Piper Sandler East Coast Financial Services Conference

November 11, 2021



WASHINGTON TRUST BANCORP, INC.

Table of Contents

	Page
Executive Team	3
Who We Are	4
Strategic Priorities	8
Earnings Capacity	15
Credit Quality	20
Capital Management	27
Financial Highlights	34
Why Washington Trust	49
Supplemental Information	51

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

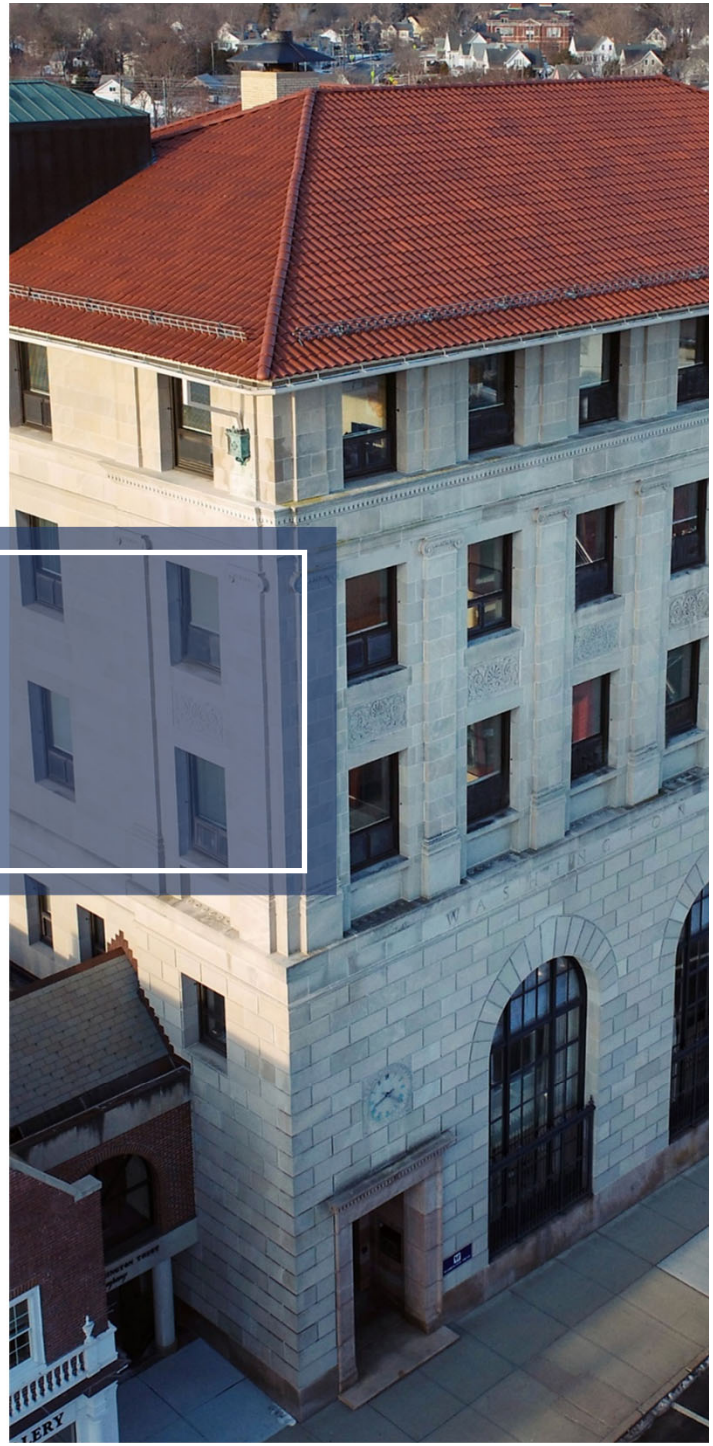
Mark Gim
President and Chief Operating Officer

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
  - $6.0 B assets
  - $4.3 B loans
  - $5.1 B deposits
- Diversified financial services company
- Premier regional wealth management firm
  - $7.4 B assets under administration
- Market capitalization: $975 M



At November 4, 2021

Prestigious Recognition

Named one of the nation's Best Banks to Work For by American Banker® magazine for the 2nd consecutive year.

Named by Forbes as one of the Best In-State Banks in Rhode Island for the 2nd consecutive year

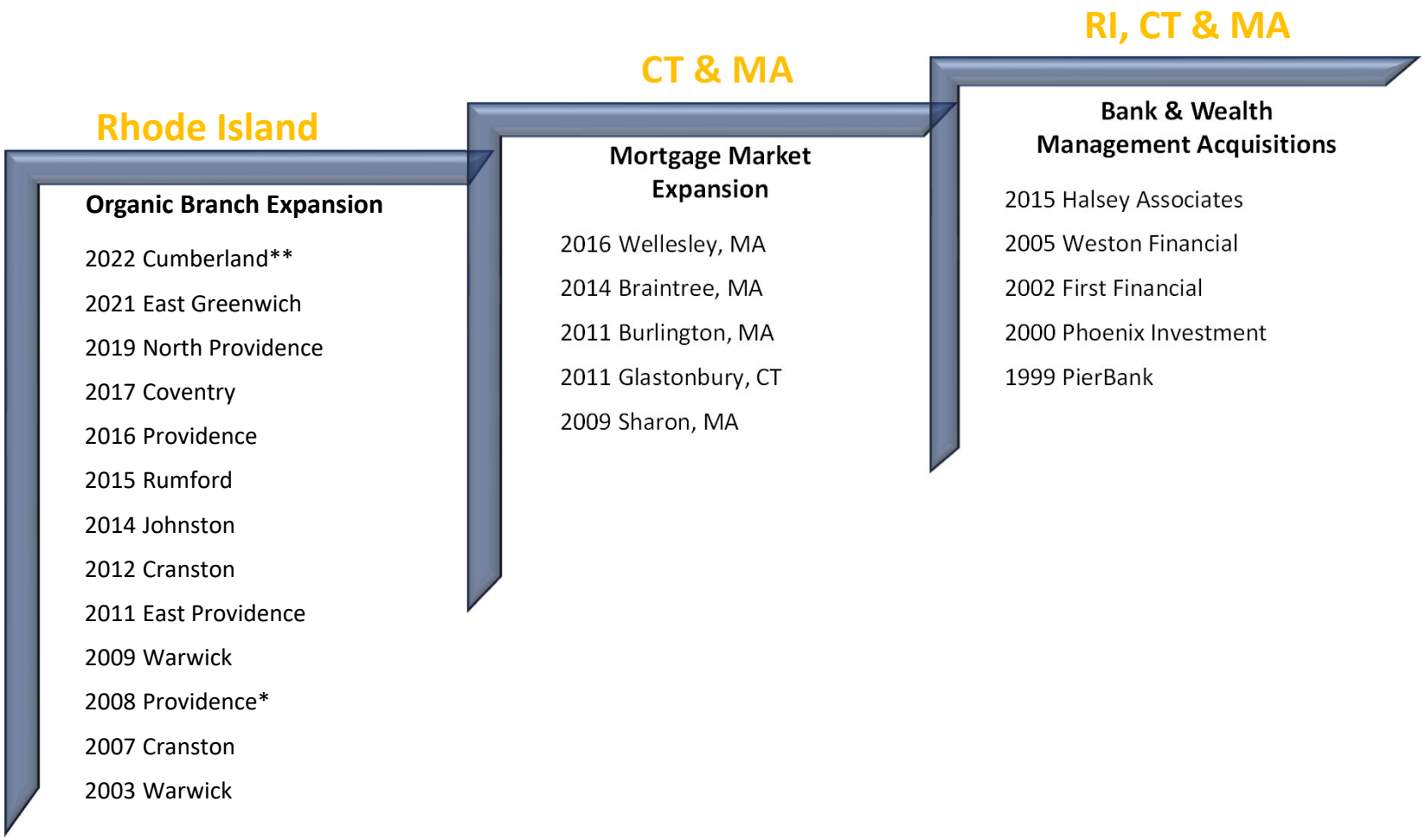
Named as one of the Healthiest Employers in Rhode Island



Named by Newsweek as Best Small Bank in Rhode Island

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

Proven Growth Model



- Moved from 180 Washington Street, Providence

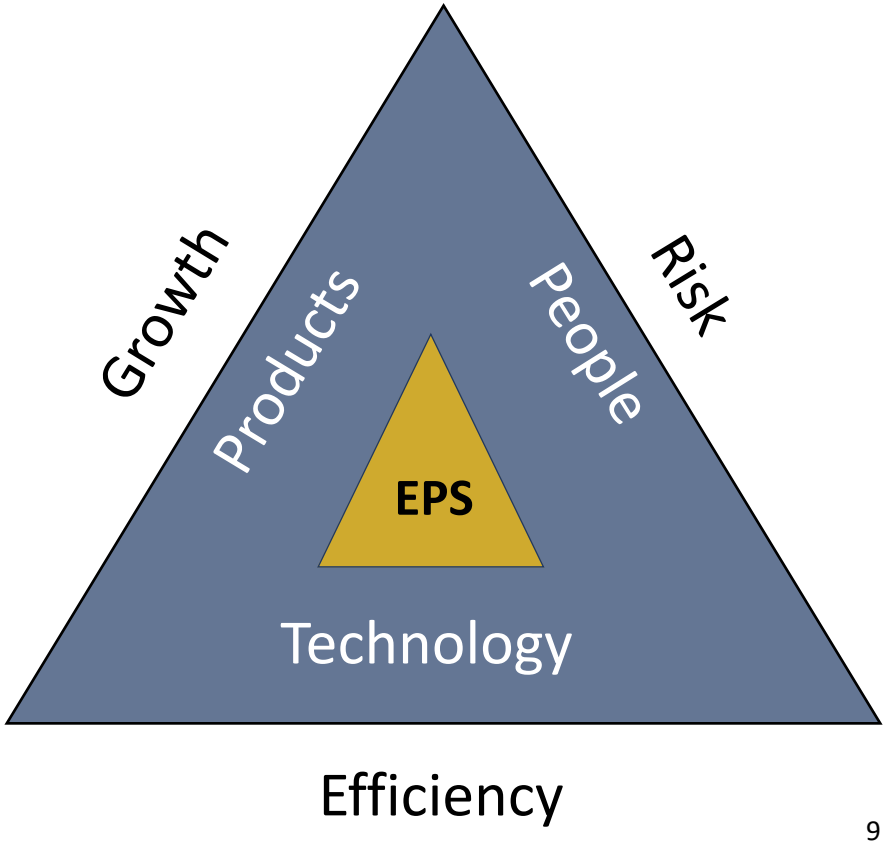
** Announced new branch to open Q2 2022

STRATEGIC PRIORITIES



Achieve Shareholder Value

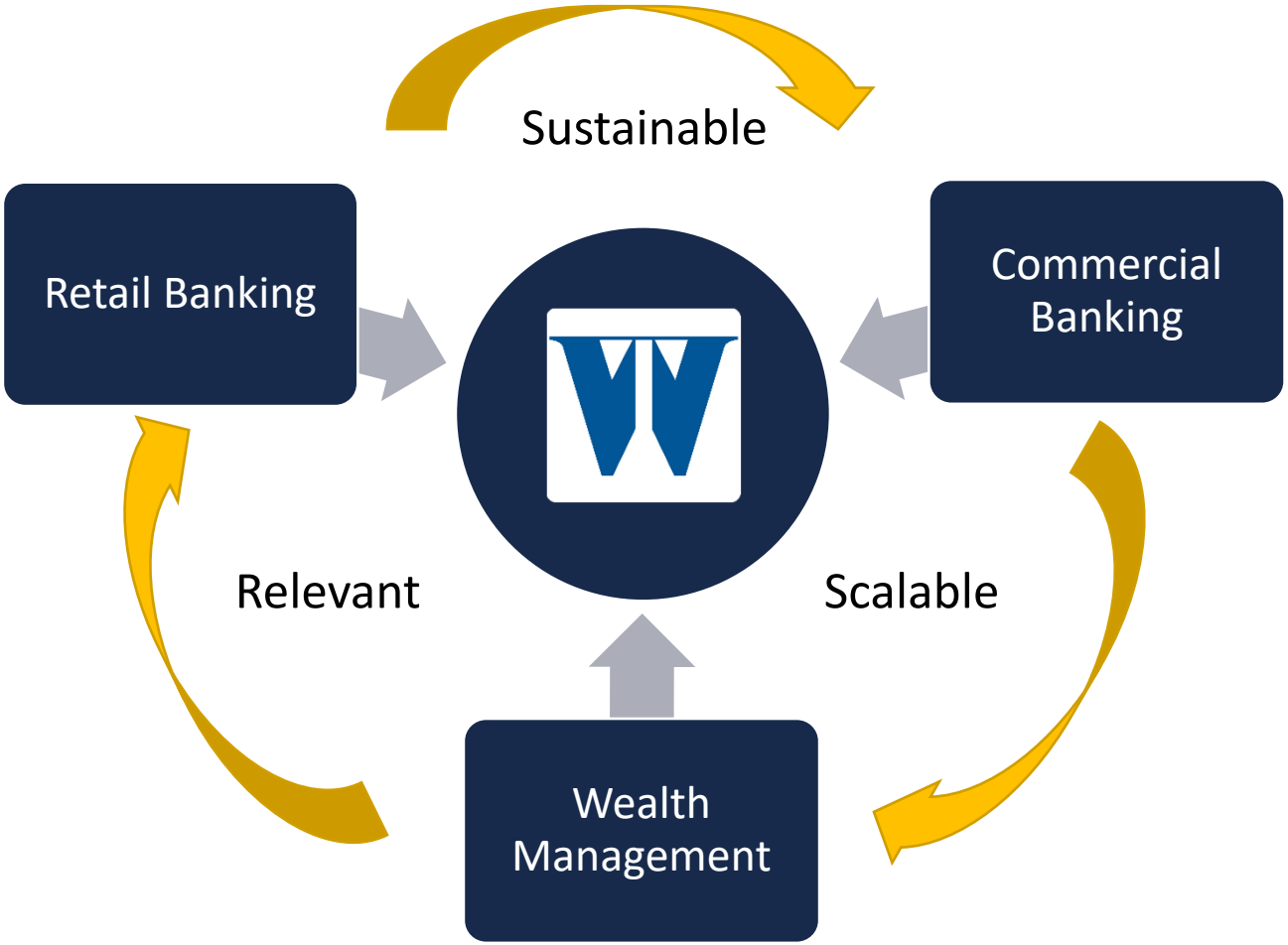
- Sustain top-quartile performance
  - ROA: 1.30%
  - ROE: 13.93%
  - ROTCE: 15.98%
  - Efficiency ratio: 58.7%
- Emphasize pristine asset quality
- Maintain consistent profitability



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



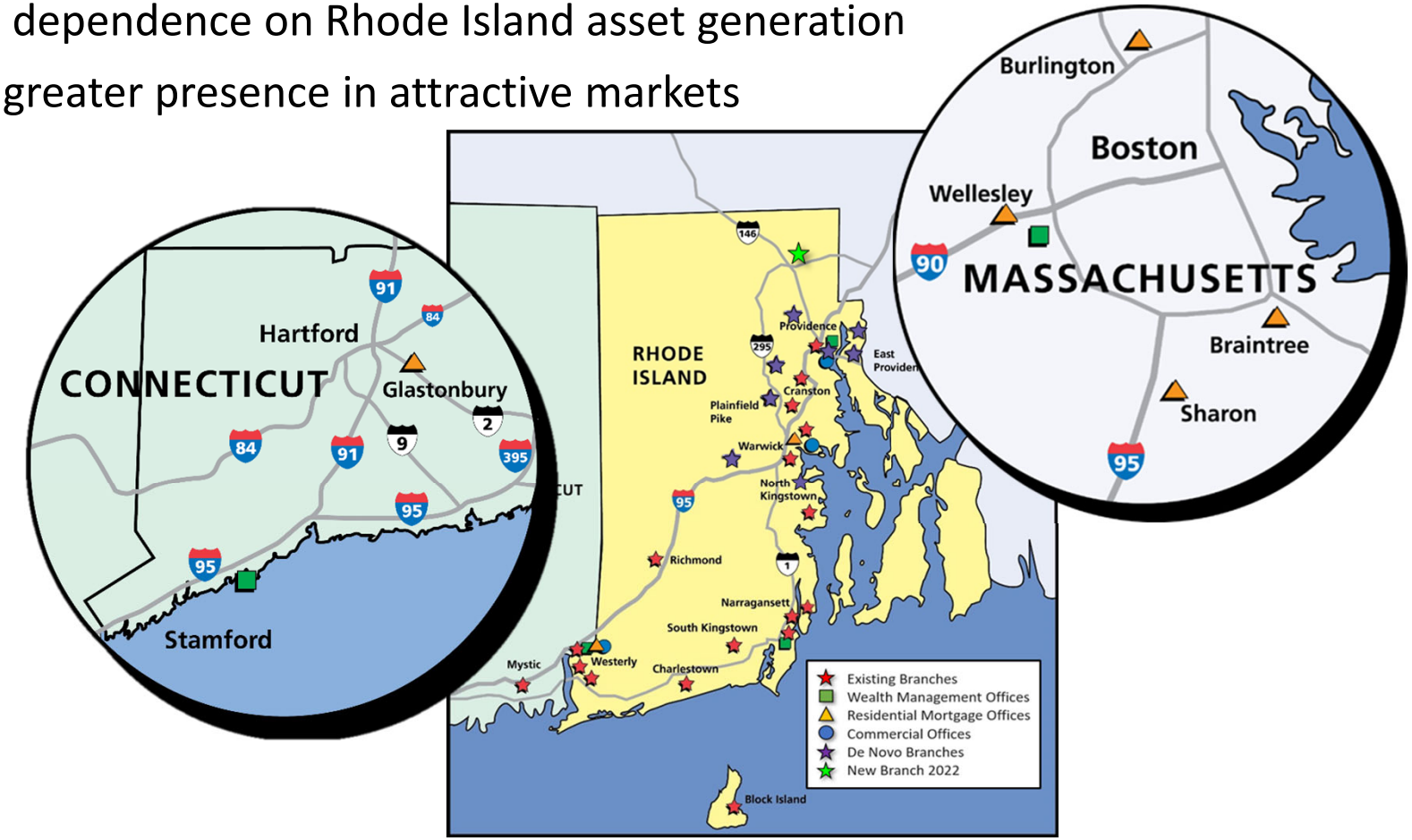
Exploit Opportunities in Core Market

- Expand into new markets
- 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

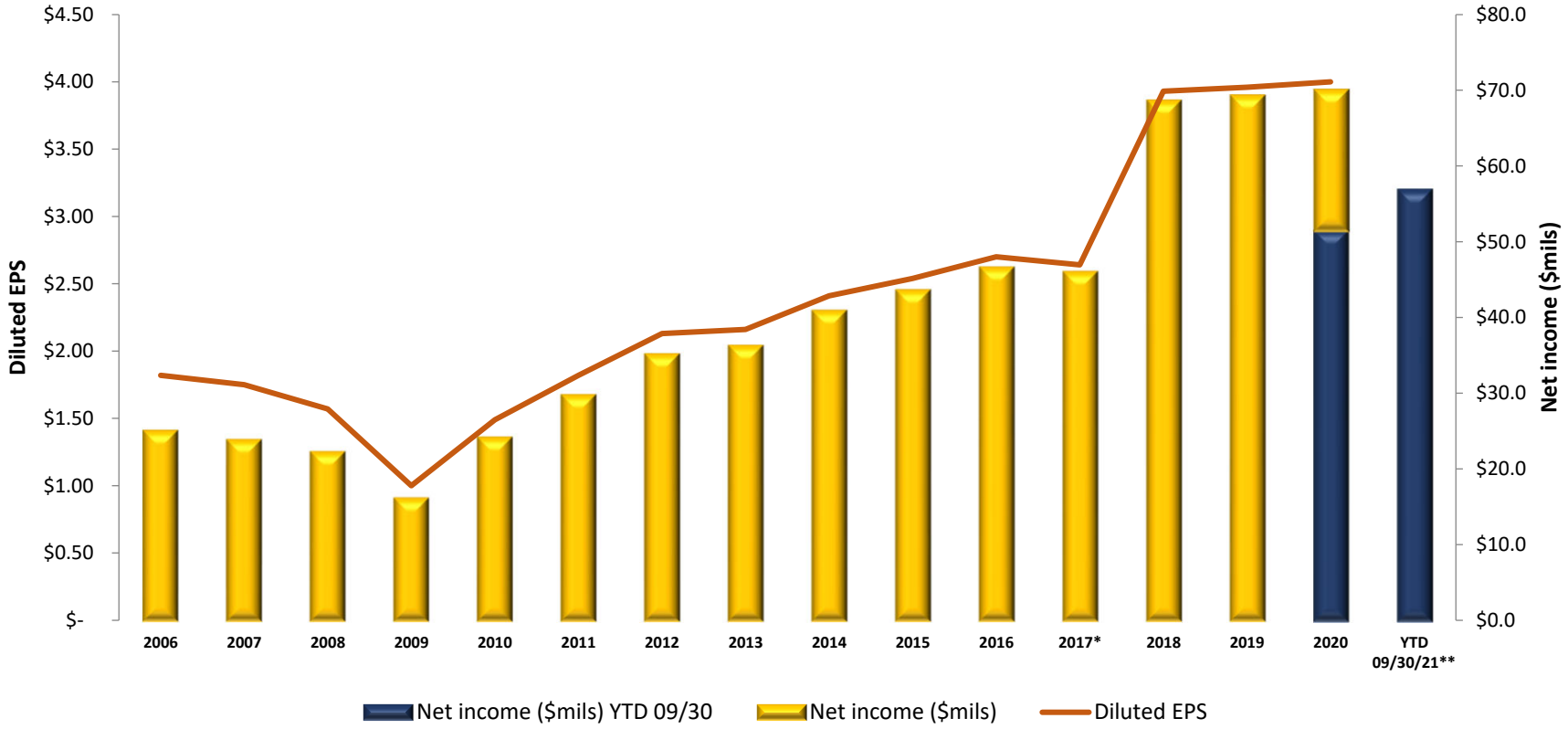
- Balance “high touch” personal service with “high tech” digital solutions
- Ensure positive client experiences across and between all channels
- Deepen client relationships by understanding the entire customer journey
- Optimize branch delivery
- Invest in key technology

EARNINGS CAPACITY



Profitability Trend

Proven track record of earnings growth



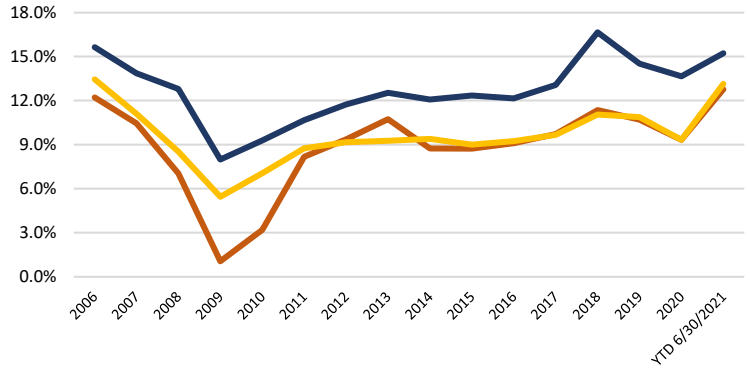
At December 31st unless otherwise noted

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

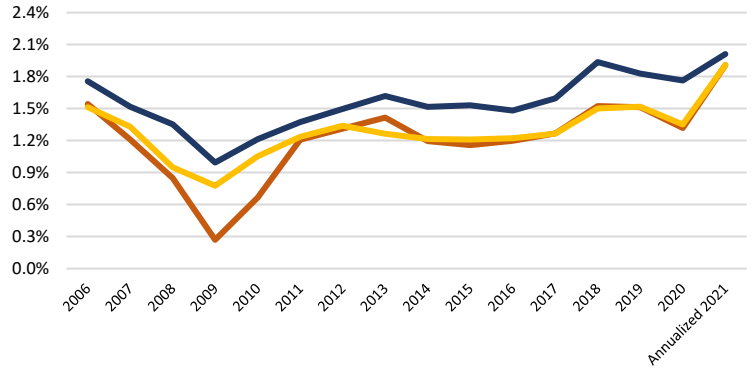
** Includes $3.4 million after tax net non-operating expense (FHLB prepayment fees)

Profitability Metrics

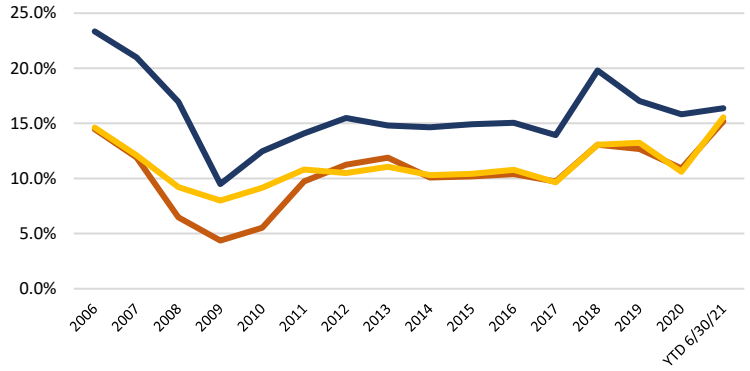
Core ROE (1)



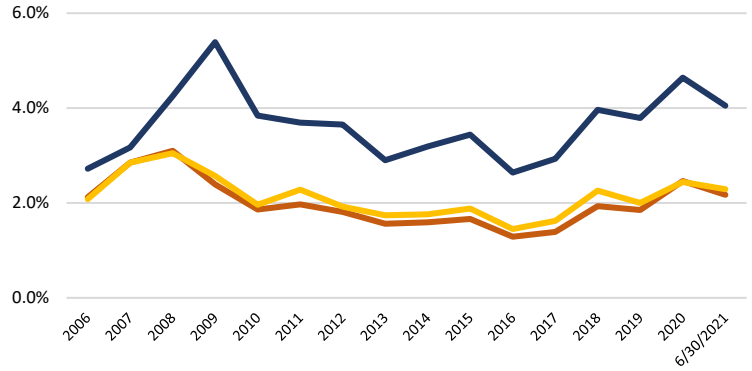
Risk-Weighted Core ROA (1)



ROATCE



Dividend Yield



WASH Average peer Median peer

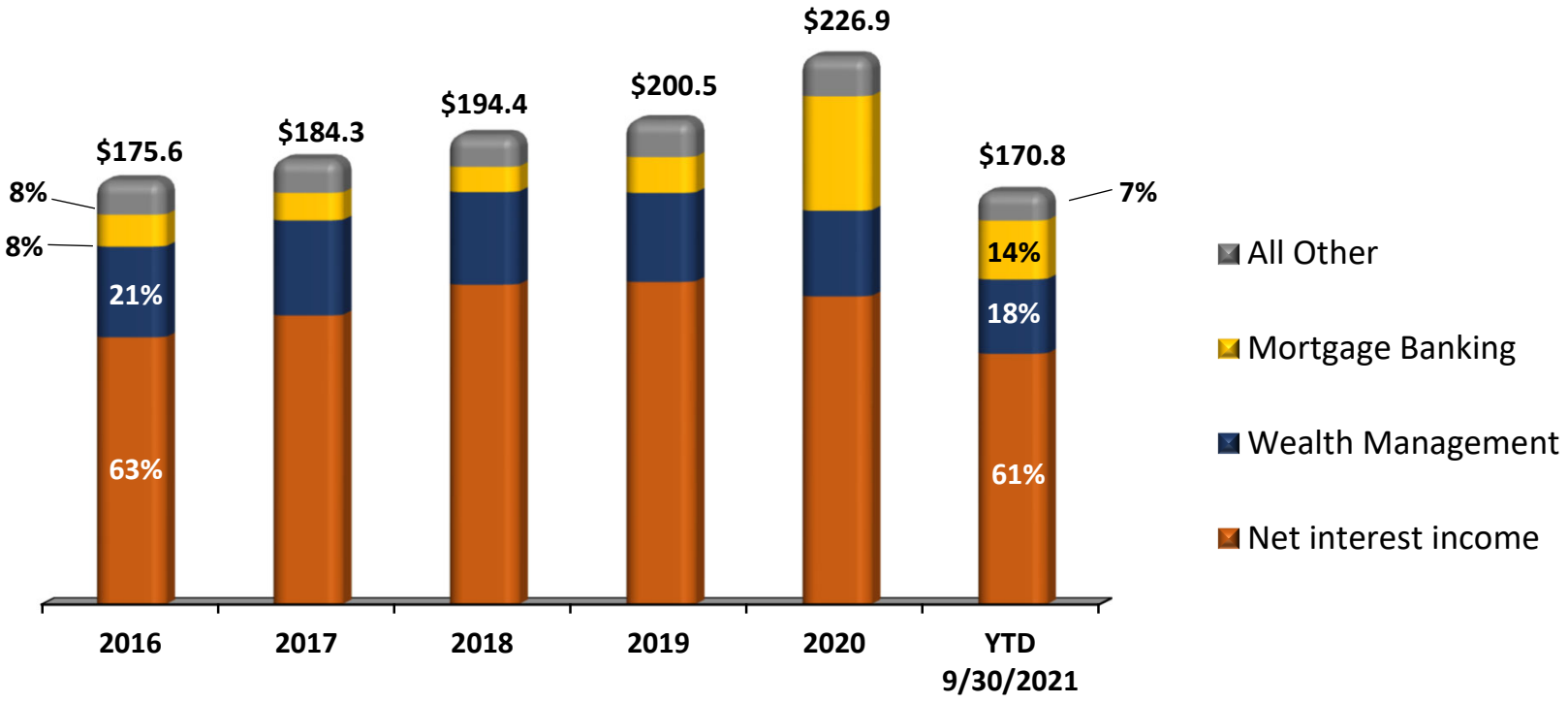
Most recent complete peer data as of 6/30/21

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

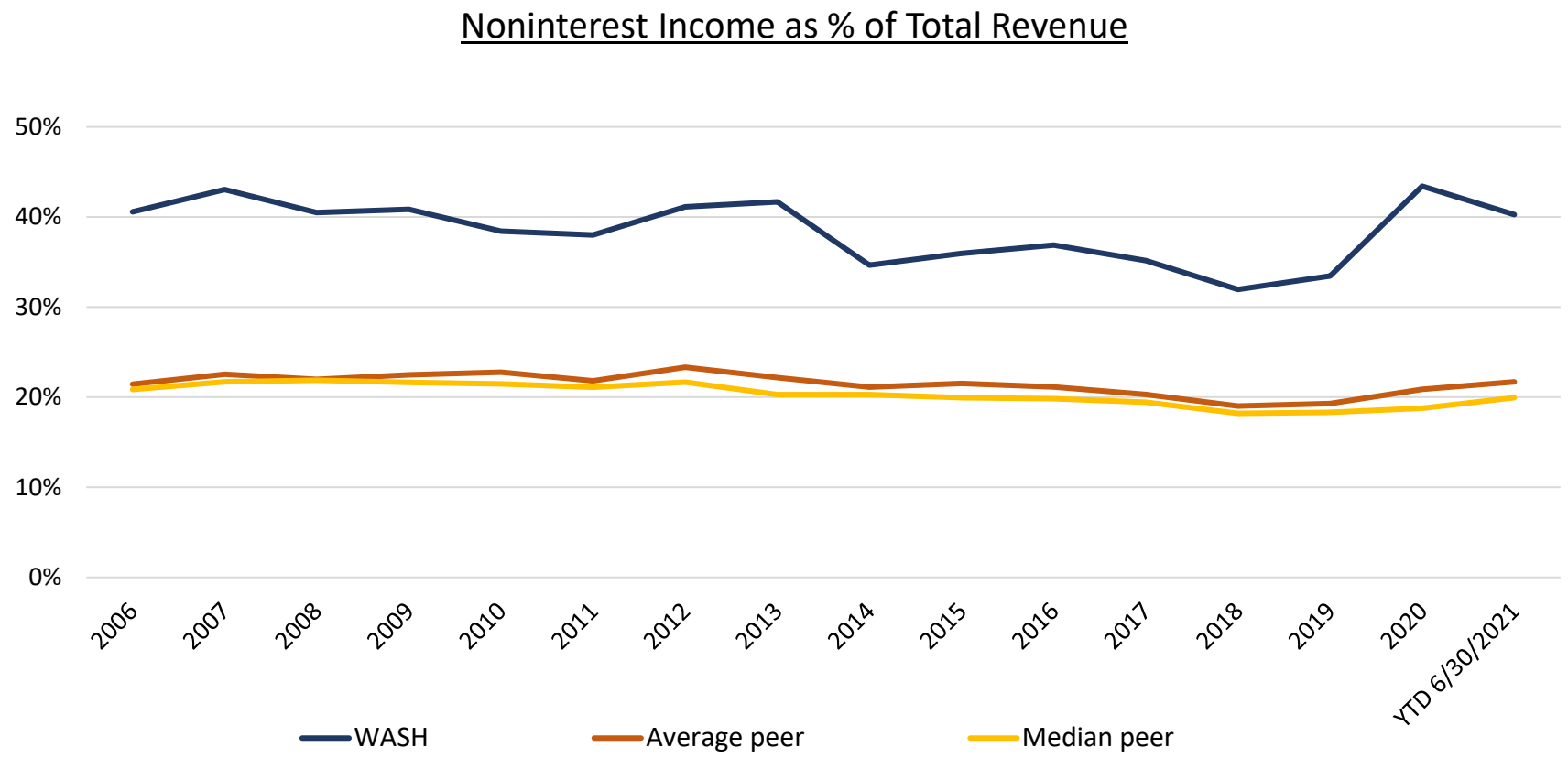
Contributions from all major business lines



$ millions

Noninterest Income Trend

Better than 95% of peer group (1)



Most recent complete peer data as of 6/30/21

(1) Percentile ranking for the twelve months ended December 31, 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

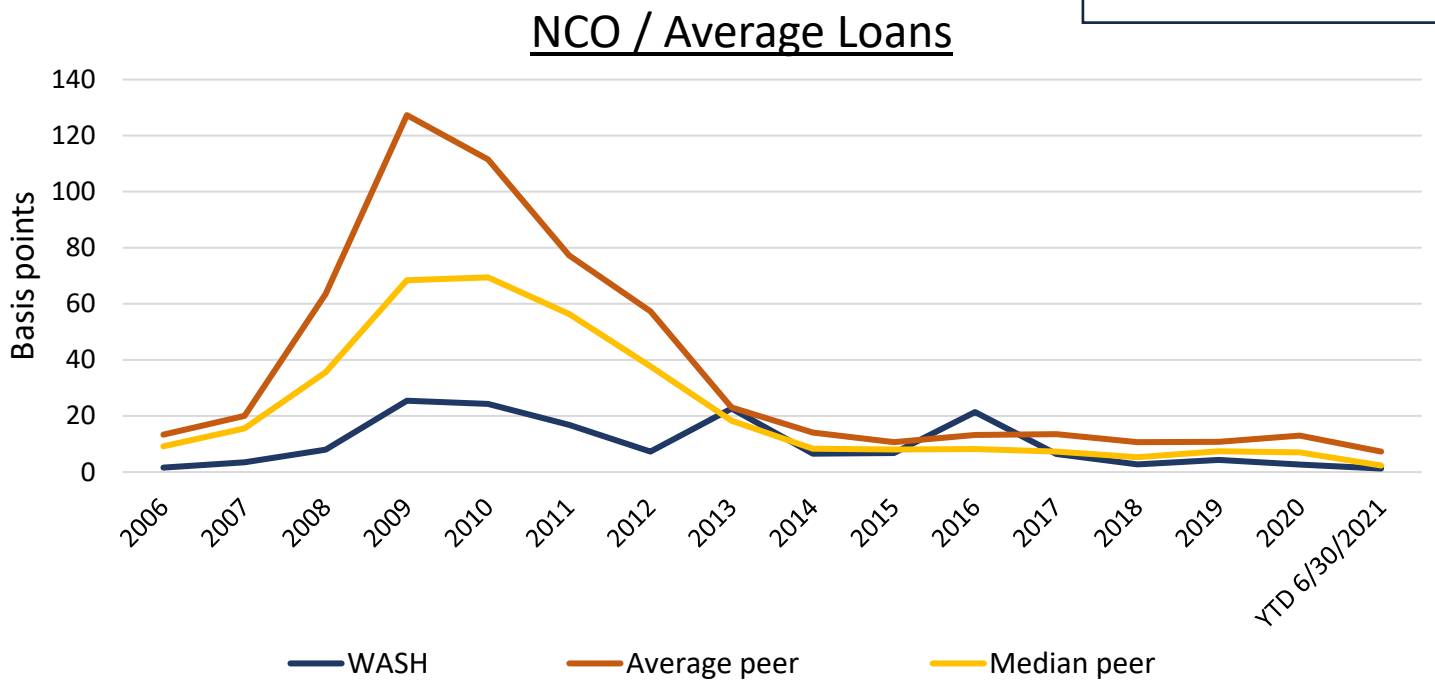
CREDIT QUALITY



Asset Quality

Historical differentiator

Cumulative losses 2006-2021 (bps)	
WASH	162
Average peer	587
Median peer	365

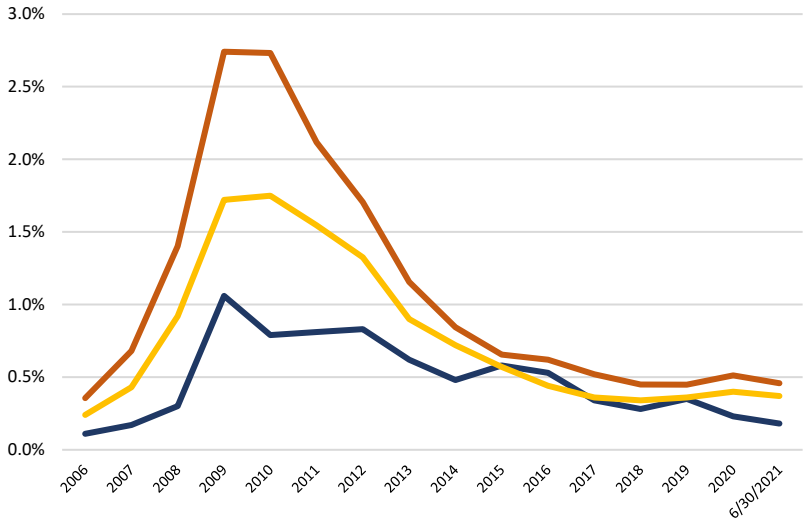


Most recent complete peer data as of 6/30/21
Percentile ranking for the year ended December 31st unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

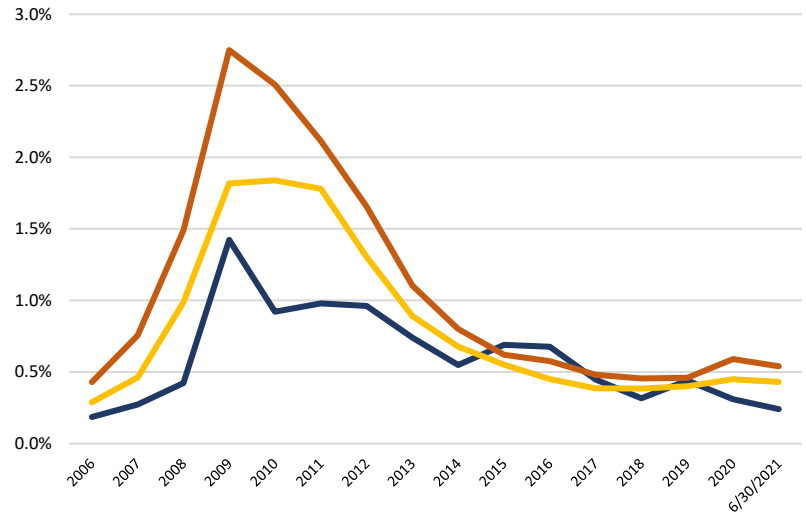
Credit Quality

Consistently low loss experience

Nonperforming Assets / Total Assets



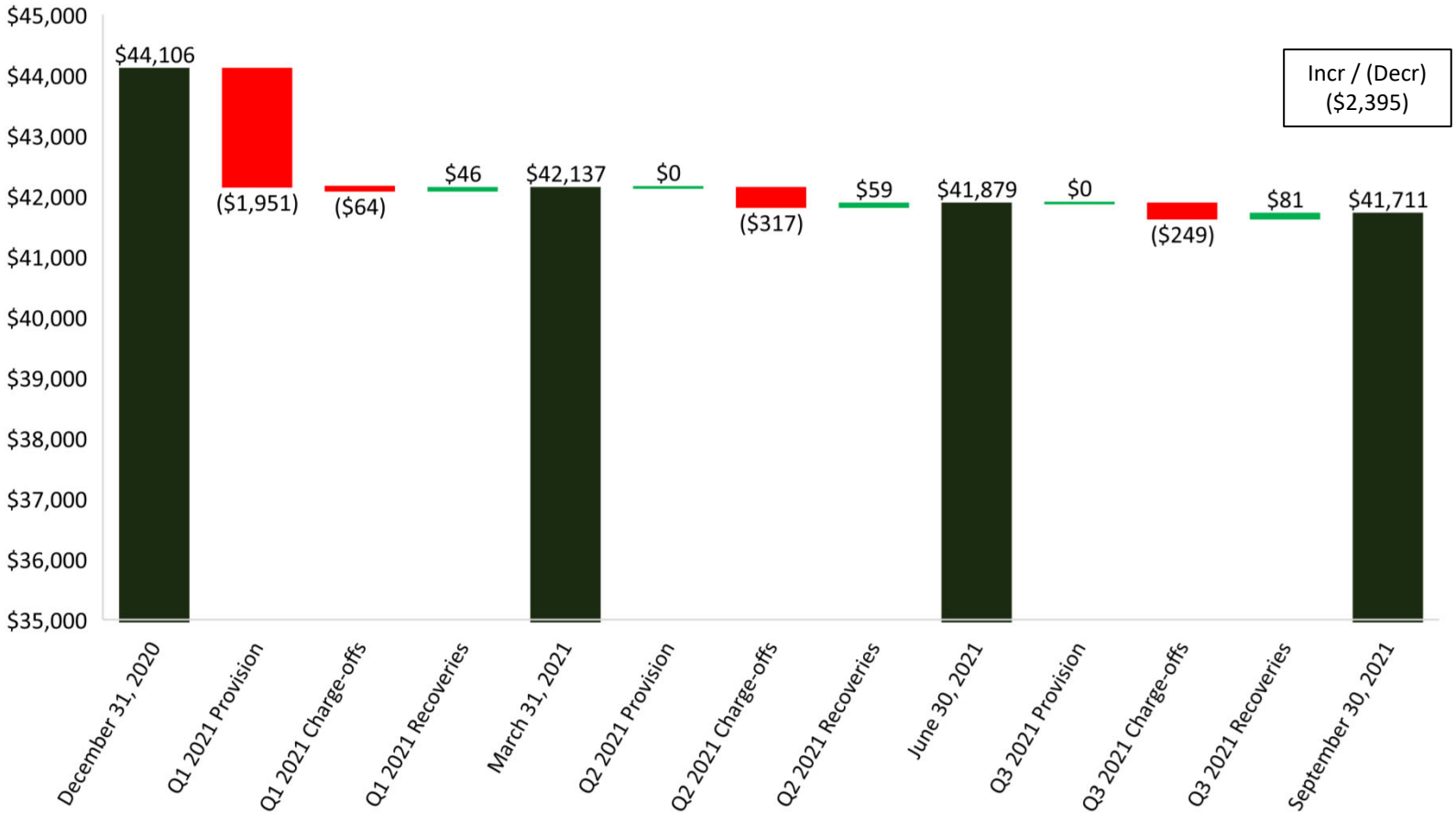
Non-accrual Loans / Total Loans



WASH Average peer Median peer

Most recent complete peer data as of 6/30/21
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



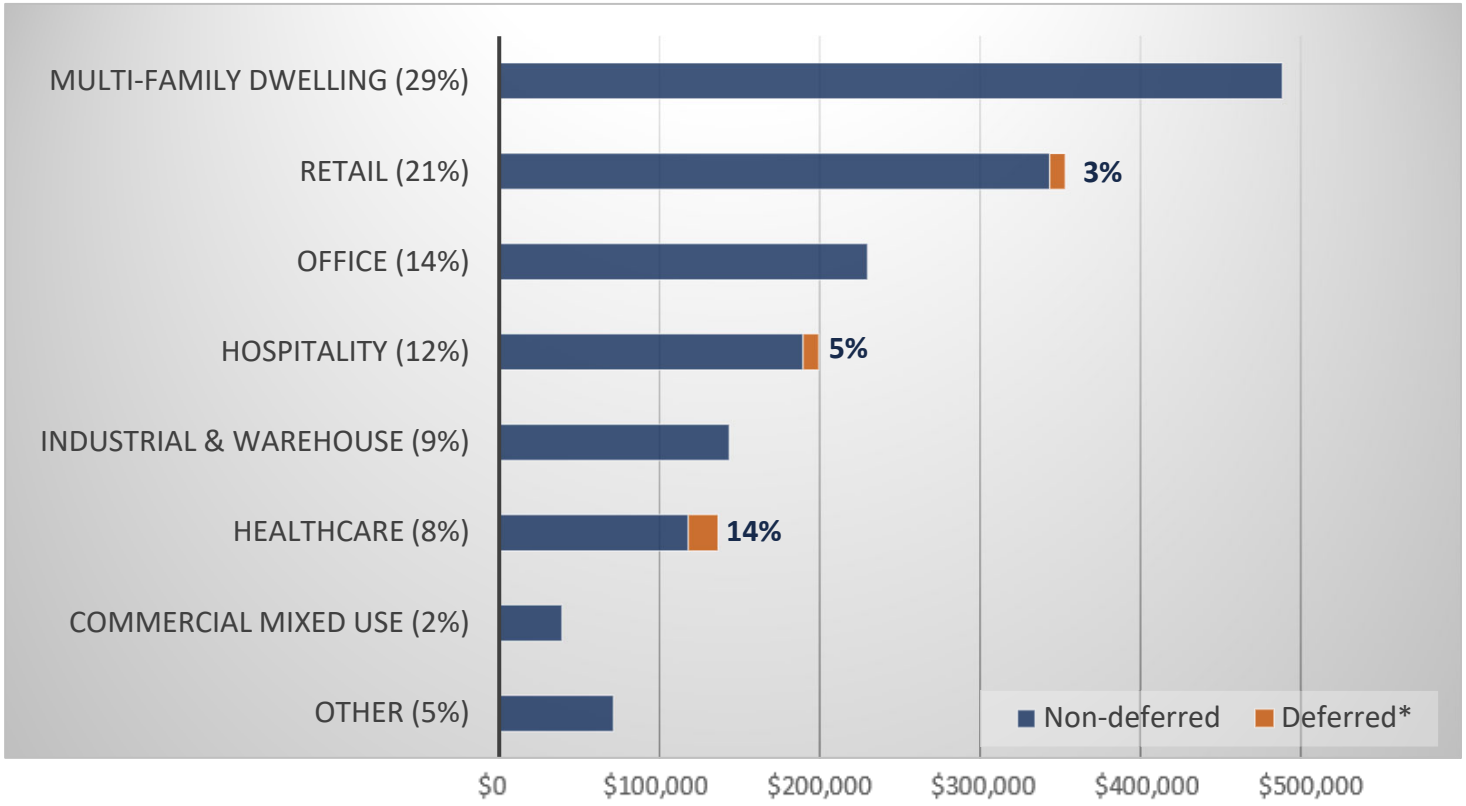
$ thousands

Commercial Real Estate Lending

Portfolio Overview as of September 30, 2021 (outstandings) and September 30, 2021 (deferments)

- Total portfolio: $1.7 billion; $38.0 million (2%) deferred

% of CRE Portfolio by Segment as of 9/30/21



* Executed deferments as of 9/30/21 as a percentage of 9/30/21 outstanding balances.

Commercial & Industrial (C&I)

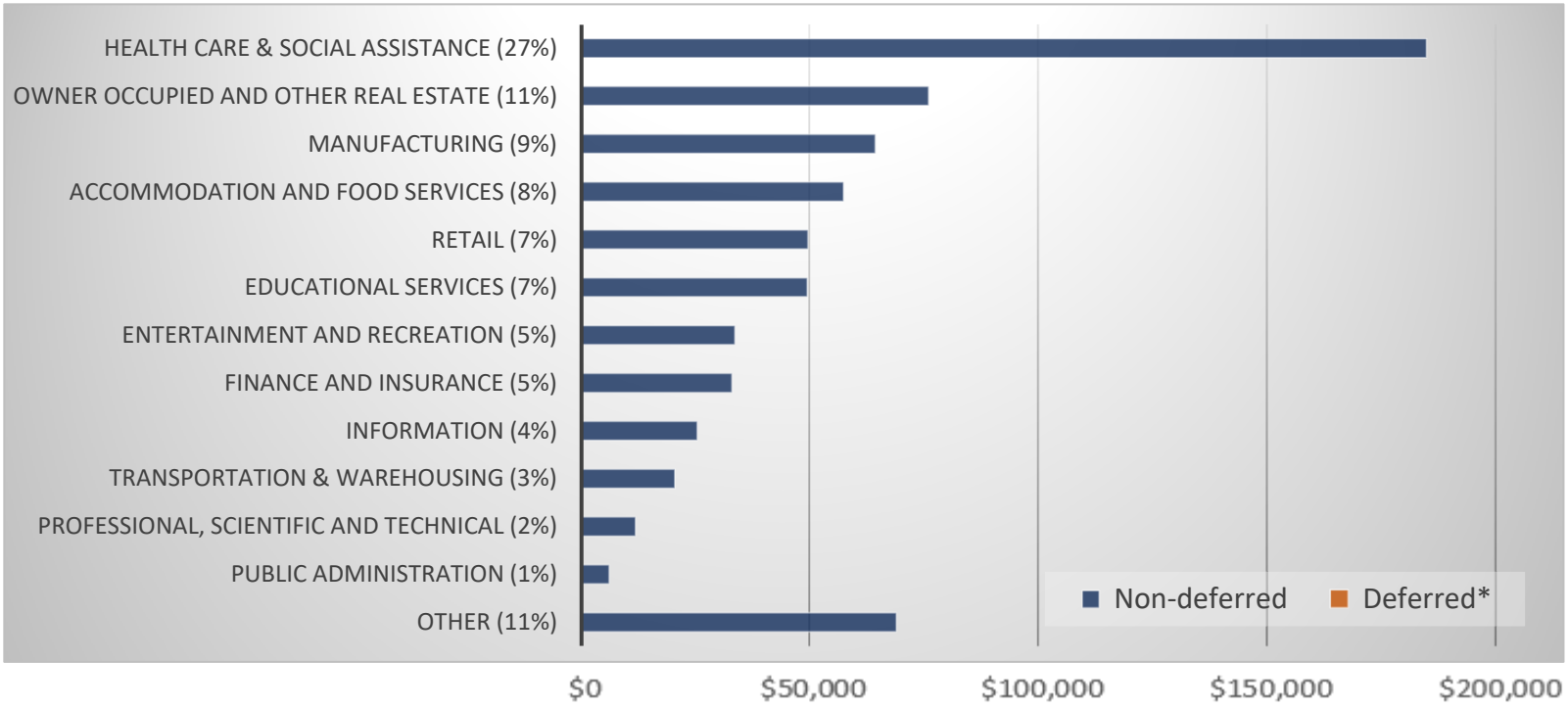
Portfolio Overview as of September 30, 2021 (outstandings) and September 30, 2021 (deferments)

- Total portfolio: $682.8 million; 0% deferred

Paycheck Protect Program (PPP)

- 2,863 SBA loans originated with outstanding PPP loan balance of $77 million as of September 30, 2021

% of C&I Portfolio by Segment as of 9/30/21

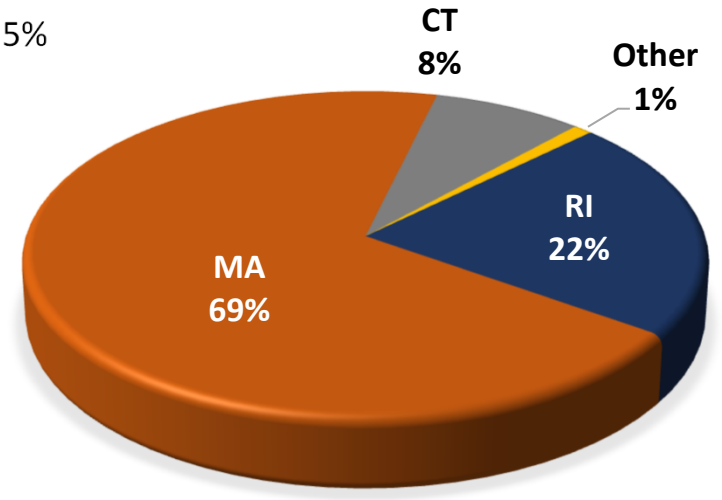


* Executed deferments as of 9/30/21 as a percentage of 9/30/21 outstanding balances.

Residential & Home Equity

	Residential	Home Equity
Total portfolio ($ millions)	$1,672.4	$249.9
FICO score*	755	760
Total delinquencies	0.5%	0.3%
Nonperforming	0.6%	0.3%
Net charge-offs to average loans	0.00%	0.05%
LTV (1)	59.6%	63.5%

- **No Home Equity deferments**
- **No Residential deferments**



At or for the nine months ended September 30, 2021
* 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 9/30/21 as a percentage of 9/30/21 outstanding balances.

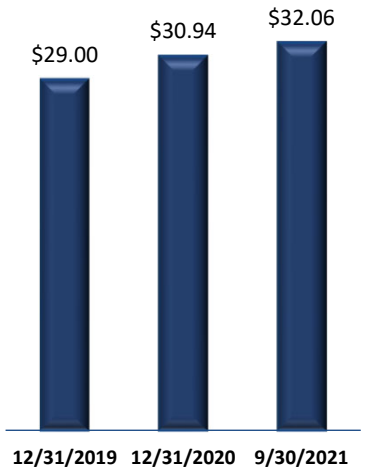
CAPITAL MANAGEMENT



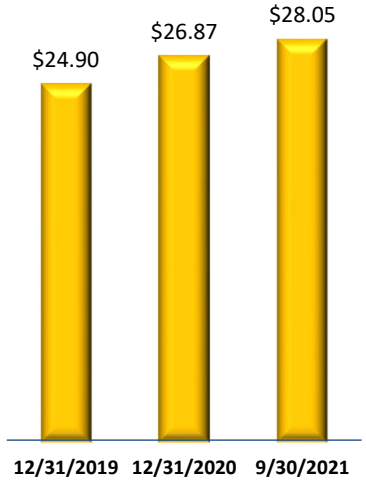
Capital Position

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

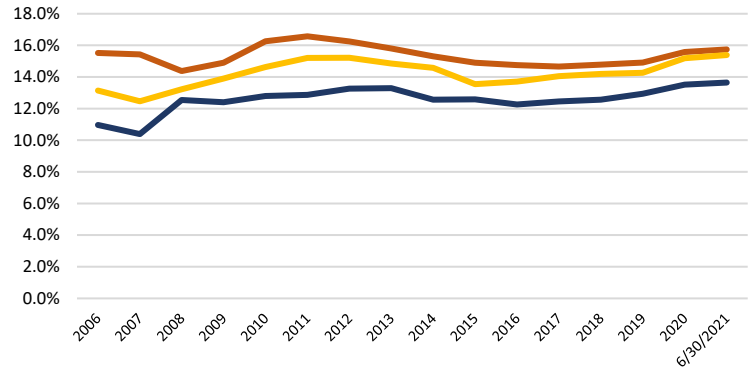
Book Value per Share



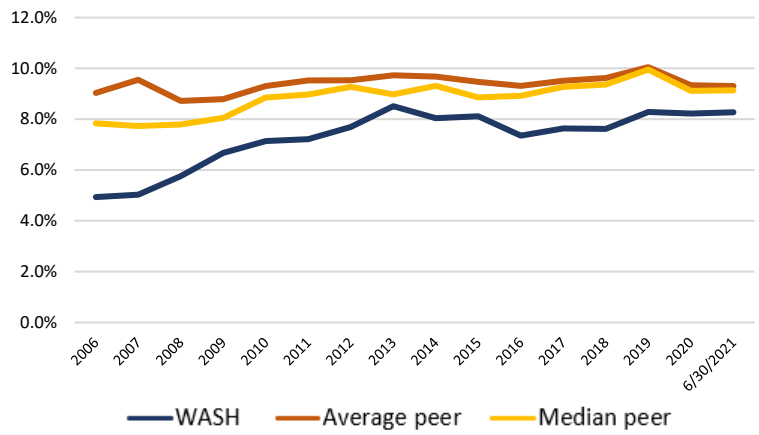
Tangible Book Value per Share (1)



Total Risk-based Capital



Tangible Equity / Tangible Assets



Most recent complete peer data as of 6/30/21
(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

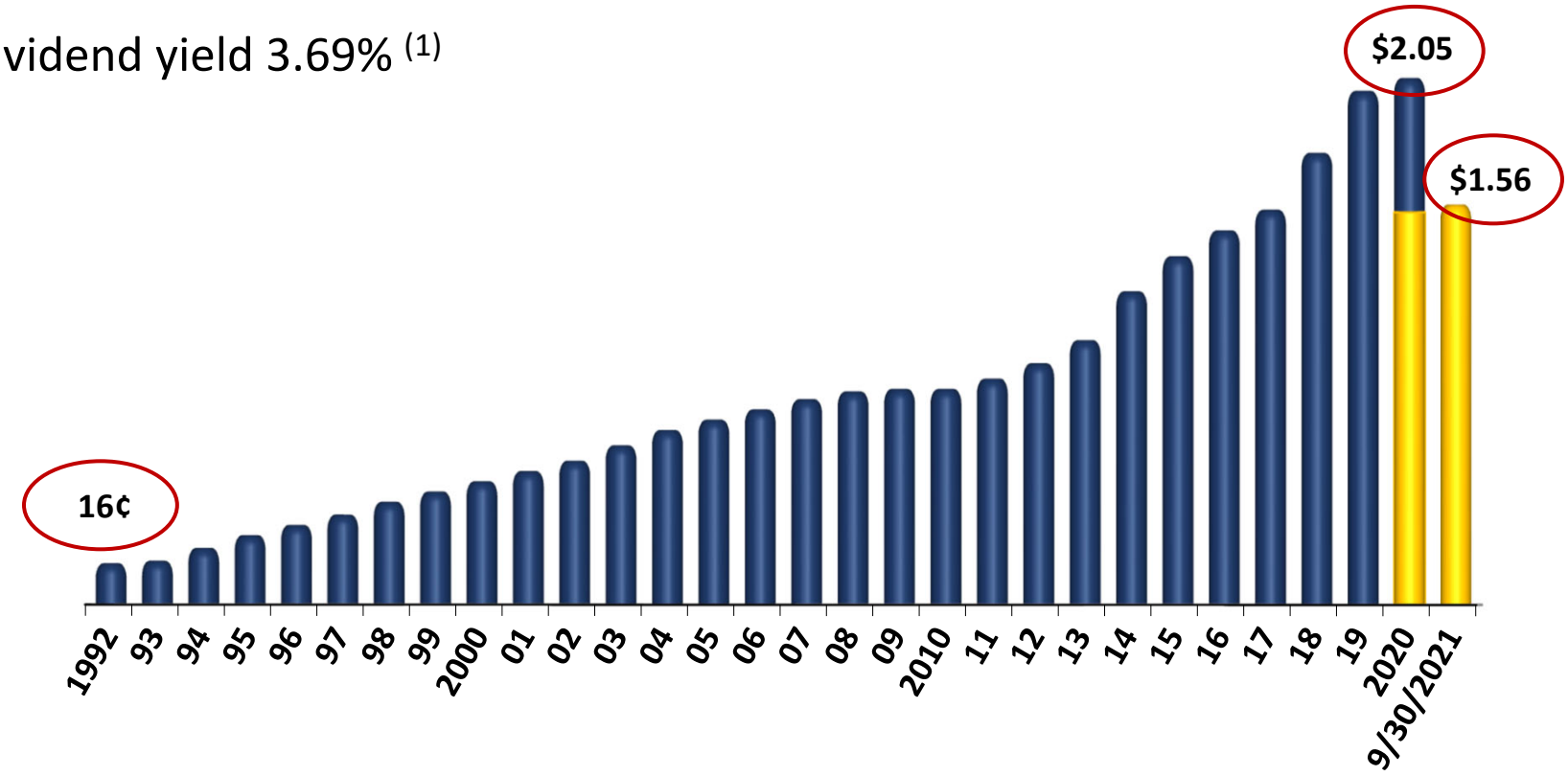
Capital Ratio	Standards for "well-capitalized"	Internal thresholds	Actual Q2/21	Scenario Minimums	
				Baseline	Sev Adv
Common equity tier 1	6.50%	7.00%	12.28%	12.18%	12.24%
Tier 1 risk-based capital	8.00%	8.50%	12.82%	12.71%	12.80%
Total risk-based capital	10.00%	10.50%	13.65%	13.85%	13.95%
Tier 1 Leverage	5.00%	5.50%	9.07%	9.03%	8.90%
Excess capital - Total cap				$ 160,171	$ 163,069

* 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

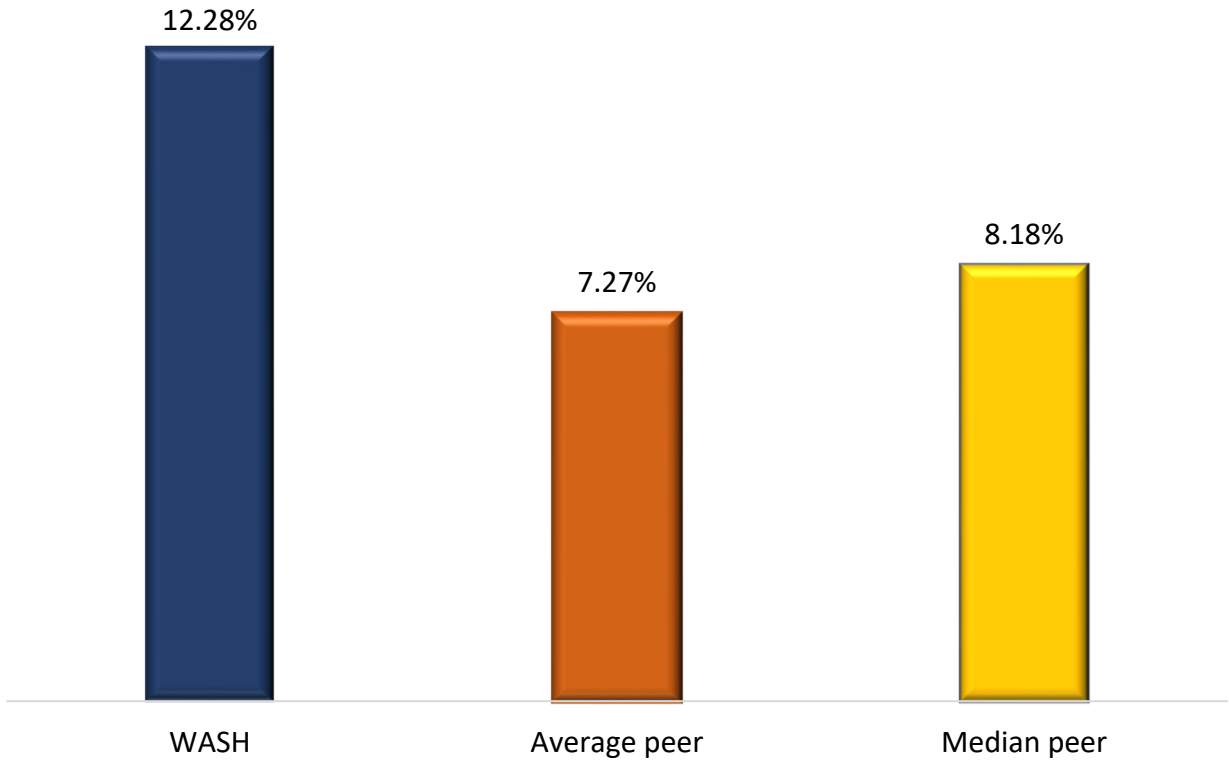
- Important contributor to shareholder value
- Q3-2021 dividend of 52¢ per share
- Dividend yield 3.69% (1)



(1) As of November 4, 2021

Capital Deployment

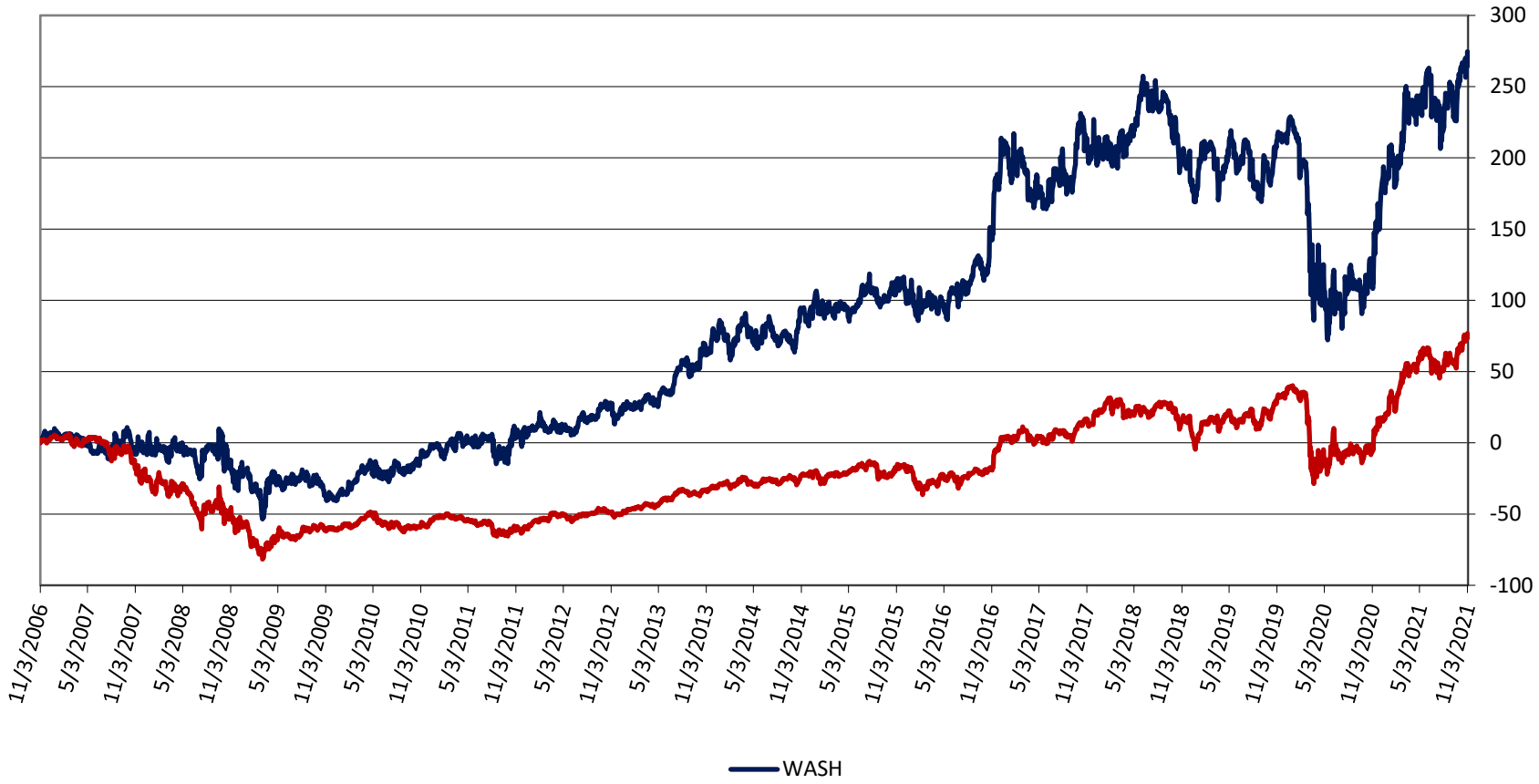
Tangible Book Value per Share Plus Cumulative Dividend per Share CAGR
12/31/2006 to 6/30/2021



Most recent complete peer data as of 6/30/21
Public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

15 Year Total Stock Returns

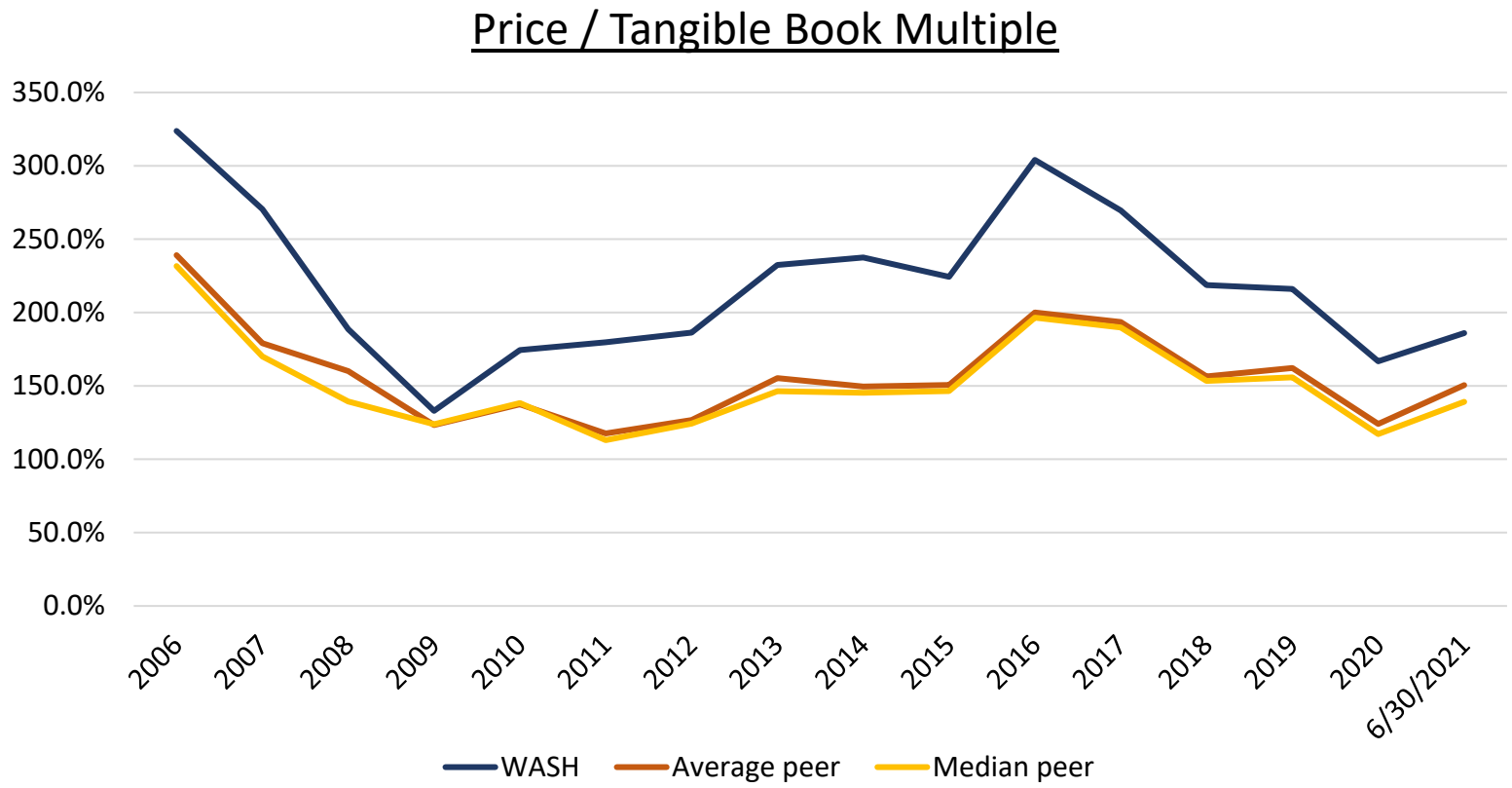
WASH Total Return (%) versus S&P US BMI Banks Index



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

Price / Tangible Book Trend

Attractive entry point given historical pricing

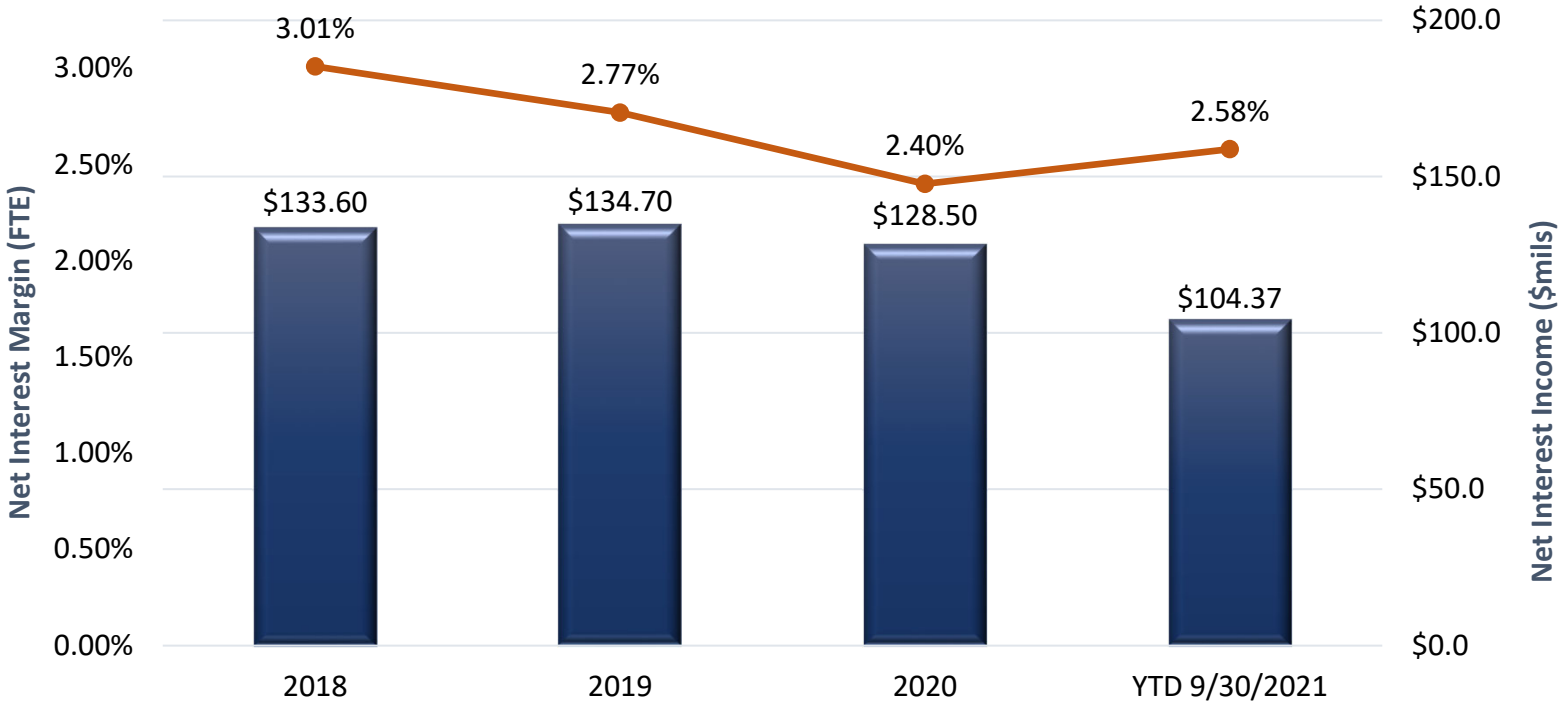


Most recent complete peer data as of 6/30/21
Percentile ranking for the year ended December 31st unless otherwise noted among public banks & thrifts with $3 billion to $10 billion in total assets excluding Puerto Rico; Source: S&P Global Market Intelligence

FINANCIAL HIGHLIGHTS



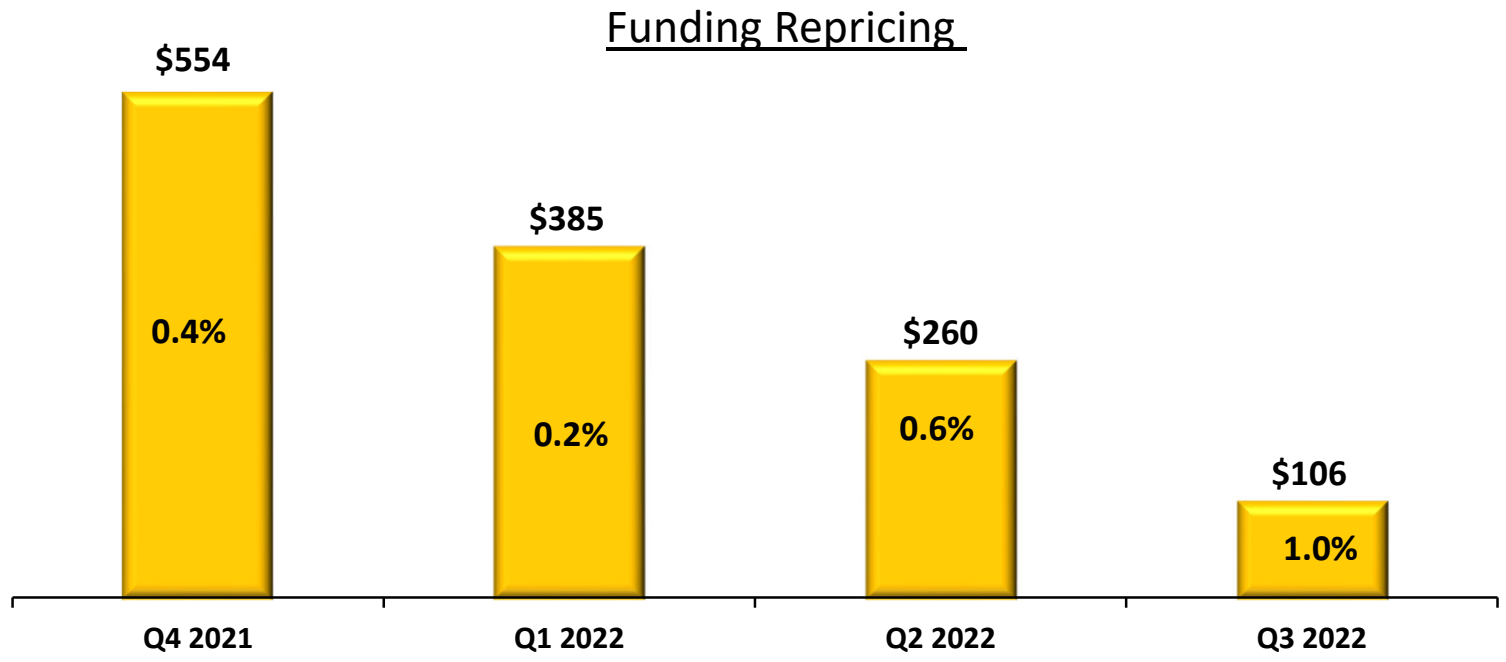
Net Interest Margin



$ 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)

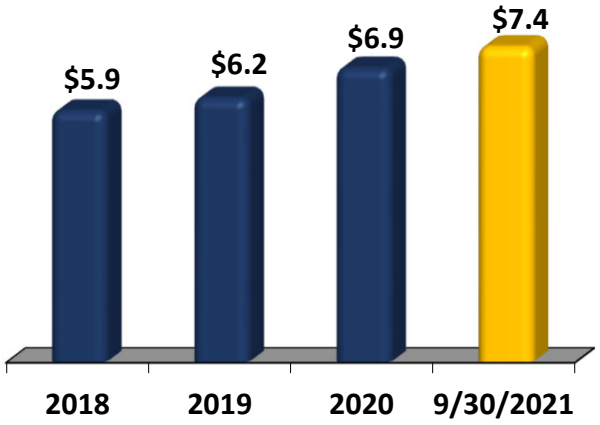


Total funding is $ millions and funding rate is %

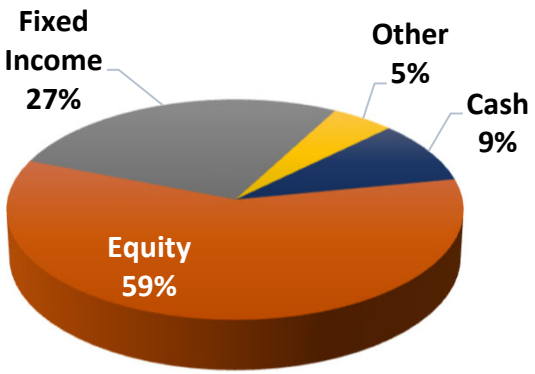
Wealth Management

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

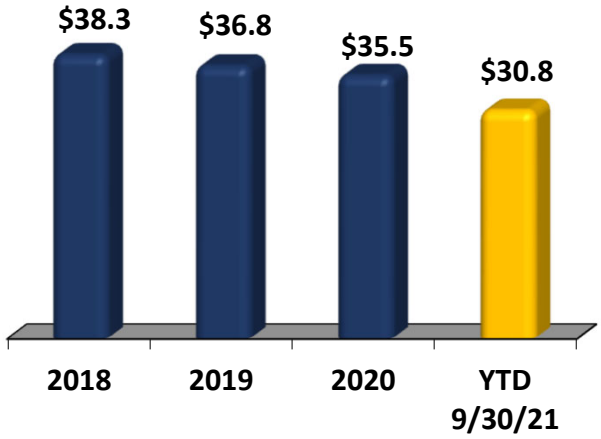
Assets Under Administration (AUA) *($ billions)*



Asset Mix



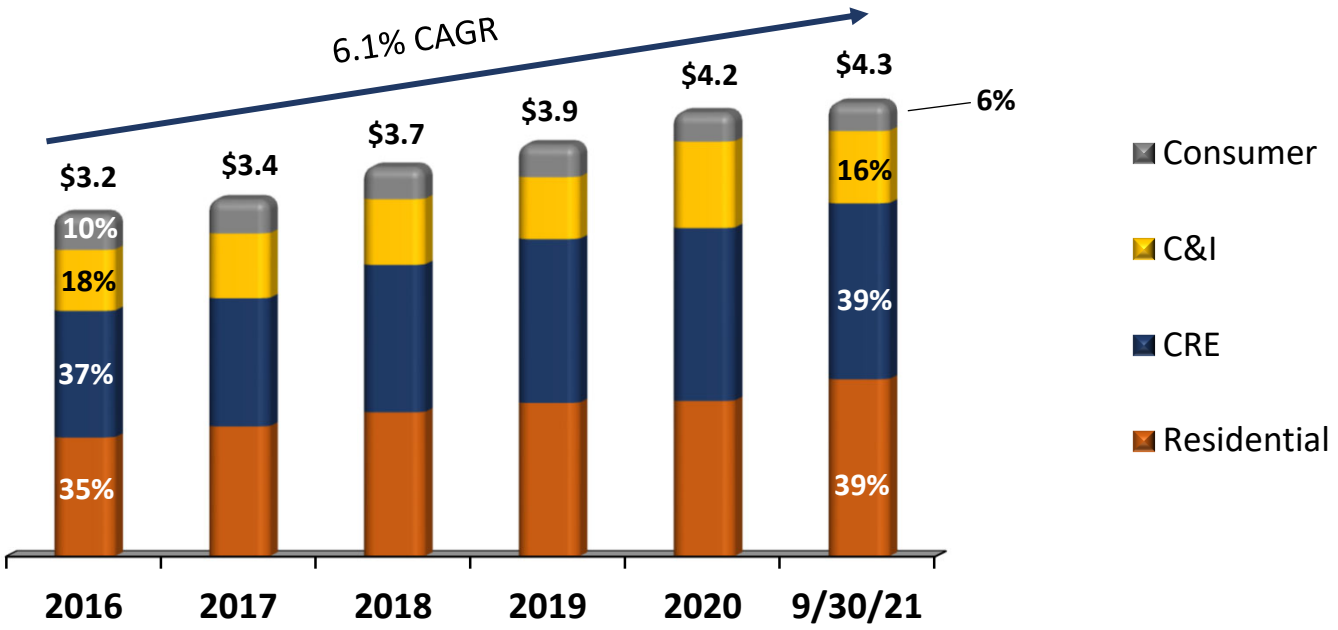
Revenues *($ millions)*



At September 30, 2021

Loan Portfolio

- Well-diversified portfolio
- 66% variable loans

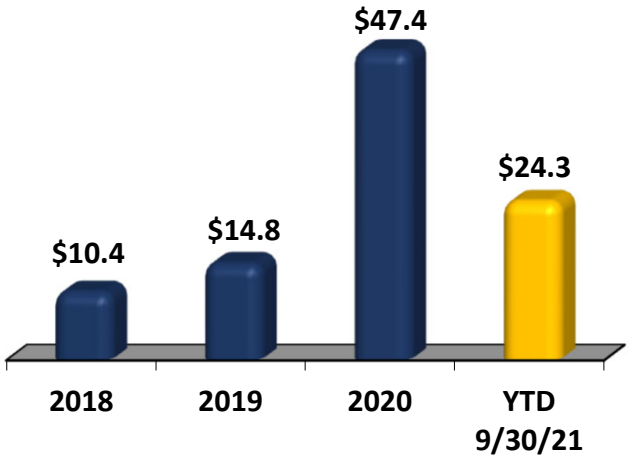


$ billions; at December 31st unless otherwise noted

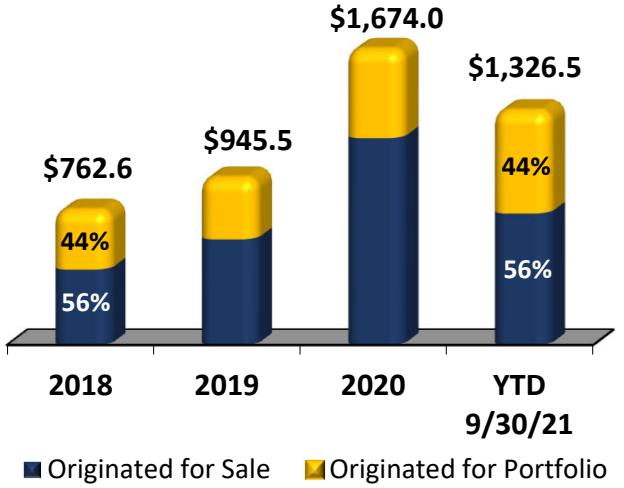
Mortgage Banking

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

Mortgage Banking Revenues (1)



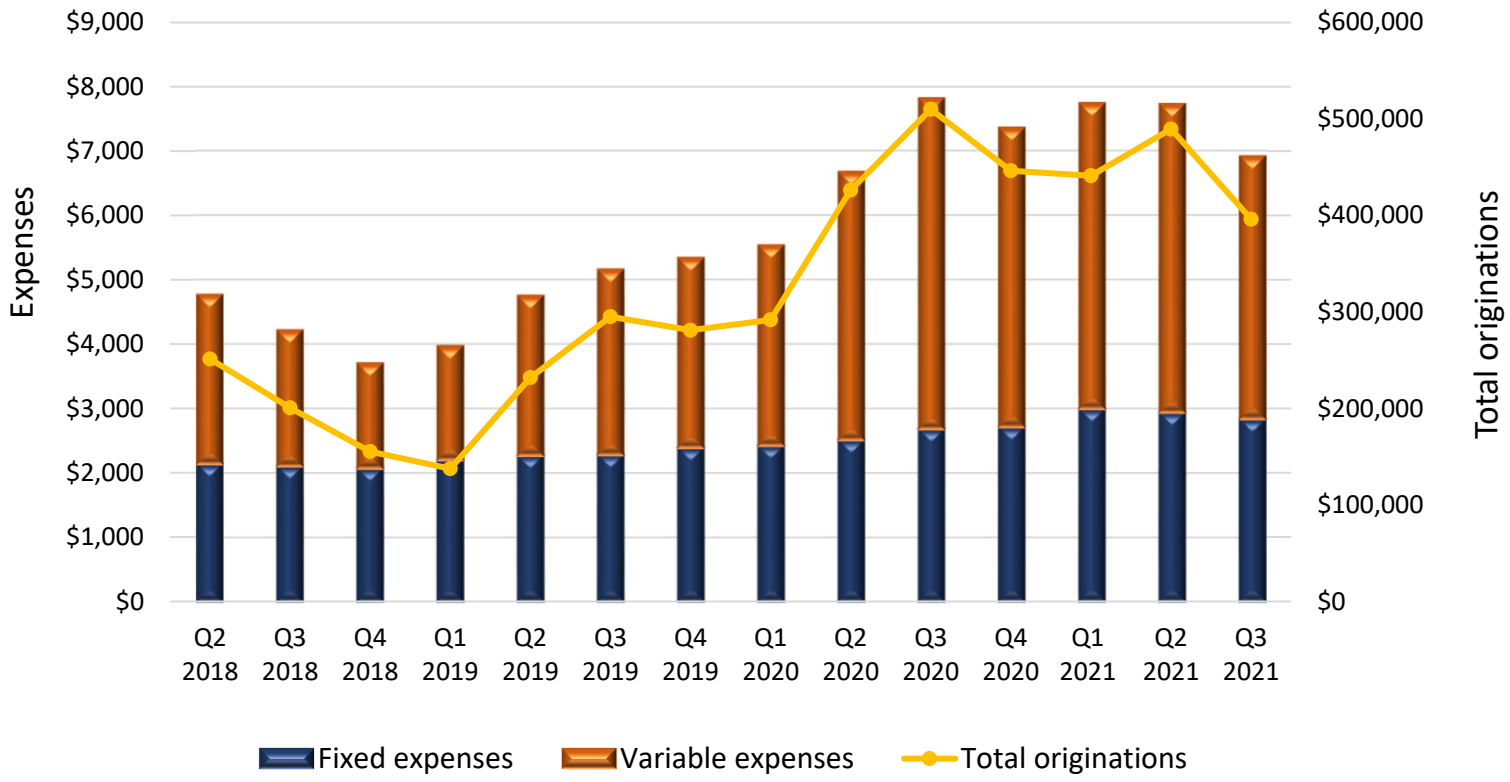
Mortgage Originations (2)



$ 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

Mortgage Execution

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



$ thousands

Mortgage Distribution

As % of Total

Loan Amount Range	CT	MA	RI	NH	Total
< $250,000	1%	5%	4%	0%	11%
$250,000 up to $548,250	2%	15%	6%	0%	23%
> $548,250 (Jumbo) up to 1M	2%	27%	8%	0%	38%
> 1 Million	2%	22%	4%	0%	28%
Total	8%	69%	22%	1%	100%

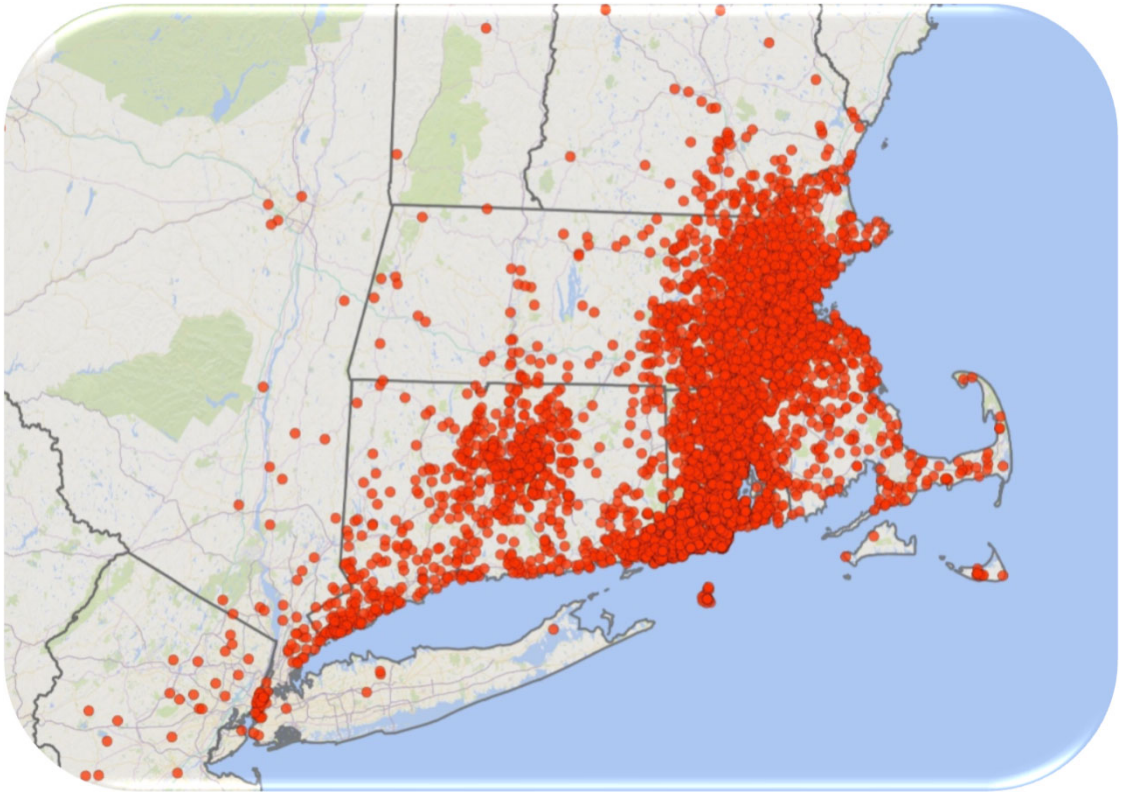
By State

Loan Amount Range	CT	MA	RI	NH
< $250,000	18%	7%	21%	18%
$250,000 up to $548,250	28%	21%	26%	29%
> $548,250 (Jumbo) up to 1M	29%	40%	35%	39%
> 1 Million	24%	32%	18%	14%
Grand Total	100%	100%	100%	100%

Portfolio distribution as of September 30, 2021

Mortgage Concentration

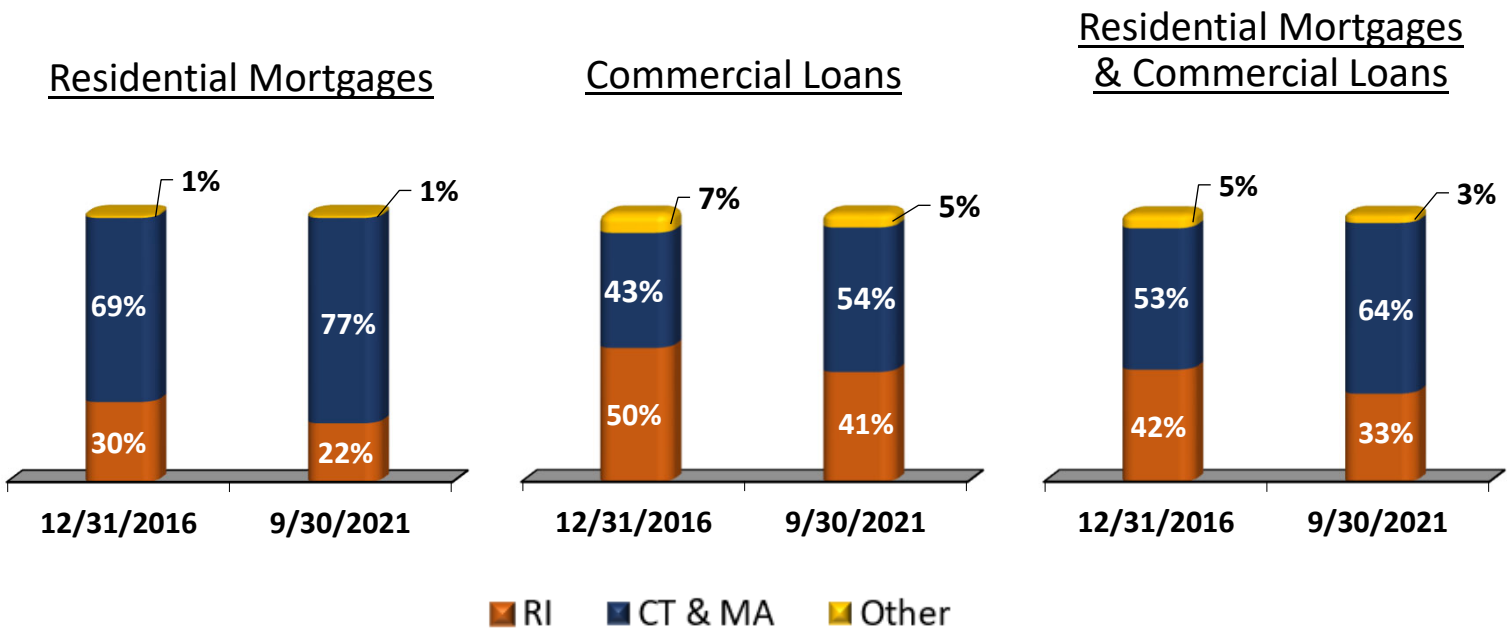
- Primarily in home territory
- 99% in RI, CT and MA



At September 30, 2021

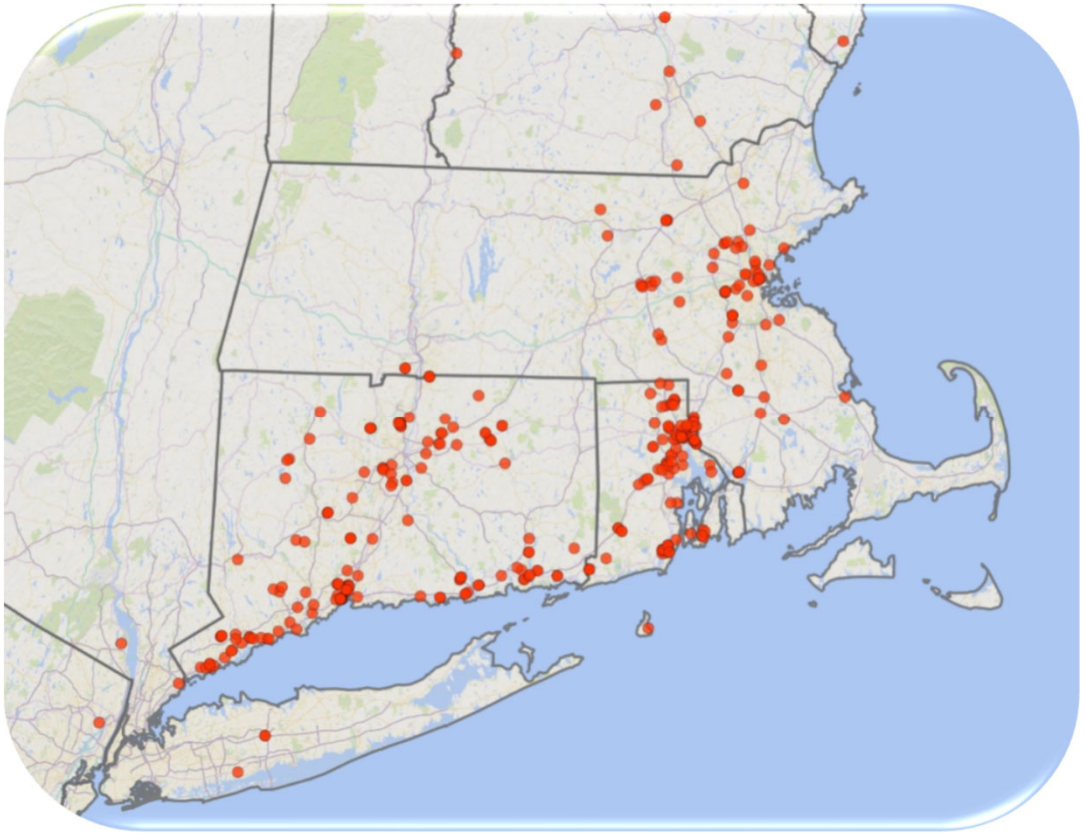
Regional Expansion

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



CRE Concentration

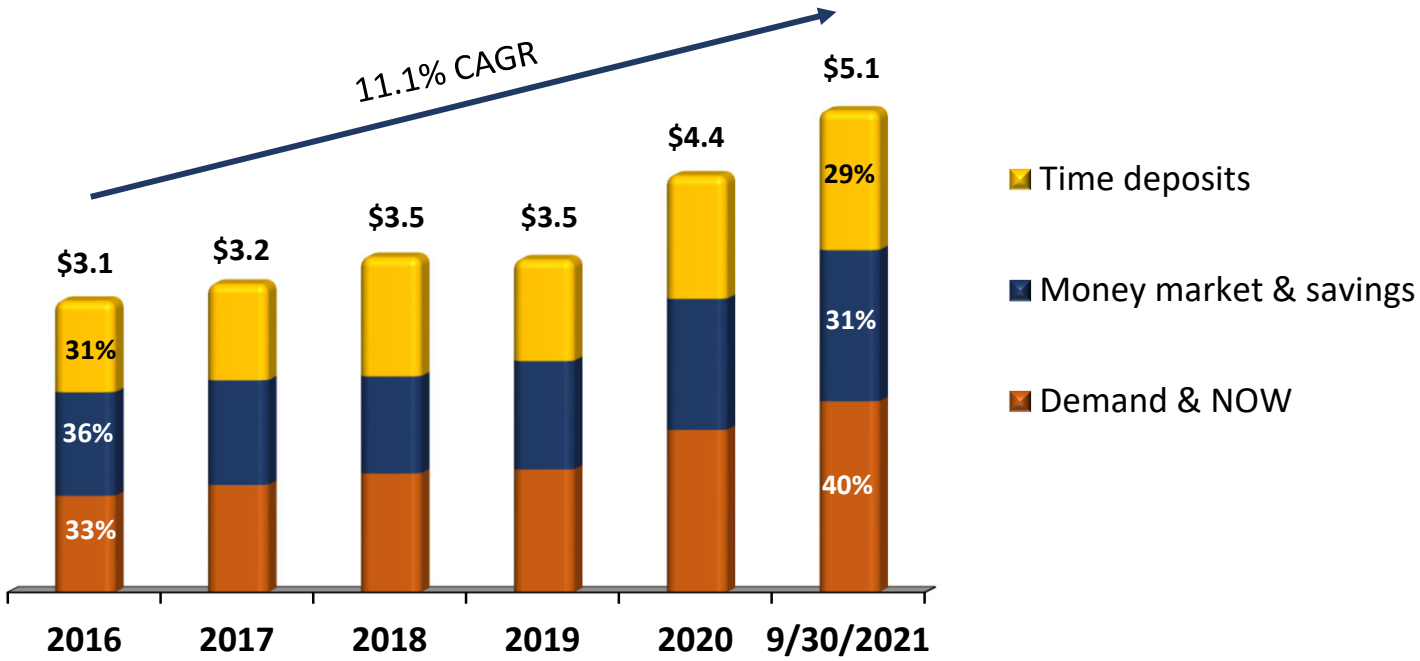
- Predominantly in RI, CT and MA
  - 38% in CT
  - 28% in MA
  - 28% in RI
- Concentration: ~305%



At September 30, 2021

Deposit Portfolio

- 38% of deposits are commercial-based
- 11% market share in RI; rank 3rd *



$ 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, 2021; most recent data available

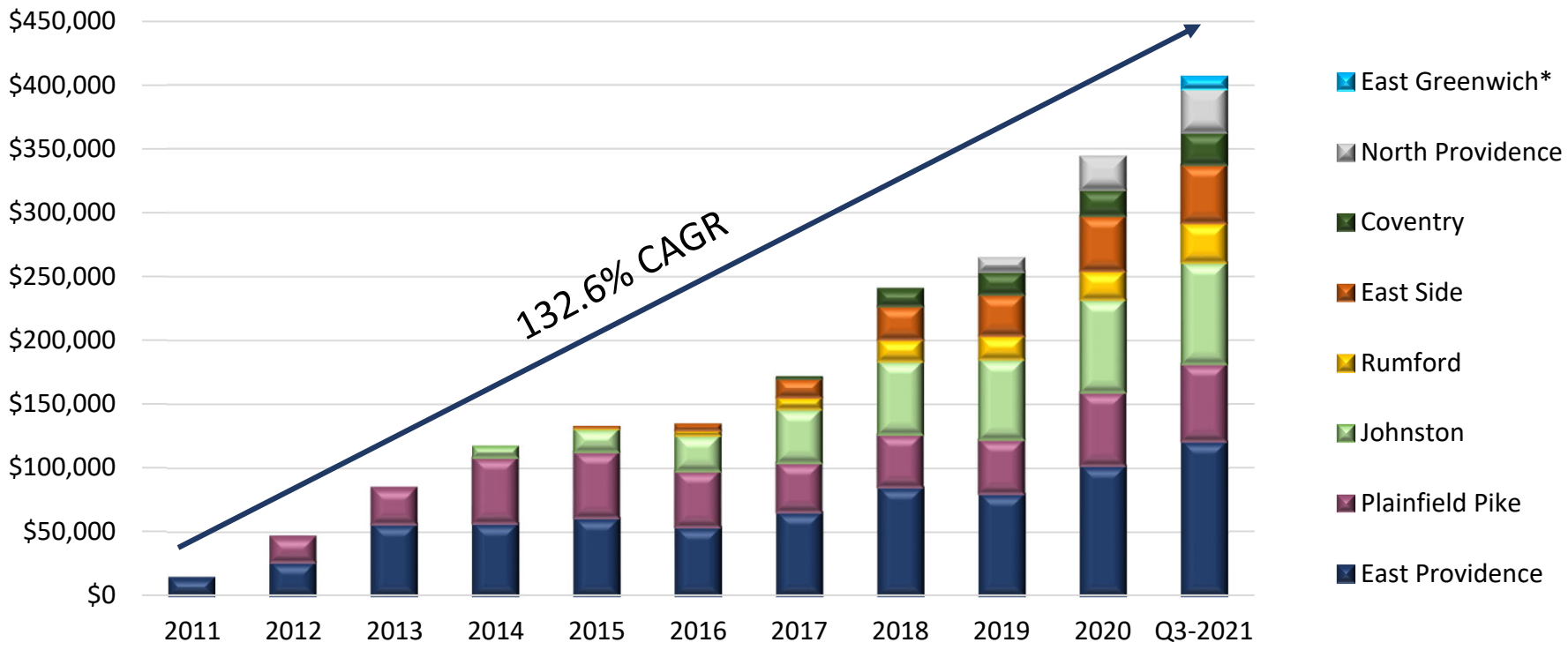
Deposit Market Share

- #1 State-chartered bank in RI
- $166 million average in market deposits per branch

Rank	Institution (ST)	Branch Count	Total Deposits in Market ($B)	Total Market Share
1	Citizens (RI)	**56**	**$15.4**	**37%**
2	Bank of America (NC)	**28**	**$9.4**	**23%**
3	**Washington Trust (RI)**	**23**	**$4.7**	**11%**
4	Santander	23	$3.2	8%
5	Bank Rhode Island (MA)	20	$2.7	6%
6	BankNewport (RI)	17	$1.9	4%
7	Centreville Bank (RI)	11	$1.1	3%
8	TD Bank	9	$.8	2%
9	HarborOne (MA)	11	$.7	2%
10	Webster Bank (CT)	8	$.4	1%
	Total For Institutions In Market	**233**	**$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, 2021; most recent data available

De Novo Branch Growth

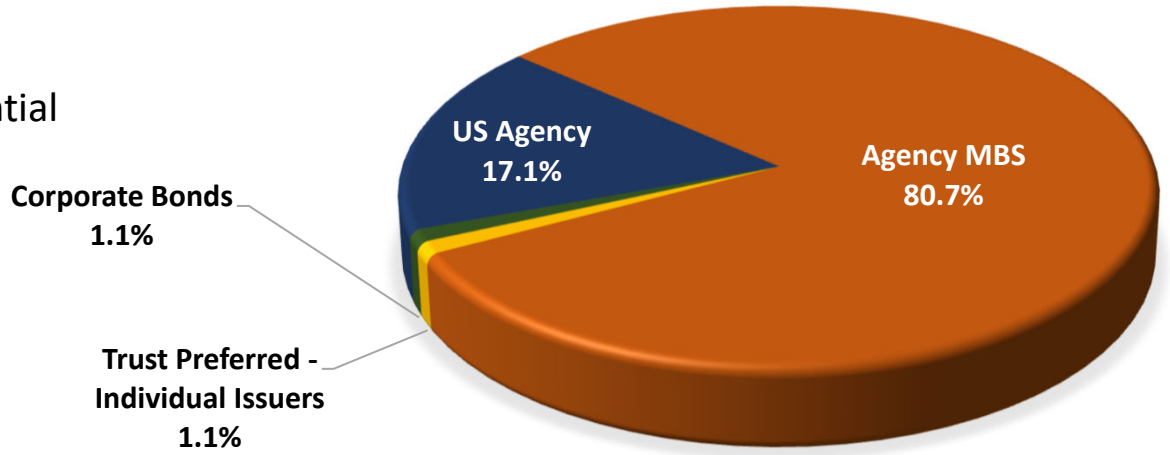


*East Greenwich branch opened in May 2021

Investment Securities

Largely Agency MBS

- Fair value: $1,045.8 million
- Amortized cost: 1,049.0 million
- Yield on securities: 1.40%
  (yield as of Q3-21)
- Duration of 3.78 years
- Limited extension potential



As of September 30, 2021
Excludes FHLB Boston capital stock

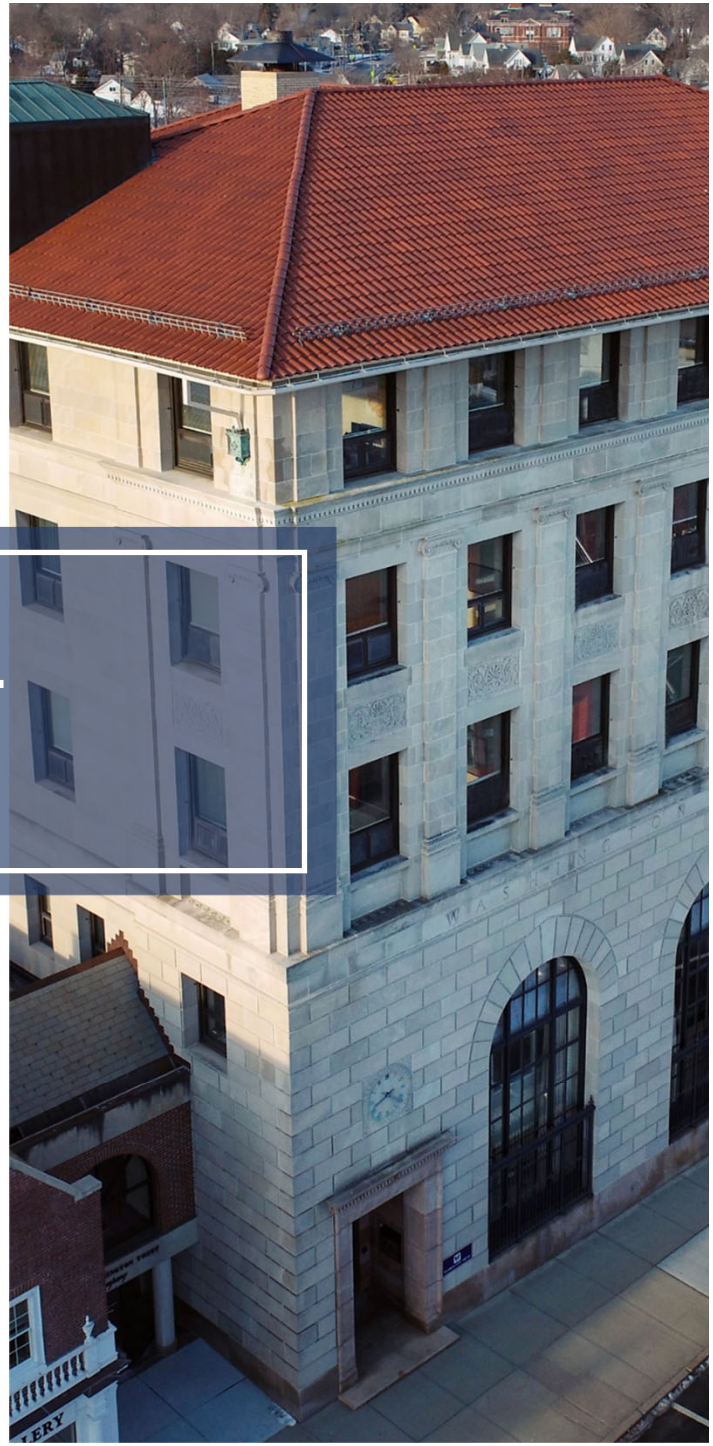
WHY WASHINGTON TRUST



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



Income Statement

$s in thousands	For the Quarter Ended Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020
Interest and dividend income	$ 39,823	$ 38,808	$ 38,008	$ 39,374	$ 40,834
Interest expense	3,753	4,054	5,137	7,131	9,180
Net interest income	36,070	34,754	32,871	32,243	31,654
Provision for loan losses	-	-	(2,000)	1,781	1,325
Net interest income after provision for loan losses	36,070	34,754	34,871	30,462	30,329
Noninterest income:					
Other noninterest income	20,520	20,593	25,974	27,727	25,468
Total noninterest income	20,520	20,593	25,974	27,727	25,468
Noninterest expense	32,520	33,012	34,713	34,109	32,344
Income before income taxes	24,070	22,335	26,132	24,080	23,453
Income tax expense	5,319	4,875	5,661	5,514	5,131
Net income	$ 18,751	$ 17,460	$ 20,471	$ 18,566	$ 18,322

Balance Sheet

$s in thousands	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020
Assets:					
Cash and cash equivalents	$ 300,388	$ 132,206	$ 170,743	$ 202,268	$ 212,015
Mortgage loans held for sale	48,705	31,492	77,450	61,614	68,095
Total securities	1,045,833	1,052,577	948,094	894,571	913,850
FHLB stock	15,094	22,757	24,772	30,285	37,469
Total loans	4,286,404	4,299,800	4,194,666	4,195,990	4,282,047
Less allowance for loan losses	41,711	41,879	42,137	44,106	42,645
Net loans	4,244,693	4,257,921	4,152,529	4,151,884	4,239,402
Investment in bank-owned life insurance	92,974	92,355	84,749	84,193	83,623
Goodwill and identifiable intangible assets	69,540	69,762	69,988	70,214	70,439
Other assets	185,416	192,910	191,064	218,140	224,899
Total assets	$ 6,002,643	$ 5,851,980	$ 5,719,389	$ 5,713,169	$ 5,849,792
Liabilities and Shareholders' Equity:					
Total deposits	$ 5,058,142	$ 4,725,659	$ 4,549,142	$ 4,378,353	$ 4,285,693
FHLB advances	222,592	408,592	466,912	593,859	713,868
PPPLF	-	-	-	-	105,746
Other liabilities	143,910	147,192	147,055	184,081	194,111
Junior subordinated debentures	22,681	22,681	22,681	22,681	22,681
Total shareholders' equity	555,318	547,856	533,599	534,195	527,693
Total liabilities and shareholders' equity	$ 6,002,643	$ 5,851,980	$ 5,719,389	$ 5,713,169	$ 5,849,792

Non-GAAP Financial Measures

$s in thousands, except per share amounts	Sep 30, 2021	Dec 30, 2020	Dec 31, 2019	Dec 31, 2018
Calculation of tangible book value per share				
Total shareholders' equity at end of period	$555,318	$534,195	$503,492	$448,184
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	5,631	6,305	7,218	8,162
Total tangible shareholders' equity at end of period	$485,778	$463,981	$432,365	$376,113
Shares outstanding at end of period	17,320	17,265	17,363	17,302
Book value per share – GAAP	$32.06	$30.94	$29.00	$25.90
Tangible book value per share – Non-GAAP	$28.05	$26.87	$24.90	$21.74
Calculation of tangible equity to tangible assets				
Total tangible shareholders' equity at end of period	$485,778	$463,981	$432,365	$376,113
Total assets at end of period	$6,002,643	$5,713,169	$5,292,659	$5,010,766
Less:				
Goodwill	63,909	63,909	63,909	63,909
Identifiable intangible assets, net	5,631	6,305	7,218	8,162
Total tangible assets at end of period	$5,933,103	$5,642,955	$5,221,532	$4,938,695
Equity to assets - GAAP	9.25%	9.35%	9.51%	8.94%
Tangible equity to tangible assets – Non-GAAP	8.19%	8.22%	8.28%	7.62%

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.