

Annual Report 2022



**WashingtonSM
Financial Bank**



ANNUAL REPORT MESSAGE

Founded in 1899 as the Industrial Building & Loan Association of Washington, Washington Financial Bank has grown to a billion-dollar, mutual organization committed to meeting the financial needs of our customers and the communities we call home. After more than 120 years, we remain completely focused on creating true value in our relationships while providing the best financial products and services for our customers.

Our Financial Performance

Fiscal 2022 was once again a year of records for Washington Financial Bank, with assets totaling \$1.56 billion at June 30, 2022, and record growth numbers in both Net Income and Deposit Growth. Washington Financial Bank once more earned the highest 5-Star Rating for its exceptional capital position, awarded by Bauer Financial (the nation's largest independent bank rating and research firm) for 132 consecutive quarters.

As a testament to the amazing culture fostered by our exceptional team, we have not suffered the staffing turnovers and shortages that have plagued many of our competitors. This stability allows us to serve you in a consistent manner with employees that know you and your families.

Our Services

We remain committed to our company-wide vision to provide a best-in-class banking experience at Washington Financial. Fiscal 2022 brought an increased focus on our digital channels, as we continue to evaluate and implement solutions to enhance the convenience of our digital platforms. Our online loan application system allows customers to complete the application electronically, at any time, using the device they choose. This not only adds the element of convenience to the application process but also enables a timelier decision process so that you can close your loan more quickly. In this competitive environment, you deserve every edge that we can give you as you find your “forever home”.

As we move into the new fiscal year, we have a number of initiatives planned which will further enhance our service delivery channels for you. We recently modernized our phone system to accommodate your ever-changing needs to communicate with us. This modernization will allow us to fully integrate a centralized call center as well as virtual chats. For those of you who prefer to talk with your local branch, we have optimized this experience as well, so that branch employees can focus on serving you without needless transfers to other departments.

Photograph taken by Greg Riggle



Our Community Outreach

Washington Financial Bank's history of support for community dates back to our founding in 1899. For more than 120 years, the Bank has provided both monetary and volunteer support to help our communities grow and prosper.

We are pleased to have been the original Corporate Night Sponsor of the PONY League World Series, providing the initial corporate donation in 1990 to ensure that the Series could remain in Washington, PA. Washington Financial continues to support this wonderful event annually so that our children can enjoy this tradition close to home, as we showcase our home to the rest

of the world. Thanks to the support of the community, the PONY League World Series gets better each year and I encourage you to make it part of your family's summer plans.

With a branch network that spans both Washington and southern Allegheny counties, we have the opportunity to support many community events and organizations throughout Southwestern Pennsylvania. From Canonsburg's July 4th celebration, Old Fashioned Christmas, and Oktoberfest, to Hickory's Apple Festival, the Peters Township Summer Concert Series, the Whiskey Rebellion Festival and South Fayette's Summer Camp and Community Days- to name just a few-Washington



Photograph of Baseball Players taken by Kelli Alderson



Photograph Taken by PikeWood Creative / World Series Tournaments, Inc.

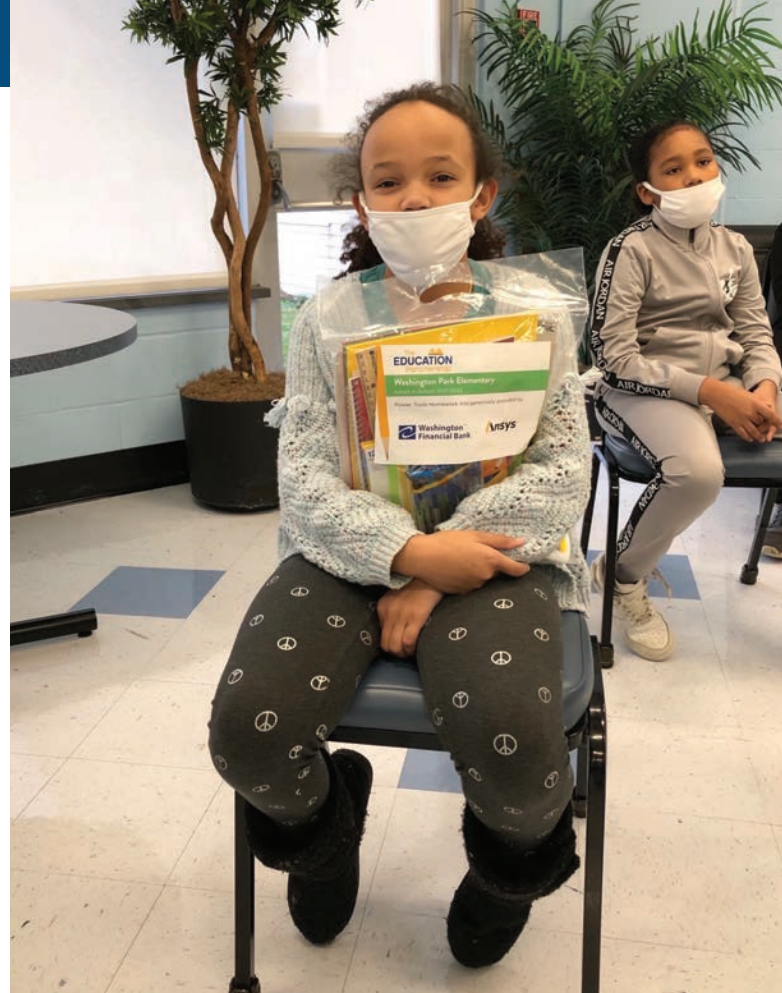
Financial Bank is thoroughly invested in supporting our communities.

This past year, through The Washington Financial Charitable Foundation, we've partnered with a number of local non-profit organizations including: Beverly's Birthdays, Blueprints, the Salvation Army, Main Street Farmer's Market, the Literacy Council and the Make-A-Wish Foundation. These partnerships have allowed us to provide baby showers and birthdays for single mothers and their children, back-to-school supplies and fresh produce for low-income families, literacy services for our neighbors in need, and a bit of normalcy for children with life-threatening illnesses.

The Bank's corporate philanthropic philosophy is also embraced by our employees and board members. Each year we volunteer countless hours, serving on local boards, participating in event fundraisers, and volunteering for school and sport activities. What matters to all of our customers, matters to all of us.

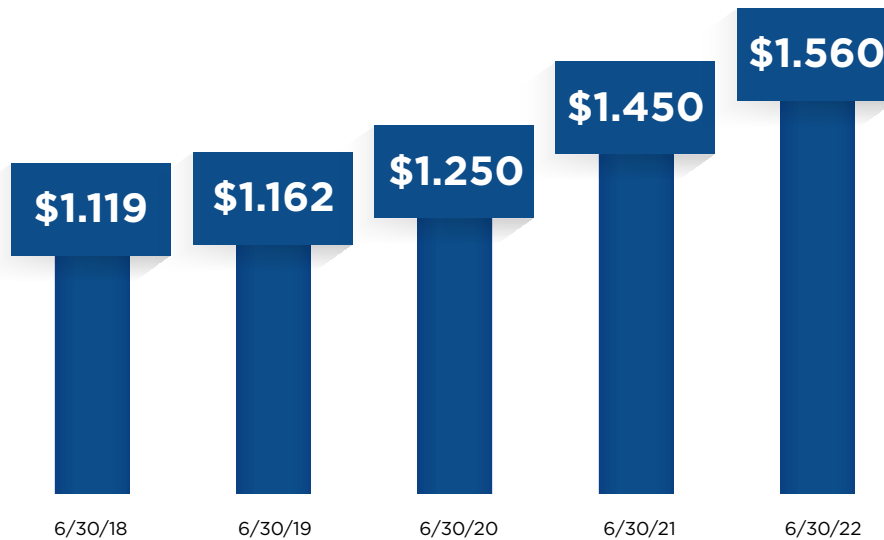
We remain grateful for the trust you place in us – allowing us to serve your financial needs. We look forward to continuing to earn your trust every day.

Mary Lyn Drewitz,
Chairman



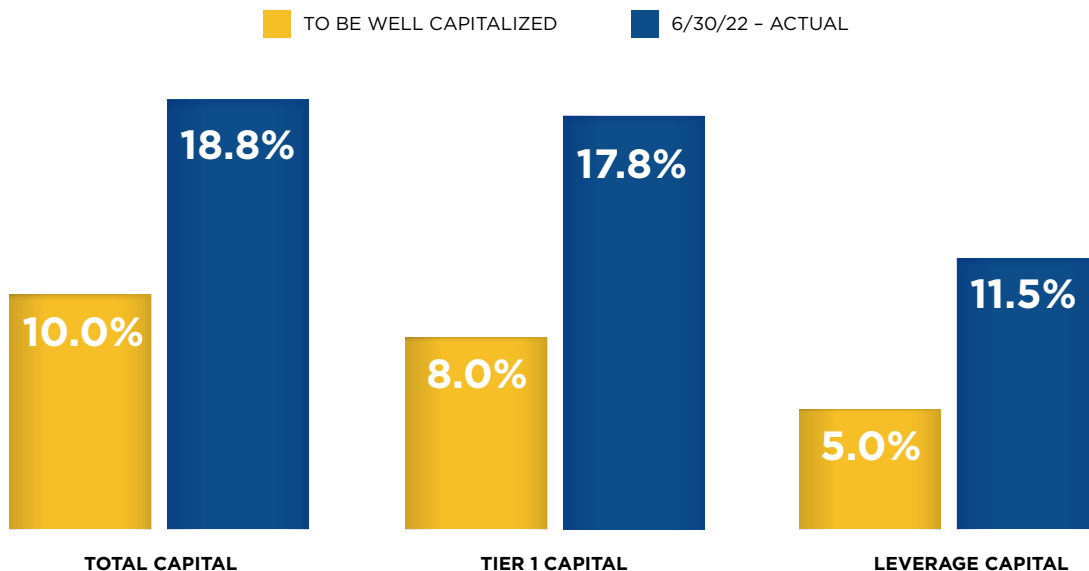
Total Assets (In Billions)

Years Ended June 30th



Washington Financial Bank Consolidated Capital Regulatory Compliance

June 30, 2022



Washington Financial Bank

Consolidated Statement of Condition

June 30, 2022

June 30, 2021

ASSETS

Cash on Hand and in Banks	\$90,780,846	\$193,773,810
Securities - Available for Sale	380,597,681	261,346,978
Securities - Held to Maturity	65,825,384	37,657,228
Loans	944,756,672	895,417,804
Office Property & Equipment, Net	10,886,708	11,414,510
FHLB Stock	2,622,300	2,787,400
Other Assets	64,871,634	48,032,206

Total Assets	\$1,560,341,225	\$1,450,429,936
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LIABILITIES & RETAINED EARNINGS

Deposits	\$1,395,264,538	\$1,268,912,453
Other Obligations	1,070,000	0
Other Liabilities	12,630,660	12,211,279
Retained Earnings	151,376,027	169,306,204

Total Liabilities & Retained Earnings	\$1,560,341,225	\$1,450,429,936
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Copies of the annual audited financial statements are available to the public after September 30, 2022, by writing to Administrative Services, Washington Financial Bank, 190 North Main Street, Washington, PA 15301.



Directors

(of both WFSB Mutual Holding Company and Washington Financial Bank)

Mary Lyn Drewitz, Chairman	Of Counsel, Goldfarb, Posner, Beck, DeHaven, & Drewitz
Martin P. Beichner, Jr., Vice Chairman	President/Accutrex Products, Inc.
R. Carlyn Belczyk	Partner/Guthrie, Belczyk & Associates, P.C.
William M. Campbell	Retired President/Camalloy, Inc.
Michael L. Chaido, Esq.	Interim President/CEO/WFSB Mutual Holding Company & Washington Financial Bank
Edward C. Morascyzk, Esq.	Senior Partner/Morascyzk, Yarosz & Morascyzk
James R. Proudfit	Vice President/Proudfit Insurance
Telford W. Thomas	Retired President/The Washington Hospital
Louis E. Waller	President/Waller Corporation

Directors Emeritus of Washington Financial Bank

Richard L. White	Retired President/CEO/WFSB Mutual Holding Company & Washington Financial Bank
D. Jackson Milhollan	Retired President/Precision Marshall Steel Co.

WFSB Mutual Holding Company Officers

(Parent Company of Washington Financial Bank)

Brian J. Smith*	President/Chief Executive Officer
Michael L. Chaido, Esq.	Interim President/Chief Executive Officer
Janet L. Brandtonies, CPA	Executive Vice President/Treasurer/Chief Financial Officer
Lee D. Truax	Executive Vice President/Chief Risk and Compliance Officer
Harry A. Stiffler, Jr., Esq.	Senior Vice President/General Counsel
Suzanne L. Taylor	Senior Vice President/Secretary

Washington Settlement Services, Inc. Officers

(Subsidiary of Washington Financial Bank)

Brian J. Smith*	President/Chief Executive Officer
Michael L. Chaido, Esq.	Interim President/Chief Executive Officer
Janet L. Brandtonies, CPA	Executive Vice President/Treasurer/Chief Financial Officer
Delbert O. Hague, Jr.	Senior Vice President
Suzanne L. Taylor	Senior Vice President/Secretary
Cathy A. Lavelle	Assistant Vice President/Settlement Services Closing Manager

Washington Financial Bank Officers

Brian J. Smith*	President/Chief Executive Officer
Michael L. Chaido, Esq.	Interim President/Chief Executive Officer
Janet L. Brandtonies, CPA	Executive Vice President/Treasurer/Chief Financial Officer
Edward R. Ermine	Executive Vice President/Chief Credit Officer
William J. King, Jr.	Executive Vice President/Chief Lending Officer
Douglas M. Klescich	Executive Vice President/Chief Information Officer
Lee D. Truax	Executive Vice President/Chief Risk and Compliance Officer
Harry A. Stiffler, Jr., Esq.	Senior Vice President/General Counsel
Suzanne L. Taylor	Senior Vice President/Secretary/Administrative Services Division Manager
Delbert O. Hague, Jr.	Senior Vice President/Retail Lending Division Manager
Robert B. Vettorel	Senior Vice President/Wealth Management Division Manager
Laura L. Austin	Vice President/Business Banking Officer
Joseph R. Bartolomeo	Vice President/Business Banking Officer
G. Ryan Bates	Vice President/Treasury Services Manager
Victor D. Bell	Vice President/Wealth Management
Nancy E. Campbell	Vice President/Regional Branch Manager
Anthony M. Cardone	Vice President/Business Banking Officer
Todd J. Day	Vice President/Regional Branch Manager
Doreen A. Dingle	Vice President/BSA/AML Officer
Chad J. Gearing	Vice President/Residential Mortgage Lending Manager
Lauri A. Gerstner	Vice President/Audit Manager
Timothy M. Grady	Vice President/Business Banking Officer
Elizabeth I. Guerrieri	Vice President/Marketing and Public Relations Manager
William M. Harker	Vice President/Commercial Banking Group Manager
Theresa M. Hudson	Vice President/Operations Manager
Stephanie T. Leoni	Vice President/Compliance & Risk Management Officer
Dana M. McWreath	Vice President/Controller
James M. Medved	Vice President/Business Banking Officer
Christopher L. Monaghan	Vice President/Credit Department Manager
Randolph T. Patterson	Vice President/Business Banking Officer
Dawn L. Rankin	Vice President/Consumer Lending Manager
Lori L. Szallar	Vice President/Human Resources Manager
Gregory A. Vallecorsa	Vice President/Business Banking Officer
Dustin R. Yoder	Vice President/Information Technology Manager

*Medical leave of absence





Branch Offices

Burgettstown

1803 Main Street
Burgettstown, PA 15021
724-947-2745

Canonsburg

160 East Pike Street
Canonsburg, PA 15317
724-745-2417

Finleyville

3576 Sheridan Avenue
Finleyville, PA 15332
724-348-5255

Hickory

220 Main Street
Hickory, PA 15340
724-356-2900

McMurray

3616 Washington Road
McMurray, PA 15317
724-941-4275

South Fayette

173 Millers Run Road
Bridgeville, PA 15017
412-221-1026

Tylerdale

98 East Wylie Avenue
Washington, PA 15301
724-225-9100

Valley Brook

430 Valley Brook Road
McMurray, PA 15317
724-941-8430

Washington

77 South Main Street
Washington, PA 15301
724-206-1100

Washington Crown Center

1500 West Chestnut Street
Washington, PA 15301
724-223-8000

Washington Mall Plaza

255 Murtland Avenue
Washington, PA 15301
724-229-7600

Loan Centers

McMurray Loan Office

3616 Washington Road
McMurray, PA 15317
724-942-2301

North Hills Loan Office

6200 Brooktree Road
Wexford, PA 15090
724-940-4450

Remote ATM

Courthouse Square
The Washington Hospital