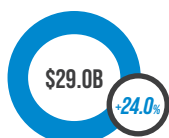


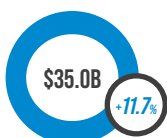


# DEAR FELLOW SHAREHOLDERS

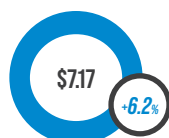
2022 was a remarkable year for Pinnacle. We grew loans and deposits at a double-digit rate of growth, in part because we attracted more revenue producing associates than ever before.



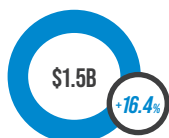
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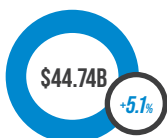
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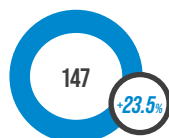
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REVENUE



TBV PER  
COMMON SHARE



NEW REVENUE  
PRODUCERS HIRED

FEW EXPECTED THESE KIND OF RESULTS GOING INTO 2022 GIVEN THE UNUSUAL NATURE of the last three years and recent economic headwinds. The outlook for the industry as a whole was for negative earnings growth due to slowing demand and tightening budgets.

Here at Pinnacle, we knew our results would be different because we're designed differently.

Our growth model is based on taking talent and market share from our competitors, not relying on calling a list of prospects and asking to loan them money. That makes Pinnacle substantially less dependent on things like interest rate movements, inflation and other short-term concerns that snag other banks time and again. Many respond to the same pressures with the same routines and relive the same story over and over from cycle to cycle.

Pinnacle was designed to be different. We built our firm to thrive and produce value in challenging times as well as easy ones. We believe our growth model allows us to rise above short-term turmoil and gives us a sustainable advantage in creating long-term shareholder value.

*For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP measures, see the Business Insights page at [annualreport.pnfp.com](https://annualreport.pnfp.com).*

Because of that, we can push forward on our mission through thick and thin. The model that got us started helped us weather the dotcom bust and 9/11, the Great Recession, COVID-19 and its lingering effects. It's a familiar refrain:

- Demonstrably different associate experience
- Demonstrably different client experience
- Consistent, sustainable shareholder returns



Those of you who have invested with us for a while know this and have experienced it. You've seen it work in bull cycles and bear. As we've grown, we've attracted thousands of new associates, clients and shareholders who haven't experienced a bear market with us.

So take a closer look at our model and how it helped Pinnacle succeed where others couldn't in 2022.

## DESIGNED TO BE INSULATED AGAINST ECONOMIC VOLATILITY

No doubt the banking industry is subject to the macro-economic environment. Banks depend on the demand for loan funding, growing margins that are subject to interest rate fluctuations and the overall economic health of the markets we serve. When times get tough, bank growth often gets tough too.

We designed Pinnacle with a thick layer of insulation from those factors. We're not immune, but we're much less dependent on having an ideal economic environment to achieve our goals and reward our associates and shareholders.

Pinnacle enjoys a great deal of organic growth gathered the traditional way, driven by well-known bankers fully capable of moving new business and winning deals off the street. The reputation we've built on our value proposition of distinctive service and effective advice ensures we can compete against every size and caliber of bank and win. And when times are good, there's a lot to go around and a bigger pool everyone can draw from.

But what's driving us into the future, setting the stage for continued growth and, we believe, protecting us from significant instability, is our skill at taking the best talent from our competitors, bringing over their clients and claiming an ever-increasing market share. When the collective pool isn't getting much bigger, we're in a position to take a bigger portion of it because of our ability to hire the most experienced and capable bankers from the larger banks with whom we compete.

How did we get so good at recruiting bankers with 20, 30 or even 40 years of experience to leave their employers and work for us?

## DESIGNED FOR A ONE-OF-A-KIND CULTURE

Every single person deserves a great place to work. That's not an opinion; it's a fact. Our economic system depends on everyone contributing and earning their fair share so we can all find success. And if we all need to work, it had better add joy to our lives.

Unfortunately, this is not always how banking works. In fact, it seldom works that way in the larger regional banks with whom we compete. The pressure to perform and put up good quarterly numbers has led to bureaucratic behemoths where the individual gets lost amid tick marks and call lists. That's unfortunate, but it creates great opportunity for a firm like ours that's designed differently.

Pinnacle believes that every single person is important and can make a difference. So we built our bank to focus on the individual, both inside and outside. That's the basis of the Pinnacle culture: People matter.

Everyone at Pinnacle:

- Works toward the same goals, and 100 percent of non-commissioned associates are identically incentivized to reach them together.
- Understands how their specific job contributes to those goals and how they are connected to our mission.
- Owns Pinnacle shares, which encourages everyone to act like an owner in making the right decisions and working in the firm's best interests.
- Works on a team and is encouraged to build strong personal connections. We all form relationships through everyday work and frequent activities and development opportunities designed to bring people together and build camaraderie, the kind of camaraderie that makes Pinnacle a great place to work.

Because of our focus on people, we listen to what they have to say with intentionality and incorporate their needs and feedback into our annual planning. And we empower them to serve clients in the ways they feel are best, giving decision-making power directly to the front line at the local level, where they know what's needed.

## DESIGNED FOR A DIFFERENTIATED HIRING MODEL

Ours is an environment any banker would cherish, most of all those at the largest—and most vulnerable—institutions that typically dominate the major Southeastern markets we serve. That's why we've always been so successful recruiting top talent and bringing them into the Pinnacle fold. Who wouldn't want to join a team that posts wins like these?

- No. 2 Best Workplace for Women
- No. 6 Best Bank to Work For
- No. 7 Best Workplace for Millennials
- No. 28 Best Company to Work For Nationwide
- Best Workplace awards in nearly every market we serve
- 74% top box ratings on internal work environment surveys

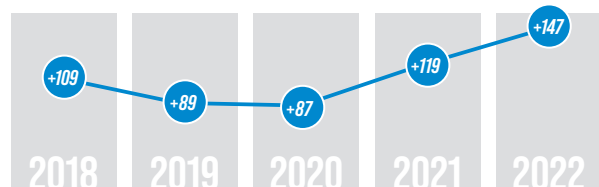
These rankings are powerful tools for attracting happy and successful veteran bankers from their longtime employers. And that's who we want. In fact, that's all we want. For most jobs, we require at least 10 years of experience, and we seek out people



See more on Pinnacle's culture, our string of awards won, which banks our new associates come from most and how they're powering our strategic growth in Excited Associates at [ANNUALREPORT.PNFP.COM](https://www.pinnaclefinancial.com/annualreport).

who are doing well where they are and aren't looking to change jobs. If they're circulating a resume, chances are high they're not getting the job done and are looking for a fresh start. We want those with proven success and a strong client book, and we're winning.

### Revenue Producers Growth



### DESIGNED TO TAKE THE BEST CLIENTS

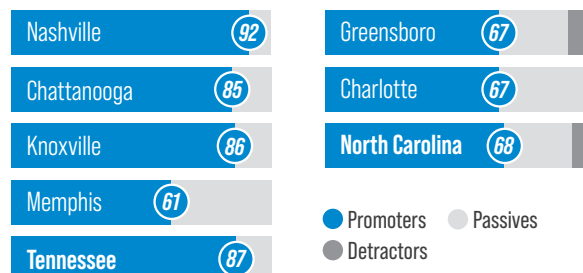
When new associates arrive, they work quickly to bring over their best clients. That's a boon to our balance sheet and, we believe, also enhances our credit quality. They target high-value clients with large amounts of sticky deposits, fee drivers like treasury and wealth management and a strong credit position, seeking to leave more risky assets and low-impact clients behind.

Once clients are here, they typically don't leave. How could they when we offer the best banking experience they've ever had? When we give them distinctive service, effective advice and extraordinary convenience from someone they've known and trusted for years?

Everyone deserves a great place to do business, and by every available metric, Pinnacle provides one. We're not out just to serve our clients. We aim to create raving fans who become vocal advocates for our firm and help bring their colleagues, customers, friends and neighbors with them.

Coalition Greenwich quantifies that advocacy in their Net Promoter Scores, which measure the percentage of clients who are most enthusiastic about our brand and are willing to recommend us to their networks.

### Greenwich Net Promoter Scores



Source: 2022 Coalition Greenwich Associates Market Tracking Program (Pinnacle Financial - \$1-500MM - Q3 2022 R4Q - Banking.)

### DESIGNED TO CAPITALIZE ON VULNERABLE COMPETITORS

Pinnacle was designed to do away with the bureaucratic and impersonal, which is the best description we can muster for how many big banks operate. They didn't start like we did, with a focus on people and the individual, so their systems are set up without their associates' best interests at heart.

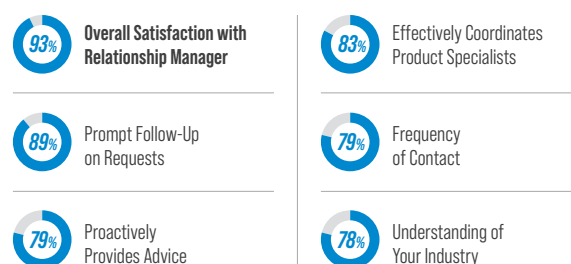
That creates substantial and long-lasting vulnerabilities for our top competitors in every market. Seldom in our existence have we seen a time when the banks who have the bulk of the share in our markets were more likely to give it up than now.

It's nearly impossible for them to match our client or associate experience because it has to be foundational to the way the business is built. If it starts as a square peg, it can't be reshaped to fit into a round hole later on—especially at institutions with decades or even a century of forming their cultures.

How many of our competitors' clients would advocate for them in the same way our clients promote Pinnacle?

And if their favorite banker leaves the national or regional megabank to come work for us, will they be happy enough with their current bank to stay there? Or will they follow the path to Pinnacle?

### Pinnacle's Relationship Manager Performance



Source: 2022 Coalition Greenwich Associates Market Tracking Program (Pinnacle Financial - Footprint - \$1-500MM - Q3 2022 R4Q - Banking.)

### DESIGNED FOR RAPID AND SUSTAINABLE GROWTH IN HIGH-VALUE MARKETS

Ours is a powerful model for multiple modes of growth. Pinnacle's track record of organic growth speaks for itself. We started in 2000 with \$0 in assets and one office in Nashville, TN. Today we're in 18 major markets, 23 MSAs in total, across seven states with \$42 billion in assets. Of course, over the years we have made several acquisitions, but the truth is, roughly 75 percent of our growth since we founded the firm has been organic.

Since our last merger in 2017, we've had incredible success with de novo startups in some of the biggest and fastest-growing MSAs in the Southeast, which happens to be the hottest and fastest-growing region in the United States. The pattern of hiring top talent and earning their clients' business has fueled successful entries into:

- Atlanta, GA
- Washington, D.C. and the National Capital Region
- Birmingham, AL
- Huntsville, AL

This brand of organic expansion isn't unusual, but it most typically comes in the form of a loan production office for limited commercial banking or flooding the market with branches to harvest deposits that could be sent anywhere. Ours is a more careful approach with a goal of being among the top banks in the market. We start with a dynamic leader who has the drive and talent to build a full-service bank and who can recruit a team to get them there.



See how our recruiting and hiring model fuels strategic expansion into the hottest markets in the Southeast at [PNFP.COM/EXPANSION](https://pnfp.com/expansion).

## DESIGNED FOR RELENTLESS DRIVE TOWARD SUSTAINABLE SHAREHOLDER VALUE

That same drive and talent exists in each of our 3,200 associates. We fight to win, and everyone is on the same page for what winning looks like. For us, it's top-quartile performance in the metrics we believe are most highly correlated with long-term shareholder value.

Our pursuit of top-quartile performance is relentless. All of our associates meet every January to look at our goals for the year and carefully connect them to the daily job of every single associate. We meet quarterly to review them and monthly, bi-monthly or weekly as individual teams to track our progress and adjust our tactics.

And we don't stop until we reach our goals, because we all want to be rewarded.

The common incentive system at Pinnacle is unlike any we have ever encountered or heard of at another bank of a similar size as us. 100 percent of non-commissioned associates get a cash payment when we reach our firmwide goals. Likewise, 100 percent of associates are granted shares of common stock on their first day and annually every January, with many building substantial portfolios of a stock that has outperformed its peers over long stretches in the last 20 years.

	Since IPO	10 Year	5 Year	3 Year
PNFP	1,368%	290%	11%	107%
KRX	150%	224%	3%	6%
Out-Performance	1,218%	66%	8%	9%

As of Dec. 30, 2022



Read more about what we deliver for shareholders and how we do it in Enriched Shareholders at [ANNUALREPORT.PNFP.COM](https://annualreport.pnfp.com).

## DESIGNED FOR 2023

Where will that drive take us next? In 2023, our focus is squarely on these five priorities:

### 1. Gather low-cost deposits to profitably fund loan growth.

There's no bigger goal for us than capturing outsized deposit share. When you can grow loans by 24 percent in a year that's supposed to be slow, as we did in 2022, you also have to be great at funding that growth. Our typical tactics are still at work, hiring high-value revenue producers and winning new clients. We're also seeing solid success with our specialty deposit products, including captive insurance, community associations, health and benefits accounts and government and institutional banking. Targeting users of these products with our differentiated service and advice

gives us access to large pools of traditionally sticky deposits, with opportunities for greater share of wallet among these clients.

### 2. Increase risk management disciplines.

Our model gives us a great deal of protection from cyclical fluctuations, but discipline is one of our values, so our formal practices are incredibly important to us. As we have rapidly grown our firm, we've spent a great deal of time and resources over the last several years to increase our control infrastructure, and we intend to use it to protect our firm from economic instability.

### 3. Ensure the engagement of every single associate.

It's proven that if you produce high levels of associate engagement, you see better sales outcomes, profitability and share price performance. We engage every associate so they come to Pinnacle, stay at Pinnacle and give us their best—their discretionary effort to drive toward our goals. It's also the right thing to do, which is why we've put a great deal of intentional emphasis on our diversity, equity and inclusion strategies. Every associate at Pinnacle deserves to feel like a dyed-in-the-wool member of our team.

### 4. Create raving fans.

Those engaged associates pass their joy along to clients, who get so excited about our company that they go out and tell everyone about us. Coalition Greenwich calls them net promoters. We call them raving fans.

### 5. Leverage technology to improve the associate and client experience.

Everyone's chasing the same high-tech rabbit: Increase efficiency and make it easier for clients to do business. Those are certainly our goals, too, along with greater data aggregation so we can offer better and more proactive advice to our clients. We have several projects in the works to accomplish that, as well as more tools to automate repetitive internal processes and perfect our blend of convenient technology and high-touch service from real people who love serving our clients.

2022 began and ended with notes of uncertainty in the world and an economic picture that wasn't quite in focus. Still, Pinnacle outperformed—as we often do. We created value for associates, clients and shareholders by executing our model with fidelity, just as we plan to do in 2023. Thank you for continuing this journey with us.

Onward!

**M. Terry Turner**  
President and  
Chief Executive Officer

**Robert A. McCabe, Jr.**  
Chairman