

BANK OUTSIDE  
THE ORDINARY.



Heritage Bank customer  
Jeff Farrington, Skydive Kapowsin

## Our customers are making things happen with a little help from us.

### Our history

Heritage Bank was founded in 1927 with the belief that when banks and neighbors work together, great communities grow stronger.

Heritage has remained true to this vision—and close to our roots—offering financial solutions that put our customers and local businesses first. Perhaps that's why our company has grown from a single location to a robust network of branches throughout the Pacific Northwest.

Today, Heritage is more than just a bank. We are a part of the community, working together to serve the unique needs of each and every customer.

### Who we serve

Heritage Bank serves customers like you. Your neighbors. The couple who owns the storefront across town. The customers we serve bring their unique heritage—and unique needs—to our bank.

To help our customers achieve their goals, we offer a complete array of banking services and tools for businesses as well as individuals. Our focus is on our communities: helping customers in our local markets build their heritage.

### Our mission

We are committed to being the leading commercial community bank in the Pacific Northwest by continuously improving:

- Customer Satisfaction
- Employee Empowerment
- Community Investment
- Shareholder Value



Heritage  
BANK

## Why choose Heritage?

### Right near you

Heritage Bank is headquartered in Olympia and offers full-service branches throughout the Pacific Northwest. On Whidbey Island, we operate under the name Whidbey Island Bank, a division of Heritage Bank.

### Here to meet your needs

Our company is defined by the combined heritage of our people. We leverage the best practices, most innovative systems and savviest, brightest ideas from all branches to better serve customers everywhere.

### Community engagement

Acting locally not only enriches the quality of life for our employees but it also has a tremendous impact on our customers and communities. With almost 100 years of strength and service, we know the importance of a lasting commitment.

## Bank anytime, anywhere.

### Branches & ATMs

Heritage Bank is located throughout the Pacific Northwest, with full-service branches and ATM locations across Washington, Oregon and Idaho. Additionally, the MoneyPass® ATM network gives you access to more than 37,000 surcharge-free ATMs nationwide. Find a location/ATM online or via your mobile device.

### Mobile & Online Banking

Banking on the go has never been easier or more secure thanks to our digital banking technology. Check your accounts, pay bills and more from nearly anywhere life takes you.

### Mobile Check Deposit

With our mobile app,\* making a deposit is as simple as snapping a photo from your smartphone or tablet.

*\* Message and data rates from your wireless carrier may apply.*

### Mobile & Online Bill Pay

Skip the trip to the mailbox and pay your bills in just a few clicks. Set up recurring online payments and rest easy knowing your bills will be paid on time, every time.

### Telephone Banking

If you prefer to do your banking over the telephone, we're always happy to assist. Our Heritage Access Line is open 24 hours a day, 7 days a week. For personal assistance, please call or email during regular business hours.

## STATEMENT OF FINANCIAL CONDITION

December 31, 2023

| Assets   | (dollars in thousands) |
|--|------------------------|
| Cash on hand and in banks .....                                      | 55,851                 |
| Interest earning deposits .....                                      | 169,122                |
| Cash and cash equivalents .....                                      | 224,973                |
| Investment securities<br>(available for sale, at fair value) .....   | 1,134,353              |
| Investment Securities<br>(held to maturity, at amortized cost) ..... | 739,442                |
| Total investment securities .....                                    | 1,873,795              |
| Loans held for sale .....  | 0                      |
| Loans receivable .....   | 4,335,627              |
| Allowance for credit losses on loans .....                           | (47,999)               |
| <b>Total loans receivable, net .....</b>                             | <b>4,287,628</b>       |
| Other real estate owned .....  | 0                      |
| Premises and equipment, net .....                                    | 74,899                 |
| Federal Home Loan Bank stock, at cost .....                          | 4,186                  |
| Bank owned life insurance .....                                      | 125,655                |
| Accrued interest receivable .....                                    | 19,518                 |
| Prepaid expenses and other assets .....                              | 318,571                |
| Other intangible assets, net .....                                   | 4,793                  |
| Goodwill .....   | 240,939                |
| <b>Total assets .....</b>  | <b>7,174,957</b>       |
| <b>Liabilities and Stockholders' Equity</b>                          |                        |
| Deposits .....   | 5,599,872              |
| Deposits held for sale .....   | 0                      |
| <b>Total deposits .....</b>  | <b>5,599,872</b>       |
| Federal Home Loan Bank advances .....                                | 500,000                |
| Junior subordinated debentures .....                                 | 21,765                 |
| Securities sold under<br>agreement to repurchase .....               | 0                      |
| Accrued expenses and other liabilities .....                         | 200,059                |
| <b>Total liabilities .....</b>                                       | <b>6,321,696</b>       |
| Common stock .....   | 549,748                |
| Retained earnings .....  | 375,989                |
| Accumulated other<br>comprehensive (loss) income, net .....          | (72,476)               |
| <b>Total stockholders' equity .....</b>                              | <b>853,261</b>         |
| <b>Total liabilities and<br/>stockholders' equity .....</b>          | <b>7,174,957</b>       |

Full Annual Disclosure Statement available upon request.