

Q3 Earnings Conference Call

October 22, 2024



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Non-GAAP Financial Measures: This presentation may refer to non-GAAP financial measures. Additional information on these financial measures is available in BOK Financial's 10-Q and 10-K filings with the Securities and Exchange Commission which can be accessed at bokf.com.

All data is presented as of September 30, 2024 unless otherwise noted.





Stacy Kymes

Chief Executive Officer

Q3 Financial Highlights

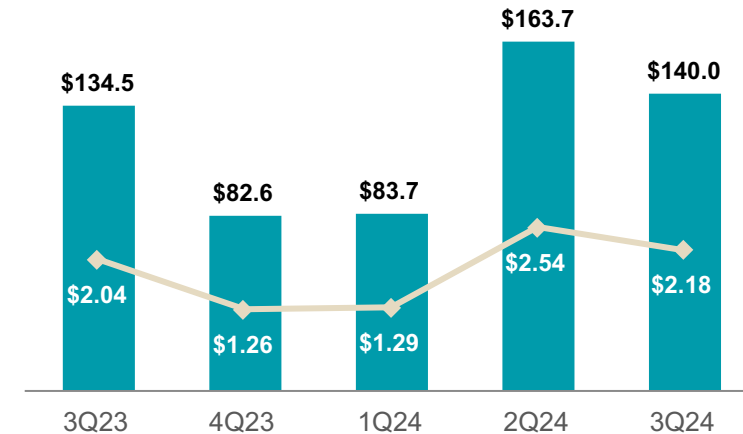
- Net Income was \$140.0 million, or \$2.18 per diluted share
- Asset quality remains strong with criticized levels remaining well below pre-pandemic levels and non-performing assets declining 6.5%. We had net recoveries of \$54 thousand during Q3
- Loan growth trends from earlier in the year were muted in Q3, largely due to a more accommodating bond market for energy debt transactions and M&A activity
- Continued strong capital and liquidity position with deposits growing \$985 million during the quarter

(\$Million, exc. EPS)	Q3 2024	Q2 2024	Q3 2023
Net income	\$140.0	\$163.7	\$134.5
Diluted EPS	\$2.18	\$2.54	\$2.04
Net income before taxes	\$173.3	\$211.0	\$167.7
Provision for credit losses	\$2.0	\$8.0	\$7.0
Pre-provision net revenue*	\$175.3	\$219.0	\$174.8
Efficiency ratio	65.1%	59.8%	64.0%

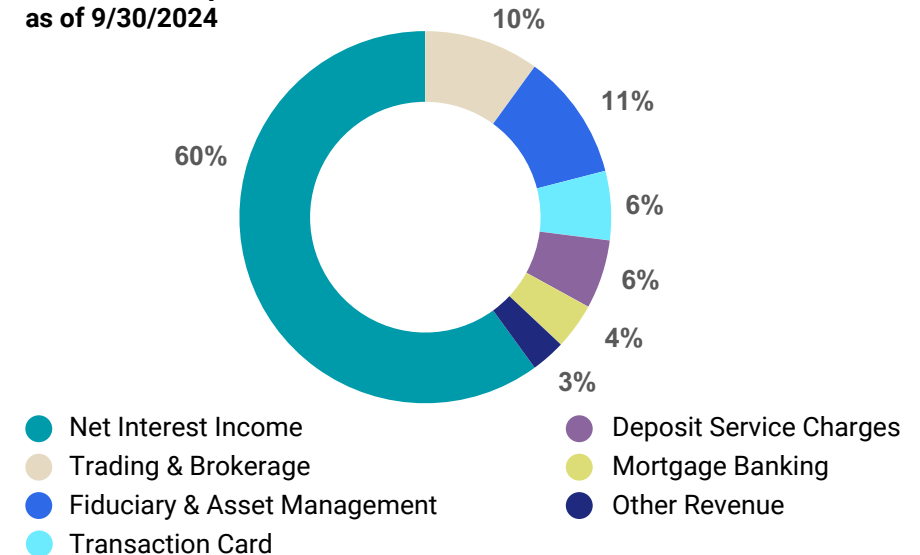
* Non-GAAP measure

Net Income

- Attributable to shareholders
- Per share (diluted)



Revenue Composition as of 9/30/2024



Additional Details

(\$Billion)	Q3 2024	Quarterly Sequential	Quarterly YOY
Period End Loans	\$24.0	(2.3)%	1.1%
Average Loans	\$24.3	(0.3)%	3.8%
Period End Deposits	\$37.2	2.7%	10.6%
Average Deposits	\$36.8	3.1%	10.4%
Fiduciary Assets	\$63.7	2.9%	13.0%
Assets Under Management or Administration	\$110.7	3.0%	11.8%

- Period end loan balances declined \$569 million with lower commercial balances, partially offset by increased CRE activity while average loan balances were relatively consistent, declining only \$80 million
- Average deposits increased \$1.1 billion in Q3, with the mix continuing to shift to interest bearing
- Loan to deposit ratio decreased 4% to 64% at September 30, well below the pre-pandemic level of 79% at Dec. 31, 2019
- Assets under management or administration increased \$3.2 billion, driven by increased market valuations



Marc Maun

EVP, Regional Banking Executive

Loan Portfolio

- Combined Services & General Business (Core C&I) balances decreased \$339 million; however are up \$456 million or 6.4% year over year with a robust pipeline going into Q4
- Energy balances decreased \$325 million with a more accommodating bond market and M&A activity contributing to paydowns
- Healthcare balances decreased \$82 million linked quarter
- Commercial Real Estate loan balances grew \$105 million or 2.1% linked quarter as new loans fund up during construction

(\$Million)	Sep. 30, 2024	June 30, 2024	Sep. 30, 2023	Seq. Loan Growth	YOY Loan Growth
Energy	\$ 3,126.6	\$ 3,451.5	\$ 3,490.6	(9.4)%	(10.4)%
Services	3,573.7	3,577.1	3,566.4	(0.1)%	0.2%
Healthcare	4,149.1	4,231.1	4,083.1	(1.9)%	1.6%
General Business	4,028.5	4,363.7	3,579.7	(7.7)%	12.5%
Total Commercial	\$ 14,877.9	\$ 15,623.4	\$ 14,719.8	(4.8)%	1.1%
Multifamily	\$ 2,109.4	\$ 1,997.3	\$ 1,734.7	5.6%	21.6%
Industrial	1,270.9	1,215.0	1,432.6	4.6%	(11.3)%
Office	816.0	876.9	981.9	(6.9)%	(16.9)%
Retail	521.9	547.7	608.1	(4.7)%	(14.2)%
Residential Construction and Land Development	105.0	88.3	100.5	19.0%	4.6%
Other Commercial Real Estate	365.4	358.4	383.6	1.9%	(4.7)%
Total Commercial Real Estate	\$ 5,188.7	\$ 5,083.6	\$ 5,241.3	2.1%	(1.0)%
Loans to individuals	\$ 3,918.5	\$ 3,846.6	\$ 3,762.9	1.9%	4.1%
Total Loans	\$ 23,985.1	\$ 24,553.6	\$ 23,724.0	(2.3)%	1.1%

Credit Resilience

Disciplined Credit Concentration

- CRE limit on total committed balances is 185% of tier one capital plus reserves
- Office CRE outstandings only comprise 3% of total loans

Net Charge Off % to Average Outstanding Loans (excl PPP)

	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24 YTD	Avg
Energy	0	-1	-2	122	65	11	-9	-4	-1	-14	17	125	19	48	75	168	90	-1	-2	-2	35
Healthcare	7	-15	-10	64	4	103	1	30	-25	-1	-2	0	53	28	36	1	1	0	6	23	15
Services	38	27	37	50	95	24	24	14	-3	-3	-5	-1	-3	0	-1	16	-2	46	11	-3	18
General Business	2	4	24	95	80	25	28	-10	12	11	3	0	-4	48	12	0	18	8	12	9	19
Commercial & Industrial Total	12	7	16	88	71	31	12	5	-2	-3	4	34	15	31	32	51	26	13	7	8	23
Construction & Land Development	43	-2	11	156	565	345	128	23	-226	-211	-127	-57	-55	-42	-58	-14	-44	-12	19	-3	22
Retail	0	0	0	12	50	267	38	6	9	-9	-3	-3	0	0	-38	7	-1	0	0	0	17
Office	0	0	0	4	85	158	17	23	43	-2	-7	-2	-6	0	0	0	19	3	82	22	22
Multifamily	3	-14	4	29	75	483	124	3	-50	-13	-100	0	0	0	0	0	-2	0	-20	0	26
Industrial	-1	-1	0	-1	11	0	15	0	65	1	-2	-1	-1	-24	0	5	0	0	0	-2	3
Other Real Estate Loans	8	2	13	42	81	38	18	99	7	5	-4	0	-22	-53	-5	4	4	0	-2	0	12
Commercial Real Estate Total	14	-2	7	69	219	238	58	26	-15	-19	-34	-4	-5	-10	-9	2	3	0	10	3	28
Permanent Mortgage	9	9	10	41	90	108	65	44	22	14	5	-4	-1	-4	-1	-9	-2	-3	-2	-1	20
Personal	112	107	89	161	190	142	118	144	66	45	45	40	30	29	36	20	16	26	25	27	73
Loans to Individuals Total	46	48	42	88	125	117	77	63	30	19	14	9	10	8	12	2	6	10	9	10	37
Grand Total	20	13	19	84	115	96	35	20	2	-2	-2	22	10	19	20	33	18	10	8	7	27

* '24 YTD has been annualized for comparability with prior periods.

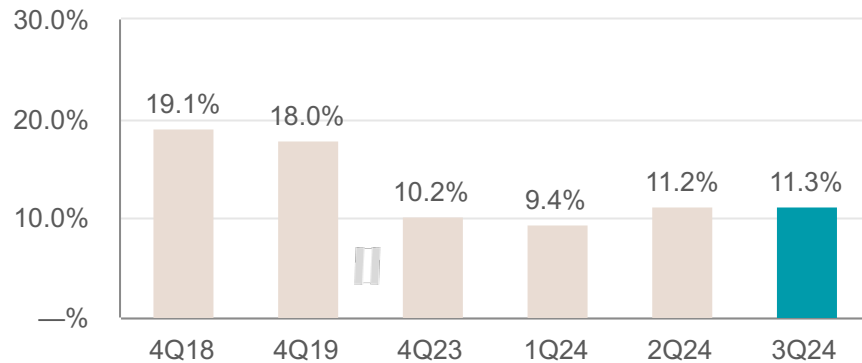
100 year history in energy lending and a tested playbook that works

- 70% oil / 30% gas-weighted borrowers
- Robust stress testing process and 17 petroleum engineers on staff

Credit Quality Metrics

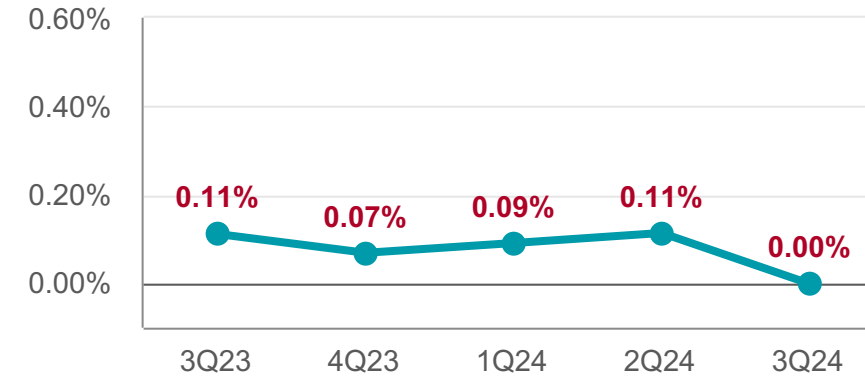
- Credit quality remains better than pre-pandemic levels with a 6.9% decline during the quarter in non-performing assets, excluding those guaranteed by U.S. government agencies
- Trailing 12 months net charge-offs at 7 bps with net recoveries of \$54 thousand during Q3
- CRE office exposure is 3% of outstanding period end total loan balances, with properties in resilient markets
- \$2 million credit provision in Q3 reflecting strong credit quality, net loan paydowns and minor changes in the economic forecast; with a combined allowance for credit losses of \$332 million or 1.39%

Committed Criticized Assets / Tier 1 Capital & Reserves

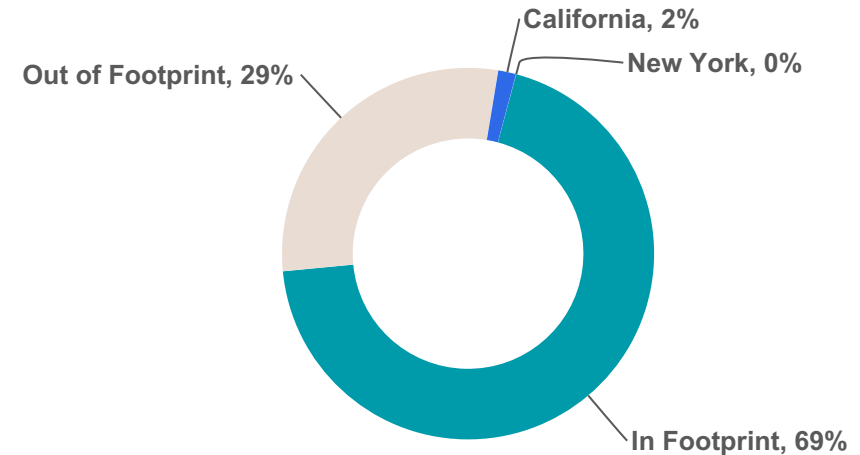


Net Charge-Offs to Average Loans

Annualized



CRE Office by Location





Scott Grauer

EVP, Wealth Management Executive

Fee Income - Markets & Securities

Trading Fees

- Decreased 14.6% driven by market conditions during the quarter, partially offset by strong activity in the municipal sector

Mortgage Banking

- Revenue consistent with prior quarter, which reflects higher production volume than 2023 as the origination market strengthens over the prior year, but remains relatively soft

Syndication and Investment Banking Fees

- Q3 represents a record quarter for investment banking fees, led by our Texas municipal bond underwriting team and bond economics from Energy payoffs

(\$Million)	Q3 2024	Qtr. Seq. \$ Change	Qtr. Seq. % Change	Qtr. YOY % Change
Trading Fees	\$ 23.6	\$ (4.1)	(14.6)%	(31.4)%
Mortgage Banking	18.4	(0.3)	(1.4)%	37.6%
Customer Hedging Fees	7.4	0.7	9.8%	8.3%
Brokerage Fees*	4.9	0.1	1.8%	(30.3)%
Syndication Fees	3.6	(0.3)	(7.9)%	(5.0)%
Investment Banking Fees	10.8	1.0	10.1%	6.5%
Markets & Securities	\$ 68.7	\$ (2.9)	(4.0)%	(9.1)%

* The year-over-year decrease of 30.3% is affected by the sale of our insurance brokerage business in Q4 of 2023. Excluding that impact, Brokerage fees would have increased 13.0%.

Fee Income - Asset Management & Transactions

Fiduciary & Asset Management

- Assets under management and administration (“AUMA”) increased \$3.2 billion during the quarter driven by increased market valuations

Transaction Card

- Increase primarily due to volume of transactions processed

(\$Million)	Q3 2024	Qtr. Seq. \$ Change	Qtr. Seq. % Change	Qtr. YOY % Change	
Markets & Securities	\$ 68.7	\$ (2.9)	(4.0)%	(9.1)%	(A)
Fiduciary & Asset Management	57.4	(0.2)	(0.3)%	9.8%	
Transaction Card	28.5	1.2	4.6%	8.0%	
Deposit Service Charges & Fees	30.5	0.9	3.0%	10.0%	
Other Revenue	17.4	3.4	24.4%	9.7%	
Asset Management & Transactions	133.8	5.3	4.2%	9.5%	(B)
Total Fees & Commissions	\$ 202.5	\$ 2.5	1.2%	2.3%	(A)+(B)



Marty Grunst

EVP, Chief Financial Officer

Yields, Rate & Margin

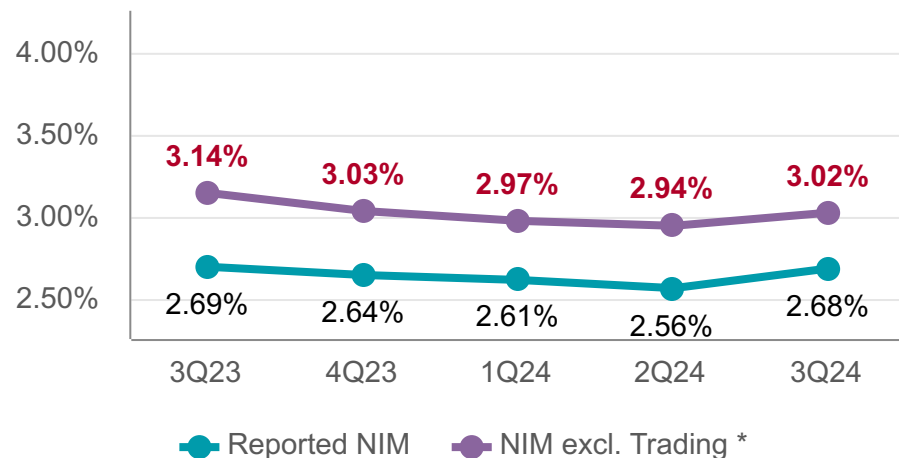
Net Interest Income

- Net interest income was up \$12.1 million linked quarter led by a combination of increased loan yields, the benefit from upward repricing of our short duration securities portfolios, and a reduction of interest on borrowings

Net Interest Margin

- 12 bps NIM increase, consistent with prior expectations, and related to loan yields and the repricing activity noted above

Net Interest Margin

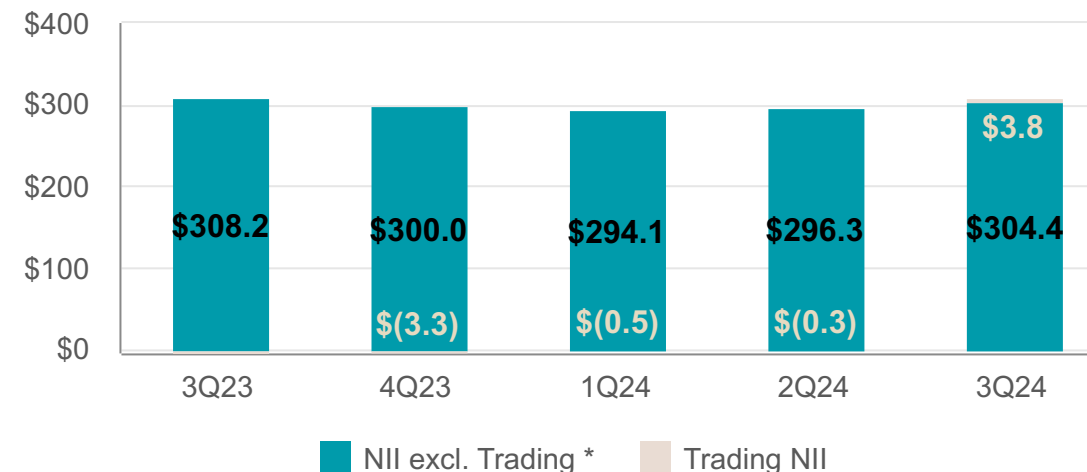


* Non-GAAP measure

(\$Million)	Q3 2024	Q2 2024	Q3 2023	Quarterly sequential	Quarterly YOY
Net Interest Income	\$308.1	\$296.0	\$300.9	4.1%	2.4%
Net Interest Margin	2.68%	2.56%	2.69%	12 bps	(1) bps
Yield on Loans	7.47%	7.41%	7.25%	6 bps	22 bps
Tax-equivalent Yield on Earning Assets	5.89%	5.80%	5.49%	9 bps	40 bps
Cost of interest-bearing deposits	3.79%	3.76%	3.17%	3 bps	62 bps
Rate on interest-bearing liabilities	4.11%	4.15%	3.81%	(4) bps	30 bps

Net Interest Income

(\$Million)



Expenses

- Quarterly personnel expenses increased \$15.7 million due primarily to higher incentive compensation costs. These are largely timing related as commercial incentive compensation plans moved to being largely share-based rather than cash-based awards in Q2.
- Non-personnel expense decreased \$11.4 million as the prior quarter included a \$13.6 million charitable donation to the BOKF Foundation

(\$Million)	Q3 2024	Q2 2024	Q3 2023	% Incr. Seq.	% Incr. YOY
Personnel Expense	\$206.8	\$191.1	\$190.8	8.2%	8.4%
Other Operating Expense	\$134.2	\$145.6	\$133.5	(7.8)%	0.5%
Total Operating Expense	\$341.0	\$336.7	\$324.3	1.3%	5.2%
Efficiency Ratio	65.1%	59.8%	64.0%	---	---

2024 Full Year Outlook

Business Driver	FY as of 10/21/24	FY as of 7/23/24	Notes
Loans (EOP)	Low single digit growth rate	+5% to +7%	Reflects specialized lending payoff activity seen in Q3
Deposits (EOP)	Moderate growth	Modest growth	Loan to deposit ratio is expected to remain below 70%
Investment Securities	No change	Flat	
Net Interest Income	Slightly above \$1.2 billion	~\$1.2 billion	1 additional 25 basis point cut by year end
Fees & Commissions	\$800 - \$825 million	Near \$825 million	
Expense Growth	No change	Mid-single digits	Applies to the adjusted 2023 full year expenses of \$1.28 billion
Efficiency Ratio	No change	~64%	Average over the course of the year.
Provision Expense	Below 2023	Near to slightly below 2023	Consistent economic outlook and stable combined reserve levels

- We pursue share repurchase activity on an opportunistic basis.
- Changes to outlook shown in **Bold** font

*Refer to Slide #2 regarding forward looking statements, expectations above assume no change to economic environment.

Question & Answer Session



Stacy Kymes

Chief Executive Officer

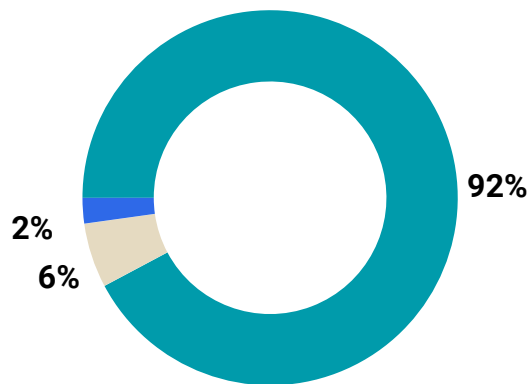
Appendix

Securities and Interest Rate Risk

Securities Portfolio

- Short duration with limited extension, current portfolio duration is 3.0 years, extending to only 3.7 years if rates increase 300 bps
- RMBS portfolio is all "AAA" rated with average credit enhancement of ~17%
- Portfolio runoff for Q3 2024 was \$760 million

**BOKF Securities by Guarantee Type
9/30/2024**



● Govt/GSE Guaranteed ● RMBS ● Muni

Interest Rate Risk

- Approximately 74% of the total loan portfolio is variable rate or fixed rate that reprice within a year
- Approximately 81% of Commercial and Commercial Real Estate portfolios are variable rate or fixed rate that reprice within a year
- Sensitivity to betas - The impact of decreasing our deposit beta by 10% in a down -100 interest rate scenario is (0.59)% on NII

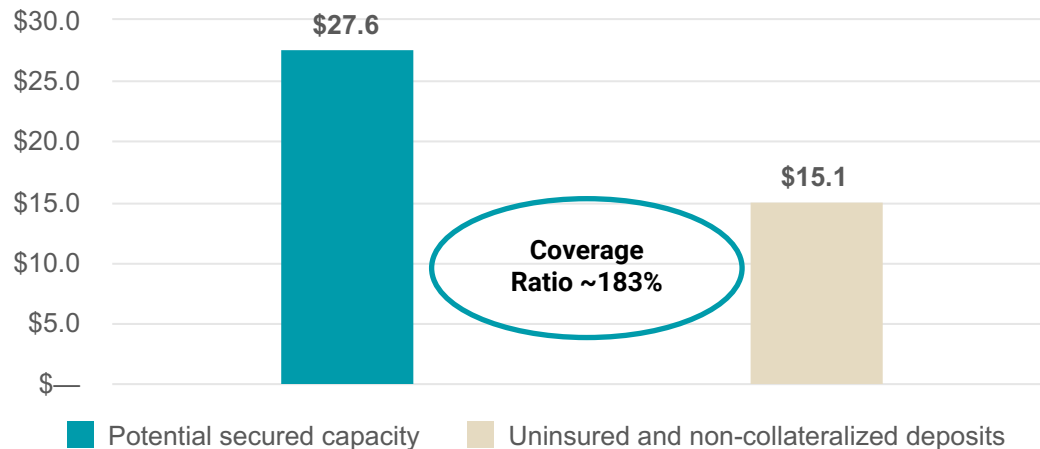
Scenario*	Δ NII %	Δ NII \$
Down 200 Ramp, year 1	0.43%	\$5.4 million
Down 100 Ramp, year 1	(0.07)%	\$(0.9) million
Up 100 Ramp, year 1	(0.70)%	\$(8.8) million
Up 200 Ramp, year 1	(3.09)%	\$(38.5) million

Liquidity & Capital

	Q3 2024	Q2 2024	Q3 2023
Loan to Deposit Ratio	64.4%	67.7%	70.5%
Period-End Deposits	\$37.2 billion	\$36.2 billion	\$33.7 billion
Available Secured Capacity	\$22.8 billion	\$20.4 billion	\$19.2 billion
Common Equity Tier 1	12.7%	12.1%	12.1%
Total Capital Ratio	13.9%	13.3%	13.2%
Tangible Common Equity Ratio *	9.2%	8.4%	7.7%

Uninsured Deposit Coverage

(\$Billion)



Liquidity

- Period-end deposit balances increased \$985 million this quarter
- Uninsured and non-collateralized deposit coverage ratio decreased slightly ~ 183% at September 30.

Capital

- Robust capital ratios consistently remain well above regulatory and internal policy thresholds
- Tier 1 Common Equity ratio if adjusted to include all securities portfolio losses was 11.6%*
- Tangible Common Equity ratio including held-to-maturity losses was 9.01%*
- No shares were repurchased in the open market in Q3

* Non-GAAP measure **Uninsured and non-collateralized deposits excludes intra-bank deposits



**BOK FINANCIAL
CORPORATION**

