Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

June 1, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Pioneer Bank
Charter Number: 700450

3000 North Main Street
Roswell, NM 88201-6676

Office of the Comptroller of the Currency

Independence Plaza
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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding.**

The Lending Test is rated: Outstanding.
The Community Development Test is rated: Outstanding.

The major factors that support this rating include:

- Pioneer Bank's (bank) loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and credit needs.
- The bank originated a substantial majority of its loans inside its delineated assessment areas (AAs).
- The bank's geographic distribution reflects excellent distribution of lending across geographies of different income levels.
- The bank's borrower distribution, given the demographics of the AAs, reflects excellent penetration among businesses of different sizes.
- The bank demonstrated excellent responsiveness to the needs of the bank's assessment areas (AAs) through community development (CD) loans, qualified investments and donations, and CD services.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is reasonable. This evaluation considered the average net LTD ratio's reasonableness given information from performance context including, as applicable, the institution's capacity to lend, the capacity of other similarly situated institutions to lend in the AAs, demographic and economic factors available in the AAs, and the lending opportunities available in the AAs.

Examiners analyzed the bank's quarterly average, net LTD ratio for the 12 quarters since the prior Community Reinvestment Act (CRA) examination through December 31, 2025. Pioneer Bank's average LTD ratio for the period was 70.9 percent. During the review period the bank's LTD ratio ranged from a high of 76.4 percent as of December 31, 2025, to a low of 60.8 percent as of September 30, 2024. For purposes of comparison, examiners selected four similarly situated banks operating in the same geographic region. Pioneer Bank posted a ratio comparable to the four similarly situated institutions. The combined average quarterly LTD ratio for these institutions over the same period was 68.8 percent. Their average quarterly LTD ratios ranged from a high of 73.2 percent to a low of 63.1 percent.

Lending in Assessment Area

A substantial majority of the bank's loans were inside its AAs.

The bank originated and purchased 92.5 percent of its total loans inside the bank's AAs during the evaluation period based on a representative sample of small business loans. This analysis is performed at

the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table 1: Lending Inside and Outside of the Assessment Area										2023-2025
Loan Category	Number of Loans				Total #	Dollar Amount of Loans $(000s)				Total $(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		$	%	$	%	
Small Business	37	92.5	3	7.5	40	6,853	91.6	631	8.4	7,484
Total	**37**	**92.5**	**3**	**7.5**	**40**	**6,853**	**91.6**	**631**	**8.4**	**7,484**
Source: 1/1/2023 - 12/31/2025 Bank Data. *Due to rounding, totals may not equal 100.0%*										

Description of Institution

Pioneer Bank is a federally chartered bank headquartered in Roswell, NM. The bank is a single-state institution serving the state of New Mexico with total assets of $1.129 billion as of December 31, 2025. The bank is wholly owned by its holding company, Pioneer Bancorp, Inc., and does not have any other affiliates. Pioneer Bank has not opened or closed any banking locations since the prior CRA evaluation.

Pioneer Bank's rating area is in southeastern New Mexico. It is made up of two contiguous AAs including the Rural Non-MSA AA consisting of Chaves, Eddy, Lea, Lincoln, and Otero counties, and the Las Cruces MSA AA consisting of Dona Ana County. The bank operates 11 branches with three branches in Roswell, one branch in Alamogordo, one branch in Carlsbad, two branches in Hobbs, one branch in Ruidoso, and three branches in Las Cruces. The bank has 20 ATMs in the two AAs. 15 are deposit-taking and five are non-deposit-taking. 16 ATMs are located at branch locations. The bank's four standalone ATMs include two deposit-taking and two non-deposit-taking.

Pioneer Bank's primary strategic focus continues to be commercial lending with an emphasis on small business lending. The bank has increased its concentration in construction and development loans through loan originations and participations purchased. The bank also continues to offer residential real estate and consumer loan products.

As of December 31, 2025, the bank's net loans totaled $657 million or 58 percent of total assets. Commercial real estate loans comprise most of the portfolio. These loans total $451 million or 69 percent of net loans. Commercial loans totaling $150 million represent 23 percent of net loans.

The Office of the Comptroller of the Currency's (OCC) previous CRA examination was May 8, 2023, when Pioneer Bank received an overall "Outstanding" rating. There were no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs during the evaluation period.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period included an assessment of loan originations from January 1, 2023, through December 31, 2025. Examiners reviewed loan activity during the period to determine the bank's primary loan product as the focus for this evaluation. Primary loan products were determined based on the number of originations and purchases during the evaluation period for each broad loan type. Considering

the bank's business strategy and the significant volume of commercial loan originations, commercial loans were selected as the primary product. Retail lending is limited and primarily offered as a service to the bank's existing customers. The bank reports an insignificant volume of farmland loans and no agricultural production loans.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank-delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings and, if applicable, multistate ratings. The bank's overall rating is based on its performance in the state of New Mexico. The state rating is based on performance in the bank's two New Mexico AAs. Examiners placed greater weight on the Non-MSA as a significant majority of the bank's deposits and loan activity are based in the Non-MSA.

The MMSA rating and state ratings in rating areas with a single AA are based on performance in that AA. The MMSA and state ratings in rating areas with multiple AAs are based on the weighted-average conclusions in those AAs. Refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of New Mexico

CRA rating for the State of New Mexico: Outstanding
The Lending Test is rated: Outstanding
The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The geographic distribution reflects an excellent distribution of small business lending across geographies of different income levels within the bank's AAs.

- The borrower distribution reflects excellent distribution of lending to businesses of different sizes within the bank's AAs. The conclusion emphasizes competitive factors related to commercial lending within the AAs.

- The bank demonstrated excellent responsiveness to the needs of the bank's AAs through CD loans, qualified investments/donations, and CD services.

Description of Institution's Operations in New Mexico

Pioneer Bank's operations in the state of New Mexico are primarily focused on commercial and small business lending as well as mortgage-backed securities. The bank continues to offer a traditional line of banking and lending products. The bank operates 11 branches and 20 ATMs in its combined AAs. Bank operations are divided into two AAs: the New Mexico Rural AA (Chaves, Eddy, Lincoln, Lea, and Otero Counties) and the Las Cruces MSA (Dona Ana County).

Pioneer Bank ranks fourth in the Non-MSA AA for total deposit market share with 8.75 percent of total deposits totaling $702.9 million as of June 30, 2025. The bank ranks fifth in the Las Cruces MSA AA for total deposit market share with 4.6 percent of deposits totaling $144.5 million as of June 30, 2025. The institution faces heavy competition in both of the bank's AAs with 16 other institutions in the market including Wells Fargo, Citizens Bank of Las Cruces, Bank of America, and First American Bank.

Non-MSA AA

Assessment Area – Non-MSA 2025						
						2023-2025
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	78	5.13	14.10	44.87	33.33	2.56
Population by Geography	290,034	5.49	13.83	41.31	38.67	0.70
Housing Units by Geography	129,220	3.84	13.33	43.67	38.23	0.93
Owner-Occupied Housing by Geography	68,419	3.82	11.93	40.84	42.68	0.72
Occupied Rental Units by Geography	31,228	5.35	15.50	48.98	29.84	0.33
Vacant Units by Geography	29,573	2.31	14.26	44.58	36.80	2.05
Businesses by Geography	10,783	4.00	12.00	38.53	44.55	0.92
Farms by Geography	556	2.34	11.51	42.09	42.99	1.08
Family Distribution by Income Level	67,334	20.17	14.97	18.66	46.20	0.00
Household Distribution by Income Level	99,647	21.81	14.28	15.24	48.67	0.00
Unemployment rate (%)	6.10	8.56	6.14	6.46	5.61	0.44
Households Below Poverty Level (%)	16.88	37.00	26.30	18.12	10.27	4.70
Median Family Income (Non-MSAs NM)		$57,380			Median Housing Value	$135,450
Median Family Income (Non-MSAs NM) for 2025		$68,800			Median Gross Rent	$809
					Families Below Poverty Level	13.11

FFIEC File - 2020 Census
FFIEC File - 2024 Census
2025 Dun & Bradstreet SBSF Demographics
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification

Las Cruces-MSA AA

Assessment Area – Las Cruces-MSA 2025						
						2023-2025
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	61	6.56	32.79	22.95	29.51	8.20
Population by Geography	219,561	6.09	29.01	30.01	29.41	5.47
Housing Units by Geography	88,937	4.87	30.63	28.45	30.64	5.42
Owner-Occupied Housing by Geography	51,316	2.82	26.15	31.03	33.65	6.35
Occupied Rental Units by Geography	28,105	8.23	37.40	25.02	25.70	3.66
Vacant Units by Geography	9,516	5.99	34.76	24.72	28.94	5.59
Businesses by Geography	6,846	3.93	28.69	29.48	33.83	4.08
Farms by Geography	372	1.88	29.03	21.51	38.98	8.60
Family Distribution by Income Level	52,075	25.73	15.11	17.91	41.25	0.00
Household Distribution by Income Level	79,421	27.61	15.29	14.42	42.67	0.00
Unemployment rate (%)	7.63	13.60	9.51	7.55	4.96	6.83
Households Below Poverty Level (%)	23.93	48.31	32.10	22.48	14.09	20.86
Median Family Income (Non-MSAs NM)		$51,928			Median Housing Value	$122,800
Median Family Income (Non-MSAs NM) for 2025		$70,700			Median Gross Rent	$730
					Families Below Poverty Level	20.68

FFIEC File - 2020 Census
FFIEC File - 2024 Census
2025 Dun & Bradstreet SBSF Demographics
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification

Community Contacts:

As part of the evaluation process, examiners contacted third parties active in both the Non-MSA AA and the Las Cruces MSA AA during the evaluation period to assist in identifying credit and community development needs. This information helps determine if local financial institutions are responsive to these needs. Community contacts also show what credit opportunities are available.

A community contact provided details related to the Chaves and Lincoln portion of the Rural NM Non-MSA AA. The contact discussion points outlined details of the economy in 2023 noting that economic and population growth in Roswell, NM is largely driven by the oil industry. The contact states opportunities for participation by local financial institutions include efforts to improve financial literacy and additional access to credit for low-income individuals.

Examiners also reviewed community contact details from a contact working at an agency providing financing to small businesses in Las Cruces, NM. The contact described the overall economic conditions as of 2024, noting high growth in the county driven by new businesses and resulting in rising income trends. The contact also noted that a large portion of the population continues to have low income. The primary employment industries within the MSA are government, healthcare, call centers, and education. The contact indicated that opportunities in the county are centered around industrial development, small business expansions, and low-income housing.

Scope of Evaluation in New Mexico

Pioneer Bank delineated two AAs in New Mexico, both of which received a full-scope review. The AAs include the Non-MSA and Las Cruces MSA. The evaluation places additional weight on performance in the Non-MSA given the greater volume of deposit and loan activity in the AA in comparison to the Las Cruces MSA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW MEXICO

LENDING TEST

The bank’s performance under the Lending Test in New Mexico is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s lending performance in the state of New Mexico was excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibited excellent geographic distribution of loans in the state.

Small Loans to Businesses

Refer to Table 9 in the state of New Mexico section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

New Mexico Non-MSA

The geographic distribution of business loans in the Non-MSA is excellent overall. Based on a sample of loans, the bank's percentage of loans to businesses in low-income tracts moderately exceeds the percentage of business located in low-income tracts and peer aggregate performance. Less weight was placed on performance in low-income tracts as there are significantly fewer businesses located in this tract. Performance in moderate-income tracts is excellent with 20 percent of loans to small businesses loan originations. The bank's percentage of loans to businesses in moderate-income tracts significantly exceeds the 12 percent of businesses located in moderate-income tracts and peer aggregate performance of 9.8 percent. Additional weight was placed on performance in moderate-income tracts as there are significantly more businesses located in this tract.

Las Cruces MSA

The geographic distribution of business loans in the Las Cruces MSA is excellent overall. Based on a sample of loans, the bank did not originate any loans in low-income tracts. This is below the percentage of businesses located in low-income tracts and peer aggregate performance. However, the number of businesses located in low-income tracts is low at 3.9 percent, which substantially limits opportunities for lending within these tracts. Performance is significantly stronger in moderate-income tracts where the bank originated 50 percent of loans to small businesses. The bank's percentage of loans to businesses in moderate-income tracts significantly exceeds the 28.7 percentage of businesses located in moderate-income tracts and peer aggregate performance of 27.8 percent. Additional weight was placed on performance in moderate-income tracts as there are significantly more businesses located in this tract.

Lending Gap Analysis

OCC examiners reviewed summary reports, maps, and analyzed the bank's small business lending activity over the evaluation period to identify gaps in the geographic distribution of loans. Examiners did not identify any unexplained conspicuous gaps in the bank's AAs.

Distribution of Loans by Income Level of the Borrower

The bank exhibited an excellent distribution of loans to businesses of different sizes, given the product lines offered by the bank.

Small Loans to Businesses

Refer to Table 10 in the state of New Mexico section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

New Mexico Non-MSA

The distribution of loans to businesses in the Non-MSA is excellent. The bank's percentage of loans to small businesses with revenues of $1.0 million or less is less than the percentage of loans to small businesses in the AA. However, the bank's percentage of loans to small businesses with revenues of $1.0 million or less significantly exceeds the peer aggregate lending performance for reporting institutions. Additional weight was placed on the peer aggregate lending performance given the overall strong lending competition in the AA.

Las Cruces MSA

The distribution of loans to businesses in the Las Cruces MSA is excellent. The bank's percentage of loans to small businesses with revenues of $1.0 million or less is less than the percentage of loans to small businesses in the AA. However, the bank's percentage of loans to small businesses with revenues of $1.0 million or less significantly exceeds the peer aggregate lending performance for reporting institutions. Additional weight was placed on the peer aggregate lending performance given the overall strong lending competition in the AA.

Responses to Complaints

The bank did not receive any CRA-related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of New Mexico is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank exhibited excellent responsiveness to community development needs in the state through community development loans, qualified investments and donations, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Table 3: Community Development Loans				
Assessment Area	Total			
	#	% of Total #	$(000's)	% of Total $
NM Non-MSA AA	36	92.3	3,988	47.3
Las Cruces MSA AA	3	7.7	4,440	52.7
Total	39	100.0	8,428	100.0

New Mexico Non-MSA

The bank demonstrated excellent responsiveness to community development needs through CD lending, considering the bank's capacity and availability of opportunities in the AAs. During the evaluation period, the bank originated 36 CD loans in the Non-MSA AA totaling $4 million, representing 3.1 percent of tier 1 capital. The CD loans primarily supported affordable housing in the AA, a significant credit need within the NM Non-MSA AA. 30 of the bank's CD loans were originated in response to the New Mexico South Fork Fire and Salt Fire (DR-4795). These loans made to impacted businesses were unsecured, at a 0 percent interest rate, and ranged from $6,500 to $20,000 in size. In total the bank distributed $574,000 in loans. The purpose of the loans was to revitalize and stabilize the areas in Lincoln and Otero Counties that were impacted by these fires. By making these loans on favorable terms, the bank demonstrated commitment to community development in response to the disaster. The bank's CD efforts in these loan originations were particularly beneficial to community needs and had a positive impact on the rating.

The following are additional examples of CD loans the bank originated in this AA:

- A $1.5 million loan to a regional housing authority. Loan proceeds support the renovation of 20 housing units in Vaughn, NM. It is a low rent public housing program, where the tenants pay 30 percent of their adjusted income towards rent.

- A $750,000 loan to a local nonprofit providing victim services. They are dedicated to providing compassionate and comprehensive support to survivors of child abuse, domestic violence, and sexual assault and primarily serve LMI individuals.

Las Cruces MSA

The bank demonstrated excellent responsiveness to community development needs through CD lending, considering the bank's capacity and availability of opportunities in the AA. During the evaluation period, the bank originated three CD loans in the Las Cruces MSA AA totaling $4.4 million, representing 3.4 percent of tier 1 capital. The CD loans primarily supported affordable housing, schools, and childcare facilities in the AA, a significant credit need within the Las Cruces MSA AA. The following are examples of CD loans the bank originated or purchased in this AA:

- A $3.5 million loan to a regional, community-based 501(c)(3) nonprofit. This organization focuses on expanding affordable housing and economic opportunities for low-income rural residents, farmworkers, seniors, and the disabled across New Mexico. Loan proceeds support the construction of new affordable housing units in Las Cruces.

- A $440,000 loan to a childcare and early education facility that serves majority LMI families. At this school over 50 percent of students receive free and reduced lunch. Loan proceeds support the purchase of real estate for the facility.

Number and Amount of Qualified Investments

Table 4: Qualified Investments											
Assessment Area	Prior Period*		Current Period		Total					Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $		#	$(000's)
NM Non-MSA AA	0	0	104	7,860	104	79.4	7,860	93.8	0	0	0
Las Cruces MSA AA	0	0	27	516	27	20.6	516	6.2	0	0	0
Total	0	0	131	8,376	131	100.0	8,376	100.0		0	0

New Mexico Non-MSA

Total qualifying investments and donations in the Non-MSA amounted to $7.9 million or 6 percent of tier 1 capital. During the evaluation period, the bank made a total of 4 investments totaling $7.7 million and 90 donations totaling $75,000 in the Non-MSA area. Additionally, in response to the disaster declarations in the AA related to severe storms and flooding, the bank's affiliated nonprofit foundation, Team Pioneer Foundation, directly made four grants to impacted community members. The bank also facilitated grants made by the FHLB to an additional four customers. Funding came from the Team Pioneer Foundation after the FHLB ran out of money. The purpose of the donations was to revitalize and stabilize the areas in Chaves County that were impacted by the flood. The Team Pioneer Foundation distributed $53,000 in grants. These donations highlight the bank's commitment to supporting local communities after a natural disaster. The bank's CD efforts in these grants and donations were particularly beneficial to community needs and had a positive impact on the rating.

The following are additional examples of investments and donations in this AA:

- The bank made a $7.2 million investment in a mortgage-backed security to support an affordable housing project in Hobbs, NM. Hobbs is located in Lea County, in the bank's non-MSA assessment area. This area has a need for affordable housing. All 152 units are for people making less than 80 percent of the area median income.

- The bank made 23 small-dollar donations totaling $7,700 to youth educational or after-school programs. These support high-school graduations, school sports teams, and FFA programs within the bank's Non-MSA AA. These CD donations were responsive to community needs given the overwhelming percentage of students in these school districts that qualify for free and reduced lunches.

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

Las Cruces MSA

Total qualifying investments and donations in this AA amounted to $516,000 or 0.4 percent of tier 1 capital. During the evaluation period, Pioneer Bank made a total of 2 investments totaling $500,000 and 25 donations totaling $16,000 in the Las Cruces MSA area.

The following are examples of investments and donations in this AA:

- The bank made a $445,000 investment in a Low-Income Housing Tax Credit property in Las Cruces, NM. All 57 units are reserved for low-income residents earning no more than 60 percent of the city's median family income.

- The bank made 6 donations totaling $6,143 to youth education organizations. These CD donations were responsive to community needs given the overwhelming percentage of students in these school districts that qualify for free and reduced lunches.

- The bank made 6 donations totaling $3,800 to organizations that provide food to LMI individuals and families.

Extent to Which the Bank Provides Community Development Services

Pioneer Bank's CD services demonstrated responsiveness to the needs of the combined AA. Bank staff participated in a total of approximately 446 hours of qualified CD services from January 1, 2023, to December 31, 2025. CD services were concentrated in activities that supported community services through financial expertise, often in a leadership position, for organizations primarily serving LMI individuals. Specifically, CD services were concentrated in activities related to organizations such as Boys and Girls Club of Lincoln and Chaves Counties, Assurance Home of Roswell, and Roswell Chaves County Economic Development Corporation. The bank's CD activities provided meaningful services targeted to LMI individuals.

Pioneer Bank's retail services are accessible to all segments of the community including LMI individuals and geographies. The bank's main location and three branches are located in moderate-income census tracts. Further, the bank maintains a branch location in a distressed/underserved nonmetropolitan middle-income census tract. The bank offers regular lobby and drive-up hours including limited hours of operation on Saturday. Traditional banking and lending products are available including free checking accounts and lending products targeted to small businesses including Small Business Administration (SBA) financing, NM Collateral Assistance Program, and FHLB Small Business Boost Program.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term "full-scope," and those that received a less comprehensive review, designated by the term "limited-scope".

Time Period Reviewed:	(01/01/2023 to 12/31/2025)	
Bank Products Reviewed:	Small business loans Community development loans, qualified investments, community development services	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	**Type of Exam**	**Other Information**
New Mexico		
Non-MSA	Full-Scope	More heavily weighted based on higher percentage of total deposits in AA
Las Cruces MSA	Full-Scope	

Appendix B: Summary of MMSA and State Ratings

RATINGS			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State
Pioneer Bank	Outstanding	Outstanding	Outstanding
MMSA or State:			
New Mexico	Outstanding	Outstanding	Outstanding

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the Small Business Administration Development Company or Small Business Investment Company programs' size eligibility standards or have gross annual revenues of $1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including low- and moderate-income areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a Core Based Statistical Area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

Multifamily: Refers to a residential structure that contains five or more units**.**

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have

original amounts of $500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table 7. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table 8. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.

Table 9. **Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - Compares the percentage distribution of the number of small loans (less than or equal to $1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank's AA.

Table 10. **Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to: (1) the percentage distribution of businesses with revenues of greater than $1 million; and, (2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table 11. **Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - Compares the percentage distribution of the number of small loans (less than

or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

Table 12. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues - Compares the percentage distribution of the number of small loans (loans less than or equal to $500,000) originated and purchased by the bank to farms with revenues of $1 million or less to: (1) the percentage distribution of farms with revenues of greater than $1 million; and, (2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

Table 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2023-2025
Assessment Area:	**Total Loans to Small Businesses**				**Low-Income Tracts**			**Moderate-Income Tracts**			**Middle-Income Tracts**			**Upper-Income Tracts**			**Not Available-Income Tracts**		
	#	**$**	**% of Total Number**	**Overall Market**	**% Businesses**	**% Bank Loans**	**% Aggregate**	**% Businesses**	**% Bank Loans**	**% Aggregate**	**% Businesses**	**% Bank Loans**	**% Aggregate**	**% Businesses**	**% Bank Loans**	**% Aggregate**	**% Businesses**	**% Bank Loans**	**% Aggregate**
Las Cruces MSA	20	6,275	50.0	6,397	3.9	0.0	4.3	28.7	50.0	27.8	29.5	20.0	29.2	33.8	30.0	32.9	4.1	0.0	5.8
Non-MSA	20	3,564	50.0	9,933	4.0	5.0	4.9	12.0	20.0	9.8	38.5	40.0	37.5	44.6	35.0	47.0	0.9	0.0	0.7
Total	**40**	**9,839**	**100.0**	**16,330**	**4.0**	**2.5**	**4.7**	**18.5**	**35.0**	**16.9**	**35.0**	**30.0**	**34.3**	**40.4**	**32.5**	**41.5**	**2.1**	**0.0**	**2.7**
Source: FFIEC File - 20XX Census; 1/1/2023 - 12/31/2025 Bank Data, 2025 Dunn & Bradstreet SBSF Demographics, 2023, 2024 CRA Aggregate Data, "--" data not available. *Due to rounding, totals may not equal 100.0%*																			

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2023-2025
Assessment Area:	**Total Loans to Small Businesses**				**Businesses with Revenues <= 1MM**			**Businesses with Revenues > 1MM**		**Businesses with Revenues Not Available**	
	#	**$**	**% of Total Number**	**Overall Market**	**% Businesses**	**% Bank Loans**	**% Aggregate**	**% Businesses**	**% Bank Loans**	**% Businesses**	**% Bank Loans**
Las Cruces MSA	20	6,275	50.0	6,397	87.6	70.0	56.6	2.9	30.0	9.5	0.0
Non-MSA	20	3,564	50.0	9,933	85.9	70.0	52.0	3.2	15.0	10.9	15.0
Total	40	9,839	100.0	16,330	86.6	70.0	53.8	3.1	22.5	10.4	7.5
Source: FFIEC File – 2020, 2024 Census; 1/1/2023 - 12/31/2025 Bank Data, 2025 Dunn & Bradstreet SBSF Demographics, 2023, 2024 CRA Aggregate Data, "--" data not available. *Due to rounding, totals may not equal 100.0%*											