



## Investor Presentation

### As of September 30, 2024

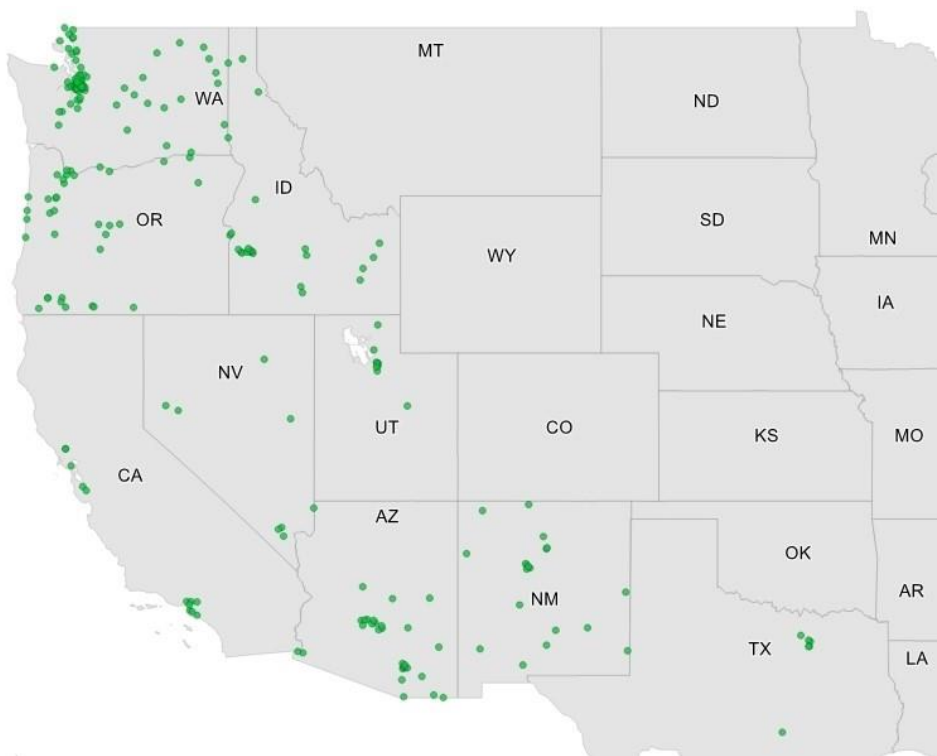
*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Washington Federal's management and are subject to significant risks and uncertainties. The forward-looking statements in this presentation speak only as of the date of the presentation, and Washington Federal assumes no duty, and does not undertake, to update them. Actual results or future events could differ, possibly materially, from those that we anticipated in these forward-looking statements.*

# Overview of WaFd Bank

## Overview

- Established in **1917**; IPO in 1982
- Washington State Charter Commercial Bank – WA DFI, FDIC, FRB, CFPB Regulated
- Headquartered in Seattle, WA; is the **second largest** bank headquartered in the Pacific Northwest
- 210 branches** across 9 western states
- Full-service** consumer & commercial bank
- Strong capital, high asset quality, consistent results
- Portfolio mortgage lender
- Profitable **every year since 1965**
- Interest rate risk management – well controlled
- 166 consecutive** quarterly cash dividends
- 15,195% Total shareholder return since IPO

## Geographic Overview



## Company Highlights<sup>1</sup>

Total Assets	Total Loans HFI	Total Deposits	Stockholder Equity	Efficiency Ratio	Adjusted Efficiency Ratio
\$28.1Bn	\$20.9Bn	\$21.4Bn	\$3.0Bn	62.13%	57.5%

<sup>1</sup> As of or for the quarter-ended 9/30/2024

# WaFd Bank Executive Management Committee



Brent Beardall  
*President and Chief Executive  
Officer*



Kelli Holz  
*EVP Chief Financial Officer*



Cathy Cooper  
*EVP Chief Consumer Banker*



James Endrizzi  
*EVP Chief Commercial  
Banker*



Kim Robison  
*EVP Chief Operating Officer*



Ryan Mauer  
*EVP Chief Credit Officer*

# WaFd Bank Demographics

*Our markets are among the most desirable in the US and create a foundation for loan growth without excessive risk*

State	Number of Branches	Company Deposits in Market (\$000)	Deposit Market Share (%)	Percent of National Franchise (%)	Total Population 2024 (Actual)	Population Change 2020-2024 (%)	Projected Population Change 2024-2029 (%)	Median HH Income 2024 (\$)	Projected HH Income Change 2024-2029 (%)
Washington	73	8,528,608	3.95	39.9	7,904,137	2.58	4.33	93,297	11.25
California	10	4,448,018	0.27	20.8	39,172,872	(0.92)	1.13	92,605	9.43
Oregon	36	2,696,243	2.73	12.6	4,273,842	0.86	2.45	78,022	10.63
Arizona	28	1,619,101	0.76	7.6	7,485,634	4.67	3.52	74,483	11.99
New Mexico	19	1,622,534	3.65	7.6	2,117,948	0.02	0.93	61,656	10.55
Idaho	22	949,025	2.53	4.4	1,986,514	8.02	6.54	72,949	12.55
Utah	9	584,001	0.45	2.7	3,454,370	5.59	5.30	88,438	10.50
Nevada	8	527,704	0.53	2.5	3,234,642	4.19	2.61	71,942	9.10
Texas	5	398,736	0.03	1.9	30,665,339	5.21	4.74	73,203	9.01
<b>Totals:</b>	<b>210</b>	<b>21,373,970</b>		<b>100</b>	<b>100,295,298</b>				
<b>Weighted Average</b>						<b>1.90</b>	<b>3.09</b>	<b>86</b>	<b>10.66</b>
<b>Aggregate: National</b>					<b>336,157,119</b>	<b>1.42</b>	<b>2.40</b>	<b>75,874</b>	<b>10.12</b>

Deposit market share and percent of national franchise are from the FDIC's Summary of Deposit reports and is as of 09/30/2023. All other data is as of 09/30/2024.

# Vision 2025

## **Our Objective:**

*A highly-profitable, digital-first bank that leverages data to anticipate financial needs and empower our clients by creating frictionless experiences across all interactions and devices.*

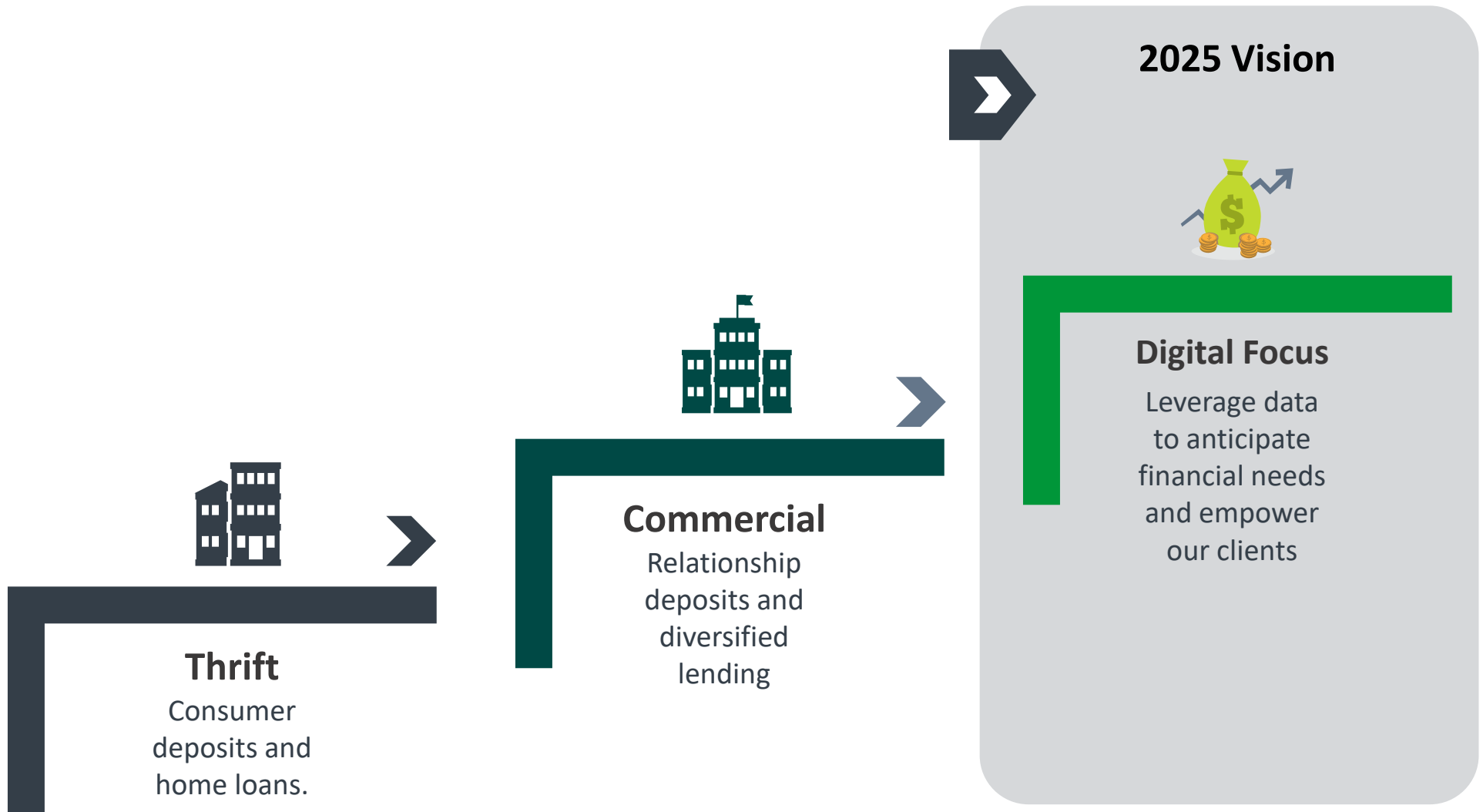
## **Our Values:**

*Integrity, Teamwork, Ownership, Service,  
Simplicity & Discipline*



# Evolution of Our Franchise

*10 years of investment has put us on glide path to an even stronger balance sheet and deeper client relationships*





# Completion of Luther Burbank Merger

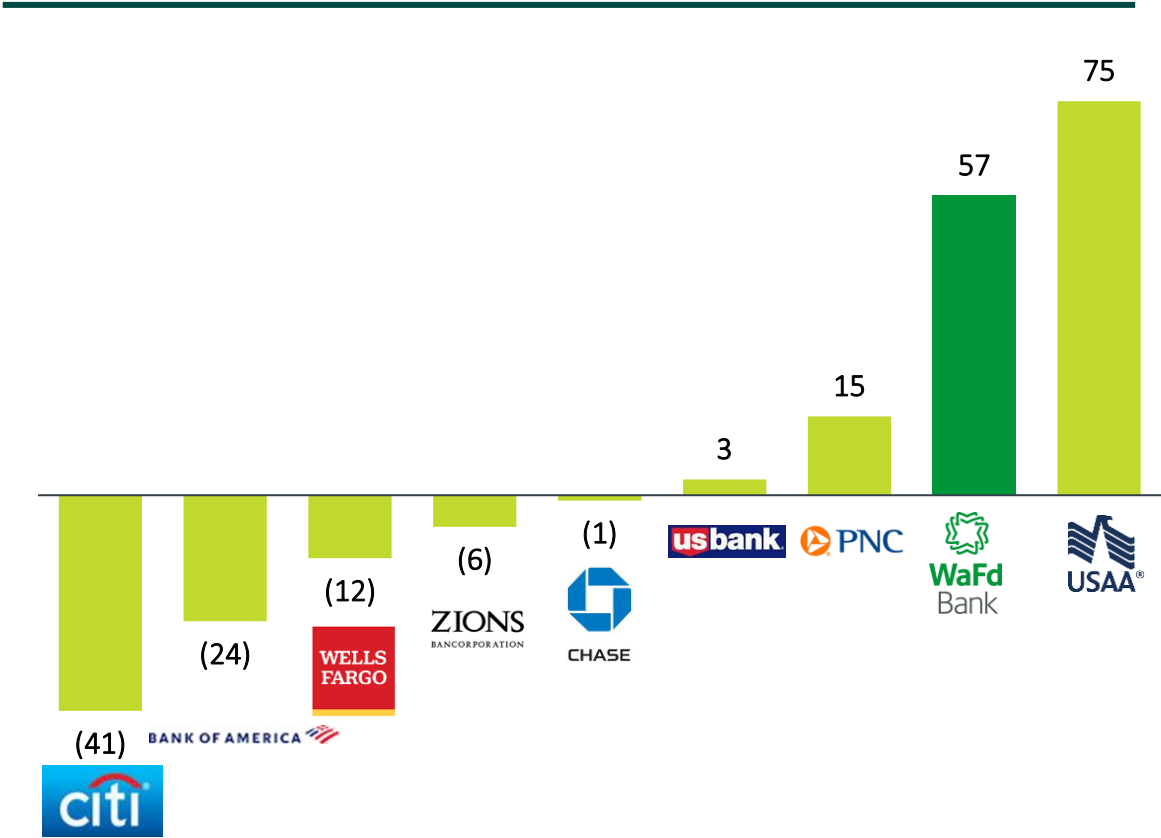
*Two great organizations coming together.*

- Merger effective March 1, 2024
- Successful systems conversion completed and branches re-branded by March 4<sup>th</sup> with minimal disruption
- WaFd Assets at March 31, 2024 - \$30.1 billion
- Preliminary Stats:
  - Consideration - \$466 million
  - Net Assets Acquired - \$361 million
  - Goodwill - \$105 million
  - \$6.2 billion in loans, \$3 billion held for sale
  - \$5.6 billion in customer accounts

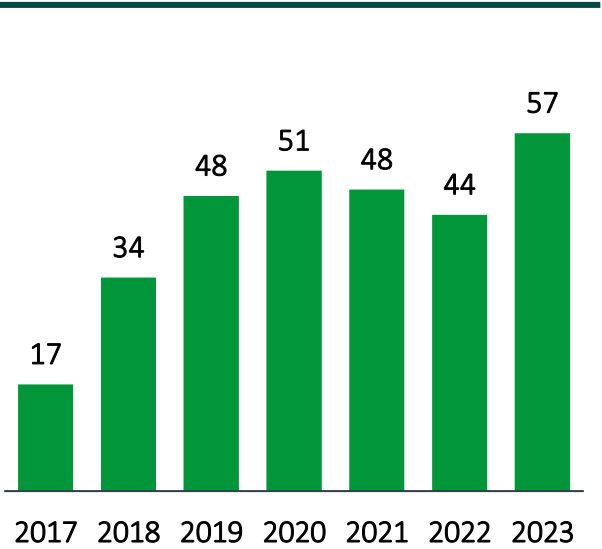
# Net Promoter Score Approaching Best in Class

Our investments in customer service, usability and technology are translating into high customer satisfaction levels

Peer Net Promoter Score <sup>1</sup>



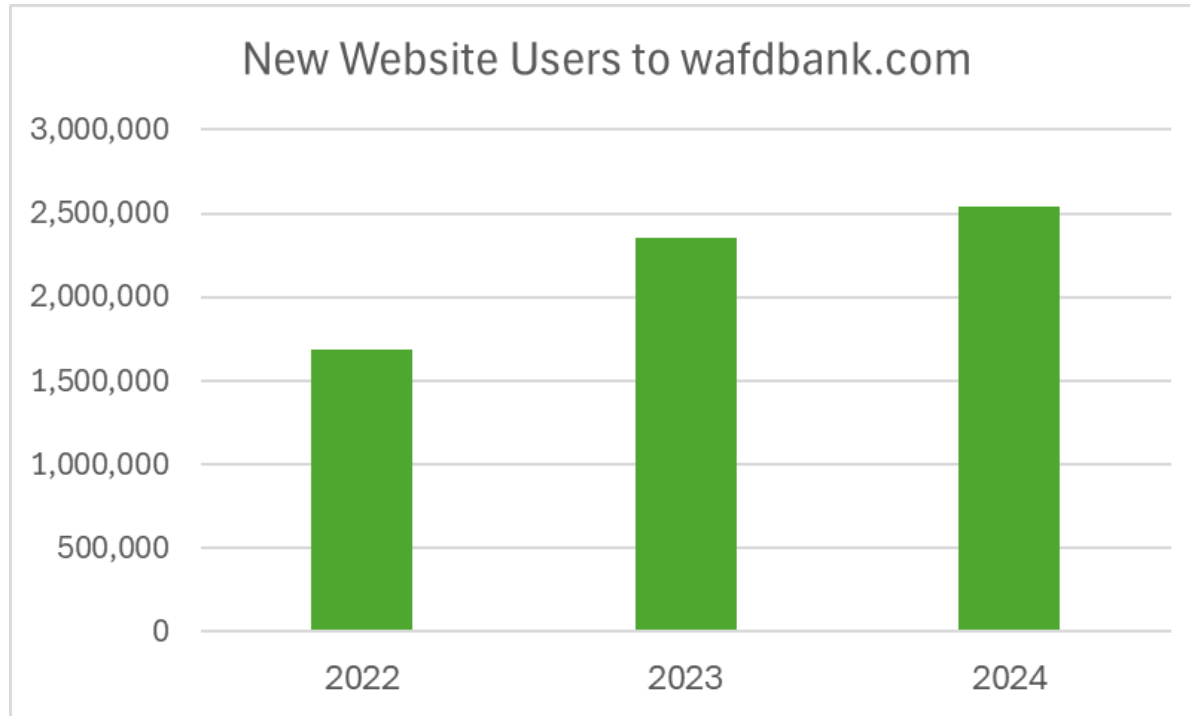
WaFd Net Promoter Score <sup>1</sup>



Source: Customer Guru  
<sup>1</sup> 2023 Financial Services Banking Benchmarks



# Web Traffic to Wafdbank.com



WaFd Bank's online growth of traffic to its website is due to our technology efforts.

Now averaging more than 200,000 new website visitors a month

# Commitment to ESG & Diversity

We believe our enduring franchise comes from core principles focused on helping the neighborhoods we serve and creating long-term value for all stakeholders led by a Board, management and employee base that bring together a diversity of backgrounds

Board Composition

Gender Identity	Female	Male
Directors	2	9
Demographic Background		
African American or Black		2
Hispanic or Latinx	1	1
Asian		1
White	1	5

## ESG & Diversity Policy Highlights

Our Corporate Social and Environmental Responsibility Policy flows from WaFd Bank's core principles, which are:



### Community Development

Over \$125 million dollars invested towards community development lending including and affordable housing investments



### Volunteerism

WaFd employees participated in 11,870 volunteer hours in support of 755 community organizations and initiatives



### Washington Federal Foundation

The Washington Federal Foundation awarded 242 grants to local community organizations totaling over \$1.1 million for the fiscal year



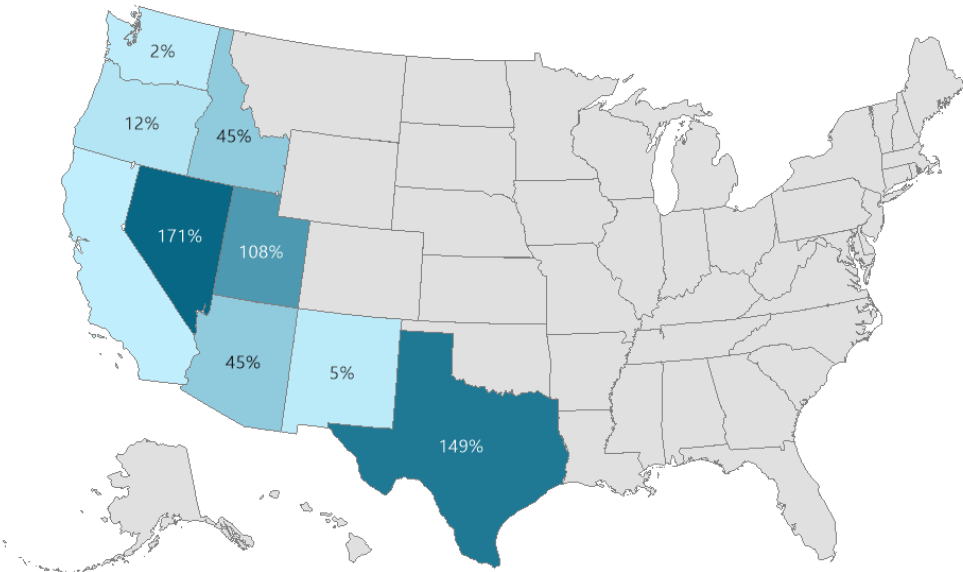
### United Way Matching Campaign

WaFd Bank matches employee contributions made to United Way agencies in all nine states. In fiscal year 2024 pledges from colleagues were \$375,525. WaFd matched \$375,495 and \$750,000 matched by FHLB for a total of \$1,501,020

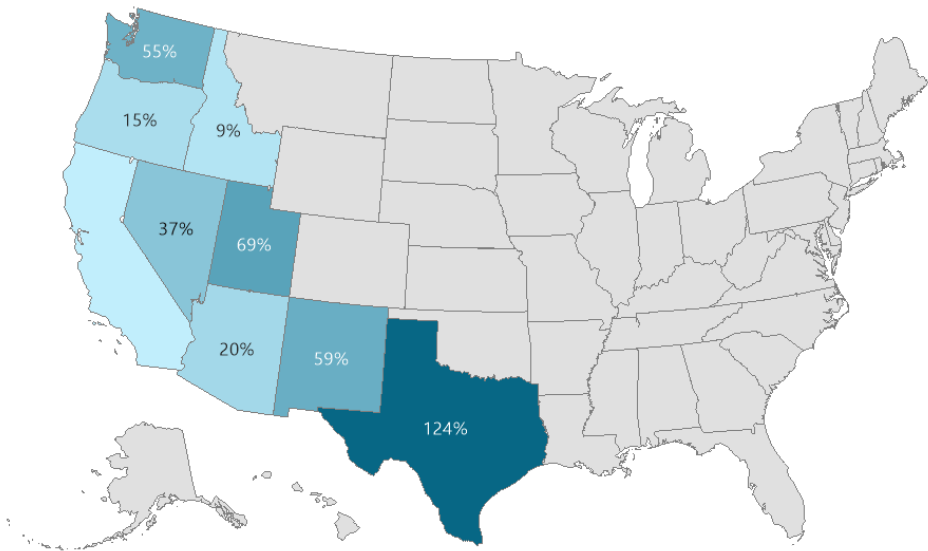
# 5 Year Change by Percentage in Each Geographical Area <sup>1</sup>

From September 30, 2019, to September 30, 2024

5 Year percentage change in Loans by Geographical Area



5 Year percentage change in Deposits by Geographical Area



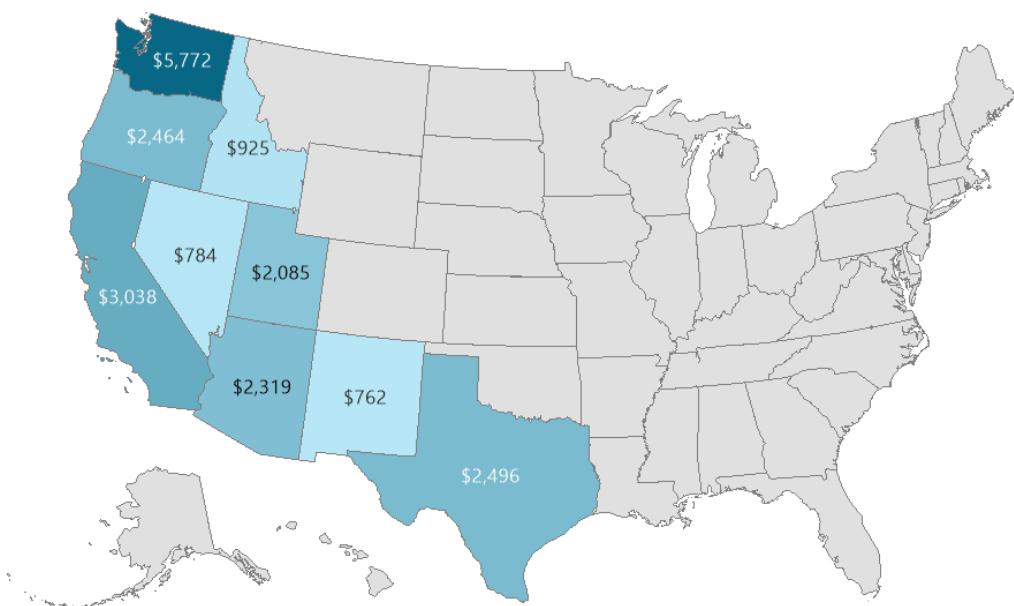
<sup>1</sup> WaFd entered the California market with the LBC merger 3/1/24.

# Loan and Deposit Balances by Geographical Area

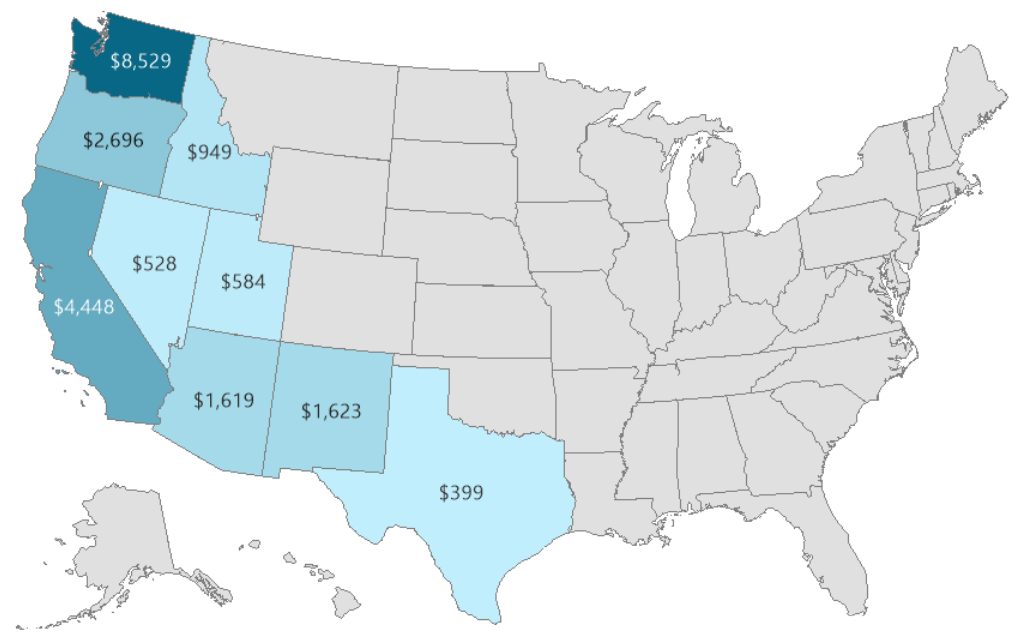
As of September 30, 2024

\$ In Millions

Loan Balances by Geographical Area



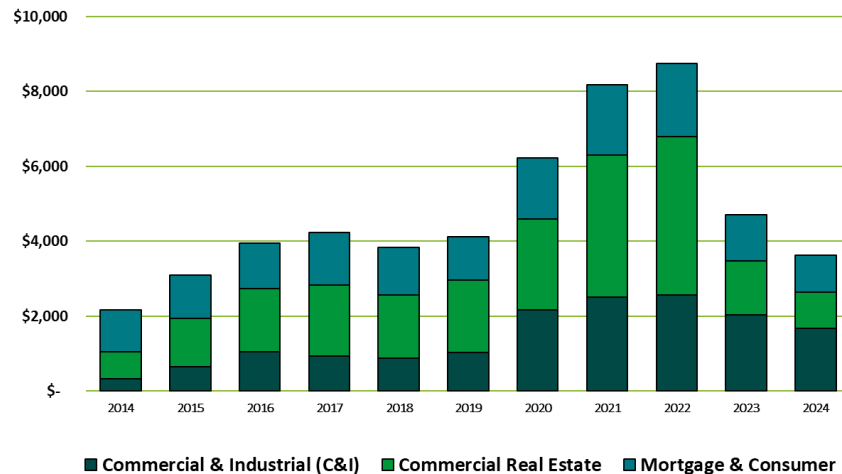
Deposit Balances by Geographical Area



# Loan Growth – Through Different Interest Rate Environments

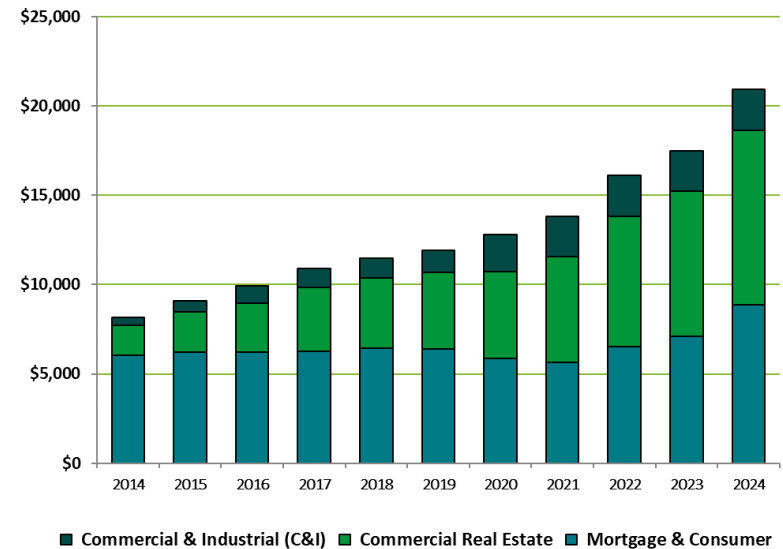
*\$ in millions.*

## New Loan Originations



- Originations overall are reduced due to both rising interest rates and an intentional slowing to temper growth
- Commercial loans make up a greater portion of all originations over time, making up 73% of all originations in 2024 compared to 49% in 2014

## Loan Growth



- Although originations have slowed, they are keeping up with repayments largely through funding of construction loans previously originated.
- Mortgage and Consumer loans currently make up 42% of total net loans compared to 74% in 2014 as a result in the origination trend noted at left

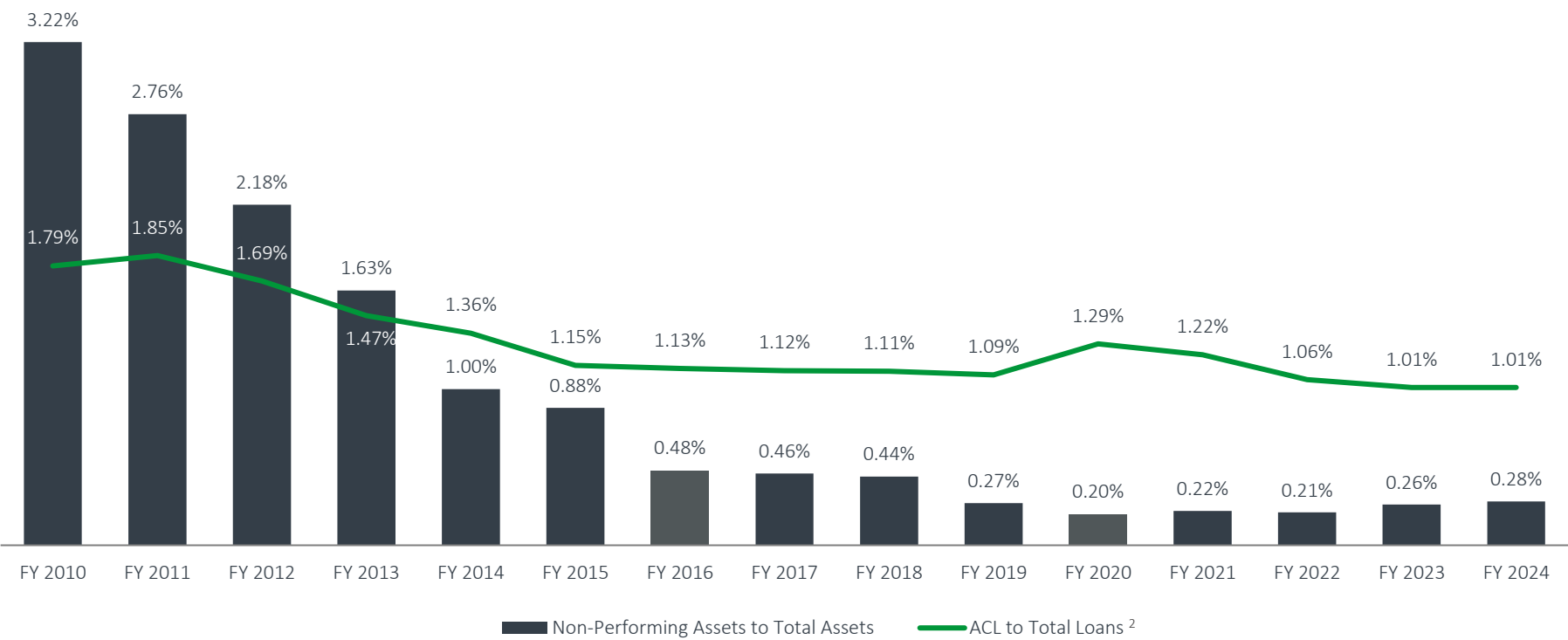
# Non-Performing Assets Near Record Lows

*We have retained a strong ACL while NPAs have declined since 2010*

- ACL at 9/30/2024 amounted to \$204 million, representing 263% of total NPAs <sup>1</sup>
- Non-performing assets \$77 million as of 9/30/2024, 0.28% of Total Assets

## Non-Performing Assets to Total Assets and ACL to Total Loans <sup>1</sup>

For Fiscal Year End 9/30



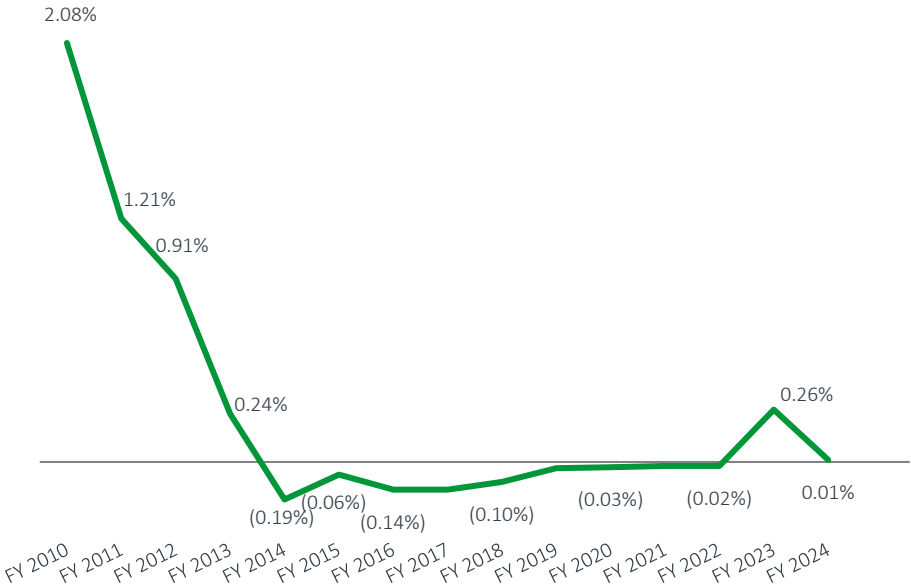
<sup>1</sup> ACL to Total Loans does not include ACL related to unfunded commitments of \$21.5 million.  
<sup>2</sup> Effective October 1, 2020, the Company implemented FASB's Current Expected Credit Loss (CECL) Standard

# Strong Credit Quality

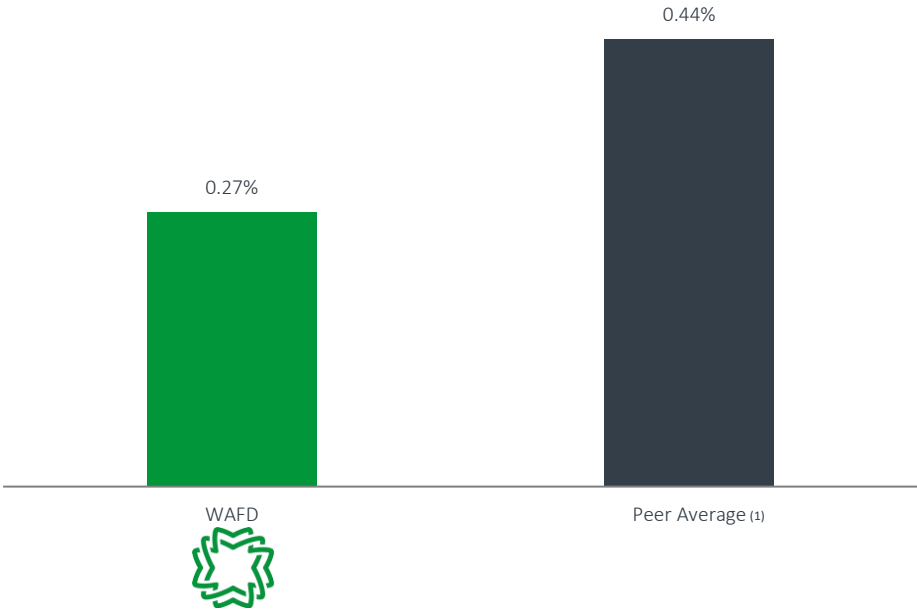
## Strong Credit Quality Characterized by Limited Charge-Offs

The Bank experienced nine consecutive years of net recoveries, fiscal 2014 through fiscal 2022, during which net recoveries totaled \$74.8 million. Although we experienced net charge-offs in fiscal 2023, those were the result of one large charge-off rather than a more widespread issue within the overall portfolio. Charge-off and recovery activity has been minimal in FY 2024.

Net Loan Charge-offs (recoveries)



Average NCOs Per Year – Last 20 Years



Source: S&P Global, Company Filings  
<sup>1</sup> Peers represent Proxy Peers as specified in the Company's latest Proxy Statement



# Net Loan Portfolio Average Current LTV

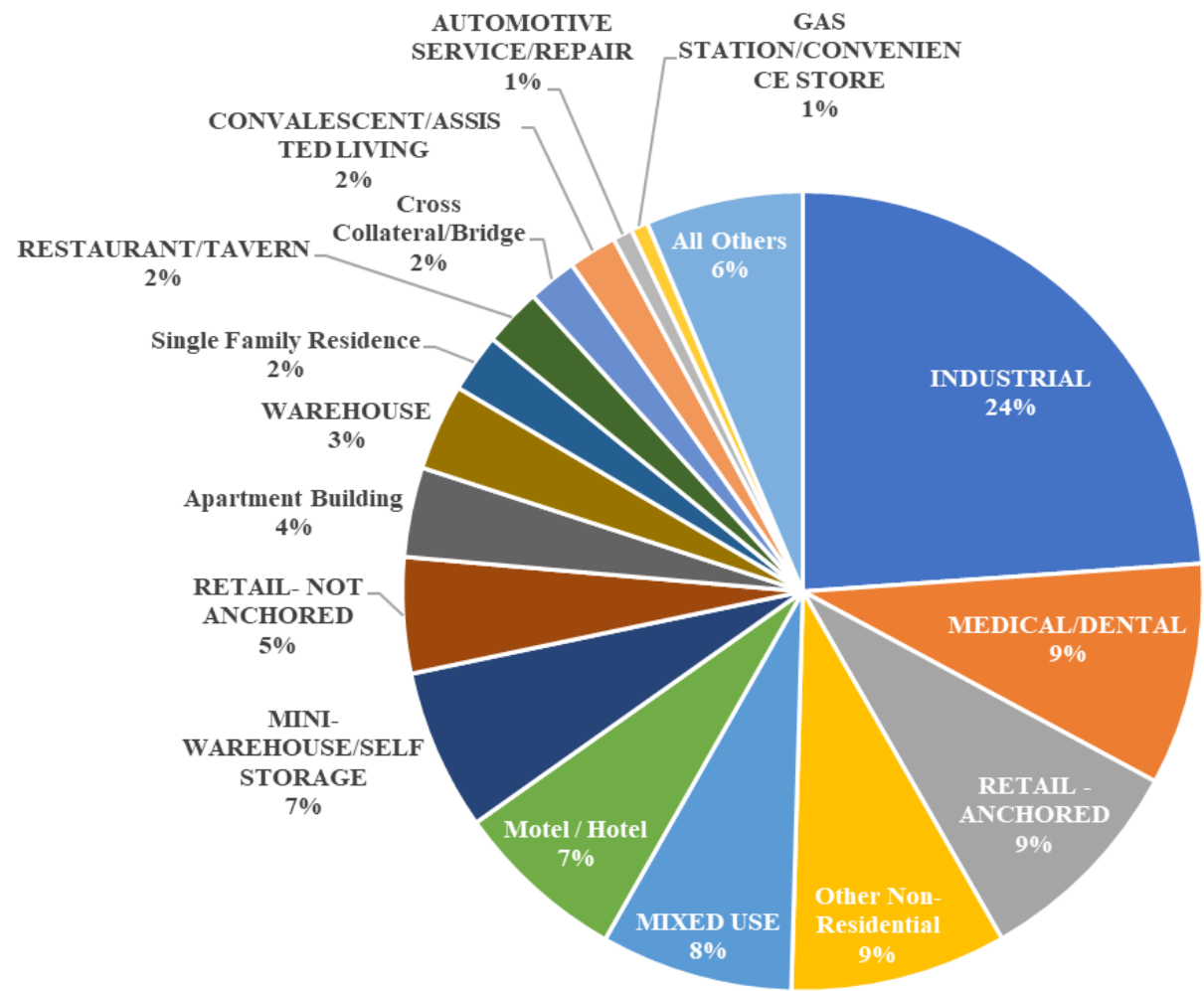
As of September 30, 2024

\$ In Thousands

	Net Balance	% of Loans	WTD Avg Current LTV	% Delinquent based on \$
Multifamily	\$ 4,530,951	22%	56%	0.32%
CRE - Office	782,418	4%	65%	0.00%
CRE - Other	2,910,528	14%	48%	0.02%
CRE Construction - Multifamily	899,929	4%	51%	0.00%
CRE Construction - Other	501,819	2%	42%	0.41%
C&I	2,273,984	11%	NA	0.09%
SFR	8,239,778	39%	39%	0.36%
SFR Custom Construction	180,988	1%	57%	0.47%
Other	595,959	3%	NA	0.56%
	\$ 20,916,354	100%		0.26%

# Other CRE Property Types as % of Total Net Loans

As of September 30, 2024

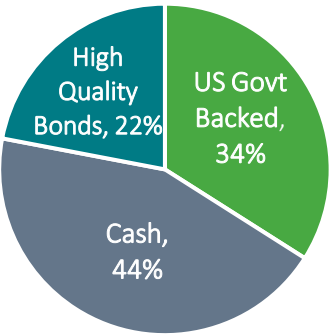


# Significant Liquidity and High-Quality Securities Portfolio

High quality, \$5.4 billion cash and investment portfolio with \$7.7 billion remaining collateral and lines as a source of additional potential liquidity

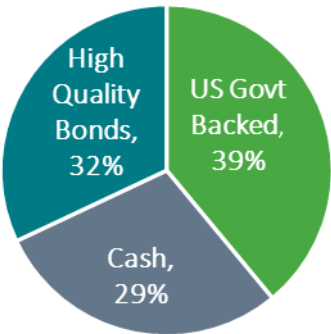
Cash and Securities Composition

Sept 30, 2024



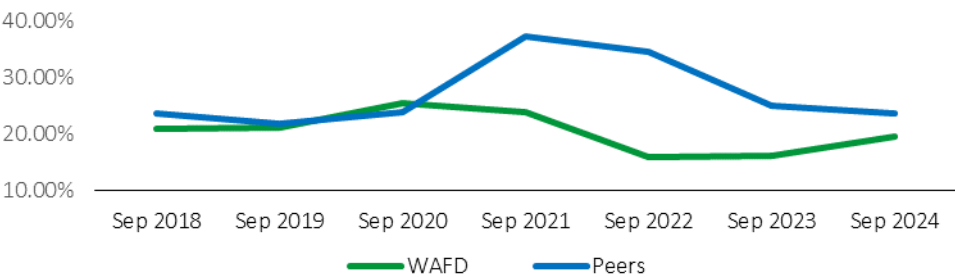
Total Cash and Securities: \$5.39Bn  
Cash and Securities / Total Assets: 19%

Sept 30, 2023



Total Cash and Securities: \$3.4Bn  
Cash and Securities / Total Assets: 15%

Cash & Securities / Total Assets<sup>1</sup>



Source: SNL Financial, Company Filings  
<sup>1</sup> Peers represent Banks similar to WaFd in size, geography and operations

As of 09/30/2024, WAFD maintains over \$5.3bn of balance sheet Liquidity.

- Cash and Securities is 19% of assets
- Investment Portfolio targets low credit risk / moderate duration
- 78% Cash and US Government-backed Agency Bonds and MBS
- Current Yield on Cash and Investments Portfolio is 4.44%

Liquidity is tested quarterly through utilizing various scenarios to determine their affect on available liquidity. Whether minor or extreme, these tests show strong liquidity as a result of deposits and borrowing capacity from reliable collateralized sources.

# Investment Portfolio

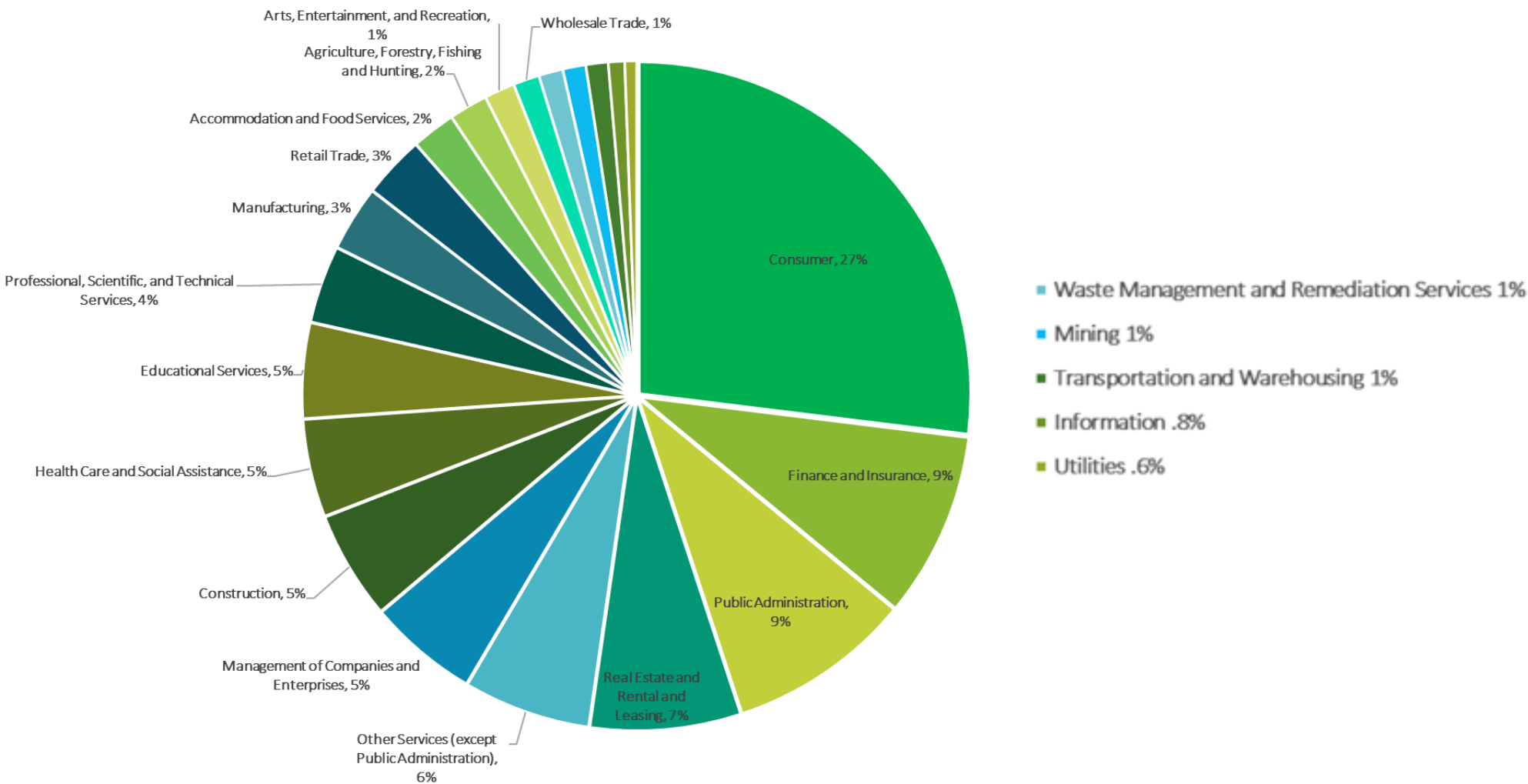
*High quality, \$3.0 Billion investment portfolio with a duration of 2.9 years. Portfolio is 54% variable rate.*

HTM Investments	Fair Value		Gain/Loss	WAL	Expected Yield
Agency MBS	\$	401,046	\$ (35,926)	8.2	3.11%

AFS Investments	Fair Value		Gain/Loss	WAL	Expected Yield
Agency MBS	\$	1,387,026	\$ (33,351)	5.2	4.27%
Agency and Student Loan Bonds		854,329	(392)	13.6	6.16%
Corporate Bonds		296,282	(10,016)	3.9	4.60%
Municipal Bonds		35,073	(409)	10.6	5.20%
	\$	2,572,710	\$ (44,168)		

Hedges	Gain/Loss		WAL
Borrowing Cash Flow Hedges	\$	117,271	

# Highly Diversified Deposit Base - % of Deposits by Industry

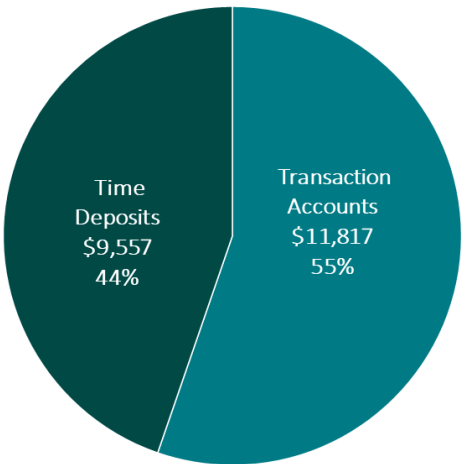


Top 20 depositors make up 9.5% of total deposits. 24% of total deposits are uninsured and not collateralized as of September 30, 2024.

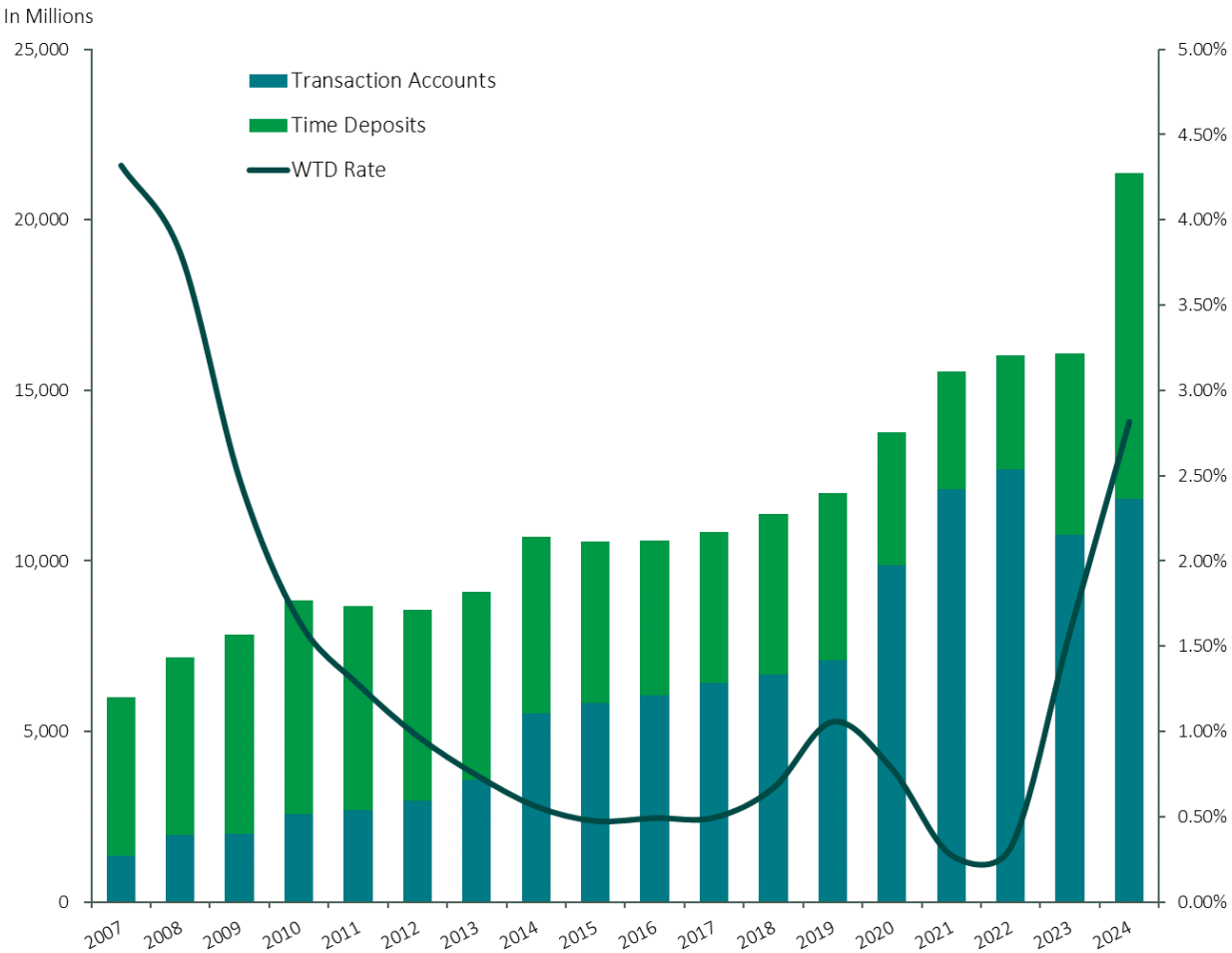
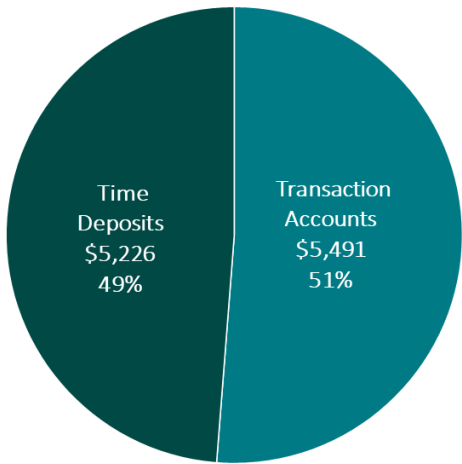
# Deposit Trends

Shifting away from time deposits in favor of transaction accounts. Checking accounts now make up 33% of all deposits

As of 9/30/2024



As of 9/30/2014



# Deposit Flows

*Overall changes by quarter and balances by type*

Customer Deposit Accounts	9/30/2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Checking - Noninterest Bearing	3,269,773	3,266,734	3,070,895	2,856,165	2,729,888	2,604,281	2,482,010	2,514,310	2,500,467
Checking - Interest Bearing	3,472,402	3,497,795	3,971,814	4,125,554	4,124,463	4,084,933	4,579,413	4,481,465	4,486,444
Savings	1,069,801	1,059,093	1,002,034	943,915	817,547	777,204	771,260	733,973	718,560
Money Market	4,856,275	4,867,905	4,503,090	3,954,709	3,358,603	3,191,646	4,506,179	4,199,257	4,111,714
CDs	3,297,369	3,338,043	3,412,203	3,980,605	4,863,849	5,380,723	9,000,911	9,255,760	9,556,785
Total	15,965,620	16,029,570	15,960,035	15,860,948	16,120,424	16,038,787	21,339,773	21,184,765	21,373,970
Quarter % Change	-2.6%	0.4%	-0.4%	-0.6%	1.6%	1.1%	33.1%	-0.7%	0.9%
Quarter \$ Change	(425,028)	63,950	(69,534)	(99,088)	259,477	177,839	5,300,986	(155,008)	189,205
Uninsured & Uncollateralized Deposits	4,856,149	4,876,840	4,238,629	4,033,174	4,124,355	4,182,289	5,436,402	5,238,217	5,134,192
% of Total Deposits	30.4%	30.4%	26.6%	25.4%	25.6%	26.1%	25.5%	24.7%	24.0%

- Deposit balances increased in FY24 as a result of the LBC merger. The merger added \$3.7 billion in time deposits and \$1.9 billion in transaction accounts.
- 76% of deposits are collateralized or insured.

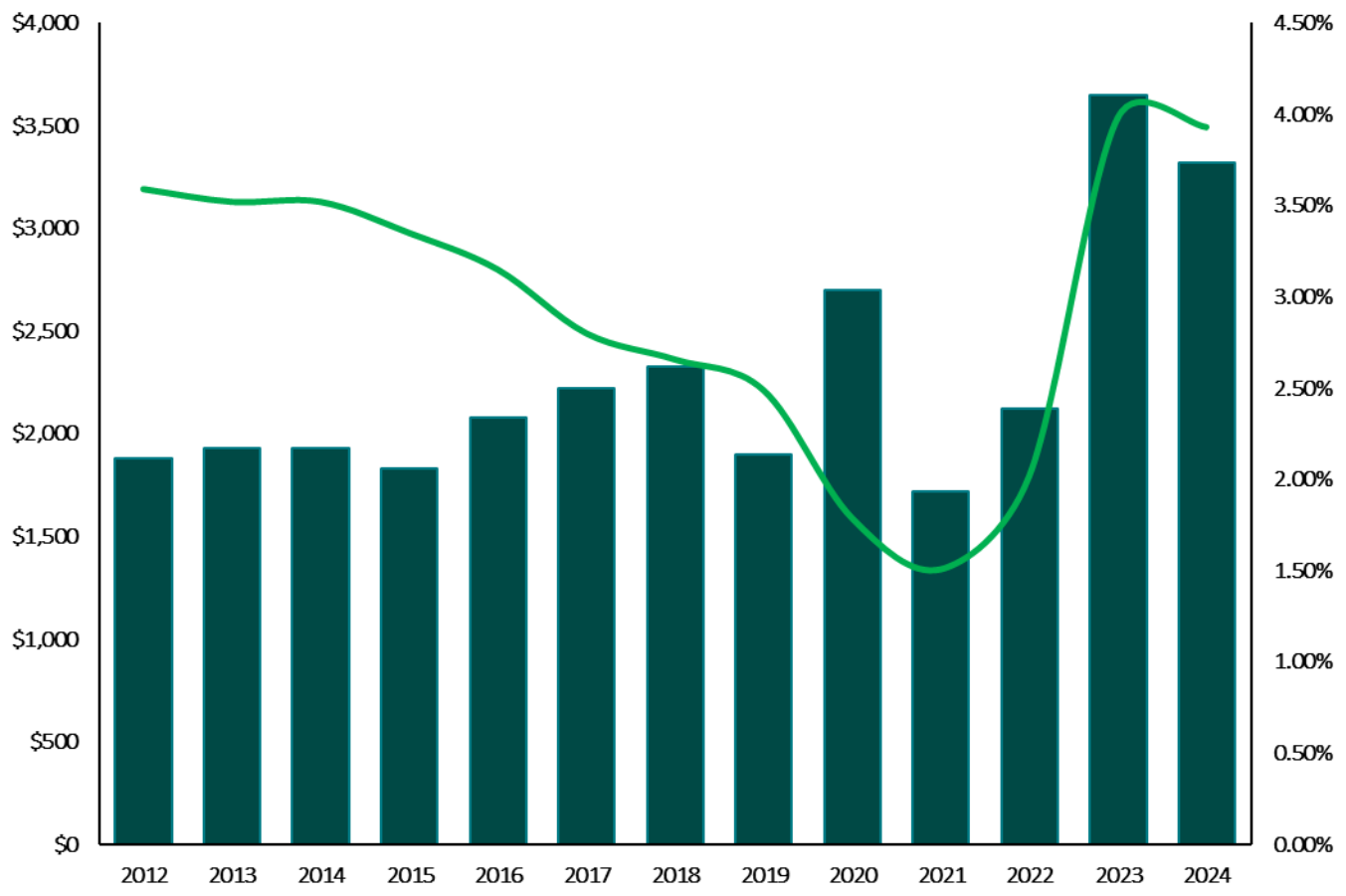
\*(Balances \$ in thousands)



# Borrowings and Debt Outstanding & Weighted Rate

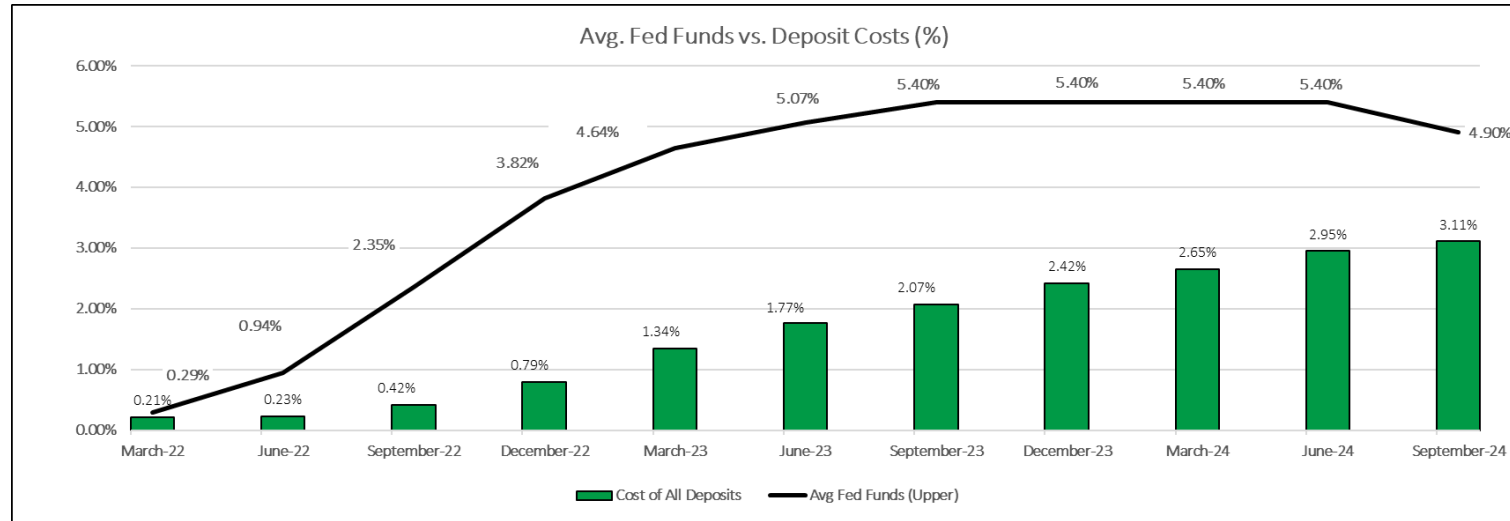
Borrowings are 67% FHLB and 31% Federal Reserve Bank Term Funding Program and are used in part to manage interest rate risk. Current period decrease reflects the net effect of the addition of borrowings and debt in the LBC merger offset by \$1.6 billion in borrowings paid off with the proceeds from the LBC loan sales.

Increase in borrowings for 2020 was from locking in \$1 billion of funding at a fixed rate of 66 bps for 10 years. More recent increases served to ensure sufficient balance sheet liquidity.



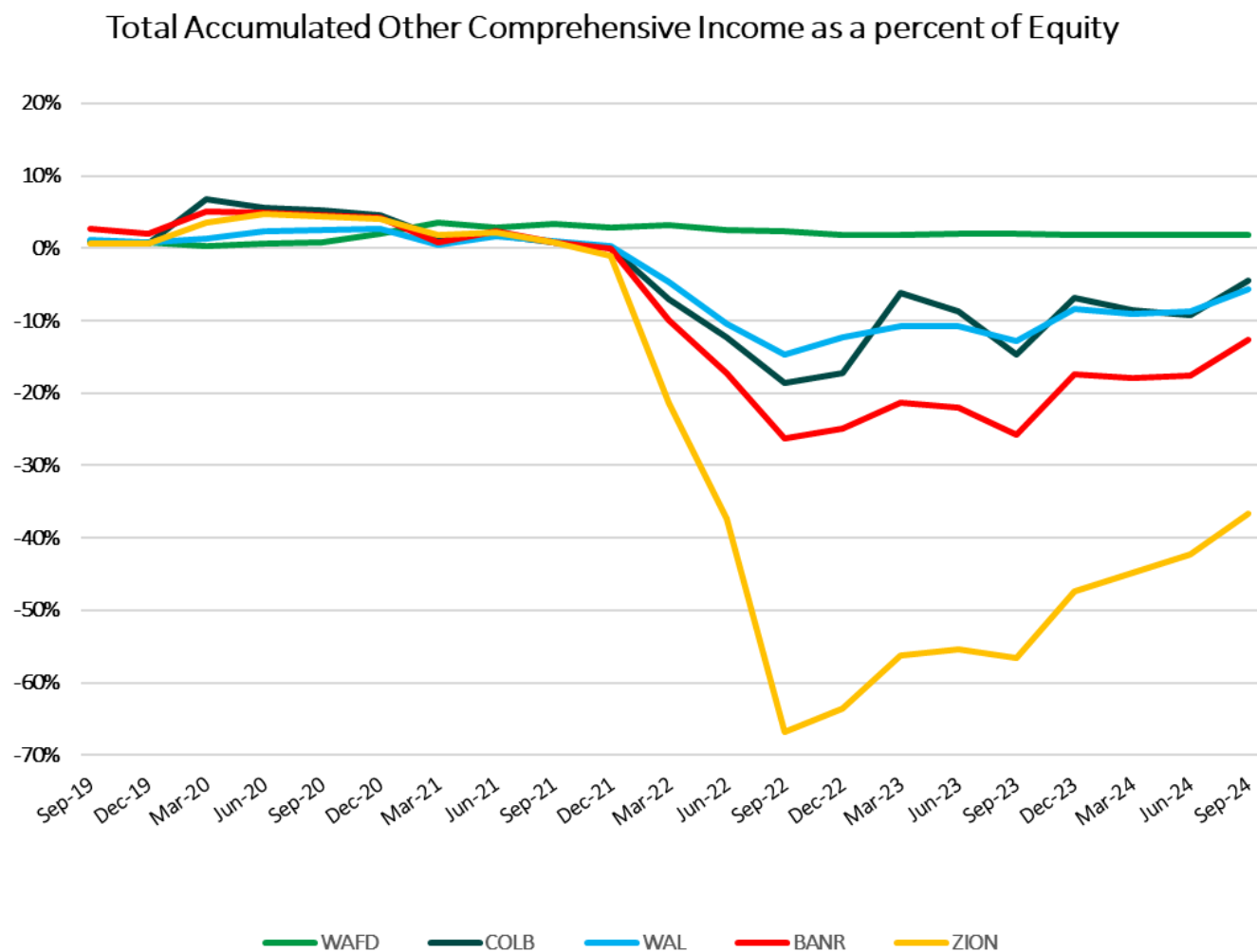
Effective Maturity Schedule		
	Amount \$ million	Rate
Within 1 year:	\$2,274	5.00%
1 to 3 years:	\$ 193	3.17%
3 to 5 years:	\$ -	- %
5+ years:	\$ 851	1.23%

# Cost of Deposits in the Rising Rate Environment



	Avg Fed Funds (Upper)	Cost of Interest-bearing Deposits	Cost of All Deposits	Actual Cumulative Beta
12/31/2021	0.25%	0.27%	0.21%	--
3/31/2022	0.29%	0.26%	0.21%	--
6/30/2022	0.94%	0.29%	0.23%	3%
9/30/2022	2.35%	0.53%	0.42%	10%
12/31/2022	3.82%	1.00%	0.79%	16%
3/31/2023	4.64%	1.66%	1.34%	26%
6/30/2023	5.07%	2.16%	1.77%	32%
9/30/2023	5.40%	2.50%	2.07%	36%
12/31/2023	5.40%	2.90%	2.42%	43%
3/31/2024	5.40%	3.10%	2.65%	47%
6/30/2024	5.40%	3.37%	2.95%	53%
9/30/2024	4.90%	3.54%	3.11%	62%

# AOCI vs our Peers



# Income Statement Comparison

*\$ In thousands*

	Three Months Ended,			
	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>\$ Change</u>	<u>% Change</u>
<b>INTEREST INCOME</b>				
Loans.....	\$ 308,598	\$ 240,998	\$ 67,600	28%
Mortgage-backed securities.....	18,088	11,695	6,393	55%
Investment securities and cash equivalents.....	47,411	29,017	18,394	63%
	<u>374,097</u>	<u>281,710</u>	<u>92,387</u>	<u>33%</u>
<b>INTEREST EXPENSE</b>				
Customer accounts.....	165,240	83,402	81,838	98%
FHLB advances and other borrowings.....	36,045	34,611	1,434	4%
	<u>201,285</u>	<u>118,013</u>	<u>83,272</u>	<u>71%</u>
<b>NET INTEREST INCOME .....</b>	<b>172,812</b>	<b>163,697</b>	<b>9,115</b>	<b>5.6%</b>
Provision (release) for credit losses.....	0	26,500	(26,500)	
<b>Net interest income after provision(reversal).....</b>	<b>\$ 172,812</b>	<b>\$ 137,197</b>	<b>\$ 35,615</b>	<b>26.0%</b>

# Income Statement Comparison

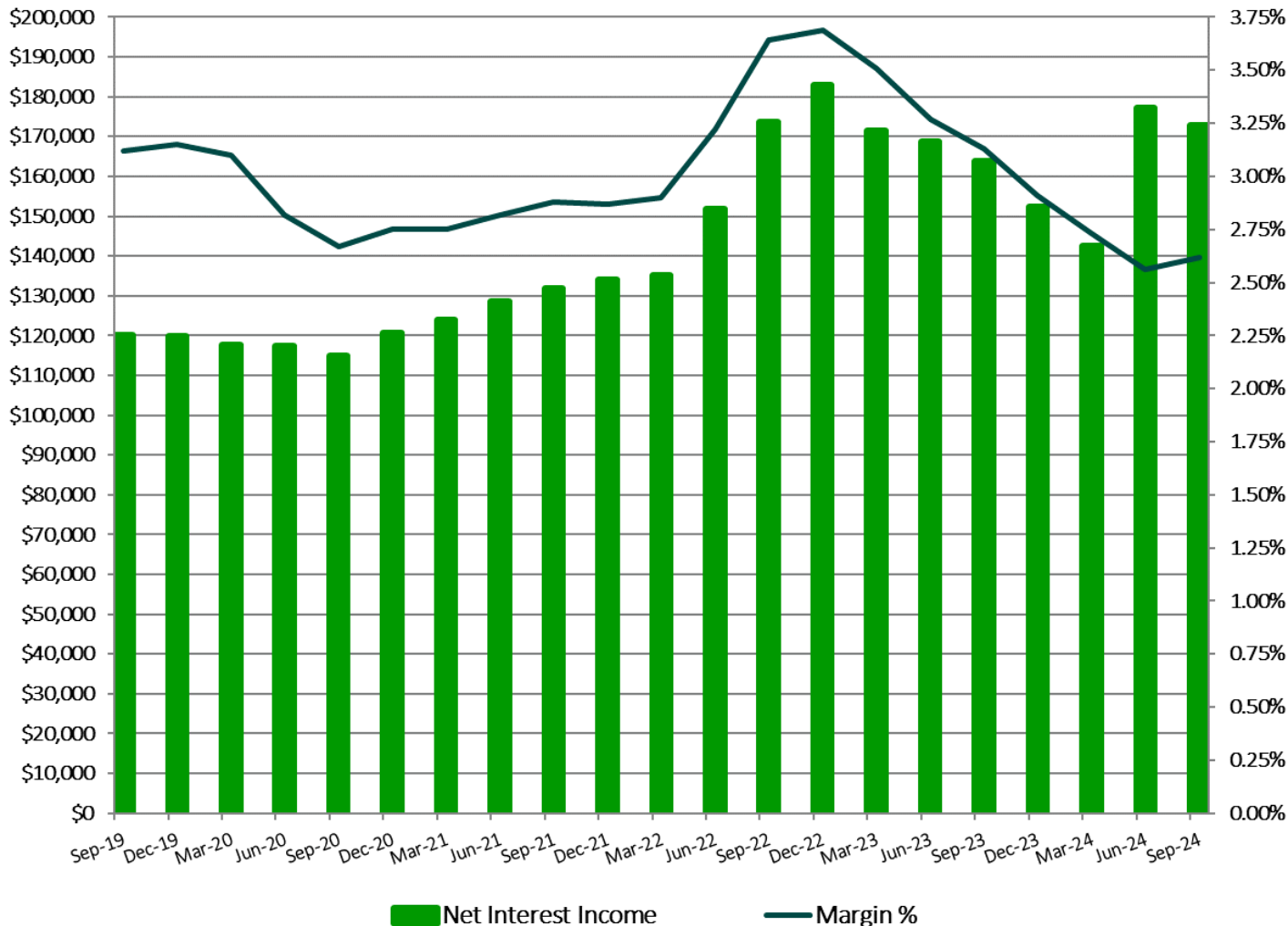
*In thousands*

	Three Months Ended,			
	<u>9/30/2024</u>	<u>9/30/2023</u>	\$ Change	% Change
<b>OTHER INCOME</b>	\$ 15,878	\$ 14,334	\$ 1,544	10.8%
<b>OTHER EXPENSE</b>				
Compensation and benefits.....	53,983	45,564	8,419	18.5%
Occupancy.....	10,843	10,115	728	7.2%
FDIC insurance.....	6,800	7,000	(200)	-2.9%
Product delivery.....	6,306	5,819	487	8.4%
Information technology.....	14,129	12,672	1,457	11.5%
Other expense.....	15,880	11,007	4,873	44.3%
	<u>107,941</u>	<u>92,177</u>	<u>15,764</u>	<u>17.1%</u>
Gain (loss) on REO.....	<u>(83)</u>	<u>(235)</u>	<u>152</u>	<u>-65%</u>
Income before income taxes.....	80,666	59,119	21,547	36.4%
Income taxes.....	19,526	8,911	10,615	119.1%
<b>NET INCOME.....</b>	<b>\$ 61,140</b>	<b>\$ 50,208</b>	<b>\$ 10,932</b>	<b>21.8%</b>
Dividends on preferred stock.....	3,656	3,656	0	
<b>Net Income available to common shareholders.....</b>	<b>\$ 57,484</b>	<b>\$ 46,552</b>	<b>\$ 10,932</b>	<b>23.5%</b>

*Efficiency Ratio of 62.13% for fiscal year 2024 up from 50.65% for fiscal year 2023 as a result of merger-related expenses.  
Effective tax rate for fiscal year 2024 is 21.88% compared to 20.81% for fiscal year 2023.*

# Net Interest Income and Net Interest Margin

Net interest income in thousands.

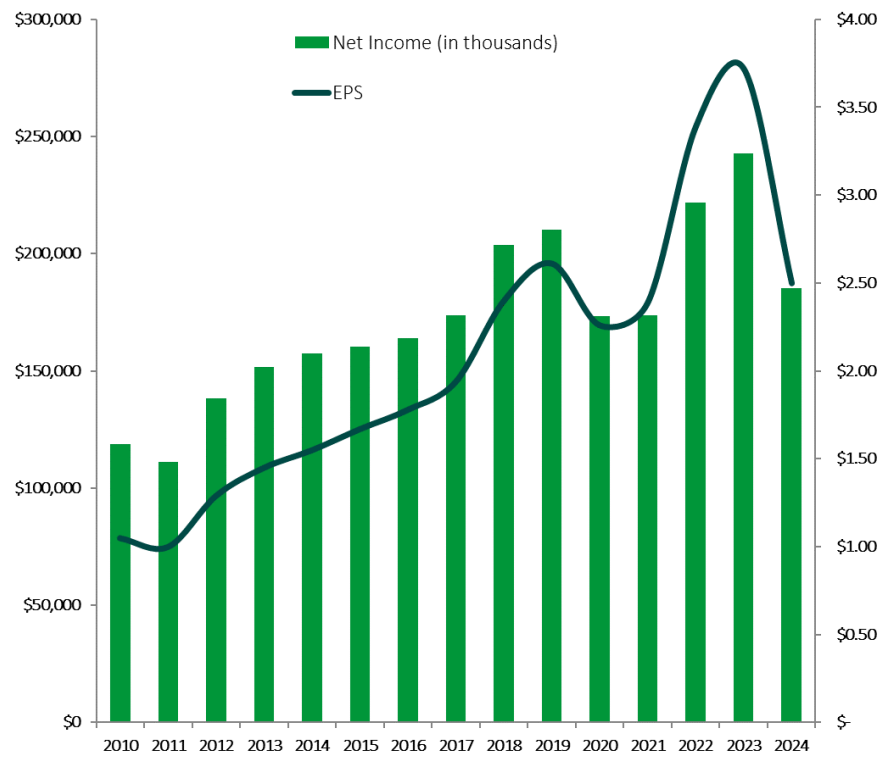


## IRR measures as of Sept 30, 2024:

- Net Interest Income (NII) would increase by 2.8% in +200 bps immediate and parallel shock and would decrease by 1.0% in a -200 bps immediate parallel shock.
- Net Portfolio Value (NPV) after +200bps shock is 24.9% lower (\$741mm) and at \$2.237 billion would be 8.69% of total assets NPV after -200bps shock is 9.16% higher (\$273 mm) and at \$3.249 billion would be 11.56% of total assets.

# Net Income and Common Earnings Per Share

Annual



Quarterly



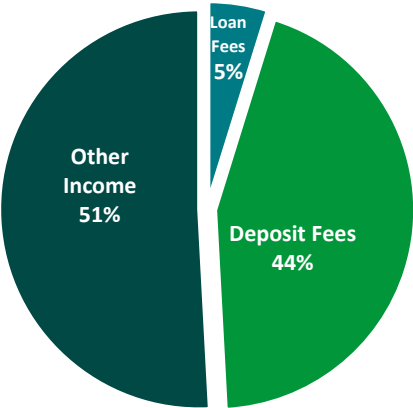
March 31, 2024 Net Income and EPS reflect merger-related expenses of \$25 million and the preliminary ACL provision of \$16 million.



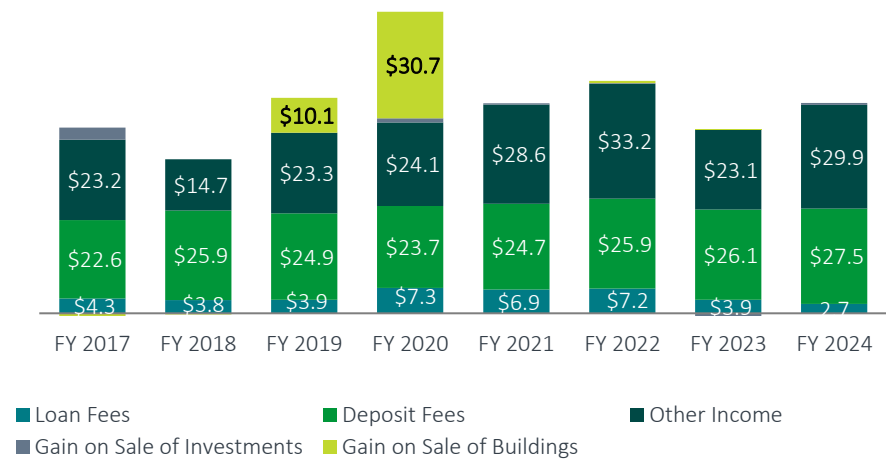
# Non-Interest Income

Diverse sources of Non-Interest Income provide steady growth and balance our revenue profile

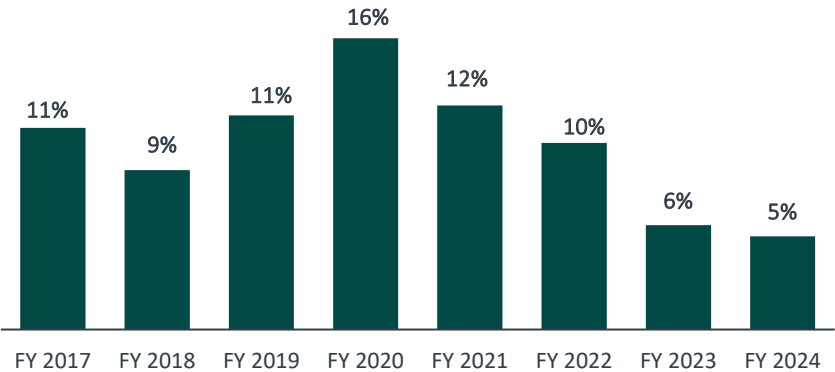
Non-Interest Income for Quarter-Ended 09/30/2024



Non-Interest Income Over Time (\$MM)



Non-Interest Income / Total Loan Revenue

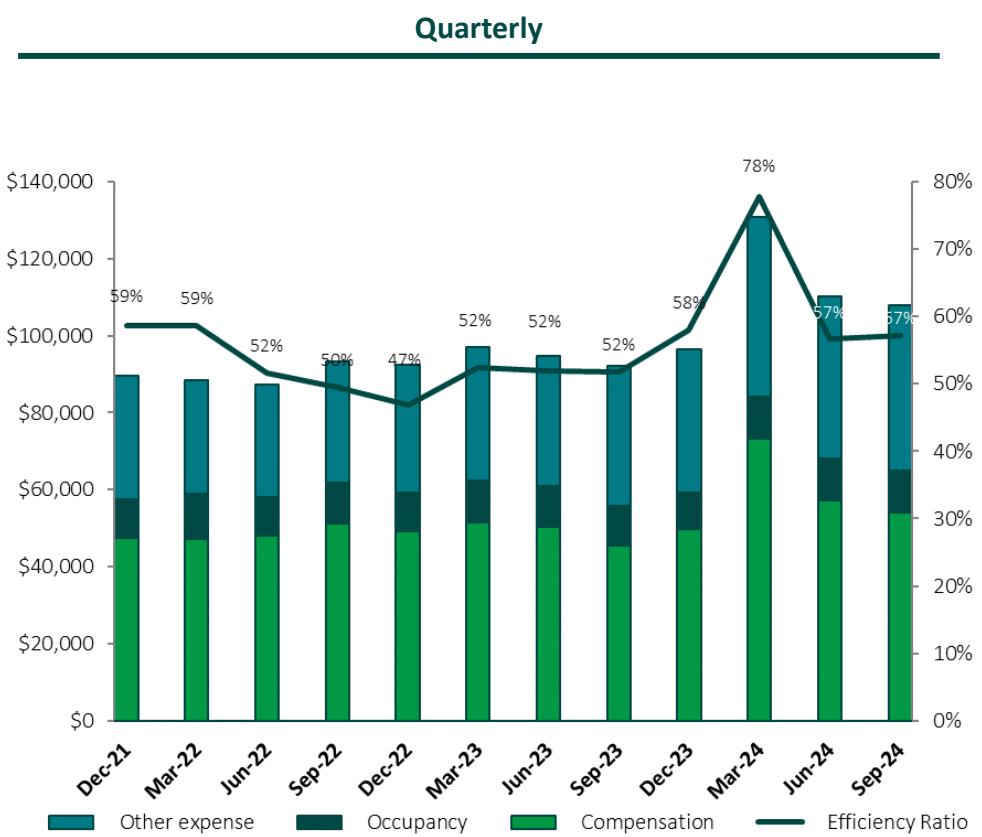
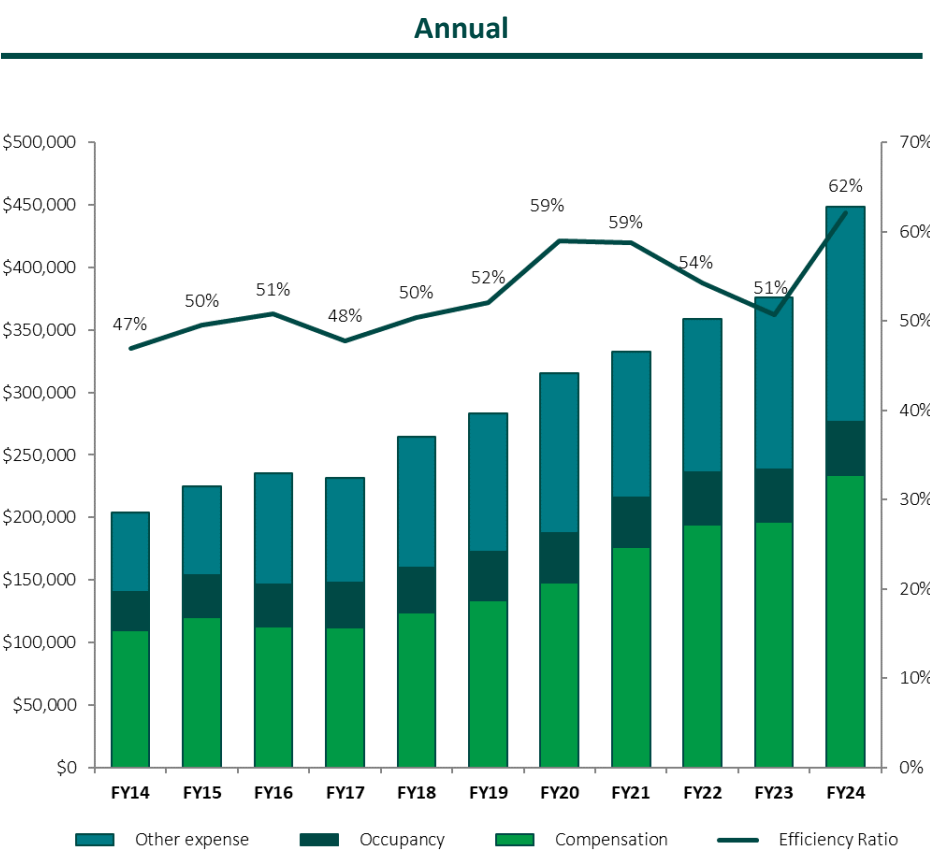


Other Income includes:

- BOLI income
- Rental income
- Gains on property sales
- WAFD Insurance Income
- Income on equity method investments

# Non-Interest Expense Over Time

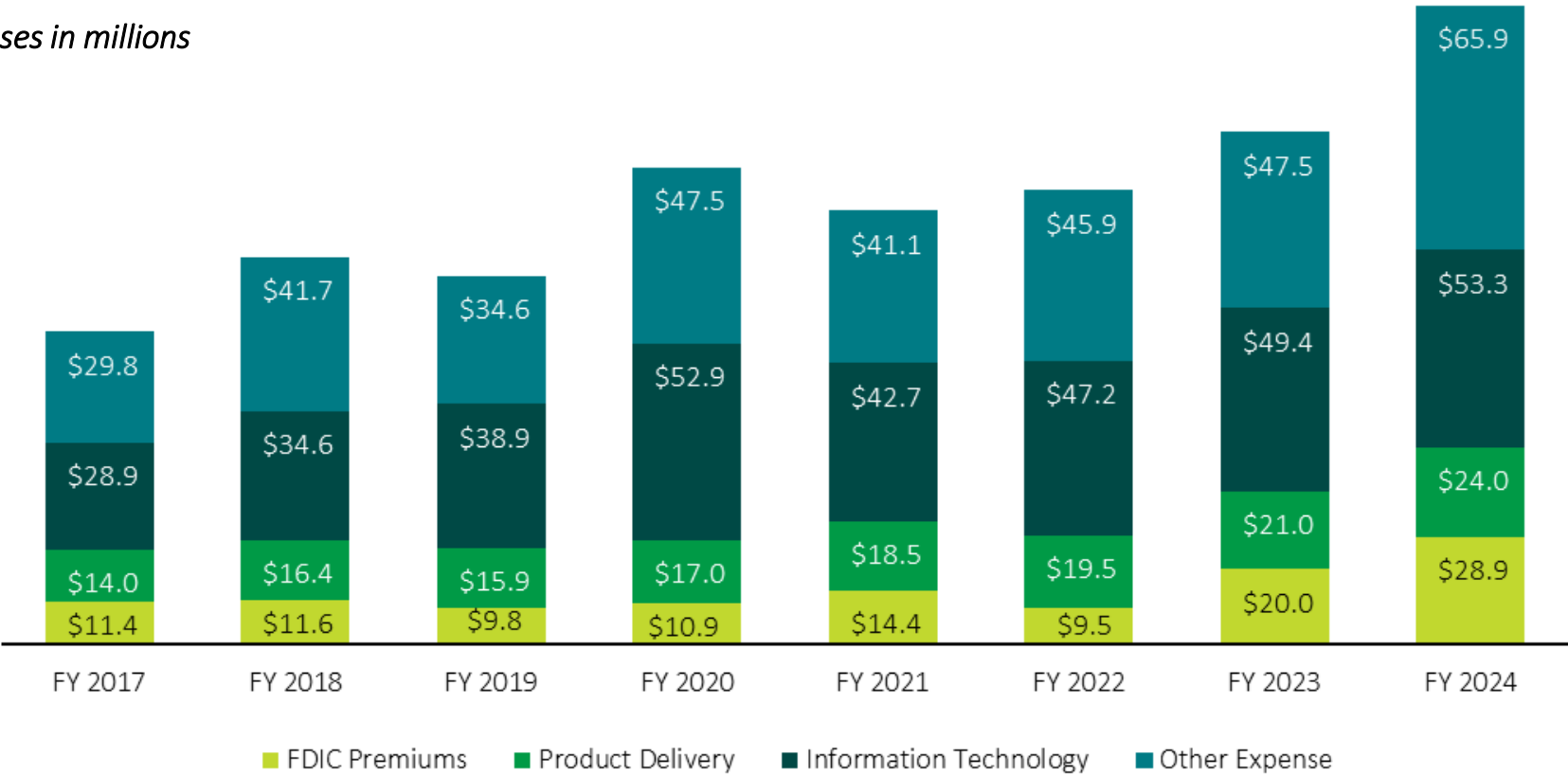
Annual and Quarterly - Expenses in thousands



Other expense includes FDIC premiums, product delivery & IT related costs and other miscellaneous expenses. The quarter-ended March 31, 2024 includes merger related expenses and other non-operating expenses. If removed, the adjusted efficiency ratio for the year would be 57.5%. See additional details for 'other' expenses within Other Non-Interest Expense on the next page.

# Breakout of Other Non-Interest Expense

Expenses in millions

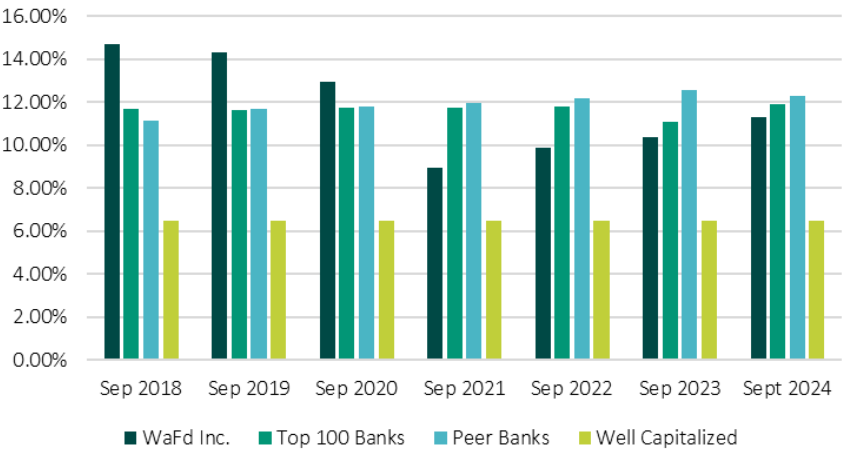


Other Expense includes:

- FDIC Premiums
- Product Delivery
- Information Technology
- Miscellaneous 'Other' line-item expenses include professional services, marketing and administrative costs.

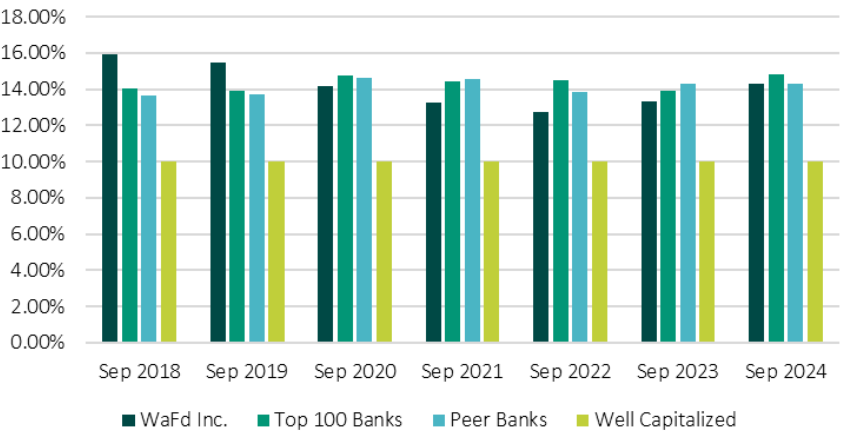
# Capital Ratios

Common Equity Tier 1 Ratio

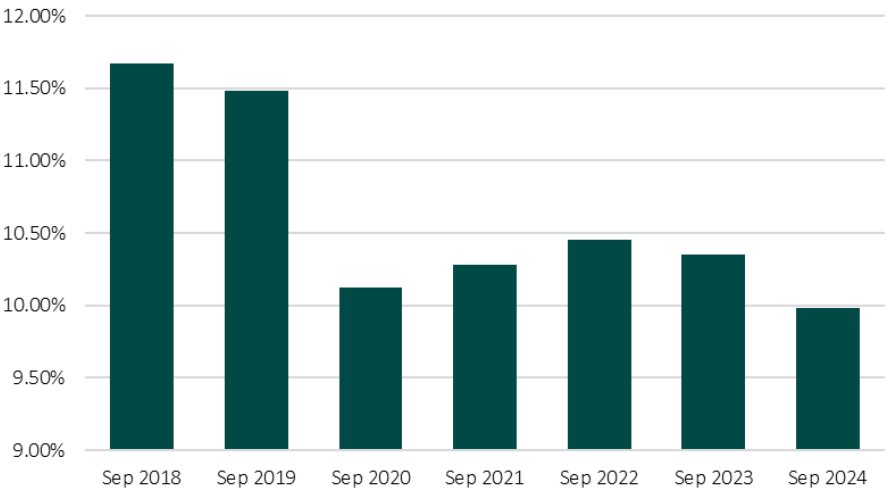


*WAFD does not seek to maximize leverage.  
Rather, we aspire to be the bank that can  
best weather the next storm on the horizon.*

Total Risk-Based Capital



TCE+ACL/Tang Assets



• Source: S&P Global, Company Filings

# Returning Capital to Shareholders

## Return of Income to Common Shareholders

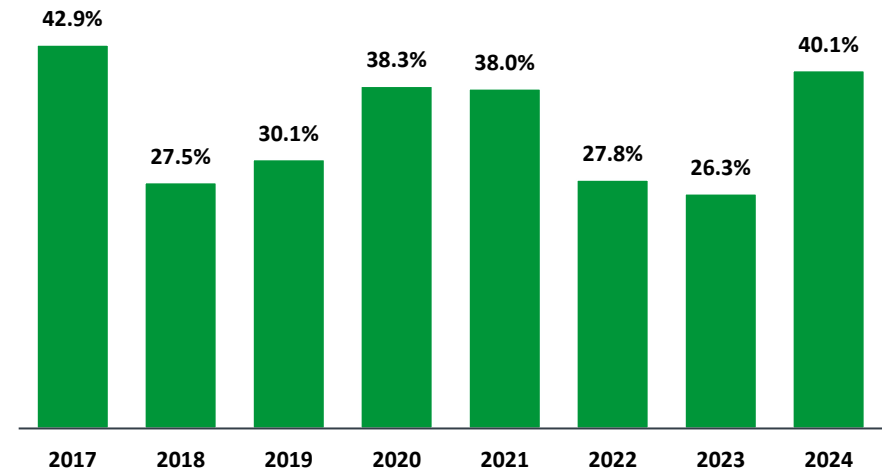
	Net Income	Stock Buyback & Dividends	Percent of Income returned to Shareholders
2016	\$164,049	\$137,808	84%
2017	\$173,532	\$172,892	100%
2018	\$203,850	\$220,246	108%
2019	\$210,256	\$187,163	89%
2020	\$173,438	\$178,629	103%
2021	\$173,581	\$414,527	239% *
2022	\$221,705	\$64,837	29%
2023	\$242,801	\$94,255	39%
2024	\$185,416	\$101,355	55%

\* Preferred stock issuance proceeds were used to repurchase 8 million shares

## Share Repurchases

	# of Shares	Wtd Price Paid	% Outstanding at beginning of the year
2016	3,867,563	\$22.72	4%
2017	3,137,178	\$31.36	3%
2018	4,865,357	\$33.74	6%
2019	4,065,352	\$30.46	5%
2020	3,339,530	\$33.58	4%
2021	10,810,113	\$32.25	14%
2022	92,774	\$35.14	0.1%
2023	1,165,161	\$26.14	2%
2024	1,070,207	\$25.29	1.6%

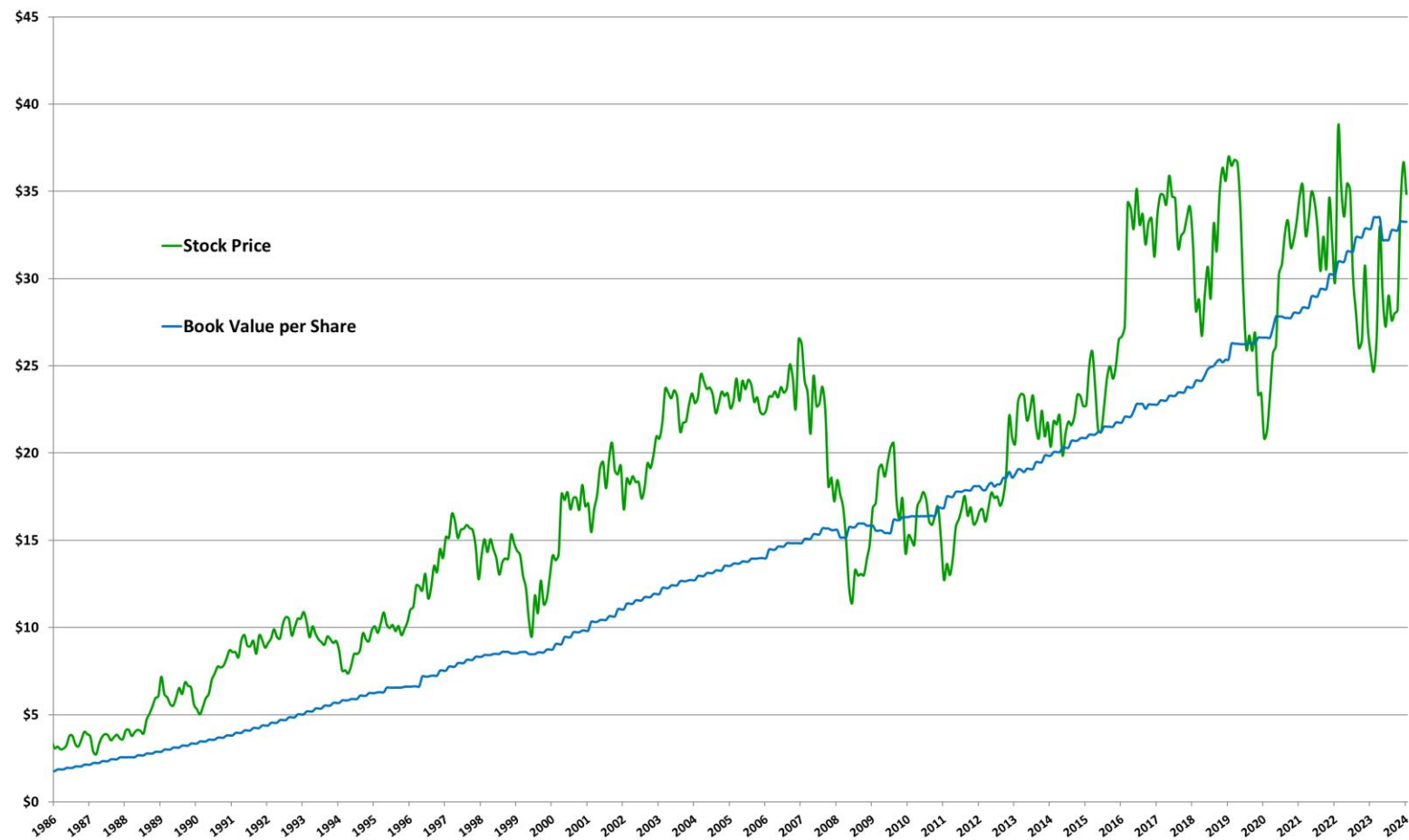
## Common Dividend as a % of Net Income



## Recent Capital Activities

- Current cash dividend of \$0.26 provides a yield of 3.10% based on the current stock price (Nov 4th)
- 1,070,207 shares were repurchased in fiscal 2024 with a weighted price of \$25.29
- Since 2013, 49 million shares repurchased which is 46% of total outstanding shares as of 9/30/2012
- During the fiscal year the Board of Directors authorized an additional 10 million shares for repurchase.
- 11.5 million shares remain in buyback authorization

# Stock Price & Book Value Per Share



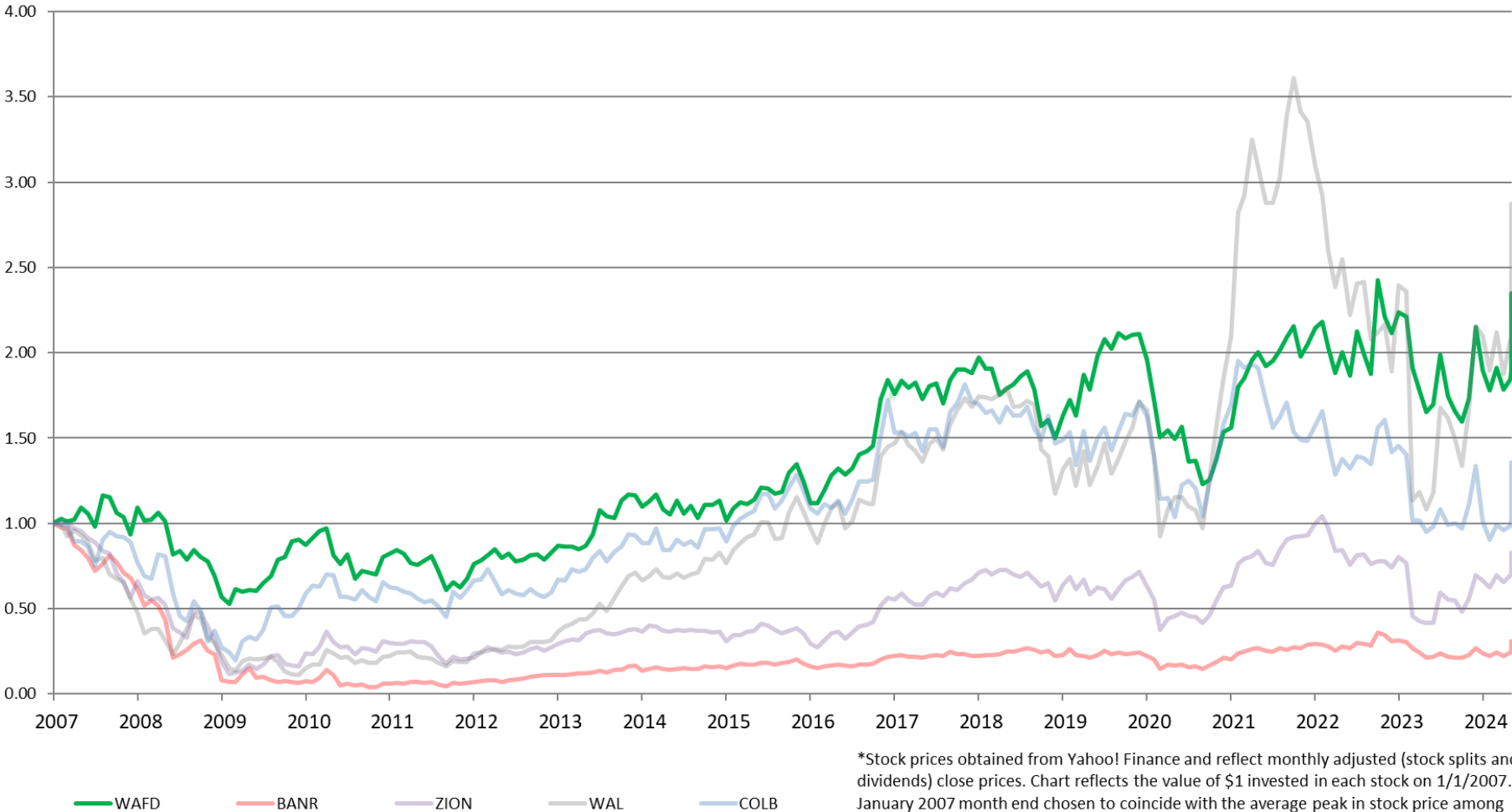
**As of 09/30/2024:**

Book Value per Share \$33.25  
Price to BV: 1.05

Tangible Book Value per Share \$27.73  
Price to TBV: 1.26

# Perspective through the last Credit Cycle

Stock Performance Comparison as of 9/30/2024







PROUD BANKING PARTNER FOR SEATTLE SPORTS

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Washington Federal's management and are subject to significant risks and uncertainties. The forward-looking statements in this presentation speak only as of the date of the presentation, and Washington Federal assumes no duty, and does not undertake, to update them. Actual results or future events could differ, possibly materially, from those that we anticipated in these forward-looking statements.*