

# WaFd Bank



## Investor Presentation As of March 31, 2025

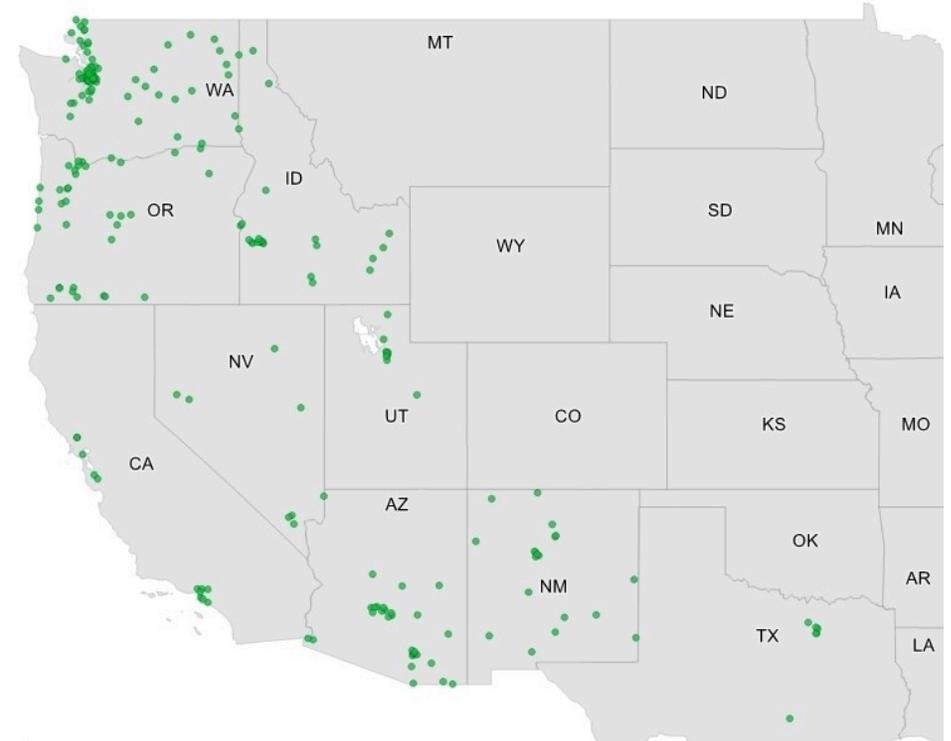
*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Washington Federal's management and are subject to significant risks and uncertainties. The forward-looking 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
- **209 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
- **168 consecutive** quarterly cash dividends
- 13,646% Total shareholder return since IPO

## Geographic Overview



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

Total Assets  
**\$27.6B**

Total Loans HFI  
**\$20.9B**

Total Deposits  
**\$21.4B**

Stockholder Equity  
**\$3.0B**

Efficiency Ratio  
**58.3%**

Adjusted Efficiency Ratio  
**58.4%**

<sup>1</sup> As of or for the quarter-ended March 31, 2025

# WaFd Bank Executive Management Committee



**Brent Beardall**  
*President and Chief Executive Officer*



**Kelli Holz**  
*EVP Chief Financial Officer*



**Cathy Cooper**  
*EVP Chief Experience Officer*



**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 2025 (Actual)	Population Change 2020-2025 (%)	Projected Population Change 2025-2030 (%)	Median HH Income 2025 (\$)	Projected HH Income Change 2025-2030 (%)
Washington	73	8,723,693	3.97	40.7	7,876,848	2.23	2.87	96,120	10.09
California	10	4,073,942	0.27	19.0	38,870,482	-1.69	-0.27	95,065	7.65
Oregon	36	2,798,850	2.73	13.1	4,232,181	-0.12	0.53	80,356	9.15
Arizona	28	1,676,939	0.76	7.8	7,560,739	5.72	4.4	78,786	11.67
New Mexico	19	1,666,280	3.56	7.8	2,117,805	0.01	0.89	64,393	8.62
Idaho	21	949,570	2.53	4.4	2,015,909	9.61	6.54	77,609	12.3
Utah	9	601,503	0.45	2.8	3,484,888	6.52	4.92	95,601	13.03
Nevada	8	538,439	0.53	2.5	3,234,542	4.18	3.42	74,821	8.01
Texas	5	398,210	0.03	1.9	31,245,372	7.2	5.64	76,585	10.1
<b>Totals:</b>	<b>209</b>	<b>21,427,426</b>		<b>100</b>	<b>100,638,766</b>				
<b>Weighted Average</b>						<b>1.75</b>	<b>2.13</b>	<b>88,495</b>	<b>9.58</b>
<b>Aggregate: National</b>					<b>337,643,652</b>	<b>1.87</b>	<b>2.4</b>	<b>78,770</b>	<b>8.82</b>

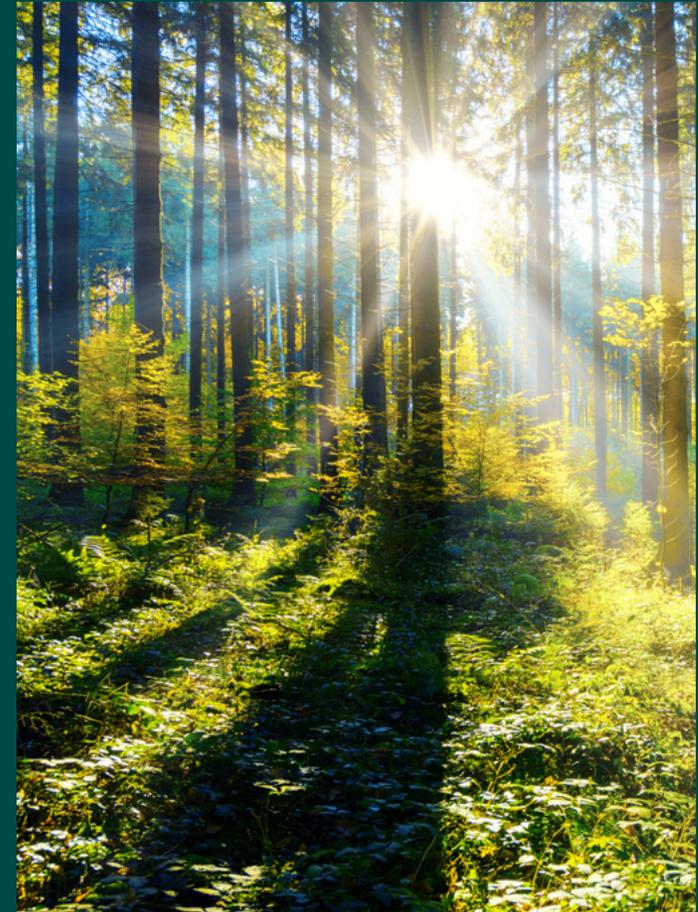
Branch count and WaFd deposit balances are as of March 31, 2025. Deposit market share and percent of national franchise are from the FDIC's Summary of Deposit reports and are as of September 30, 2024. All other data is updated as new data becomes available.

# Build 2030

## Organizational Structure & Objective:

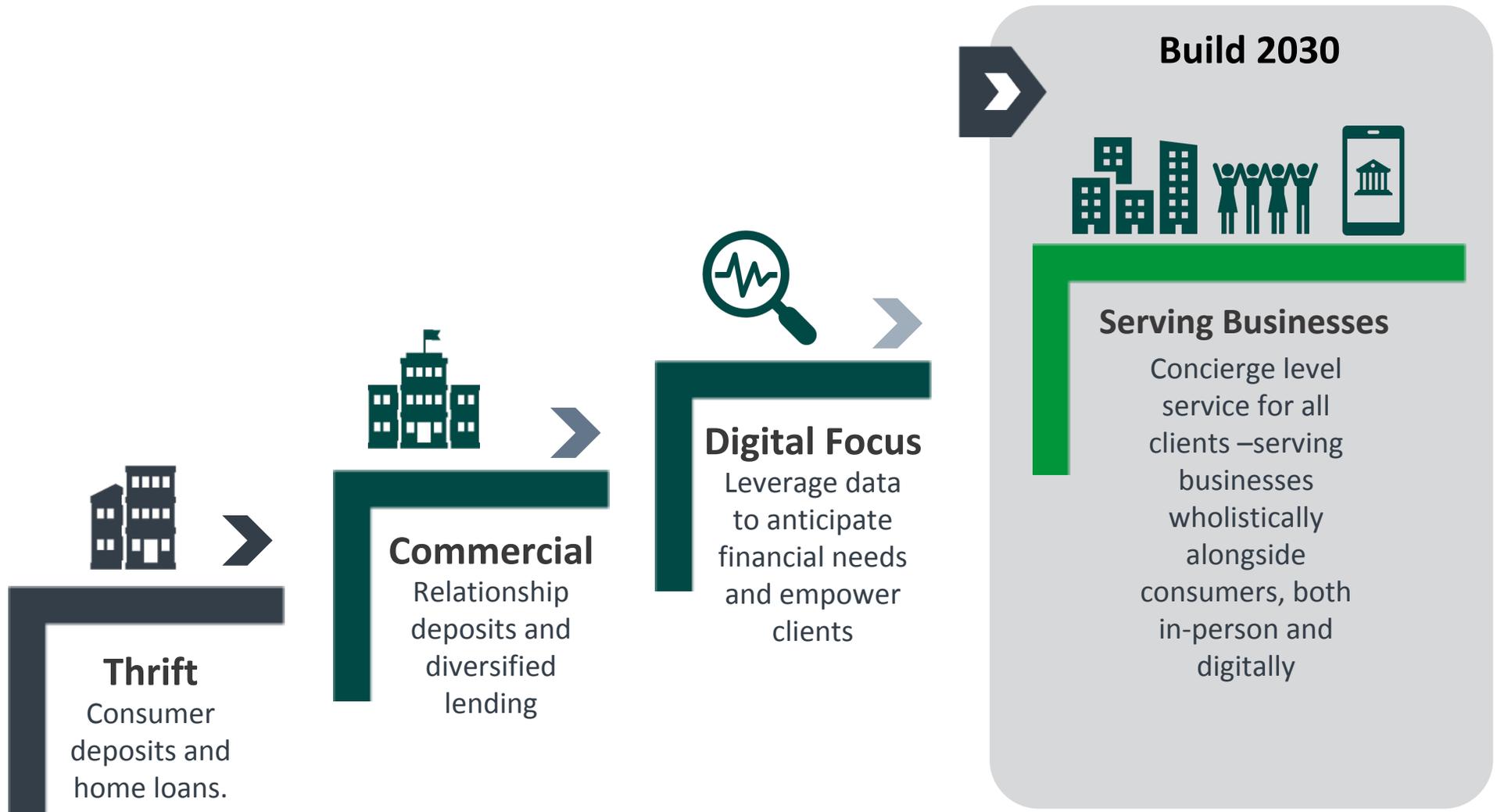
*Business Banking and Commercial Real Estate Banking Segments have two primary objectives as a trusted advisor:*

- 1. Deliver phenomenal , concierge-level customer service to all our clients - "everyone and every business deserves a WaFd banker".*
- 2. Grow the business by delivering credit and treasury solutions that allow our clients to prosper.*

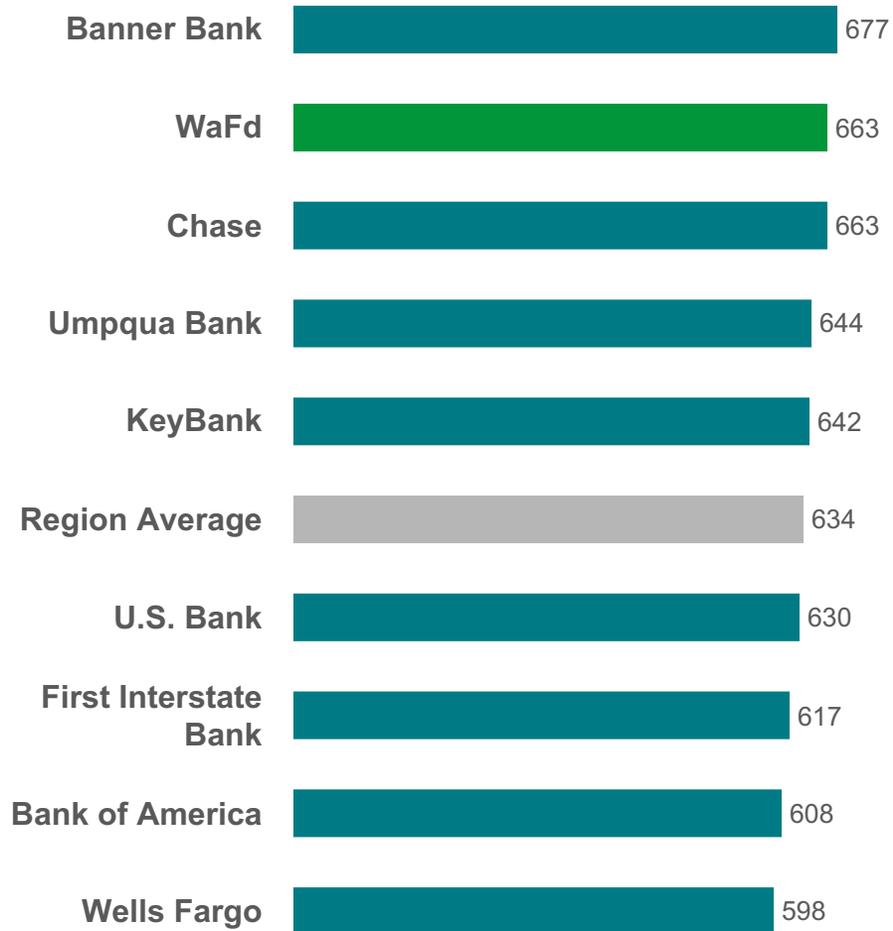


# Evolution of Our Franchise

*15 years of investment in our evolution to a commercial bank*



# Northwest Retail Banking Satisfaction Study



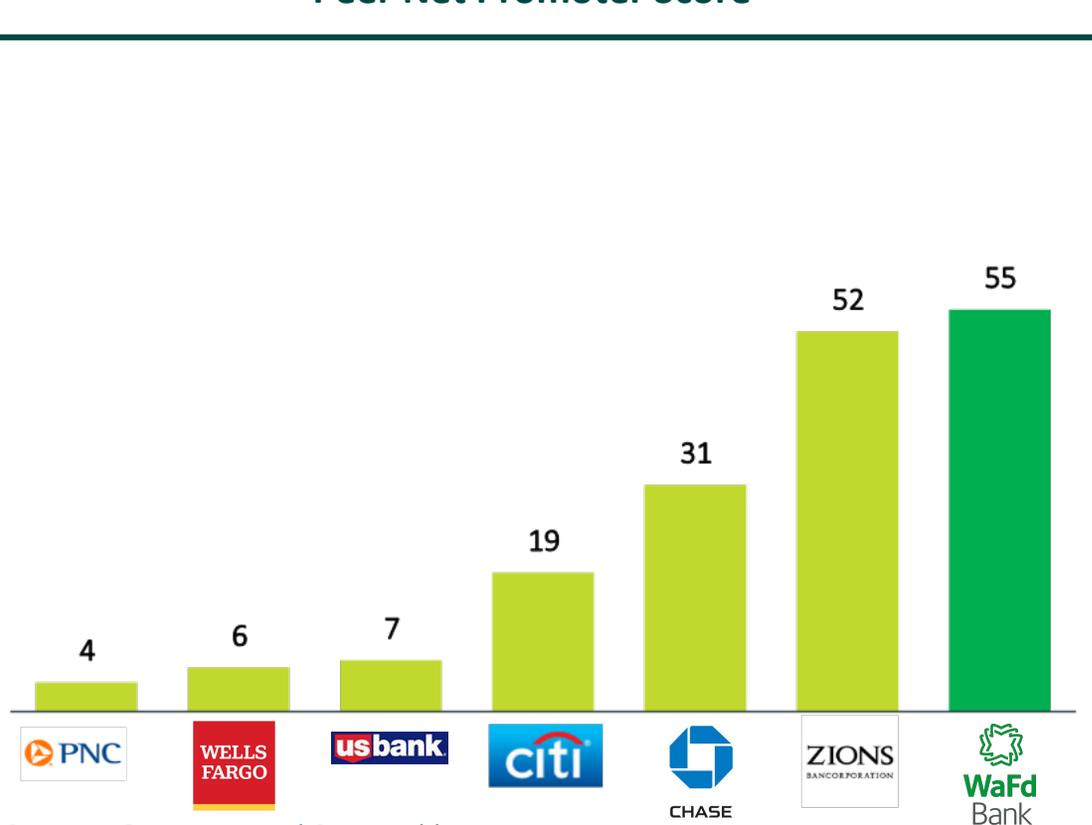
Scores were obtained from the J.D. Power 2025 U.S. Retail Banking Satisfaction Study<sup>sm</sup>.

Northwest ranking is based on data including Idaho, Montana, Oregon and Washington.

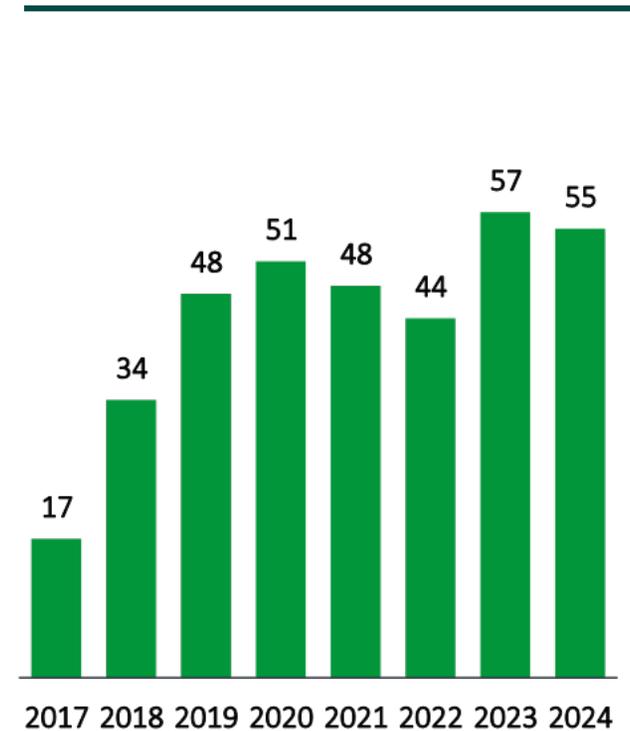
# Net Promoter Score Approaching World Class

*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>

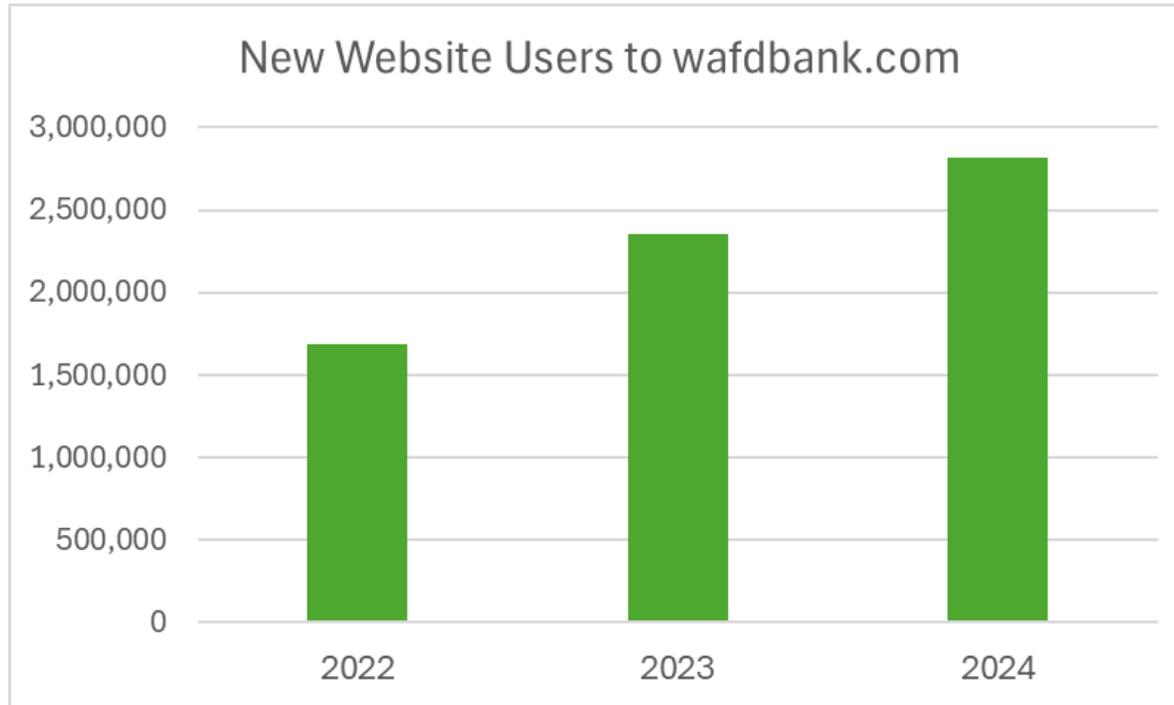


Source: CustomerGauge.com and Comparably.com

<sup>1</sup> 2024 Financial Services Banking Benchmarks

A Score of 70 or higher is considered world class. A Score of 50 or higher is considered excellent. A score of 30 or higher is considered very good. A score of 0-30 is considered good

# 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:

Resolve to create long-term value for all stakeholders

Maintain transparency in its business practices



Exercise prudent risk management

To provide common-sense banking that helps neighborhoods flourish

Adhere to the primary corporate value of integrity



### 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



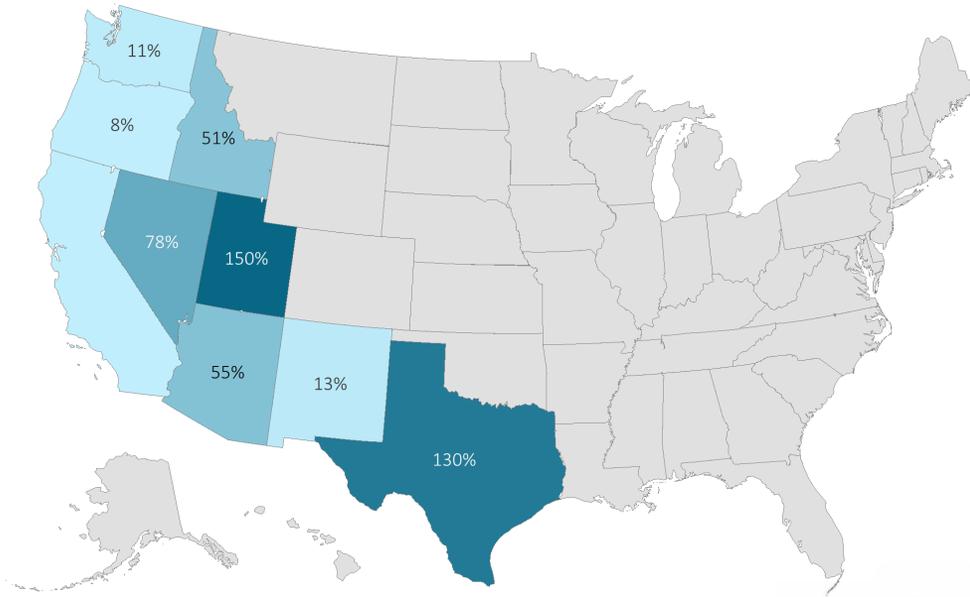
### United Way Matching Campaign

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

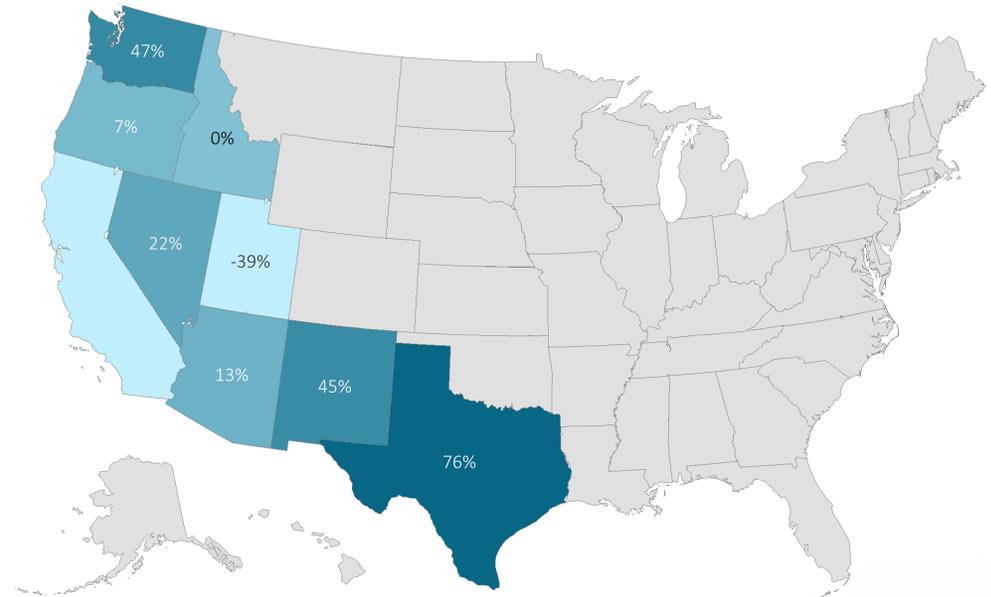
# 5 Year Change by Percentage in Each Geographical Area<sup>1</sup>

From September 30, 2019, to March 31, 2025

## Change in Loans



## Change in Deposits

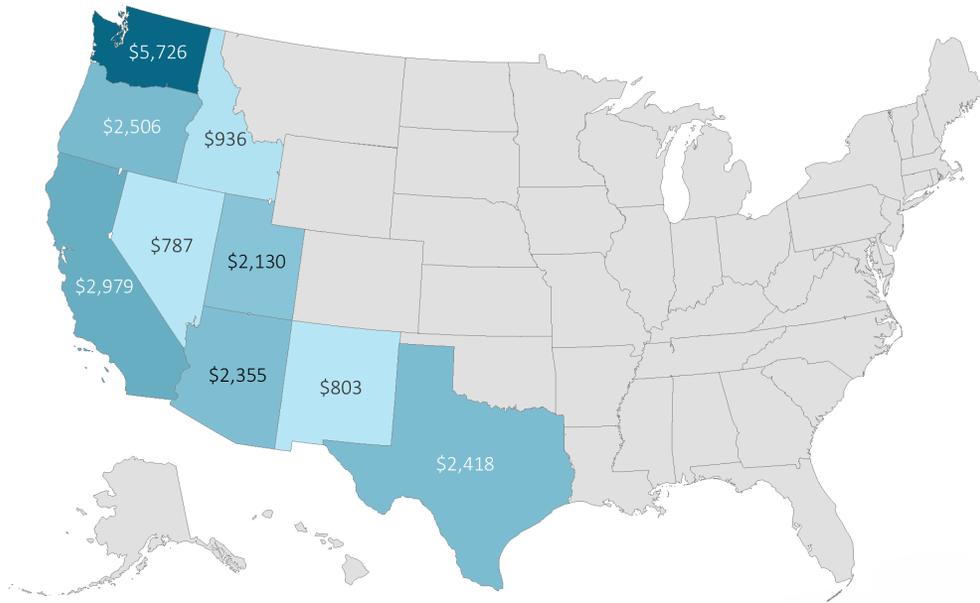


<sup>1</sup> WaFd entered the California market with the LBC merger 3/1/24.

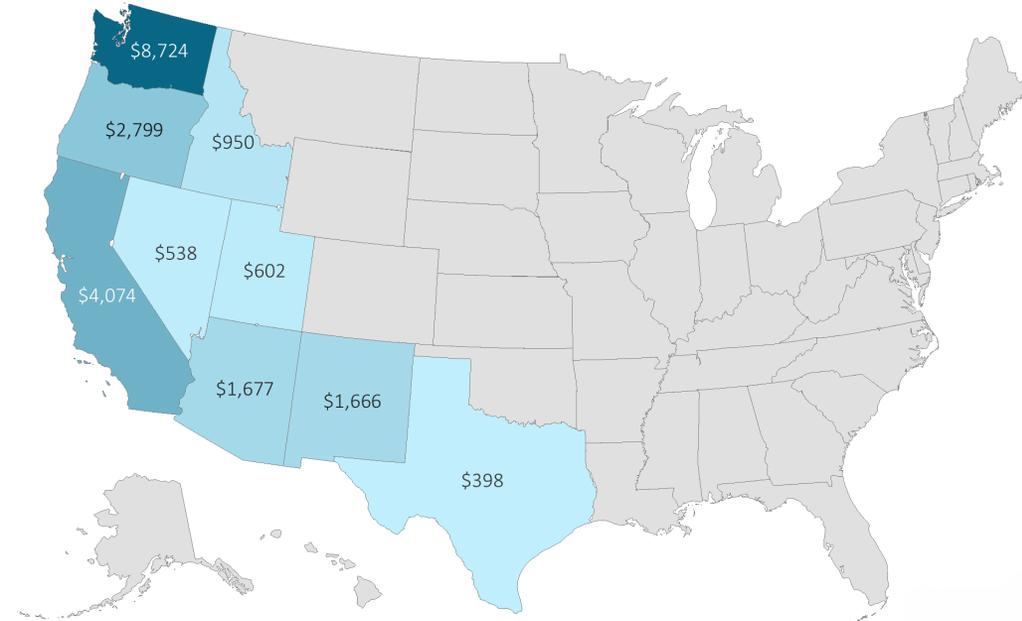
# Loan and Deposit Balances by Geographical Area

As of March 31, 2025, \$ In Millions

## Loan Balances by State



## Deposit Balances by State



# Loan Growth – Through Different Interest Rate Environments

\$ in millions.

## New Loan Originations



## Loan Growth



- 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

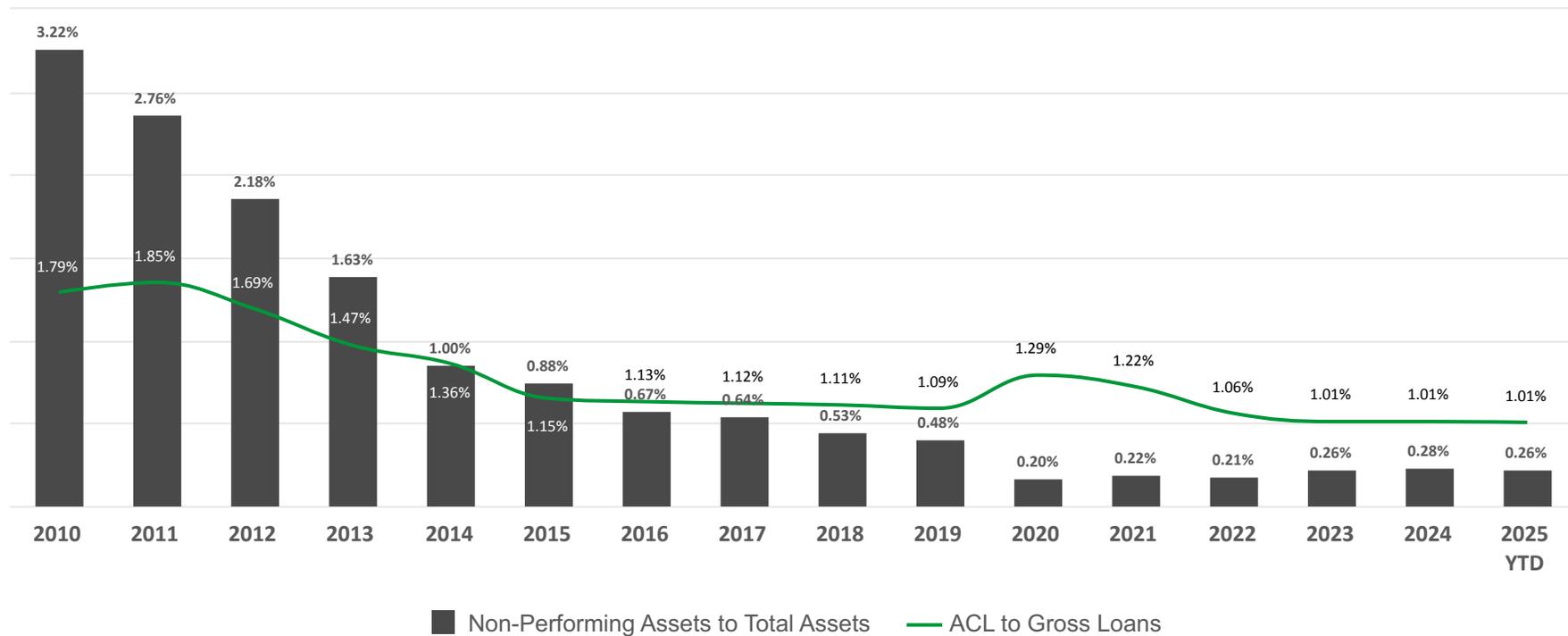
- Although originations have slowed, they are keeping up with repayments largely through funding of construction loans previously originated.
- Mortgage and Consumer loans currently make up 41% of total net loans compared to 74% in 2014 as a result in the origination trend noted at left

# Non-Performing Assets Near Record Lows

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

- ACL at March 31, 2025 amounted to \$203 million, representing 286% of total NPAs<sup>1</sup>
- Non-performing assets \$71 million as of March 31, 2025, 0.26% of Total Assets

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



2

<sup>1</sup> ACL to Total Loans does not include ACL related to unfunded commitments of \$20.0 million.

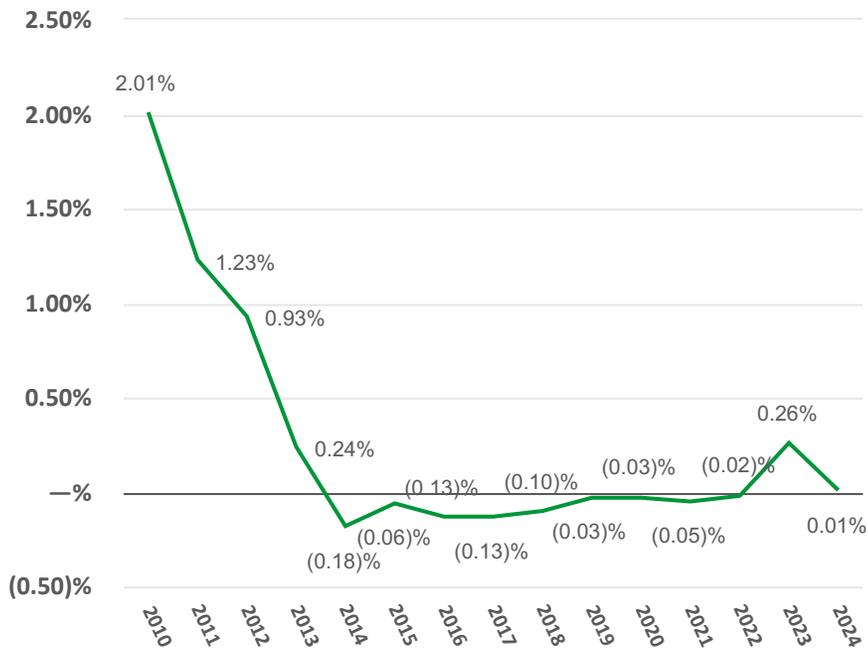
<sup>2</sup> Effective October 1, 2020, the Company implemented FASB's Current Expected Credit Loss (CECL) Standard

# Strong Credit Quality

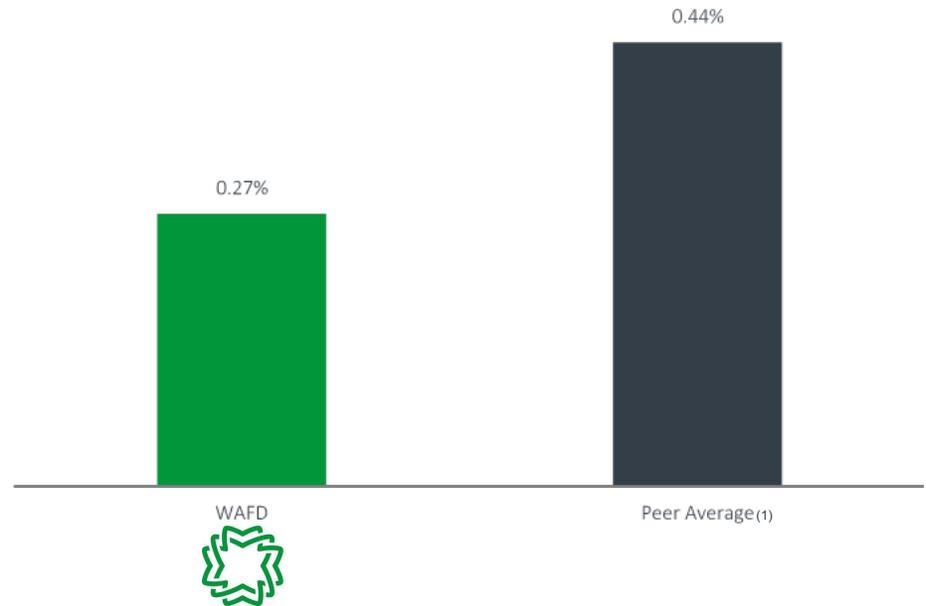
*Strong Credit Quality Characterized by Limited Charge-Offs*

The Bank experienced nine consecutive years of net recoveries, fiscal 2014 through fiscal 2022, during which net recoveries totaled \$74.9 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 was 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

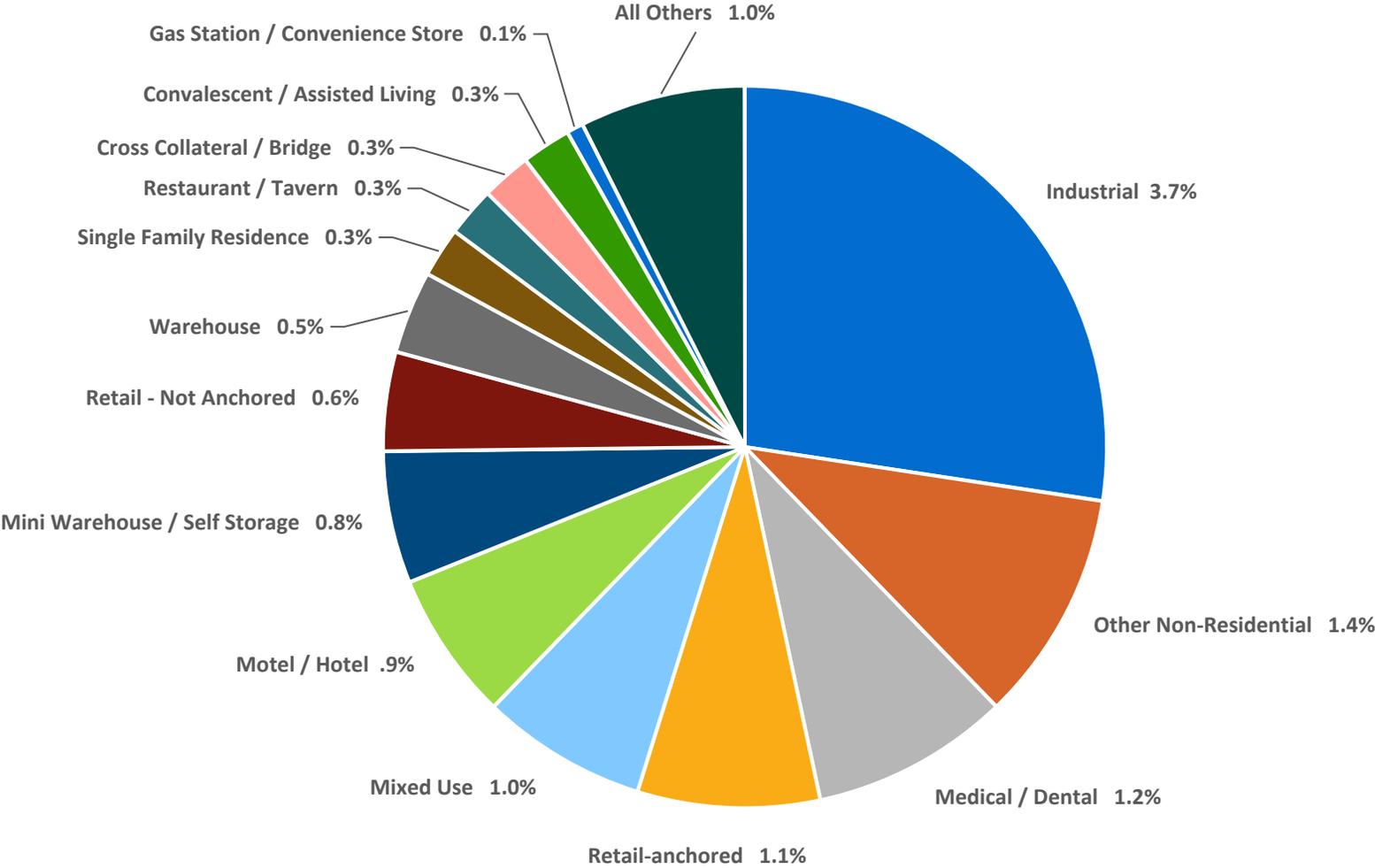
# Net Loan Portfolio Average Current LTV

*As of March 31, 2025, \$ In Thousands*

	Net Balance	% of Loans	WTD Avg Current LTV	% Delinquent based on \$
Multifamily	4,840,784	23 %	56 %	0.31 %
CRE - Office	775,564	4 %	69 %	0.49 %
CRE - Other	2,825,444	14 %	46 %	— %
CRE Construction - Multifamily	740,858	4 %	52 %	— %
CRE Construction - Other	451,072	2 %	39 %	— %
C&I	2,324,598	11 %	NA	— %
SFR	8,223,356	39 %	38 %	0.42 %
SFR Custom Construction	136,424	1 %	66 %	0.62 %
Other	601,901	3 %	NA	0.61 %
	20,920,001	100 %		0.27 %

# Other CRE Property Types as % of Total Net Loans

As of March 31, 2025

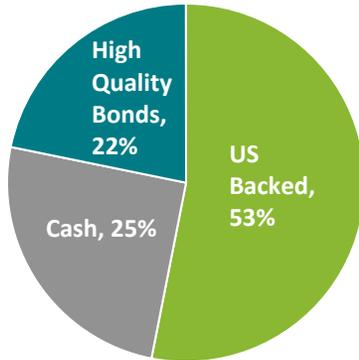


# Significant Liquidity and High-Quality Securities Portfolio

High quality, \$4.9 billion cash and investment portfolio with \$13.5 billion remaining collateral and lines as a source of additional potential liquidity

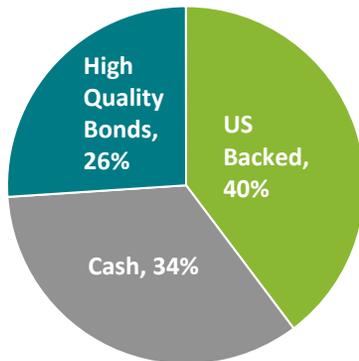
## Cash and Securities Composition

3/31/2025



**Total Cash and Securities: \$4.9B**  
**Cash and Securities / Total Assets: 18%**

3/31/2024



**Total Cash and Securities: \$4.4B**  
**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 3/31/2025, WAFD maintains \$4.9 of balance sheet Liquidity.

- Cash and Securities is 18% 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 4.17%

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

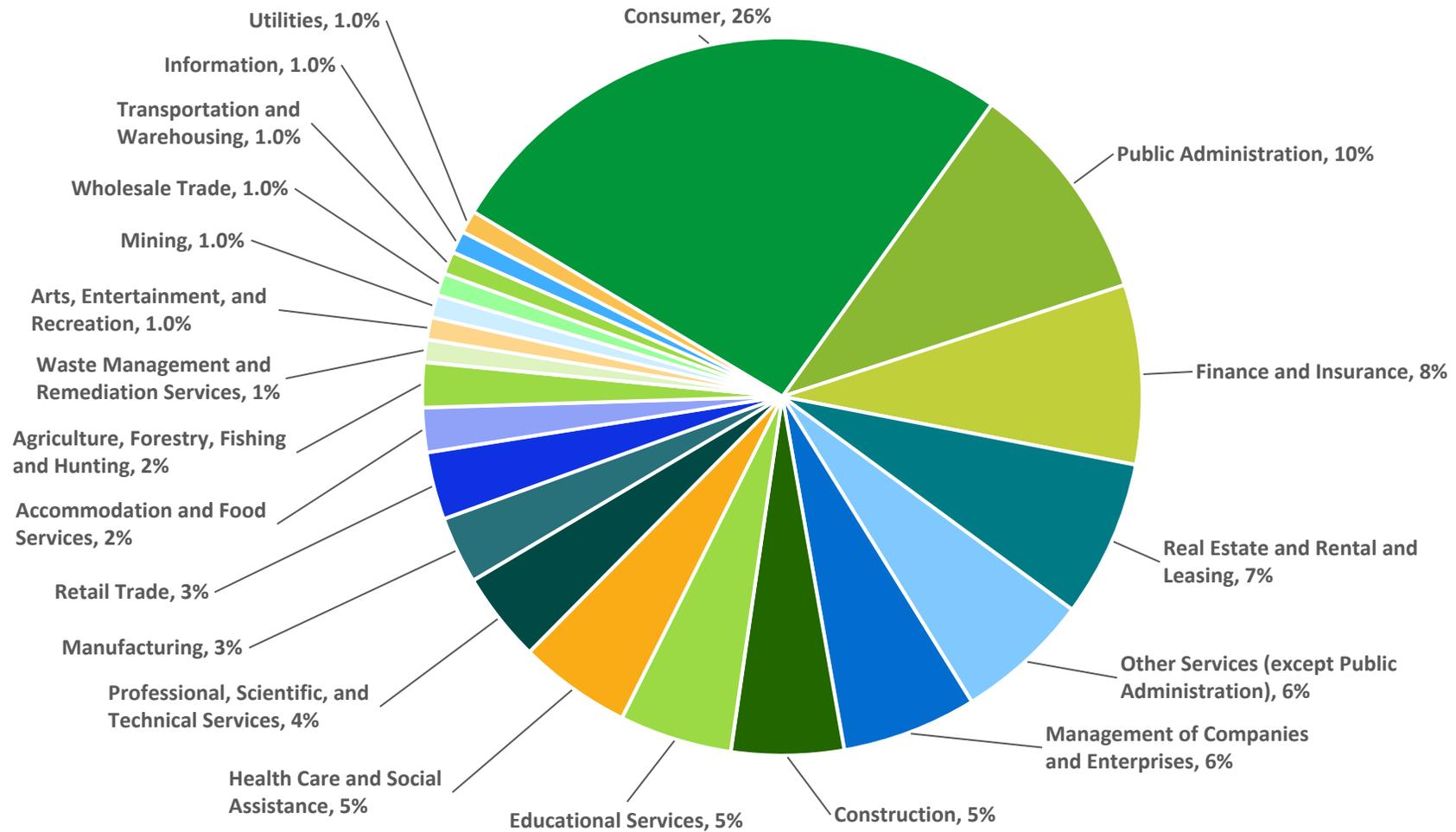
*High quality, \$3.6 billion investment portfolio with a duration of 2.4 years. Portfolio is 47% variable rate.*

HTM Investments	Fair Value	Gain/(Loss)	WAL	Expected Yield
Agency MBS	\$ 484,592	\$ (41,910)	7.2	3.58%

AFS Investments	Fair Value	Gain/(Loss)	WAL	Expected Yield
Agency MBS	\$ 2,074,672	\$ (32,476)	4.8	4.38%
Agency and Student Loan Bonds	807,432	(305)	13.6	5.26%
Corporate Bonds	225,310	(11,603)	4.9	4.08%
Municipal Bonds	35,349	(99)	10.1	5.21%
	<u>\$ 3,142,763</u>	<u>\$ (44,483)</u>		

Hedges	Gain/(Loss)
Borrowing Cash Flow Hedges	\$ 120,666

# Highly Diversified Deposit Base - % of Deposits by Industry

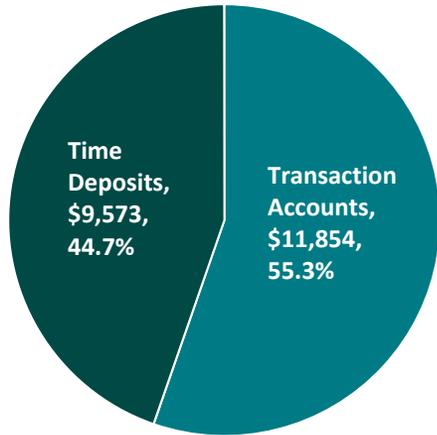


*Top 20 depositors make up 10% of total deposits. 25.6% of total deposits are uninsured and not collateralized as of March 31, 2025*

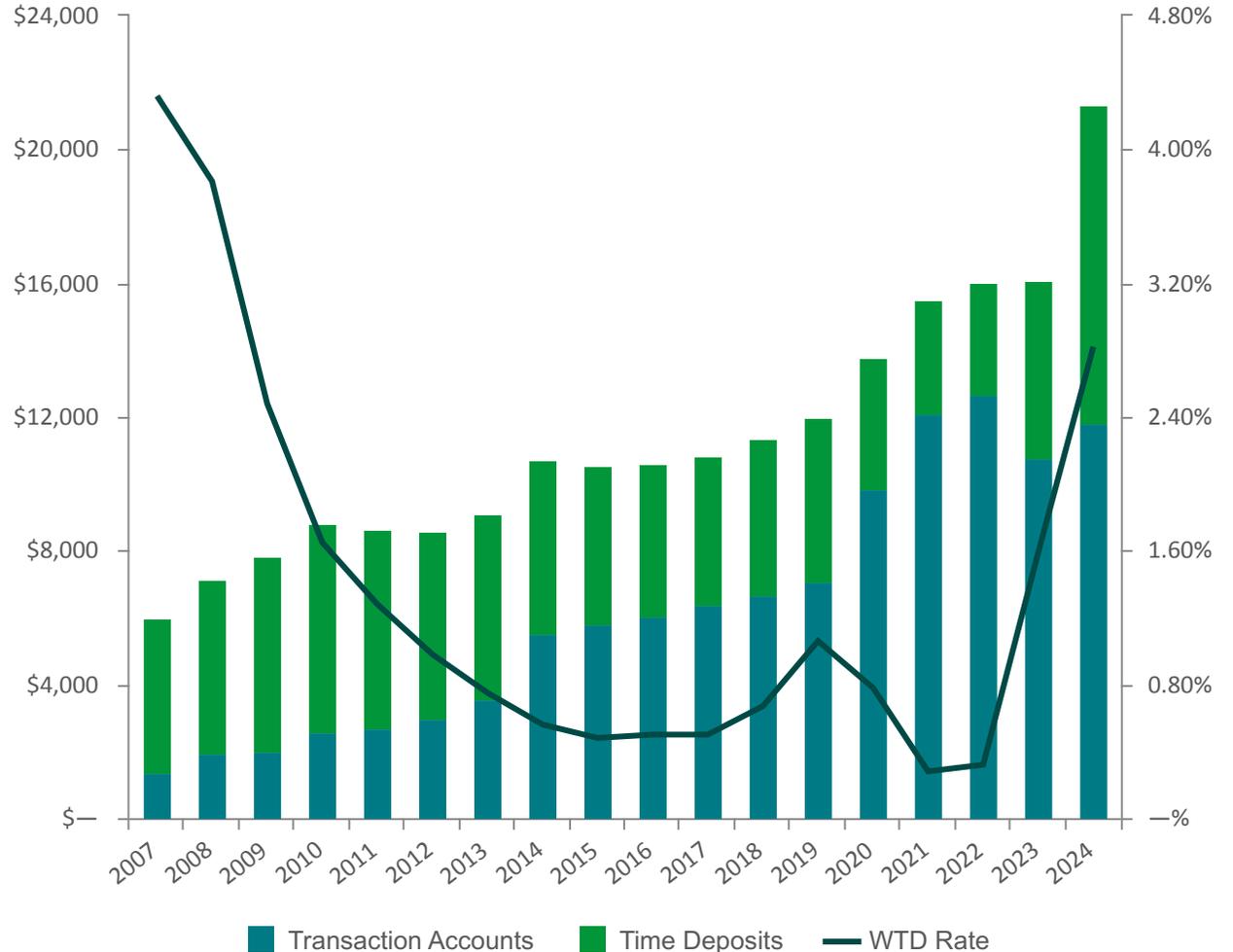
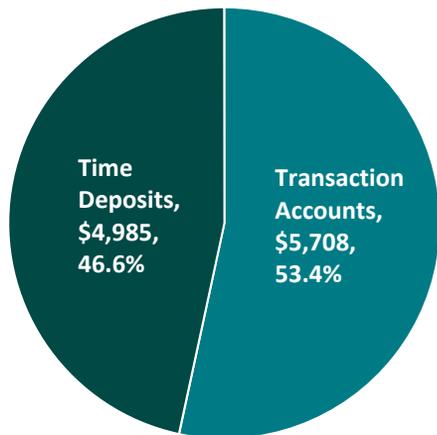
# Deposit Trends

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

As of 3/31/2025



As of 3/31/2015



# Deposit Flows

Overall changes by quarter and balances by type

Customer Deposit Accounts	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
Checking - Noninterest Bearing	3,266,734	3,070,895	2,856,165	2,729,888	2,604,281	2,482,010	2,514,310	2,500,467	2,489,394	2,400,172
Checking - Interest Bearing	3,497,795	3,971,814	4,125,554	4,124,463	4,084,933	4,579,413	4,481,465	4,486,444	4,554,922	4,625,596
Savings	1,059,093	1,002,034	943,915	817,547	777,204	771,260	733,973	718,560	714,755	715,199
Money Market	4,867,905	4,503,090	3,954,709	3,358,603	3,191,646	4,506,179	4,199,257	4,111,714	4,094,788	4,113,017
CDs	3,338,043	3,412,203	3,980,605	4,863,849	5,380,723	9,000,911	9,255,760	9,556,785	9,584,918	9,573,442
<b>Total</b>	<b>16,029,570</b>	<b>15,960,036</b>	<b>15,860,948</b>	<b>15,894,350</b>	<b>16,038,787</b>	<b>21,339,773</b>	<b>21,184,765</b>	<b>21,373,970</b>	<b>21,438,777</b>	<b>21,427,426</b>
Quarter % Change	0.4 %	(0.4)%	(0.6)%	1.6 %	(0.5)%	33.1 %	(0.7)%	0.9 %	0.3 %	(0.1)%
Quarter \$ Change	63,950	(69,535)	(99,087)	259,476	(81,637)	5,300,986	(155,008)	189,205	64,807	(11,351)
Uninsured & Uncollateralized Deposits	4,876,840	4,238,629	4,033,174	4,124,355	4,182,289	5,436,402	5,238,217	5,134,192	5,317,511	5,490,142
% of Total Deposits	30.4 %	26.6 %	25.4 %	25.6 %	26.1 %	25.5 %	24.7 %	24.0 %	24.8 %	25.6 %

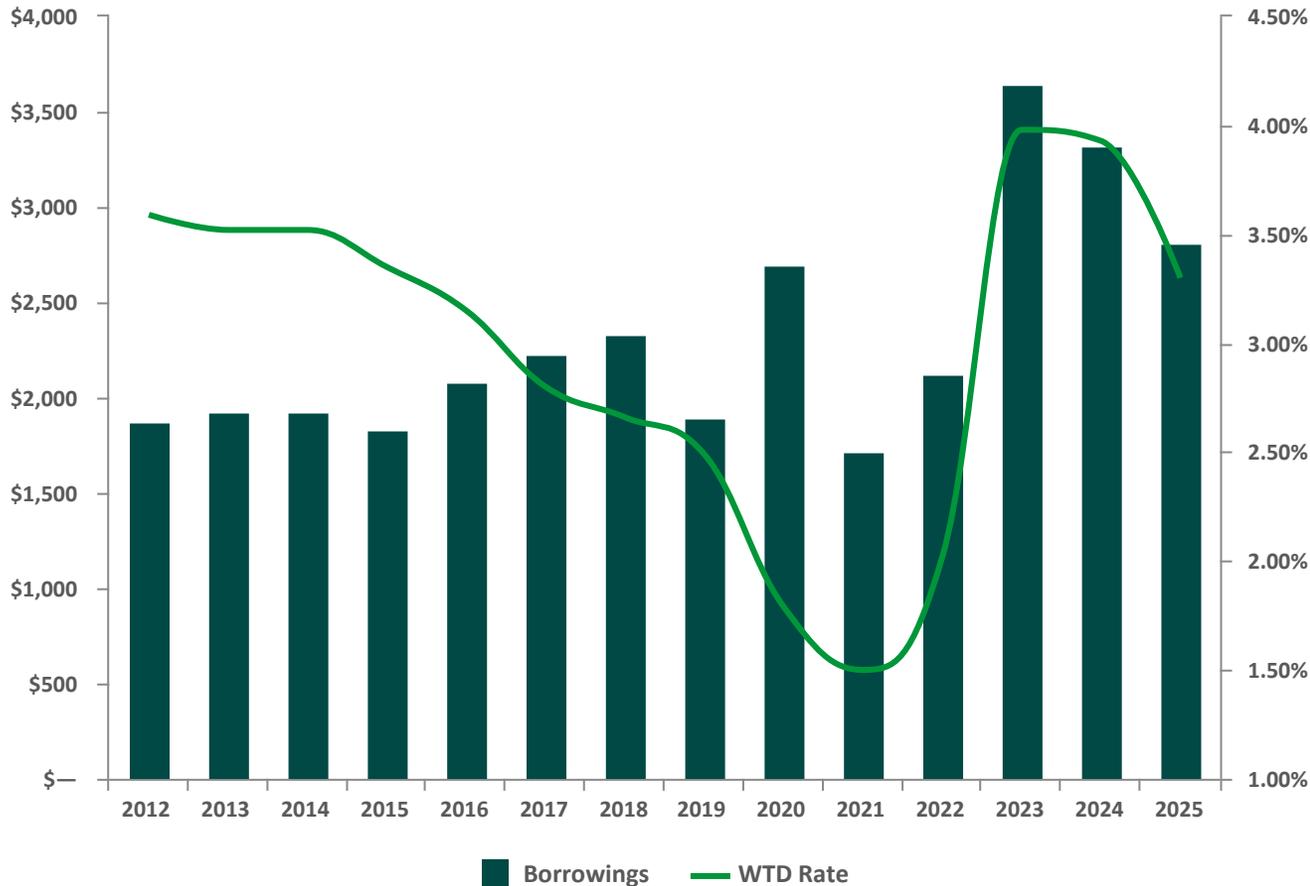
- Deposit balances increased in FY24 as a result of the LBC merger. The merger added \$3.7 billion in time deposits and \$1.9 billion in transaction accounts.
- 74% of deposits are collateralized or insured.

\*(Balances \$ in thousands)

# Borrowings and Debt Outstanding & Weighted Rate

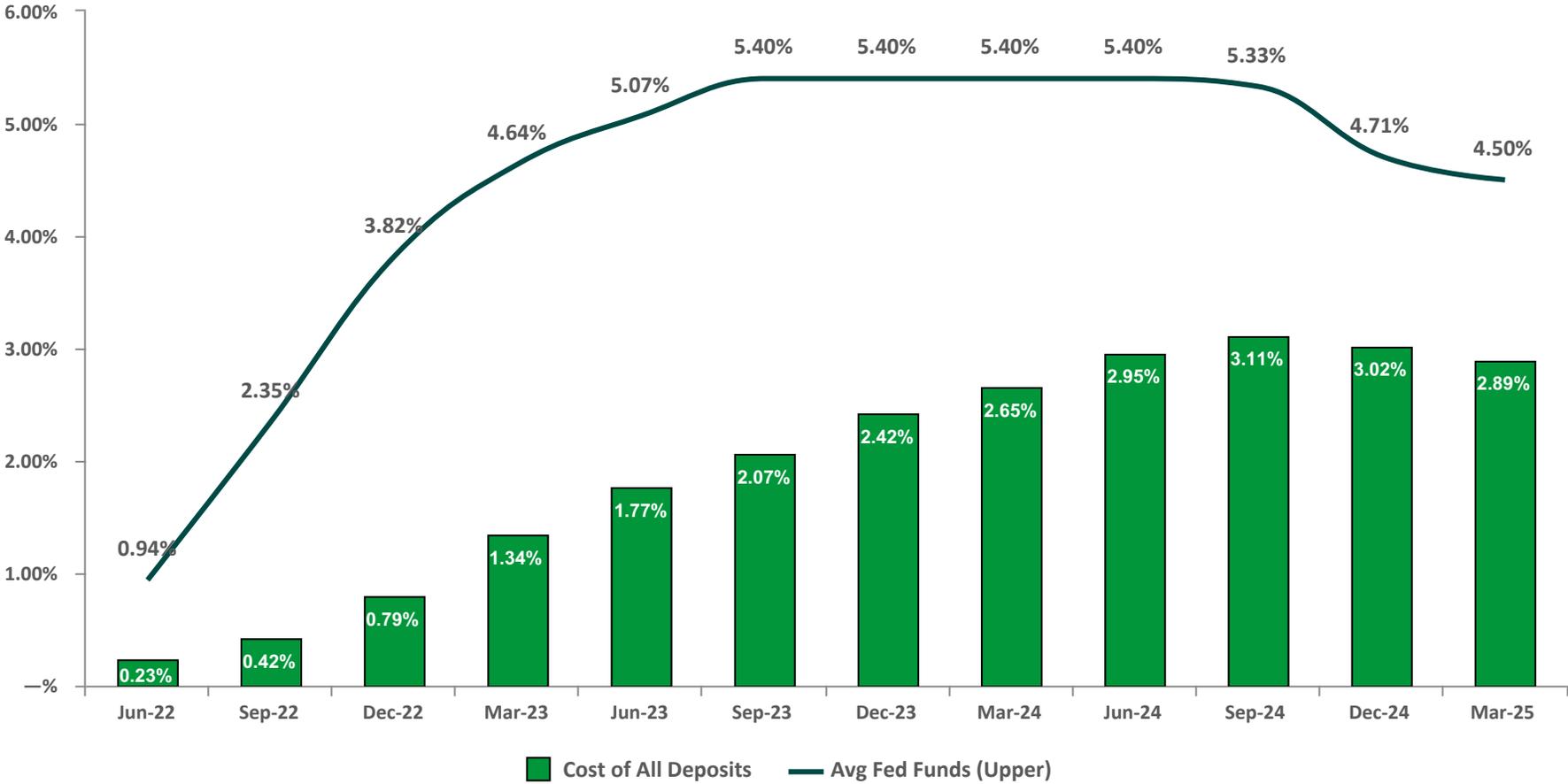
Total Debt is 98.2% FHLB advances and 1.8% Junior Subordinated debentures and is used in part to manage interest rate risk. Current period decrease reflects the repayment of FHLB advances.

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.

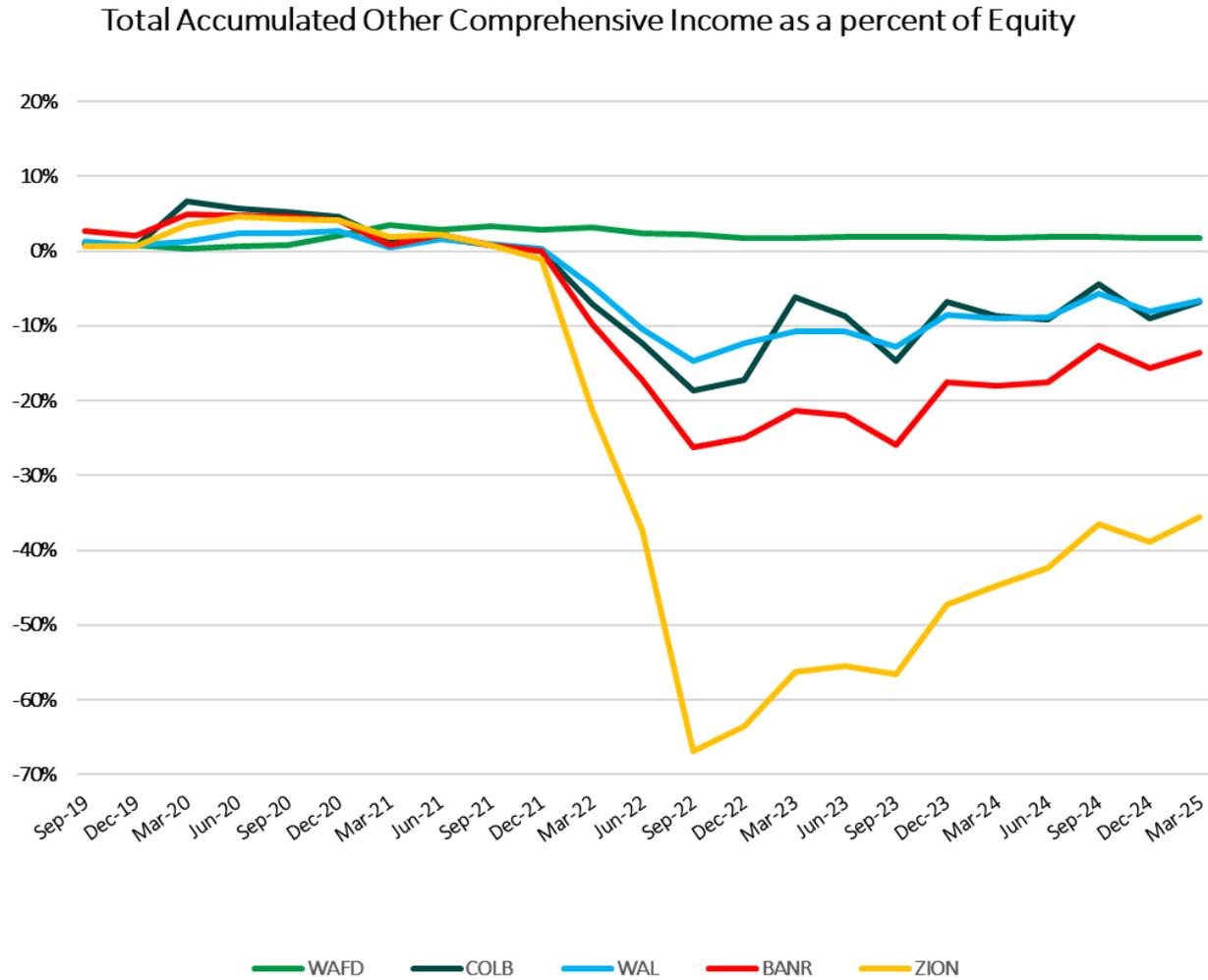


Within 1 year:	\$ 1,750	4.50 %
1 to 3 years:	95	4.66 %
3 to 5 years:	19	0.04 %
5+ years:	851	0.95 %

# Cost of Deposits in the Rising Rate Environment



# AOCI vs our Peers



# Income Statement Comparison

*\$ In thousands*

	<b>Three Months Ended</b>			
	<u><b>3/31/2025</b></u>	<u><b>3/31/2024</b></u>	<u><b>\$ Change</b></u>	<u><b>% Change</b></u>
<b>INTEREST INCOME</b>				
Loans receivable	\$ 282,077	\$ 274,341	\$ 7,736	3%
Mortgage-backed securities	23,926	12,905	11,021	85%
Investment securities and cash equivalents	30,081	31,580	(1,499)	(5)%
	<u>336,084</u>	<u>318,826</u>	<u>17,258</u>	<u>5%</u>
<b>INTEREST EXPENSE</b>				
Customer accounts	151,948	116,164	35,784	31%
FHLB advances and other borrowings	23,226	44,065	(20,839)	(47)%
	<u>175,174</u>	<u>160,229</u>	<u>14,945</u>	<u>9%</u>
<b>Net interest income</b>	<u>160,910</u>	<u>158,597</u>	<u>2,313</u>	<u>1%</u>
Provision (release) for credit losses	2,750	16,000	(13,250)	
<b>Net interest income after provision (release)</b>	<u>158,160</u>	<u>142,597</u>	<u>15,563</u>	<u>11%</u>

# Income Statement Comparison

*\$ In thousands*

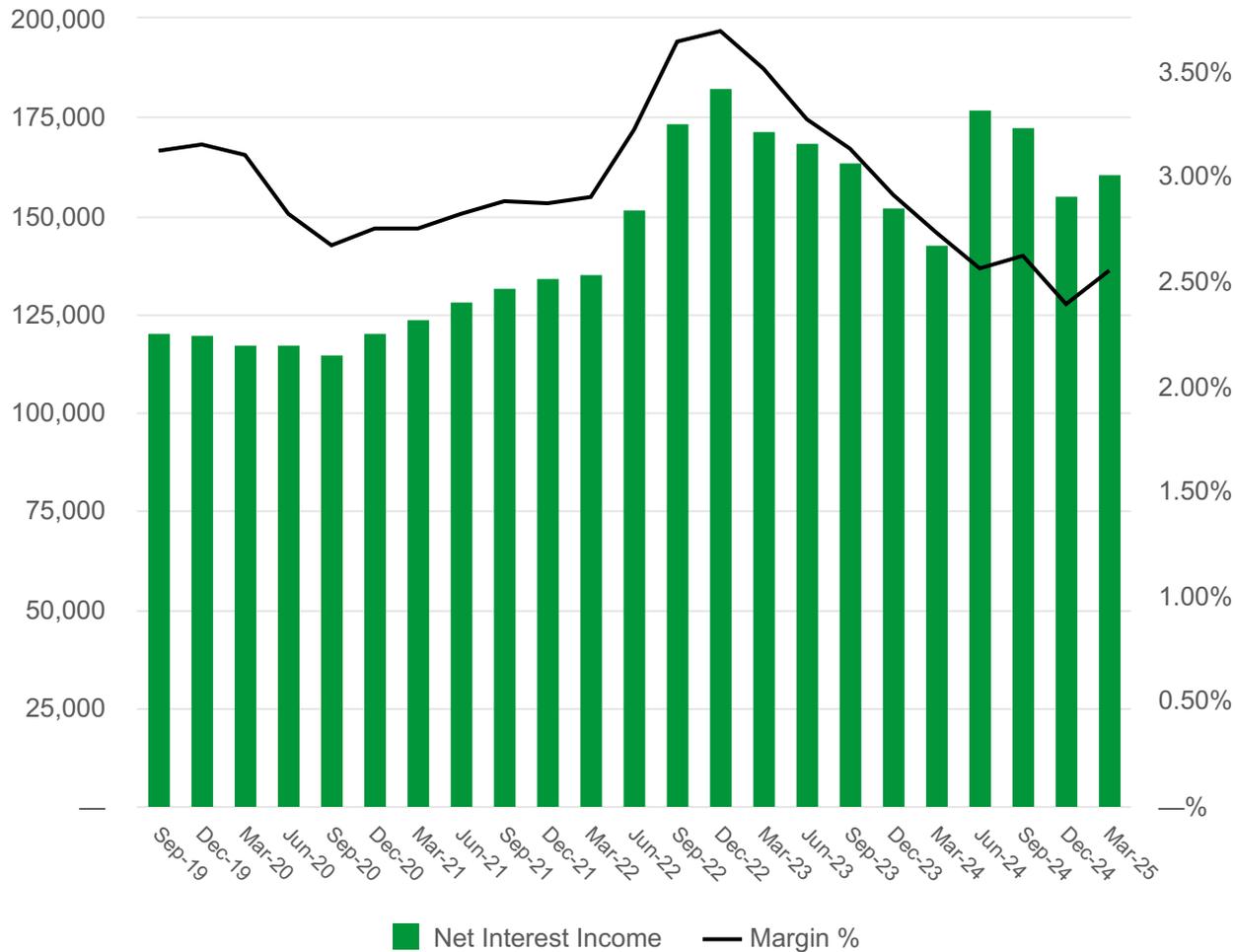
	<b>Three Months Ended</b>			
	<u><b>3/31/2025</b></u>	<u><b>3/31/2024</b></u>	<u><b>\$ Change</b></u>	<u><b>% Change</b></u>
<b>NON-INTEREST INCOME</b>	\$ 18,881	\$ 13,392	\$ 5,489	41%
<b>NON-INTEREST EXPENSE</b>				
Compensation and benefits	52,710	73,155	(20,445)	(28)%
Occupancy	11,499	10,918	581	5%
FDIC premiums	5,800	7,900	(2,100)	(27)%
Product delivery	6,907	5,581	1,326	24%
Information technology	14,481	12,883	1,598	12%
Other expense	13,435	23,275	(9,840)	(42)%
	<u>104,832</u>	<u>133,712</u>	<u>(28,880)</u>	<u>(22)%</u>
Gain (loss) on REO	(199)	(1,315)	1,116	(85)%
Income before income taxes	72,010	20,962	51,048	244%
Income tax provision	15,758	5,074	10,684	211%
<b>NET INCOME</b>	<u>\$ 56,252</u>	<u>\$ 15,888</u>	<u>\$ 40,364</u>	<u>254%</u>
Dividends on preferred stock	3,656	3,656	—	—%
<b>Net income available to common shareholders</b>	<u><u>\$ 52,596</u></u>	<u><u>\$ 12,232</u></u>	<u><u>\$ 40,364</u></u>	<u>330%</u>

*Efficiency Ratio of 58.31% for the quarter ending March 31, 2025 up from 77.74% for the quarter ending March 31, 2024 as a result of merger-related expenses.*

*Effective tax rate for the quarter ending March 31, 2025 is 21.88% down from 24.21% for the quarter ending March 31, 2024.*

# Net Interest Income and Net Interest Margin

Net interest income in thousands.

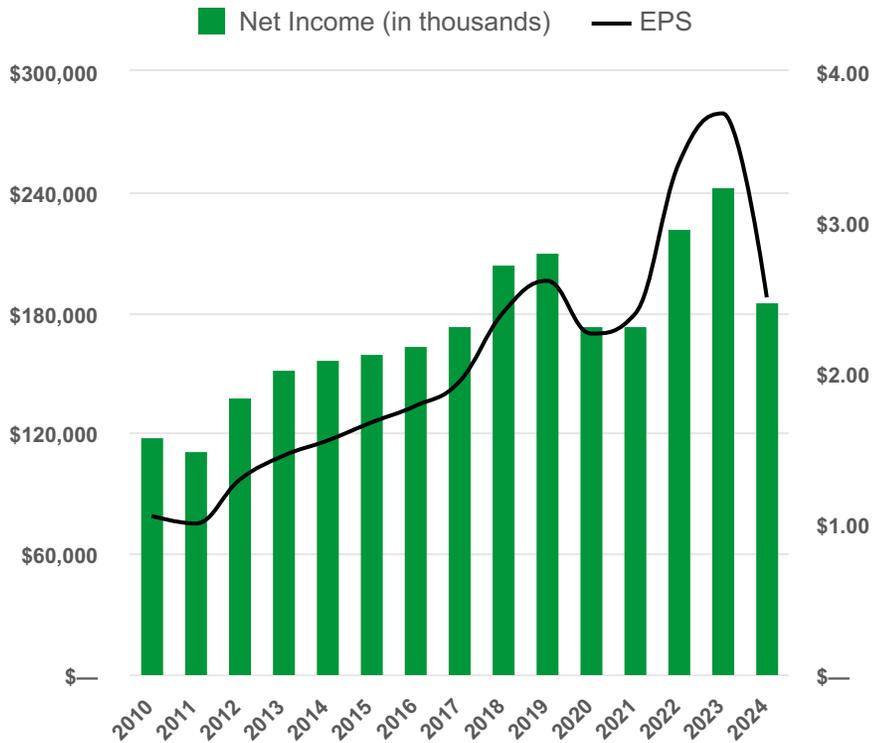


## IRR measures as of March 31, 2025:

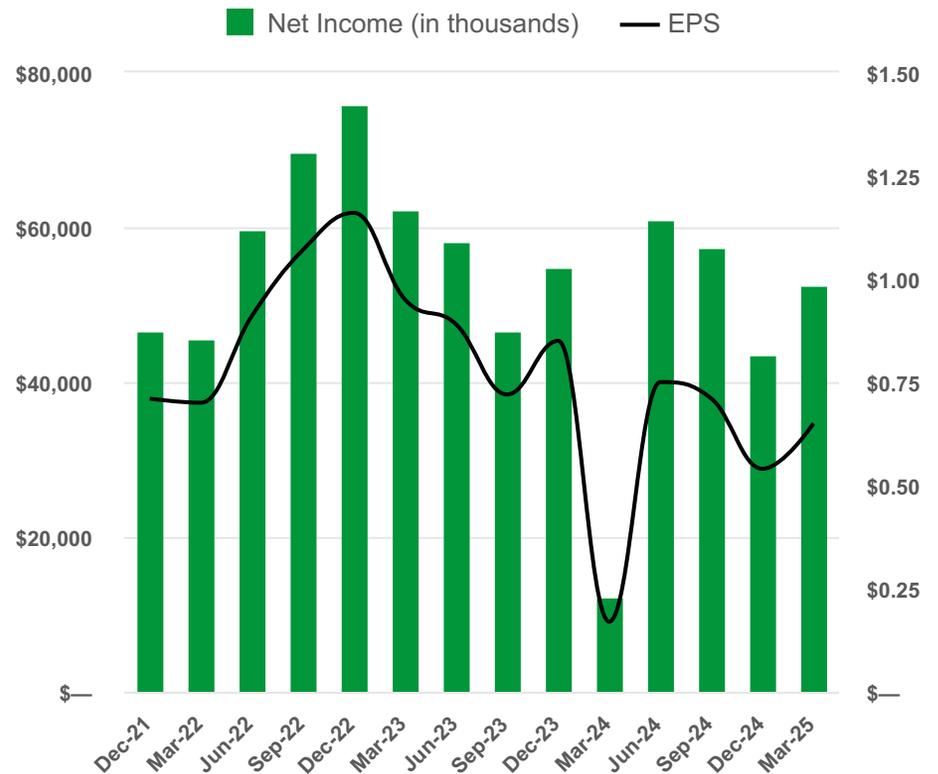
- Net Interest Income (NII) would increase by 0.5% in +100 bps immediate and parallel shock and would increase by 4.5% in a -100 bps immediate parallel shock.
- Net Portfolio Value (NPV) after +200bps shock is 28.2% lower (\$834M) and at \$2.1 billion would be 8.48% of total assets. NPV after -200bps shock is 16.2% higher (\$480M) and at \$3.4 billion would be 12.5% of total assets.

# Net Income and Common Earnings Per Share

Annual



Quarterly

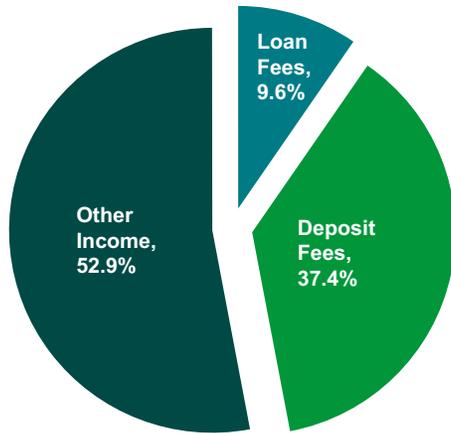


March 31, 2024 Net Income and EPS reflect merger-related expenses of \$25 million and the preliminary ACL provision of \$16 million.

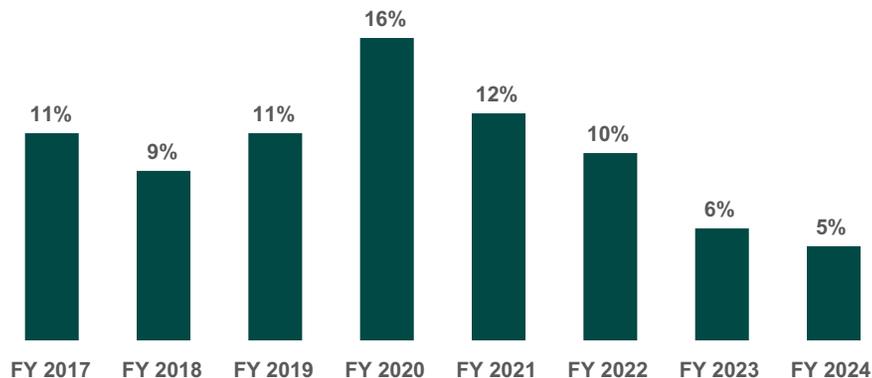
# Non-Interest Income

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

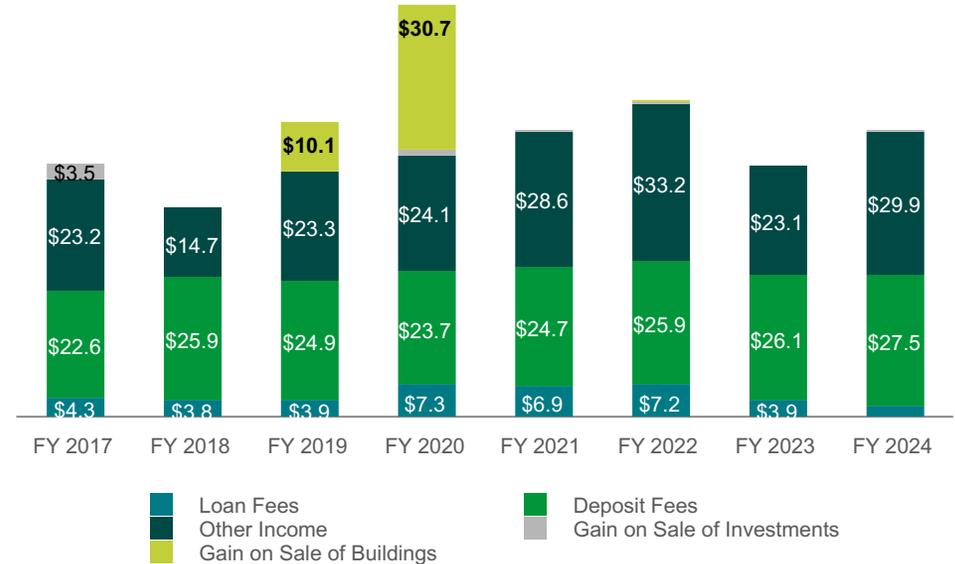
**Non-Interest Income for Quarter-Ended March 31, 2025**



**Non-Interest Income / Total Loan Revenue**



**Non-Interest Income Over Time (\$MM)**

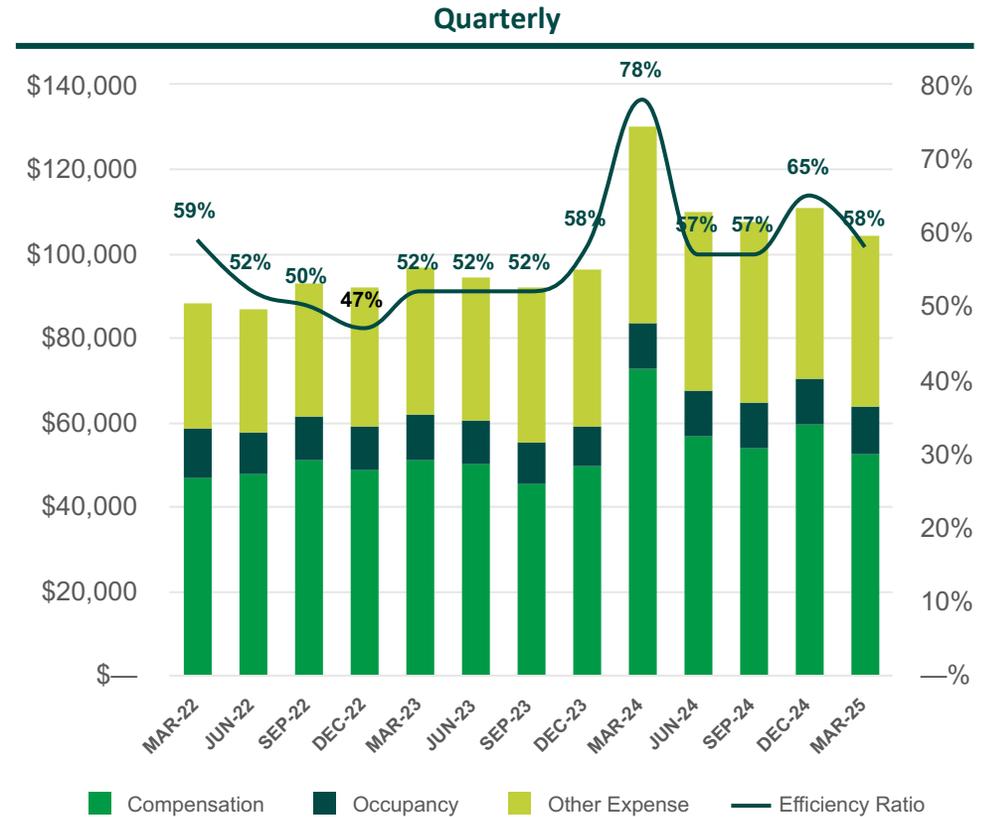
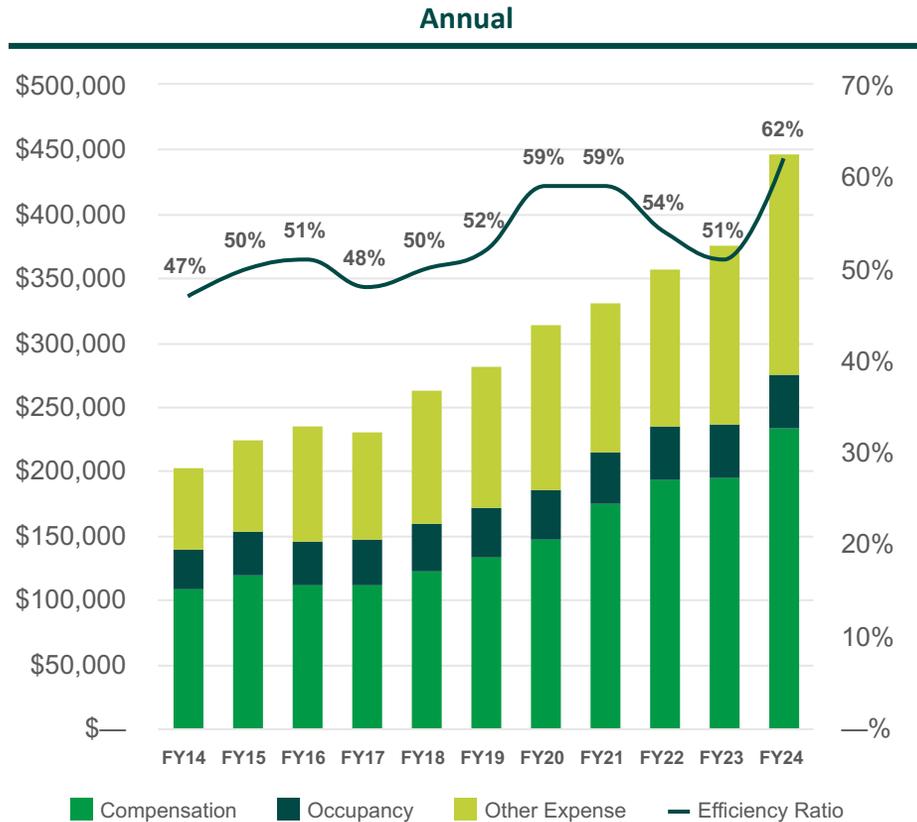


**Other Income includes:**

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

# Non-Interest Expense Over Time

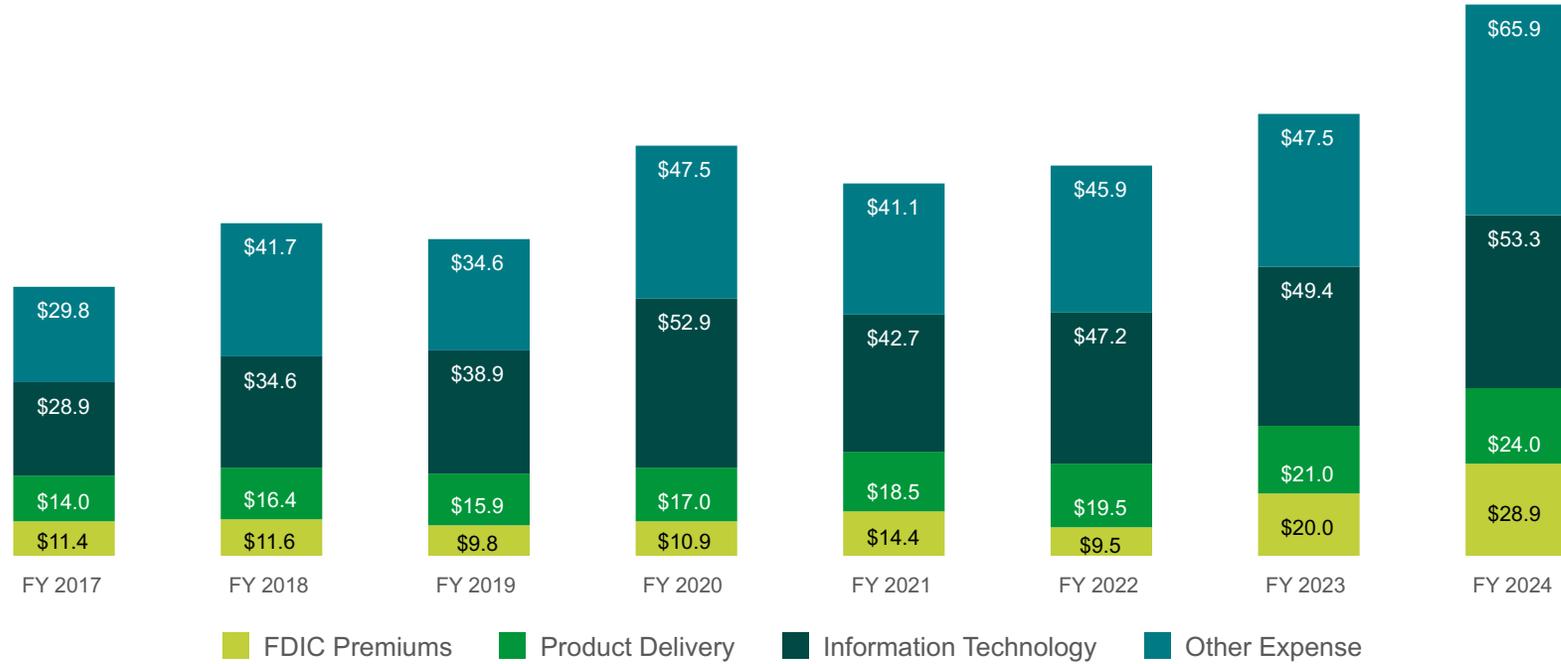
Annual and Quarterly - Expenses in thousands



Non-interest 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 2024 would be 57.5%. See additional details for 'other' expenses within Other Non-Interest Expense on the next page.

# Breakout of Non-Interest Expense

*Expenses in millions*



Non-Interest Expense includes:

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

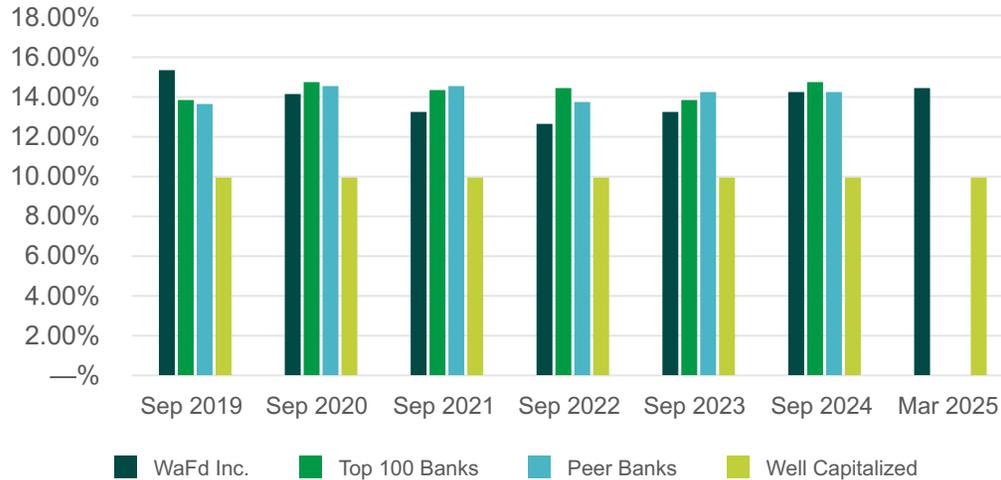
# Capital Ratios

## Common Equity Tier 1 Ratio

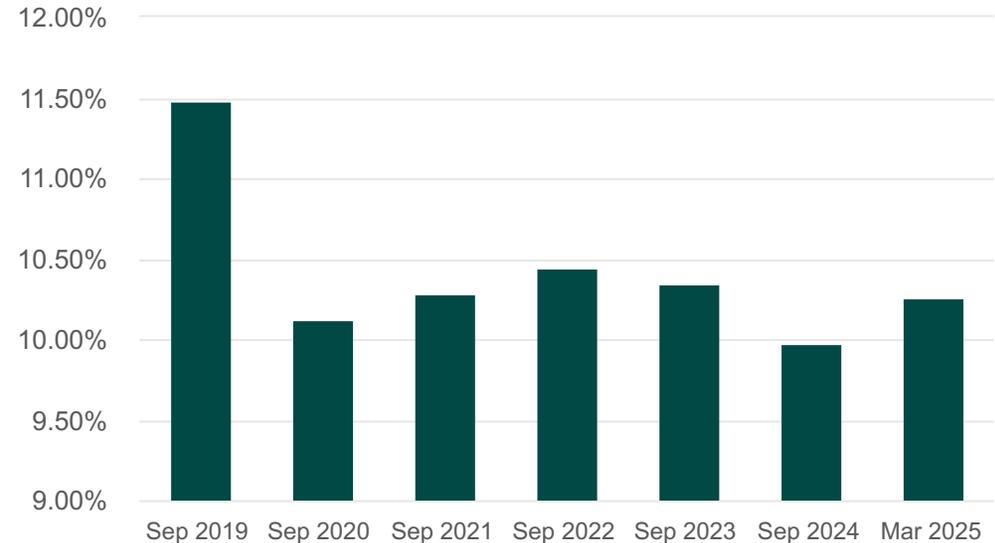


*WAFD does not seek to maximize leverage. Rather, we aspire to be the bank that can best weather the next storm on the horizon.*

## Total Risk-Based Capital



## TCE+ACL/Tang Assets



• Source: S&P Global, Company Filings

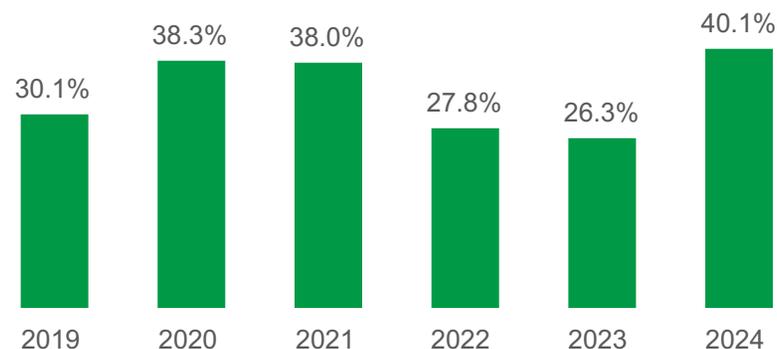
# Returning Capital to Shareholders

## Return of Income to Common Shareholders

	Net Income	Stock Buyback & Dividends	
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 %
2025 YTD	\$96,207	\$67,293	70 %

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

## Common Dividend as a % of Net Income



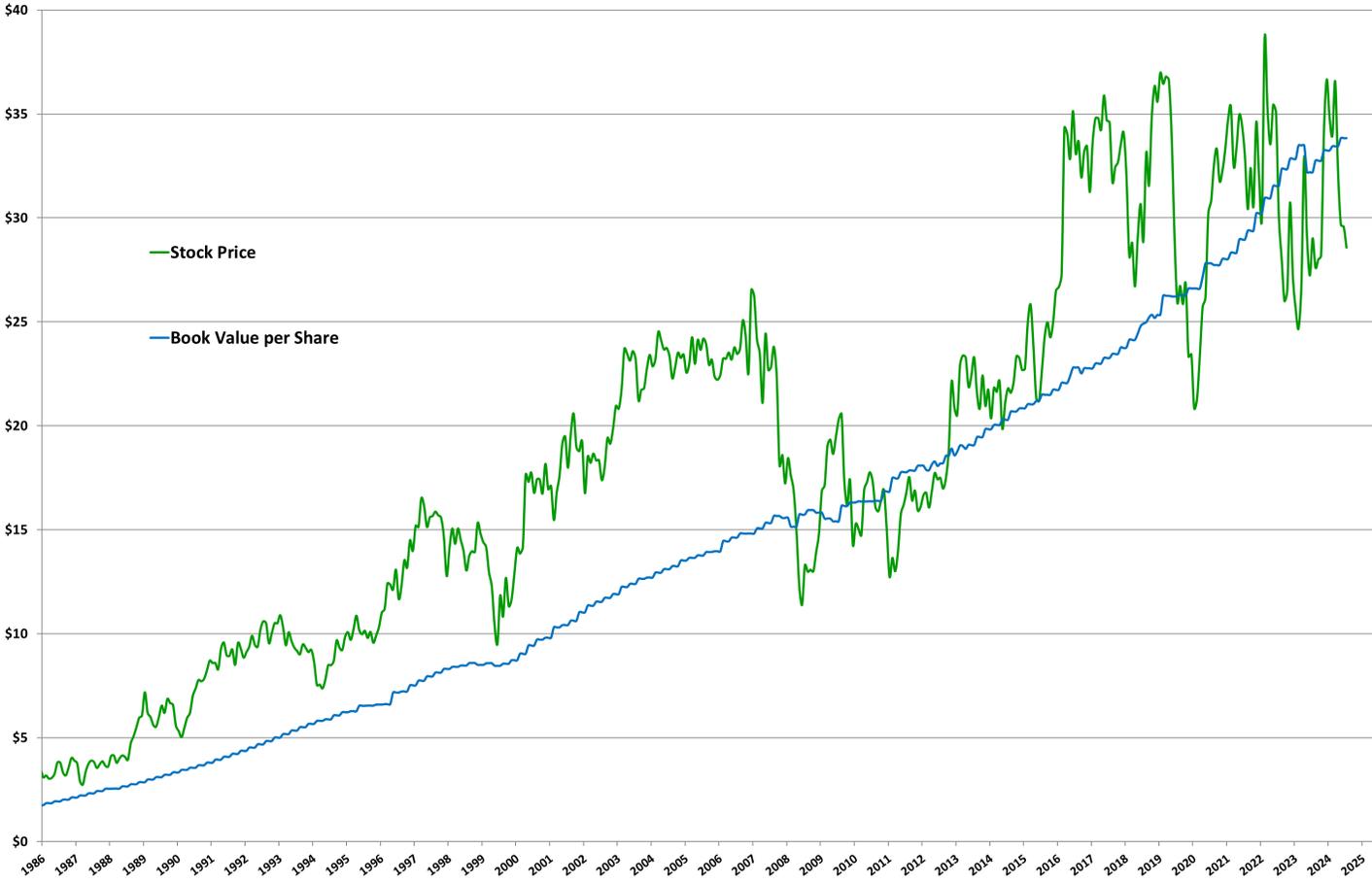
## Share Repurchases

	# of Shares	Wtd Price Paid	% Outstanding at beginning of the year
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 %
2025 YTD	815,610	\$30.35	1.3 %

## Recent Capital Activities

- Current cash dividend of \$0.27 provides a yield of 3.79% based on the current stock price (April 30)
- 1,070,207 shares were repurchased in fiscal 2024 with a weighted price of \$25.29
- Since 2013, 50 million shares repurchased which is 46% of total outstanding shares as of 9/30/2012
- During fiscal 2024 the Board of Directors authorized an additional 10 million shares for repurchase.
- 10.8 million shares remain in buyback authorization

# Stock Price & Book Value Per Share



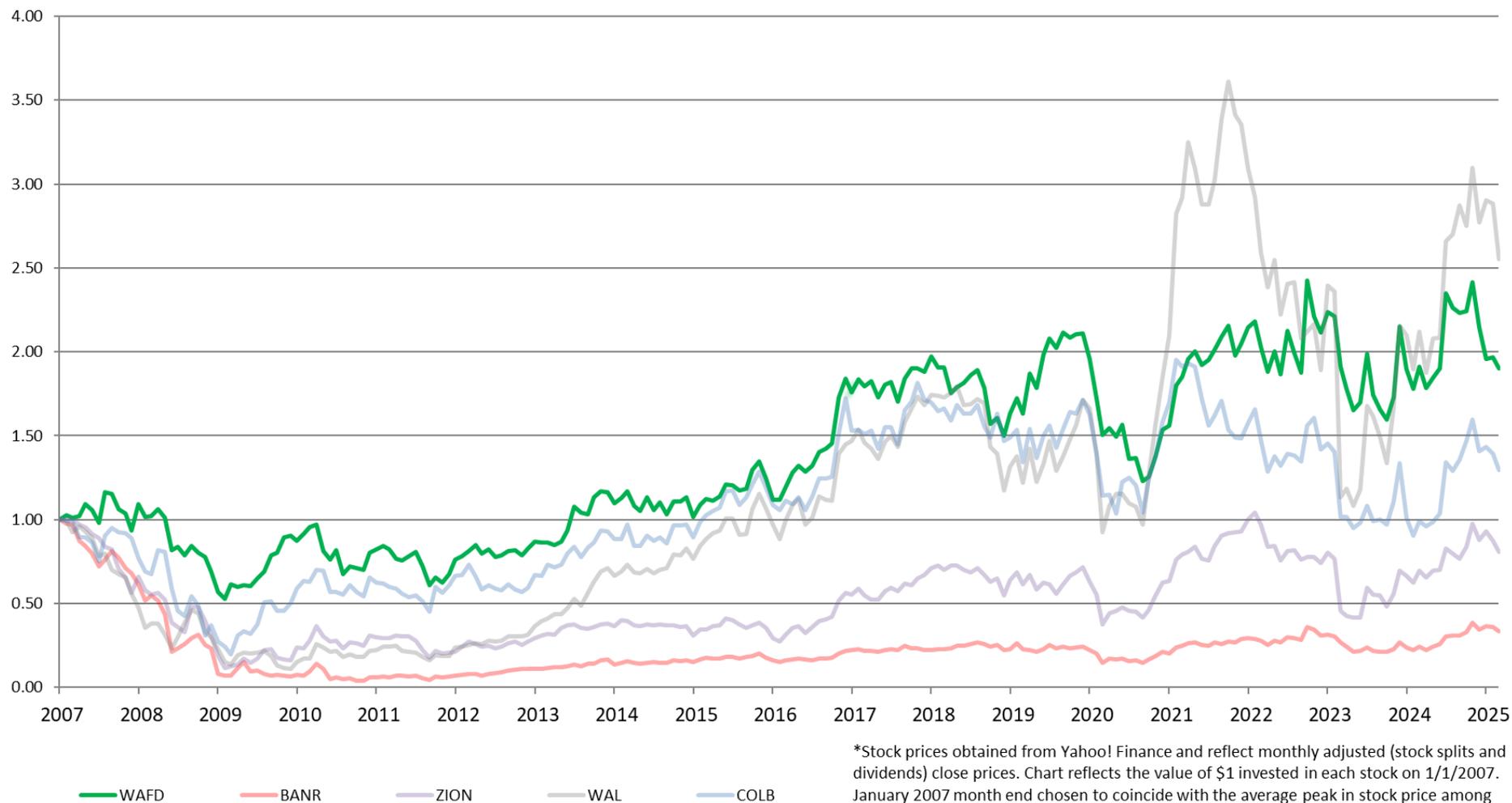
**As of 3/31/2025:**

Book Value per Share \$33.84  
Price to BV: .845

Tangible Book Value per Share \$28.31  
Price to TBV: 1.01

# Perspective through the last Credit Cycle

## Stock Performance Comparison as of 3/31/2025



\*Stock prices obtained from Yahoo! Finance and reflect monthly adjusted (stock splits and dividends) close prices. Chart reflects the value of \$1 invested in each stock on 1/1/2007. January 2007 month end chosen to coincide with the average peak in stock price among the 5 banks.



PROUD BANKING PARTNER FOR SEATTLE SPORTS

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