



Third Quarter 2021 Investor Presentation



Alpine Bank

INDEPENDENCE · COMMUNITIES · COMPASSION · INTEGRITY · LOYALTY

Member FDIC



Forward Looking Statements

- This presentation contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make regarding our evaluation of macro-environment risks, Federal Reserve rate management, and trends reflecting things such as regulatory capital standards and adequacy. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact or guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statement include:
 - the ability to attract new deposits and loans;
 - demand for financial services in our market areas;
 - competitive market-pricing factors;
 - the adverse effects of public health events, such as the current COVID-19 pandemic, including governmental and societal responses;
 - statements regarding the expected impact of the stock split of our Class B common shares in December 2020;
 - deterioration in economic conditions that could result in increased loan losses;
 - actions by competitors and other market participants that could have an adverse impact on our expected performance;
 - risks associated with concentrations in real estate-related loans;
 - market interest rate volatility;
 - stability of funding sources and continued availability of borrowings;
 - risk associated with potential cyber threats;
 - changes in legal or regulatory requirements or the results of regulatory examinations that could restrict growth;
 - the ability to recruit and retain key management and staff;
 - the ability to raise capital or incur debt on reasonable terms; and
 - effectiveness of legislation and regulatory efforts to help the U.S. and global financial markets.
- There are many factors that could cause actual results to differ materially from those contemplated by forward-looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.





Table of Contents

About Alpine Banks of Colorado.....	4
Key Differentiators.....	16
Financial Information.....	27





Alpine Banks of Colorado



**Alpine Banks of Colorado Headquarters
Glenwood Springs, Colorado**





Alpine Banks of Colorado

Summary Information

(unaudited)

Founded	1973
Ticker	ALPIB
Total Assets	\$6.11 Billion
Total Deposits	\$5.49 Billion
Gross Loans	\$3.32 Billion
Employees	785
Locations	38
ROA	1.09%
ROE	15.64%





Financial Ratios for the Quarter ended 9/30/21

(unaudited)

Net Income Growth	24.56%
Annualized Deposit Growth	26.59%
Annualized Loan Growth	2.56%
Efficiency Ratio	62.10%
Net Interest Margin (TE)	3.25%
NPA's to Total Assets	0.08%
Total Risk Based Capital	15.01%





Alpine Banks of Colorado

Stock Information as of 9/30/21

- Class B Non-Voting Common Stock
 - Traded on OTCQX® Best Market
 - Ticker: ALPIB
 - 7,529,502 shares outstanding
 - 150 for 1 stock split occurred 12/1/20
 - Dividends set at 1/150th of dividends on Class A Voting Common Stock
 - All transactions are existing outstanding shares. No new shares are being issued.
- Class A Voting Common Stock
 - 52,460 shares outstanding
 - Subject to Shareholders Agreement

Employee Ownership

- Employee Stock Ownership Plan (ESOP) formed in 1983
- ESOP owns 22.8% of outstanding Class A Voting Common Stock as of 9/30/21
- Employees, Directors and their families own another 59% of voting shares through individual ownership as of 9/30/21

Source: Internal company reports as of 9/30/21





Vision, Mission and Values

Vision

“Alpine Bank will be the preferred financial services provider for individuals and businesses in the communities we serve in Colorado.”

Mission

“To help our customers, employees, shareholders and community members achieve their dreams.”

Values

Independence

Integrity

Community

Loyalty

Compassion





Executive Leadership

<u>Name</u>	<u>Title</u>	<u>Tenure at Alpine</u>
J. Robert Young	Founder and Chairman	48 Years
Glen Jammaron	President and Vice Chairman	36 Years
Glenn Davis	Chief Retail Officer	33 Years
Tom Kenning	Chief Administration Officer	26 Years
Andrew Karow	Chief Digital Officer	25 Years
Rachel Gerlach	Chief Credit Officer	24 Years
Eric A. Gardey	Chief Financial Officer	32 Years





Board of Directors

Raymond T. Baker

Owner, Real Estate Management Firm

Stephen Briggs

Former Banking Executive

John W. Cooper

Marketing and Leadership Consultant

Wally Dallenbach

Professional Motor Racing Executive

Glenn Davis

Chief Retail Officer

Terry Farina

Attorney at Law

Norm Franke

President, Front Range Region

L. Kristine Gardner

Former Banking Executive

Peter N. Guy

Investments

Glen Jammarron

Vice Chairman and President

Thomas H. Kenning

Chief Administration Officer

Stan Kornasiewicz

Investment Consultant

Steve Parker

Colorado Banking Leader

R. Bruce Robinson

Former Banking Executive

H. David Scruby

Former Banking Executive

Rodney E. Slifer

Vail Realtor

J. Robert Young

Founder and Chairman

Margo Young-Gardey

Former Banking Executive

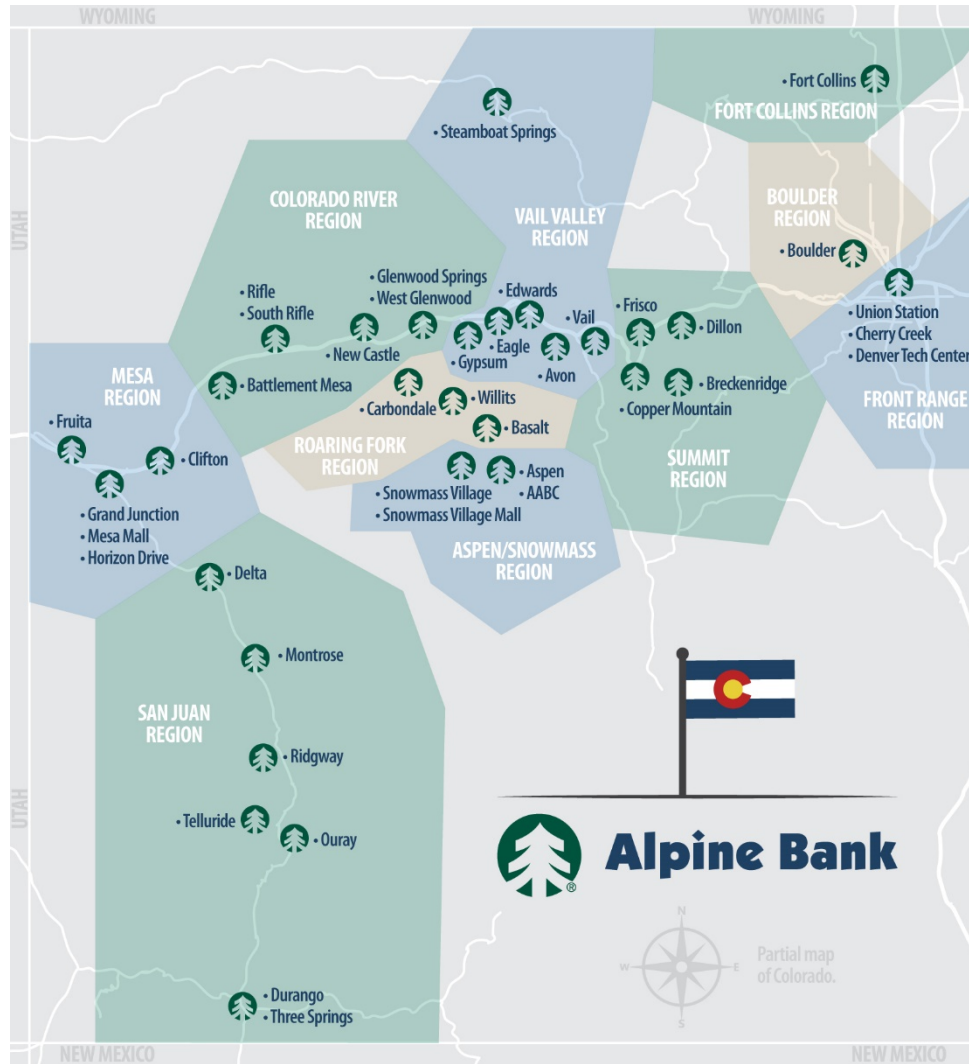
Linda Childears

Retired President & CEO – Daniels Fund





Branch Network





Community Involvement

- **Loyalty Debit Card Collection**
 - Debit card collection benefits local organizations supporting the community
 - Ten cents per transaction donated to the program
 - \$1.6 million donated to the program in 2020
 - Over \$1.4 million donated through September 2021
- **Other Donations**
 - \$2.4 million donated in 2020 above and beyond the Loyalty Debit Card program
 - Over \$1.9 million donated through September 2021
- **Federal Employee Loans**
 - Interest-free loans made to federal employees impacted by the 2019 government shutdown
 - Third time in history we have run this program
- **Volunteer Time**
 - All employees receive three paid days off annually for volunteer efforts
 - Over 12,300 hours of volunteer time reported in 2019 and over 5,000 hours in 2020
 - Nearly 7,000 hours of volunteer time reported through October 2021

Source: Internal company reports as of 9/30/21





Environmental Initiatives

- **ISO Certification**
 - International Organization for Standardization (ISO) 14001 certification for environmental management since 2006
- **Green Team**
 - Grassroots employee-driven initiative started in 2005 to improve environmental practices
- **Renewable Energy**
 - All electricity generated from renewable sources or offset by Renewable Energy Credits
- **Environment Loyalty Debit Card**
 - Ten cents per transaction donated to local environmentally-focused organizations





Focus on Customer Service

- CARE
 - Connect, Ask Questions, Recommend, Exceed
 - Our commitment to deliver exceptional service and solutions that enhance our customers' experience
- Net Promoter Score
 - Net Promoter Score measures percentage of customers that would recommend a brand
 - Alpine Bank's Net Promoter Score was 77 in 2020, compared to an average Net Promoter Score of 36 for the banking industry in 2020





Employee Volunteers in Action





Key Differentiators

- COVID-19 Response
- Core Deposit Base
- Diversified Loan Portfolio
- De Novo Market Expansion
- Talent Development
- Operational Efficiency
- Noninterest Income





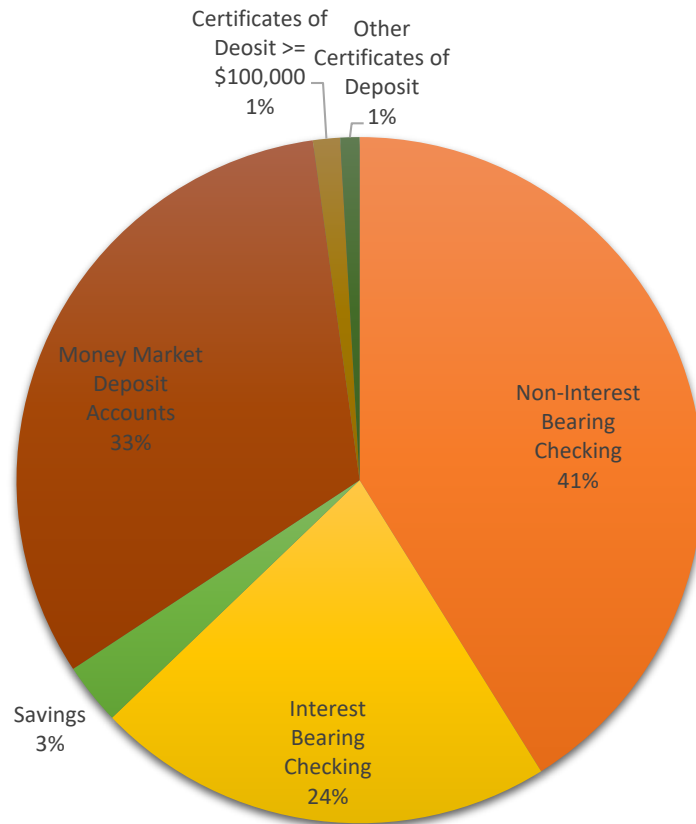
COVID-19 Response

- Branches
 - Lobbies were closed from late March 2020 to mid June 2020. All lobbies now open daily
- Employees
 - Substantial number of employees worked from home, ranging between 400-450 on any given day
 - Additional sick leave available
 - Personal protective equipment and daily health screenings required for all employees working from an Alpine Bank facility
 - Majority of backroom personnel returned to the office on a hybrid schedule in July 2021
- Paycheck Protection Program
 - Began accepting applications Sunday, April 5, 2020 from existing customers only
 - Approved and funded 3,997 loans for \$305 million in Round 1 of PPP.
 - Alpine has funded with on balance sheet liquidity
 - Forgiveness process for Round 1 PPP loans has begun
 - Also participated in Round 2 of PPP beginning January 20, 2021
 - Approved and funded 1,632 loans for \$147 million in Round 2 of PPP as of March 31, 2021
- Loan Payment Deferral Program
 - Began on March 20, 2020
 - All current borrowers eligible for a 90 day deferral of interest and principal
 - Deferred amounts are added to the back of the loan for payment at maturity
 - 1,602 loans for \$823 million originally took advantage of the program
 - No loans remain on deferral as of September 30, 2021
- Subordinated Debt Issuance
 - Issued \$50 million in subordinated debt on June 11, 2020
 - Sixteen separate investors purchased portions of the offering
 - Proceeds will be held to enhance capital during this uncertain time
 - \$30 million was injected into the bank subsidiary in December 2020

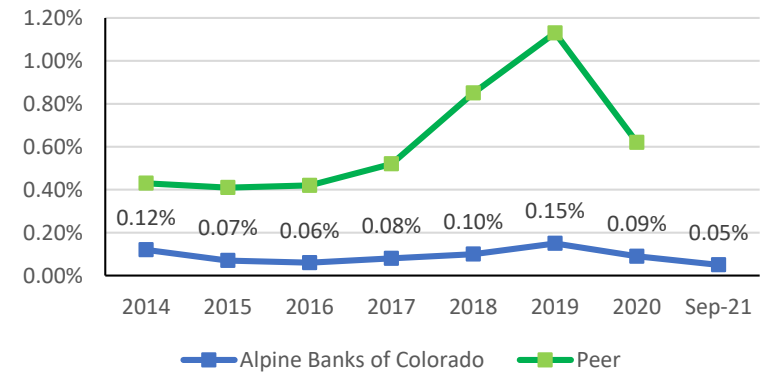




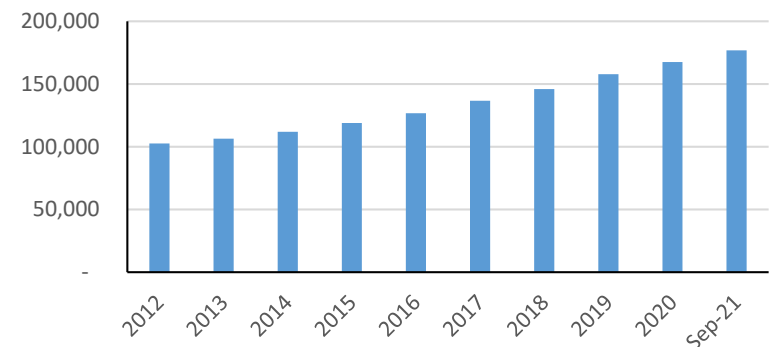
Core Deposit Base



Cost of Interest-Bearing Deposits



Total # of Deposit Accounts



Information as of December 31 for the year indicated, except 9/30/21

Peer group for all data in this presentation consists of bank holding companies with consolidated assets between \$3 billion and \$10 billion per the Federal Reserve's Bank Holding Company Performance Report

Source: Bank holding company regulatory report for the quarter ended 9/30/21 and internal company reports





Colorado Deposit Market Share

Statewide

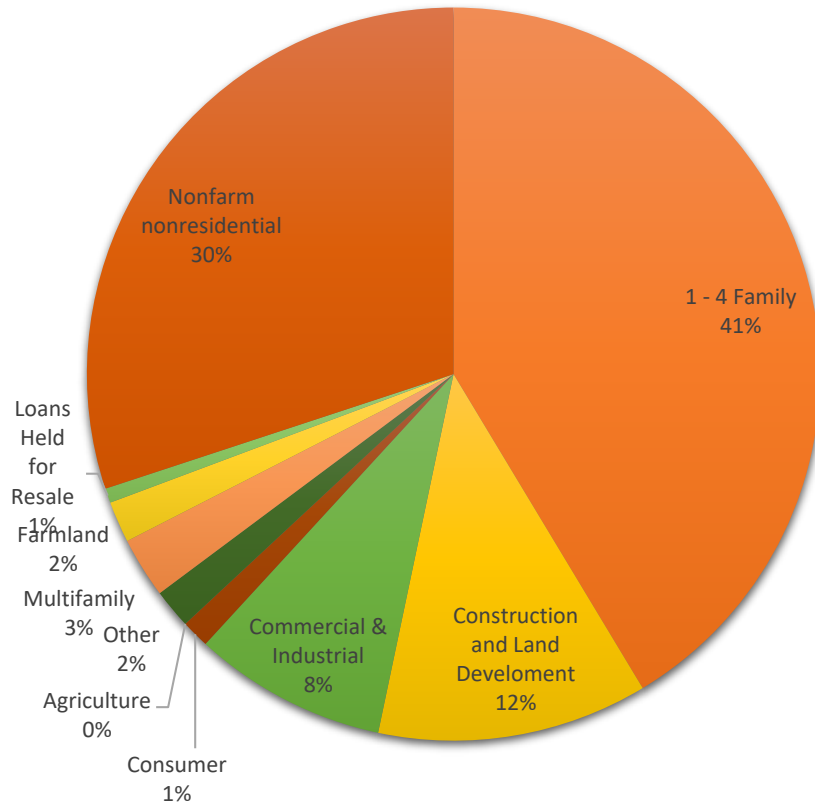
(as of June 30, 2021)

	Name	State (Headquarters)	Colorado Offices	Deposits (\$000)	Market Share
1	Wells Fargo Bank, N.A.	SD	135	40,877,203	20.73%
2	U.S. Bank N.A.	OH	110	24,228,295	12.29%
3	JPMorgan Chase Bank, N.A.	OH	118	23,902,153	12.12%
4	Firstbank	CO	91	22,860,335	11.60%
5	Bank of the West	CA	71	6,255,120	3.17%
6	Keybank, N.A.	OH	57	5,878,713	2.98%
7	Alpine Bank	CO	39	5,213,213	2.64%
8	Bank of Colorado	CO	48	5,071,141	2.57%
9	BOK, N.A.	OK	14	4,405,629	2.23%
10	Zions Bancorporation, N.A.	UT	33	4,398,585	2.23%

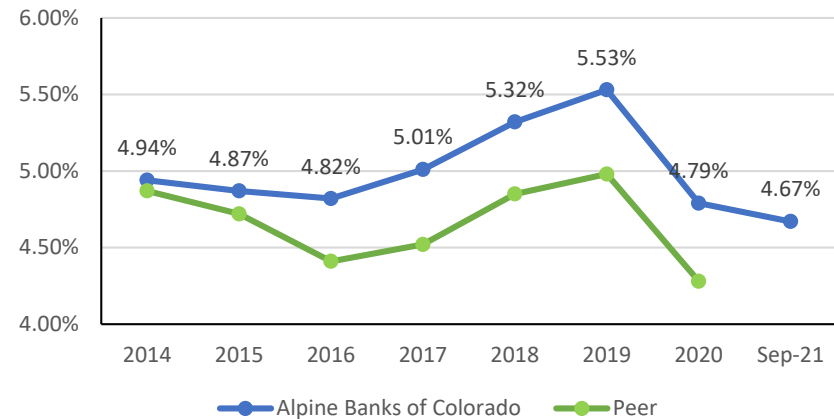




Diversified Loan Portfolio



Yield on Loans and Leases (TE)



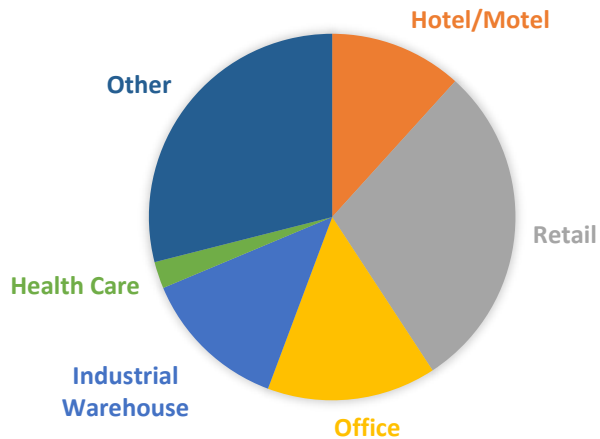
- 41% of loans are 1 to 4 Family
- 30% Commercial Real Estate (CRE) loans
- CRE concentrations are below regulatory guidance
- C & I growth is due to SBA PPP loans



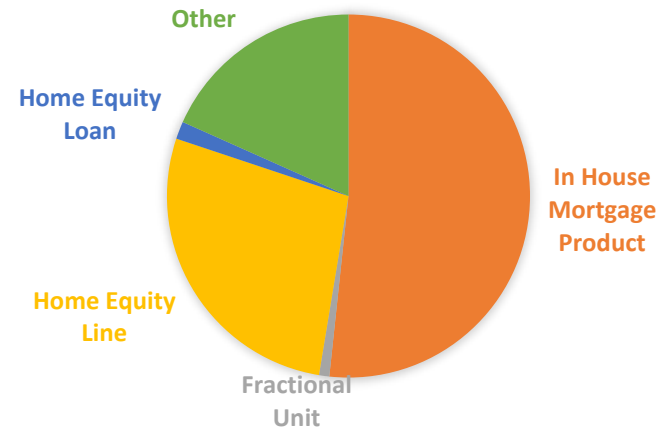


Loan Portfolio Segmentation

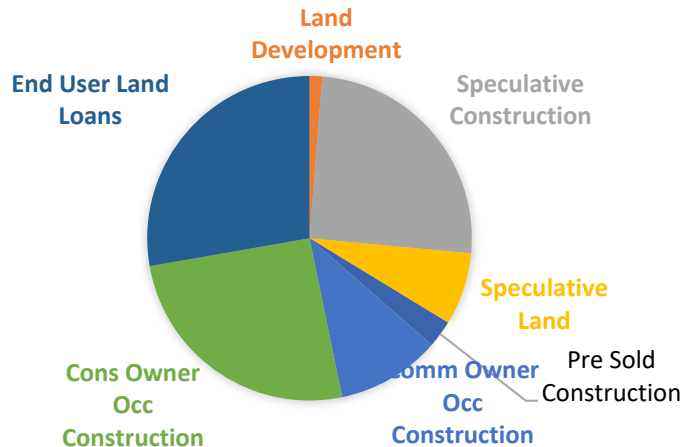
COMMERCIAL REAL ESTATE



1 - 4 FAMILY REAL ESTATE



CONSTRUCTION AND LAND DEVELOPMENT





Commercial and Industrial (C & I) Lending Expansion

- We have been building out a C & I Lending Department
- We believe there are strong opportunities in the Front Range market for C&I lending
- C&I lending employees come from a combination of outside hires and our existing lenders
- We have been building our C&I lending infrastructure since December 2017
- We are currently looking to grow our book of C&I lending business





De Novo Market Expansion

- Entered the Front Range market in 2014 with our Union Station Branch
- We now have 5 locations in Denver/Boulder/Fort Collins area
- Proactively adding to the lending staff within our current footprint
- Currently exploring new locations within Denver and along the Front Range
- A land lease has been finalized in Fort Collins for a future permanent branch
- Currently operating in Fort Collins as a Loan Production Office (LPO) out of a leased office space

Alpine Bank on the Front Range

- Union Station, Cherry Creek, and DTC branches have grown since opening:
 - Combined loans over \$565 million at 9/30/21
 - Combined deposits over \$390 million at 9/30/21
- Boulder branch opened in February 2019 :
 - Loans nearing \$155 million at 9/30/21
 - Deposits nearing \$55 million at 9/30/21
- Fort Collins LPO opened in July 2020:
 - Loans nearing \$50 million at 9/30/21





Talent Development

- Officer Trainees

- 48-year history of hiring and training our own officer staff
- One-year training program for recent college graduates
- 6 Officer Trainees hired in 2019, 8 hired in 2020 and 8 in 2021

- Leadership Development

- In-house, comprehensive Leadership Training Program
- Created and led by Starquest Group, industry experts in leadership and sales development

- Commitment to Training

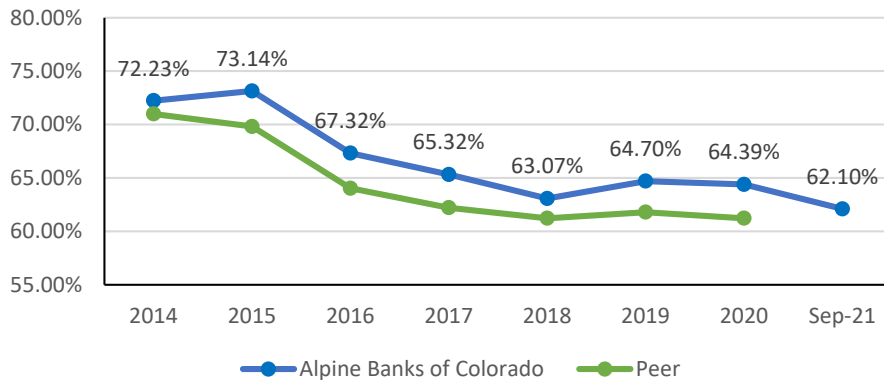
- Full-service internal training department
- Officers and employees are encouraged to engage in outside training related to their job functions
- Majority of officers attend the Graduate School of Banking at Colorado



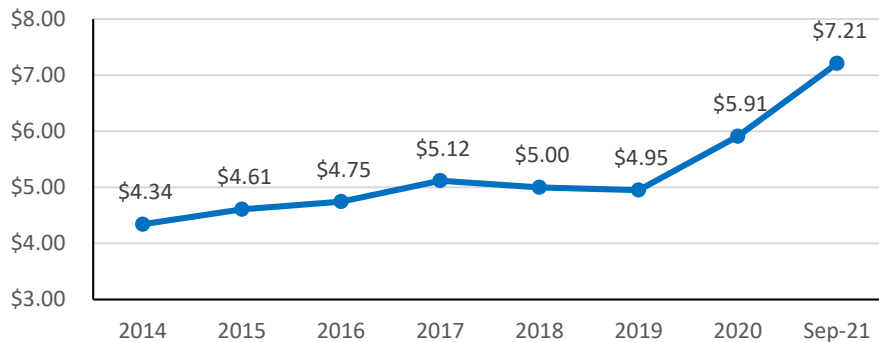


Operational Efficiency

Efficiency Ratio



Assets Per Employee
(in Millions)



Information as of December 31 for the year indicated, except for 9/30/21

- Efficiency Ratio rising with lower interest rates
- Assets per Employee generally improving over time
- In-house expertise in process improvement
- Significant investment in Simon loan workflow system





Noninterest Income

- **Wealth Management**

- 28 employees working in Wealth Management as of 9/30/21
- Added two relationship managers and a fully staffed office in Denver in August 2019
- Assets under management of \$1,112 million as of 9/30/21, up from \$983 million as of 9/30/20
- Revenue for the year ended 12/31/20 was \$4,114,000
- Revenue for first nine months of 2021 was \$3,615,000

- **Mortgage**

- Origination of conforming and jumbo mortgages for sale on the secondary market
- Sold with servicing released
- Revenue for the year ended 12/31/20 was \$14,986,000
- Revenue for first nine months of 2021 was \$8,816,000

- **Interchange**

- Interchange income increased 11.3% annually from 2014 through 2020
- Revenue for the year ended 12/31/20 was \$11,954,000
- Revenue for first nine months of 2021 was \$11,307,000





Financial Information



Alpine Bank, Union Station



Alpine Bank, Boulder

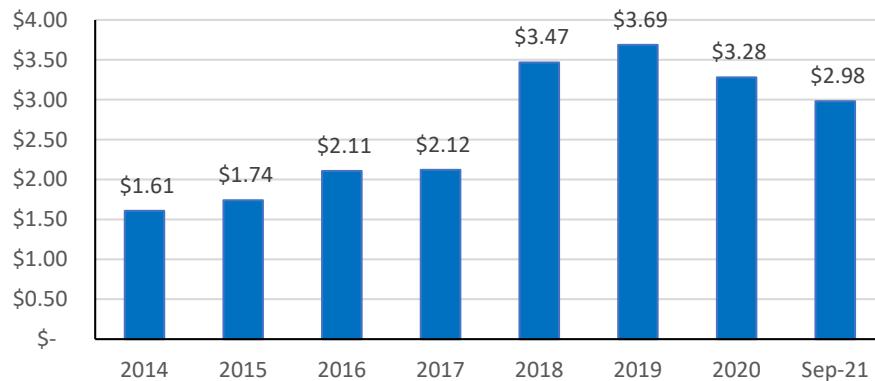




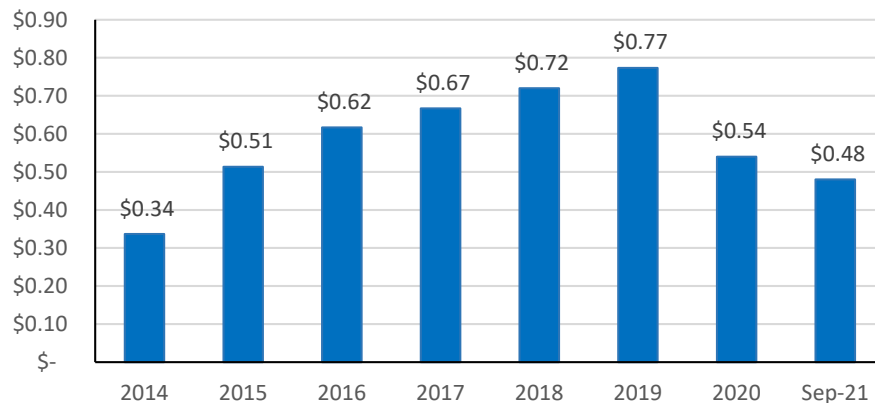
Shareholder Returns

Class B Shares

Earnings Per Share



Dividends Per Share



- 15.3% Cumulative Average Growth Rate (CAGR) in Earnings Per Share for the 2015 to 2020 period
- Historically increasing dividends
- January 2021 dividend increased to \$0.16 per share from \$0.12 per share in October 2020
- As of 9/30/2021:
 - 1.69% Dividend Yield
 - 9.7 times LTM EPS
 - 1.48 Price/Tangible Book

*Information as of December 31 for the year indicated, except for 9/30/21

*All share and per share amounts reflect the Company's 150-for-1 Class B stock split on December 1, 2020

Source: Internal company reports as of 9/30/21 and S&P Global

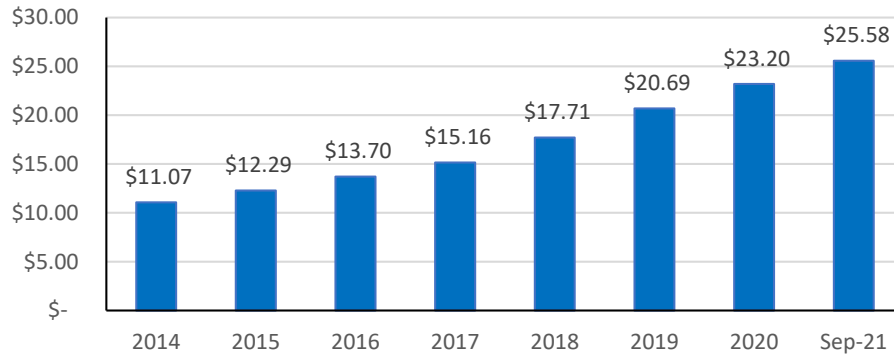




Tangible Book Value

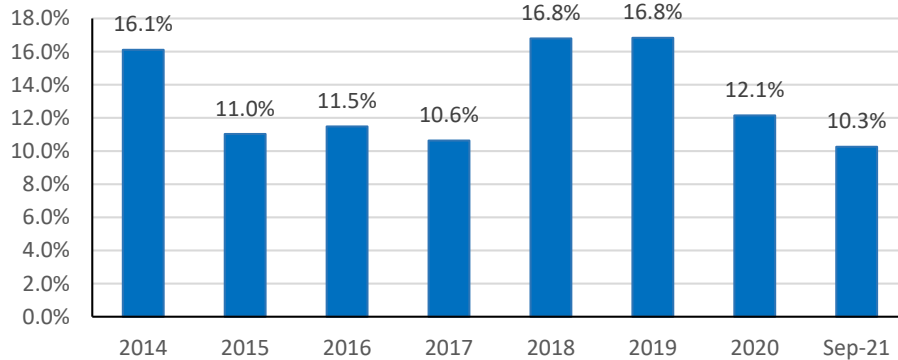
Class B Shares

Tangible Book Value Per Share



- 13.1% CAGR in Tangible Book Value Per Share in the period 2014 to 2020

Increase in Tangible Book Value Per Share



*Information as of December 31 for the year indicated, except for 9/30/21

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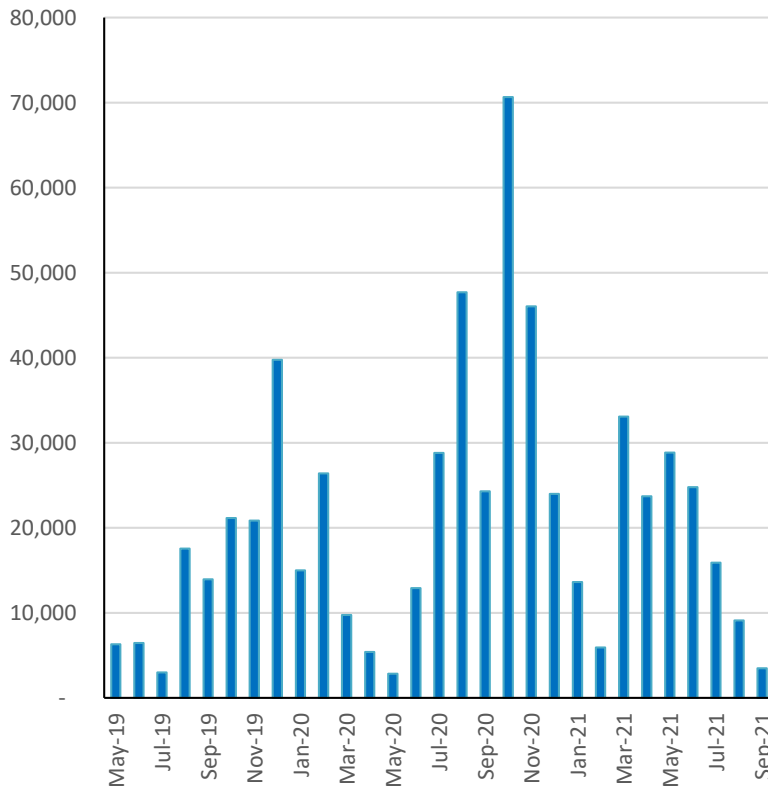
Source: S&P Global



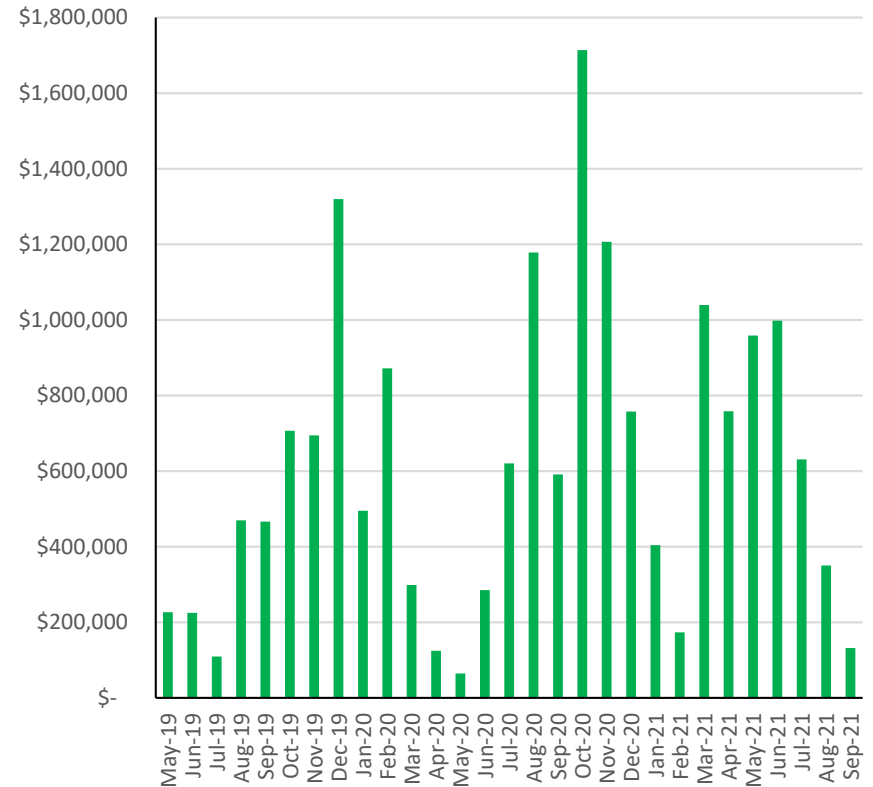


Trading Volume

Monthly Trading Volume in Shares



Monthly Trading Volume in Dollars



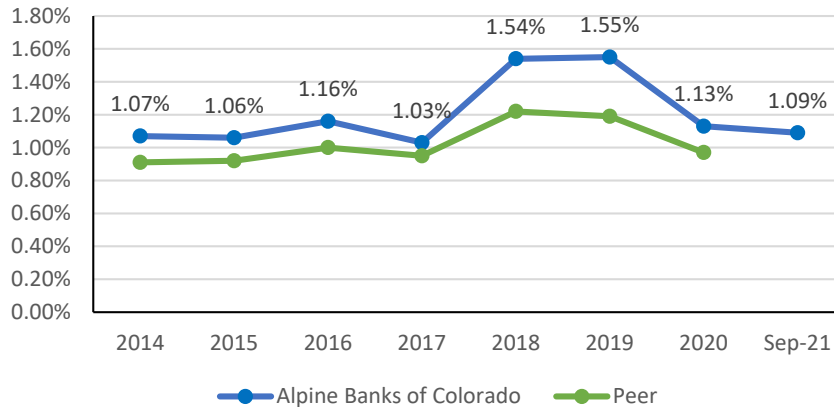
*Information as of month end for the month indicated
*All share and per share amounts reflect the Company's
150-for-1 Class B stock split on December 1, 2020



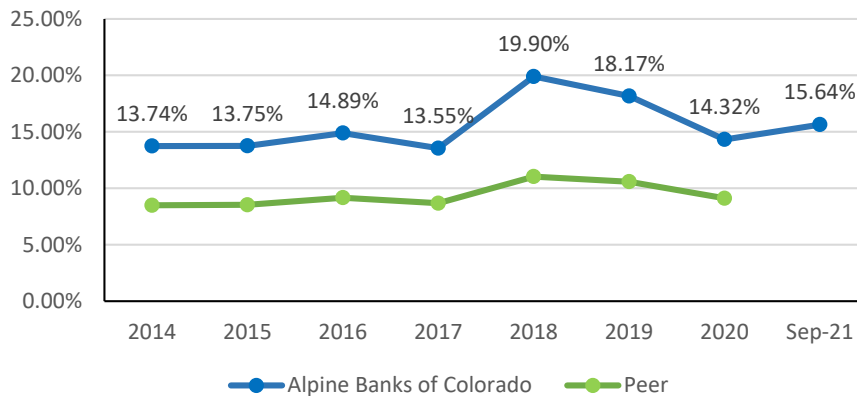


Earnings Growth History

Return on Assets (ROA)



Return on Equity (ROE)



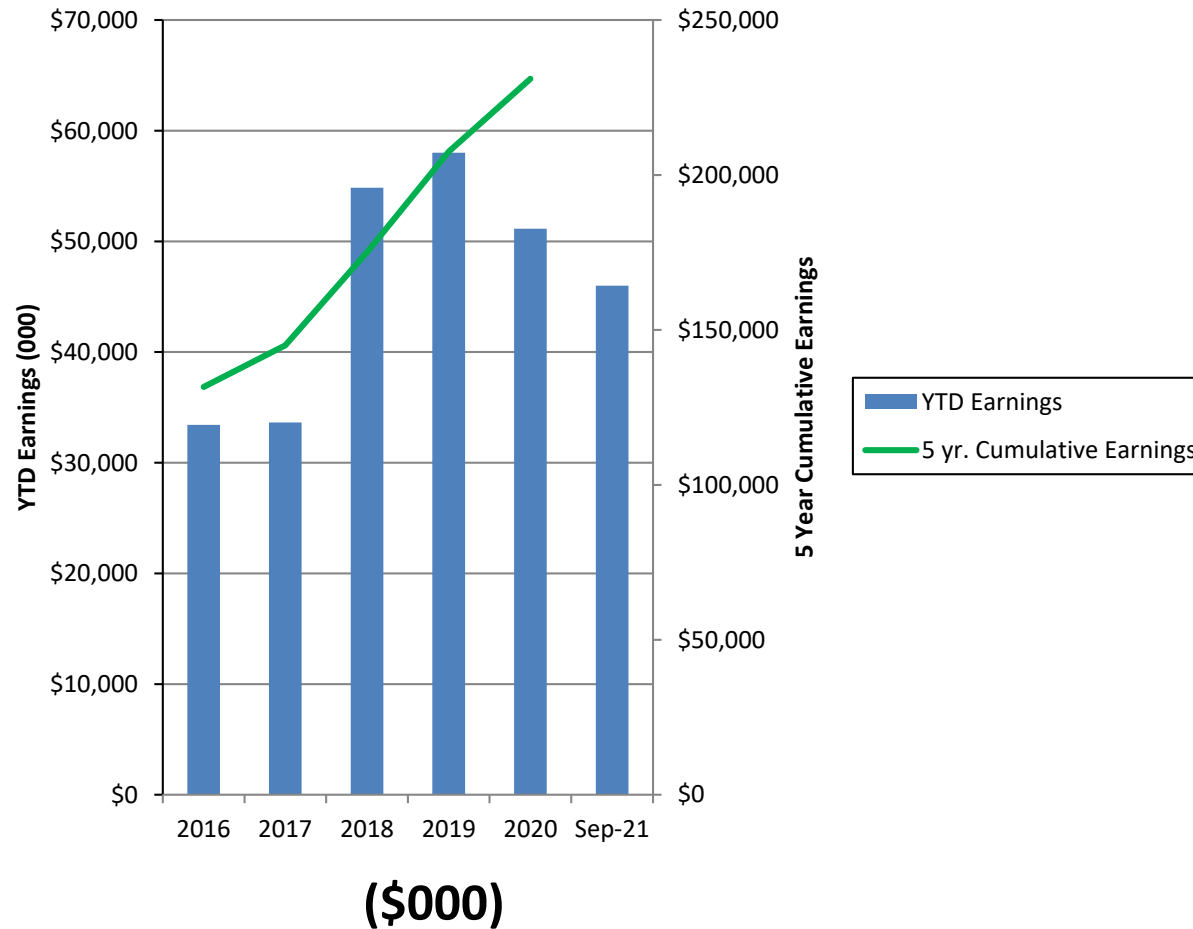
Information as of December 31 for the year indicated, except for 9/30/21

- Historically outperformed peer group in both ROA and ROE
- 67th percentile to peer group in ROA as of 12/31/20
- 89th percentile to peer group in ROE as of 12/31/20
- 2017 impacted by deferred tax write-down relating to tax reform





Net Income 5 Year Growth



Information as of December 31 for the year indicated, except 9/30/21

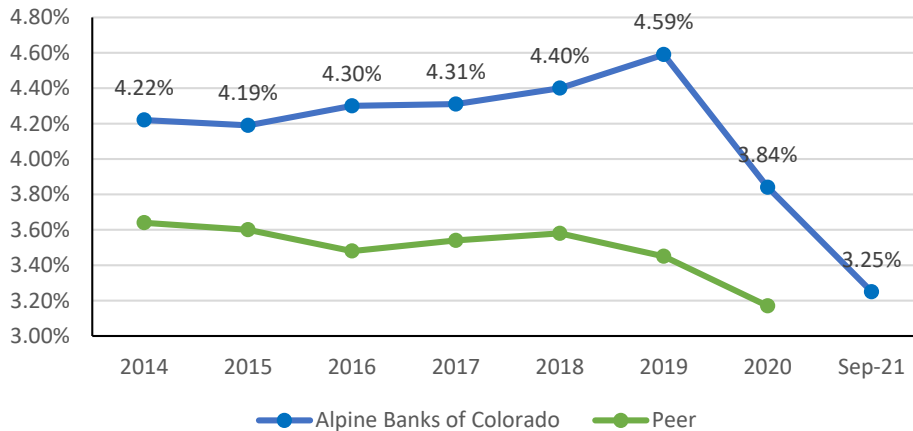
Source: Bank holding company
regulatory reports





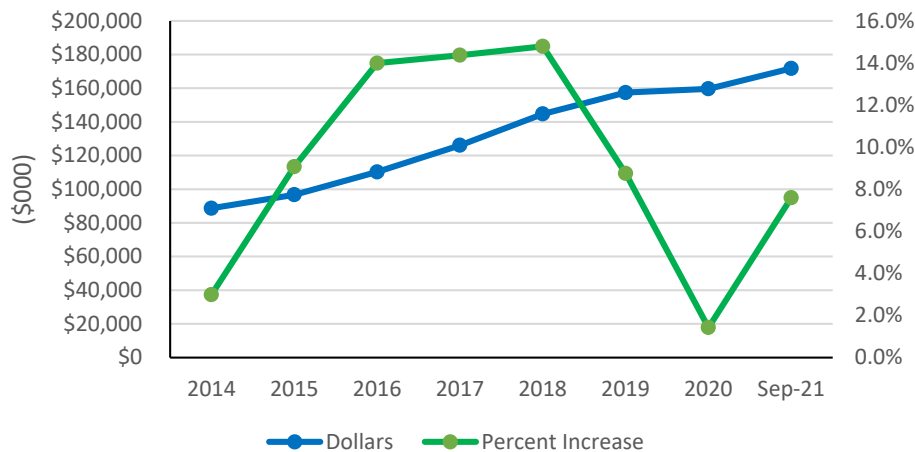
Net Interest Margin (TE)

Net Interest Margin (TE)



- 93rd percentile to peer as of 12/31/18 (no longer reported on BHCPR)
- Net Interest Margin (NIM) is declining as general market rates fall.
- NIM is negatively impacted by large balances held on deposit at the Federal Reserve

Annualized Net Interest Income

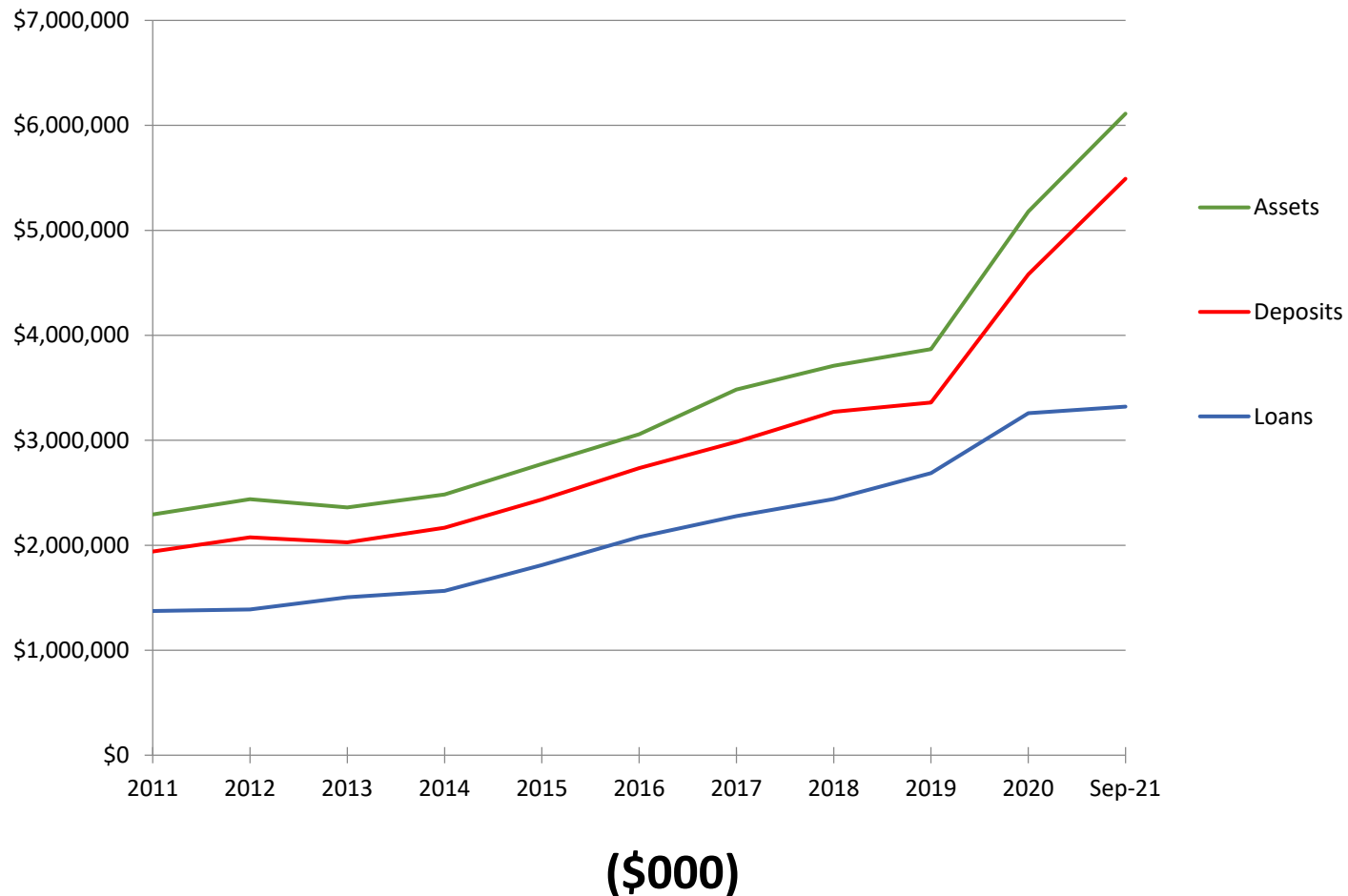


Information as of December 31 for the year indicated, except for 9/30/21





10 Year Growth Trends



Information as of December 31 for the year indicated, except for 9/30/21

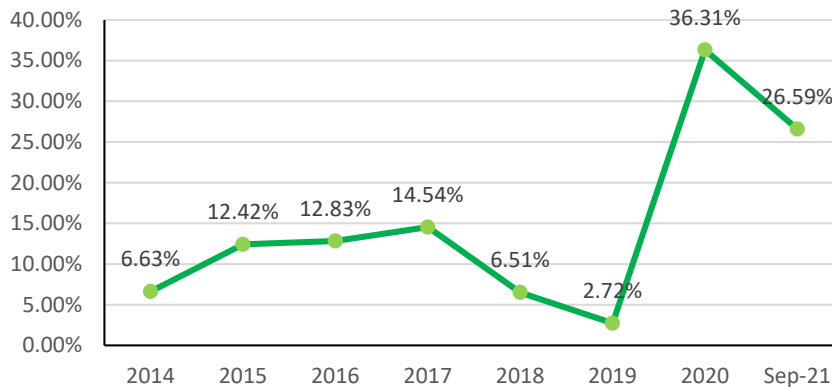
Source: Bank holding company
regulatory reports



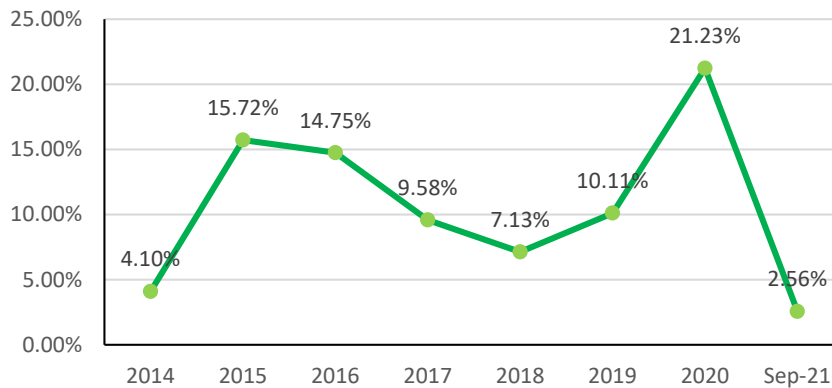


Deposit and Loan Growth History

Deposit Growth



Loan Growth



- Loan Growth in 2020 net of PPP loans was 13.9%
- 12.7% CAGR in Deposits and 11.7% CAGR in Loans for the period 2014 to 2020
- September 2021 data is annualized

Information as of December 31 for the year indicated, except for 9/30/21

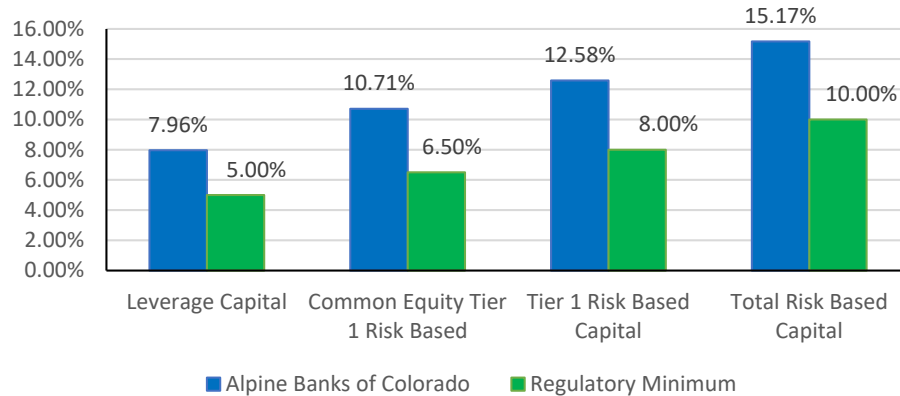
Source: Bank holding
company regulatory reports





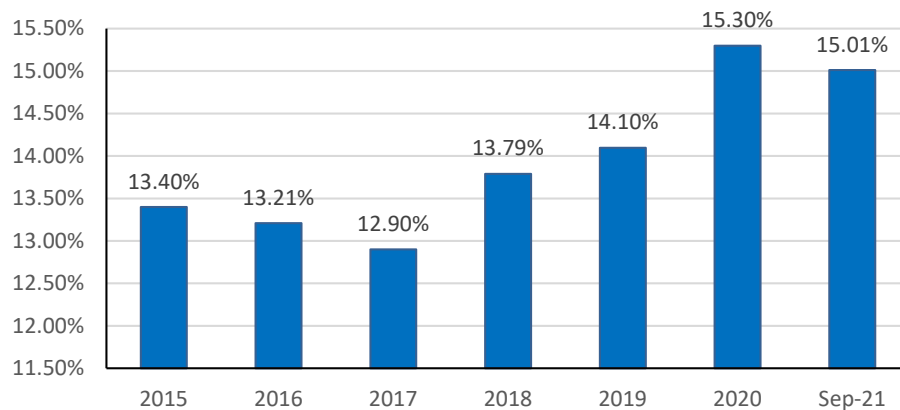
Capital Ratios

Regulatory Capital Ratios



- Capital levels in excess of regulatory minimums
- Increase in capital levels with slower asset growth in 2018-2019 period
- 2020 increase in Total Risk Based Capital partially due to subordinated debt issuance

Total Risk Based Capital



Information as of December 31 for the year indicated, except for 9/30/21

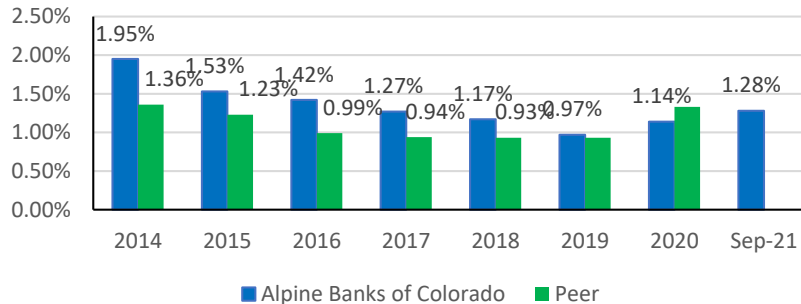
Source: Bank holding company regulatory reports





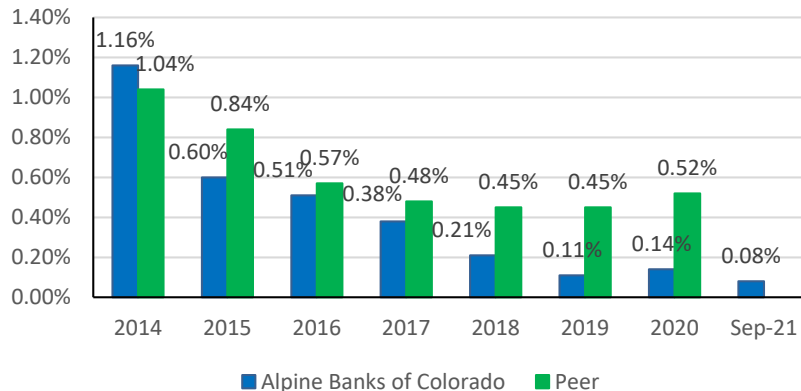
Asset Quality

Allowance for Loan and Lease Losses (ALLL)
Percentage

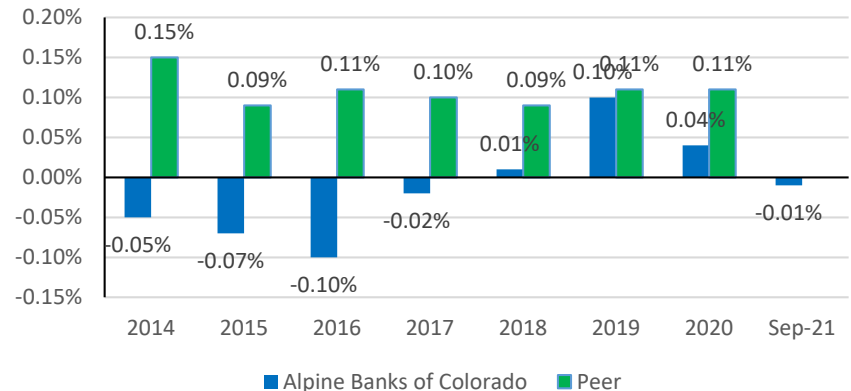


- ALLL 0.19% lower than peer group at 12/31/20
- Nonperforming assets at 0.08% as of 9/30/21 and have declined since 2014
- Net loan charge-off ratio of -0.01% for the first nine months of 2021

Non-performing Assets to Total Assets



Net Charge-offs to Average Loans



Information as of December 31 for the year indicated, except 9/30/21



In Summary

- A unique culture and brand identity built around community and employee involvement creates our competitive advantage and is highlighted by :
 - Cost of interest bearing deposits of 0.05% for nine months ended 9/30/21
 - Exceptional customer loyalty represented by a Net Promoter Score of 77
- Led by a team of experienced bankers consistently executing our strategic plan for nearly 50 years
- Predominantly owned by insiders who believe that superior performance over the long-run is the key to remaining independent
- Leading market position and brand visibility in vibrant and growing markets
- We focus on markets, products and customers that we know and avoid concentrations of risk



Contact Information

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