WASHINGTON TRUST BANCORP, INC.

KBW Winter Financial Services Conference

February 2023

NASDAQ: WASH

Safe Harbor

This presentation contains certain statements that may be considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results, performance or achievements of Washington Trust may differ materially from those discussed in these forward-looking statements, as a result of, among other factors, the factors described under the caption "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed with the Securities and Exchange Commission and updated by our Quarterly Reports on Form 10-Q. You should carefully review all of these factors, and you should be aware that there may be other factors that could cause these differences. These forward-looking statements were based on information, plans and estimates at the date of this presentation, and Washington Trust assumes no obligation to update forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes

Investor Information

Elizabeth B. Eckel
Executive Vice President, Chief Marketing and Corporate Communications Officer

401-348-1309, ebeckel@washtrust.com

Executive Leadership



Ned Handy
Chairman and Chief Executive Officer



Mark Gim
President and Chief Operating Officer



Ron Ohsberg
Senior EVP, Chief Financial Officer and Treasurer



Mary Noons
Senior Executive Vice President and Chief Retail Lending Officer

Mark Gim will retire as President and Chief Operating Officer of the Corporation and the Bank in April 2023; he was elected to the Corporation's Board of Directors and will stand for re-election at the Annual Meeting. Mary Noons, Senior Executive Vice President and Chief Retail Lending Officer, will be appointed President and Chief Operating Officer of the Corporation and the Bank following Mark's retirement.

Why Washington Trust

- Distinguished history with prestigious recognition
- Proven business model with diverse revenue streams
- Prudent balance sheet management
- Strong credit profile through multiple economic cycles
- Consistent top quartile returns
- Robust dividend payout and capital deployment strategy

Distinguished Corporate Profile

- Oldest community bank in the U.S.
- Diversified financial services company
- Largest state-chartered bank in Rhode Island
  - $6.7 billion assets
  - $5.1 billion loans
  - $5.0 billion deposits
- Premier regional wealth management firm
  - $6.0 billion assets under administration
- Market capitalization
  - $752 million*
- Strong shareholder value
  - ROA: 1.17%
  - ROE: 14.49%
  - ROTCE: 16.84%

AMERICAN BANKER 2022 Best Banks to Work For

PBN PROVIDENCE BUSINESS NEWS BEST PLACES TO WORK RI AWARDS Winner 2022

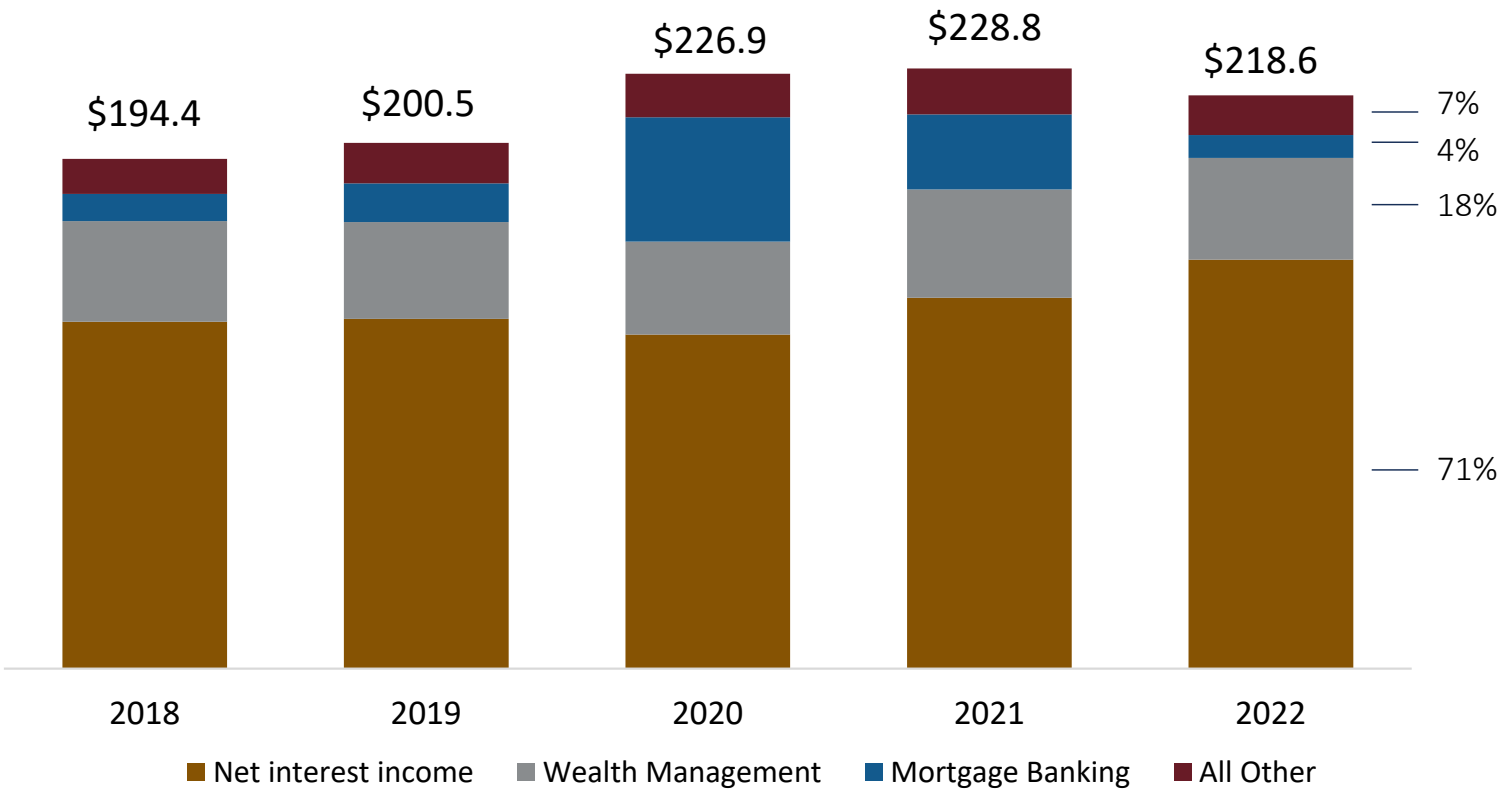


PBN PROVIDENCE BUSINESS NEWS HEALTHIEST EMPLOYERS® of Rhode Island AWARDS 2022 WINNER

At December 31, 2022, unless otherwise noted
* At February 8, 2023

Diversity of Revenue

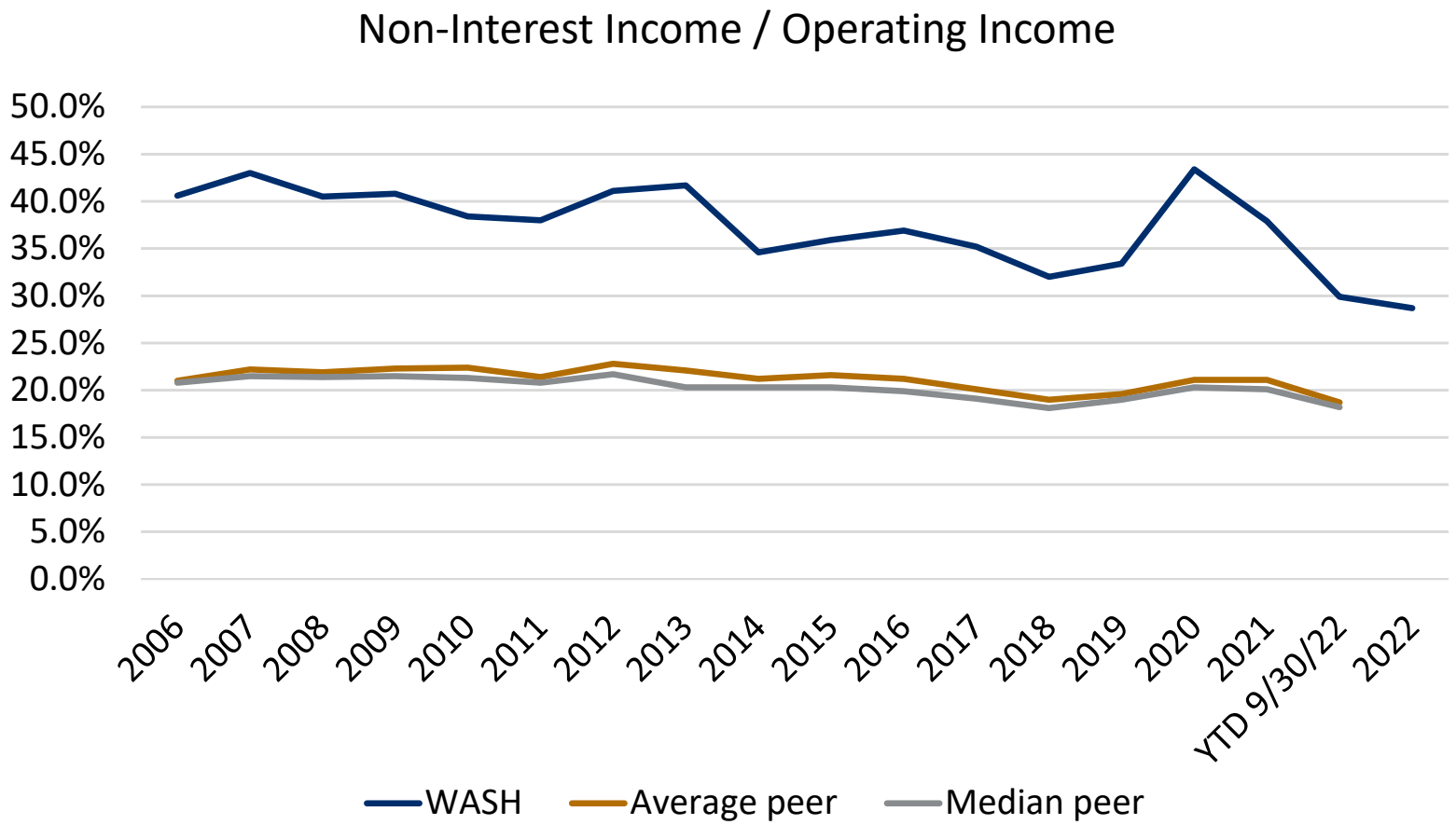
Contributions from all major business lines



$ millions

Quality Revenues

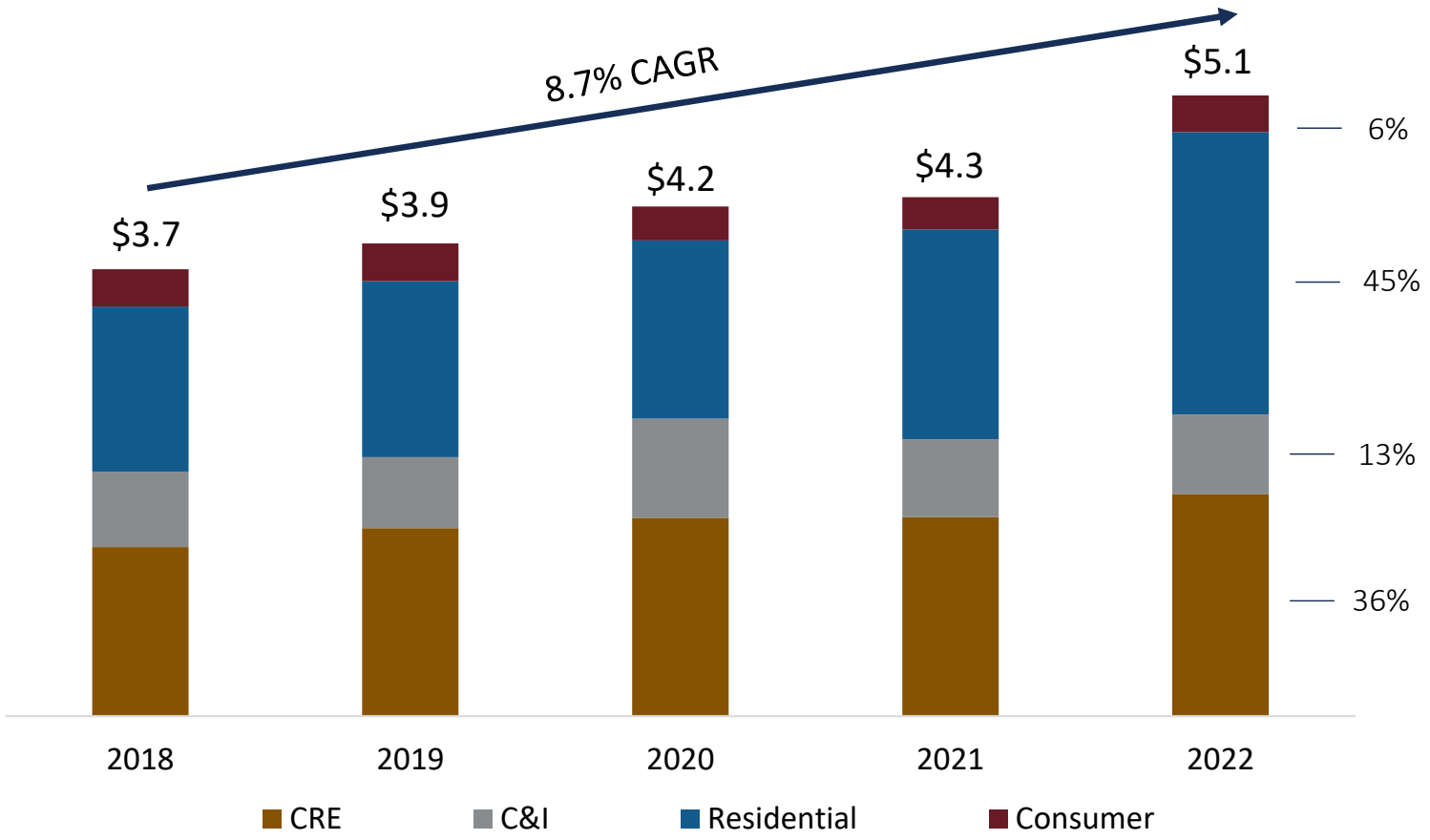
Better than 90% of peer group [1]



Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Most recent complete peer data as of 9/30/22.
(1) Based on core income defined as "net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain on the sale of held to maturity and available for sale securities, amortization of intangibles, goodwill and nonrecurring items." Source: S&P Global Market Intelligence

Loan Mix and Growth

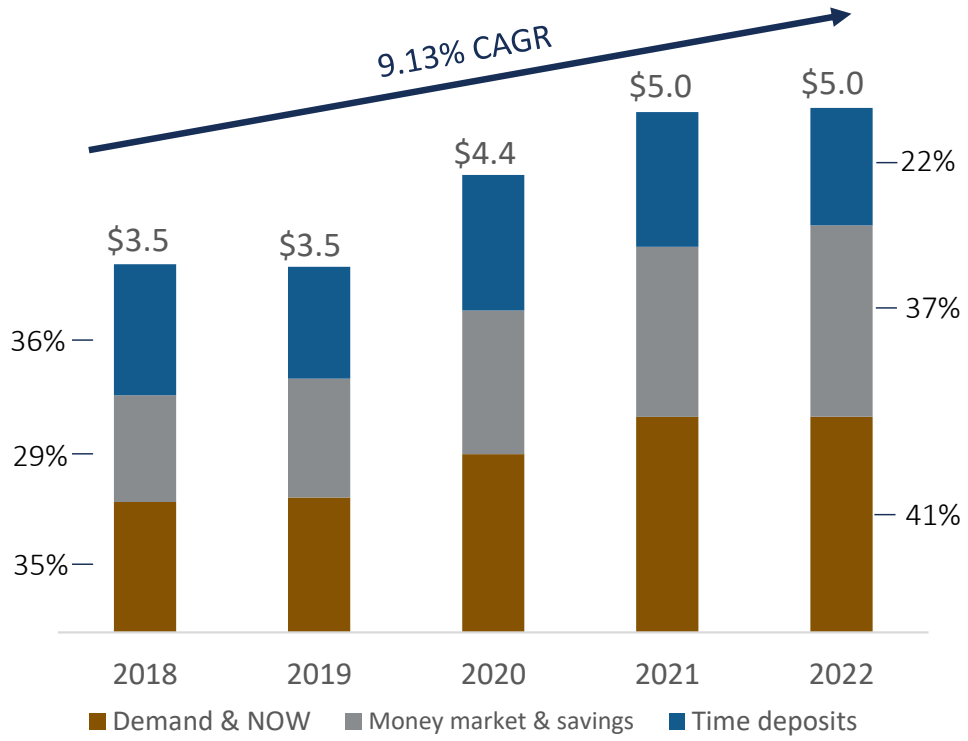
- Well-diversified portfolio
- 57.3% variable rate loans



$ billions; at December 31st unless otherwise noted

Deposit Mix and Share

- 37% of deposits are commercial-based
- 11% market share in RI; ranked 3rd *
- #1 State-chartered bank in RI
- $186 million average in-market deposits per branch



Rank	Institution (ST)	Branch Count	Total Deposits in Market ($B)	Total Market Share
1	Citizens (RI)	**55**	**$17.3**	**39%**
2	Bank of America (NC)	**23**	**$9.6**	**22%**
3	**Washington Trust (RI)**	**23**	**$4.9**	**11%**
4	Santander	22	$2.8	6%
5	Bank Rhode Island (MA)	20	$2.6	6%
6	BankNewport (RI)	18	$2.0	5%
7	TD Bank	9	$1.5	3%
8	Centreville Bank (RI)	9	$1.1	2%
9	HarborOne (MA)	11	$.7	1%
10	Webster Bank (CT)	8	$.4	1%
	Total For Institutions In Market	**233**	**$44.3**	

$ billions; at December 31st unless otherwise noted
** Source: S&P Global Market Intelligence; Market Share is for U.S. Territories only and non-retail branches are not included.*
FDIC deposits as of June 30, 2022; most recent data available

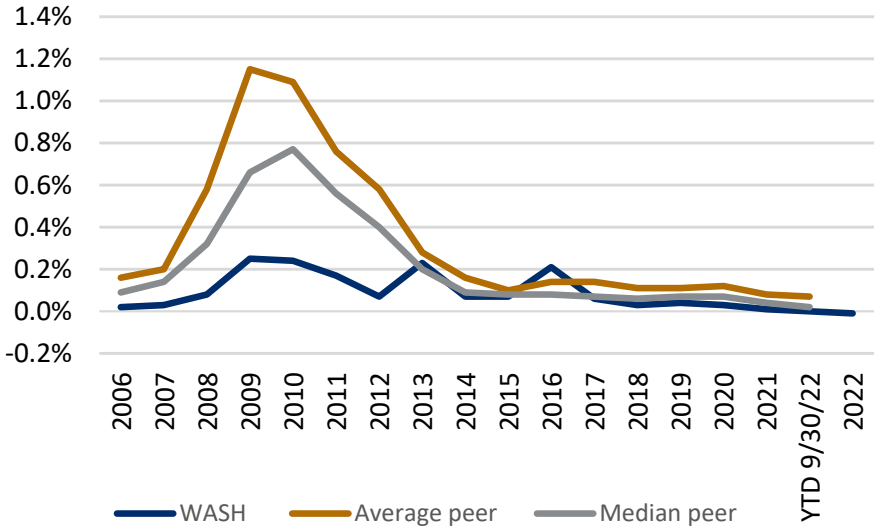
Source: S&P Global Market Intelligence; Market Share is for U.S. Territories only and non-retail branches are not included.
FDIC deposits as of June 30, 2022; most recent data available

Asset Quality

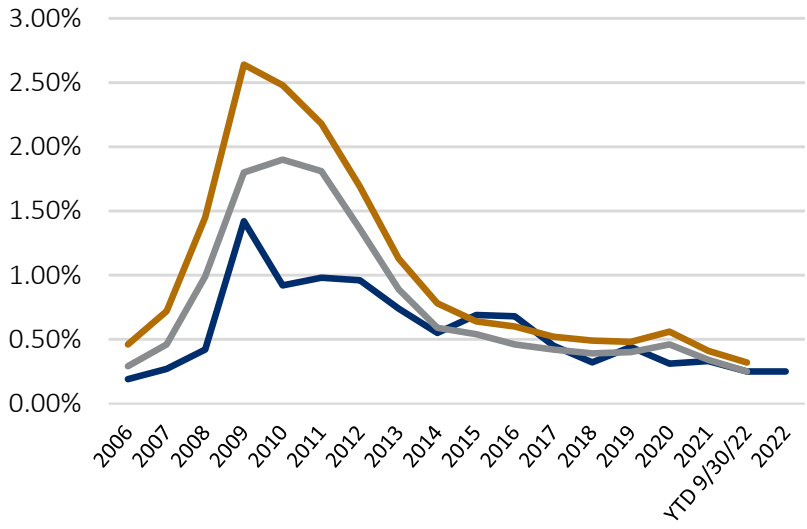
Historical differentiator

Cumulative losses 2006-YTD 09/2022 (bps)	
WASH	160
Average peer	582
Median peer	373

NCO / Average Loans



Non-Accrual Loans / Total Loans



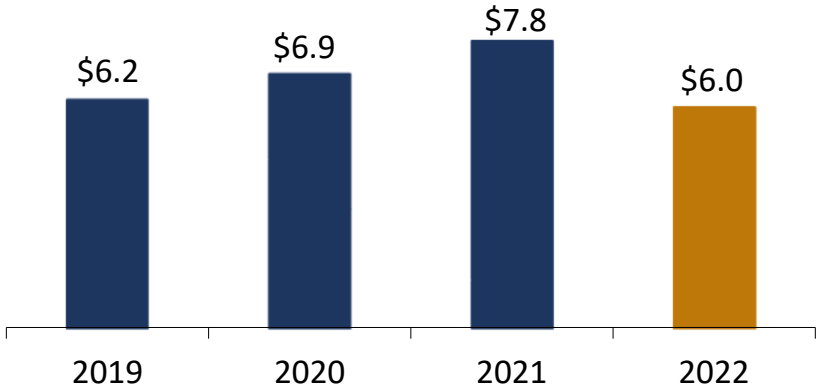
Most recent complete peer data as of 9/30/22
Percentile ranking for the year ended December 31st unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

Wealth Management

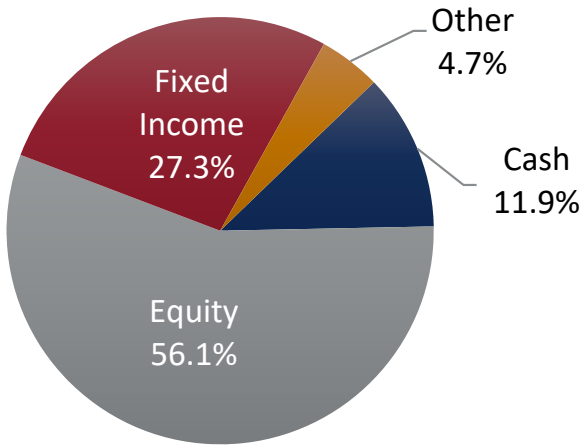
- Key contributor to pre-tax income
- Average client size: $2.8 million
- 69% high net worth individuals
- Average fee: 55 basis points

Assets Under Administration (AUA)

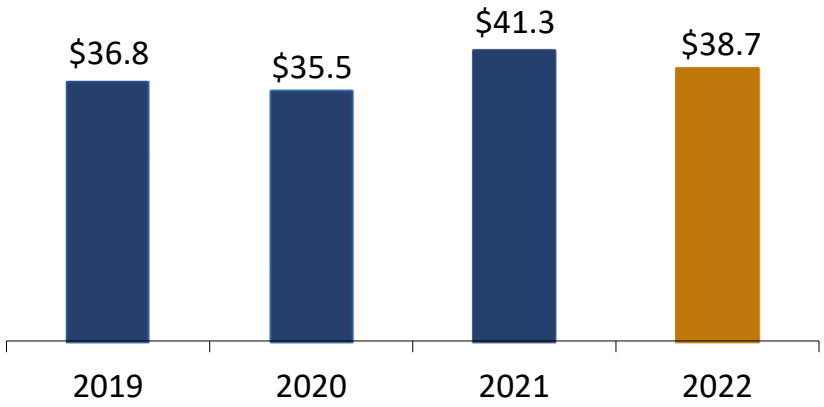
($ billions)



Asset Mix at December 31, 2022



Revenues ($ millions)

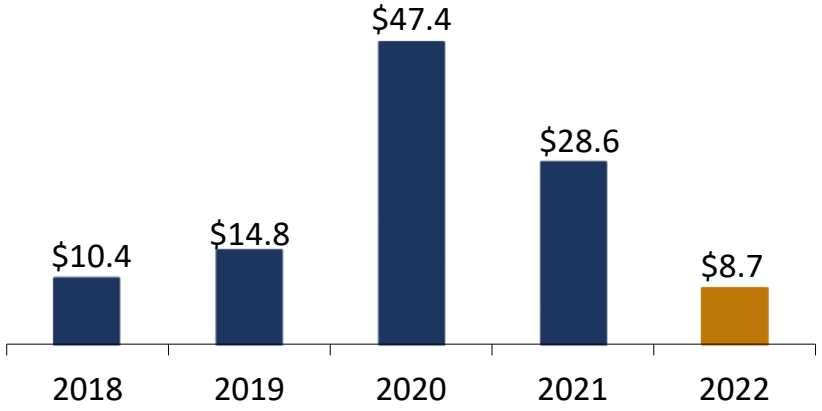


At or for the year ended December, unless otherwise noted.

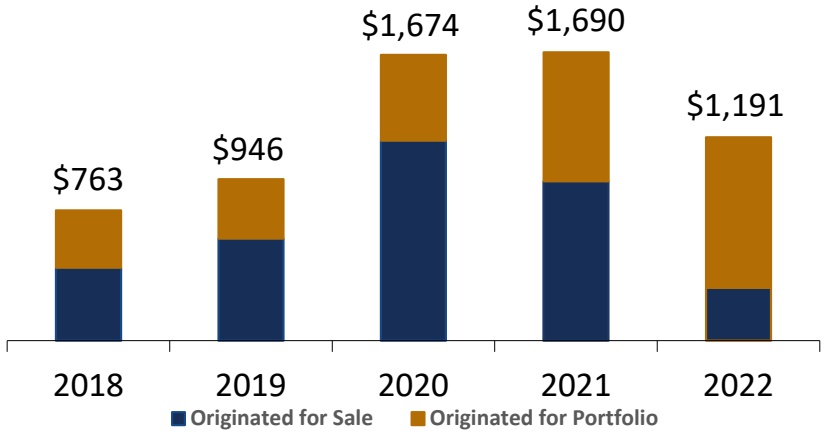
Mortgage Banking

- Strategic approach aimed at developing banking relationships
- Flexible origination model where loans can be sold or put in portfolio
- Origination mix is shifting from sale to portfolio
- Success in leveraging clients' mortgage experience to offer other banking services

Mortgage Banking Revenues (1)



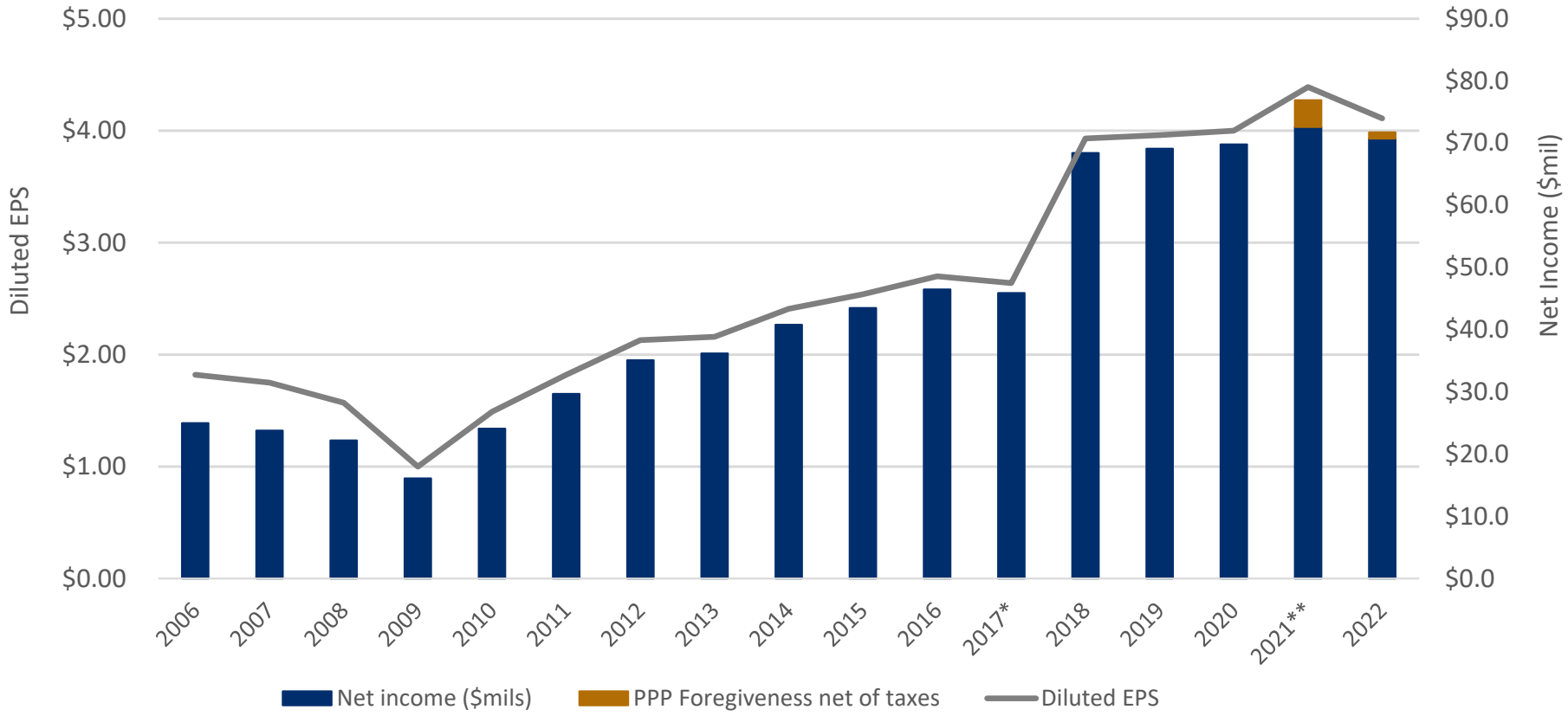
Mortgage Originations (2)



$ millions; at December 31st unless otherwise noted
(1) Net gains on loan sales and commissions on loans originated for others
(2) Includes loans originated for portfolio or sale and as broker for other parties

Proven Track Record

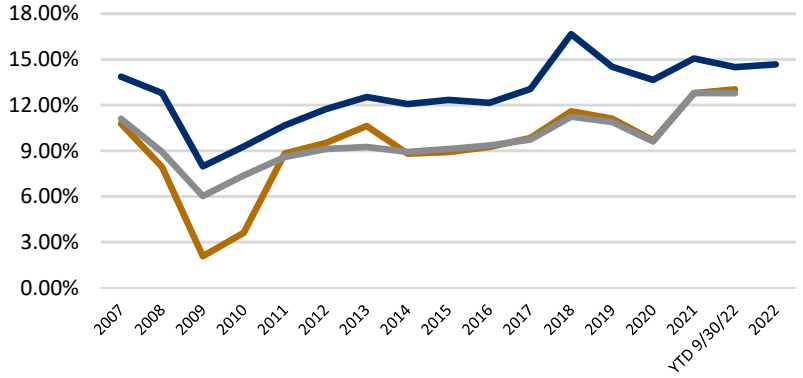
Profitability trend



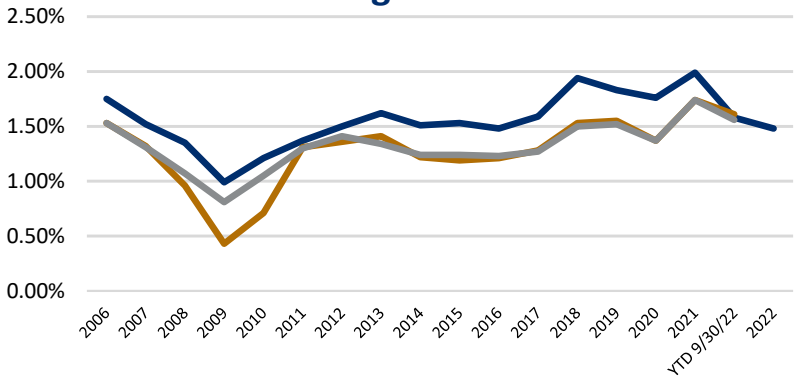
At December 31st unless otherwise noted
** Includes $6.2 million deferred tax asset write-down resulting from Tax Reform Act*
*** Includes $5.4 million after tax net non-operating expense (FHLB prepayment fees)*

Profitability Metrics

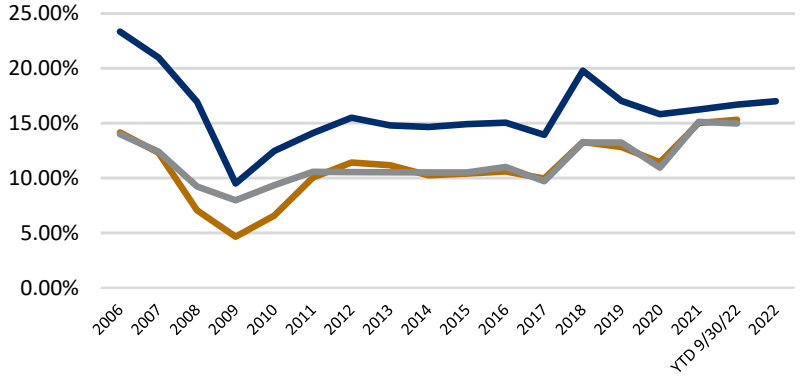
Core ROE (1)



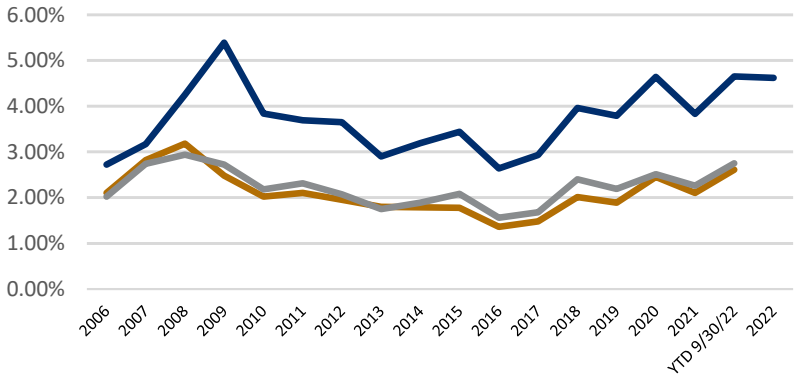
Risk-Weighted Core ROA (1)



ROATCE



Dividend Yield

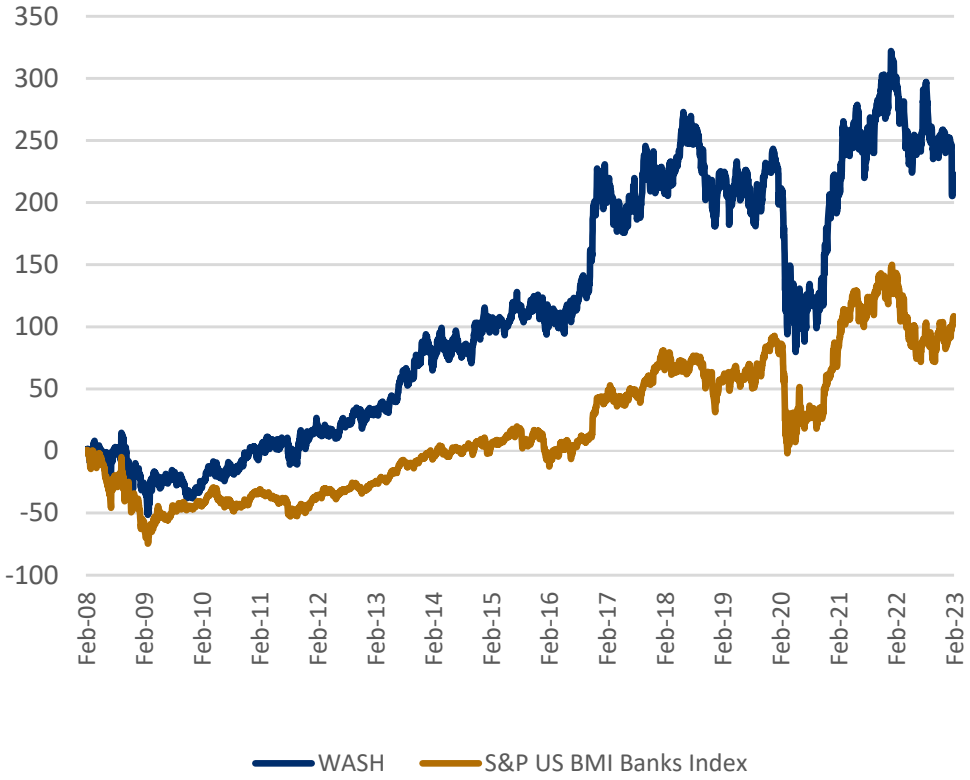


WASH — Average peer — Median peer

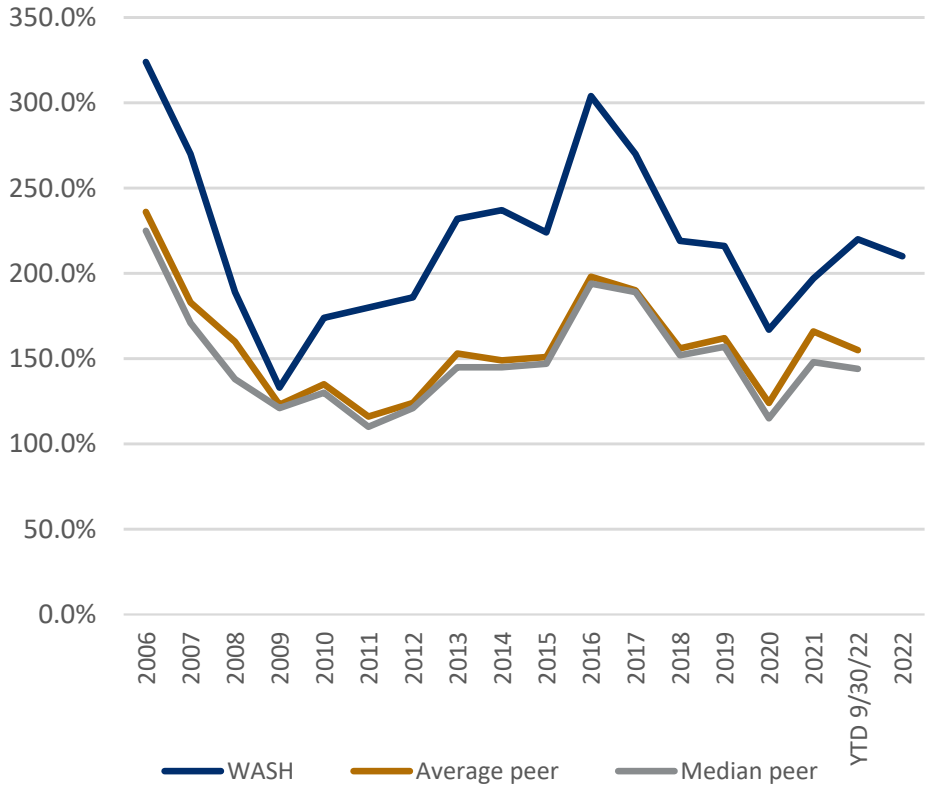
Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Most recent complete peer data as of 9/30/22.
(1) Based on core income defined as "net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain on the sale of held to maturity and available for sale securities, amortization of intangibles, goodwill and nonrecurring items." Source: S&P Global Market Intelligence

15 Year Total Stock Returns

WASH Total Return (%) versus S&P US BMI Banks Index



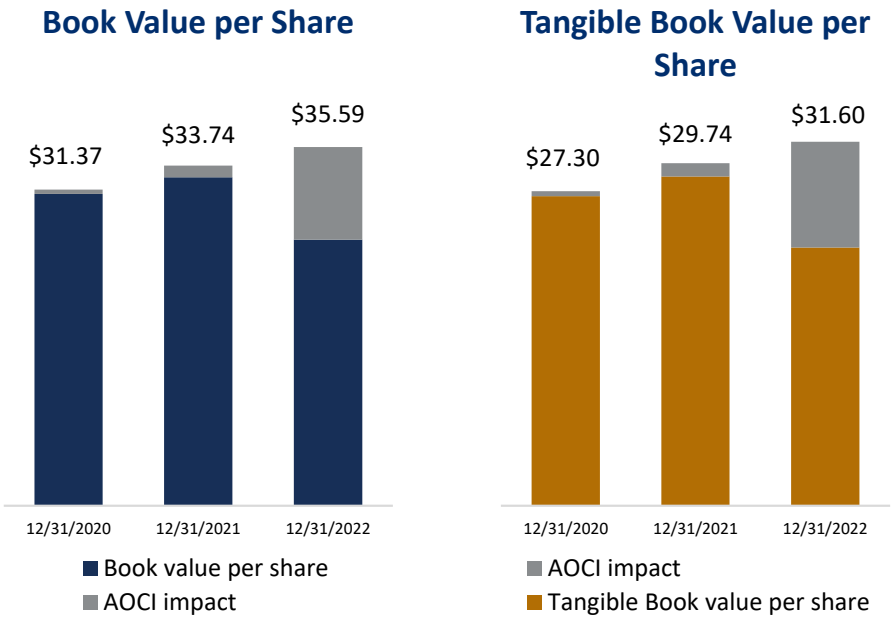
Price / Tangible Book Multiple

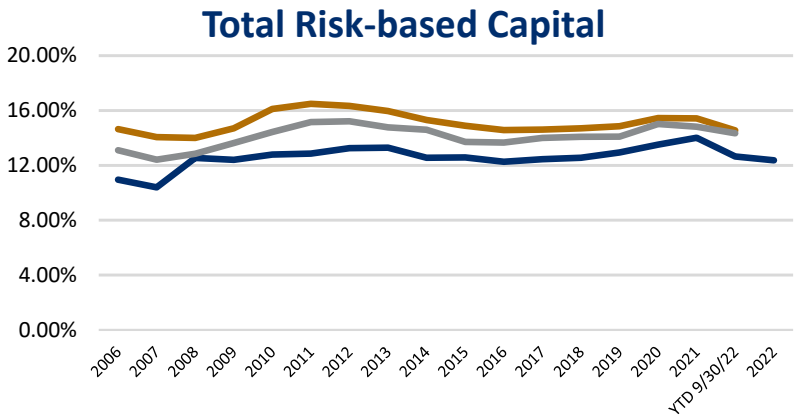


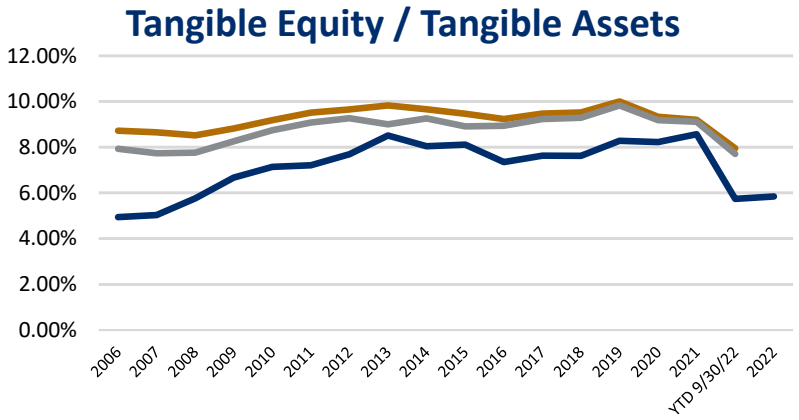
Source: S&P Global Market Intelligence as of February 8, 2023
Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Most recent complete peer data as of 9/30/22.
(1) Based on core income defined as "net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain on the sale of held to maturity and available for sale securities, amortization of intangibles, goodwill and nonrecurring items." Source: S&P Global Market Intelligence

Solid Capital Position

- Solid balance sheet, fee-intensive business model
- Supports dividend & future growth opportunities
- Temporary decline for Tangible Equity / Tangible Assets ratio due to AFS securities unrealized losses





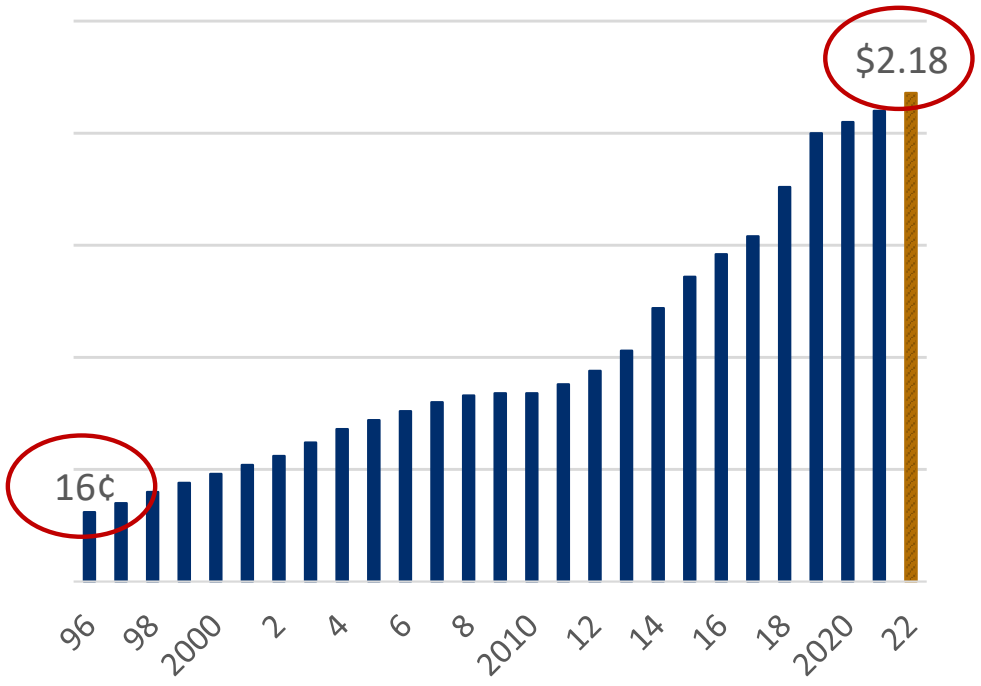


Most recent complete peer data as of 9/30/22
(1) Non-GAAP; see "Non-GAAP Financial Measures"
Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

Dividend Return to Shareholders

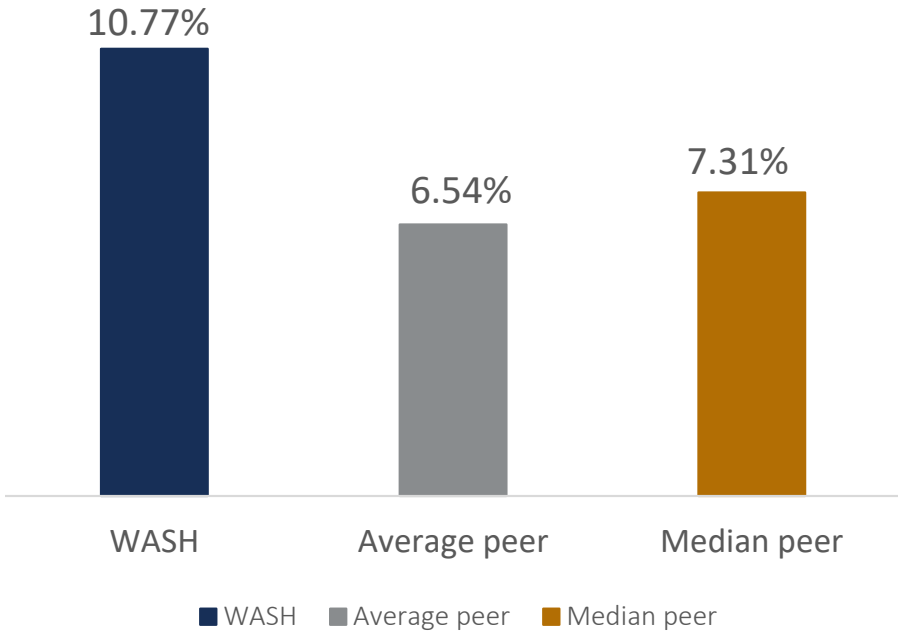
- Dividend yield 5.12% (1)
- Increased dividend in Q4-22 for 12th consecutive year
- Paid consistent dividend for more than a century

Cash Dividend Declared



12/31/2006 to 9/30/2022

Tangible Book Value per Share Plus Cumulative Dividend per Share CAGR



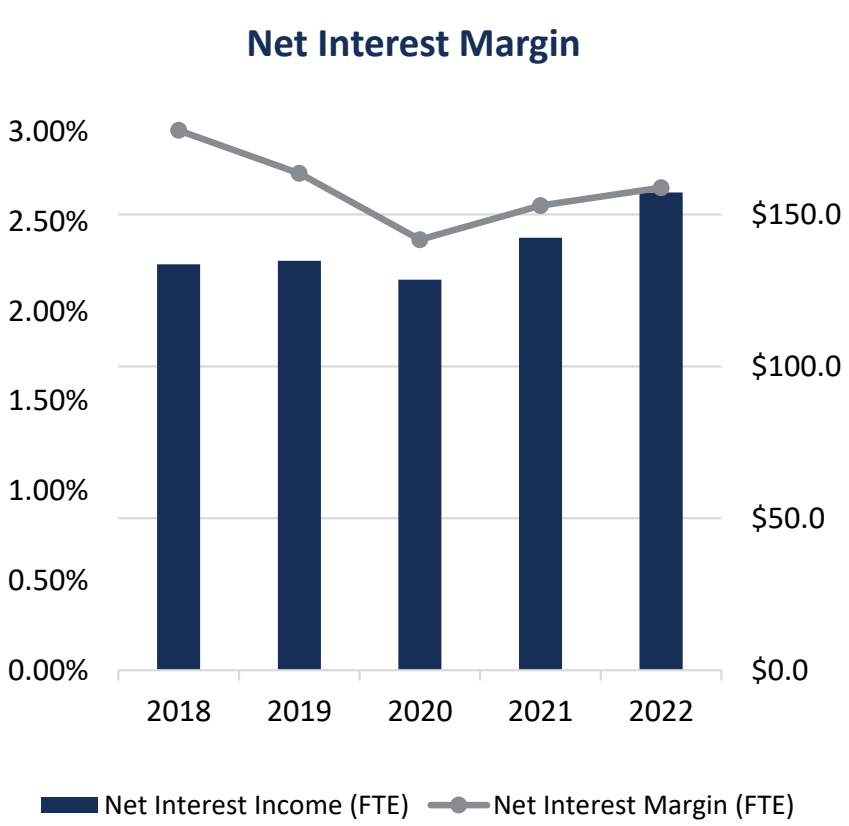
(1) As of February 8, 2023

Strategic Priorities

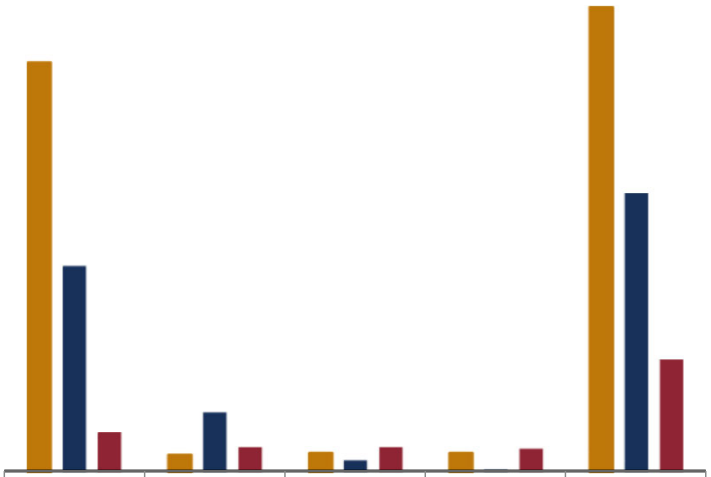
- Focus on deposit growth and mix
- Optimize technological investments
- Deepen client relationships
- Expand brand and market presence
- Continued corporate responsibility

Net Interest Margin & Repricing

- Adjustable rate loans mainly 1M LIBOR and Prime
- Adjustable rate loans largely funded with short-term adjustable liabilities (<= 1 year)



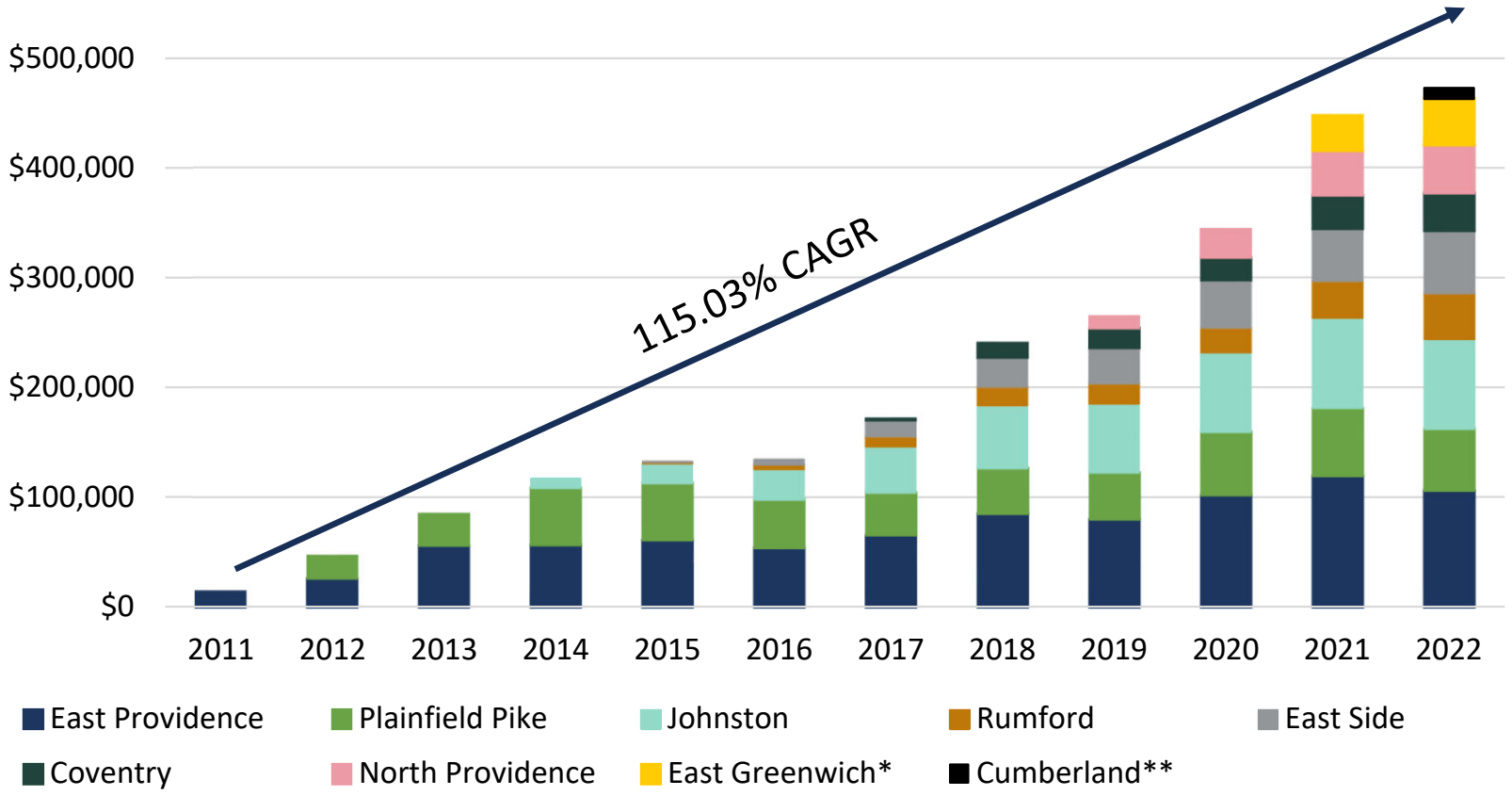
Loan & Funding Repricing



	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Total
Adjustable rate loans	$1,847	$78	$86	$86	$2,097
Wholesale Funds	$929	$268	$52	$10	$1,259
Retail CDs	$179	$111	$112	$105	$507

$ millions; as of and for the years ended December 31st unless otherwise noted

De Novo Branch Growth



*East Greenwich branch opened in May 2021
**Cumberland branch opened in August 2022

Improving Customer Experience

- Digital banking enhancements
- Financial planning process
- Automated asset verification
- Financial wellness center



Protecting Data

- Cyber threat intelligence
- ACH fraud detection
- Cloud-based data systems
- Network modernization



Deepening Relationships

- Business line integration
- Private clients
- COI networking
- Enhanced product suite



Expand Brand & Market Presence

- RI branches
- CT commercial banking office
- Wealth Management rebrand
- Brand marketing



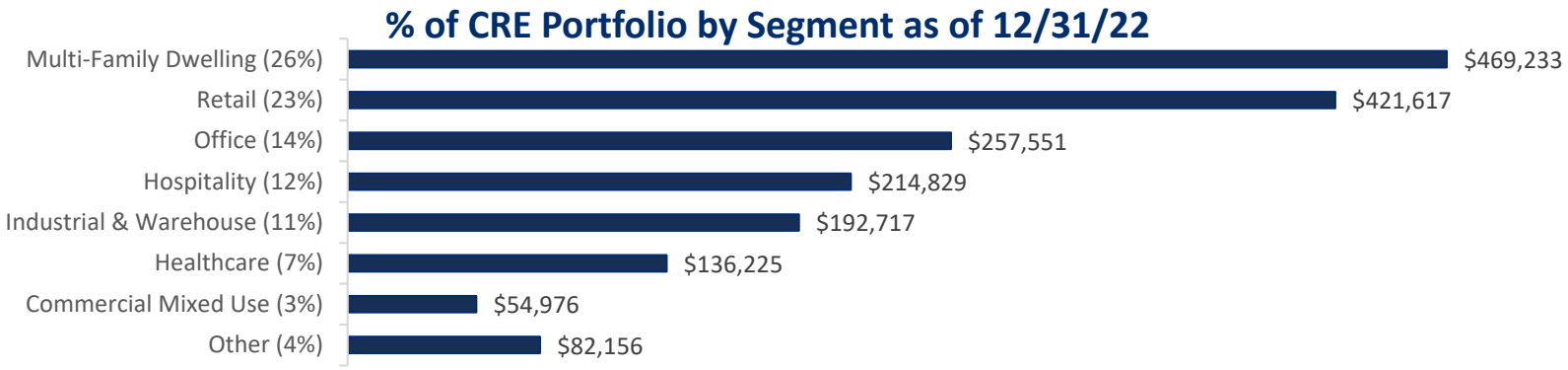
Key Investment Considerations

- Proven performance in adverse operating environment
- Consistent results from diverse revenue stream
- Successful, steady long-term growth strategy
- Low risk balance sheet positioned favorably for rising rates
- Attractive dividend yield & strong capital position

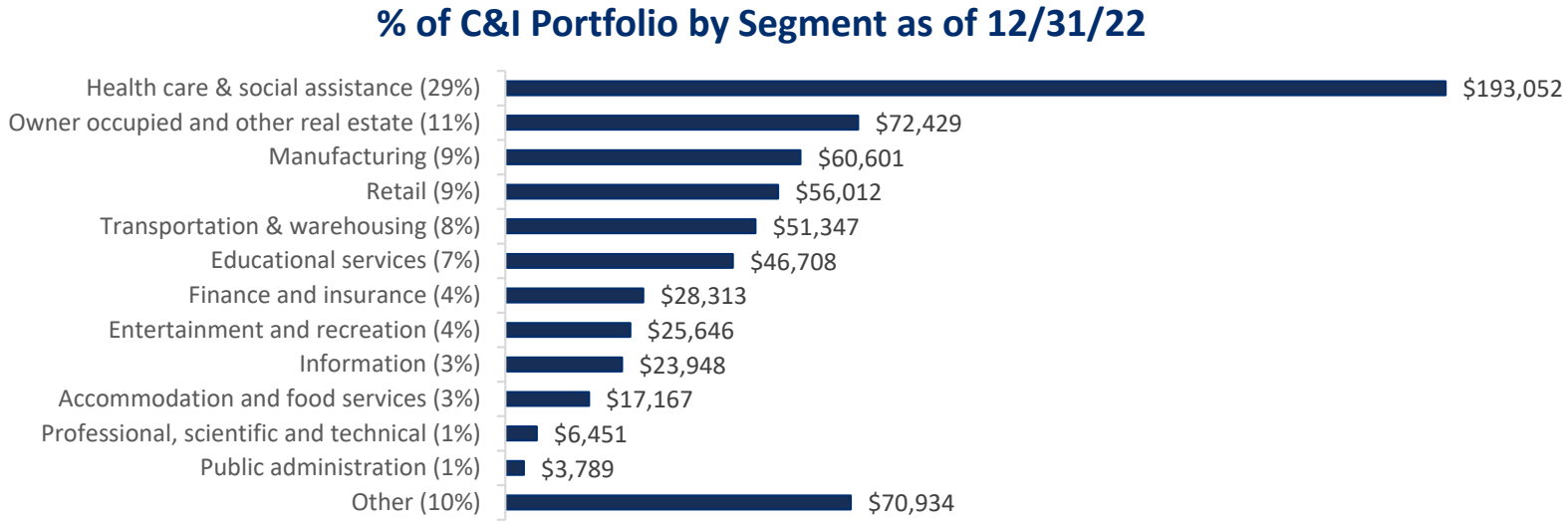
Appendix

Commercial Lending Portfolio

Commercial real estate: $1.8 billion



Commercial & Industrial (C&I): $656.4 million



Office Portfolio

- Office portfolio consists of 53 loans and 43 relationships with a Carry Value of $258 million and Exposure of $289 million.
- Average loan size = $6.7mm original commitment.
- Largest = $29.9mm ($10.5mm outstanding, in construction)
- Average LTV = 51.1%
- Weighted Average LTV = 57.9%
- Average DSCR is 2.06x. Weighted Average DSCR 1.74x (Carry Value on mortgages, and Commitment if Construction)
- NPLs = $0

Type	Carry	Exposure
Suburban	176,686	185,085
Urban	80,864	103,907
	257,551	**288,991**

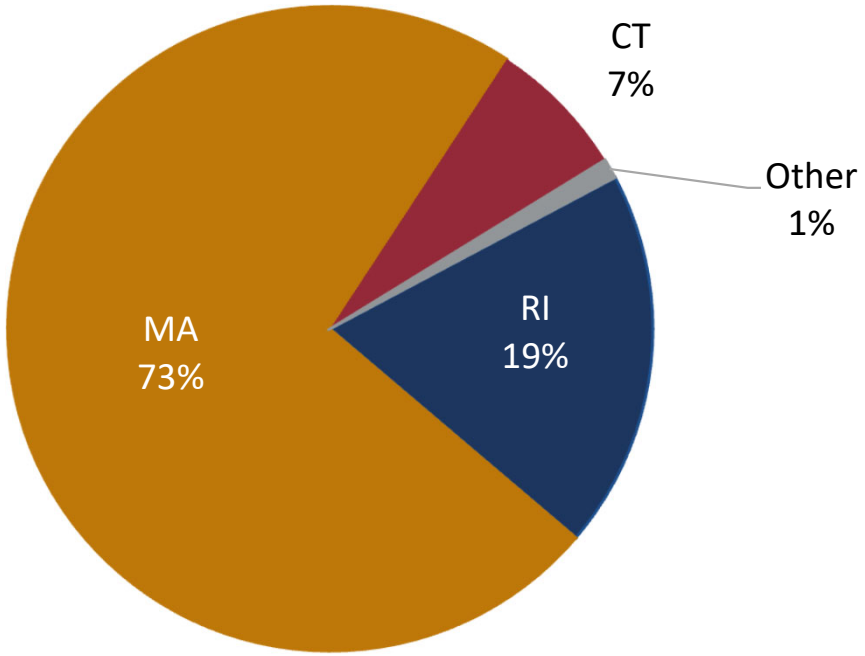
Geography	Carry	Exposure
Boston	70,660	91,914
Fairfield County	86,797	94,024
Hartford	30,130	32,355
New London County	25,964	25,964
Providence	44,000	44,7344
	257,551	**288,991**

Class Type	Carry	Exposure
A	167,630	198,017
B	81,640	82,694
C	8,281	8,281
	257,551	**288,991**

$ thousands; at December 31, 2022

Residential & Home Equity

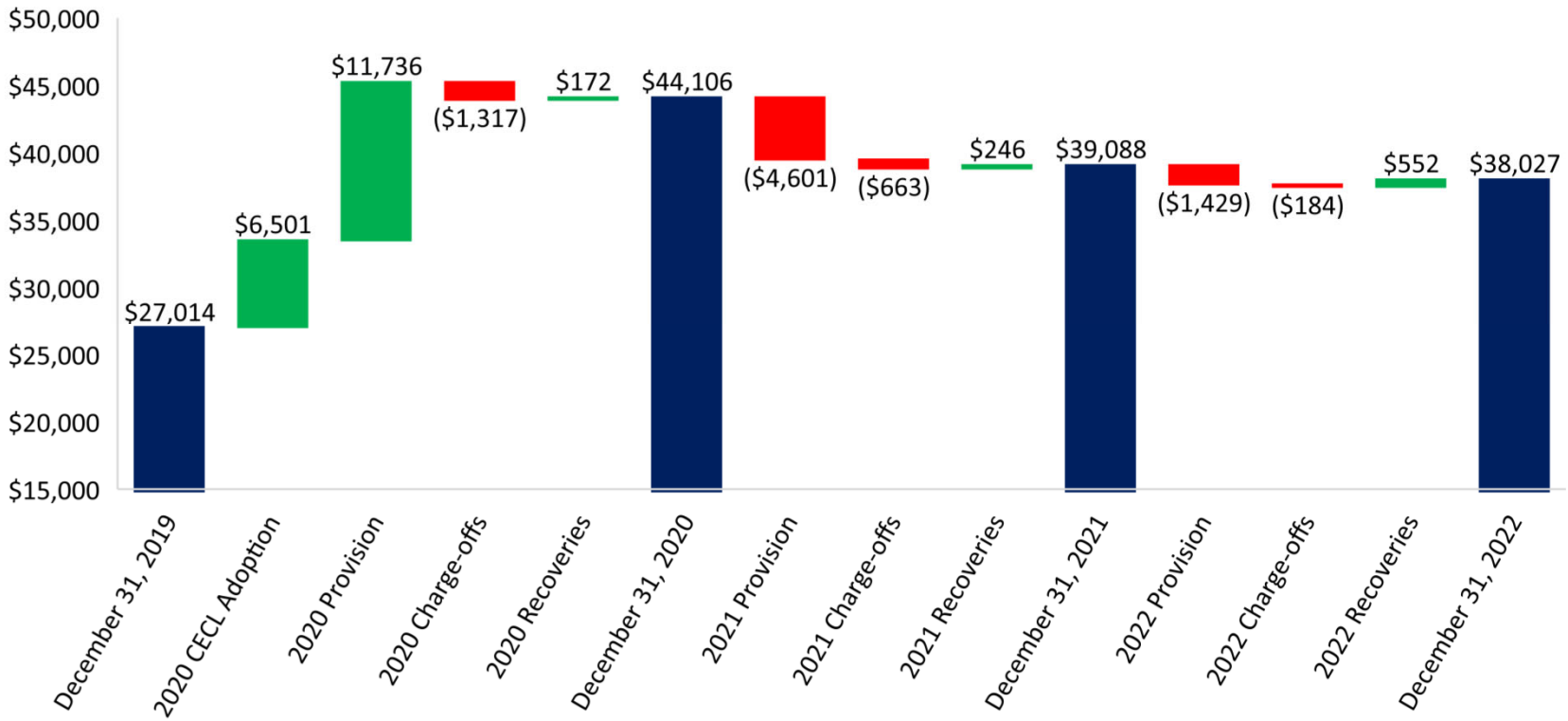
	Residential	Home Equity
Total portfolio ($ millions)	$2,323.0	$285.7
FICO score*	762	762
Total delinquencies	0.38%	0.43%
Nonperforming	0.51%	0.33%
Net charge-offs to average loans	0.00%	0.00%
LTV (1)	59.3%	22.3%



At or for the twelve months ended December 31, 2022
** Weighted average; refreshed October 2022*
Weighted average LTV for residential loans is based on updated collateral values and current loan balances. LTV for home equity represent the LTV at origination.

ACL on Loans Rollforward

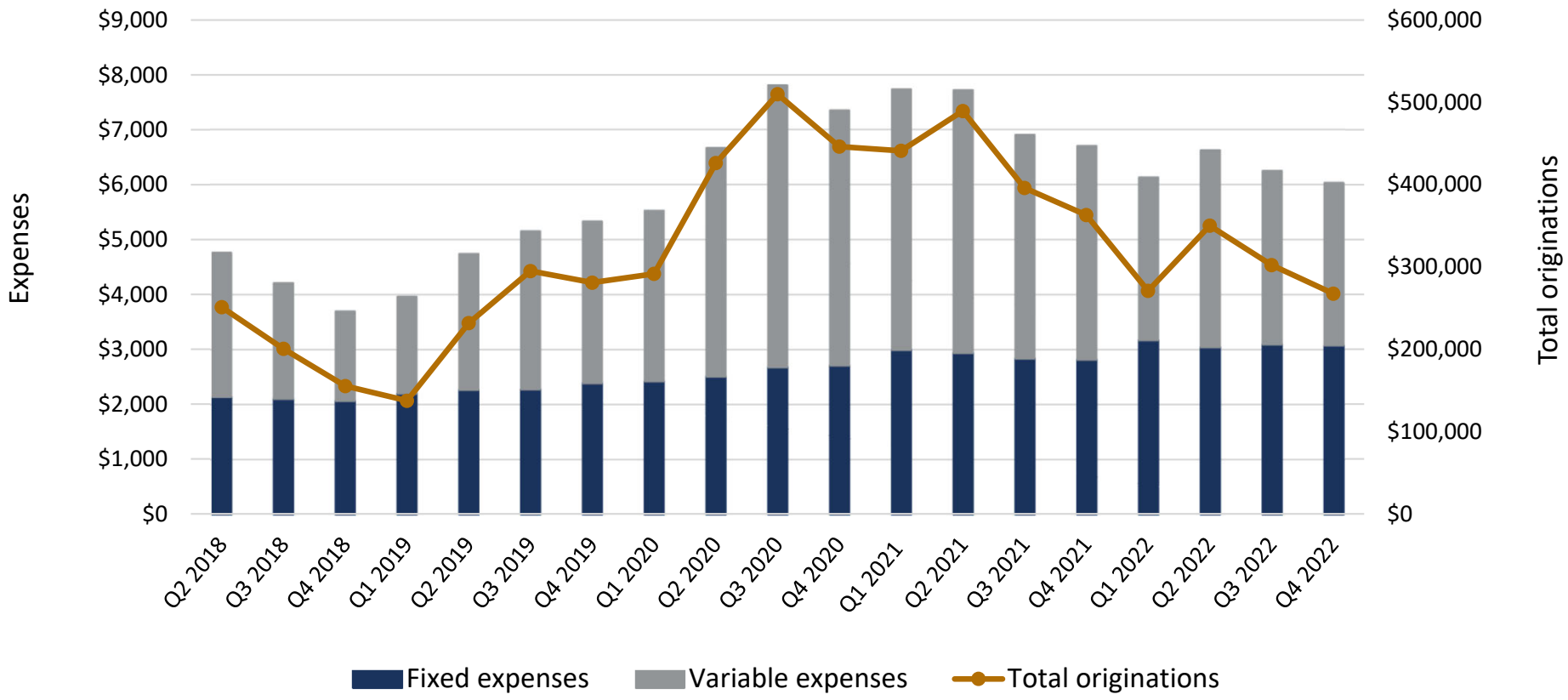
Incr / (Decr)
$11,013



$ thousands

Mortgage Execution

- Expense base is largely variable with volumes
- Fintech processing provides speed of execution and closing reliability



$ thousands

Income Statement

$s in thousands	For the Year Ended Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Interest and dividend income	$ 194,465	$ 157,995	$ 169,936	$ 197,663	$ 176,407
Interest expense	38,475	16,560	42,492	64,249	44,117
Net interest income	155,990	141,435	127,444	133,414	132,290
Provision for credit losses	(1,300)	(4,822)	12,342	1,575	1,550
Net interest income after provision for credit losses	157,290	146,257	115,102	131,839	130,740
Total noninterest income	62,602	87,394	99,442	67,080	62,114
Noninterest expense	128,722	135,464	125,384	110,740	106,162
Income before income taxes	91,170	98,187	89,160	88,179	86,692
Income tax expense	19,489	21,317	19,331	19,061	18,260
Net income	$ 71,681	$ 76,870	$ 69,829	$ 69,118	$ 68,432

Balance Sheet

$s in thousands	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Assets:					
Cash and cash equivalents	$ 118,422	$ 178,493	$ 202,268	$ 138,455	$ 93,475
Total securities	1,037,391	1,055,890	924,856	950,343	984,293
Total loans	5,110,139	4,272,925	4,195,990	3,892,999	3,680,360
Less allowance for credit losses on loans	38,027	39,088	44,106	27,014	27,072
Net loans	5,072,112	4,233,837	4,151,884	3,865,985	3,653,288
Other assets	432,126	382,907	434,161	337,876	279,710
Total assets	$6,660,051	$5,851,127	$5,713,169	$5,292,659	$5,010,766
Liabilities:					
Total deposits	$5,018,962	$4,980,051	$4,378,353	$3,498,882	$3,524,048
FHLB advances	980,000	145,000	593,859	1,141,464	950,722
Other liabilities	184,739	138,587	184,081	126,140	65,131
Junior subordinated debentures	22,681	22,681	22,681	22,681	22,681
Total shareholders' equity	453,669	564,808	534,195	503,492	448,184
Total liabilities and shareholders' equity	$6,660,051	$5,851,127	$5,713,169	$5,292,659	$5,010,766

Non-GAAP Financial Measures

$s in thousands, except per share amounts	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Calculation of tangible book value per share				
Total shareholders' equity at end of period	$453,669	$564,808	$534,195	$503,492
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	4,554	5,414	6,305	7,218
Total tangible shareholders' equity at end of period	$385,206	$495,485	$463,981	$432,365
Shares outstanding at end of period	17,183	17,331	17,265	17,363
Book value per share – GAAP	$26.40	$32.59	$30.94	$29.00
Tangible book value per share – Non-GAAP	$22.42	$28.59	$26.87	$24.90
Calculation of tangible equity to tangible assets				
Total tangible shareholders' equity at end of period	$385,206	$495,485	$463,981	$432,365
Total assets at end of period	$6,660,051	$5,851,127	$5,713,169	$5,292,659
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	4,554	5,414	6,305	7,218
Total tangible assets at end of period	$6,591,588	$5,781,804	$5,642,955	$5,221,532
Equity to assets - GAAP	6.81%	9.65%	9.35%	9.51%
Tangible equity to tangible assets – Non-GAAP	5.84%	8.57%	8.22%	8.28%

Washington Trust's management believes that the supplemental non-GAAP information, which consists of measurements and ratios based on tangible equity and tangible assets, is utilized by regulators and market analysts to evaluate a company's financial condition and therefore, such information is useful to investors. These disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures which may be presented by other companies.