



**Liberty Northwest Bancorp, Inc.
20150 Seventh Avenue NE
Poulsbo, Washington 98370**

May 10, 2023

ANNUAL MEETING OF SHAREHOLDERS

PROXY STATEMENT

This Proxy Statement is furnished by the Board of Directors of Liberty Northwest Bancorp, Inc. (the “Holding Company”) to the holders of common stock of the Holding Company (“Common Stock”) in connection with the solicitation of proxies by the Board of Directors for use at the Annual Meeting of Shareholders to be held virtually at 4:00 p.m. Pacific time on Thursday, June 29, 2023. The shares represented by the proxy will be voted in accordance with the shareholder’s directions, if the proxy is duly executed, including online voting, and returned prior to the Annual Meeting. If no directions are specified on the proxy, it will be voted at the discretion of the proxy holder in accordance with the recommendations of the Board of Directors on all matters as may properly come before the meeting or any adjournment thereof. A proxy delivered pursuant to this solicitation is revocable at the option of the person giving the proxy at any time before it is exercised. A proxy may be revoked, prior to its exercise, by executing and delivering a later-dated proxy to the Secretary of the Holding Company prior to the Annual Meeting, delivering written notice of revocation of the proxy to the Secretary of the Holding Company prior to the Annual Meeting, or attending and voting at the Annual Meeting. Attendance at the Annual Meeting, in and of itself, will not constitute revocation of a proxy.

All costs of the solicitation of the proxies will be borne by the Holding Company. Notice of availability of proxy materials is being mailed to shareholders on or about May 19, 2023.

PURPOSE OF THE MEETING

At the Annual Meeting, shareholders will be asked:

1. To elect six (6) members to the Board of Directors;
2. To act on such other matters as may properly come before the meeting.

OUTSTANDING VOTING SECURITIES AND VOTING RIGHTS

The date of record set by the Board of Directors for determination of shareholders entitled to receive notice and to vote at the Annual Meeting of Shareholders is May 5, 2023. On May 5, 2023, there were 1,669,009 shares of Common Stock issued and outstanding. The presence at the meeting, in person or by proxy, of one third of the outstanding shares, 550,773 shares, is necessary to constitute a quorum for the meeting. Each outstanding share is entitled to one vote on all matters. For purposes of the quorum and the discussion below regarding the vote necessary to take shareholder action, shareholders of record who are present at the meeting in person or by proxy and who abstain, including brokers holding customers' shares of record who cause abstentions to be recorded at the meeting, are considered shareholders who are present and entitled to vote, and they count toward the quorum. Brokers holding shares of record for customers generally are not entitled to vote on certain matters unless they receive voting instructions from their customers. As used herein, "uninstructed shares" means shares held by a broker who has not received instructions from its customers on such matters, and the broker has so notified the Holding Company on a proxy form in accordance with industry practice or has otherwise advised the Bank that it lacks voting authority. As used herein, "broker non-votes" means the votes that could have been cast on the matter in question by brokers with respect to uninstructed shares if the brokers had received their customers' instructions.

Election of Directors

Directors are elected by a plurality, and the six (6) nominees who receive the most votes will be elected. Abstentions and broker non-votes will not be taken into account in determining the outcome of the election.

Board Committees

The following table shows the committees of the Board of Liberty Northwest Bancorp, Inc.'s subsidiary Liberty Bank, the members of each committee, and the number of times each committee met during 2022.

Name	Board	Audit	Governance, Nominating and Compensation	Loan
Eric L. Anderson	X ⁽²⁾		X ⁽²⁾	X
Richard C. Darrow ⁽¹⁾	X			X
Joseph C. Michelsen	X ⁽²⁾	X	X	X ⁽²⁾
Susan L. Preston	X	X		
Ronald E. Roark	X	X ⁽²⁾	X	
Jeffrey M. Uberuaga	X			X
Number of Meetings in 2021	11	7	4	11

(1) Executive Management

(2) Chairperson

**PROPOSAL 1
ELECTION OF DIRECTORS**

The Articles of Incorporation of Liberty Northwest Bancorp, Inc. provide for a Board of Directors consisting of not less than five (5) nor more than fifteen (15) persons, each to serve until the next regular meeting of shareholders at which directors are elected, unless a director resigns or is removed from office. The Board has set the number of directors at six (6).

Should any of these nominees become unavailable for any reason, which is not anticipated, the Board of Directors may, unless the Board by resolution provides for a lesser number of directors, designate substitute nominees, in which event the persons named in the enclosed proxy will vote for the election of such substitute nominee or nominees.

Set forth below are the names of each nominee for director, the positions and offices held at the Holding Company, the nominee's principal occupation and business experience for the past five years, and the names of other publicly held companies for which the nominee serves as a director.

NOMINEES FOR ELECTION TO TERM EXPIRING 2023

Eric L Anderson (co-Chair): Eric is a licensed engineer and former owner of Art Anderson Associates, a third generation multi discipline design firm. A graduate of the United States Naval Academy, Eric served three deployments to S.E. Asia before returning to Bremerton in 1976 and taking over the company in 1980. Under his direction the firm expanded from naval ship design to include ferry and research vessels, industrial facilities, marinas, energy conservation, federal, state and military building design. Mr. Anderson has served on numerous public boards including Puget Sound Regional Council transit, Seattle Regional Transit, Leadership Kitsap, Olympic Private Industry Council and chaired regional associations including Washington Professional Engineers, Armed Services YMCA, Bremerton Chamber of Commerce. He is a founding member of the board and the chair of the Liberty Bank Governance Committee and a member of the Loan Committee.

Richard C. Darrow: Rick is President and Chief Executive Officer of Liberty Northwest Bancorp, Inc. He is also President and Chief Executive Officer of Liberty Bank, a position he has held since December 2010. Prior to that, Mr. Darrow was a founding executive of Charter Bank, a community bank formed in Bellevue, Washington in 1997, which was acquired in 2007 by Boston Private Financial Holdings, a diversified wealth management financial services company. During his ten years at Charter Bank, Mr. Darrow served as Executive Vice President and Chief Financial Officer. Prior to his affiliation with Charter Bank, Mr. Darrow was an executive officer at Washington Mutual, Enterprise Bank and University Savings Bank, where he began his banking career in 1985. Mr. Darrow has over 36 years of senior management experience in banking. Mr. Darrow was raised in Edmonds, Washington. He graduated from the University of Washington in 1981 with a degree in Business Administration. Upon

graduation, he earned his CPA certification while employed with Pannell Kerr Forster, an international accounting firm.

Joseph C. Michelsen (co-Chair): Joseph C. Michelsen is a Commercial Realtor with Windermere Commercial Real Estate. Mr. Michelsen has been involved in commercial real estate in Kitsap County and the Puget Sound region since 1979 and is experienced in brokerage, development, leasing and sales. In addition to his experience in real estate, he was a vice president in charge of commercial assets in a timber company, and a project manager in moving an industrial firm from Seattle to Poulsbo. Mr. Michelsen is a long-time Northwest resident. He has a BA from Western Washington State University and an MA from Pepperdine University. After graduation he became a Navy pilot and was on active duty until 1979. Mr. Michelsen serves on the board of directors of Pacific Northwest Title of Kitsap County and is President of Kitsap Commercial & Investment Brokers Association - Kitsap County.

Susan L. Preston: Susan Preston is the Managing Partner of SeaChange Fund, committed to fostering entrepreneurial growth in the Pacific Northwest through early-stage investments. Susan has taught in the MBA program and was the Buerk Endowed Fellow for Entrepreneurship at the University of Washington. Susan also serves as immediate past chair and a lead instructor for the Angel Resource Institute, a global investor and entrepreneur education organization. Susan is a world-recognized expert in angel financing and angel organizations and is the author of numerous articles, white papers and books on angel financing. She is a national and international consultant and speaker on economic development, angel and venture financing, to date in more than 20 countries. Susan spent much of her earlier career in senior management positions in public and private companies, from general counsel to CEO. Susan has held more than 30 board positions with public and privately held corporations and has served on numerous non-profit boards. She has been profiled in Red Herring, Inc., Smart Money, Worth and other local and national publications. She has won numerous awards for her leadership, including Senator Cantwell's Women of Valor award, which was presented by then Vice President Joe Biden. Ms. Preston received her JD, cum laude, from Seattle University School of Law and her BS, magna cum laude, Phi Beta Kappa, in Microbiology and Public Health from Washington State University.

Ronald E. Roark: Mr. Roark is the Chairman and Chief Executive Officer of Crown NorthCorp Inc. (Crown), an international specialty financial services firm which he co-founded in 1977. Crown was a SEC reporting company from 1994 until 2010. He recently served as Vice Chairman of the Supervisory Board of Crown's former subsidiary, Crown Westfalen Bank AG (Germany), where he was Chairman of all credit committees and servicing affiliates of the bank which operated in the US and Europe. He is a former Director and investor in The Bank of Maine where he was the Chair of the Board's Risk Committee and a member of both its Loan Committee and Compensation Committees. Crown has served as a primary contractor for various agencies including the RTC and FDIC and was one of the founding members of the CMBS industry. Mr. Roark holds an undergraduate degree in marketing and finance from Drake University and served as past Chair of the Board of Trustees and its Audit committee. Mr. Roark is a former USAF Air Traffic Control Squadron Commander and was a recipient of its Meritorious Service Medal. Mr. Roark moved with his wife Jui Ling to Gig Harbor WA for eventual retirement in 2002. He currently is the majority owner and Managing Director of The Gig Harbor Marina and Boatyard which recently received the Gig Harbor Business of the year award.

Jeffrey M. Uberuaga: Jeffrey M. Uberuaga is the former co-owner and operator of the Red Apple Stores in both Poulsbo and Bremerton since 2010. Prior to that, Mr. Uberuaga worked at local car dealership since 1989, which he helped establish, building it into a company with more than 60 employees and selling his interest in 2010. Mr. Uberuaga grew up in North Kitsap and graduated from North Kitsap High School

and has lived and worked in Poulsbo during his entire career. Mr. Uberuaga is the fire commissioner for Poulsbo fire department, Kitsap County Fire District #18. He is a member of the Northwest Grocery Association, the Poulsbo Historical Society, and is very active in community projects.

**THE BOARD RECOMMENDS THAT THESE NOMINEES
BE ELECTED AS DIRECTORS.**

MISCELLANEOUS TRANSACTIONS WITH MANAGEMENT AND OTHERS

Liberty Northwest Bancorp, Inc.'s subsidiary Liberty Bank has had, and expects to have in the future, banking transactions in the ordinary course of its business with directors, officers, principal shareholders, and their associates, on substantially the same terms, including interest rates and collateral on loans, as those prevailing at the same time for comparable transactions with others and which do not involve more than the normal risk of collectability or present other unfavorable features.

OTHER BUSINESS

Management does not intend to bring before the meeting any matters not referred to in this Proxy Statement and the Holding Company has not been informed that any other matters are to be presented by others. If any other matters properly come before the meeting, it is intended that the shares represented by proxies will be voted in accordance with the recommendations of management.

By Order of the Board of Directors,

Eric L. Anderson
Co-Chairman of the Board
Liberty Northwest Bancorp, Inc.

Joseph C. Michelsen
Co-Chairman of the Board
Liberty Northwest Bancorp, Inc.

Richard C. Darrow
President and
Chief Executive Officer
Liberty Northwest Bancorp, Inc.