

HONORING

30

YEARS

1990
2020



Northrim BanCorp, Inc.

MESSAGE TO SHAREHOLDERS



2020 was a milestone year for Northrim Bank (the Bank), marked by internal and external growth. We adapted to swift and dramatic changes in our operating environment with the onset of the global pandemic. At the same time, we expanded into new markets

and increased our market share within existing communities. We promoted a number of employees whose skills enhanced our ability to serve our customers. The dedicated team effort to meet the needs of our community has resulted in significant growth and increased earnings for shareholders.

Northrim ended the year with earnings of \$32.9 million. Total assets increased to \$2.12 billion, up 29% from a year ago, while total revenue for the year increased 32% to \$134 million from 2019. Increased production in our Home Mortgage Lending segment, core loan and deposit growth, and income from the Small Business Administration's (SBA) Paycheck Protection Program (PPP) loans contributed to our profitability.

Northrim's participation in the PPP helped our customers and the community during a very challenging time. We were one of the first banks in Alaska to offer PPP loans to non-customers as

well as existing customers. In an inspiring display of teamwork and commitment, our employees came together to process these loans in a short period of time. At the end of 2020, Northrim had originated more PPP loans in Alaska than any other financial institution in the state, funding 23% of all PPP loans in Alaska, and helping nearly 2,900 local businesses receive critical PPP funding.

Our team is focused on developing full banking relationships with our new PPP customers, which was a primary contributor to both core deposit and loan growth in 2020. Total deposits were \$1.82 billion at year-end, up 33% from a year ago. Portfolio loans were \$1.44 billion, up 38% from 2019. Excluding the impact from PPP, our portfolio loans at year-end were \$1.14 billion, up 9% from a year ago.

Despite historic-low interest rates, interest income benefited from the loan portfolio growth. Net interest income for 2020 was \$70.7 million, up 10% from 2019, and our net interest margin remains above peer average.

Low interest rates drove mortgage loan volume at our wholly owned subsidiary, Residential Mortgage Lending, LLC, which generated 89% more production in 2020 compared to 2019. Home mortgage lending provided 42% of total revenue and 53% of earnings in 2020.



Loan portfolio quality improved throughout the year, due to early communication with our customers. Each situation being unique, we worked with our customers to provide loan accommodations when applicable, including interest only and deferral options for loan payments.

Our 2020 efforts increased Northrim's market share across all of our markets. We also expanded our Alaska footprint, opening a loan production office in Kodiak to complement the existing Residential Mortgage office and meet the banking needs of this community.

Northrim continues to maintain capital levels in excess of the requirements needed to be categorized as "well-capitalized." We resumed our stock repurchase program, repurchasing a total of 327,000 shares. We also increased our shareholder dividend by 10% in 2020, in a continuing effort to increase the returns to our shareholders.

Our significant investments in technology and people enabled us to successfully operate and grow in this dramatically different year. The IT infrastructure and disaster response plans we had in place allowed us to quickly transition to serving our customers virtually, while safeguarding our customers and employees. Those investments, coupled with our core value of Superior

Customer First Service, tremendous teamwork, and long-term relationships, helped us achieve our results in 2020.

In a difficult year, we were able to offer additional support to our community through contributions to nonprofits, business organizations and the University of Alaska. We continued to advocate for policies that support a stable, sustainable fiscal environment for the growth and long-term success of the state we call home.

"Our people are our greatest strength, and the foundation on which our success is built." This quote, by Northrim charter employee and original Chief Financial Officer Chris Knudson, was true the day we opened our doors 30 years ago, and the events, challenges and successes of 2020 proved it is still true today. We are deeply proud and appreciative of the people who make up our Northrim family, and we look forward to working together to continually grow and serve the people and businesses of Alaska.

JOE SCHIERHORN

Chairman, President, CEO and COO, Northrim BanCorp, Inc.

Chairman, President and CEO, Northrim Bank

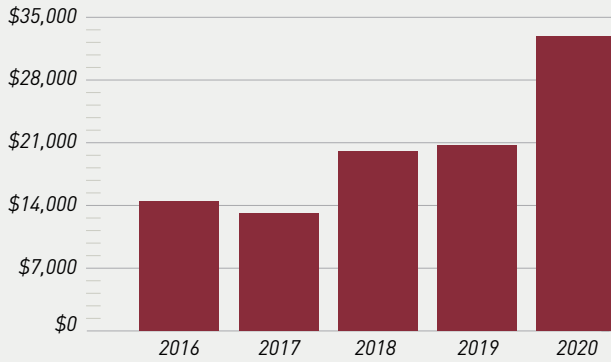
2020 FINANCIAL SNAPSHOT^{[1]*}

(In thousands, except Share Data)	2020	2019	2018	2017	2016	2015	Five-Year Compound Growth Rate
Net interest income	\$70,665	\$64,442	\$61,208	\$57,678	\$56,357	\$56,909	4 %
Provision (benefit) for loan losses	2,432	(1,175)	(500)	3,200	2,298	1,754	NM
Other operating income	63,328	37,346	32,167	40,474	43,263	44,608	7 %
Compensation expense, RML acquisition payments	—	468	—	130	4,775	4,094	NM
Other operating expense	89,114	76,370	69,800	71,023	71,505	68,551	5 %
Income before provision for income taxes	\$42,447	\$26,125	\$24,075	\$23,799	\$21,042	\$27,118	9 %
Provision for income taxes	9,559	5,434	4,071	10,321	6,052	8,784	2 %
Net income	32,888	20,691	20,004	13,478	14,990	18,334	12 %
Less: Net income attributable to noncontrolling interest	—	—	—	327	579	551	NM
Net income attributable to Northrim BanCorp, Inc.	\$32,888	\$20,691	\$20,004	\$13,151	\$14,411	\$17,783	13 %
Year-End Balance Sheet							
Assets	\$2,121,798	\$1,643,996	\$1,502,988	\$1,518,596	\$1,525,851	\$1,498,691	7 %
Portfolio loans	1,444,050	1,043,371	984,346	954,953	974,074	979,682	8 %
Deposits	1,824,981	1,372,351	1,228,088	1,258,283	1,267,653	1,240,792	8 %
Shareholders' equity	221,575	207,117	205,947	192,802	186,712	177,214	5 %
Common shares outstanding	6,251,004	6,558,809	6,883,216	6,871,963	6,897,890	6,877,140	(2)%
Average Balance Sheet							
Assets	\$1,936,047	\$1,555,707	\$1,493,385	\$1,511,052	\$1,506,522	\$1,480,913	6 %
Earning assets	1,758,839	1,386,557	1,346,449	1,367,203	1,361,913	1,334,102	6 %
Portfolio loans	1,339,908	1,010,098	971,548	981,001	976,613	968,752	7 %
Deposits	1,638,216	1,276,407	1,227,272	1,248,333	1,250,243	1,219,445	6 %
Diluted common shares outstanding	6,431,367	6,808,209	6,981,557	6,977,910	6,974,864	6,948,474	(2)%
Per Common Share Data							
Basic earnings	\$5.18	\$3.08	\$2.91	\$1.91	\$2.09	\$2.59	15 %
Diluted earnings	\$5.11	\$3.04	\$2.86	\$1.88	\$2.06	\$2.56	15 %
Book value per share	\$35.45	\$31.58	\$29.92	\$28.06	\$27.07	\$25.77	7 %
Tangible book value per share ^{(2)*}	\$32.88	\$29.12	\$27.57	\$25.70	\$24.70	\$22.31	8 %
Cash dividends per share	\$1.38	\$1.26	\$1.02	\$0.86	\$0.78	\$0.74	13 %
Performance Ratios							
Return on average assets	1.70 %	1.33 %	1.34 %	0.87 %	0.96 %	1.20 %	7 %
Return on average equity	15.53 %	9.92 %	9.95 %	6.81 %	7.93 %	10.47 %	8 %
Equity/assets	10.44 %	12.60 %	13.70 %	12.70 %	12.24 %	11.82 %	(2)%
Tangible common equity/tangible assets ^{(3)*}	9.76 %	11.73 %	12.76 %	11.75 %	11.29 %	10.40 %	(1)%
Net interest margin	4.02 %	4.65 %	4.55 %	4.22 %	4.14 %	4.27 %	(1)%
Net interest margin (tax equivalent) ^{(4)*}	4.05 %	4.70 %	4.60 %	4.28 %	4.20 %	4.32 %	(1)%
Non-interest income/total revenue	47.26 %	36.69 %	34.45 %	41.24 %	43.43 %	43.94 %	1 %
Efficiency ratio ^{(5)*}	66.47 %	75.43 %	74.68 %	72.39 %	76.44 %	71.31 %	(1)%
Dividend payout ratio	26.66 %	40.79 %	35.08 %	45.44 %	37.59 %	28.81 %	(2)%
Asset Quality							
Nonperforming loans, net of government guarantees	\$10,048	\$13,951	\$14,694	\$21,411	\$12,936	\$2,125	36 %
Nonperforming assets, net of government guarantees	\$16,289	\$19,946	\$22,619	\$28,729	\$19,315	\$5,178	26 %
Nonperforming loans, net of government guarantees/portfolio loans	0.70 %	1.34 %	1.49 %	2.24 %	1.33 %	0.22 %	26 %
Net charge-offs (recoveries)/average loans	0.03 %	(0.07)%	0.15 %	0.15 %	0.08 %	0.03 %	NM
Allowance for loan losses/portfolio loans	1.46 %	1.83 %	1.98 %	2.25 %	2.02 %	1.85 %	(5)%
Other Data							
Number of banking offices ⁽⁶⁾	17	16	16	14	14	14	4 %
Number of employees (FTE) ⁽⁷⁾	438	431	430	429	451	441	0 %

Financial Snapshot endnotes on page 26.

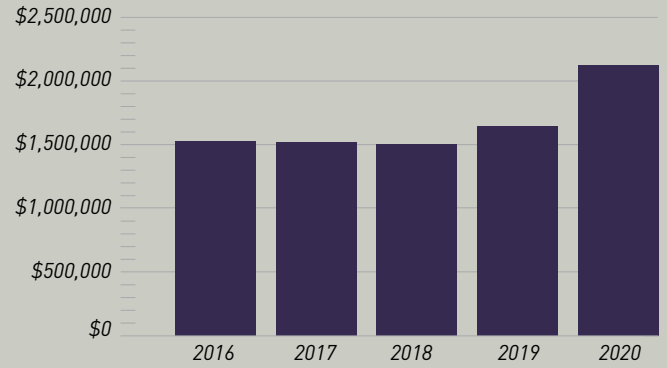
Net Income Attributable to Northrim BanCorp, Inc.

(in thousands)



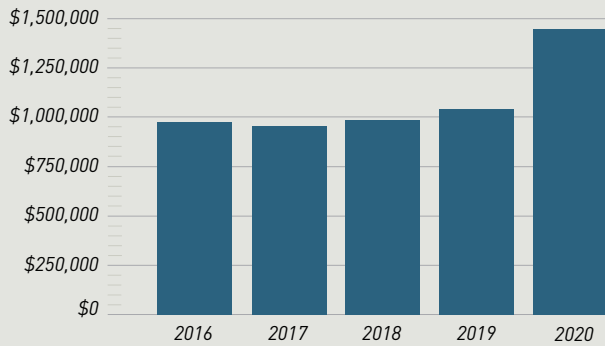
Total Assets

(in thousands)



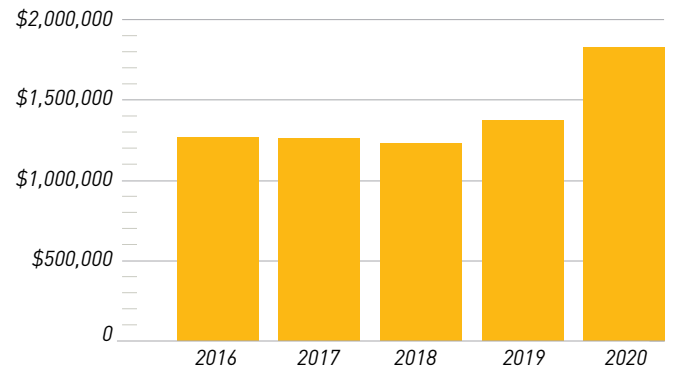
Portfolio Loans

(in thousands)

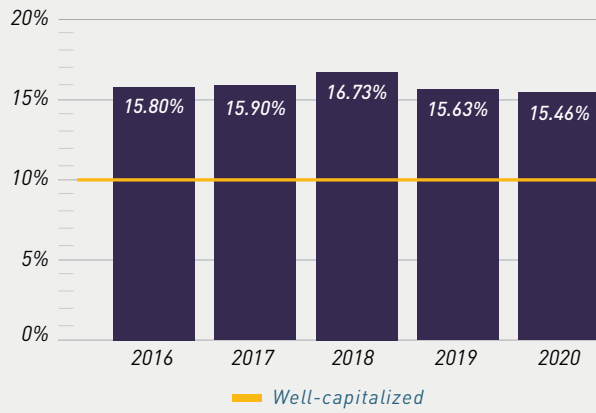


Total Deposits

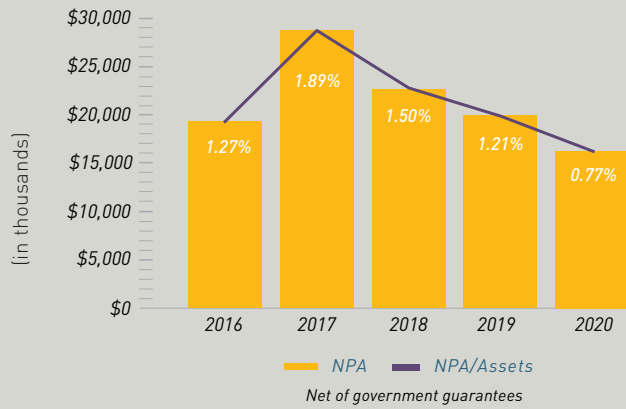
(in thousands)



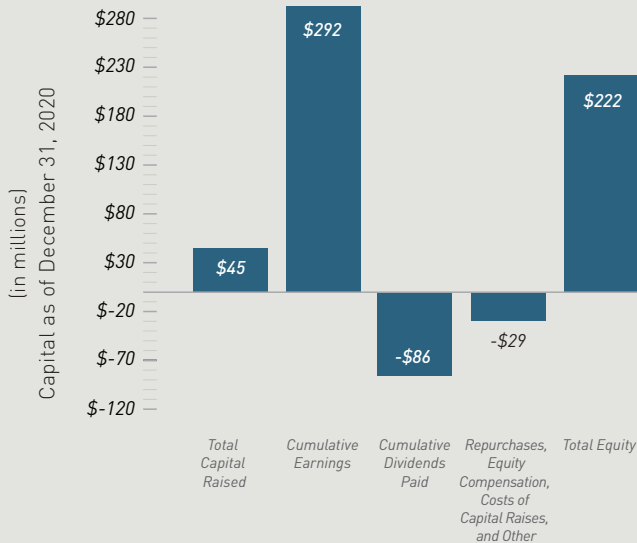
Total Capital Ratio



Nonperforming Assets (NPA)

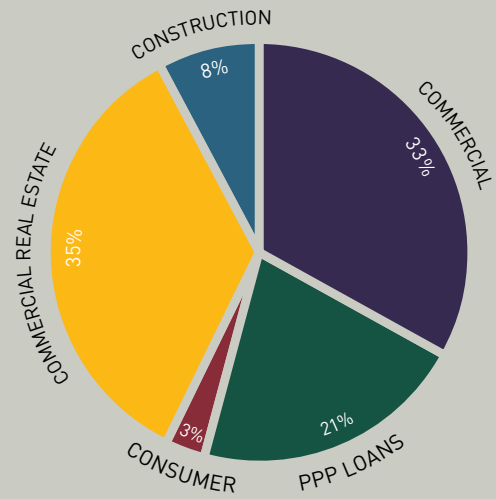


Composition of Northrim Bancorp Equity



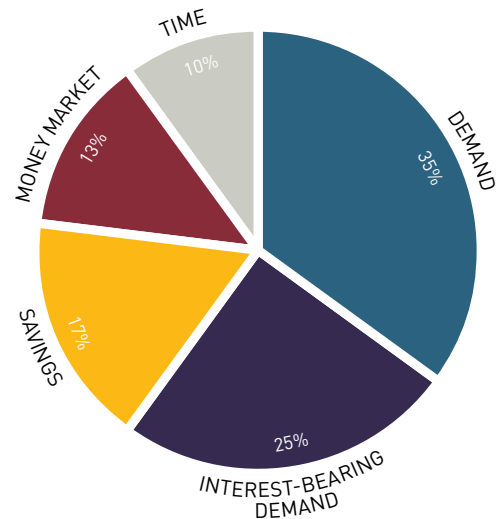
Loan Portfolio

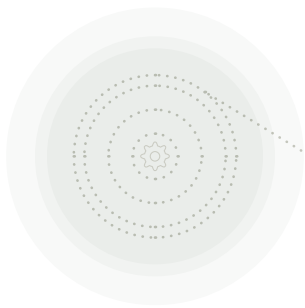
As of December 31, 2020



Deposits

As of December 31, 2020





1990

Northrim opened its doors on December 4 in a trailer located in the parking lot of what is now our headquarters building in Anchorage. We moved into the current Northrim Building headquarters in April 1991.

30 YEARS OF SUPERIOR CUSTOMER FIRST SERVICE

Northrim Bank was born 30 years ago, as Alaska was coming out of a recession and was started by longtime Alaskans to serve the Alaskan community. In 2020, the Bank marked our 30th anniversary as Alaska – and the world – reacted to a global pandemic.

Over the past three decades, Northrim has grown from a parking lot trailer and \$8 million in capital, to one of Alaska’s leading community banks, with 17 banking offices and over \$2 billion in assets. This growth, through times of adversity and opportunity, is a testament to the Bank’s resiliency, flexibility, responsiveness and teamwork, and our steadfast dedication to our core value of Superior Customer First Service.

The commitment to providing a consistently high level of customer service, while safeguarding the health of our customers and employees, is at the heart of our response to the pandemic.

Infrastructure investments over the past several years enabled us to quickly adapt our operations to a virtual

environment. Recent technology investments including a new core operating system, loan origination system, expanded electronic banking services, and online account opening capabilities allow us to continuously and effectively serve the needs of our customers.

Investments in our people and processes also facilitated the Bank’s response to operational changes due to the pandemic. As part of regular contingency planning, our disaster recovery team guided Bank employees through a pandemic exercise in late 2019. When a pandemic began just a few months later, employees were prepared to use their training.

Recognizing that many of our employees were also facing challenging personal circumstances, we prioritized overall employee wellbeing through our wellness program, flexible schedules and other accommodations. This support, in turn, enabled our employees to continue to be attentive to our customers.



1994

Northrim became a school business partner with Fairview Elementary School, one of our longest-running partnerships. Since then, we have developed similar relationships in many of the communities we serve.



1995

Northrim became the first financial institution in Alaska to have an Internet homepage, in an early example of our ongoing commitment to investing in technology for the convenience and security of our customers.

ALASKA'S LEADING PROVIDER OF PPP LOANS

From our beginning 30 years ago, Northrim has focused on helping our customers find opportunities within challenges. In 2020, the economic impacts of the pandemic created significant challenges for many Alaska businesses. We utilized resources available to support businesses, from additional financing, to restructuring existing payments, to using government programs, like the PPP.

Driven to aid as many businesses as possible, Northrim was one of the first banks in Alaska to offer PPP loans to both customers and non-customers. We were active in communicating with Alaska businesses, and ultimately built many new customer relationships.

Already an SBA-approved lender, we gained knowledge of the PPP requirements so we could lead businesses efficiently and effectively through the complex and rapidly evolving process.

We leveraged our loan origination software, first introduced internally in 2019, partnering with our software vendor to customize it for PPP loans. This investment enabled us to process applications within an extremely tight timeframe. The ability to open new accounts online and the use of electronic signatures further increased efficiency while safeguarding customers' and employees' health.

The high number of PPP applications and the short funding window of the program required us to find innovative ways to increase capacity. At the height of PPP processing, 200 employees from departments across the Bank were working around the clock to ensure applications were submitted and loans were funded within the time constraints. It was inspiring to see the commitment and motivation of our employees, coming together to care for customers and the community.

As a result, Northrim was the leading PPP provider in the state in 2020, funding 23% of all Alaska PPP loans and helping nearly 2,900 Alaska businesses receive PPP funding, including 1,200 new customers.

The Paycheck Protection Program was a catalyst for growth, including development of full banking relationships with new customers and enhanced relationships with existing customers. The combination of PPP loans and our commitment to Superior Customer First Service resulted in increased market share in all of our markets across the state. This past year, our deposit market share grew to 12.3%, an increase of 126 basis points from 2019 - the largest increase of any bank in Alaska in 2020.



1996

Northrim's first Fairbanks branch opened, followed by the opening of our South Anchorage branch the following year. We have since expanded to a total of 17 banking offices, 14 residential mortgage origination offices across the state and a factoring office in Bellevue, Washington.



1998

Northrim became an original investor in Residential Mortgage, with a 23.5% ownership.

DOWL

CUSTOMER HIGHLIGHT



DOWL – much like Northrim – had humble beginnings, starting as a one-man shop in an Anchorage garage in 1962. Nearly 60 years later, DOWL has grown into a full-service engineering and related services firm with 430 employees and 22 offices in seven states.

While DOWL has expanded beyond Alaska, the company is deeply proud of its Alaska roots. “We have maintained our small town values, while we have grown into a sizable West Coast company,” shares Stewart Osgood, PE, DOWL President and CEO. “We have remained an Alaska-based LLC that is owned and managed by our employees. While many of our competitors have been bought up by large outside entities, we remain fiercely independent.”

DOWL has weathered its share of challenging times, such as Alaska’s Good Friday earthquake that rocked the state two years after DOWL was established. The challenges of 2020 were another opportunity for DOWL to demonstrate resiliency. “We have survived a lot of good and bad times and proven that we can come out stronger,” Osgood says.

Northrim was able to provide support as DOWL navigated the uncertainties of 2020. “When the PPP was announced, we were one of the first Alaska companies to get our application in and our loan approved,” Osgood shares. While DOWL ultimately returned the PPP loan, “Northrim was there for us during these grueling times.”

Shared Alaska roots and values were important factors when choosing a banking partner. “For a successful business partnership, relationships and values need to be aligned – we have that with Northrim. We are so happy being able to talk with people, solve problems and work cooperatively,” Osgood says.

“We have always approached our relationship with customers like DOWL with a collaborative team effort,” notes Kari Skinner, Northrim Bank Senior Vice President, Marketing and Communications Director. “DOWL has contacts in our Commercial Cash Management, Electronic Banking and Commercial Lending departments and within our branches, depending on their needs. We appreciate how DOWL approaches and values their banking relationship with Northrim.”

“DOWL would like to sincerely thank all of Northrim Bank and each of its employees for being such a wonderful business partner,” Osgood says.



Glenn-Muldoon Overpass, completed in 2018



*Stewart Osgood,
PE, DOWL President
and CEO*

GROWTH YEAR FOR RESIDENTIAL MORTGAGE

The diversity of our operations, including our wholly owned subsidiary, Residential Mortgage, had a meaningful impact on our 2020 performance. Home mortgage lending provided 42% of total revenue and 53% of earnings in 2020, making Residential Mortgage the Bank's largest contributor to profitability last year.

Interest rate decreases spurred a surge in refinance and home purchase activity at Residential Mortgage, which experienced loan production volume of \$1.3 billion in 2020, up 89% from 2019. In 2020, total mortgage production was approximately equal between refinance and home purchases.

Like the Bank, the Residential Mortgage team quickly adjusted to rapid and drastic changes in the work environment with the onset of the pandemic, and successfully served customers and managed growth despite the unique challenges of 2020.

To handle the significant increases in volume with the same high level of customer service our company has become known for, Residential Mortgage recruited several new employees, adding talent to the team of seasoned mortgage loan officers. At the executive level, Residential Mortgage transitioned the role of CEO to long-time executive Steve Aldrich and the role of CFO to Chris Hamey, following the retirement of the company's previous CEO and CFO at the end of 2019.

With offices in Anchorage, Juneau, Kodiak, Soldotna, Eagle River, Fairbanks and the Mat-Su Region, Residential Mortgage continued to be the market leader, driven by the expertise of mortgage loan originators, responsiveness, and long-standing relationships, with existing customers accounting for a significant part of the activity in 2020.



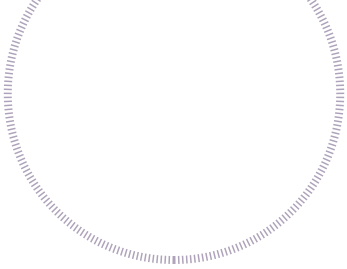
1999

Northrim purchased Bank of America's Alaska assets in the first of three merger/acquisitions completed during our 30-year history, making us the only bank to successfully undertake such transactions in Alaska since 1990.

2001

Northrim adopted our "Proud to be Alaskan" tagline, underscoring our dedication to be 100% 907 and to provide Superior Customer First Service.





GROWING OUR FOOTPRINT AND OUR TEAMS

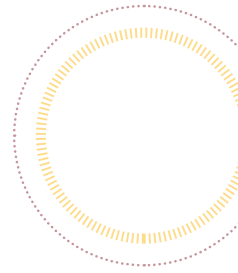
In March 2020, we opened a Northrim loan production office in Kodiak, joining the Residential Mortgage office in that community. We recruited a seasoned banker and longtime Kodiak resident who is helping to grow our presence and customer base in that area of the state. Last year, we were able to provide PPP loans to businesses in Kodiak, sowing seeds for future growth.

In addition to growing our footprint, we also continued to invest in strengthening our teams, adding talent in multiple areas of the Bank, in communities across the state.

We also recognized talent within the Bank, promoting several employees to executive and senior management positions. Throughout our history, as the Bank has grown, our employees have grown along with us, expanding their responsibilities and moving into new areas based on their interests and skills.

The depth and breadth of our employees' experience in the financial industry and at Northrim is a tremendous source of strength for the Bank. Last year, two of our executive team members celebrated their 30th anniversaries at Northrim, and many others marked milestone anniversaries of 10, 15, 20 and 25 years.

This longevity provides employees who have a deep understanding of the Bank, long-term relationships with customers, and strong teamwork with each other. Northrim's 2020 performance directly correlates with our employees' institutional knowledge; commitment to our mission, vision and values; customer relationships; and teamwork.



2002

Northrim invested in Elliott Cove Capital Management to expand product offerings.



2004

Northrim Funding Services opened its doors in Bellevue, Washington, to provide financial solutions to transition customers back to conventional bank lending programs.

COMPLEMENTING CORE BANKING

In addition to home mortgage lending, Northrim has interests in other lines of business, including purchased receivables financing and wealth management. Together with our community banking products and services, these affiliates and divisions enable us to meet the full spectrum of our customers' needs, while creating opportunities for additional growth and expanded relationships.



Northrim Investment Services provides investment services through Elliott Cove Capital Management and insurance products via Elliott Cove Insurance Agency. Northrim Investment Services enables the Bank to offer a range of relevant, best-in-class financial products and services to meet the needs of our business and individual customers.



Northrim Funding Services, a division of the Bank, purchases the accounts receivable of capital-constrained small to mid-size businesses, as well as businesses experiencing rapid growth or change. The division also offers financial solutions to transition customers back to other bank lending programs. Northrim Funding Services saw a decrease in activity in 2020, as many of its customers obtained PPP loans or received accommodations on their loans. However, the division was still able to assist customers as they evolved operations to sustain their businesses through the pandemic, providing responsive service and creative solutions. Northrim Funding Services contributed \$2.6 million to other operating income in 2020, compared to \$3.3 million in 2019.



PACIFIC PORTFOLIO

Pacific Wealth Advisors is the holding company for Pacific Portfolio Consulting, LLC and Pacific Portfolio Trust Company (Pacific Portfolio). Founded in 1992 and part of the Northrim family since 2006, Pacific Portfolio is an independent wealth management and investment advisor serving high-net-worth individuals and families, as well as institutions, foundations, and trustee- or participant-directed retirement plans. Pacific Portfolio is led by founder, President and CEO Larry Hood, who was ranked on Barron's Top 100 Independent Financial Advisors list for the sixth year in a row in 2020. The company contributed \$243,000 to Northrim's other operating income in 2020, compared to \$305,000 in 2019.

2006

Northrim invested in Pacific Wealth Advisors and Pacific Portfolio Consulting to provide comprehensive financial guidance to individuals, families and institutions.



FAIRBANKS NATIVE ASSOCIATION

CUSTOMER HIGHLIGHT



FAIRBANKS NATIVE ASSOCIATION

Fairbanks Native Association (FNA) began as a gathering place for Alaska Natives in a living room in the 1950s. Since then, FNA has grown into a nonprofit organization with 245 employees and a wide variety of community programs.

Known as a powerful voice in Alaska, FNA has a deep commitment to improving the quality of life for its community by providing education, cultural awareness, substance abuse assistance, mental health services and elder care programs to anyone in need.


FNA's Behavioral Health Services department offers residential and outpatient treatment. Educational, cultural and parenting services are available to expecting mothers, families and youth. FNA's Head Start staff and parents have been recognized statewide. And FNA's Community Services department assists with food, case management and other basic needs.

Under the leadership of Steve Ginnis, Executive Director, the organization works to improve community health, while also improving FNA's financial health. Just 12 years ago, FNA was operating in the red with barely \$4.5 million in net assets. Today, FNA has annual revenues of \$25 million with \$30 million in net assets, owns several facilities, and trimmed debt to achieve positive annual increases.

Northrim has had the privilege of assisting FNA since 1996. What started as a line of credit has deepened into a full banking relationship, including commercial lending, insured cash sweep deposits, credit cards and retirement plan services.

"From the beginning, Northrim was so accommodating. In the earlier years, no other bank would take a risk on us. They worked with us, even with our issues at the time, so there's loyalty there," says Duane Hoskins, FNA Director of Finance. "They come to us with ideas, they're focused on local industries, and they understand FNA. We have a great relationship."

"Northrim is a community bank. FNA has a significant impact on the community. Being able to provide financial/customer service to them so they can better serve the community is important to us," shares Tammy Kosa, Northrim Senior Vice President, Regional Market Manager. "They offer programs that improve the quality of life and we support them in their mission."



*Poldine Carlo
(Founding Member)
and Sharon Hildebrand
(Board Treasurer)*

STRENGTHENING OUR STATE FROM AFFORDABLE HOUSING TO ADVOCACY

At Northrim, we are committed to serving the unique needs of Alaskans. Two areas of continued focus are affordable housing and advocating for state policies that support long-term growth and stability.

AFFORDABLE HOUSING

Affordable housing continues to be a critical need throughout Alaska, which was only exacerbated by the economic impacts of the pandemic. In 2020, we partnered with Covenant House Alaska and Cook Inlet Housing Authority to win Competitive Affordable Housing Program awards from the Federal Home Loan Bank of Des Moines. The approximately \$2 million award will fund two affordable housing projects in the state, benefitting more than 70 low-income families, seniors, persons with disabilities, the homeless and at-risk youth.

We were also recognized as an eligible lender in the Tribal Housing Activities Loan Guarantee program, making Northrim just the second financial institution in Alaska to offer these loans. Housing in Alaska's remote communities is challenging to construct and make affordable to homebuyers. With this program, we have the opportunity to help many residents throughout the state achieve the dream of homeownership.

ADVOCACY

Northrim and our leadership have long advocated for a stable, sustainable state fiscal plan that provides a solid foundation for the businesses and individuals who invest in Alaska.

We often take a lead in industry-related issues, such as our advocacy this past year against Ballot Measure 1, a proposal we believed would have had a detrimental effect on the operating environment for Alaska's oil and gas industry, by changing the tax structure. The ballot measure was defeated during the November election.

Our advocacy reaches further through our employees who serve in leadership positions for influential statewide organizations, such as the Alaska Bankers Association, Chambers of Commerce, economic development organizations, nonprofits, and institutes of higher education.

2007

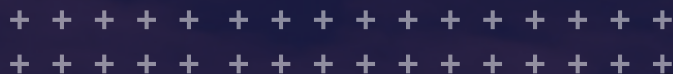


Northrim assets reached \$1 billion. Acquired Alaska First Bank and Trust, expanding the Bank's reach throughout Alaska.

2014



Northrim completed its acquisition of Alaska Pacific Bank, to add branch locations in Southeast Alaska. The Bank also purchased the remaining interest of Residential Mortgage, making it a wholly-owned subsidiary.



SPINELL HOMES

CUSTOMER HIGHLIGHT



Spinell Homes is a family-owned and -operated company that has been building homes for Alaska families for more than 30 years. “Family is the heart of everything at Spinell Homes,” says Chuck Spinelli, who runs the company with his wife, Jackie, and children, Andre and Lauren. “The Spinell family extends beyond my immediate family; we’re a close-knit company. We are passionate about providing Alaskan families with homes. We’re honored Alaskans trust us with this responsibility.”

Spinell Homes began its relationship with Northrim in 2008, when the nationwide recession caused many banks to limit loans. “Alaska didn’t experience the recession in the same way; Alaskans were still buying and building homes,” Spinelli says. “Northrim stepped up for Spinell Homes, and other builders, and offered the construction loans we needed to build more homes to support our community.”

Like Northrim, Spinell Homes is dedicated to continual improvement, setting a high bar for other Alaska homebuilders. “By being part of a national network of homebuilders, we’re aware of innovative trends in our industry. We also work with the most talented subcontractors in Alaska,” Spinelli says.

Customer service is also very important to Spinell’s success. “We became the biggest builder in Alaska by not only

providing Alaskans with a home they’re proud of, but by making the experience enjoyable. It’s this commitment to customer service and satisfaction that has helped us build over 3,400 homes,” Spinelli explains. “It’s important to work with companies, like Northrim, that share these values.”

Spinell Homes shares Northrim’s deep commitment to the community, supporting organizations such as the American Cancer Society, Children’s Lunchbox and AWAIC. “With our success, we need to build much more than homes for Alaskans; it’s our responsibility to create a community. We don’t just build homes here; we live in Alaska. We want to live in a thriving, vibrant community,” Spinelli says.

“Chuck has built the ultimate family company serving Anchorage and the Mat-Su Region housing needs while creating stable, reliable jobs for many Alaskans,” says Joe Moran, Northrim Bank Assistant Vice President, Construction Loan Officer. “Northrim is lucky to play a small part in that for him.”



CARING FOR OUR COMMUNITY

Northrim had a strong year in 2020, which allowed us to not only maintain, but increase our community support, branching out from our usual giving and opening up our focus areas to include health- and wellness-oriented entities.

Understanding the drastic changes faced by Alaska's nonprofits, we remained flexible, offering some of the organizations we support the option of receiving their contributions earlier in the year, and continuing funding to organizations when events were canceled or postponed.

Seeing the need created by the pandemic, we made additional contributions to the Foraker Group, Providence Alaska Foundation, and the AK Can Do Fund to support the work being done to assist the most vulnerable in our communities.

We continued our support of the University of Alaska statewide system, and made a special contribution to the University of Alaska Anchorage athletics program, which is faced with cutting several of its sports teams due to budgetary concerns.

We remained involved with Junior Achievement, as well as our school-business partnerships in Anchorage, Fairbanks, the Mat-Su Region, Eagle River and Southeast Alaska. We found creative ways to support our customers and other local small businesses, and encouraged our employees to patronize them as well.

Northrim employees showed their generous spirit in our annual United Way campaign, raising \$140,000, an 18% increase from 2019. While volunteering required extra safety measures this year, Northrim employees continued to give generously of their time, volunteering over 1,000 hours in their local communities last year.



2015

Northrim celebrated 25 years of serving Alaskans and founder Marc Langland retired.



2018

Northrim opened Eastside Community Branch to expand to East Anchorage.



E.C. PHILLIPS & SON

CUSTOMER HIGHLIGHT



Established in 1926, E.C. Phillips & Son is nearing 100 years as an Alaska seafood processor. From its plant along the Ketchikan waterfront, the company produces a wide range of high-quality seafood products, sourced from top-quality local harvesters.

“We pride ourselves on processing seafood in Alaska in an age where most products are exported out of state,” says Paul Cyr, E.C. Phillips General Manager.

E.C. Phillips started as a family business, and has maintained that culture as it has grown. Similar to Northrim, the company’s family focus extends to its employees, customers and community. “We focus on hiring locally to help our local economy and families first. We also support local athletics and youth programs,” Cyr says.

Also like Northrim, E.C. Phillips believes in the value of long-standing relationships. “A superior product with great customer service keeps our business healthy and our customers confident. Our harvesters can count on fair prices and knowing we are there for them. Quality starts with them; their success is our success,” Cyr says.

Shared values and geography were important considerations when transitioning its banking relationship to Northrim in 2020. “We wanted a bank with a local presence that would be available to personally assist us,” Cyr says. “It is important that we align ourselves with businesses that are like minded. Sharing these values helps all to invest in the community and

support the local economy so our families have a place to thrive and grow.”

“They wanted a bank that understands their business and what’s going on locally,” adds Jason Gentry, Northrim Bank Vice President and Lending Branch Manager at the Ketchikan Financial Center. “That is encouraged and embraced at Northrim. I’ve enjoyed learning and working with an industry so crucial to Alaska’s economy.”

In a challenging year, E.C. Phillips was appreciative of Northrim’s help. “Northrim provided excellent assistance and expertise,” Cyr says. “The service provided to us in the short time we have been working with them has exceeded our expectations.”

HONORED FOR OUR EFFORTS



Northrim was honored with several accolades in 2020 for our work in affordable housing, supporting small businesses, and customer service.

Our employees' passion for making the communities where they live and work a better place shines through in projects like the Ch'anikna Commons. This was a blighted development in Anchorage that we worked with Cook Inlet Housing Authority (CIHA) and the Anchorage Community Land Trust to renovate into 21 affordable housing units, including five homes set aside for homeless individuals. We were honored to receive the 2020 Charles L. Edson Tax Credit Excellence Award for the project, the latest completed through our long-standing relationship with CIHA.

In 2020, the U.S. Small Business Administration (SBA) named Northrim the 2019 SBA Alaska Community Lender of the Year for our commitment to providing financial assistance to Alaska's small business owners. As an SBA lending partner, we approved 20 SBA loans totaling \$5.87 million during the 2019 federal fiscal year, providing access to capital for Alaskan entrepreneurs, which allowed them to grow and create jobs. We demonstrated our continuing commitment to Alaska's small businesses in 2020 as the top provider of PPP loans in the state.

We were also named the 2020 Best-In-State Bank by Forbes for the second year in a row. Out of 5,400 U.S. banks, Forbes recognized 135 unique banks, with Northrim being the only bank in Alaska to receive the honor. We look forward to continuing our partnership with Alaskans by powering the businesses that power Alaska.



2019

Northrim opened a branch on the Kenai Peninsula. Soldotna Financial Center opened in the summer and is located next to a Residential Mortgage office.



2020

Northrim Bank reached \$2.1 billion in assets.

MADE POSSIBLE BY OUR PEOPLE



Receiving awards and accolades reminds us that our success is made possible by the employees who make up Northrim. We recognize our employees for their hard work and dedication to consistently providing Superior Customer First Service. This has been a cornerstone of who we are and what we've accomplished over the past 30 years.

Each year, we present our Customer First Service Awards to acknowledge members of the Northrim family who have gone

above and beyond in serving customers. Selecting our 2020 recipients was particularly challenging, as the past year provided the opportunity for so many employees to stand out and shine in their service to our customers and the community.

We honor our 2020 Customer First Service Award recipients, and thank them and the many other employees throughout the Bank for their dedication and genuine care for their jobs, their co-workers and the customers they serve.



Chris Chambos
AVP, Retail & Investment
Services Manager,
Eastside Community
Branch



Christy Lawrence
Assistant Branch
Manager,
Eagle River Branch



Dancia Shirayev
AVP, Loan Officer,
Anchorage



Ian Sikeo
Assistant Branch
Manager,
Eastside
Community Branch



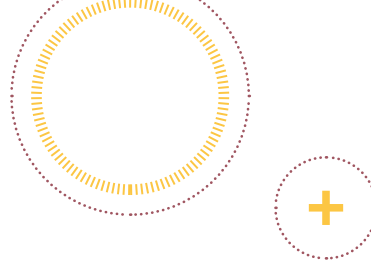
Jason Criqui
SVP, Commercial
Lending Manager,
Anchorage



Jonathan Tibbs
VP, Commercial Loan
Officer,
Fairbanks



Julia Pleiness
Support Operator
Electronic Banking



EXPERIENCED LEADERSHIP, EXCEPTIONAL SERVICE

Our executive and senior management teams offer a breadth of talent from diverse fields, a deep level of expertise, and strong commitment to service. The Bank directly benefits from their longevity at Northrim, experience in the industry, and connections in the community.

Our leadership team has an average of 14 years at Northrim and 25 years in the banking industry. We are grateful for their continued leadership and expertise that helps guide the future of the Bank.

2020 was a remarkable year and we thank our shareholders, customers, employees, vendors and all those who helped us achieve so many successes with grace, kindness and an extraordinary sense of purpose.

Dan Lowell, SVP-Division Manager, passed away in February 2021. Dan was instrumental in creating Northrim Funding Services (NFS) upon joining the Bank in 2004 and built the division into a key part of our organization. With his leadership, the NFS team grew in Bellevue, Washington, delivering a high level of service to its customers located in Alaska and throughout many of the western United States. Over the last 16 years, Dan worked closely with many throughout the Bank and leaves a legacy of hard work, keen attention to detail, passion, and an always positive attitude.



EXECUTIVE GROUP



Joe Schierhorn
*Chairman, President &
Chief Executive Officer*



Mike Martin
*EVP, Chief Operating
Officer, General
Counsel & Corporate
Secretary*



Jed Ballard
*EVP, Chief Financial
Officer*



Mike Huston
*EVP, Chief Lending
Officer*



Amber Zins
*EVP, Chief
Administration Officer*



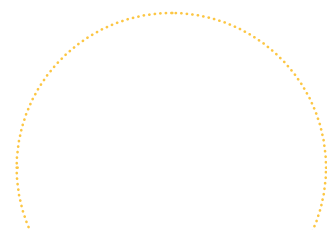
Audrey Amundson
*EVP, Director of Accounting,
Treasury & Financial
Planning*



Benjamin Craig
*EVP, Chief
Information Officer*



Mark Edwards
*EVP, Chief Credit Officer
& Bank Economist*



SENIOR MANAGEMENT



Barb Ervin
SVP, Director of
Business Applications



Carolyn Jennings
SVP, Retail Banking
Manager



Catherine Claxton
SVP, Real Estate
Lending Manager



Cindy Fields
SVP, Internal Audit
Director



Dan Lowell
SVP, Northrim Funding
Services Division
Manager



Jason Criqui
SVP, Commercial
Lending Manager



Joe Gelione
SVP, Commercial Loan
Unit Manager



Kari Skinner
SVP, Marketing &
Communications
Director



Katie Bates
SVP, Director of
Electronic Channels



Latosha Frye
SVP, Corporate
Accounting Manager



Linda Uttech
SVP, Director of
Facilities Operations



Suzanne Whittle
SVP, Compliance
Manager



Tammy Kosa
SVP, Regional Market
Manager



TJ Alinen
SVP, Human
Resources Director

BOARD OF DIRECTORS



Joe Schierhorn
Director since 2016



Larry Cash
Director since 1995



Anthony Drabek
Director since 1991



Karl Hanneman
Director since 2014



David Karp
Director since 2015



David McCambridge
Director since 2011
Chairman,
Audit Committee



Krystal Nelson
Director since 2015
Chairman,
Compensation Committee



Aaron Schutt
Director since 2018



John Swalling
Director since 2002
Lead Director
Chairman, Governance &
Nominating Committee



Linda Thomas
Director since 2014



David Wight
Director since 2006

Joe Schierhorn
Chairman, President, CEO and COO,
Northrim Bancorp, Inc.
Chairman, President and CEO,
Northrim Bank

Larry Cash
Founder and Chair RIM Architects, LLC
(President from 1986-2016)
Executive Committee/Director
Anchorage Economic Development
Corporation (Emeritus)
Member/Manager of RIM Investments,
LLC
Board Trustee of Alaska Pacific
University (Emeritus)

Anthony Drabek
Director, Koniag, Inc., an Alaska Native
Corporation, 2019-2020; Secretary
since 2021
President and CEO, Natives of Kodiak,
Inc., an Alaska Native Corporation,
from 1989-2010
Chairman, Koncor Forest Products
Company, from 1986-2010 and President
from 2001-2010

Karl Hanneman
CEO and Director, International Tower
Hill Mines Ltd. (COO from 2015-2016,

Alaska General Manager from 2010-
2015)
Director, Fairbanks Chamber of
Commerce since 2010
Director, Usibeli Coal Mine, Inc. since
2011
Director, Sunshine Silver Mining &
Refining Corp. 2018-2019
Director, Gatos Silver, Inc. 2020-Present

David Karp
SVP, Managing Director, Alaska Saltchuk,
since 2019
President and CEO, Northern Aviation
Services, Inc. from 2011-2018
Director, Alaska Communications
Systems, Inc. since 2011
Director, Anchorage Economic
Development Corporation
Director, Alaska Resource Education

David McCambridge
Audit Partner, KPMG LLP, from
1978-2010
Director and Treasurer of the Tanaka
Foundation from 1985-2015
Director, Great Alaska Council Boy
Scouts of America, from 1993-2012
Director Alaska Kidney Foundation
(since 1999) and President

Krystal Nelson
EVP and COO, Bering Straits Native
Corporation since 2014
SVP and COO, Ahtna Engineering
Services from 2007-2014
Recipient of Alaska Top 40 under
40 Award in 2004

Aaron Schutt
President and CEO, Doyon Limited,
an Alaska Native Corporation
since 2011 (COO from 2008-2011
and SVP from 2006-2011)
Director, Akeela, Inc., since 2001 and
Chair since 2018
Director, Alaska Native Heritage Center
from 2012-2019
Director, ANCSA Regional Association
and Chair since 2018
Board of Managers for Doyon Utilities,
LLC since 2007

John Swalling
Founder, Swalling & Associates, PCC,
an accounting firm, from 1991-2020
Director of Swalling Construction Co.,
Inc., from 1975-2018
Ernst & Young LLP, Partner from 1984-
1991
Director and past Chairman, Providence

Health & Services Alaska, from 1998-2019
Director and past Chairman, Visit
Anchorage, from 1986-2019
Director and Vice Chairman, CIVIC
Ventures, from 2005-2019

Linda Thomas
CEO, VP and Director, Alaskan Brewing &
Bottling Co. and its subsidiaries
since 2016 (CFO from 1994-1996,
COO from 1996-2016)
Member and Past President, Juneau
Chamber of Commerce
Co-Chair, Mayor's Task Force for
Economic Stabilization Juneau (2020)

David Wight
President and CEO, Alyeska Pipeline
Service Company from 2000-2005,
following a 41-year career with the
Amoco Corporation, which became
BP in 1999
Director, Storm Cat Energy from 2006-
2010
Director, Alaska Gasline Development
Corporation since 2016
Director, Commonwealth North
Director, United Way of Anchorage
Past Director and Chair of Providence
Alaska and UAA Chancellor's Advisory

NORTHRIM BANK OFFICERS

EXECUTIVE VICE PRESIDENTS

Amber Zins, Chief Administrative Officer²
Audrey Amundson, Director of Accounting, Treasury & Financial Planning⁶
Benjamin Craig, Chief Information Officer²
Jed Ballard, Chief Financial Officer
Joseph Schierhorn, Chairman, President & Chief Executive Officer⁶
Mark Edwards, Chief Credit Officer & Bank Economist²
Michael Huston, Chief Lending Officer
Michael Martin, Chief Operating Officer, General Counsel & Corporate Secretary¹

SENIOR VICE PRESIDENTS

Barbara Ervin, Director of Business Applications³
Carolyn Jennings, Retail Banking Manager⁵
Catherine Claxton, Real Estate Lending Manager⁵
Cynthia Fields, Internal Audit Director
Daniel Lowell, SVP, Northrim Funding Services Division Manager³
Jason Criqui, Commercial Lending Manager¹
Joseph Gelione, Commercial Loan Unit Manager¹
Kari Skinner, Marketing & Communications Director
Kathleen Bates, Director of Electronic Channels³
Latosha Frye, Corporate Accounting Manager²
Linda Uttech, Director of Facilities Operations¹
Suzanne Whittle, Compliance Manager⁴
Tammy Kosa, Regional Market Manager I³
Thomas Alinen, Human Resources Director

VICE PRESIDENTS

Adam Baxter, Commercial Loan Officer V¹
Aili Peyton-Jalbert, Commercial Cash Management Officer
Allen Hippler, Commercial Loan Officer V¹
Anita DeVore, Regional Sales & Service Manager⁴
Annette DeLong, Construction Loan Unit Manager¹
Bruce Tretzen, NFS Relationship Manager¹
Cynthia El-Khoury Hanna, Loan Documentation Manager
Darci Ornellas, Regional Sales & Consumer Lending Manager⁵
David Byrne, Loan Officer IV
Douglas Frey, Security & Business Continuity Manager & Information Security Officer
Erick Stoeckle, Enterprise Architecture Manager¹
Gerlie Monta-Guevarra, Branch Manager II¹
Jaime Kissner, Commercial Loan Officer IV
James Beasley, Electronic Banking Manager¹
James Richards, Business Development Officer - Relationship Manager II¹
James Stewart, Loan Officer V
Jason Gentry, Lending Branch Manager
Jeanine Lillo, Controller³
Joann Thayer, Commercial Cash Management Officer³
John Damjanovich, Commercial Real Estate Loan Officer V
Jonathan Tibbs, Commercial Loan Officer IV
Josh King, Assistant Division Manager²
Jyah Gitomer, Call Center Manager
Kathleen Martin, Construction Loan Officer V⁴
Kelly Lykins-Longlet, Risk Manager³
Kelly McCormack, Lending Team Lead³
Kimberly Farrell Brewington, Commercial Cash Management Officer⁴
Lisa Adams, NFS Operations Manager²
Loren Olsen, Lending Branch Manager
Lynn Wolfe, Loan Operations Manager⁵
Mark Anderson, Commercial Loan Officer IV
Michael Dye, Lending Branch Manager II
Mildred Sy, Special Credits & Loan Servicing Manager²
Nathaniel Olmstead, Data Analytics Manager¹
Nicole Pintsch, Controller of Financial Reporting²
Phillip Reid, Commercial Loan Officer V
Ryan Caldwell, Systems & Network Manager¹
Scotty Watkins, Lending Team Lead
Sean Christian, Strategic & Planning Manager³
Sue Wolfe, Commercial Real Estate Loan Officer V¹
Timothy Breedon, Commercial Loan Officer IV
William Simpson, Collections Supervisor²



ASSISTANT VICE PRESIDENTS

Angela Bradford, Community Development & Loan Compliance Manager¹
Aracelis Bell, NIS Relationship Banker³
Benjamin Schulman, Loan Officer III²
Bessie Paraoan, Special Credits Officer I³
Blake Rod, Branch Manager I
Brian Leonard, Branch Manager II¹
Christopher Chambos, Retail & Investment Services Manager¹
Danicia Shiryayev, Loan Officer III
Dawn Hoxie, Branch Manager II⁵
Delores Siah, Branch Manager II¹
Diana Soliday, Branch Manager II³
Eileen Kehoe, Mortgage Servicing Manager
Erika Bills, Business Banker III⁵
Erin Gage, Retail Banking Operations Manager⁴
Esther Fouts, Accounting Supervisor⁵
Fanny Cost-Ryland, Business Banker III
James Larson, Special Credits Officer II
Jill Milham, Retail Banking Operations Assistant Manager²
Joseph Moran, Construction Loan Officer III¹
Judith Schnese, Audit Manager²
Katherine Bender, Community & Public Relations Manager¹
Kathleen Stilwell, Card Services Manager
Katreena Little, Branch Manager I²
Kelly Reynolds, Security Manager²
Kristi Dent, Consumer Lender II
Lawrence Gluck, Loan QA Officer¹
Lindsay Atkins, Branch Manager I¹
Maia Hernandez, Branch Manager II¹
Marsha Fry, Commercial Real Estate Loan Officer III⁵
Maureen Swartwood, Branch Manager II
Micah Scott, BSA & Deposit Compliance Manager²
Reynold Udarbe, Branch Manager I¹
Rick Pinkerton, Loan Review Officer³
Rodlynn Smallwood, Operations Support Manager⁴
Seane English, Credit Administration Operations Manager¹
Susan Stenstrom, Assistant Corporate Secretary²
Tammi Whistler, Loan Administrative Officer¹
Teresa Saaiman, Branch Manager I¹
Terre Lefebvre, Merchant Relationship Manager³
Yana Milette, Electronic Banking Operations Manager¹

OFFICERS

Amanda Maly, Consumer Lender II
Astrid Erdman, Business Banker I
Brigitte Lampert, Assistant Branch Manager²
Christina Clayton, Assistant Branch Manager II
Christina Lawrence, Assistant Branch Manager II⁴
Cindy Cheely, Business Banker II⁴
Criselda Parrocha, Business Banker I⁴
Dagmar Sanchez, Senior Training Specialist⁵
Daisy Arce, Assistant Branch Manager¹
Deatrice Swazer, Senior Real Estate Valuation Officer³
Deborah Bolton, Assistant Branch Manager II²
Donna Fountain, Assistant Branch Manager²
Elias Wilterding, Credit Administration Officer¹
Fejie Monta-Carandang, Assistant Branch Manager¹
Heidi Hurben, Assistant Branch Manager
Jay Gilling, Security Officer¹
Jodie Stone, Assistant Branch Manager
Johnico Bashford-Blumer, Assistant Branch Manager
Joohee Ok, Call Center Assistant Manager¹
Kevin Anderson, Corporate Training Manager
Ki Lee, Assistant Branch Manager
Kiersten Russell, Loan Officer II¹
Kyle Hernandez, Assistant Branch Manager
Lillian Owens, Loan Officer II¹
Liza David, Assistant Branch Manager²
Maricel Bratcher, Assistant Branch Manager³
Mary Fox, Special Credits Associate Officer³
Melissa Galloway, Loan Officer/Business Banker
Milagros Castiglione, Business Banker I³
Neddie Manabat, Assistant Branch Manager II¹
Nicole Mariman, Operations Support Assistant Manager⁴
Pamela Oberts, Assistant Branch Manager
Paula Duracinski, Facilities Manager⁴
Rosemarie Yadao, Assistant Branch Manager¹
Sarah Maycock, Electronic Banking Support Manager
Sathiane Sikeo, Assistant Branch Manager II³
Stephanie Love, Marketing & Sales Manager
Tiana Allen, Special Credits Associate Officer

AVP and above as of 1/30/2021: ¹ ≥ Five-year employee, ² ≥ Ten-year employee,
³ ≥ Fifteen-year employee, ⁴ ≥ Twenty-year employee, ⁵ ≥ Twenty-five-year employee,
⁶ ≥ Thirty-year employee

MISSION

TO BE ALASKA'S MOST TRUSTED FINANCIAL INSTITUTION

We are committed to adding value for our customers, communities, and shareholders.

VISION

TO BE ALASKA'S PREMIER BANK AND EMPLOYER OF CHOICE

We will be a leader in financial expertise, products and services, focused on continuous improvement and market growth.

VALUES

PROUD TO BE ALASKAN

We are Alaskan managed. We embody Alaska's frontier spirit and values, and strongly support our communities.

SUPERIOR CUSTOMER FIRST SERVICE

We have a sincere appreciation for our customers. We want to build lasting customer relationships through professional, prompt, and caring service.

GROWTH

We look for growth opportunities for our customers, our institution and our employees. We strive to be better, personally and professionally.

INTEGRITY

We are trustworthy, reliable, and ethical, and provide our customers with secure, confidential services. We do what is right.

WE ARE

ENGAGED

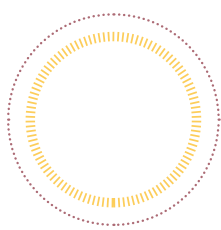
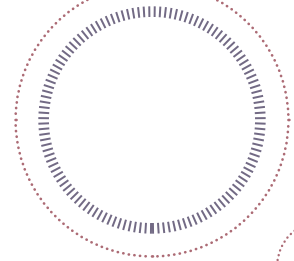
We achieve more because we are dynamic, proactive, and innovative.

ACCOUNTABLE

We take personal responsibility. We do what we say we will do.

ALIGNED

We value alignment within teams and across departments. Together we are stronger.



INFORMATION & ADDRESSES

ANNUAL MEETING:

May 27, 2021
Virtual Meeting

STOCK SYMBOL:

Northrim BanCorp, Inc. (NASDAQ: NRRM)

AUDITOR:

Moss Adams LLP

TRANSFER AGENT & REGISTRAR:

American Stock Transfer & Trust Company LLC
(800) 937-5449, info@amstock.com

LEGAL COUNSEL:

Davis Wright Tremaine LLP
Accretive Legal, PLLC

INVESTOR INFORMATION:

For stock information and SEC filings, copies of earnings and dividend releases, click on "Investor Relations" section at northrim.com

INVESTOR REQUESTS:

Call our Corporate Secretary at (907) 562-0062 or write Corporate Secretary, Northrim Bank
PO Box 241489, Anchorage, AK 99524-1489

This report has not been approved or disapproved for accuracy or adequacy by the Federal Deposit Insurance Corporation, Federal Reserve Bank, Securities and Exchange Commission, or any other regulatory authority.

An Equal Opportunity and Affirmative Action Employer. Qualified applicants and employees receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, age, national origin, physical or mental disability, protected veteran status, pregnancy, parenthood, marital status, changes in marital status, genetic information or any other status protected by federal, state or local law.

FINANCIAL SNAPSHOT ENDNOTES:

() Refer to the Company's Form 10-K at northrim.com for further discussion of non-GAAP ratios.*

(1) These unaudited schedules provide selected financial information concerning the Company's Form 10-K.

(2) Tangible book value per share is a non-GAAP ratio defined as shareholders' equity, less intangible assets, divided by common shares outstanding.

(3) Tangible common equity to tangible assets is a non-GAAP ratio that represents total equity less goodwill and intangible assets divided by total assets less goodwill and intangible assets.

(4) Tax-equivalent net interest margin is a non-GAAP performance measurement in which interest income on non-taxable investments and loans is presented on a tax-equivalent basis using a combined federal and state statutory rate of 28.43% in 2018 through 2020 and 41.11% in all other years presented.

(5) In managing our business, we review the efficiency ratio exclusive of intangible asset amortization, which is a non-GAAP performance measurement. The efficiency ratio is calculated by dividing other operating expense, exclusive of intangible asset amortization, by the sum of net interest income and other operating income.

(6) Number of banking offices does not include RML locations. 2020 number of banking offices includes 16 full service branches and 1 loan production office. 2018 number of banking offices includes 15 full service branches and 1 loan production office.

(7) FTE includes 312, 311, 320, 314, 321, and 317 Community Banking employees in 2020, 2019, 2018, 2017, 2016 and 2015, respectively. FTE includes 126, 120, 110, 115, 130, and 124 Home Mortgage Lending employees in 2020, 2019, 2018, 2017, 2016 and 2015, respectively.



CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, which are not historical facts. These forward-looking statements are, in effect, management's attempt to predict future events, and thus are subject to various risks and uncertainties. Readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. When used herein, the words "anticipate," "believe," "estimate," "expect," and "intend" and words or phrases of similar meaning are intended to help identify forward-looking statements. Although we believe that management's expectations as reflected in forward-looking statements are reasonable, we cannot assure readers that those expectations will prove to be correct as forward-looking statements are subject to various risks and uncertainties that may cause our actual results to differ materially and adversely from our expectations as indicated in the forward-looking statements. Many of these risks, as well as other risks that may have a material adverse impact on our operations and business, are identified in our filings with the Securities and Exchange Commission. Forward-looking statements contained herein are made only as of the date of this report, and Northrim does not undertake any obligation to release revisions to these forward-looking statements to reflect events or conditions after the date of this report.

*ANCHORAGE***Northrim Headquarters**

PO Box 241489
Anchorage, AK 99524
(907) 562-0062
(800) 478-2265 outside Anchorage
northrim.com

Eastside Community Branch

7905 Creekside Center Drive,
Suite 100

Huffman Branch

1501 E. Huffman Road

Jewel Lake Branch

4000 W. Dimond Blvd, Suite 02

Lake Otis Community Branch

2270 E. 37th Avenue

Midtown Financial Center

3111 C Street

Seventh Avenue Branch

517 W. 7th Avenue, Suite 300

Southside Financial Center

8730 Old Seward Highway

West Anchorage Branch

2709 Spenard Road

*EAGLE RIVER***Eagle River Branch**

12812 Old Glenn Highway, Suite C-3

*WASILLA***Wasilla Financial Center**

850 E. USA Circle, Suite A
(907) 376-0357

*FAIRBANKS***Fairbanks Financial Center**

360 Merhar Avenue
(907) 455-1111

Fairbanks West Community Branch

3637 Airport Way
(907) 452-5965
**Opened February 2021*

*SOLDOTNA***Soldotna Financial Center**

44384 Sterling Highway, Suite 101
(907) 260-7669

*KODIAK***Kodiak Loan Production Office**

2011 Mill Bay Road
(907) 481-1020

*JUNEAU***Juneau Financial Center**

2094 Jordan Avenue
(907) 790-5168

Juneau Downtown Branch

301 N. Franklin Street
(907) 586-1010

*SITKA***Sitka Financial Center**

315 Lincoln Street, Suite 206
(907) 747-6252

*KETCHIKAN***Ketchikan Financial Center**

2491 Tongass Avenue
(907) 225-4545

*BELLEVUE, WASHINGTON***Northrim Funding Services**

170 120th Avenue N.E., Suite 202
PO Box 50245
Bellevue, WA 98015
(425) 453-1105

*HOME MORTGAGE LENDING***Residential Mortgage, LLC**

Headquarters
100 Calais Drive
Anchorage, AK 99503
(907) 222-8800
residentialmtg.com
10 locations statewide

*AFFILIATED COMPANIES***Northrim Investment Services**

3111 C Street
Anchorage, AK 99503
(907) 562-0062

**Pacific Portfolio Consulting, LLC
and Pacific Portfolio Trust Company**

Columbia Center
701 5th Avenue, Suite 6850
Seattle, WA 98104
(206) 623-6641
pacific-portfolio.com

