INVESTOR PRESENTATION
March 2021



WASHINGTON TRUST BANCORP, INC.

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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, 2020, 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

Executive Team



Pictured left to right: Mark Gim, Ned Handy, and Ron Ohsberg

Ned Handy
Chairman & Chief Executive Officer

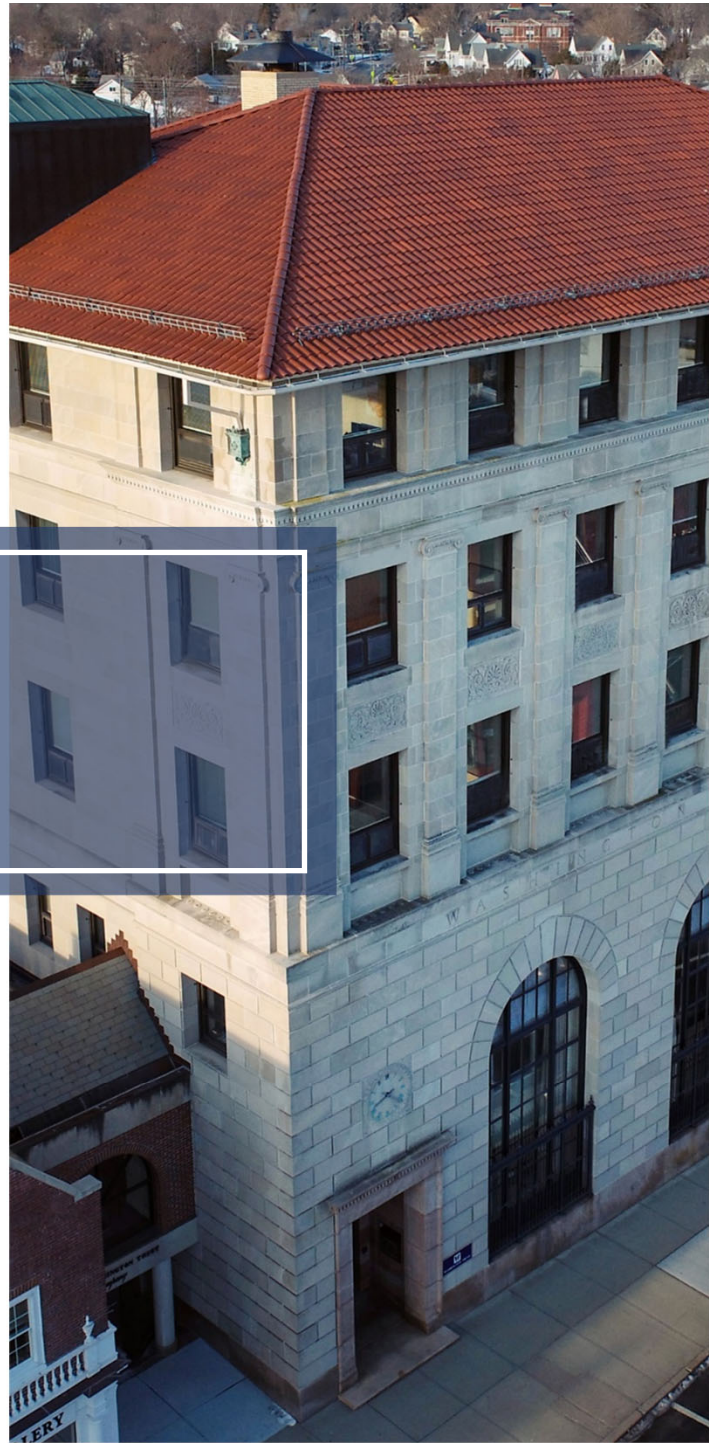
Mark Gim
President and Chief Operating Officer

Ron Ohsberg
Senior EVP, Chief Financial Officer and Treasurer

Investor Information

Elizabeth B. Eckel
Senior Vice President, Chief Marketing & Corporate Communications Officer
401-348-1309, ebeckel@washtrust.com

WHO WE ARE



Corporate Profile

- Oldest community bank in the US; Founded in 1800
- High-performing regional bank
- Largest state-chartered bank in RI
  - $5.7 B assets
  - $4.2 B loans
  - $4.4 B deposits
- Diversified financial services company
- Premier regional wealth management firm
  - $6.9 B assets under administration
- Market capitalization[(1)]: $860 M



At December 31, 2020
(1) At March 4, 2021

Prestigious Recognition

Named as one of Rhode Island's Best Places to Work by Providence Business News for the tenth year in a row.

PBN PROVIDENCE BUSINESS NEWS
BEST PLACES WORK AWARDS
Winner 2020

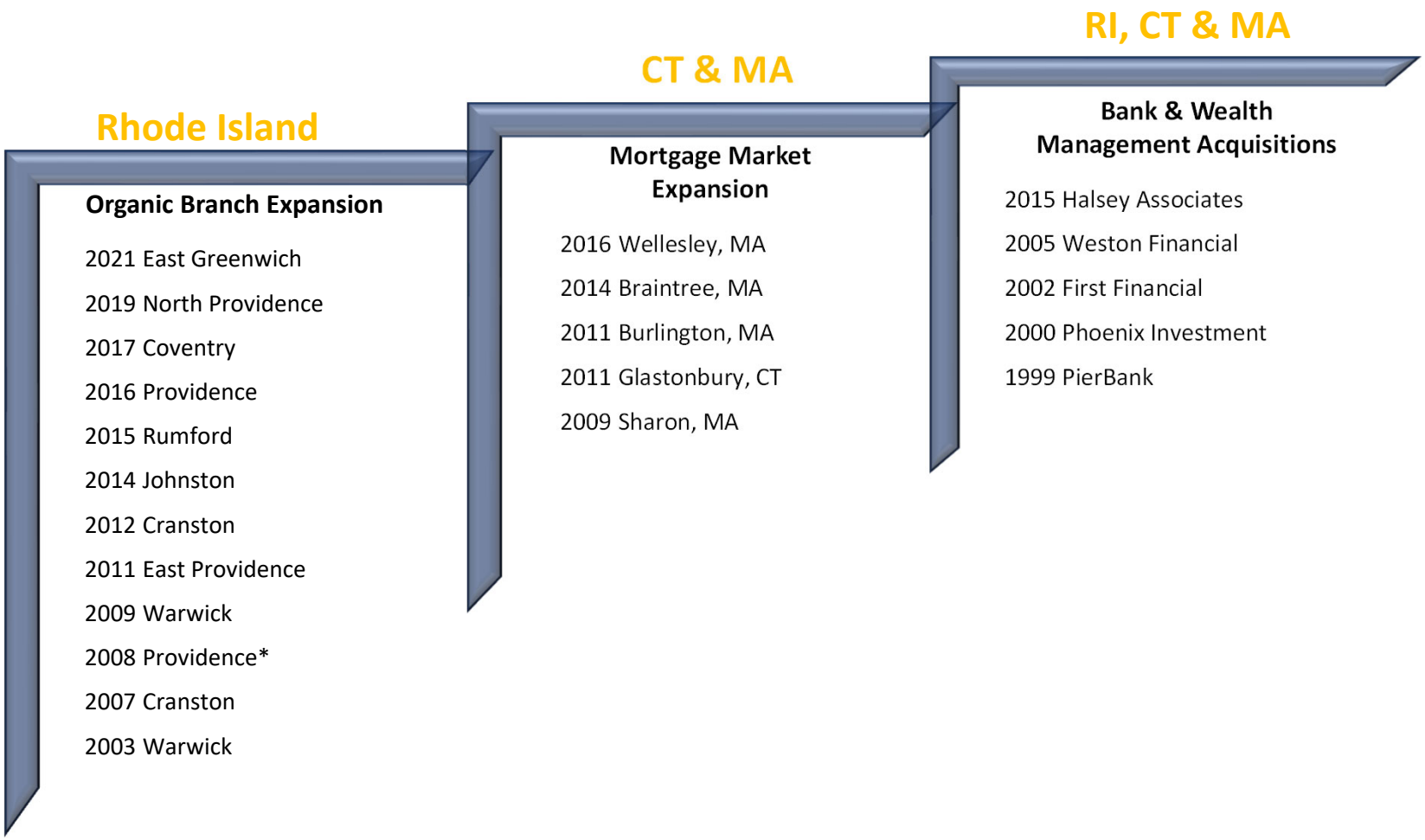
AMERICAN BANKER
2020 Best Banks to Work For

Named one of the nation's Best Banks to Work For by American Banker® magazine, Washington Trust is the only Rhode Island-based institution named on the list.

Named by Forbes as the Best In-State Bank in Rhode Island, Washington Trust was the only bank selected in Rhode Island.

Forbes 2020
BEST-IN-STATE BANKS
Powered by STATISTA

Proven Growth Model



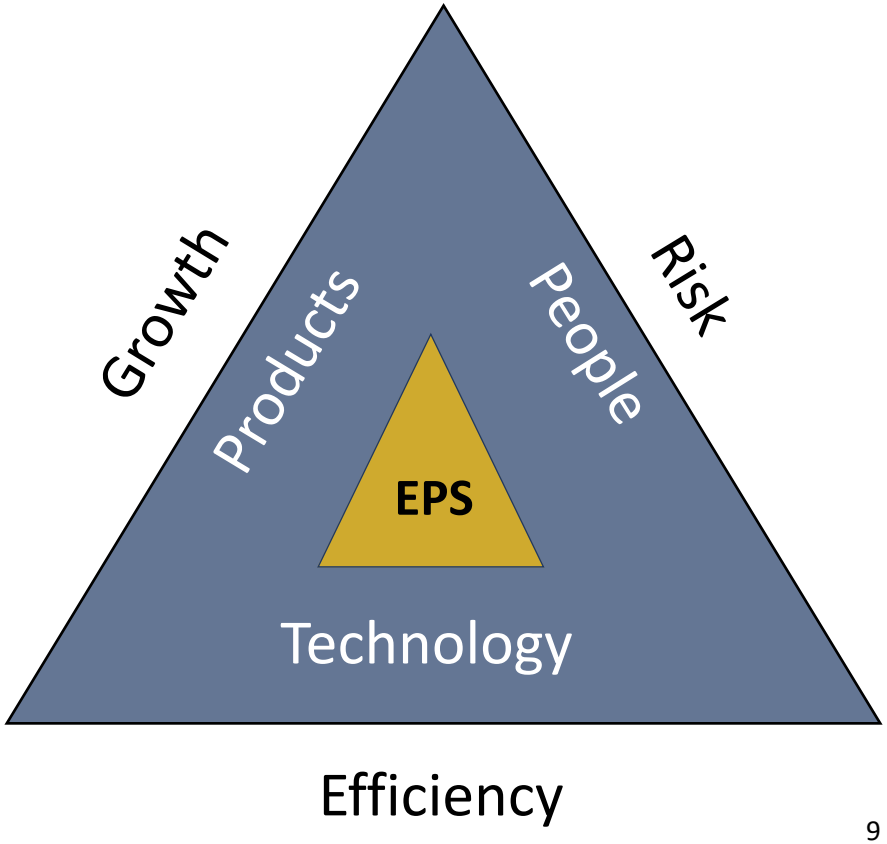
* Moved from 180 Washington Street, Providence

STRATEGIC PRIORITIES



Achieve Shareholder Value

- Sustain top-quartile performance
  - ROA: 1.22%
  - ROE: 13.51%
  - Efficiency ratio: 55.3%
- Emphasize pristine asset quality
- Maintain consistent profitability

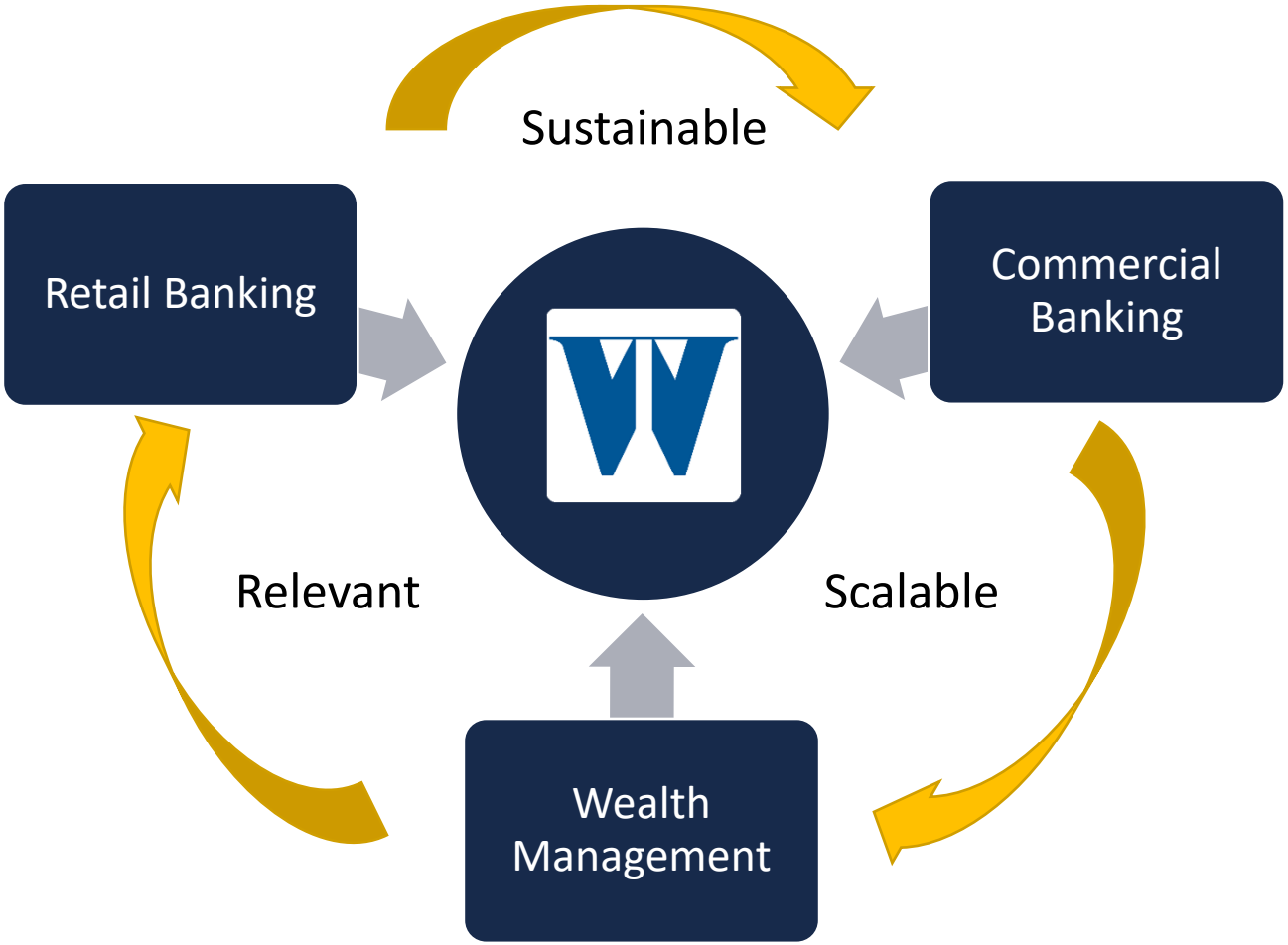


For the twelve months ended December 31, 2020

Value Creation

- Preserve strong capital position
- Maintain strong credit quality
- Focus on key growth priorities
- Evaluate and consider growth through M&A

Capitalize on Unique Business Model



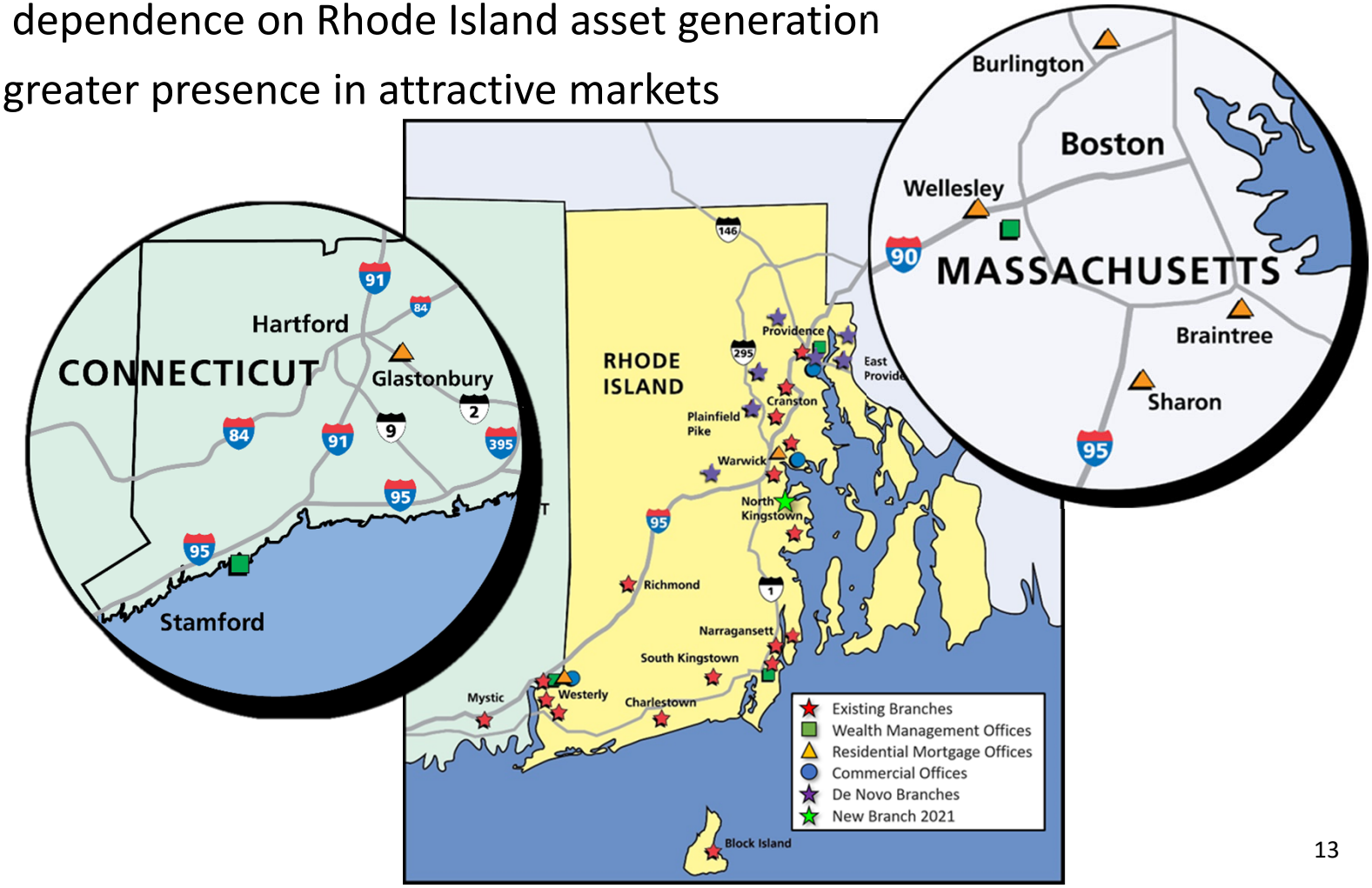
Exploit Opportunities in Core Market

- Expand into markets dominated by key competitors
- Continue organic and contiguous growth
- Leverage key deposit, wealth and mortgage relationships
- Capitalize on brand strength and service quality reputation



Seize Opportunities in Growth Markets

- Enhanced lending activity into adjacent New England states
- Reduced dependence on Rhode Island asset generation
- Develop greater presence in attractive markets



Enhance Client Experience

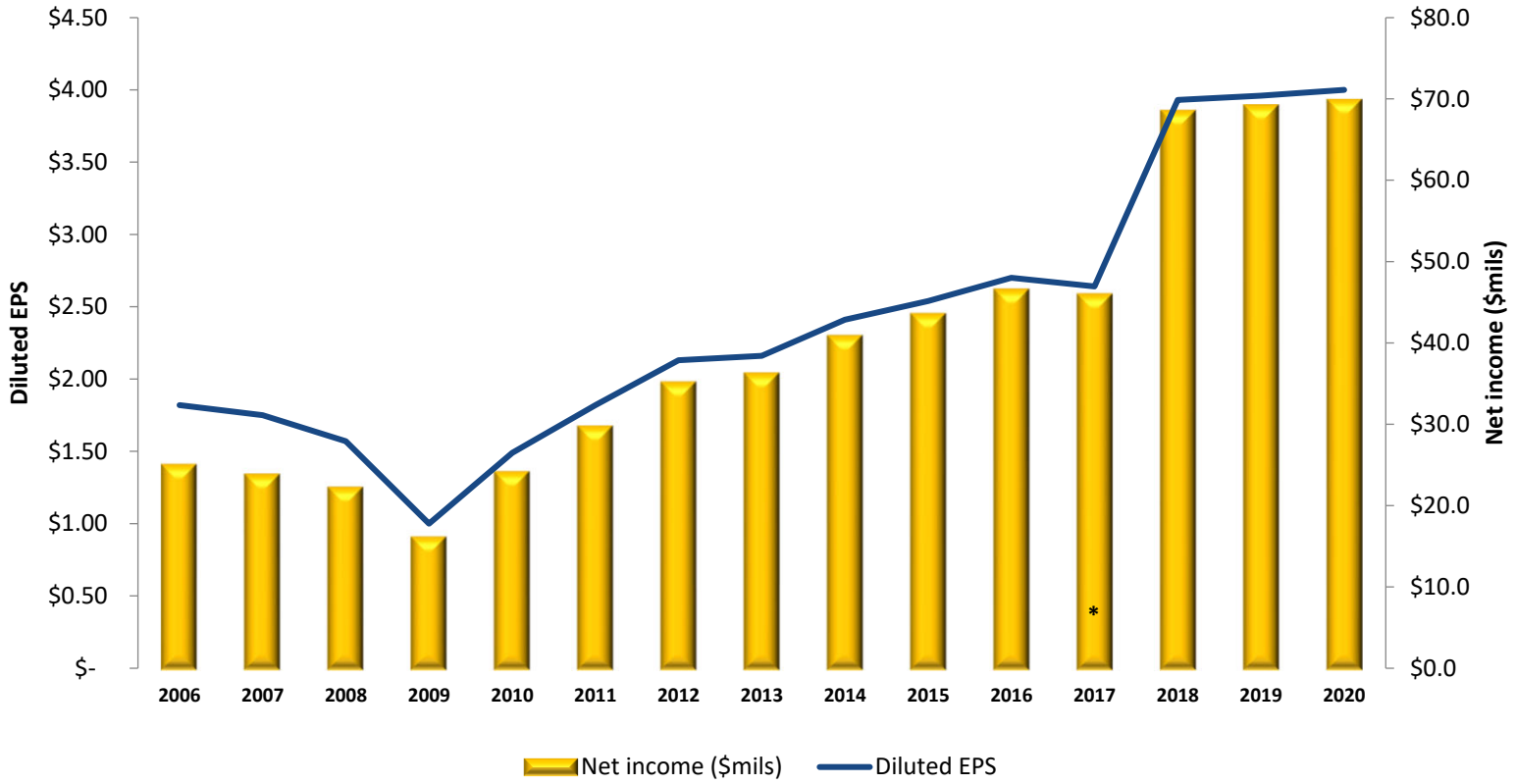
- Balance “high touch” personal service with “high tech” digital solutions
- Ensure positive client experiences across and between all channels
- Deepen client relationships by understanding the entire customer journey
- Optimize branch delivery
- Invest in key technology

EARNINGS CAPACITY



Profitability Trend

Proven track record of earnings growth

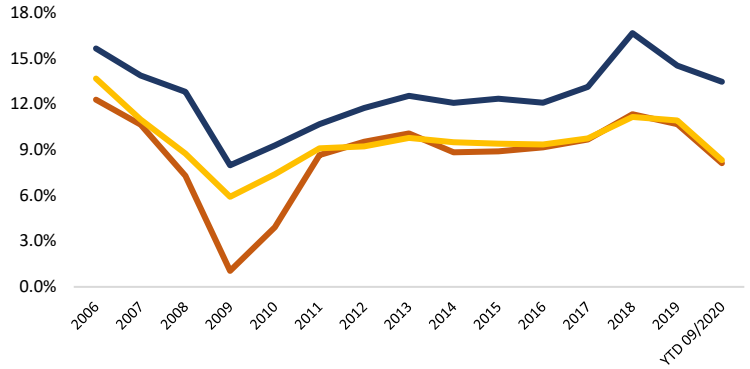


At December 31st unless otherwise noted

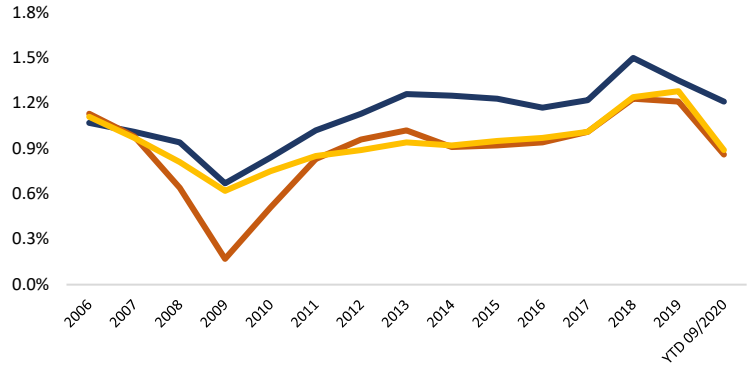
* Includes $6.2 million deferred tax asset write-down resulting from Tax Reform Act

Profitability Metrics

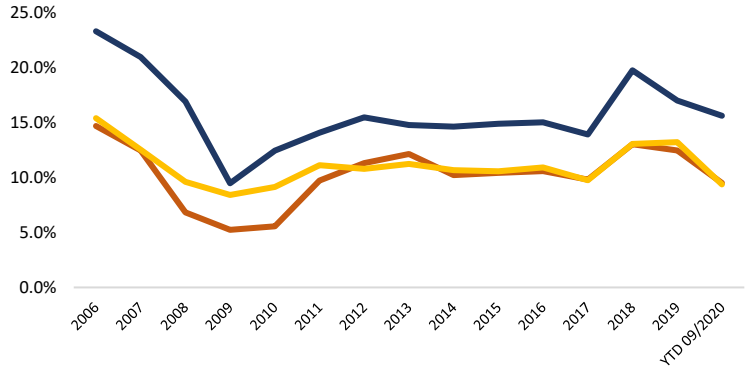
Core ROE (1)



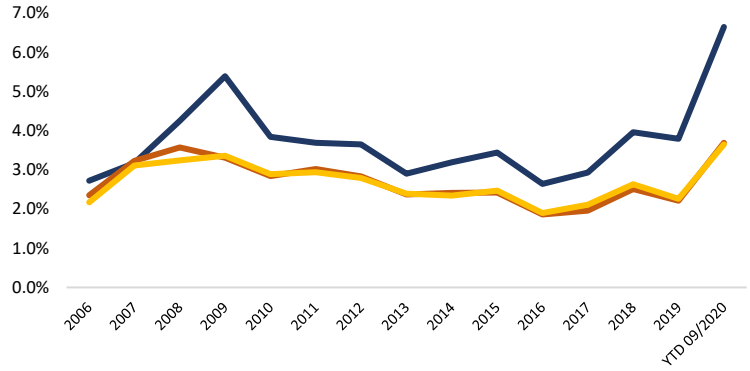
Core ROA (1)



ROATCE



Dividend Yield

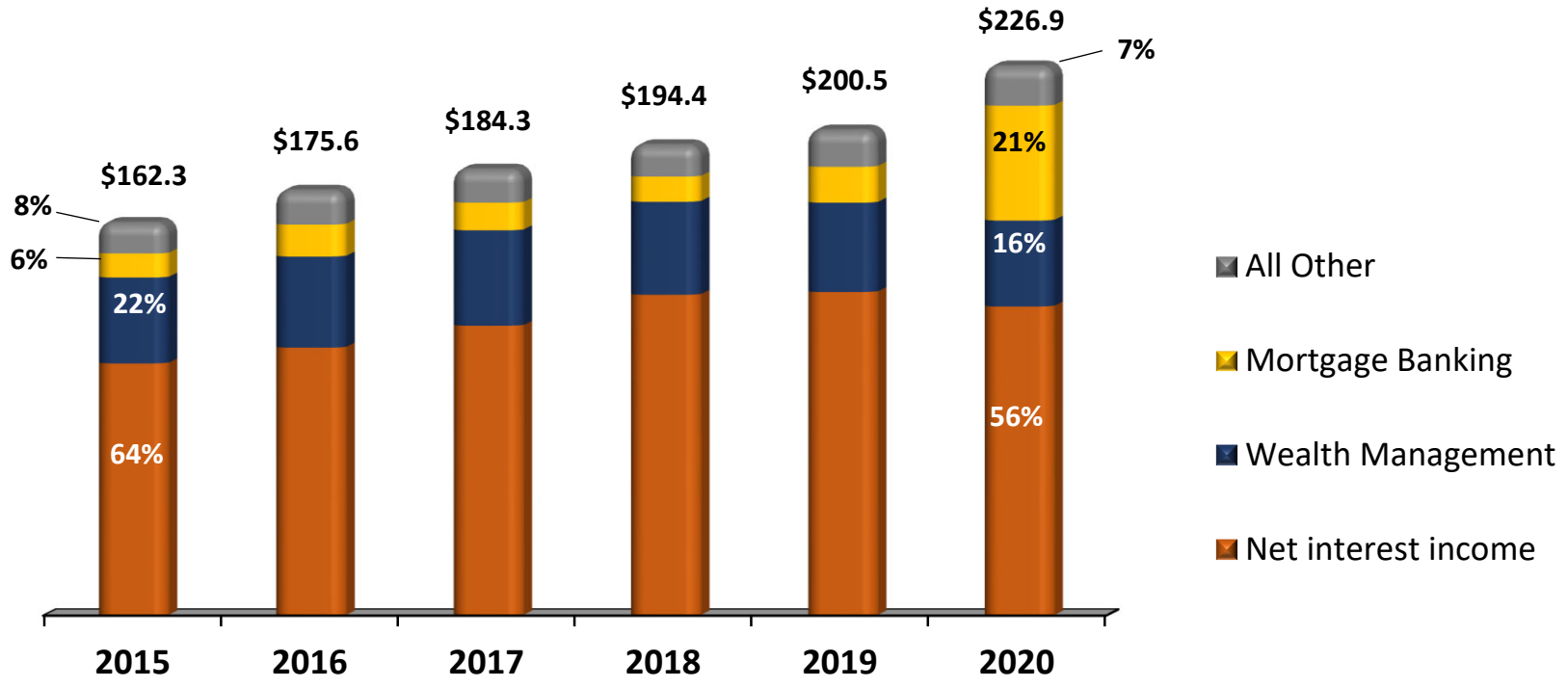


WASH Average peer Median peer

For the nine months ended 9/30/2020;
Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence
(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

Top Line Revenue Trend

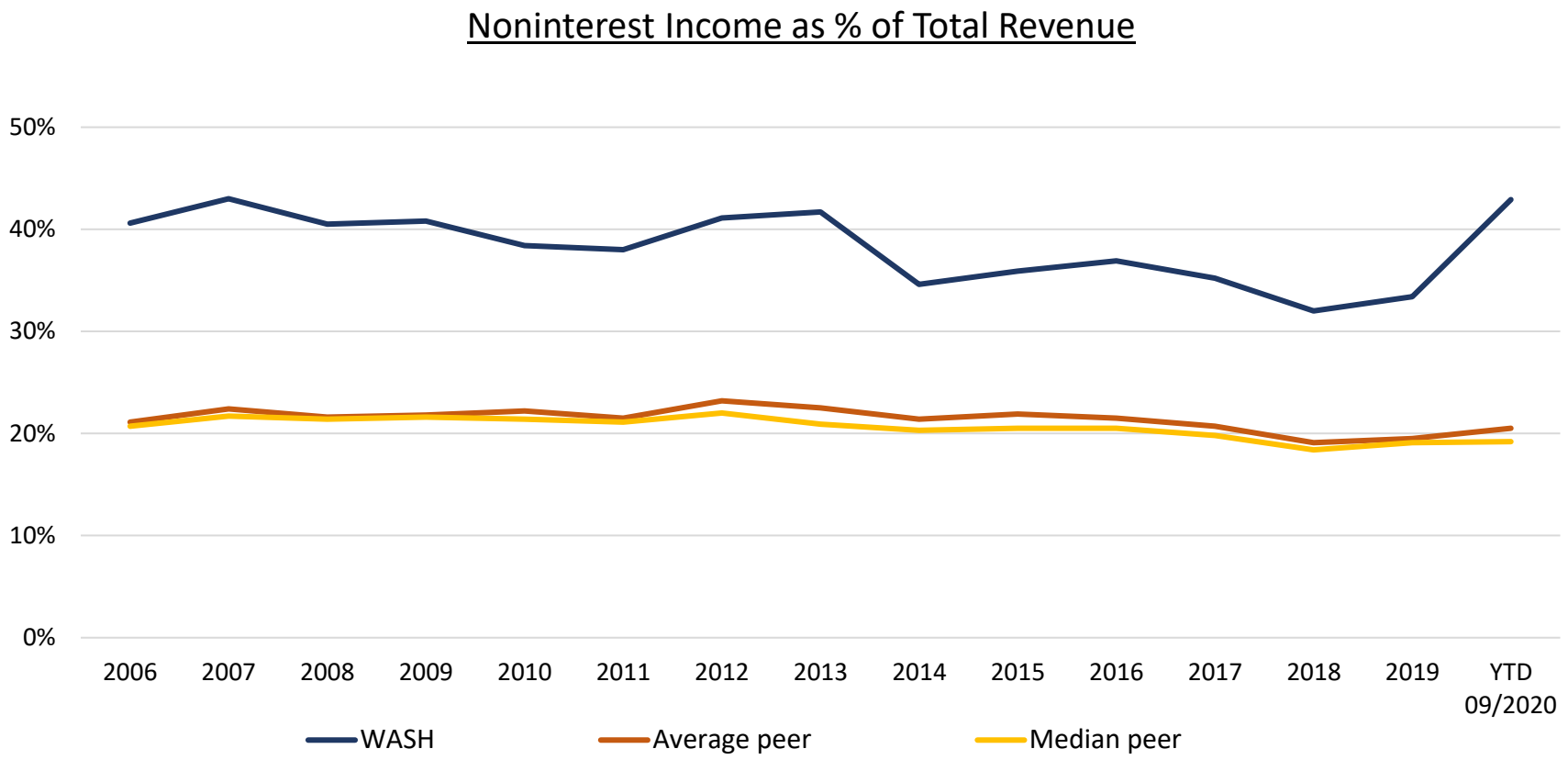
Contributions from all major business lines



$ millions

Noninterest Income Trend

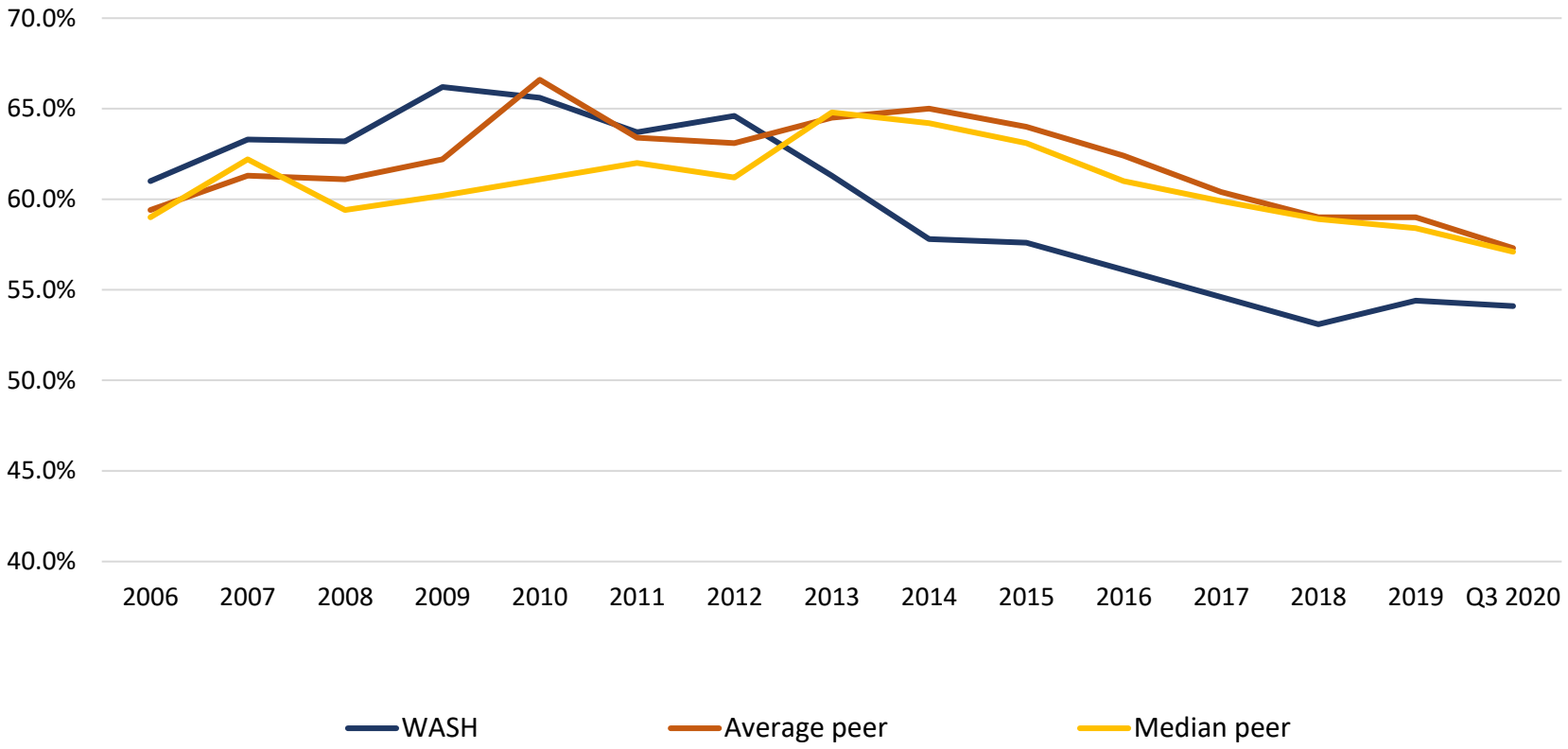
Better than 96% of peer group (1)



(1) Percentile ranking for the nine months ended September 30, 2020 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

Efficiency Ratio

Better than 71% of peer group (1)



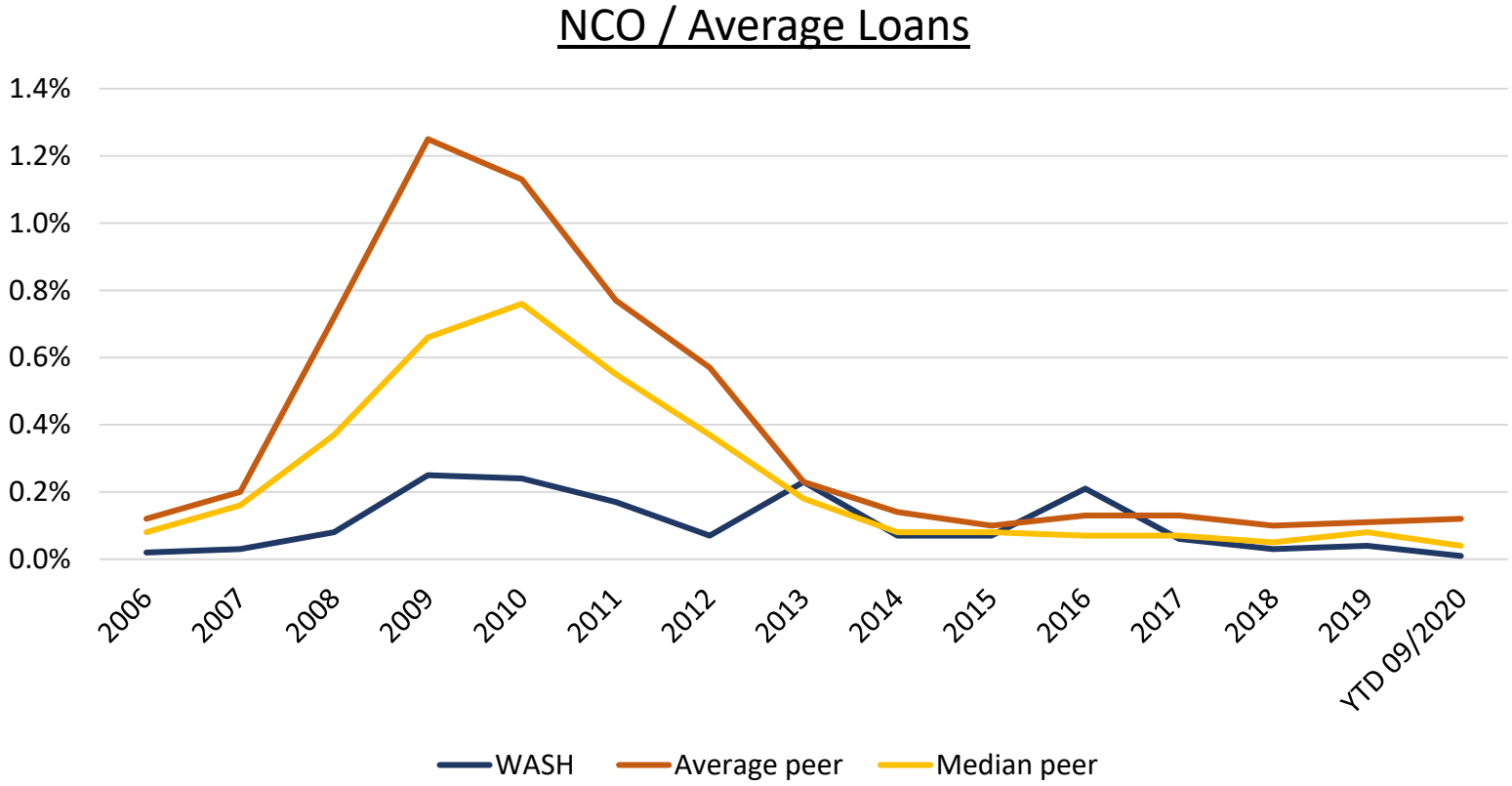
(1) Percentile ranking for the nine months ended September 30, 2020 unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

CREDIT QUALITY



Asset Quality

Historical differentiator

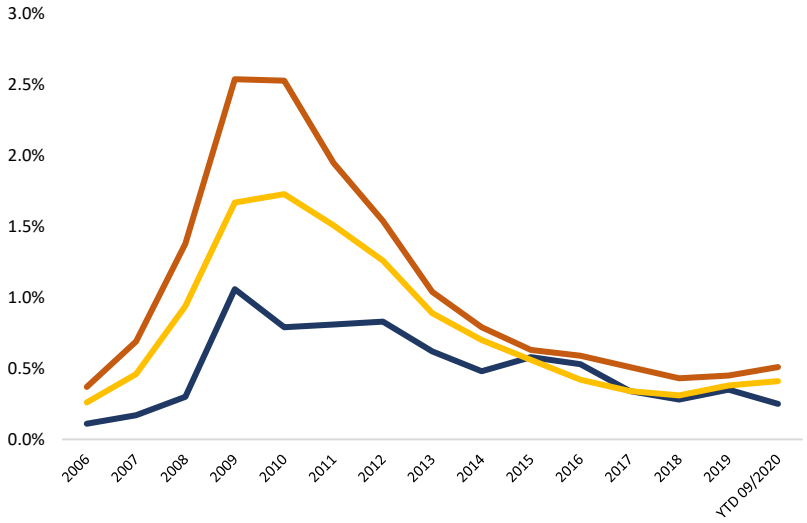


Percentile ranking for the year ended December 31st unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

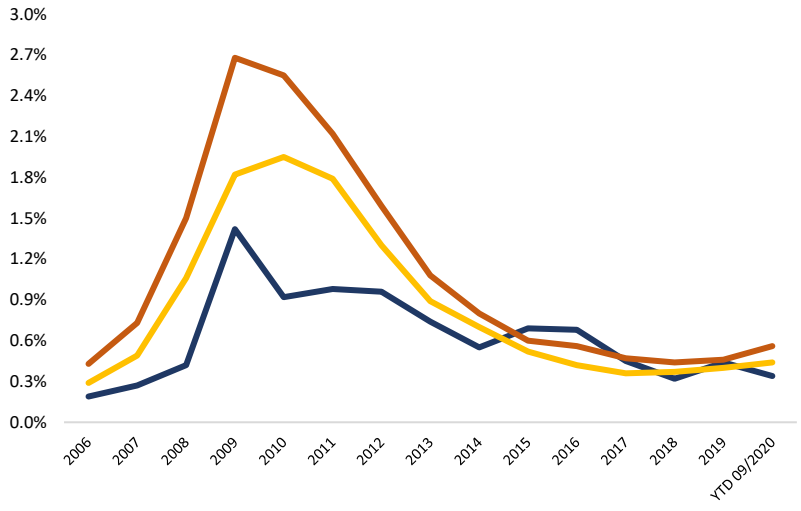
Credit Quality

Consistently low loss experience

Nonperforming Assets / Total Assets



Non-accrual Loans / Total Loans

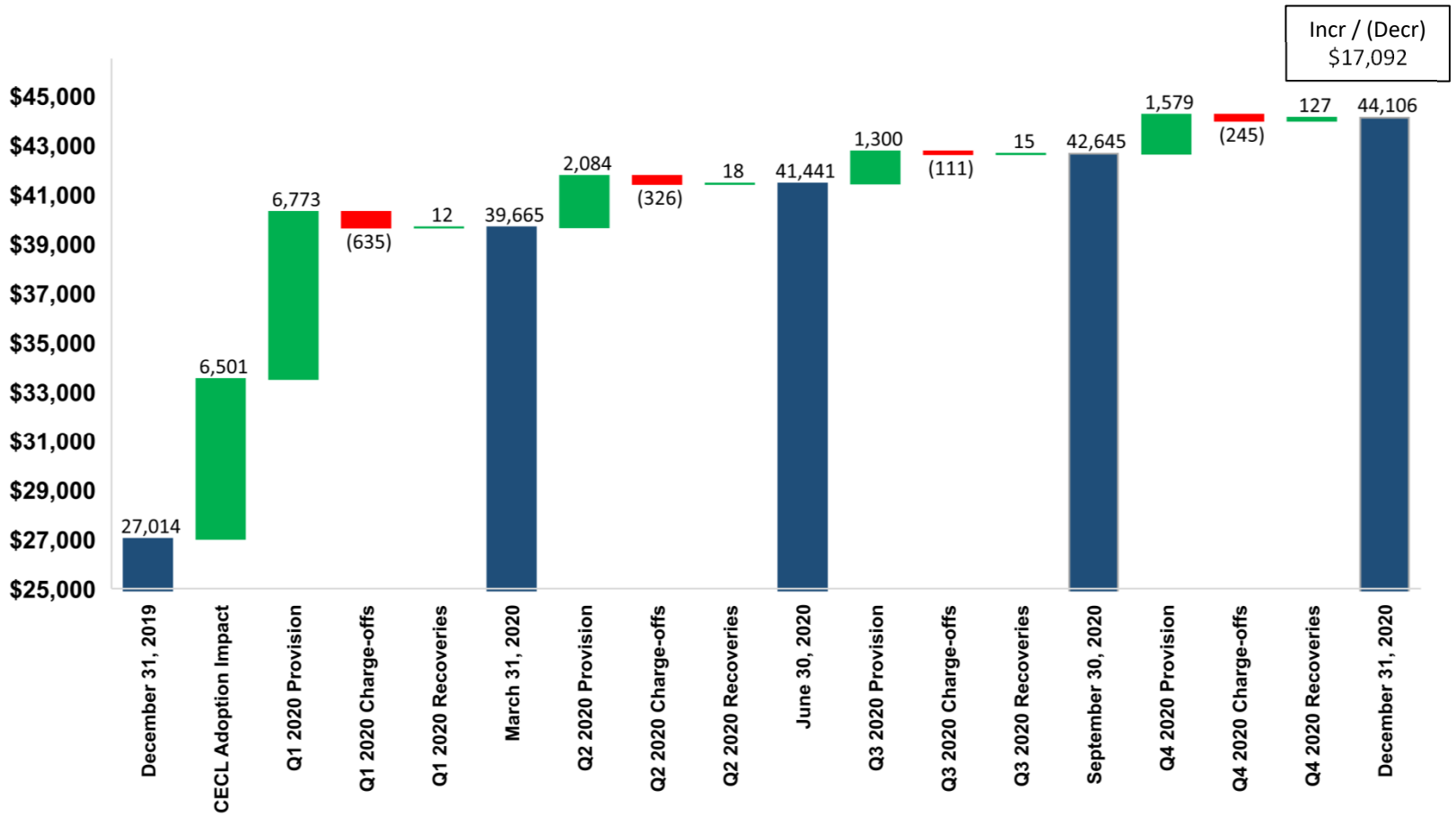


WASH Average peer Median peer

At December 31st, unless otherwise noted
Peers are public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

ACL on Loans Rollforward

Approximately $6 million of Q1 2020 provision related to COVID-19



$ thousands

Allowance for Credit Loss (ACL) Assumptions

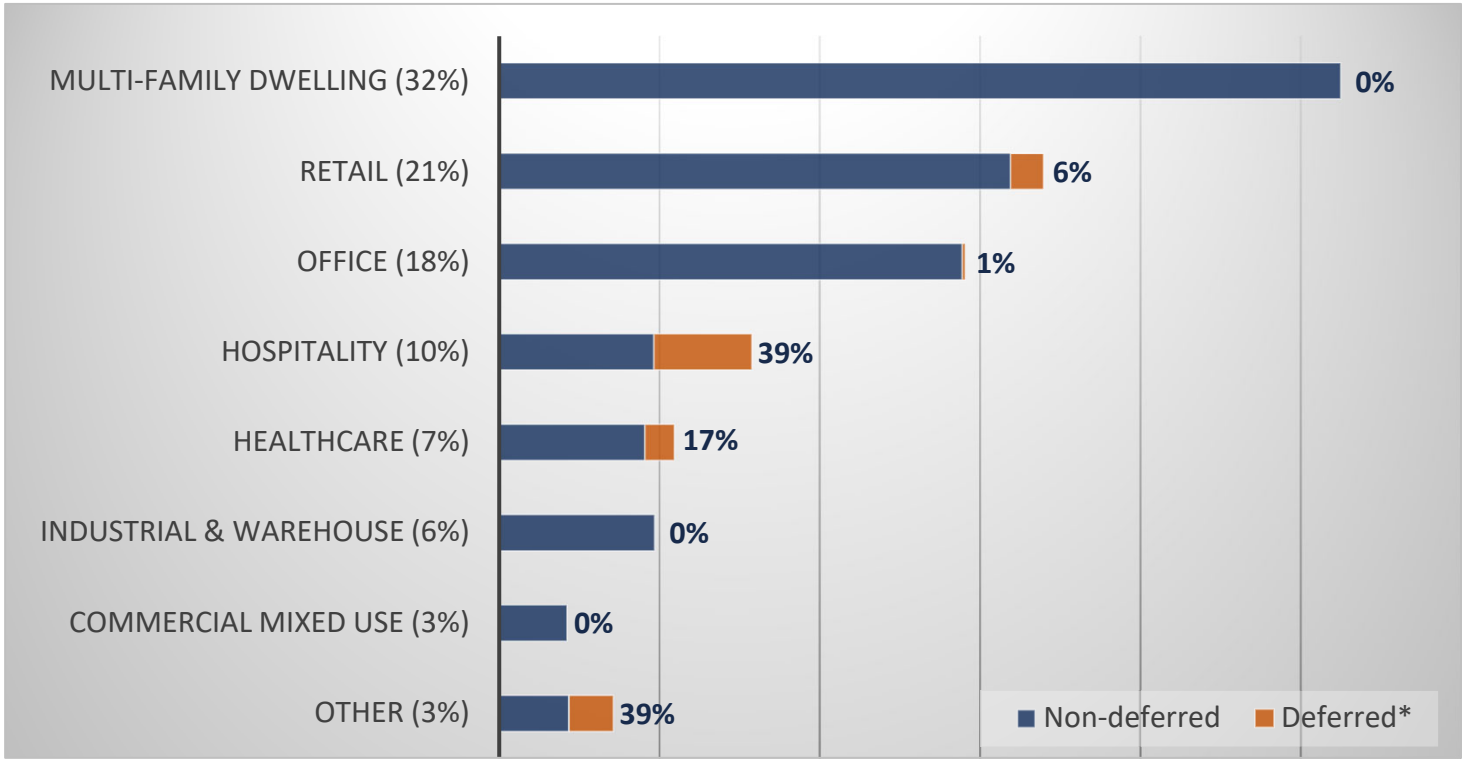
- The quantitative component of the ACL estimate is based on a forecast of national unemployment rate (NUR). For this we utilized the 1/3/21 FactSet forecast, in which NUR decreases to 5.7% in Q4 2021.
- The qualitative component reflected the considerable degree of uncertainty associated with the economic outlook. To assist in addressing this, we created a separate segment based on the “COVID watchlist” of loans that had been granted deferments. This allowed for some focused analysis on qualitative factors, especially in the hospitality segment, where we have seen the most pronounced adverse effects of the pandemic.
- Asset quality metrics remain stable and strong, with net charge-off rates at historic lows.

Commercial Real Estate Lending

Portfolio Overview as of December 31, 2020 (outstandings) and February 19, 2021 (deferments)

- Total portfolio: $1.6 billion; $129.6 million (8%) deferred

% of CRE Portfolio by Segment as of 12/31/20



* Executed deferments as of 02/19/21 as a percentage of 12/31/20 outstanding balances.

Commercial & Industrial (C&I)

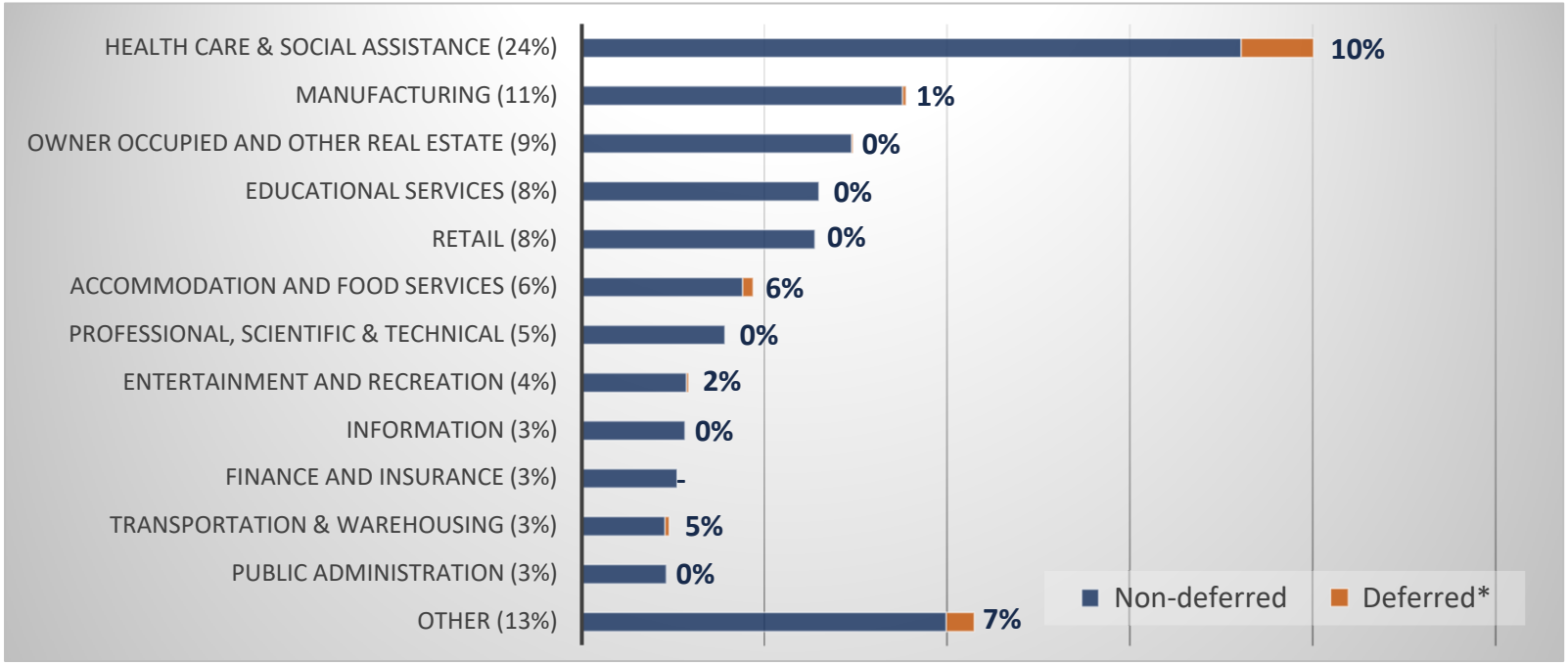
Portfolio Overview as of December 31, 2020 (outstandings) and February 19, 2021 (deferments)

- Total portfolio: $817 million; $33.2 million (4%) deferred

Paycheck Protect Program (PPP)

- 2,285 SBA approved loans totaling $242 million

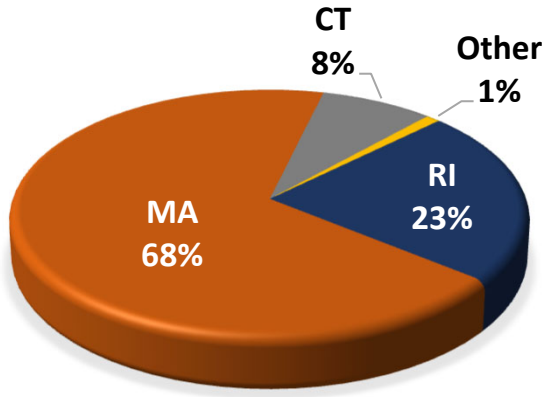
% of C&I Portfolio by Segment as of 12/31/20



* Executed deferments as of 02/19/21 as a percentage of 12/31/20 outstanding balances.

Residential & Home Equity

	Residential	Home Equity
Total portfolio ($ millions)	$1,467.3	$259.2
FICO score*	750	757
Total delinquencies	0.7%	0.6%
Nonperforming	0.8%	0.4%
Net charge-offs to average loans	0.01%	0.06%
LTV [1]	58.6%	63.1%



- Home Equity deferments: 7 loans for $738 thousand
- Residential deferments [2]: 1.5% of portfolio

Residential deferments[2] by FICO		
FICO Bands	#	$ millions
>750	14	7.4
>660 - <750	15	6.2
<660	5	4.7
No FICO score	5	4.1
Total w/ FICO	39	22.4

At or for the twelve months ended December 31, 2020
* Weighted average; refreshed May 31, 2020
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.
Executed deferments as of 02/19/21 as a percentage of 12/31/20 outstanding balances.

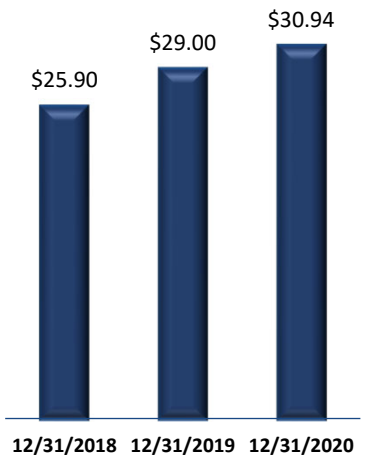
CAPITAL MANAGEMENT



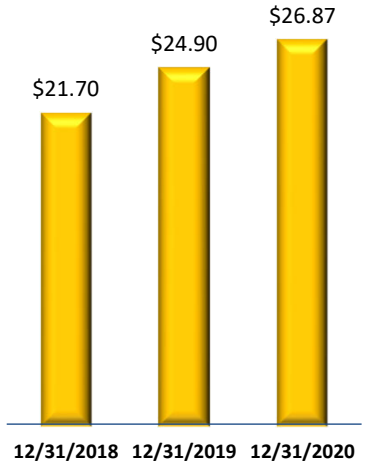
Capital Position

- Suits solid balance sheet, fee-intensive business model
- Supports dividend & future growth

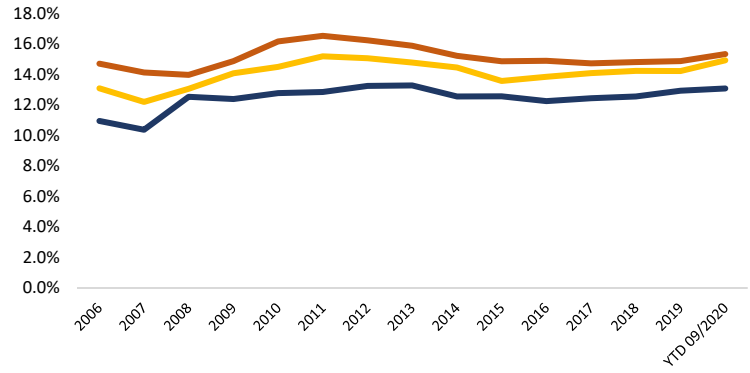
Book Value per Share



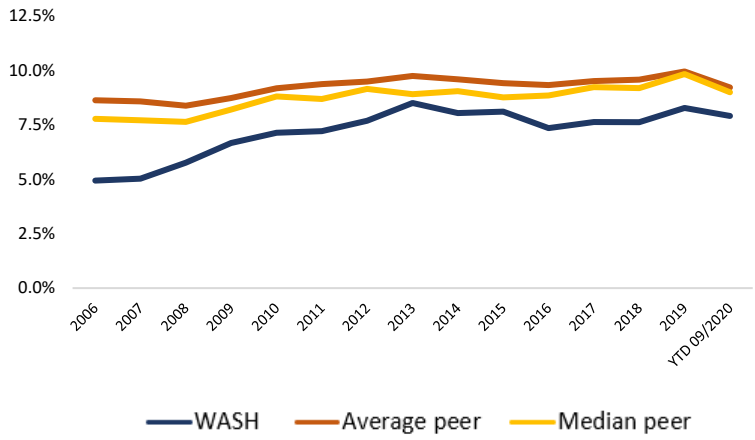
Tangible Book Value per Share [(1)]



Total Risk-based Capital



Tangible Equity / Tangible Assets



(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

Capital Stress Test Results

Stress testing analysis performed using 3rd party Trepp model against our call report data, modeled on regulator DFAST* scenarios

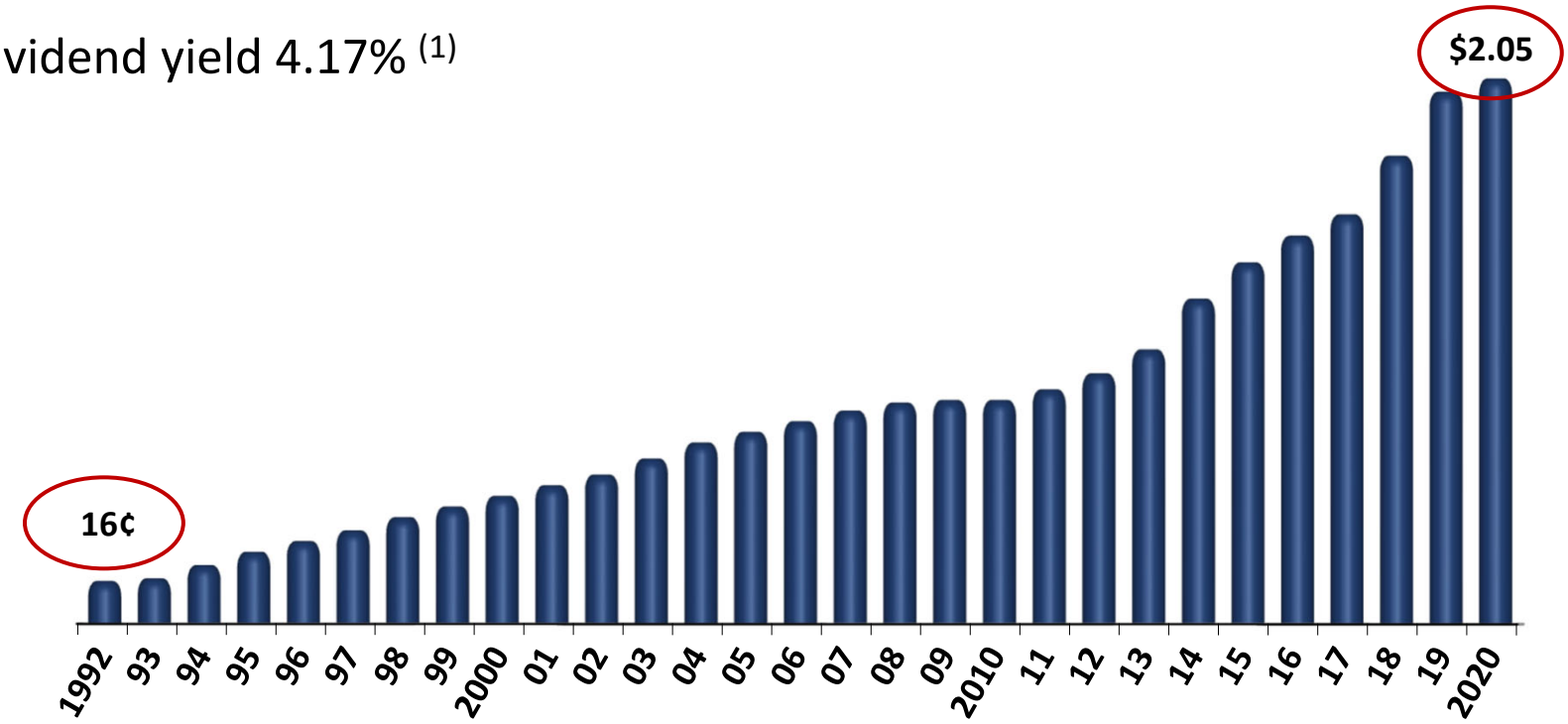
Capital Ratio	Standards for "well-capitalized"	Internal thresholds	Actual Q4/20	Scenario Minimums	
				Baseline	Sev Adv
Common equity tier 1	**6.50%**	**7.00%**	**12.06%**	**11.82%**	**11.33%**
Tier 1 risk-based capital	**8.00%**	**8.50%**	**11.95%**	**12.62%**	**11.90%**
Total risk-based capital	**10.00%**	**10.50%**	**12.78%**	**13.87%**	**13.15%**
Excess capital - Total cap				**$ 145,587**	**$ 123,063**

* Dodd Frank Act Stress Test (DFAST) is a regulatory framework introduced to enhance the resilience of banks and financial institutions to economic shocks.

Baseline: a moderate economic expansion through the 9 quarter projection period.
Severely adverse: severe global recession that is accompanied by a global aversion to long-term fixed-income assets. As a result, long-term rates do not fall and yield curves steepen. In turn, these developments lead to a broad-based and deep correction in asset prices—including in the corporate bond and real estate markets.

Cash Dividend Declared

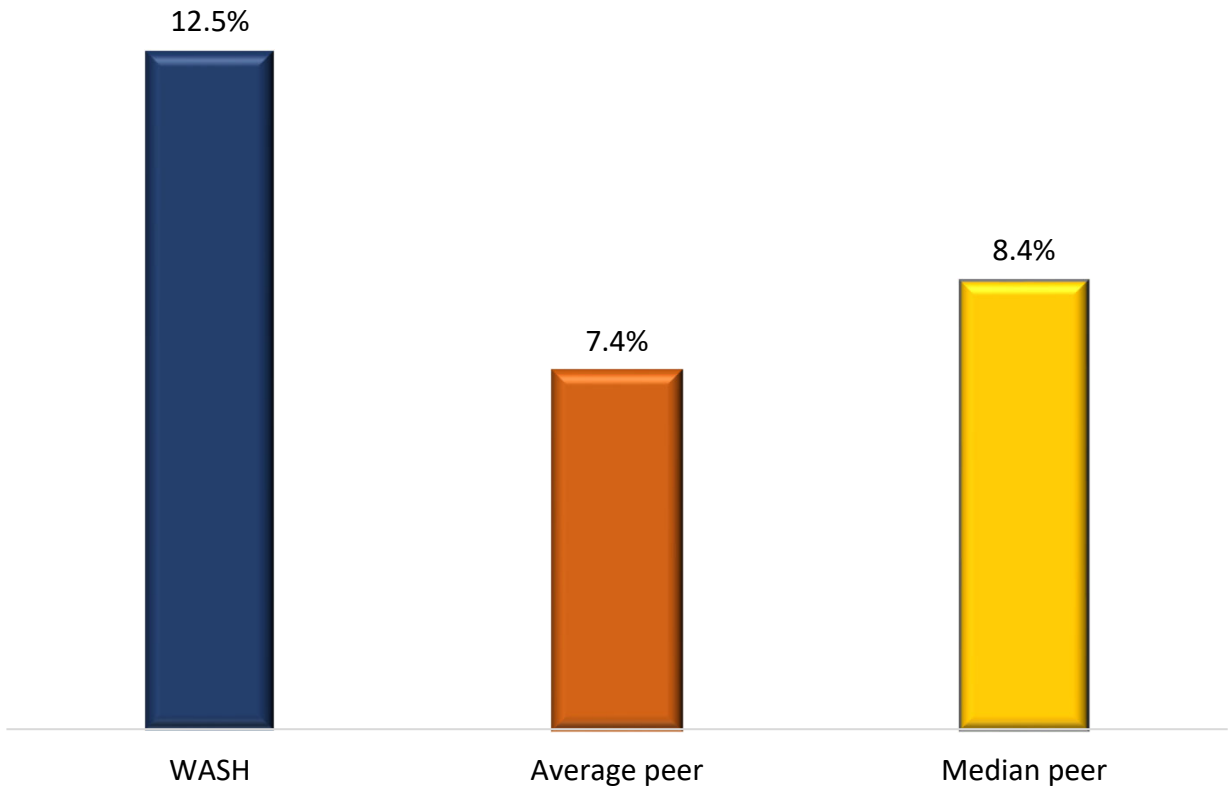
- Important contributor to shareholder value
- Q4-2020 dividend of 52¢ per share
- Dividend yield 4.17% (1)



(1) As of March 4, 2020

Capital Deployment

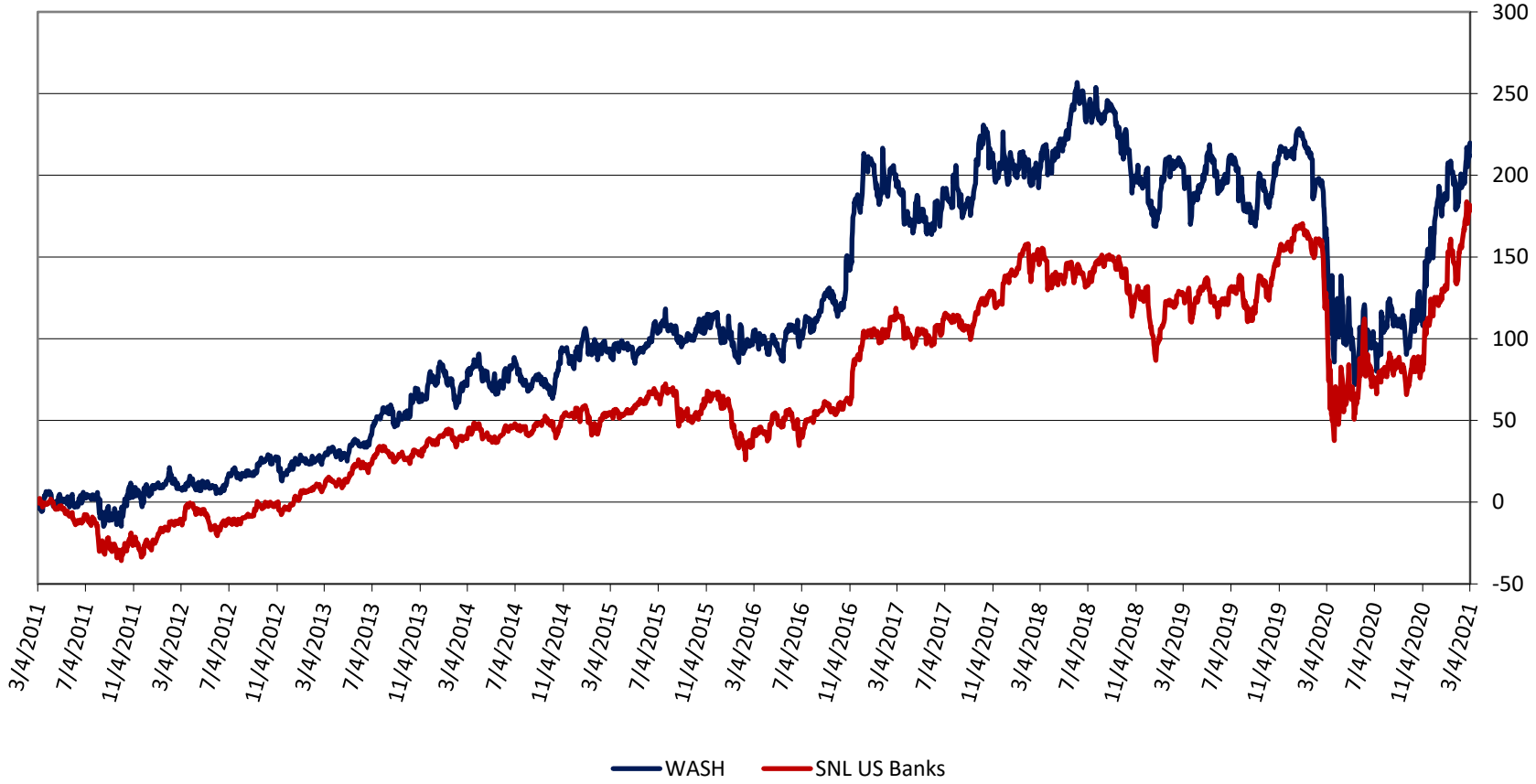
Tangible Book Value per Share Plus Cumulative Dividend per Share CAGR
12/31/2006 to 9/30/2020



As of September 30, 2020
Public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

10 Year Total Stock Returns

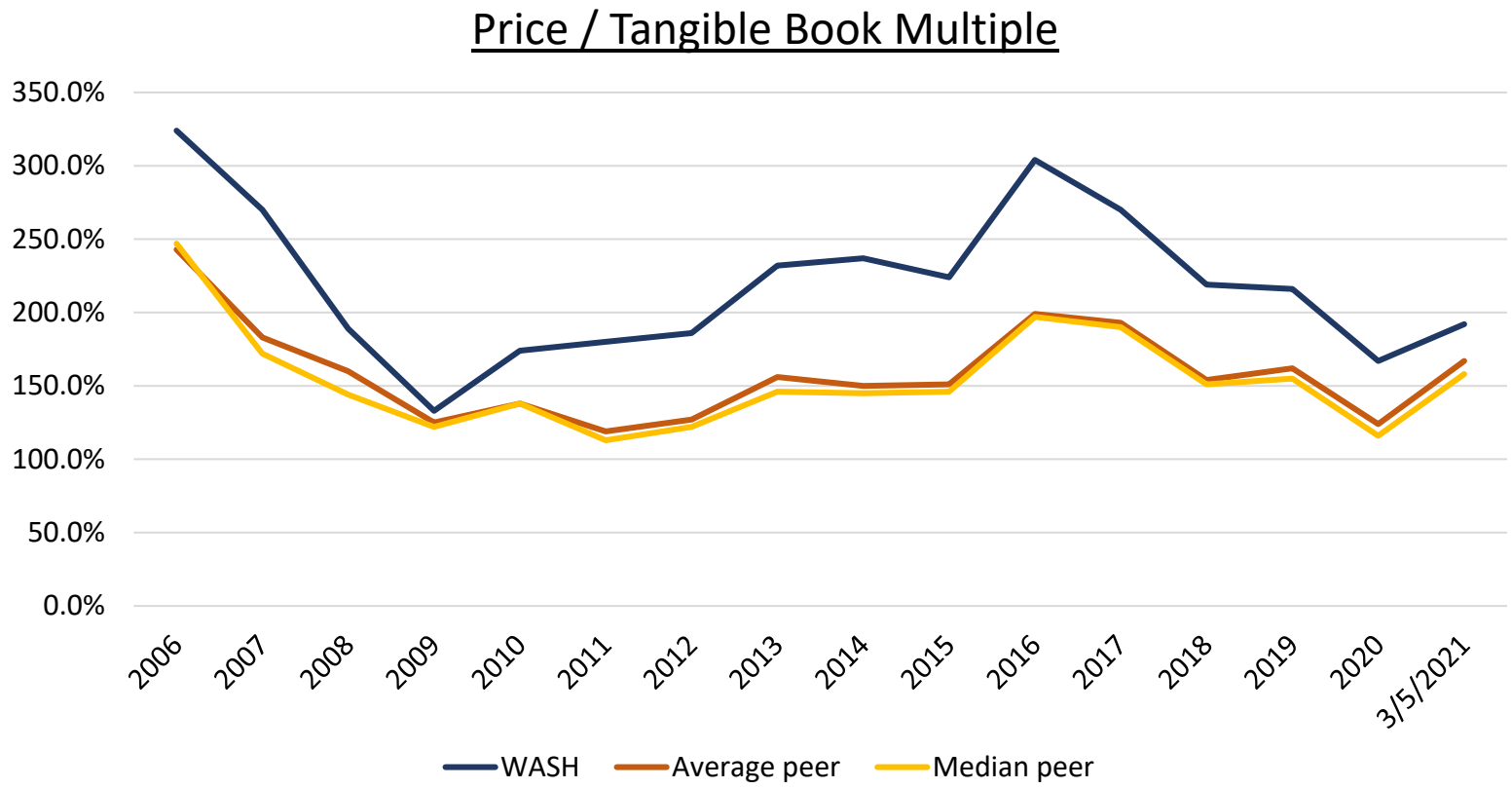
WASH Total Return (%) versus SNL U.S. Bank



Source: S&P Global Market Intelligence as of March 4, 2021

Price / Tangible Book Trend

Attractive entry point given historical pricing

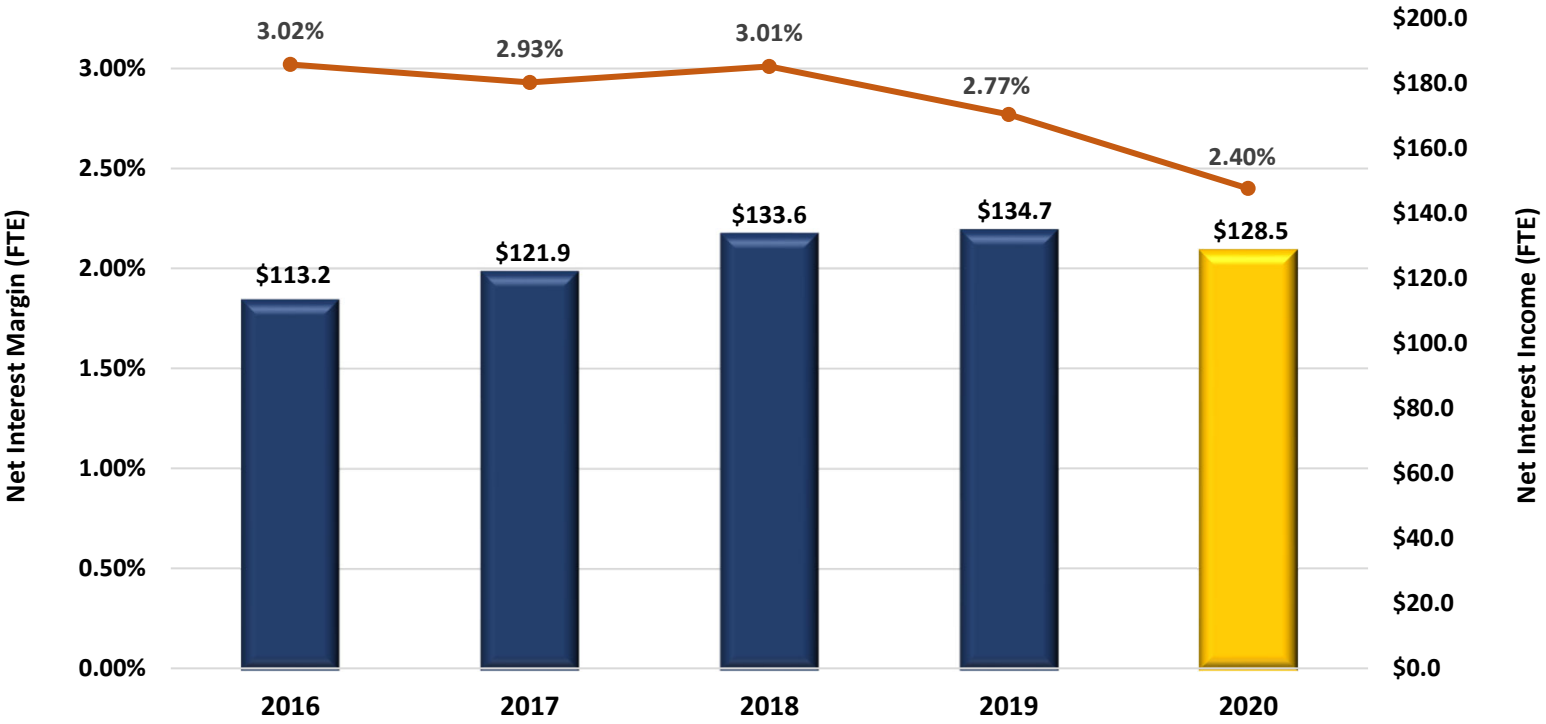


Percentile ranking for the year ended December 31st unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

FINANCIAL HIGHLIGHTS



Net Interest Margin

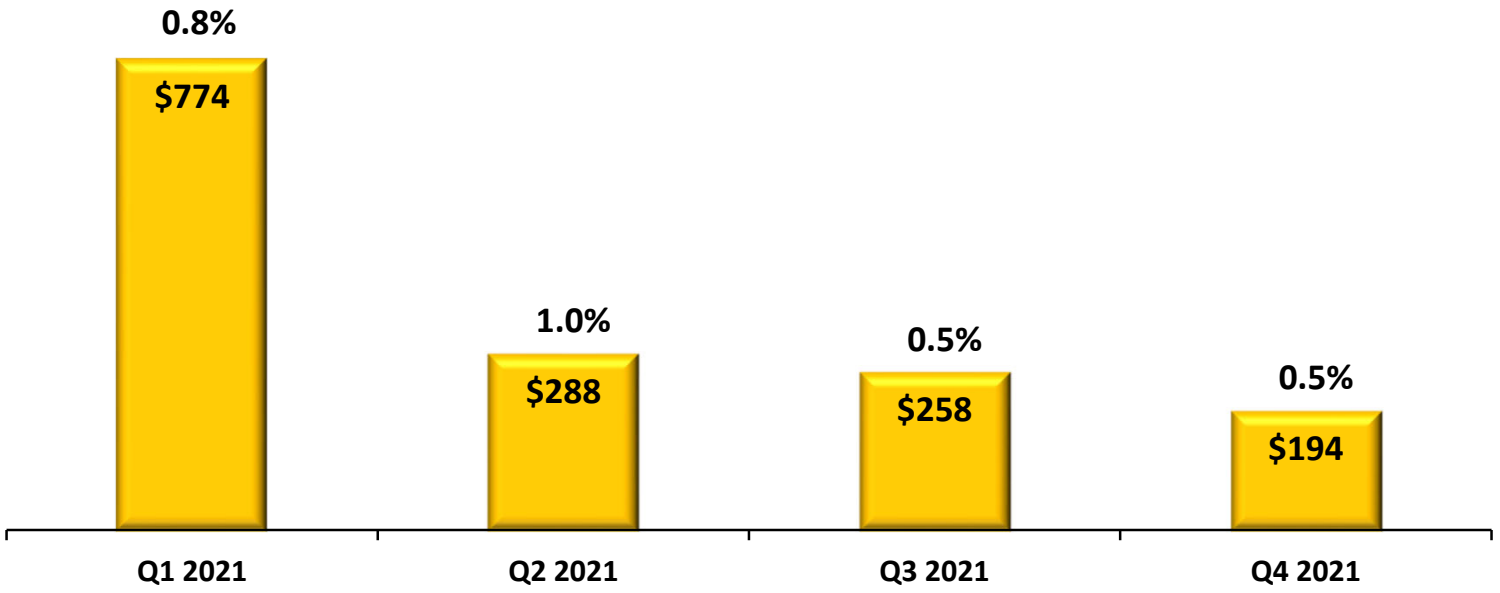


$ millions; as of and for the years ended December 31st unless otherwise noted

Repricing Analysis

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

Funding Repricing

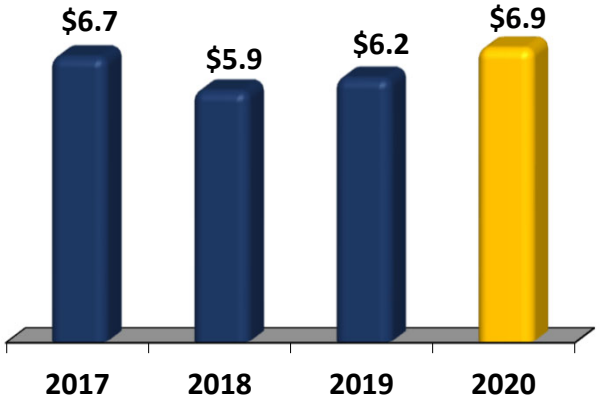


$ millions

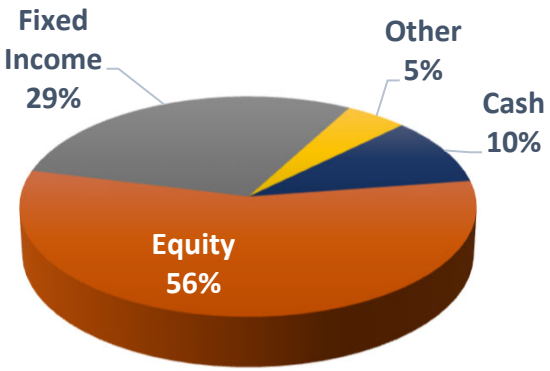
Wealth Management

- Key contributor to pre-tax income
- Average client size: $2.3 million
- 79% high net worth individuals
- Average fee: 57 basis points

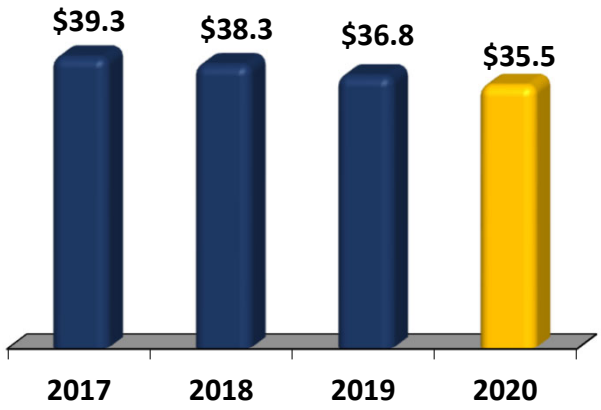
Assets Under Administration (AUA) *($ billions)*



Asset Mix



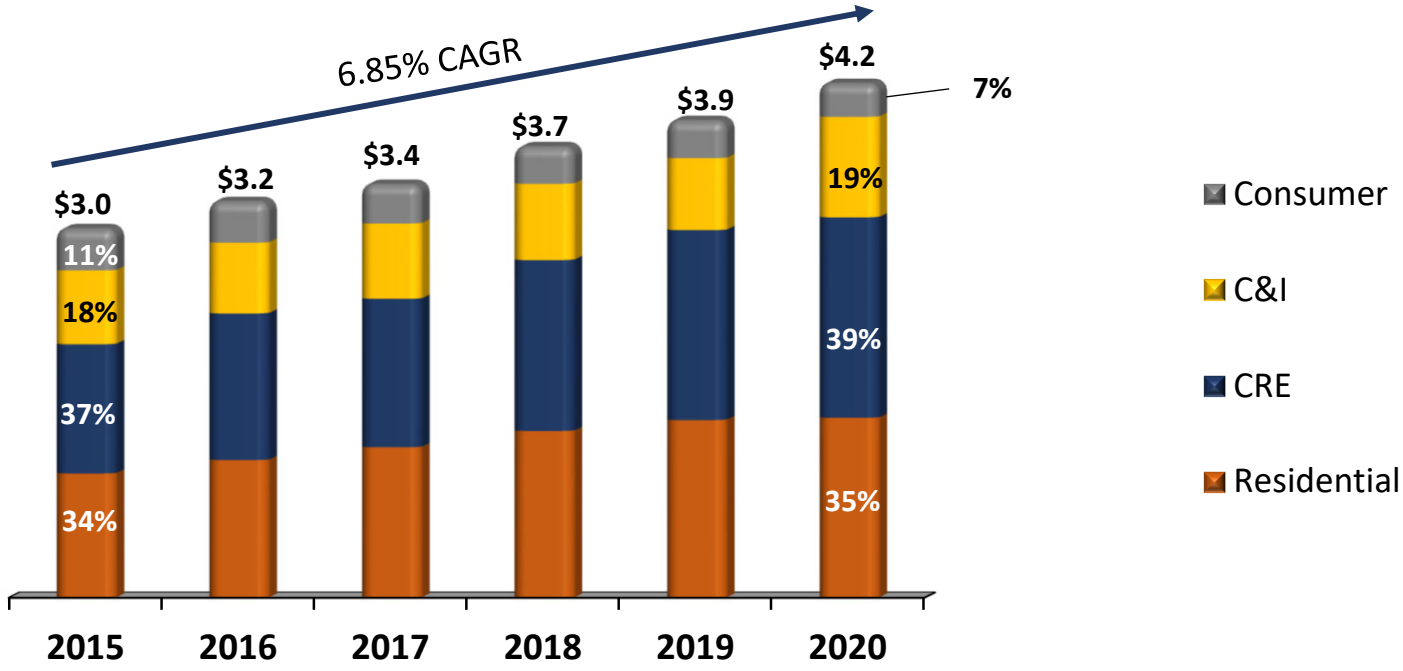
Revenues *($ millions)*



At December 31, 2020

Loan Portfolio

- Well-diversified portfolio
- 71% variable loans

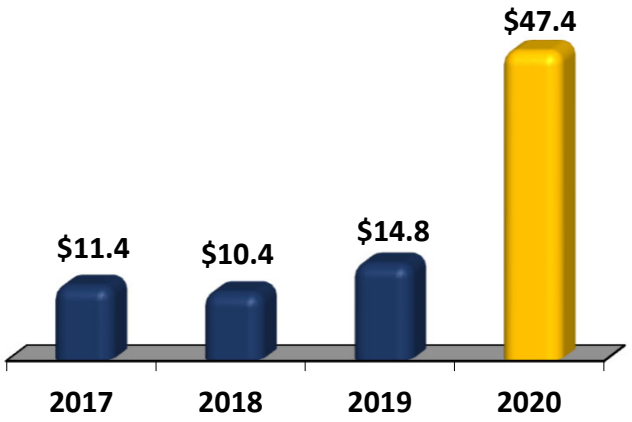


$ billions; at December 31st unless otherwise noted

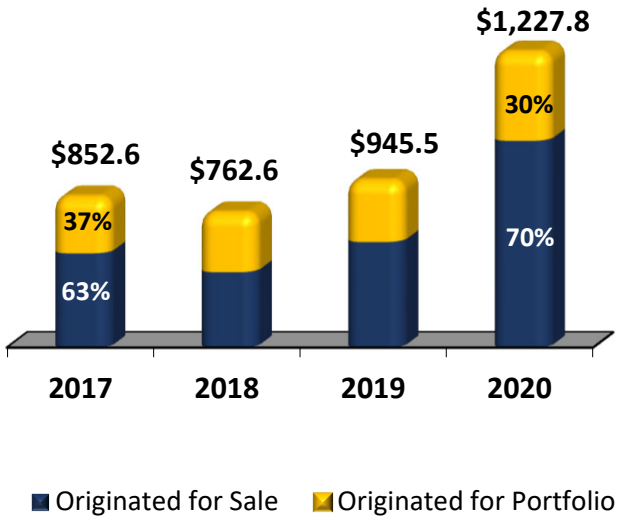
Mortgage Banking

- Expense base is largely variable with volumes
- Current pipeline is healthy

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

Mortgage Distribution

As % of Total

Loan Amount Range	CT	MA	RI	NH	Other	Total
< $250,000	2%	6%	6%	0%	0%	14%
> $250,000 up to $484,350	2%	15%	5%	0%	0%	23%
> $484,350 (Jumbo) up to 1M	3%	30%	8%	1%	0%	41%
> 1 Million	2%	16%	4%	0%	0%	22%
Total	8%	68%	23%	1%	0%	100%

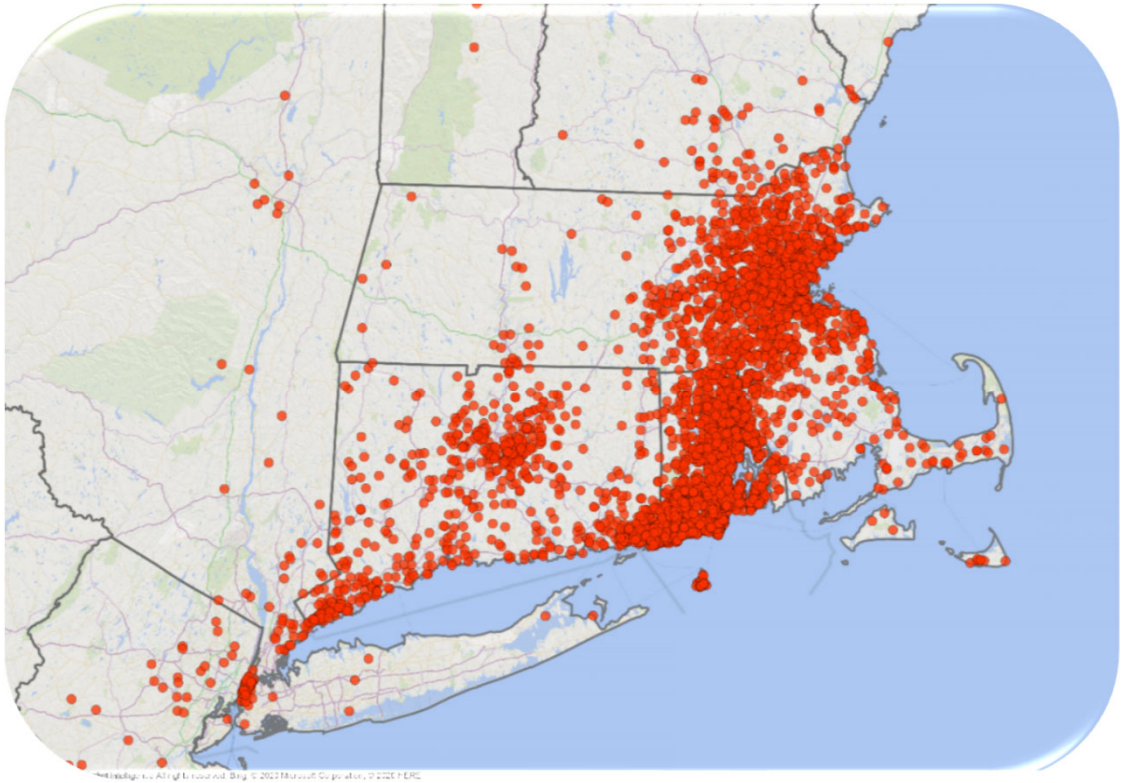
By State

Loan Amount Range	CT	MA	RI	NH	Other
< $250,000	23%	9%	26%	23%	31%
> $250,000 up to $484,350	25%	22%	23%	28%	69%
> $484,350 (Jumbo) up to 1M	30%	44%	33%	49%	0%
> 1 Million	21%	24%	17%	0%	0%
Grand Total	100%	100%	100%	100%	100%

Portfolio distribution as of December 31, 2020

Mortgage Concentration

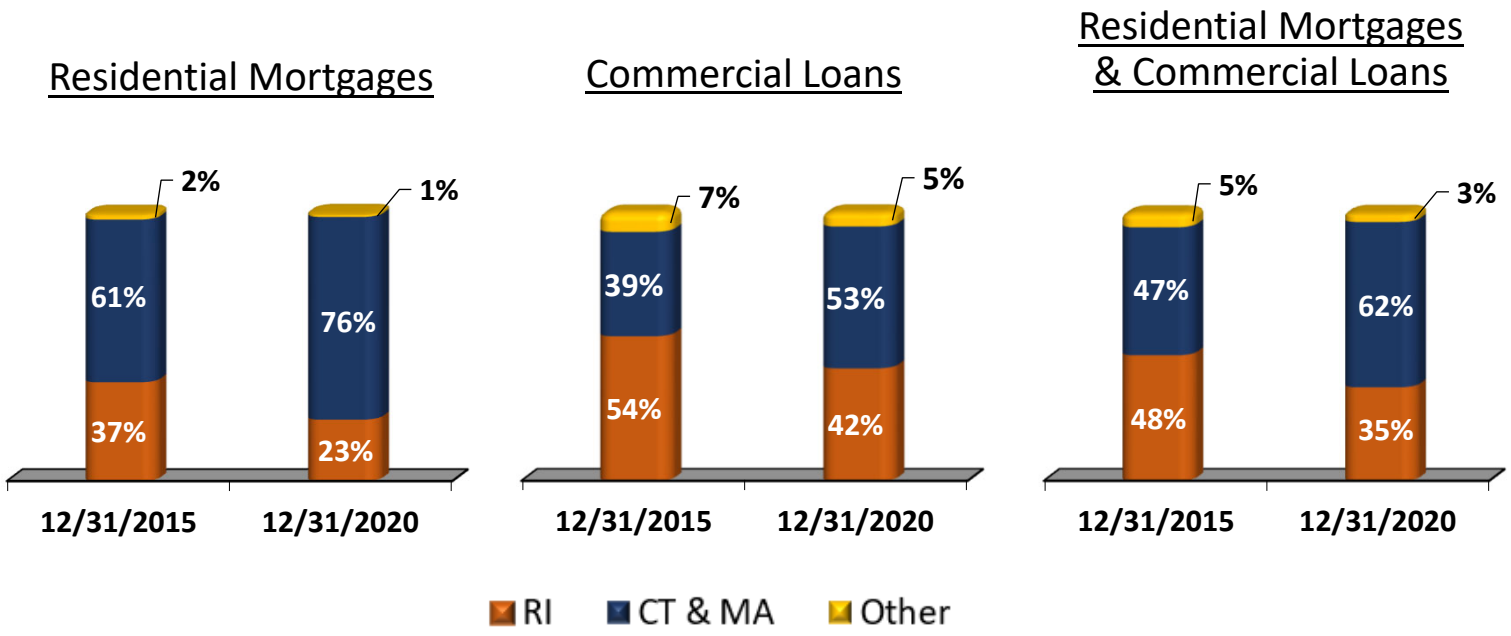
- Primarily in home territory
- 99% in RI, CT and MA



At December 31, 2020

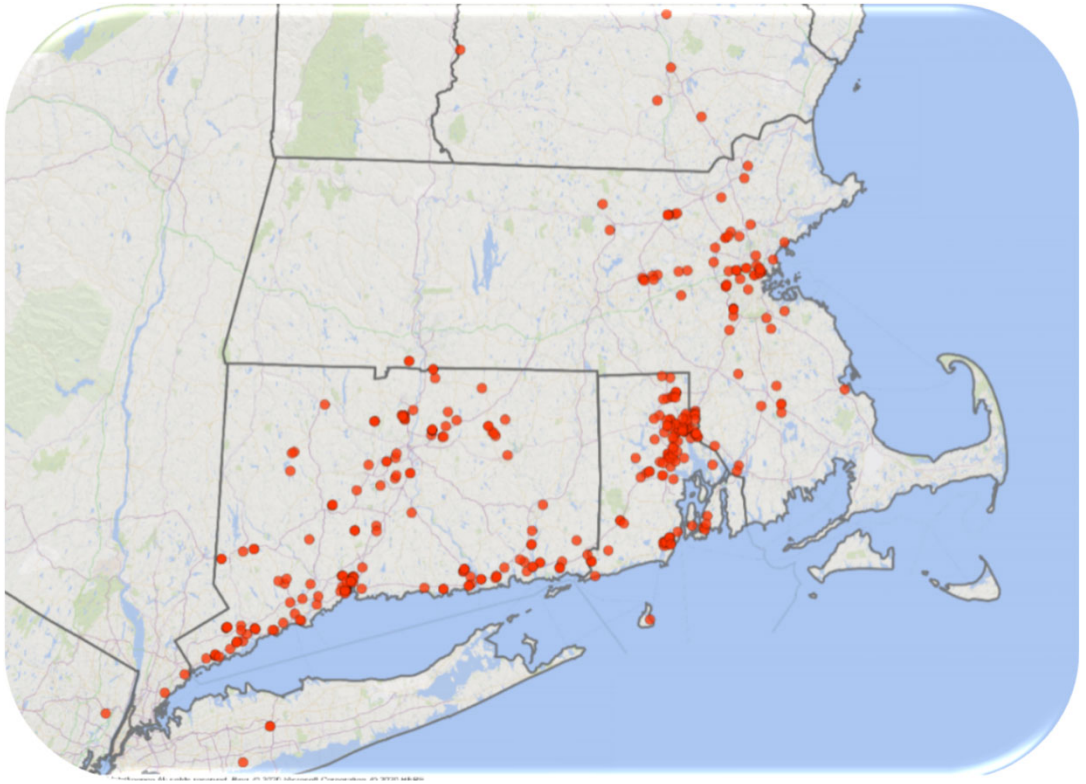
Regional Expansion

- Enhanced lending activity into adjacent New England states
- Reduced dependence on Rhode Island asset generation
- Greater presence in attractive markets



CRE Concentration

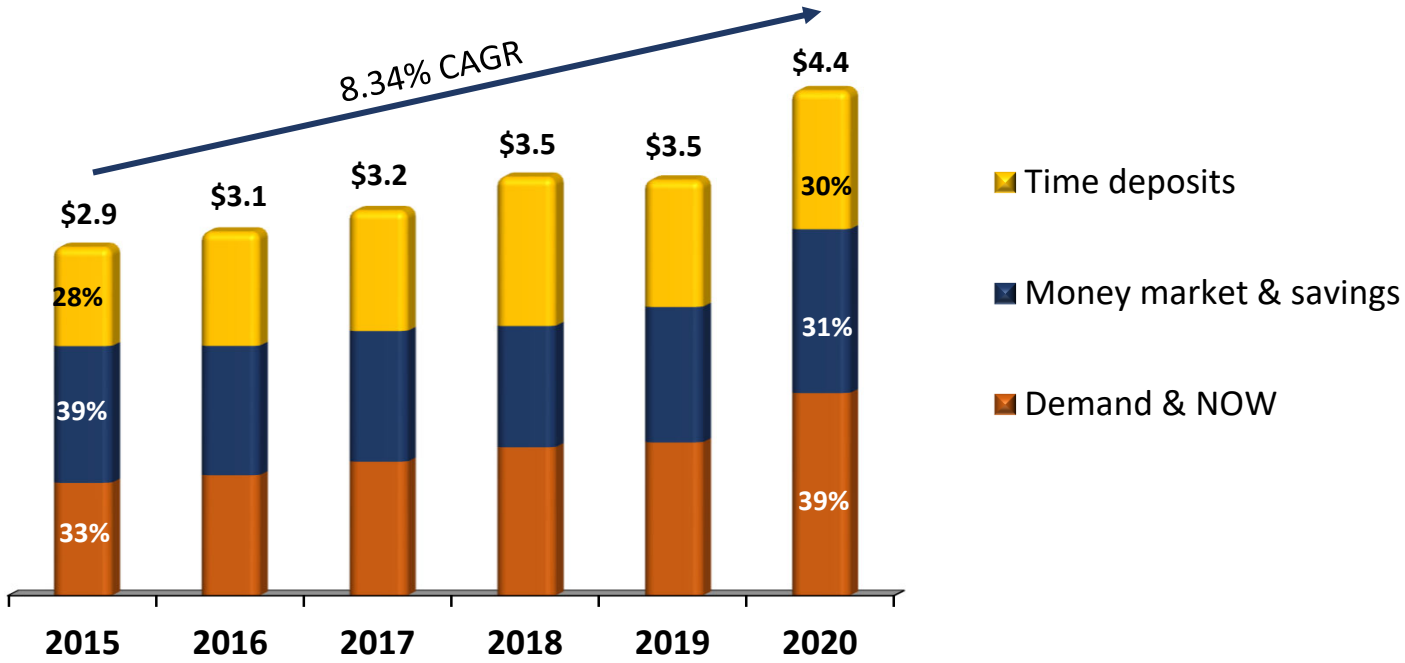
- Predominantly in RI, CT and MA
  - 40% in CT
  - 29% in MA
  - 26% in RI
- Concentration: ~307%



At December 31, 2020

Deposit Portfolio

- 37% of deposits are commercial-based
- 11% market share in RI; rank 3rd



$ billions; at December 31st unless otherwise noted

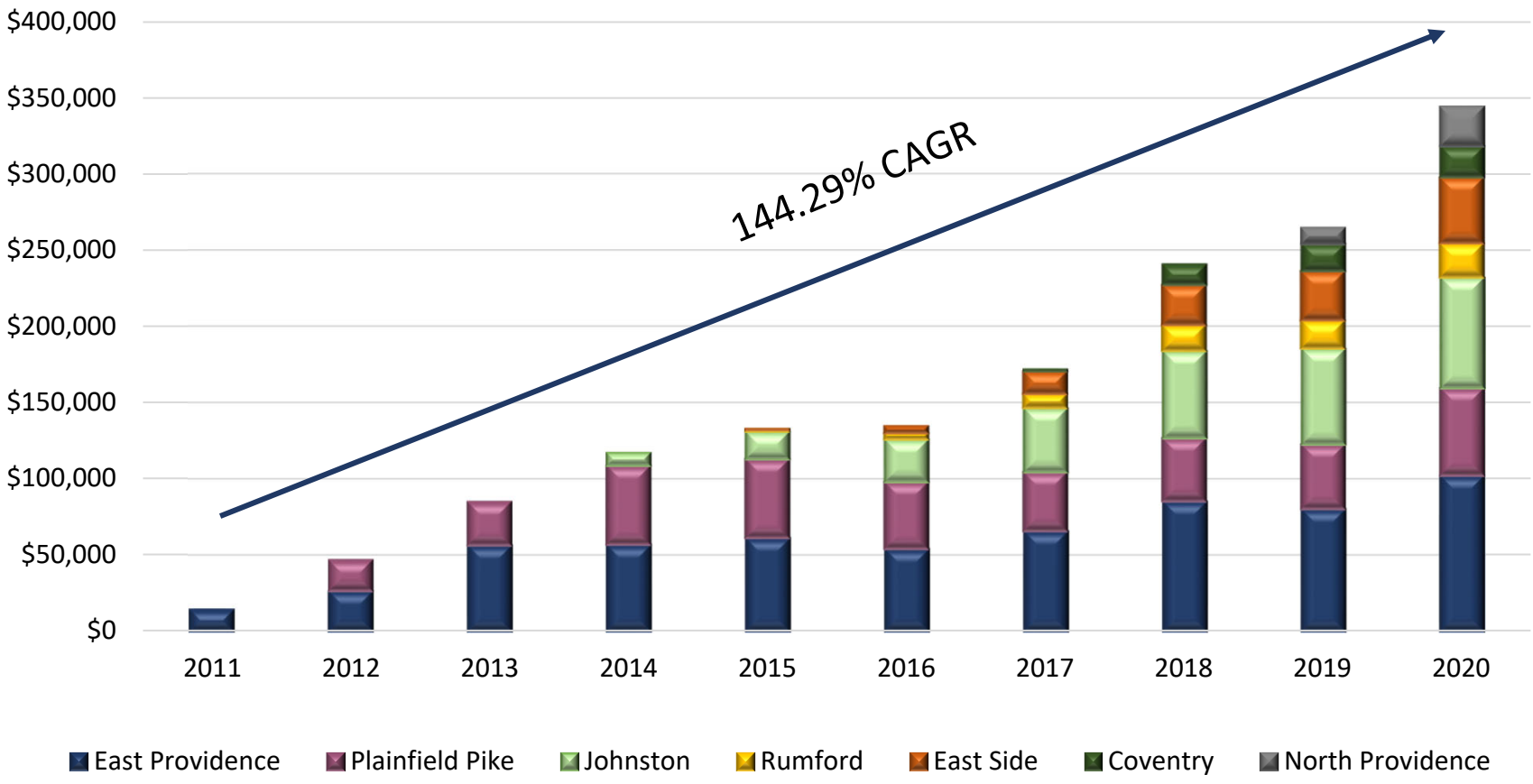
Deposit Market Share

- #1 State-chartered bank in RI
- $186 million average deposits per branch

Rank	Institution (ST)	Branch Count	Total Deposits in Market ($B)	Total Market Share
1	Citizens (RI)	**72**	**$14.1**	**38%**
2	Bank of America (NC)	**28**	**$8.6**	**23%**
3	**Washington Trust (RI)**	**22**	**$4.1**	**11%**
4	Santander	29	$2.6	7%
5	Bank Rhode Island (MA)	20	$2.3	6%
6	BankNewport (RI)	18	$1.6	4%
7	Centreville Bank (RI)	8	$1.0	3%
8	TD Bank	9	$.7	2%
9	HarborOne (MA)	11	$.6	2%
10	Webster Bank (CT)	9	$.5	1%
	Total For Institutions In Market	**247**	**$37.3**	

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, 2020; most recent data available

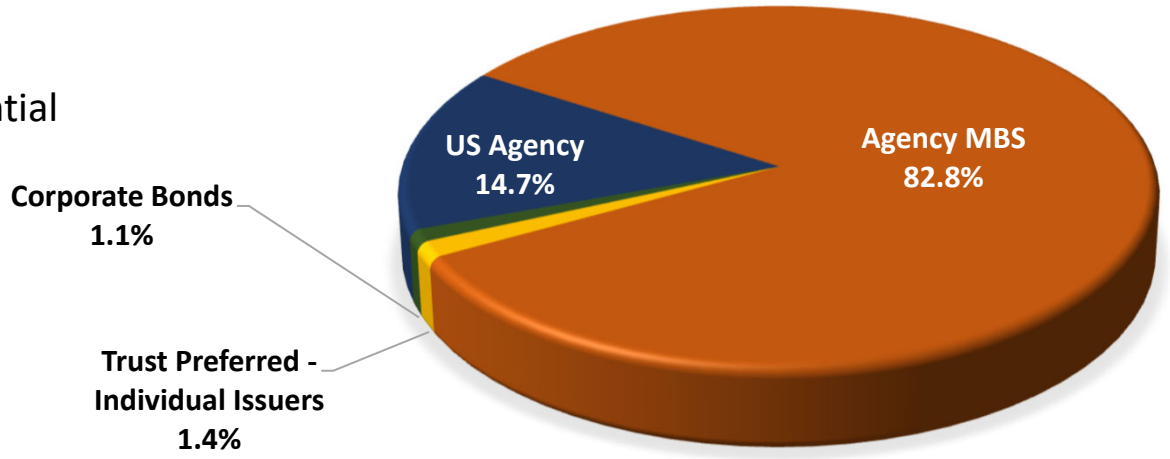
De Novo Branch Growth



Investment Securities

Largely Agency MBS

- Fair value: $894.6 million
- Amortized cost: $881.6 million
- Yield on securities: 1.73%
  (yield as of Q4-20)
- Duration of 1.90 years
- Limited extension potential



As of December 31, 2020
Excludes FHLB Boston capital stock

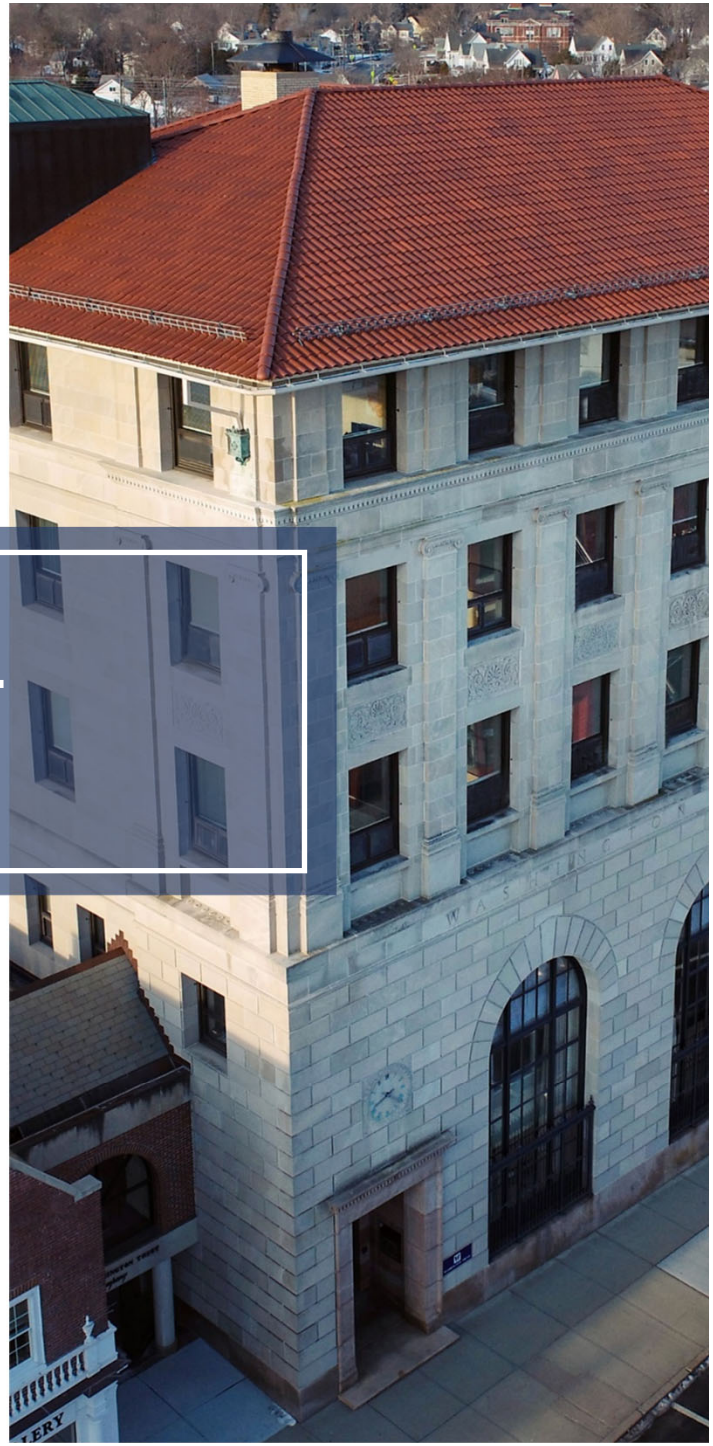
WHY WASHINGTON TRUST



Why Washington Trust

- Unique business model with diverse revenue streams
- Strong credit profile throughout all economic cycles
- Consistent top quartile returns and robust dividend payout
- Distinguished history with demonstrated track record
- Clear vision with proven growth strategy
- Committed to enhancing shareholder value

SUPPLEMENTAL INFORMATION



COVID 19 Operational Update

Employees

- Approximately 91% of non-retail employees are working from home
- Provided special compensation to branch staff and onsite employees
- Increased cleaning and protective precautions including providing protective masks, installed protective shielding in branches and set occupancy restrictions
- Suspended non-essential business travel
- Leveraged employee wellness networks to maintain culture, morale and productivity

Customers

- Branch lobbies open to foot traffic with new safety measures in place
- Communicated availability of alternative delivery channels, including digital and telephone banking services, for added convenience
- Provided a secure online portal to simplify the PPP forgiveness application process for borrowers

Communities

- Maintain regular communications with State and local government leaders, health officials, and the community.
- Made a financial contribution to the United Way of Rhode Island's COVID-19 Response Fund and increased donations to food pantries
- Awarded grants to minority and women-owned small businesses to purchase PPE equipment
- Donated $50,000 to local organizations that provide transitional housing and shelter the homeless

Income Statement

$s in thousands	For the Year Ended Dec 31, 2020	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016
Interest and dividend income	$ 169,936	$ 197,663	$ 176,407	$ 149,586	$ 133,470
Interest expense	42,492	64,249	44,117	30,055	22,992
Net interest income	127,444	133,414	132,290	119,531	110,478
Provision for loan losses	12,342	1,575	1,550	2,600	5,650
Net interest income after provision for loan losses	115,102	131,839	130,740	116,931	104,828
Noninterest income:					
Net other than temporary impairment losses on securities	-	-	-	-	-
Other noninterest income	99,442	67,080	62,114	64,809	65,129
Total noninterest income	99,442	67,080	62,114	64,809	65,129
Noninterest expense	125,384	110,740	106,162	104,100	101,103
Income before income taxes	89,160	88,179	86,692	77,640	68,854
Income tax expense	19,331	19,061	18,260	31,715	22,373
Net income	$ 69,829	$ 69,118	$ 68,432	$ 45,925	$ 46,481

Balance Sheet

$s in thousands	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016
Assets:					
Cash and cash equivalents	$ 202,268	$ 138,455	$ 93,475	$ 82,923	$ 107,797
Mortgage loans held for sale	61,614	27,833	20,996	26,943	29,434
Total securities	894,571	899,490	938,225	793,495	755,545
FHLB stock	30,285	50,853	46,068	40,517	43,129
Total loans	4,195,990	3,892,999	3,680,360	3,374,071	3,234,371
Less allowance for loan losses	44,106	27,014	27,072	26,488	26,004
Net loans	4,151,884	3,865,985	3,653,288	3,347,583	3,208,367
Investment in bank-owned life insurance	84,193	82,490	80,463	73,267	71,105
Goodwill and identifiable intangible assets	70,214	71,127	72,071	73,049	74,234
Other assets	218,140	156,426	106,180	92,073	91,504
Total assets	$ 5,713,169	$ 5,292,659	$ 5,010,766	$ 4,529,850	$ 4,381,115
Liabilities:					
Total deposits	$ 4,378,353	$ 3,498,882	$ 3,524,048	$ 3,242,707	$ 3,063,752
FHLB advances	593,859	1,141,464	950,722	791,356	848,930
Junior subordinated debentures	22,681	22,681	22,681	22,681	22,681
Other liabilities	184,081	126,140	65,131	59,822	54,948
Total shareholders' equity	534,195	503,492	448,184	413,284	390,804
Total liabilities and shareholders' equity	$ 5,713,169	$ 5,292,659	$ 5,010,766	$ 4,529,850	$ 4,381,115

Non-GAAP Financial Measures

$s in thousands, except per share amounts	Dec 30, 2020	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017
Calculation of tangible book value per share				
Total shareholders' equity at end of period	$534,195	$503,492	$448,184	$413,284
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	6,305	7,218	8,162	9,140
Total tangible shareholders' equity at end of period	$463,981	$432,365	$376,113	$340,235
Shares outstanding at end of period	17,265	17,363	17,302	17,227
Book value per share – GAAP	$30.94	$29.00	$25.90	$23.99
Tangible book value per share – Non-GAAP	$26.87	$24.90	$21.74	$19.75
Calculation of tangible equity to tangible assets				
Total tangible shareholders' equity at end of period	$463,981	$432,365	$376,113	$340,235
Total assets at end of period	$5,713,169	$5,292,659	$5,010,766	$4,529,850
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	6,305	7,218	8,162	9,140
Total tangible assets at end of period	$5,642,955	$5,221,532	$4,938,695	$4,456,801
Equity to assets - GAAP	9.35%	9.51%	8.94%	9.12%
Tangible equity to tangible assets – Non-GAAP	8.22%	8.28%	7.62%	7.63%

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.