2
Trust XIII	December 2006	5.88	March 1, 2037	5.3	0.3	5.3	0.3
Trust XIV	July 2007	5.90	October 1, 2037	2.2	0.2	2.2	0.2
Total subordinated debentures payable				$ 151.3	$ 4.9	$ 163.7	$ 5.3
Less: fair value adjustment [3]				(1.5)		(0.6)	
Total subordinated debentures payable, net of fair value adjustments				$ 149.8		$ 163.1	

[1] Interest rates as of December 31, 2025

[2] Common shares on subordinated debentures are included in other assets on the consolidated balance sheets

[3] Adjustment reflects the fair value adjustments related to the subordinated deferrable interest debentures assumed as part of the Northwest and Great Western acquisitions.

Trust I Subordinated Debentures issued by the Company bore interest at a fixed rate of 7.50% for five years after issuance until December 15, 2012, and thereafter at a variable rate equal to three-month SOFR plus tenor spread plus 2.75% per annum. Interest payment dates are December 15, March 15, June 15, and September 15 of each year, beginning December 15, 2007, and are payable in arrears.

Trust II Subordinated Debentures issued by the Company bear a cumulative floating interest rate equal to SOFR plus tenor spread plus 2.25% per annum. Interest payment dates are January 1, April 1, July 1 and October 1 of each year, beginning January 1, 2008, and are payable in arrears.

Trust III Subordinated Debentures issued by the Company bore interest at a fixed rate of 6.88% for five years after issuance until December 15, 2012, and thereafter at a variable rate equal to three-month SOFR plus tenor spread plus 2.40% per annum. Interest payment dates are December 15, March 15, June 15, and September 15 of each year, beginning March 15, 2008, and are payable in arrears.

Trust IV Subordinated Debentures issued by the Company bear a cumulative floating interest rate equal to three-month SOFR plus tenor spread plus 2.70% per annum. Interest payment dates are January 1, April 1, July 1 and October 1 of each year, beginning April 1, 2008, and are payable in arrears.

Trust V Subordinated Debentures issued by the Company bore interest at a fixed rate of 6.78% for five years after issuance until April 1, 2013, and thereafter at a variable rate equal to three-month SOFR plus tenor spread plus 2.75% per annum. Interest payment dates are January 1, April 1, July 1 and October 1 of each year, beginning April 1, 2008, and are payable in arrears.

Trust VI Subordinated Debentures issued by the Company bear a cumulative floating interest rate equal to three-month SOFR plus tenor spread plus 2.75% per annum. Interest payment dates are January 1, April 1, July 1 and October 1 of each year, beginning April 1, 2008, and are payable in arrears.

The Subordinated Debentures are unsecured with interest distributions payable quarterly. The Company may defer the payment of interest at any time provided that the deferral period does not extend past the stated maturity. During any such deferral period, distributions on the Trust Preferred Securities will also be deferred and the Company's ability to pay dividends on its common and preferred shares is restricted. The Subordinated Debentures may be redeemed, subject to approval by the FRB, at the Company's option on or after five years from the date of issue, or at any time in the event of unfavorable changes in laws or regulations. Debt issuance costs consisting primarily of underwriting discounts and professional fees were capitalized and are being amortized through maturity to interest expense using the straight-line method, which approximates level yield.

The terms of the Trust Preferred Securities are identical to those of the Subordinated Debentures. The Trust Preferred Securities are subject to mandatory redemption upon repayment of the Subordinated Debentures at their stated maturity dates or earlier redemption in an amount equal to their liquidation amount plus accumulated and unpaid distributions to the date of redemption. The Company guarantees the payment of distributions and payments for redemption or liquidation of the Trust Preferred Securities to the extent of funds held by the Trusts.

In conjunction with the acquisition of Northwest in August 2018, the Company acquired Northwest Bancorporation Capital Trust I ("Trust VII"). The Northwest Trust was formed for the exclusive purpose of issuing an aggregate of $5.0 million of 30-year floating rate mandatorily redeemable capital trust preferred securities ("Northwest Trust Preferred Securities") to third-party investors. The Trusts also issued, in aggregate, $0.2 million of common equity securities to Northwest. Proceeds from the issuance of the Trust Preferred Securities and common equity securities were invested in 30-year junior subordinated deferrable interest debentures ("Northwest Subordinated Debentures") issued by Northwest. The Subordinated Debentures bore interest at a fixed rate of 5.95% for five years after issuance until June 30, 2010, and thereafter at a variable rate equal to SOFR plus tenor spread plus 1.70% per annum. Interest payment dates are December 30, March 30, June 30, and September 30 of each year, beginning September 30, 2005, and are payable in arrears.

The Company acquired the GWB Capital Trust VI ("Trust VIII") with the acquisition of Great Western in February 2022. Great Western caused to be issued 30,000 shares, $1,000 par value, or $30.0 million of preferred securities of Trust VIII on March 10, 2006, through a private placement. Trust VIII also issued, in aggregate, $0.9 million of common equity securities to Great Western. The distribution rate is set quarterly at three-month SOFR plus tenor spread plus 1.48%. Interest payment dates are December 15, March 15, June 15, and September 15 of each year, beginning June 15, 2006, and are payable in arrears. Proceeds from the issue were used for general corporate purposes including redemption of Great Western's Preferred Securities of GWB Capital Trust II.

The Company acquired the Sunstate Bancshares Trust II ("Trust IX") with the acquisition of Great Western in February 2022. Sunstate Bancshares caused to be issued 2,000 shares, $1,000 par value, or $2.0 million of preferred securities of Trust IX on June 1, 2005, through a private placement. Trust IX also issued, in aggregate, $0.1 million of common equity securities to Sunstate Bancshares. The distribution rate is set quarterly at three-month SOFR plus tenor spread plus 1.85%. Interest payment dates are March 15, June 15, September 15, and December 15 of each year, beginning September 15, 2005, and are payable in arrears.

The Company acquired the Great Western Statutory Trust IV ("Trust X") with the acquisition of Great Western in February 2022. Great Western caused to be issued 22,400 shares, $1,000 par value, or $22.4 million of preferred securities of Trust X on December 17, 2003, through a private placement. Trust X also issued, in aggregate, $0.7 million of common equity securities to Great Western. The distribution rate is set quarterly at three-month SOFR plus tenor spread plus 2.85%. Interest payment dates are March 17, June 17, September 17 and December 17 of each year, beginning March 17, 2004 and are payable in arrears. Proceeds from the issue were used for general corporate purposes.

The Company acquired the HF Financial Capital Trust III ("Trust XI") in the acquisition of Great Western in February 2022. HF Financial Corp. caused to be issued 5,000 shares, $1,000 par value, or $5.0 million of preferred securities of Trust XI on December 19, 2002, through a private placement. Trust XI also issued, in aggregate, $0.2 million of common equity securities to HF Financial Corp. The distribution rate was set quarterly at three-month SOFR plus tenor spread plus 3.35%. Interest payment dates were January 7, April 7, July 7, and October 7 of each year, beginning April 7, 2003, and were payable in arrears. On October 7, 2025, the Company redeemed in full the outstanding securities of Trust XI.

The Company acquired the HF Trust IV ("Trust XII") in the acquisition of Great Western in February 2022. HF Financial Corp. caused to be issued 7,000 shares, $1,000 par value, or $7.0 million of preferred securities of Trust XII on September 25, 2003, through a private placement. Trust XII also issued, in aggregate, $0.2 million of common equity securities to HF Financial Corp. The distribution rate was set quarterly at three-month SOFR plus tenor spread plus 3.10%. Interest payment dates were January 8, April 8, July 8, and October 8 of each year, beginning January 8, 2004, and were payable in arrears. On October 8, 2025, the Company redeemed in full the outstanding securities of Trust XII.

The Company acquired the HF Trust V ("Trust XIII") in the acquisition of Great Western in February 2022. HF Financial Corp. caused to be issued 5,000 shares, $1,000 par value, or $5.0 million of preferred securities of Trust XIII on December 7, 2006, through a private placement. Trust XIII also issued, in aggregate, $0.3 million of common equity securities to HF Financial Corp. The distribution rate is set quarterly at three-month SOFR plus tenor spread plus 1.83%. Interest payment dates are March 1, June 1, September 1, and December 1 of each year, beginning March 1, 2007, and are payable in arrears. In the first quarter of Great Western's fiscal year 2017, Great Western redeemed 5,000 shares of Trust XIII debentures under the First Supplemental Indenture dated May 13, 2016.

The Company acquired the HF Trust VI ("Trust XIV") in the acquisition of Great Western in February 2022. HF Financial Corp. caused to be issued 2,000 shares, $1,000 par value, or $2.0 million of preferred securities of Trust XIV on July 5, 2007, through a private placement. Trust XIV also issued, in aggregate, $0.2 million of common equity securities to HF Financial Corp. The distribution rate is set quarterly at three-month SOFR plus tenor spread plus 1.65%. Interest payment dates are January 1, April 1, July 1, and October 1 of each year, beginning October 1, 2007, and are payable in arrears.

For the seven Subordinated Debentures acquired from Great Western, the Company may, at one or more times, defer interest payments on the related debentures for up to 20 consecutive quarters following suspension of dividends on all capital stock. At the end of any deferral period, all accumulated and unpaid interest must be paid. Subject to the Company receiving prior approval of the Federal Reserve, if required, the Company has the right to redeem the debentures at the redemption price, in whole or in part, on an interest payment date. The redemption price is $1,000 per preferred security plus any accrued and unpaid interest to the date of redemption. Holders of the preferred securities have no voting rights. The preferred securities are unsecured and rank junior in priority of payment to all of the Company's senior indebtedness and senior to the Company's common and preferred stock.

As of December 31, 2025, the Trust Preferred Securities qualified as tier 2 capital of the Parent Company under the Federal Reserve Board's capital adequacy guidelines.

(13) CAPITAL STOCK AND DIVIDEND RESTRICTIONS

The Company's common stock is traded on the NASDAQ stock market, or NASDAQ, under the symbol "FIBK."

As of December 31, 2025, the Company is authorized to issue an aggregate of 150,100,000 shares of capital stock, of which, 150,000,000 shares are designated as common stock, and 100,000 are designated as preferred stock. Our common stock is uncertificated and has one vote per share.

The Company had 101,105,745 and 104,585,964 shares of common stock outstanding as of December 31, 2025 and 2024, respectively, and no shares of preferred stock outstanding as of December 31, 2025 and 2024.

During 2025, the Company issued 39,058 shares of its common stock to directors for their annual service on the Company's Board. The aggregate value of the shares issued to directors of $1.1 million is amortized into stock-based compensation expense in the accompanying consolidated statements of changes in stockholders' equity over a one-year service period. During 2024 and 2023, the Company issued 43,514 and 54,414 shares of its common stock with an aggregate value of $1.2 million and $1.2 million to directors for their service on the Company's Board during 2024 and 2023, respectively. The aggregate value of the shares issued to directors is included in stock-based compensation expense in the accompanying consolidated statements of changes in stockholders' equity.

On August 28, 2025, the board of directors of the Company adopted a new stock repurchase program, pursuant to which the Company has been authorized to repurchase up to $150.0 million of its issued and outstanding shares of common stock on or prior to March 31, 2027, which is the expiration date of the program. On January 27, 2026, the board of directors authorized an increase to the repurchase program of an additional $150.0 million, or a total of $300.0 million since August 2025. Any repurchased shares will be returned to authorized but unissued shares of common stock, as permitted under applicable Delaware law.

During 2025, 3,653,914 shares of common stock were repurchased under the stock repurchase program at a total cost of $117.6 million or at a weighted average price of $32.18 per share. As of December 31, 2025, following these repurchases, approximately $32.4 million remained available for future purchases under the program.

Other stock repurchases during 2025 and 2024 were redemptions of vested restricted shares tendered in lieu of cash for payment of income tax withholding amounts by participants in the Company's equity compensation plans.

On May 25, 2023, the Company filed a Registration Statement on Form S-8 to register two million shares of common stock to be issued pursuant to the Company's 2023 Equity and Incentive Plan.

On May 23, 2024, the Company filed a Registration Statement on Form S-8 to register an additional two million shares of common stock to be issued pursuant to the Company's 2023 Equity and Incentive Plan.

On May 26, 2023, the Company filed a universal shelf registration statement on Form S-3, which was subsequently declared effective by the SEC. The shelf registration statement allows the Company to raise additional capital from time to time through offers and sales of registered securities consisting of debt securities, preferred stock, depository shares, common stock, warrants, purchase contracts, and units or units consisting of any combination of the foregoing securities. The Company may sell these securities using the prospectus in the shelf registration statement, together with applicable prospectus supplements, from time to time, in one or more offerings.

The payment of dividends by subsidiary banks is subject to various federal and state regulatory limitations. In general, a bank is limited, without the prior consent of its regulators, to paying dividends that do not exceed current year net profits together with retained earnings from the two preceding calendar years. The Company's debt instruments also include limitations on the payment of dividends.

(14) EARNINGS PER COMMON SHARE

Earnings per share is calculated using both the two-class and the treasury stock methods with the more dilutive method used to determine reported basic and diluted earnings per share. Basic earnings per common share is calculated by dividing net income by the weighted average number of common shares outstanding during the period presented, excluding unvested restricted stock. Diluted earnings per share is calculated by dividing net income by the weighted average number of common shares determined for the basic earnings per share computation plus the dilutive effects of stock-based compensation using the treasury stock method for all periods presented.

The following table sets forth the computation of basic and diluted earnings per share for the periods presented:

Year Ended December 31,	2025	2024	2023
Net income	$ 302.1	$ 226.0	$ 257.5
Weighted average common shares outstanding for basic earnings per share computation	102,569,649	102,978,301	103,752,206
Dilutive effects of stock-based compensation	260,880	212,563	27,897
Weighted average common shares outstanding for diluted earnings per common share computation	102,830,529	103,190,864	103,780,103
Basic earnings per common share	$ 2.95	$ 2.19	$ 2.48
Diluted earnings per common share	2.94	2.19	2.48
Anti-dilutive unvested time restricted stock	3,899	71,728	119,144

The Company had 749,293, 809,865, and 908,476 shares of unvested restricted stock as of December 31, 2025, 2024, and 2023, respectively, that were not included in the computation of diluted earnings per common share because performance conditions for vesting had not been met.

(15) REGULATORY CAPITAL

The Company and the Bank are subject to various regulatory capital requirements administered by federal banking regulators, including the Federal Reserve. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's and the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of the Company's and Bank's assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The Parent Company, like all bank holding companies, is not subject to the prompt corrective action provisions. The Company's and the Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company to maintain minimum amounts and ratios of total and tier 1 capital to risk-weighted assets, and of tier 1 capital to average assets, as defined in the regulations. As of December 31, 2025, the Company exceeded all capital adequacy requirements to which it is subject.

As of December 31, 2025, the most recent notification from the regulatory agencies categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well-capitalized, the institution must maintain minimum total risk-based, Tier 1 risk-based, and Tier 1 leverage ratios as set forth in the following table. There are no conditions or events since the most recent notification that management believes have changed the Bank's categories.

As an approved mortgage seller, the Bank is required to maintain a minimum level of capital specified by the United States Department of Housing and Urban Development. At December 31, 2025 and 2024, the Bank met these requirements.

The Company's actual capital amounts and ratios and selected minimum regulatory thresholds and prompt corrective action provisions as of December 31, 2025 and 2024 are presented in the following tables:

	Actual		Minimum Required for Capital Adequacy Purposes		For Capital Adequacy Purposes Plus Capital Conservation Buffer[1]		Minimum to Be Well Capitalized Under Prompt Corrective Action Requirements[2]	
December 31, 2025	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total risk-based capital:								
Consolidated	$ 2,976.5	17.06 %	$ 1,396.1	8.00 %	$ 1,832.3	10.50 %	$ 1,745.1	10.00 %
FIB	2,656.6	15.26	1,392.3	8.00	1,827.4	10.50	1,740.4	10.00
Tier 1 risk-based capital:								
Consolidated	2,508.8	14.38	1,047.1	6.00	1,483.3	8.50	1,396.1	8.00
FIB	2,458.8	14.13	1,044.2	6.00	1,479.3	8.50	1,392.3	8.00
Common equity tier 1 risk-based capital:								
Consolidated	2,508.8	14.38	785.3	4.50	1,221.6	7.00	1,134.3	6.50
FIB	2,458.8	14.13	783.2	4.50	1,218.3	7.00	1,131.3	6.50
Leverage capital ratio:								
Consolidated	2,508.8	9.61	1,043.7	4.00	1,043.7	4.00	1,304.7	5.00
FIB	2,458.8	9.44	1,041.6	4.00	1,041.6	4.00	1,302.0	5.00
December 31, 2024	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total risk-based capital:								
Consolidated	$ 2,962.8	14.38 %	$ 1,647.8	8.00 %	$ 2,162.8	10.50 %	$ 2,059.8	10.00 %
FIB	2,691.5	13.10	1,644.1	8.00	2,157.9	10.50	2,055.2	10.00
Tier 1 risk-based capital:								
Consolidated	2,504.0	12.16	1,235.9	6.00	1,750.8	8.50	1,647.8	8.00
FIB	2,490.3	12.12	1,233.1	6.00	1,746.9	8.50	1,644.1	8.00
Common equity tier 1 risk-based capital:								
Consolidated	2,504.0	12.16	926.9	4.50	1,441.8	7.00	1,338.9	6.50
FIB	2,490.3	12.12	924.8	4.50	1,438.6	7.00	1,335.8	6.50
Leverage capital ratio:								
Consolidated	2,504.0	8.71	1,149.4	4.00	1,149.4	4.00	1,436.8	5.00
FIB	2,490.3	8.68	1,147.5	4.00	1,147.5	4.00	1,434.4	5.00

(1) The capital conservation buffer is an additional 2.5% of the amount necessary to meet the minimum risk-based capital requirements for total, tier 1, and common equity tier 1 risk-based capital.

(2) The ratios to meet the requirements to be deemed "well-capitalized" are only applicable to FIB. However, the Company manages its capital position as if the requirements apply to the consolidated company and has presented the ratios as if they also applied on a consolidated basis

(16) COMMITMENTS AND CONTINGENCIES

The Company had commitments under construction contracts of $4.7 million as of December 31, 2025.

The Parent Company and the Billings office of FIB are the anchor tenants in a building owned by an entity in which FIB has a 50.0% ownership interest.

The Company leases certain premises and equipment from third parties under operating leases. Total rental expense to third parties was $7.4 million, $9.0 million, and $9.3 million, in 2025, 2024, and 2023, respectively.

The total future minimum rental commitments, exclusive of maintenance and operating costs, required under operating leases that have initial or remaining noncancelable lease terms in excess of one year at December 31, 2025, are as follows:

	Third Parties	Related Entity	Total
For the year ending December 31:			
2026	$ 9.2	$ 1.0	$ 10.2
2027	7.1	0.3	7.4
2028	5.7	0.1	5.8
2029	4.7	0.1	4.8
2030	2.7	0.1	2.8
Thereafter	7.5	—	7.5
Total	$ 36.9	$ 1.6	$ 38.5

Residential mortgage loans sold to investors in the secondary market are sold with varying recourse provisions. Based on the specific terms stated in the agreements, the Company did not have a significant amount of sold residential mortgage loans with recourse provisions still in effect as of December 31, 2025 and 2024. The Company did not repurchase a significant amount of loans from secondary market investors under the terms of loan sales agreements during the years ended December 31, 2025, 2024, and 2023. In the opinion of management, the risk of recourse and the subsequent requirement of loan repurchase to the Company is not significant, and accordingly no liabilities have been established related to such. In addition, the Company made various representations and warranties associated with the sale of loans. The Company has not incurred significant losses resulting from these provisions.

A substantial portion of the Company's clients' ability to honor their contracts is dependent on the financial conditions in Colorado, Idaho, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming. The Company's loan portfolio is diversified and assigned to risk classifications by industry concentrations. These industry concentrations of credit are taken into consideration by management in determining the allowance for credit losses.

In the normal course of business, the Company is involved in various other claims and litigation. In the opinion of management, following consultation with legal counsel, the ultimate liability or disposition thereof is not expected to have a material adverse effect on the consolidated financial condition, results of operations, or liquidity of the Company.

(17) FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

In the normal course of business, the Company is a party to financial instruments with off-balance sheet risk to meet the financing needs of its clients. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of amounts recorded in the consolidated balance sheets. Commitments to extend credit are agreements to lend to a client so long as there is no violation of any condition established in the commitment contract. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a client to a third party. The credit risk involved in issuing letters of credit is essentially the same as the credit risk involved in extending loan facilities to clients. The Company's policy for obtaining collateral, and determining the nature of such collateral, is essentially the same as in the Company's policies for making commitments to extend credit. The estimated fair value of the obligation undertaken by the Company in issuing standby letters of credit is included in accounts payable and accrued expenses in the Company's consolidated balance sheets.

The following table presents our financial instruments with off-balance sheet risk, as well as the activity in the allowance for off-balance sheet credit losses related to those financial instruments:

	December 31, 2025	December 31, 2024
Beginning balance	$ 5.2	$ 18.4
Provision for credit loss expense	0.7	(13.2)
Ending balance	$ 5.9	$ 5.2

	December 31, 2025	December 31, 2024
Commitments to extend credit	$ 2,638.8	$ 3,076.5
Standby letters of credit	60.4	73.5

(18) INCOME TAXES

Income tax expense consists of the following:

Year ended December 31,	2025	2024	2023
Current:			
Federal	$ 61.5	$ 38.1	$ 46.1
State	17.0	9.7	12.8
Total current	78.5	47.8	58.9
Deferred:			
Federal	9.0	17.8	16.0
State	2.1	2.9	4.4
Total deferred	11.1	20.7	20.4
Total income tax expense	$ 89.6	$ 68.5	$ 79.3

Total income tax provision differs from the amount of income tax determined by applying the statutory federal income tax rate of 21% for the periods presented to income before income taxes due to the following:

Year Ended December 31, 2025	Amount[1]	Percent
Tax expense at the statutory tax rate	$ 82.3	21.0 %
State income tax, net of federal income tax benefit[2]	15.1	3.9
Federal tax credits[3]	(2.2)	(0.3)
Nontaxable or nondeductible items:		
Tax-exempt interest income, net	(4.2)	(1.1)
Bank owned life insurance income	(3.3)	(0.8)
Other, net[4]	3.3	0.8
Other adjustments	(1.4)	(0.5)
Tax expense at effective tax rate	$ 89.6	23.0 %

[1] Reflects prospective adoption of ASU 2023-09
[2] State taxes in Montana, Oregon, and South Dakota made up the majority (greater than 50%) of the tax effect in this category.
[3] Company has adopted proportional amortization for new markets, historic, and low income housing tax credits. Therefore, the tax credits category includes the tax credit, net of the proportional amortization.
[4] Includes nondeductible expenses, shortfalls, and windfalls

Year ended December 31,	2024	2023
Tax expense at the statutory tax rate	$ 61.9	$ 70.7
Increase (decrease) in tax resulting from:		
Tax-exempt income	(7.4)	(8.1)
State income tax, net of federal income tax benefit	10.0	13.6
Deficiency (benefit) of stock-based compensation plans	0.6	0.3
Federal tax credits	(0.3)	(0.2)
FDIC premiums	2.5	2.0
Other, net	1.2	1.0
Tax expense at effective tax rate	$ 68.5	$ 79.3

The tax effects of temporary differences between the financial statement carrying amounts and tax bases of assets and liabilities that give rise to significant portions of the net deferred tax asset (liability) relate to the following:

December 31,	2025	2024
Deferred tax assets:		
Loans, principally due to allowance for credit losses	$ 47.7	$ 50.7
Loan discount	7.0	11.5
Investment securities, unrealized losses	59.3	106.1
Derivatives, unrealized losses	—	0.8
Deferred compensation	20.3	22.5
Non-performing loan interest	3.2	2.5
Net operating loss carryforwards [(1)]	0.6	1.0
Lease liabilities	8.1	8.9
Other reserves	6.0	7.2
Contract incentives	5.3	6.4
Discount on acquired investment securities	3.6	6.8
Other	3.4	4.3
Deferred tax assets	164.5	228.7
Deferred tax liabilities:		
Fixed assets, principally differences in bases and depreciation	(17.3)	(20.6)
Deferred loan costs	(2.8)	(3.2)
Derivatives, unrealized gains	(0.1)	—
Investment in joint venture partnership, principally due to differences in depreciation of partnership assets	(1.6)	(0.8)
Right of use assets	(7.5)	(8.2)
Prepaid amounts	(0.6)	(0.8)
Government agency stock dividends	(1.2)	(1.2)
Goodwill and other intangibles	(67.6)	(68.6)
Mortgage servicing rights	(5.8)	(6.4)
Other	(0.4)	(0.5)
Deferred tax liabilities	(104.9)	(110.3)
Net deferred tax assets	$ 59.6	$ 118.4

[(1)] As of December 31, 2025, the Company had remaining federal net operating loss carryforwards of $1.7 million from acquired companies, which is available to offset federal taxable income, and state net operating loss carryforwards in Idaho. The federal net operating losses will expire in 2030 and the state net operating losses of $10.4 million began expiring in 2023 and ending in 2036. The use of these carryforwards is subject to annual limitations. The Company believes it is more likely than not that these items will be utilized within the carryforward period.

A valuation allowance was not required for the deferred tax assets as of December 31, 2025 and 2024 because it is more likely than not these assets will be realized through future reversals of existing taxable temporary differences, and future taxable income. Uncertain tax positions were not significant at December 31, 2025 or 2024.

The Company had current net income tax payable of $9.3 million and income tax receivable of $22.2 million at December 31, 2025 and 2024, respectively.

The Company is subject to income tax in the U.S. federal jurisdiction and also in various states. The Company is no longer subject to examination by taxing authorities for years before 2022.

The Company holds investments in certain tax-advantaged limited partnerships whose purpose is to invest in qualified affordable housing projects and community revitalization projects. The Company's investments in these entities generate a return primarily through the realization of federal income tax credits and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods.

The carrying value of the Company's tax credit investments was $83.8 million and $103.8 million as of December 31, 2025 and 2024, respectively, reported within other assets on the consolidated balance sheets. For the years ended December 31, 2025, 2024, and 2023 the Company recorded $10.7 million, $11.6 million, and $9.3 million, respectively, of amortization related to these investments under the proportional amortization method within the provision for income taxes, and $0.3 million, $0.4 million, and $2.8 million of amortization within other non-interest expense on the consolidated statements of income.

For the years ended December 31, 2025, 2024, and 2023 the Company recorded $14.2 million, $13.3 million, and $9.8 million, respectively, in tax credits and other tax benefits within the provision for income taxes on its consolidated statements of income.

The Company's unfunded capital commitments to these investments were $5.2 million and $25.2 million as of December 31, 2025 and 2024, respectively, reported within accounts payable and accrued expenses on the consolidated balance sheets.

Cash Taxes Paid in the Current Period

Year ended December 31,	2025
Federal	$ 29.5
State	
Montana	4.0
Other	3.1
Total	$ 36.6

(19) STOCK-BASED COMPENSATION

The Company has equity awards granted under two stock-based compensation plans; the 2023 Equity and Incentive Plan (the "2023 Plan") and the 2015 Equity Incentive Plan, as amended and restated (the "2015 Plan"). These plans were primarily established to enhance the Company's ability to attract, retain, and motivate employees. The Company's Board or, upon delegation, the Compensation and Human Capital Committee of the Board ("Compensation Human Capital Committee") has exclusive authority to select employees, advisors and others, including directors, to receive awards and to establish the terms and conditions of each award made pursuant to the Company's stock-based compensation plan.

The 2023 Plan, approved by the Company's shareholders in May 2023, was established to provide the Company with flexibility to select from various equity-based performance compensation methods, and to be able to address changing accounting and tax rules and corporate governance practices by optimally utilizing performance-based compensation. At December 31, 2025, there were 2,073,307 common shares available for future grant under the 2023 Plan.

The 2015 Plan, approved by the Company's shareholders in May 2015, was established to provide the Company with flexibility to select from various equity-based performance compensation methods, and to be able to address changing accounting and tax rules and corporate governance practices by optimally utilizing performance-based compensation. Upon approval of the 2023 Plan, the remaining common shares available for future grant under the 2015 were forfeited. The 2015 Plan continues with respect to the awards made prior to June 2023.

Restricted Stock. Common stock issued under the Company's restricted stock plans may not be sold or otherwise transferred until restrictions have lapsed or performance objectives have been obtained. During the vesting periods, participants have voting rights and receive dividends on all time restricted shares and vesting performance restricted shares under the 2015 Plan. During the vesting periods, under the 2023 Plan, participants do not have voting rights and dividends are accumulated until the time upon which the award vests. Upon termination of employment,

common shares upon which restrictions have not lapsed must be returned to the Company. The vesting requirements under both plans are time-vested, performance-vested, or a combination of both. Currently, time-vested grants vest ratably over three years from the date of grant. Performance-vested grants cliff-vest at the end of a three-year period based on the Company's performance to peers.

All restricted share awards are classified as equity awards. The fair value of equity-classified restricted stock is based on the market price of the stock on the measurement date and is amortized as compensation expense on a straight-line basis over the period restrictions lapse or the end of the performance period. Stock compensation is recognized based on the number of awards to vest using actual forfeiture amounts. For performance-based stock, an estimate is made of the number of shares expected to vest as a result of actual performance against the performance targets to determine the amount of compensation expense to be recognized. The estimate is reevaluated quarterly and total compensation expense is adjusted for any change in the current period.

Stock-based compensation expense related to restricted stock of $13.3 million, $11.8 million and $4.7 million was included in employee benefits on the Company's consolidated statements of income for the years ended December 31, 2025, 2024, and 2023, respectively.

The following table presents information regarding the Company's restricted stock:

	Number of Shares	Weighted-Average Measurement Date Fair Value
Balance at December 31, 2022	741,098	$ 38.94
Granted	683,574	19.84
Vested	(180,587)	36.73
Forfeited	(127,779)	29.75
Balance at December 31, 2023	1,116,306	27.74
Granted	807,913	25.49
Vested	(201,755)	30.03
Forfeited	(114,007)	27.04
Balance at December 31, 2024	1,608,457	23.98
Granted	526,590	29.03
Vested	(397,122)	27.29
Forfeited	(242,519)	23.39
Balance at December 31, 2025	1,495,406	$ 23.79

During 2025, the Company issued 526,590 restricted common shares. The 2025 restricted share awards included 235,068 performance restricted shares, of which 117,534 vest in varying percentages upon achievement of defined return on average tangible common equity performance goals, and 117,534 vest in varying percentages upon achievement of defined total return to shareholder goals. The defined return to shareholder goals related to the 2022 performance restricted stock grants were not met resulting in the cancellation of 187,974 performance shares. Vesting of the 2025 performance restricted shares is also contingent on employment as of March 15, 2028. Additionally, 479,496 time-restricted shares were issued during 2025, of which 39,058 vest one year from the grant date and the remaining 440,438 vest one-third on each annual anniversary of the grant date, contingent on continued employment through the vesting dates.

As of December 31, 2025, there was $25.4 million of unrecognized compensation cost related to non-vested, restricted stock awards expected to be recognized over a period of 1.15 years.

(20) EMPLOYEE BENEFIT PLAN

Savings Plan. In addition, the Company has a contributory employee savings plan. All employees are eligible to participate in the plan. Employee participation in the plan is at the option of the employee. The Company contributed 100% of the first 6% of the participating employee's eligible compensation in 2025, 2024, and 2023, respectively. Contribution expense for this plan of $12.5 million, $13.0 million, and $12.7 million in 2025, 2024, and 2023, respectively, is included in employee benefits expense in the Company's consolidated statements of income.

(21) OTHER COMPREHENSIVE INCOME

The gross amounts of each component of other comprehensive income and the related tax effects for the periods indicated are as follows:

Year Ended December 31, 2025	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
Investment securities available-for sale:			
Change in net unrealized losses during period	$ 187.8	$ (46.8)	$ 141.0
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	0.2	—	0.2
Change in net unrealized losses on derivatives	1.9	(0.4)	1.5
Reclassification adjustment for derivative net losses included in net income	1.6	(0.5)	1.1
Total other comprehensive income	$ 191.5	$ (47.7)	$ 143.8

Year Ended December 31, 2024	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
Investment securities available-for sale:			
Change in net unrealized losses during period	$ 48.6	$ (12.0)	$ 36.6
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	(0.5)	—	(0.5)
Change in net unrealized losses on derivatives	(15.0)	4.0	(11.0)
Reclassification adjustment for derivative net losses included in net income	12.8	(3.3)	9.5
Total other comprehensive income	$ 45.9	$ (11.3)	$ 34.6

Year Ended December 31, 2023	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
Investment securities available-for sale:			
Change in net unrealized losses during period	$ 144.8	$ (36.1)	$ 108.7
Reclassification adjustment for net losses included in net income	23.5	(5.8)	17.7
Reclassification adjustment for securities transferred from held-to-maturity to available-for-sale	(7.2)	1.8	(5.4)
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	(1.3)	0.3	(1.0)
Change in net unrealized losses on derivatives	(6.5)	1.5	(5.0)
Reclassification adjustment for derivative net losses included in net income	7.4	(1.8)	5.6
Total other comprehensive income	$ 160.7	$ (40.1)	$ 120.6

The components of accumulated other comprehensive loss, net of income taxes, are as follows:

December 31,	2025	2024	2023
Net unrealized loss on investment securities available-for-sale	$ (172.6)	$ (313.6)	$ (350.1)
Net unrealized loss on investment securities transferred to held-to-maturity	(5.7)	(5.9)	(5.6)
Net unrealized gain (loss) on derivatives	0.2	(2.4)	(0.8)
Net accumulated other comprehensive loss	$ (178.1)	$ (321.9)	$ (356.5)

(22) CONDENSED FINANCIAL INFORMATION (PARENT COMPANY ONLY)

Following is condensed financial information of First Interstate BancSystem, Inc.

December 31,	2025	2024
Condensed balance sheets:		
Cash and cash equivalents	$ 308.3	$ 273.4
Investment in bank subsidiary	3,312.1	3,160.5
Advances to subsidiaries, net	105.9	46.8
Other assets	131.4	137.9
Total assets	$ 3,857.7	$ 3,618.6
Other liabilities	$ 138.6	$ 52.4
Long-term debt	122.3	99.1
Subordinated debentures held by subsidiary trusts	149.8	163.1
Total liabilities	410.7	314.6
Stockholders’ equity	3,447.0	3,304.0
Total liabilities and stockholders’ equity	$ 3,857.7	$ 3,618.6

Years Ended December 31,	2025	2024	2023
Condensed statements of income:			
Dividends from subsidiaries	$ 369.4	$ 205.0	$ 360.0
Other interest income	0.4	0.4	0.5
Other income, primarily management fees from subsidiaries	42.1	54.3	51.6
Total income	411.9	259.7	412.1
Salaries and benefits	31.8	43.6	34.5
Interest expense	21.3	18.6	18.4
Other operating expenses, net	29.1	27.8	22.5
Total expenses	82.2	90.0	75.4
Earnings before income tax benefit	329.7	169.7	336.7
Income tax benefit	(9.1)	(7.2)	(4.2)
Income before undistributed earnings of subsidiaries	338.8	176.9	340.9
Undistributed (loss) earnings of subsidiaries	(36.7)	49.1	(83.4)
Net income	$ 302.1	$ 226.0	$ 257.5

Years Ended December 31,	2025	2024	2023
Condensed statements of cash flows:			
Cash flows from operating activities:			
Net income	$ 302.1	$ 226.0	$ 257.5
Adjustments to reconcile net income to cash provided by operating activities:			
Undistributed losses (earnings) of subsidiaries	36.7	(49.1)	83.4
Stock-based compensation expense	13.3	11.9	4.6
Other, net	(5.8)	1.4	2.7
Net cash provided by operating activities	346.3	190.2	348.2
Cash flows from investing activities:			
Net cash used in investing activities	—	—	—
Cash flows from financing activities:			
Net (decrease) increase in advances from subsidiaries	(5.0)	4.6	1.8
Proceeds from issuance of long-term debt	122.4	—	—
Repayment of long-term debt	(112.6)	—	—
Purchase and retirement of common stock	(121.9)	(1.2)	(34.0)
Dividends paid to common stockholders	(194.3)	(195.9)	(195.1)
Net cash used in financing activities	(311.4)	(192.5)	(227.3)
Net change in cash and cash equivalents	34.9	(2.3)	120.9
Cash and cash equivalents, beginning of year	273.4	275.7	154.8
Cash and cash equivalents, end of year	$ 308.3	$ 273.4	$ 275.7

(23) FAIR VALUE MEASUREMENTS

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

The three levels of inputs to measure fair value are as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities
- Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities

The methodologies used by the Company in determining the fair values of each class of financial instruments are based primarily on independent, market-based data to reflect a value that would be reasonably expected in an orderly transaction between market participants at the measurement date, and therefore, are primarily classified within Level 2 of the valuation hierarchy. There have been no significant changes in the valuation techniques during the periods ended December 31, 2025 and 2024.

The Company's policy is to recognize transfers between levels as of the end of the reporting period. Transfers in and out of Level 1, Level 2, and Level 3 are recognized on the actual transfer date. There were no significant transfers between fair value hierarchy levels during the years ended December 31, 2025 and 2024.

Further details on the methods used to estimate the fair value of each class of financial instruments above are discussed below:

Investment Debt Securities Available-for-Sale. The Company obtains fair value measurements for investment securities from an independent pricing service, and these securities are classified as level 2. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S.

Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information, and the investment's terms and conditions, among others. Vendors chosen by the Company are widely recognized vendors whose evaluations support the pricing functions of financial institutions, investment and mutual funds, and portfolio managers. If needed, a broker may be utilized to determine the reported fair value of investment securities. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

Loans Held for Sale. Fair value measurements for residential mortgage loans held for sale are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that may include binding contracts or quotes or bids from third party investors as well as loan level pricing adjustments. Commercial and agricultural loans held for sale are derived from quotes or bids from third party investors.

Interest Rate Collars: The fair values of interest rate collars are obtained from an independent third party and are classified as level 2. The values are determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates fell below (rise above) the strike rate of the floors (caps). The variable interest rates used in the calculation of projected receipts on the collars are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

Interest Rate Swap Contracts. Fair values for derivative interest rate swap contracts are obtained from an independent third party and are classified as level 2. The values are based upon the estimated amounts to settle the contracts considering current interest rates and are calculated using discounted cash flows that are observable, or that can be corroborated by observable market data. The inputs used to determine fair value include the United States Dollar – Secured Overnight Financing Rate ("SOFR") and Prime forward curves to estimate variable rate cash inflows and SOFR to estimate the discount rate. The estimated variable rate cash inflows are compared to the fixed rate outflows and such difference is discounted to a present value to estimate the fair value of the interest rate swaps. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

For purposes of potential valuation adjustments to our derivative positions, we evaluate both our credit risk and the credit risk of our counterparties. Accordingly, we have considered factors such as the likelihood of our default and the default of our counterparties, our net exposures and remaining contractual life, among other things, in determining if any fair value adjustments related to credit risk are required. The change in value of derivative assets and derivative liabilities attributable to credit risk was not significant during the reported periods.

Interest Rate Lock Commitments. Fair value measurements for interest rate lock commitments are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that may include prices available from secondary market investors taking into consideration various characteristics of the loan, including the loan amount, interest rate, value of the servicing, and loan to value ratio, among other things. Observable data is then adjusted to reflect changes in interest rates, the Company's estimated pull-through rate, and estimated direct costs necessary to complete the commitment into a closed loan net of origination and processing fees collected from the borrower.

Forward Loan Sales Contracts. The fair value measurements for forward loan sales contracts are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that includes sales of similar loans.

Deferred Compensation Plan Assets and Liabilities. The fair values of deferred compensation plan assets and liabilities are based primarily on quoted market prices for identical instruments traded in active markets at the measurement date and are classified as level 1. These investments are in the same funds and purchased in the same amounts as the participants' selected investments, which represent the underlying liabilities to plan participants. Deferred compensation plan liabilities are recorded at amounts due to participants, based on the fair value of participants' selected investments.

Financial assets and financial liabilities measured at fair value on a recurring basis are as follows:

		Fair Value Measurements at Reporting Date Using		
As of December 31, 2025	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment debt securities available-for-sale:				
U.S. Treasury notes	$ 237.7	$ —	$ 237.7	$ —
State, county, and municipal securities	220.1	—	220.1	—
Obligations of U.S. government agencies	200.9	—	200.9	—
U.S. agency commercial mortgage-backed securities	856.7	—	856.7	—
U.S. agency residential mortgage-backed securities	1,770.1	—	1,770.1	—
U.S. agency collateralized mortgage obligations	922.7	—	922.7	—
Private mortgage-backed securities	174.4	—	174.4	—
Collateralized loan obligations	755.5	—	755.5	—
Corporate securities	150.0	—	150.0	—
Loans held for sale	1.1	—	1.1	—
Derivative assets:				
Interest rate swap contracts	26.6	—	26.6	—
Derivative liabilities:				
Interest rate swap contracts	77.3	—	77.3	—
Deferred compensation plan assets	23.2	23.2	—	—

		Fair Value Measurements at Reporting Date Using		
As of December 31, 2024	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment debt securities available-for-sale:				
U.S. Treasury notes	$ 226.9	$ —	$ 226.9	$ —
State, county, and municipal securities	212.0	—	212.0	—
Obligations of U.S. government agencies	213.3	—	213.3	—
U.S. agency commercial mortgage-backed securities	982.8	—	982.8	—
U.S. agency residential mortgage-backed securities	1,175.8	—	1,175.8	—
U.S. agency collateralized mortgage obligations	1,050.9	—	1,050.9	—
Private mortgage-backed securities	190.5	—	190.5	—
Collateralized loan obligations	772.0	—	772.0	—
Corporate securities	232.9	—	232.9	—
Loans held for sale	0.9	—	0.9	—
Derivative assets:				
Interest rate swap contracts	44.9	—	44.9	—
Derivative liabilities:				
Interest rate collars	1.0	—	1.0	—
Interest rate swap contracts	132.8	—	132.8	—
Deferred compensation plan assets	22.7	22.7	—	—

Additionally, from time to time, certain assets are measured at fair value on a non-recurring basis. Adjustments to fair value generally result from the application of lower-of-cost-or-market accounting or write-downs of individual assets due to credit deterioration. The following table presents information about the Company's assets and liabilities measured at fair value on a non-recurring basis with an adjustment during the period presented. The fair values may not be current as of the reporting date but represent fair values as of the most recent fair value change that occurred with the reporting period. Accordingly, carrying values may not equal the current fair value:

As of December 31, 2025	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Collateral-dependent loans	$ 21.5	$ —	$ —	$ 21.5
Long-lived assets to be disposed of by sale	1.3	—	—	1.3
As of December 31, 2024				
Collateral-dependent loans	$ 97.6	$ —	$ —	$ 97.6

Collateral-dependent Loans. Collateral-dependent loans are reported at the fair value of the underlying collateral if repayment is expected solely from collateral. The collateral-dependent loans are reported at fair value through specific valuation allowance allocations. When it is determined that the fair value of a collateral-dependent loan is less than the recorded investment in the loan, an allowance for credit losses is recognized on the loan for the difference between the recorded investment and the fair value of the collateral less costs to sell. Collateral values are estimated using independent appraisals and management estimates of current market conditions. As of December 31, 2025 and 2024, the Company had collateral-dependent loans with a carrying and fair value of $102.1 million and $97.6 million, respectively.

Long-lived Assets to be Disposed of by Sale. Long-lived assets to be disposed of by sale are carried at the lower of carrying value or fair value less estimated costs to sell. The fair values of long-lived assets to be disposed of by sale are based upon observable market data and management estimates of current market conditions. As of December 31, 2025, the Company had long-lived assets to be disposed of by sale with carrying and fair values aggregating $6.1 million. As of December 31, 2024, the Company had long-lived assets to be disposed of by sale with carrying and fair values aggregating $0.8 million.

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

As of December 31, 2025	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)			
Collateral-dependent loans	$ 21.5	Appraisal	Appraisal adjustment	2%	-	99%	(33%)
Long-lived assets to be disposed of by sale	1.3	Appraisal	Appraisal adjustment	—	-	—	—
As of December 31, 2024							
Collateral-dependent loans	$ 97.6	Appraisal	Appraisal adjustment	—%	-	87%	(40%)

The Company is required to disclose the fair value of financial instruments for which it is practical to estimate fair value. The methodologies for estimating the fair value of financial instruments that are measured at fair value on a recurring or non-recurring basis are discussed above. The methodologies for estimating the fair value of other financial instruments are discussed below. For financial instruments bearing a variable interest rate where no credit risk exists, it is presumed that recorded book values are reasonable estimates of fair value.

Financial Assets. Carrying values of cash, cash equivalents, and accrued interest receivable approximate fair values due to the liquid and/or short-term nature of these instruments. Fair values for investment securities held-to-maturity are obtained from an independent pricing service, which considers observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, trading levels, trade execution data, market consensus prepayment speeds, credit information, and the investment's terms and conditions, among other things. Fair values of fixed rate loans and variable rate loans that reprice on an infrequent basis are estimated by discounting future cash flows using current interest rates at which similar loans with similar terms would be made to borrowers of similar credit quality using an exit price notion. Carrying values of variable rate loans that reprice frequently, and with no change in credit risk, approximate the fair values of these instruments. The estimated fair values for all loans are then reduced by the estimated life-of-the-loan aggregate credit losses in the loan portfolio.

Financial Liabilities. The fair values of demand deposits, savings accounts, securities sold under repurchase agreements, and accrued interest payable are the amounts that are payable on demand at the reporting date. The fair values of fixed-maturity certificates of deposit are estimated using external market rates that are currently offered for deposits that have similar remaining maturities. The fixed and floating rate subordinated debentures, floating rate subordinated term loan, other borrowed funds, fixed rate subordinated term debt, and capital lease obligation are estimated by discounting future cash flows using current rates for advances that have similar characteristics.

Commitments to Extend Credit and Standby Letters of Credit. The fair value of commitments to extend credit and standby letters of credit, based on fees currently charged to enter into similar agreements, is not significant.

The estimated fair values of financial instruments that are reported in the Company's consolidated balance sheets, and are segregated by the level of the valuation inputs within the fair value hierarchy that are utilized to measure fair value, are as follows:

	`		Fair Value Measurements at Reporting Date Using		
As of December 31, 2025	Carrying Amount	Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets:					
Cash and cash equivalents	$ 1,309.7	$ 1,309.7	$ 1,309.7	$ —	$ —
Investment debt securities held-to-maturity	2,342.1	2,136.6	—	2,136.6	—
Accrued interest receivable	102.6	102.6	—	102.6	—
Mortgage servicing rights, net	23.1	32.3	—	—	32.3
Net loans held for investment	15,010.2	14,769.1	—	—	14,769.1
Total financial assets	$ 18,787.7	$ 18,350.3	$ 1,309.7	$ 2,239.2	$ 14,801.4
Financial liabilities:					
Total deposits, excluding time deposits	$ 19,450.0	$ 19,450.0	$ 19,450.0	$ —	$ —
Time deposits	2,638.3	2,629.2	—	2,629.2	—
Securities sold under repurchase agreements	479.6	479.6	—	479.6	—
Other borrowed funds	—	—	—	—	—
Accrued interest payable	36.9	36.9	—	36.9	—
Long-term debt	146.3	153.4	—	153.4	—
Subordinated debentures held by subsidiary trusts	149.8	140.0	—	140.0	—
Total financial liabilities	$ 22,900.9	$ 22,889.1	$ 19,450.0	$ 3,439.1	$ —

			Fair Value Measurements at Reporting Date Using		
As of December 31, 2024	Carrying Amount	Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets:					
Cash and cash equivalents	$ 896.6	$ 896.6	$ 896.6	$ —	$ —
Investment debt securities held-to-maturity	2,687.5	2,358.6	—	2,358.6	—
Accrued interest receivable	116.8	116.8	—	116.8	—
Mortgage servicing rights, net	25.7	35.4	—	—	35.4
Net loans held for investment	17,640.8	17,154.7	—	—	17,154.7
Total financial assets	$ 21,367.4	$ 20,562.1	$ 896.6	$ 2,475.4	$ 17,190.1
Financial liabilities:					
Total deposits, excluding time deposits	$ 20,125.1	$ 20,125.1	$ 20,125.1	$ —	$ —
Time deposits	2,890.5	2,875.5	—	2,875.5	—
Securities sold under repurchase agreements	523.9	523.9	—	523.9	—
Other borrowed funds	1,567.5	1,567.5	—	1,567.5	—
Accrued interest payable	47.0	47.0	—	47.0	—
Long-term debt	132.2	131.9	—	131.9	—
Subordinated debentures held by subsidiary trusts	163.1	152.3	—	152.3	—
Total financial liabilities	$ 25,449.3	$ 25,423.2	$ 20,125.1	$ 5,298.1	$ —

(24) RELATED PARTY TRANSACTIONS

Certain executive officers, directors, and greater than 5% shareholders of the Company and certain entities and individuals related to such persons had transactions with the Company in the ordinary course of business. These parties were deposit clients of the Bank and incurred indebtedness in the form of loans, as clients, of $2.1 million and $5.1 million at December 31, 2025 and 2024, respectively. During 2025, new loans and advances on existing loans of $4.2 million were funded, loan repayments totaled $5.0 million, and $2.2 million of loans were removed or added due to changes in related parties.

(25) RECENT AUTHORITATIVE ACCOUNTING GUIDANCE

ASU 2023-06, "*Disclosure Improvements—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*" In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* that amends the ASC to incorporate certain disclosure requirements from SEC Release No. 33-10532 - Disclosure Update and Simplification that was issued in 2018. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company does not anticipate the adoption of ASU 2023-06 will have a significant impact on the Company's financial position, results of operations, or liquidity.

ASU 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*" In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* that require public business entities to annually disclose (1) specific categories in their rate reconciliation; (2) additional information for reconciling items that meet a quantitative threshold; (3) the amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes; (4) the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which the income taxes paid that meet a quantitative threshold; (5) income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign; and (6) income tax expense (or benefit) from continuing operations disaggregated by federal, state, and foreign. The ASU eliminates the requirement to disclose the nature and estimate of the range of the reasonably possible change in the unrecognized tax benefits balance in the next 12 months and to disclose the cumulative amount of each type of temporary difference when a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries and corporate joint ventures. For public business entities, the amendments are effective for annual periods beginning after December 15, 2024. The amendments in this ASU became effective for the Company on January 1, 2025, with a prospective adoption, and did not have a significant impact on the Company's financial position, results of operations, or liquidity.

ASU 2024-03, "*Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of income statement expenses*" In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of income statement expenses* that require public business entities to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments in this Update do not change or remove current expense disclosure requirements. The amendments in this Update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in this Update should be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this Update or (2) retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of the standard and does not anticipate it will have a significant impact on the Company's financial position, results of operations, or liquidity.

ASU 2025-12, "Codification Improvements" In December 2025, the FASB issued A*SU 2025-12, Codification Improvements* to facilitate Codification updates for a broad range of topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. The amendments in this Update are effective for all entities for annual reporting periods beginning after December 15, 2026 and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. An entity may elect to early adopt the amendments on an issue-by-issue basis. The Company is currently evaluating the impact of the standard and does not anticipate it will have a significant impact on the Company's financial position, results of operations, or liquidity.

(26) SUBSEQUENT EVENTS

Subsequent events have been evaluated for potential recognition and disclosure through the date financial statements were filed with the Securities and Exchange Commission. On January 27, 2026, the Company declared a quarterly dividend to common shareholders of $0.47 per share, which was paid on February 20, 2026 to shareholders of record as of February 10, 2026.

On January 27, 2026, the board of directors authorized an increase of $150.0 million to the $150.0 million repurchase program authorized in August 2025, bringing the total repurchase authorization since August 2025 to $300.0 million. From January 1, 2026 to February 20, 2026, the Company purchased approximately 600 thousand shares of common stock at a total cost of approximately $23.0 million. Shares purchased since inception from August 2025 through February 20, 2026 totaled approximately 4.3 million shares of common stock at a total cost of approximately $140.6 million.

No other events requiring recognition or disclosure were identified.

(a) (2) Financial statement schedules.

All other schedules to the consolidated financial statements of the Registrant are omitted since the required information is either not applicable, deemed immaterial, or is shown in the financial statements filed herewith or in notes thereto.

(a) (3) Exhibits.

Exhibit Number	Description
3.1	Certificate of Incorporation of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 25, 2023)
3.2	Amended and Restated Bylaws of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 23, 2025)
4.1	Description of the Company's securities registered under Section 12 of the Exchange Act (incorporated herein by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
4.2	Indenture, dated May 15, 2020, between the Company and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 18, 2020)
4.3	Second Supplemental Indenture dated June 10, 2025, between the Company and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on June 10, 2025)
4.4	Form of 7.625% Fixed-to-Floating Rate Subordinated Notes due 2035 (incorporated herein by reference to Exhibit A of Exhibit 4.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on June 10, 2025)
4.5	Stockholders' Agreement, dated September 15, 2021, between the Company and the individuals and entities listed therein (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on September 20, 2021)
10.1	Lease Agreement, dated September 20, 1985, as amended and with addenda, between Billings 401 LLC and the Company (incorporated herein by reference to Exhibit 10.1 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 28, 2018)
10.2†	Deferred Compensation Plan of the Company (incorporated herein by reference to Exhibit 10.2 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 28, 2025)
10.3†	2015 Equity and Incentive Plan of the Company, amended and restated as of January 1, 2019 (incorporated herein by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 27, 2019)
10.4†	Form of 2015 Equity and Incentive Plan Time Vested Restricted Stock Grant Agreement (incorporated herein by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on March 21, 2022)
10.5†	2023 Equity and Incentive Plan (incorporated herein by reference to Appendix C to the Company's definitive proxy statement on Schedule 14A, File No. 001-34653, filed on April 11, 2023)
10.6†	Amendment to the Company's 2023 Equity and Incentive Plan (incorporated herein by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8, File No. 333-279687, filed on May 23, 2024)
10.7†	Form of 2023 Equity and Incentive Plan Restricted Stock Unit Grant Agreement (2023) (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 25, 2023)
10.8†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 25, 2023)
10.9†	Form of 2023 Equity and Incentive Plan Restricted Stock Unit Grant Agreement (2024 and 2025) (incorporated herein by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
10.10†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (2024 Core Return on Average Equity) (incorporated herein by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)

10.11†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (2025 Core Return on Average Tangible Common Equity) (incorporated herein by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 28, 2025)
10.12†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (2024 and 2025 Total Shareholder Return) (incorporated herein by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
10.13†	Form of 2023 Equity and Incentive Plan Restricted Stock Unit Grant Agreement (2025 Non-Employee Directors) (incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, File No. 001-34653, filed on August 6, 2025)
10.14†	Form of 2023 Equity and Incentive Plan Restricted Stock Unit Grant Agreement (2026)
10.15†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (2026 Total Shareholder Return)
10.16†	Form of 2023 Equity and Incentive Plan Performance Restricted Stock Unit Grant Agreement (2026 Core Return on Average Tangible Common Equity)
10.17†	Company Director Compensation Summary
10.18†	Employment Agreement, dated October 8, 2024, between James Reuter, the Company and the Bank (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on October 9, 2024)
10.19†	Employment Agreement by and between David P. Della Camera, the Company and First Interstate Bank, effective June 1, 2025 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on June 2, 2025)
10.20†	Employment Agreement, dated December 14, 2021, between Kirk D. Jensen, the Company and the Bank (incorporated herein by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 25, 2022)
10.21†	Employment Agreement, dated January 23, 2024, between Kris Robbins, the Company and the Bank (incorporated herein by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
10.22†	Employment Agreement, dated November 14, 2025, between Chris Shepler, the Company and the Bank (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on November 18, 2025)
10.23†	Employment Agreement, dated November 30, 2023, between Lori Meyer, the Company and the Bank (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on December 1, 2023)
10.24†	Employment Agreement, dated April 22, 2025, between Nathan R. Jones, the Company and the Bank
10.25†	Employment Agreement, dated December 14, 2021, between Marcy D. Mutch, the Company and the Bank (incorporated herein by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 25, 2022)
10.26†	Transition and Separation Agreement and General Release by and between Marcy D. Mutch, the Company and the Bank, effective February 24, 2025 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on February 25, 2025)
10.27†	Employment Agreement, dated August 24, 2023, between Lorrie Asker, the Company and the Bank (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on August 28, 2023)
10.28†	Transition and Separation Agreement and General Release by and between Lorrie Asker, the Company and the Bank, effective November 14, 2025 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on November 18, 2025)
14.1	Code of Ethics for Chief Executive Officer and Senior Financial Officers (incorporated herein by reference to Exhibit 14.1 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
19.1	Insider Trading Policy of the Company
21.1	Subsidiaries of the Company
23.1	Consent of Ernst & Young Independent Registered Public Accounting Firm
23.2	Consent of RSM US LLP Independent Registered Public Accounting Firm

31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended
32**	18 U.S.C. Section 1350 Certifications
97	Clawback Policy of the Company (incorporated herein by reference to Exhibit 97 to the Company's Annual Report on Form 10-K, File No. 001-34653, filed on February 29, 2024)
101.INS	Interactive Data File - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - The cover page XBRL tags are embedded within the inline XBRL document (included in Exhibit 101)

† Denotes Management contract or compensatory plan or arrangement
** Furnished herewith

(b) The exhibits filed or incorporated herein by reference are as set forth in Item 15(a)(3) above.

(c) Financial Statements Schedules

See Item 15(a)(2) above.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

First Interstate BancSystem, Inc.

By: /s/ James A. Reuter — February 26, 2026
JAMES A. REUTER — Date
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Date
/s/ STEPHEN B. BOWMAN Stephen B. Bowman, Chair of the Board	February 26, 2026 Date
/s/ RENU AGRAWAL Renu Agrawal, Director	February 26, 2026 Date
/s/ ALICE S. CHO Alice S. Cho, Director	February 26, 2026 Date
/s/ JOHN M. HEYNEMAN, JR. John M. Heyneman, Jr., Director	February 26, 2026 Date
/s/ DAVID L. JAHNKE David L. Jahnke, Director	February 26, 2026 Date
/s/ DENNIS L. JOHNSON Dennis L. Johnson, Director	February 26, 2026 Date
/s/ STEPHEN M. LACY Stephen M. Lacy, Director	February 26, 2026 Date
/s/ PATRICIA L. MOSS Patricia L. Moss, Director	February 26, 2026 Date
/s/ JOYCE A. PHILLIPS Joyce A. Phillips, Director	February 26, 2026 Date
/s/ DANIEL A. RYKHUS Daniel A. Rykhus, Director	February 26, 2026 Date
/s/ JAMES R. SCOTT, JR. James R. Scott, Jr., Director	February 26, 2026 Date
/s/ JEREMY P. SCOTT Jeremy P. Scott, Director	February 26, 2026 Date
/s/ MICHAEL L. SCUDDER Michael L. Scudder, Director	February 26, 2026 Date

Signature	Date
/s/ JAMES A. REUTER James A. Reuter President, Chief Executive Officer and Director (Principal executive officer)	February 26, 2026 Date
/S/ DAVID P. DELLA CAMERA David P. Della Camera Executive Vice President and Chief Financial Officer (Principal financial and accounting officer)	February 26, 2026 Date

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