

2023

Corporate Responsibility

Environmental, Social & Governance Report



Here for Good

At WaFd Bank, we love what we do, and we are making a difference! It is why we're here. Enjoy these highlights from our 2023 fiscal year.

8,771 employee volunteer hours given in support of more than 735 unique organizations. Of those hours, over **580** were in support of financial literacy.



\$1,111,000 in grants donated, assisting **242** local community organizations.

Total employee pledges amounted to **\$375,000**. Corporate matching resulted in a total of **\$692,000** for United Way.



Added three new employee benefits: a discounted employee stock purchase plan, an ongoing tuition reimbursement plan and paid parental leave.

Voted 2021, 2022 and 2023

Best Big Bank

by Newsweek in 3 of our 8 states!



"I recently joined the Washington Federal Foundation Board, and I feel so fortunate for the opportunity to be involved in giving back to the amazing non-profits within our communities. I love being able to support the non-profits that do so much good in our communities for our under-resourced community members, it is such an amazing feeling. I love working for a company that has a focus on giving back, and encouraging their employees to be a part of it as well."



Jen Peterson
SVP of Lending Operations
Lending Operations

What's Inside:

At WaFd Bank, we know each transaction is part of a bigger story — financing a dream home, investing in your retirement, or putting together a loan to expand a thriving business. This is why we use a common-sense approach to empowering clients along their journey and to making sure we're doing the right thing for the health and vibrancy of our communities.



- A Message from our President & CEO 1
- Who We Are 3
- Corporate & Social Responsibility 5
- Investing in People 9
- Environmental Responsibility 13
- Corporate Governance 17
- Current Corporate Social and Environmental Responsibility Statement Back Cover

From our President and CEO

Founded on April 24, 1917 in Ballard, Washington, Washington Federal Bank, a federally insured Washington state chartered commercial bank dba WaFd Bank (the “Bank” or “WaFd Bank”), is engaged primarily in providing lending, depository, insurance and other banking services to consumers, mid-sized to large businesses, and owners and developers of commercial real estate. Ever since our start in 1917, we’ve been helping to build healthy, thriving communities. We’re linked together as a team across eight western states serving clients and communities to fuel economic growth and support personal and business financial health. Equally important as our banking reputation is our commitment to community and social responsibility. We’re issuing this report to outline the activities and initiatives WaFd bankers are focused on, the investments we’re making, and our goals for making a difference in the communities we serve.

Banking today looks different than when we started 106 years ago. Yet, one thing has remained the same — we are here to make the best choices on any given day, for our clients, our employees, our

communities, and our shareholders, in good times and bad. We want our families and friends to be proud that we work at WaFd Bank. More than anything, I’m personally humbled to work alongside colleagues who clearly love what they do and are here to make a difference in their communities. Every year for as long as any of us can remember, the Bank has supported United Way during their corporate giving campaign. We match, dollar-for-dollar, the donations our employees make to the United Way to provide a community safety net. We also ask that our bankers volunteer in their communities, whether it’s acting as an instructor for Junior Achievement at the local high school or packaging nutritious meals at their community food bank.

During the past fiscal year, our 11 regional Diversity and Inclusion councils, made up of volunteers, worked to enhance employment and recruitment diversity, participated in local activities supporting our community, and formed five different affinity groups to support inclusion and celebrate one another in the workplace.

It’s imperative that our teams cultivate enduring relationships with clients, communities, and colleagues. As we continue to grow, we endeavor to stand apart from our competitors, and be thoughtful about shaping the neighborhoods around us. We believe banking should be an empowering experience, not an intimidating one. Therefore, we focus on personal progress rather than restrictions, and always strive to see things from our clients’ points of view. That’s how we live our Bank motto: “Love what you do and make a difference.”

Our hope is you will find this report to be engaging, helpful, and informative.

Respectfully,



Brent Beardall
President & Chief Executive Officer

Who We Are

One of the strongest banks in America, with over a century of experience.

Life is a journey with numerous milestones, challenges, and accomplishments along the way. At WaFd Bank, we help make the path as clear as possible with personal service and relevant guidance that supports financial progress for our clients, every day.

The banking we do today looks very different than when we started a century ago. Our expert Bankers bring together extensive data, personal and institutional experience, and advanced technology to help our clients make the best decisions for their families and businesses.

Developing long-term relationships with clients has been our goal since 1917. We love making a difference for our clients and communities.

We are a Washington state chartered commercial bank regulated by the Washington Department of Financial Institutions, the Federal Deposit Insurance Corporation and the Consumer Financial Protection Bureau. Established in 1917 in Ballard, just north of downtown Seattle, our home offices are located in downtown Seattle, just a stone's throw from the historic Pike Place Market. In total size, we are the second largest bank headquartered in the Pacific Northwest.

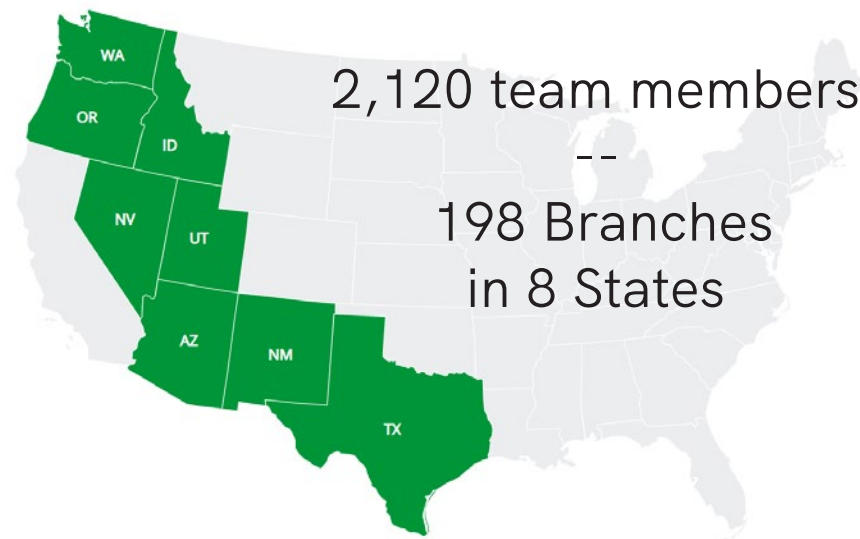
Established in 1917 in Ballard, just north of downtown Seattle.

Profitable every year since 1965.

2023 Fiscal Results

(as of September 30, 2023)

- \$22.5 billion in assets
- \$16.1 billion in deposits
- \$4.7 billion in loan originations
- \$690 million in net interest income
- 40 years of consecutive quarterly cash dividends



WAFD
Publicly traded on NASDAQ since 1982

Tangible common shareholders' equity increased to \$28.05 per share.

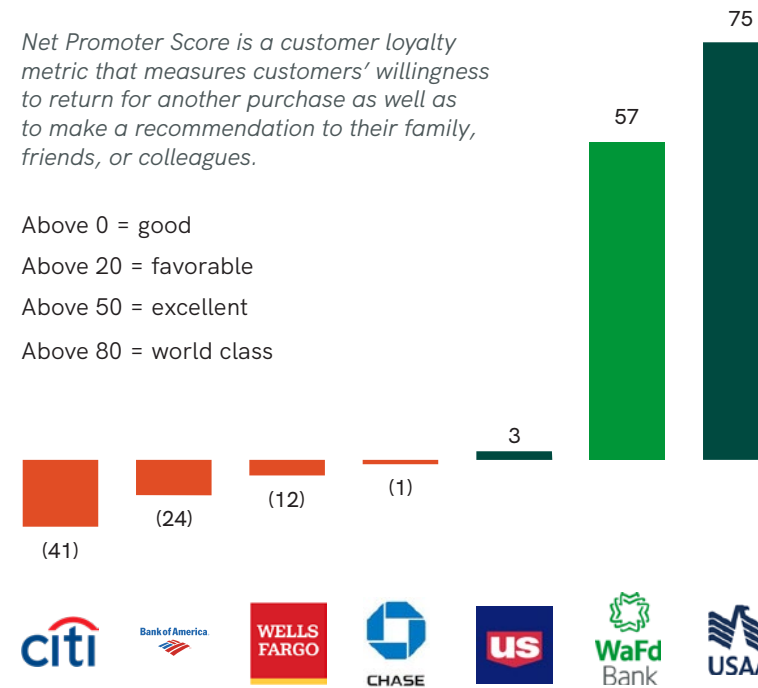


Net Promoter Score Competitor Comparison for 2023

Source: Customer Guru (as of 12/1/23)

Net Promoter Score is a customer loyalty metric that measures customers' willingness to return for another purchase as well as to make a recommendation to their family, friends, or colleagues.

Above 0 = good
Above 20 = favorable
Above 50 = excellent
Above 80 = world class



Net Promoter Score of **57**, one of the highest in the industry. Up from 44 in 2022.

"It has been a joy to work for such a supportive bank. The Pocatello Community holds a high level of importance to me. WaFd Bank has allowed me the support and opportunities to impact this great place (Pocatello/Chubbuck area). WaFd Bank aligns with many of my personal values, from the Washington Federal Foundation grants, to supporting me in serving Pocatello as a city councilman. The support of the bank and my team help me to positively impact the areas in which we live and do business. Change or impact is best made from within the community. Thank you WaFd for your continued support!"



Corey Mangum
Branch Manager
Pocatello, Idaho

Corporate Responsibility

We are making a difference for our clients and communities.

We recognize the impact of our activities on the lives of people all around us. We are continuously committed to serving our communities, clients, and employees. Throughout our history, we have committed to giving back to our communities, and have developed a variety of programs to make a difference in the lives of those around us.

Volunteerism:

- In 2021, employees gave 8,138 hours in support of more than 513 organizations and initiatives.
- In 2022, employees gave 8,178 hours, in support of more than 440 organizations and initiatives.
- In Fiscal Year 2023, WaFd employees participated in 8,771 volunteer hours in support of more than 735 unique organizations. Of those hours, over 580 were in support of financial literacy.

Washington Federal Foundation: As a bank dedicated to promoting home ownership, the Washington Federal Foundation focuses on programs and causes that help provide affordable housing for low-and-moderate-income individuals. The Foundation provides support for social agencies and non profits that serve the needs of our communities, including seniors, youth organizations, and low-income families.



- The Foundation was able to contribute \$1,111,000 in the 2023 fiscal year assisting 242 local community organizations.
- Believing in the affordability of sustainable home ownership, the Foundation has given over \$228,000 in grants to 14 community land trusts across our branch footprint since 2011.

United Way Matching Campaign: We are honored to match employee contributions made to United Way agencies in all eight states:

- In 2023, WaFd matched employee donations to United Way agencies for a total of \$692,000

Community Meeting Rooms: In several of our branch locations, we offer complimentary community meeting spaces for non profits to meet, free of cost. In the 2023 Fiscal Year, these complimentary rooms were used 806 times by 53 for-profit and 356 non-profit organizations.

Financial Literacy: The Bank and the Foundation work to expand financial literacy among youth, adults, and seniors. This is done by offering approachable tools and resources that help the communities we serve better understand finances like budgeting, saving, planning for emergencies, and paying off debt. Our partnership with Banzai, is offered at no cost to our partner non-profits, Title One schools, and senior organizations across our footprint. We also offer banking programs that support youth, such as paying 5.00% APY on the first \$100 in our minor savings accounts. Our bankers and employees were also active in communities teaching financial literacy classes for local organization and schools, mentoring, and educating everyone from youth to seniors. Total financial literacy education volunteering exceeded 580 hours.

Investing furthermore in financial literacy, the Foundation contributed \$250,000 specifically to low-income areas supporting financial education efforts.

Since August 2023, we have:

- Welcomed 1,000 visitors to our financial literacy website to deepen their understanding of their finances.
- Given access to teaching aids and helped over 40 schools across the footprint learn about budgeting and what it takes to save for college.
- Provided four non-profit organizations with their own co-branded site to provide their guests and clients with the tools necessary to succeed in their financial lives, free of charge.

In April 2023, we launched a partnership with Greenlight, to empower kids to level up their money skills and financial literacy learning. Greenlight is a debit card and money app that makes kids more money-confident by giving them tools to earn, save and spend wisely with flexible parental controls. This perk is offered for free to all of our checking account holders.

Housing and Community Development:

In 2020, we invested over \$187 million towards community development lending and affordable housing, including loans and investments for:

- Affordable housing
- Small business development
- Multi-family developments, and
- Various donations and sponsorships

In 2021, over \$289 million was invested toward community development lending and affordable housing investments.

Community Development efforts resulted in 47 loans in 2021 totaling \$165 million to support affordable home ownership for low-income borrowers within our eight states. During the year, we also made one loan totaling \$1.5 million to an organization that provides small business development assistance, and ten loans totaling \$3.3 million to organizations providing medical and dental services to low- and moderate-income individuals.

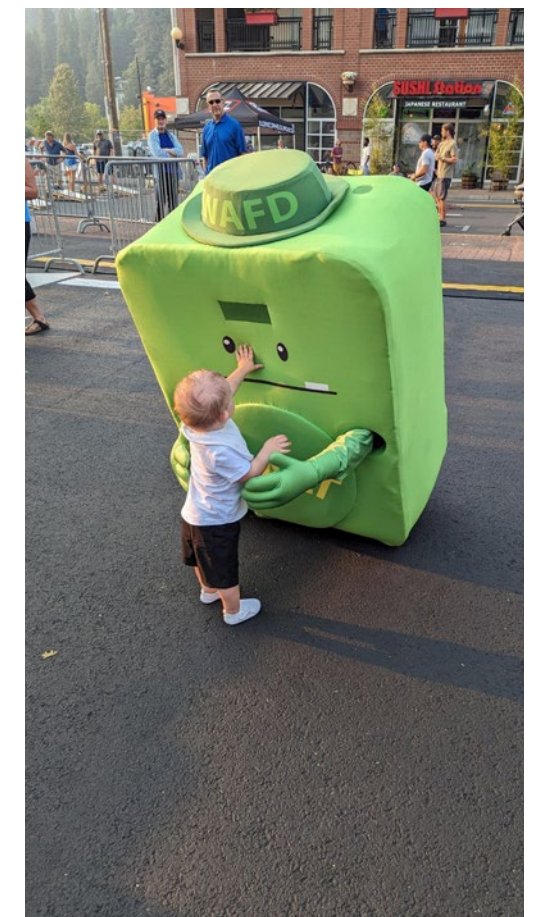
In 2022, over \$367.3 million was invested toward community development lending and affordable housing investments.

For 2023, despite a challenging economy and soaring interest rates, WaFd Bank invested over \$57 million in Community

"This is a place where you can grow your skillset and you can really do things that interest you and that aren't necessarily in your job description...I like to make a difference, and WaFd has given me the opportunity to make a difference for people around me."



Melissa Gruben
SVP of Payment Operations



Development loans. Of this, over \$49 million was invested toward affordable housing.

We are looking forward to renewable energy production tax credits in 2024.

Smart Start and Smart Start Boost:

In response to increased needs and a higher interest rate environment, WaFd Bank enhanced its CRA lending program by launching its Smart Start Loan, a product that assists low-income buyers having trouble qualifying for a conventional mortgage. In early 2024, we created a companion loan called the Smart Start Boost, offering funds toward downpayment assistance, closing costs or a buy down on interest rates for lower monthly payments. These programs, require as little as 1% down and no private mortgage insurance, and are specifically targeted to help low-income homebuyers find affordable homes that they were traditionally priced out of. Since its inception in mid fiscal year, we've helped 10 low-to-moderate income families with Smart Start loan approvals.

Financial Inclusion: We believe that by practicing financial inclusion and improving banking services for the underserved, we can reduce poverty, promote economic growth, and improve overall well being of the communities we serve. When people have access to financial services, they can save money, make transactions, and access credit, which can help build assets, start a business, and invest in education and health. By expanding access to financial services, we can foster a more inclusive and sustainable economic environment that benefits everyone. To support this belief, we offer the following programs:

Bank On:

Bank On is a national initiative that promotes access to safe and affordable bank accounts for people who are unbanked or underbanked. Bank On works with local governments, financial institutions, and community organizations to create and promote low-cost, low-fee bank accounts that meet certain standards for safety and accessibility. WaFd

is proud to partner with Bank On and offers a certified Fresh Start Account to help people get back into the banking system. This account includes a debit card, person-to-person payments, online and mobile banking, and the option to upgrade to a traditional banking account once a positive account history has been built.

- **Financial Coaching Services**
Financial coaching services provide one-on-one support that helps individuals and families improve their financial literacy, set financial goals, and develop strategies for managing their money. No question is too small for our friendly bankers!
- **Save at School Program**
WaFd's Save at School program allows bankers to volunteer in classrooms to teach students the value of a dollar and the importance of saving. In addition to financial literacy lessons, there are monthly bank days throughout the school year where students can bring their savings to school and make a deposit to their account. A WaFd banker stops by the classroom to gather deposits and talk with the students about saving.
- **Articles, Virtual Coaches, and more with Banzai!**
WaFd partners with financial literacy specialist Banzai! to offer articles, virtual coaches, and more on a wide variety of topics. This is open not just to our clients



but to our nonprofit partners as well. We offer a Banzai! page free of charge to non profits who have received a grant from our Washington Federal Foundation so they can help those they serve even better.

Additional Community Involvement:

Obliteride: Each year, our employees invest time and energy in the Obliteride event, an important fundraiser held since 2016 that raises awareness and funds for cancer research at the world-renowned Fred Hutch Cancer Research Center in Seattle. Our 2023 Obliteride was dedicated to our colleague Chris Hooper, who lost his battle to cancer last year. Over 20 participants raised \$27,755 together with the WaFd match. Although donations went to Fred Hutch Cancer Research Center in Seattle, employees across WaFd's eight state footprint participated to help fund a way to find the cure.

RAVE Foundation: As a partner for the Seattle Sounders FC, and committed partner to their philanthropic Foundation, RAVE, WaFd Bank committed \$25,000 per year for six years (a total of \$150,000) to expand access to play through their 26 by 2026 campaign. Their vision is to build 26 mini playfields by 2026 in low-income communities where access to play is limited. These community fields are used by the communities they inhabit, offering a place of free play, a neighborhood gathering space, wellness opportunities, and sport.



Ticket Donations: In partnerships throughout the years with the Seattle Sounders FC and the Seattle Kraken's Tide Pools program, we donate suites, club seats and blocks of game-day tickets to local organizations serving their communities. From the Special Olympics to local Habitat for Humanities, this enables non-profit volunteers, employees, and their clients the opportunity to experience a live sporting match in the city they love.

Mortgage Payment Deferral: Deferral during the pandemic gave distressed homeowners assistance by allowing monthly mortgage payments to be deferred for three months. Homeowners faced with financial difficulty were also offered help from our Homeowner Assistance Department. Our goal was to allow homeowners to stay in their homes by providing temporary changes to their monthly payment, adjusting the interest rate, or changing other terms. This was done via refinancing, modifications to an existing loan with us, or supporting homeowners through a home sale or deed in lieu of foreclosure. In total, 1,472 mortgage loans were approved for deferrals and we're happy to report that all Pandemic-related mortgage deferrals were successfully resolved, and these clients have returned to making their payments.

Investing in People

Every employee is a stakeholder, leader, and friend.

Banking is essentially a service business built on trust. To be effective, we must serve our employees so they in turn can support and serve our clients and the broader community. We believe a good bank helps its clients achieve their financial goals and supports thriving communities, and we continue to adapt our Human Resources strategy to respond to a mission-driven view. Through it all, we believe that living and applying our corporate values will lead us to long term success.

Employee Demographics: As of September 30, 2023, there are 2,120 full-time equivalent employees, of which 68% are female. WaFd Bank's policy is to provide equal opportunity employment and equitable wages to all employees.

Our vision in building a high-performing culture centers around our desire to be an "employer of choice" by creating a phenomenal work environment that attracts and retains outstanding and engaged employees.

These are the people who embody our Bank slogan of "Love what you do and make a difference." These are the people who choose to be stakeholders in our enterprise by becoming shareholders of our Bank through our stock option and grant programs.

		2020	2021	2022	2023
Officer	Women	59%	59%	59%	61%
	People of Color	23%	23%	23%	25%
Non-Officer	Women	75%	73%	73%	65%
	People of Color	34%	35%	35%	23%

Learning & Development: We know employees receive more enjoyment from their careers when the path forward is clear. By providing tools and opportunities for employees to learn and develop their skills, we achieve great things together.

- Our Learning & Development team partners throughout the Bank to create and deliver training on a variety of topics for all skill levels, including certifications in mortgage and small business.
- We provide colleagues with onboarding compliance education and training through online platforms that are easily accessible.
- Our learning management system offers unlimited access to interactive eLearning materials and keeps our colleagues up to date on compliance regulations by delivering bankwide training.

In addition to the Learning & Development courses offered, we offer employees outside training opportunities focused on professional and personal development. These include seminars, conferences, bank industry certification programs, and advanced learning through the Pacific Coast Banking School, a three-year commitment that's the equivalent of a master's degree.

Growing Our Employees - Retail Bank Certification Program:

To further invest in our current workforce, we are creating five Certification Programs for our retail branch colleagues. This helps us support innovation and reflect changes in the retail bank staffing model.

The certifications are:

- Small Business Specialist
- Legacy Banker Specialist
- Mortgage Lending Specialist
- Digital Channel Specialist, and
- Client Care Specialist

These certifications increase branch colleagues' expertise in specific areas and create opportunities for career advancement.

Health & Wellness: We recognize and appreciate the importance of our employees' own health and the health of their families. As health care costs continue to rise, we remain committed to providing employees with affordable health care and continue to offer plans where the Bank pays a significant portion of monthly premiums for both the employee and their children, plus we'll cover spouses and domestic partners.

"At WaFd our bankers are encouraged to invest in and experience the communities we serve. This starts with supporting strong financial roots with our small business community. We understand that small businesses doesn't mean small impact. They provide the necessary services we use daily. Being a trusted partner to our business community is essential to promote financially stronger communities."



Travis Duran
Branch Manager
Tucson, Arizona



We offer a Health Savings Account (HSA) option in addition to Flexible Spending Accounts (FSA) to provide our employees with additional savings opportunities. We believe maintaining a competitive benefits program is a sound investment in attracting newcomers and retaining loyal, dedicated and enthusiastic colleagues.

Benefits offered include:

- Health insurance, including dental & vision
- Flexible spending plans for healthcare and childcare expenses
- Health savings account
- Long-term disability insurance
- Employer-paid life insurance & accidental death and dismemberment coverage
- Employee assistance program to provide access to counseling and support well-being

Beginning January 2023, we started offering these additional benefits:

- Discounted employee stock purchase plan
- \$5,000 per year in tuition reimbursement
- Four weeks of maternity and paternity paid leave

Employee Retention Strategies: We have a powerful and diverse team and know we rely on our combined wisdom and intellect to serve our clients well. We strive to be a Bank where our employees are supported and valued.

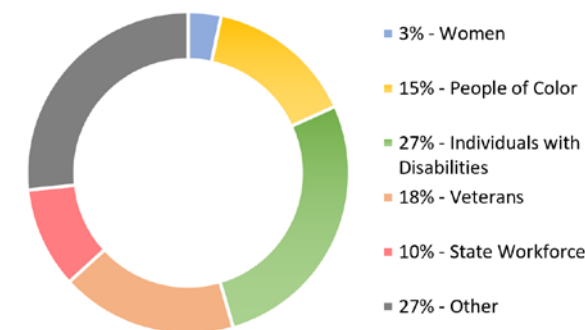
During the past few years, the Pandemic challenged us to provide employees with more flexible scheduling, remote work options, and a competitive total compensation package. We continue to focus on what we can do to promote a healthy work-life balance, as well as on employee retention. As a result, the overall compensation structure we offer includes stock grants or options for all full time employees, and a generous 401(k) plan that currently offers a 4% employer match and a 3% additional Bank-paid discretionary contribution.

This tradition of providing both equity and retirement funding helps ensure our employees

can accumulate sufficient resources after a long career with WaFd Bank. Every year since 2018, we have offered stock options equal to 2% of an employee’s salary as of the grant date to all full time employees.

Diversity in Recruiting: Focusing on enhancing our approach to recruiting efforts and hiring, we review the diversity of our job recruitment strategies through CIRCA, a diversity recruitment and HR compliance technology solution. CIRCA data shows we’re funneling job openings to community organizations that support these key minority demographics:

9,986 jobs sent to community organizations



Diversity, Equity, & Inclusion: Our mission statement is “We are committed to supporting a diverse employee base, creating a culture of inclusion, equity, and empowerment, and bringing our full selves to work.”

Diversity can take many forms, including race, nationality, ethnicity, sexual orientation, religion, disability, age, protected veteran status, or other distinguishing characteristics. Diversity, equity, and inclusion drives innovation and productivity, and allows WaFd to better serve our communities and each other. We are invested in attracting talent who are committed to fostering diversity, equity and inclusion and inspire and aspire to make a positive difference. We believe a diverse, equitable and inclusive WaFd Bank is a stronger WaFd Bank.

As part of its commitment to provide equal employment opportunities to all individuals, WaFd Bank has established an affirmative

action program, as required by applicable laws and Executive Orders, to promote opportunities throughout WaFd Bank for certain protected classes. The purpose of our Affirmative Action Program is to increase the presence of minorities, females, qualified veterans, and qualified persons with disabilities where disparity may exist in the workforce.

To provide employees with the opportunity and community to participate and drive diversity and inclusion efforts, we created the Global Diversity and Inclusion Advisory Council. This Council is a commitment of senior executives to support employees and ensure that there is an enterprise-wide focus on diversity and inclusion.

Specific actions include:

- Strategic guidance for business and regional councils.
- Oversight of the broader enterprise D&I program.
- Facilitate D&I cross functional and bank-wide strategies.
- Ensure support for the regional and back-office support D&I program strategies.
- Define requirements for council membership (appointed and volunteer).

In addition to the Global Diversity and Inclusion Advisory Council, we created smaller D&I councils in each region to support locally focused initiatives. Additional D&I groups we support includes five Employee Resource Groups with the following interest areas: BIPOC, Emerging Leaders, Working Parents, Military Service and LGBTQIA+. These groups partner with a DEI consultant to publish internal content, inform about inclusion efforts, grow inclusive mindsets, and help build stronger programs and sustainable strategies.

Employee Resource Group Activities in 2023 included:

- Lunch & Learns for employees for Juneteenth
- Regional Pride activations
- Monthly Spotlight newsletters
- Volunteer opportunities and activities
- Diversity data and statistics
- Learning and development opportunities
- Calendar of events

Human Rights Policy: WaFd Bank is committed to providing a work environment that is free from all forms of discrimination, harassment, and retaliation. We also operate in a manner that is consistent with the United Nations Universal Declarations of Human Rights and the International Labor Organization’s Declaration of Fundamental Principles and Rights at Work. Employees are expected to be respectful of their co-workers, clients, vendors, and all others whom they encounter while working with or representing the Bank. Reports of any instances are quickly, thoroughly, and discretely investigated and taken very seriously. After investigation, appropriate actions are taken against the offending party, which can include disciplinary acts and/or termination.

We also adhere to the three pillars of the UN Guiding Principles on Business and Human Rights.

- 1. Protect:** We enact policies and steps to prevent and protect against abuses.
- 2. Respect:** We have ongoing human rights due diligence to identify, prevent and mitigate abuses.
- 3. Remedy:** When rights are violated, we provide victims with access to effective remedies that are legitimate, accessible, predictable, equitable and transparent.

Environmental Responsibility

We acknowledge the impact of climate change, which may lead to new regulations as well as financial and reputational risks. We also realize there are new opportunities to find ways to mitigate those risks and reduce our carbon footprints. We will embrace these opportunities and seek new ways to invest in a better future for us all.

Environmental Stewardship: While we work toward operating more efficiently than ever, we are focusing not just on how we can upgrade our office buildings but also how often we commute to these offices. Over 50% of our staff work from home with a more flexible schedule, when the position allows for it, which benefits work-life balance as well as reducing commutes and the resulting emissions. When employees do come to the office to work, we offer the following services and benefits to our employees at our corporate headquarters in downtown Seattle:

- Free transit passes for all employees to encourage use of mass transit, including train, ferry, bus and light rail.
- Secure storage for bicycles at our corporate headquarters with showers so that employees can prepare for work after a commute by bike.
- Improved air quality through the installation and use of bi-polar ionization in our HVAC system to remove bacteria, viruses and pollutants.

- Flexible-work policies that allow for a hybrid approach balancing between office hoteling and work-from-home.

In Boise, Idaho, where many of our support functions are located, we also provide incentives for car-pooling along with bicycle racks and showers to encourage alternative forms of commuting.

Shrinking our Physical Footprint: Over the past few years, we have reduced the total square footage of our corporate real estate by 17% as we adapt to new realities of digital banking and remote work. Many of our older branches were as large as 5,000 square feet, and we are continuing to reduce the average square footage of a branch location to around 2,400 square feet. The remodel of our corporate headquarters resulted in a reduction of our square footage by 60% through a free address, hoteling-only option offering 170 workstations on two floors that replaced 350 assigned desks spread across five floors. We anticipate ongoing efforts to reduce our occupied square footage, lower our energy needs, and improve our occupancy costs to reduce our carbon footprint.

Going paperless: Launched in the fall of 2018, our “Vision 2025” campaign began our commitment to becoming a digital first bank. Since then we’ve reduced the need for print and hard copies of documents. Workflows moved to digital systems

that lowered printing demand and has since reduced the Bank’s paper use by 25%. We also offer digital images of checks and eliminated the need to print hard copies of certain loan documents by delivering client disclosures electronically within a secure client portal. In addition, we’ve deployed an electronic signature program to replace wet-signed documents with digital processes and continue to explore ways to digitize business processes, reducing paper use.

Improving energy efficiency and reducing waste: At our newly remodeled headquarters, we did not install file cabinets post-remodel to further discourage paper use. Bathrooms feature low water usage fixtures. We encourage recycling with centralized waste collection rather than bins at each workstation, with sorting for composting, recycling, glass, and garbage. We provide water cooler stations and soda dispensers to help reduce our use of bottles and cans.

When remodeling our offices, we seek improved energy efficiencies through our choices of mechanical, electrical, and glazing options. For example, we have installed occupancy sensors on interior lighting and used digital controls for HVAC units so we can remotely control hours of operation for select zones and minimize our peak demand within the building. During remodeling or with new construction projects we identify opportunities to install double-pane windows, higher grade air filtering, and meet today’s current insulation requirements to improve air quality and reduce heating and cooling demands. In 2020 and 2021, we replaced and updated our architectural signage at 249 locations and switched from fluorescent to LED illumination, which is more energy efficient.

“It is encouraging to see folks out in their communities every month making their neighbors feel welcomed, supported, and knowledgeable. Whether it is financing the newest affordable housing project with a community land trust, preparing clients at local homeless shelters to move into permanent housing, or teaching high schoolers the importance of saving for a rainy day – our bankers put in the work!”



MiKaela Barker
CRA and Fair Lending Analyst



Community Investment: As a founding partner of Climate Pledge Arena, WaFd Bank took the pledge to be carbon-free by 2030 and has invested time, money, and energy into making this goal happen. In our Seattle community, we have made investments at the Westlake Monorail Station that have made it possible for Seattle Center Monorail to expand transportation from 3,000 people an hour to 6,000 which makes it a more attractive option to travel to games.

Climate Pledge Arena provides access to free public transportation, including the monorail, for every ticketed event in the building through the Kraken Mobile App. As a result, Climate Pledge Arena sees about 25% of its attendees using public transportation for Kraken games and 15% for non-Kraken events. At the Monorail, this translates to 5,000-6,000 Kraken fan boardings for each Kraken home game. Unlocking capacity at Westlake Station has helped make the Monorail a viable transit option in our community; its increased monorail train departure frequencies, decreased station dwell times, and helped fans get to and from events quickly so they can avoid expensive parking and congested surface street traffic.



Corporate Governance

Responsibility, starting with tone at the top.

We are committed to strong corporate governance principles and practices which begins with our Board of Directors. Our Board endorses the view that one of its primary functions is to protect stakeholder interests by providing oversight of management, including the Chief Executive Officer. With the increasing amount of responsibility placed on our Board, the positions of Chairman of the Board and the CEO were separated in 2017 as it was determined it would be beneficial to have a separate chairman whose sole job was leading the Board.

Management Oversight: The Board has established various committees including an Executive Committee, Audit Committee, Nominating and Governance Committee, Risk Management Committee, Compensation Committee, and a Technology Committee. Together, these committees monitor and oversee management, ensuring our business practices serve the best interests of our shareholders, employees, and communities.

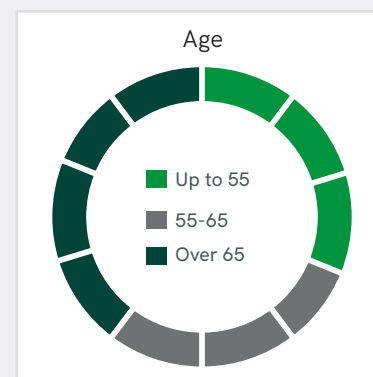
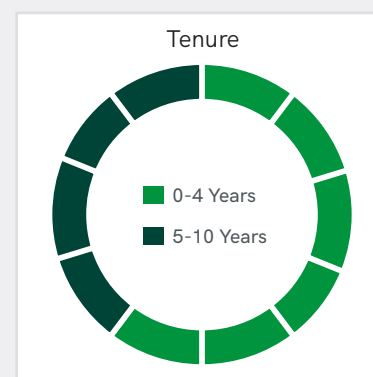
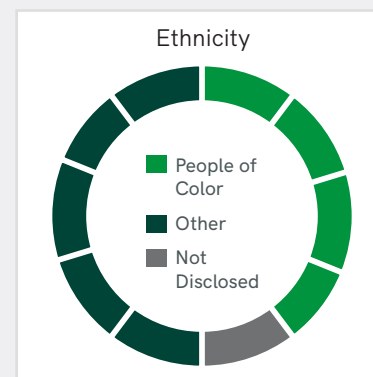
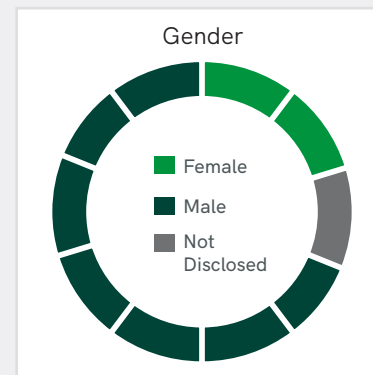
Board Diversity: Our Board is made up of members with a wealth of experience from a variety of industries including finance, information security, entrepreneurship, emerging technology, real estate, investments, and risk management. Our Board is committed to independence and the majority of our Board members are independent pursuant to the listing requirements of the Nasdaq Stock Market. The chart on the right illustrates the diversity of WaFd's Board.

Governance Policies: We maintain a variety of corporate governance documents and policies which can be found on the Corporate Governance section of our website.

These policies and documents include the most recent version of:

- Audit Committee Charter
- Code of Ethics
- Code of Ethics for Senior Financial Managers
- Compensation Committee Charter
- Corporate Social Environmental Policy
- Executive Committee Charter
- Nominating Governance Committee Charter
- Risk Management Committee Charter
- Technology Committee Charter
- Trading Policy
- Whistleblower Policy

Board Composition



Data Security: We recognize the value of personal and financial information and are dedicated to protecting the confidentiality, integrity, and availability of our data and systems. From the Board of Directors to our Customer Service Representatives, all individuals at the organization are responsible for handling confidential data with care. Our Board of Directors receives quarterly updates from senior leadership on cybersecurity matters. These updates include progress on our strategic roadmap, results from risk assessments and testing efforts, vulnerability, threat, and incident metrics, and other items as needed to ensure our directors understand the risks associated with our operations. Three individuals on the Board of Directors have deep technology expertise, while one of those individuals is responsible for leading cloud security at a Fortune 50 technology company.

Our Information Security Program is aligned with applicable federal and state regulations, the Federal Financial Institutions Examination Council (FFIEC) Examination Guidance, and industry-accepted security standards such as the National Institute of Standards and Technology (NIST) Cybersecurity Framework, which are at the forefront of cybersecurity guidelines for federal agencies in the U.S. We leverage numerous safeguards and defensive capabilities including, but not limited to, advanced anti-malware and firewall technologies, anti-phishing and web filtering controls, robust patch management and vulnerability management processes, participation with FS-ISAC (Financial Services Information Sharing and Analysis Center) for sharing and consuming threat information, and we perform regular security testing to evaluate our defenses against real-world threats. We have an extensive information security training program that aims to continuously educate our colleagues on current best practices on handling sensitive information and expectations for protecting the organization and our clients. All employees complete mandatory

cybersecurity training on at least a quarterly basis, including how to identify phishing attacks. Colleagues are tested regularly with simulated social engineering attacks to ensure awareness and preparedness. As an additional risk mitigation measure, WaFd Bank maintains cybersecurity insurance in the event that a material incident does occur.

Our cybersecurity and IT teams prepare for and respond to cybersecurity attacks and incidents, including defending against unauthorized access to our systems, and crafting response plans that help to minimize impacts on operations and customers. During the last three years, WaFd has not experienced any cybersecurity incident that has resulted in a material loss, individually or in aggregate, to the organization's revenue. We also work with our third-party service providers to ensure that they also comply with, and often exceed, applicable regulations and laws where we operate. We understand that cyber threats are unwavering and evolving in this digital age, and because of that we continue to increase investments in people and technology to help us mature our practices and maintain confidence in our ability to safeguard our assets.

As a publicly traded financial institution, we are regularly audited by internal experts and external firms with cybersecurity expertise for conformance to cybersecurity best practices and regulatory expectations. We partner with the Cybersecurity and Infrastructure Security Agency (CISA), under the Department of Homeland Security, to conduct regular vulnerability scanning against our public facing assets, and on a recurring basis we partner with outside firms to conduct thorough security assessments against our external and internal environment. Results of those assessments are further evaluated, and remediation activity is prioritized. We take great pride in the cybersecurity program we've built and have been enhancing over the years. And from the top down, there is no directive or intent to slow down our progress.

Privacy & Consumer Protection:

We understand the importance of customer trust to be a successful organization.

In order to help earn that trust, we are transparent with our clients about the information we collect, who we may share their information with, and how we use their information to service their needs. Comprehensive information security and privacy programs have been established to set the expectations that we do not share client information with other financial companies for marketing purposes, nor do we share information about our client's creditworthiness to non-affiliates, or allow non-affiliated organizations to market to our clients. Further information, including our privacy and security policy, can be found on our public website at wafdbank.com/banking-privacy-security.

Find out more:

Website

wafdbank.com

Facebook

facebook.com/wafdbank

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twitter.com/wafdbank

Instagram

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YouTube

youtube.com/c/wafdbank/videos

This document contains forward-looking within the meaning of applicable securities laws, and are based on current information and/or management's good faith belief as to future events. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believe," "budget," "continue," "could," "estimate," "expect," "forecast," "goal," "hope," "intend," "may," "might," "plan," "project," "potential," "seek," "should," "strive" "target," "will," and "would," or the negative versions of those words or other comparable words of a future or forward-looking nature. These statements are based on the current beliefs and expectations of WaFd, Inc.'s management and are subject to significant risks and uncertainties, many of which are beyond WaFd, Inc.'s control and may change over time. Expected results or actions may differ from the anticipated goals and targets set forth in the forward-looking statements. Factors that could cause WaFd, Inc.'s actual results to differ materially from those described in the forward-looking statements can be found in WaFd, Inc.'s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission. Caution should be taken in relying on any forward-looking statement and these statements should not be read as a guarantee of future performance. The forward-looking statements included herein are made only as of the date of this report and WaFd, Inc. does not undertake any obligation to update any forward-looking statements.

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY STATEMENT

WaFd Bank's corporate social and environmental responsibility arises from the impact of its activities on people's lives and society. To comply with this responsibility, WaFd Bank integrates social, environmental, and ethical concerns, as well as those regarding human rights and the needs of its stakeholders, into its daily business activities and approach to stakeholder relationships. In particular, the Bank is committed to the following practices:

- To respect diversity and promote the equality of opportunities, in addition to non-discrimination due to gender, age, sexual orientation, disability, or any other circumstance.
- To invest in a culture with healthy work/life balance, competitive compensation packages, a vibrant team-oriented environment centered on professional and community service, and 360-degree open communication with colleagues.
- To be seen as an employer of choice and the most highly recommended bank in the markets we serve.
- To operate in a manner that is consistent with the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.
- To provide benefits and support practices to ensure employee safety and health, including financial health and wellness with affordable premiums for employees and their dependent children.
- To provide financial security via retirement plans that encourage employees to maximize their long-term savings.
- To support a robust learning and development function that enhances employee skills and supports career development, including reimbursement for select third-party development programs.
- To ensure the Board, management, and employees operate with the highest levels of integrity, adhere to the Bank's Code of Ethics and Business Conduct, and receive annual training in anti-corruption regulations and whistleblower processes.

Certain information presented in this report is non-financial in nature and therefore has not been prepared in accordance with generally accepted accounting principles (GAAP), nor reviewed or evaluated using an established control framework. It has not been independently audited. Information presented, including performance or other metrics, may be based on estimates and assumptions that require a high degree of complex and subjective judgement, and may not necessarily be comparable with that presented by other companies or as calculated pursuant to all third-party standards of sustainability reporting.

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