2022
W.T.B. Financial Corporation
Annual Shareholders' Meeting

Presented by:
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Chief Financial Officer

FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make regarding our evaluation of macro-environment risks, Federal Reserve rate management, and trends reflecting things such a regulatory capital standards and adequacy. Forward looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact or guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statement include:

- the ability to attract new deposits and loans;
- demand for financial services in our market areas;
- competitive market pricing factors;
- deterioration in economic conditions that could result in increased loan losses;
- actions by competitors and other market participants that could have an adverse impact on our expected performance;
- risks associated with concentrations in real estate related loans;
- market interest rate volatility;
- stability of funding sources and continued availability of borrowings;
- risk associated with potential cyber threats;
- changes in legal or regulatory requirements or the results of regulatory examinations that could restrict growth;
- the ability to recruit and retain key management and staff;
- the ability to raise capital or incur debt on reasonable terms;
- effectiveness of legislation and regulatory efforts to help the U.S. and global financial markets.

There are many factors that could cause actual results to differ materially from those contemplated by forward-looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publically update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

W.T.B. Financial Corporation Company Overview

MISSION AND GEOGRAPHIC FOOTPRINT

Our Mission

We will **be the best** at understanding and meeting the **financial needs of our customers**.

We will focus our unique strengths as a community bank on serving those customers who perceive a distinct value in **building long-term relationships** with us.

We will be **empowered to act** on behalf of Washington Trust to meet our customers' needs and will have the competencies to fulfill this mission.

We will conduct ourselves in accordance with our **guiding principles**.

We will organize and manage to best support one another in these efforts and to ensure the **long-term** viability of the Bank.

Markets Served

CORE IDENTITY

- **Pacific Northwest regional community bank**
  - 120 years of heritage
  - 4th generation Chairman and CEO
- **Private ownership and family heritage**
  - Conservative risk profile
  - Balance sheet strength
  - Capital management discipline
  - Risk adjusted performance
  - Long-term franchise and shareholder value
- **Business model: Relationship banking**
  - High value customer relationships
  - Organic customer growth
- **Broad product line and customer base**
  - Commercial banking customer focus
  - Retail and private banking clients
  - Wealth Management/Trust expertise
  - Home lending division
  - Small Business Banking and SBA

FINANCIAL MANAGEMENT PRINCIPLES

Balance Sheet Strength:

- Credit discipline…strong allowance position
- Disciplined capital management
- Ample liquidity resources
- Moderate interest rate risk position
- Strive for strength > risk exposures

Shareholder Value / Capital Discipline:

- Maintain capital adequacy
- Internal capital generation for growth
- Competitive return on capital
- Minimize shareholder dilution
  - Ownership, BV/share, and earnings

Consistent Risk Adjusted Performance:

- Operate within established risk limits
- Build recurring earning power
  - Earning assets = 98% of TA
- Strive for earnings durability across the business cycle

2021 BIG WTBFC THEMES AND ISSUES

Financial Themes:

- Strong growth
  - Deposits, assets, liquidity
  - Net interest revenue, expenses and earnings
- Solid loan growth…obscured by PPP* portfolio
  - PPP loan originations early in the year
  - PPP loan forgiveness throughout the year
  - Underlying organic loan growth solid
- While earning assets grew, margin narrowed
- Record earnings and EPS

Operational Themes:

- Strategic focus
  - Customer experience, technology, delivery, scale
- Technology focus
  - Data, digital banking and payments
  - Reduce cadence…improve execution and speed
- Organization, governance, process and controls
  - Attracted / Promoted key talent
    - WMAS, IT, Audit, Legal, Compliance
  - Vendor dependencies…critical issue
  - Process focus

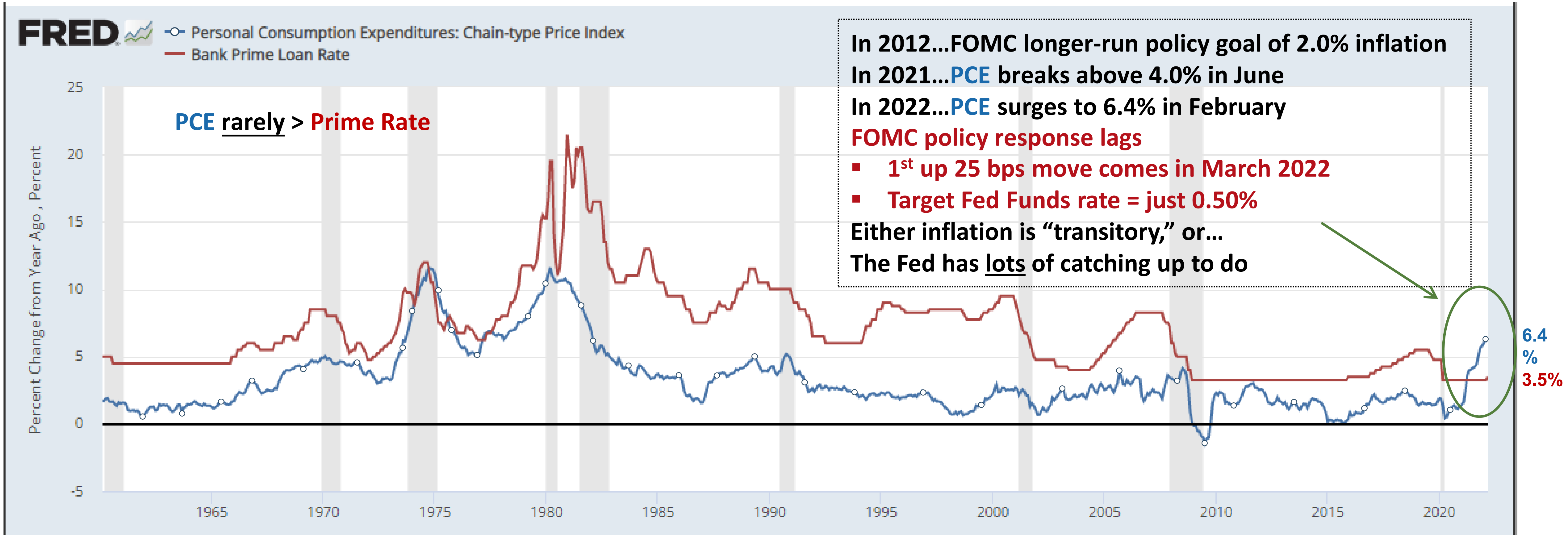
* The Small Business Administration’s Paycheck Protection (loan) Program (“PPP”)

Operating Environment

Inflation Emerges to Dominate Rate Outlook

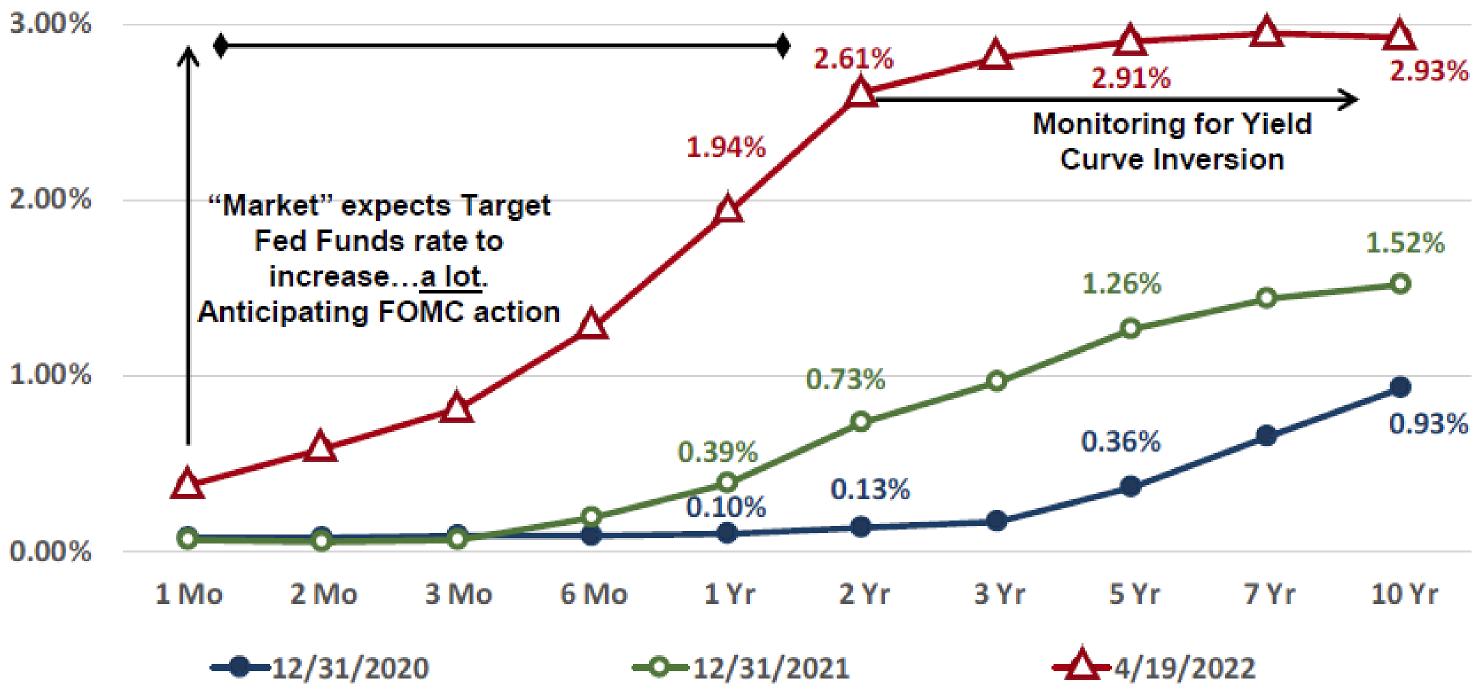
60 years of history

The Personal Consumption Expenditures Index (“PCE”) is rarely higher than Prime Rate



Rate Market Responds to Inflation and Hawkish FOMC

UST Yield Curve YE 2020, YE 2021 and 4/19/2022



Date	1-Year	2-Year	5-Year	10-Year
4/19/2022	1.84%	2.61%	2.91%	2.93%
YE 2021	0.39%	0.73%	1.26%	1.52%
Increase	1.45%	1.88%	1.65%	1.41%

With emerging inflation and a more hawkish Fed

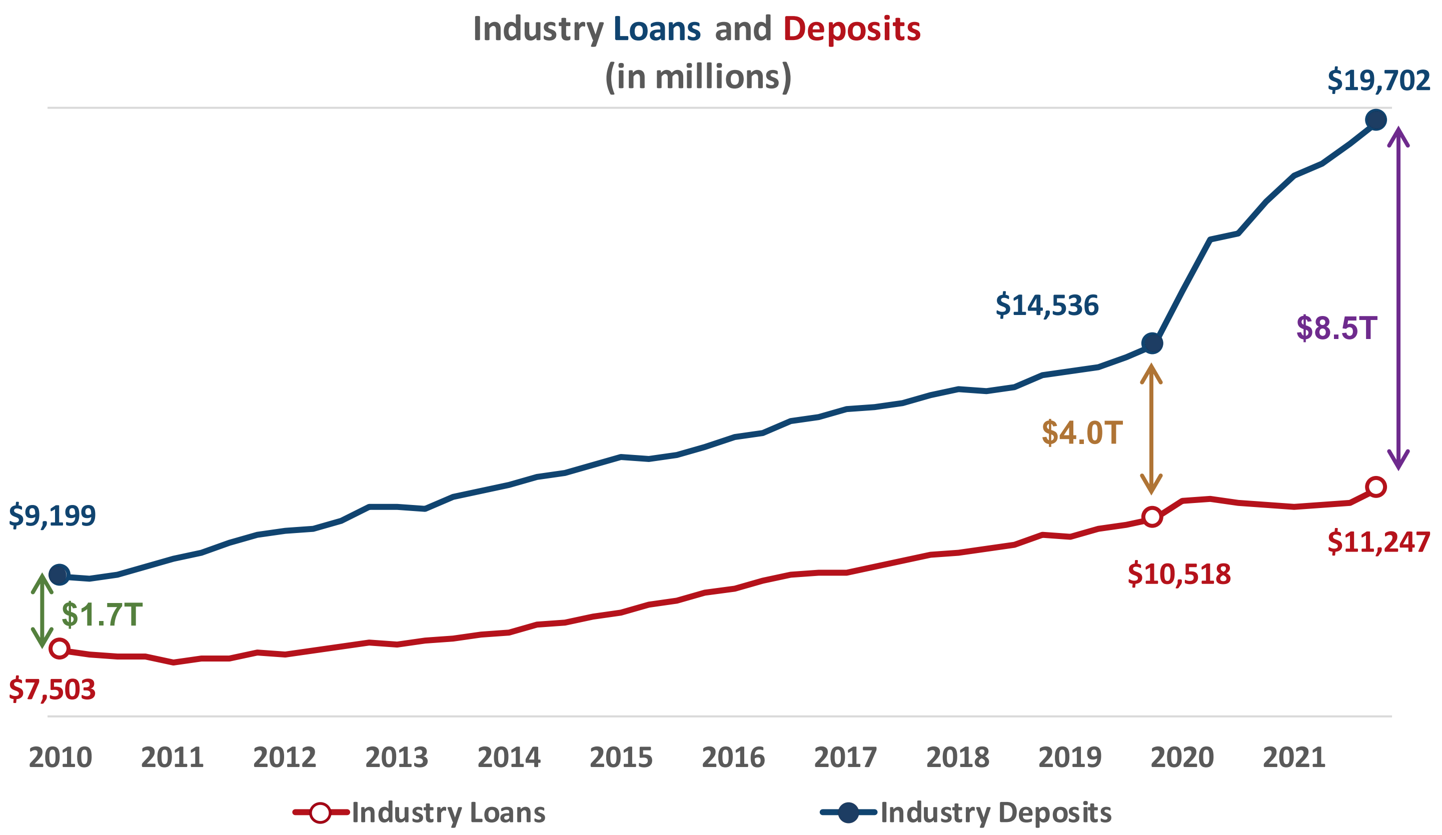
- Yield curve shifted up dramatically since YE 2021:
  - 2-year UST up 188 bps
  - 5-year UST up 165 bps
  - 10-year UST up 141 bps
- The market anticipates future FOMC rate moves
- Yield curve flattening / inversion a cautionary sign

Higher rates:

- Are generally favorable to Industry margins
- Will put pressure on deposit pricing…and liquidity
- Are typically detrimental to bond valuations
- Diminish refinance opportunities for borrowers

Industry Themes

COVID Policy Response Drives Deposit Growth



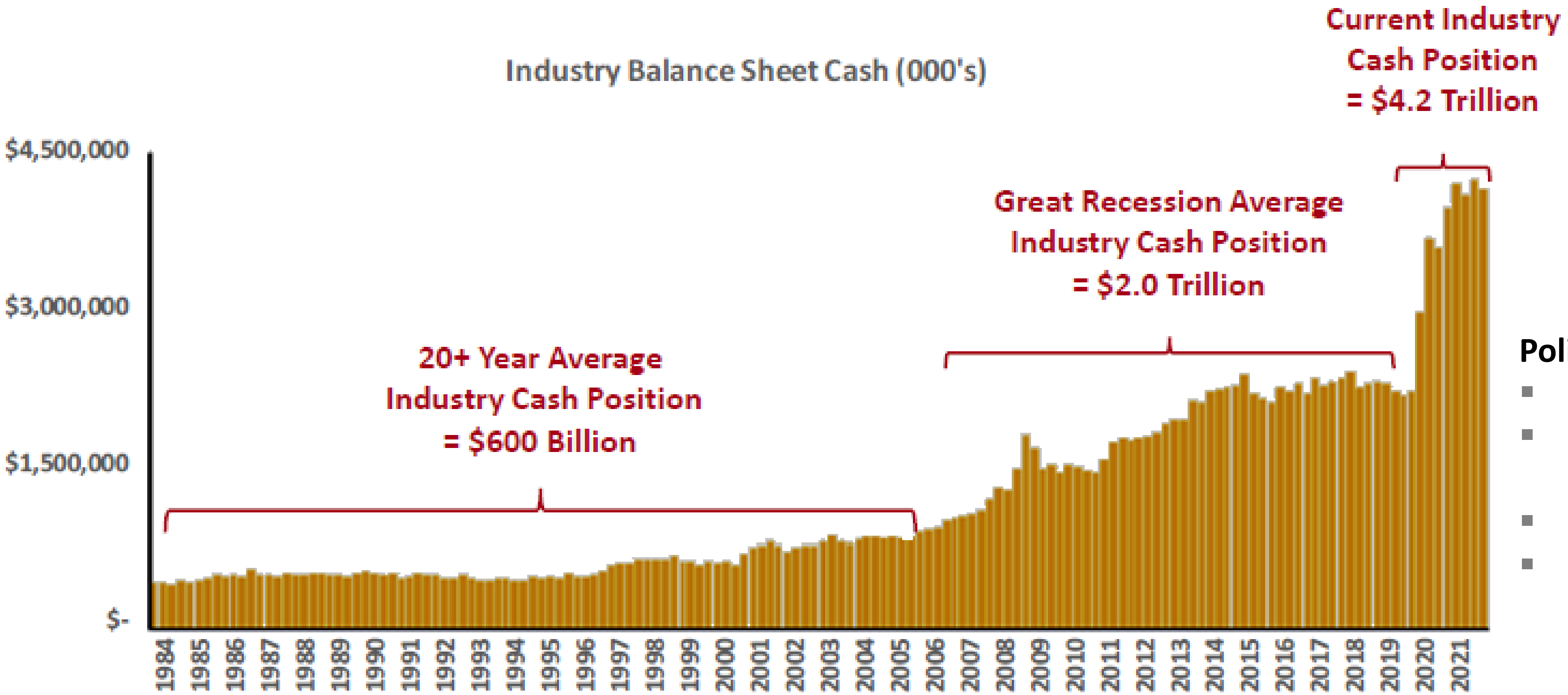
Policy response brings relief and flood of liquidity:

- Quantitative Easing
- PPP loan origination / forgiveness
- Fiscal stimulus
- Consumer relief programs

Deposit growth > loan growth

- Increased dramatically with COVID policy response
  - From $1.7 trillion in 2010
  - To $4.0 trillion at YE 2019
  - To $8.5 trillion at YE 2021
- "Excess" deposits "warehoused" in cash and bonds

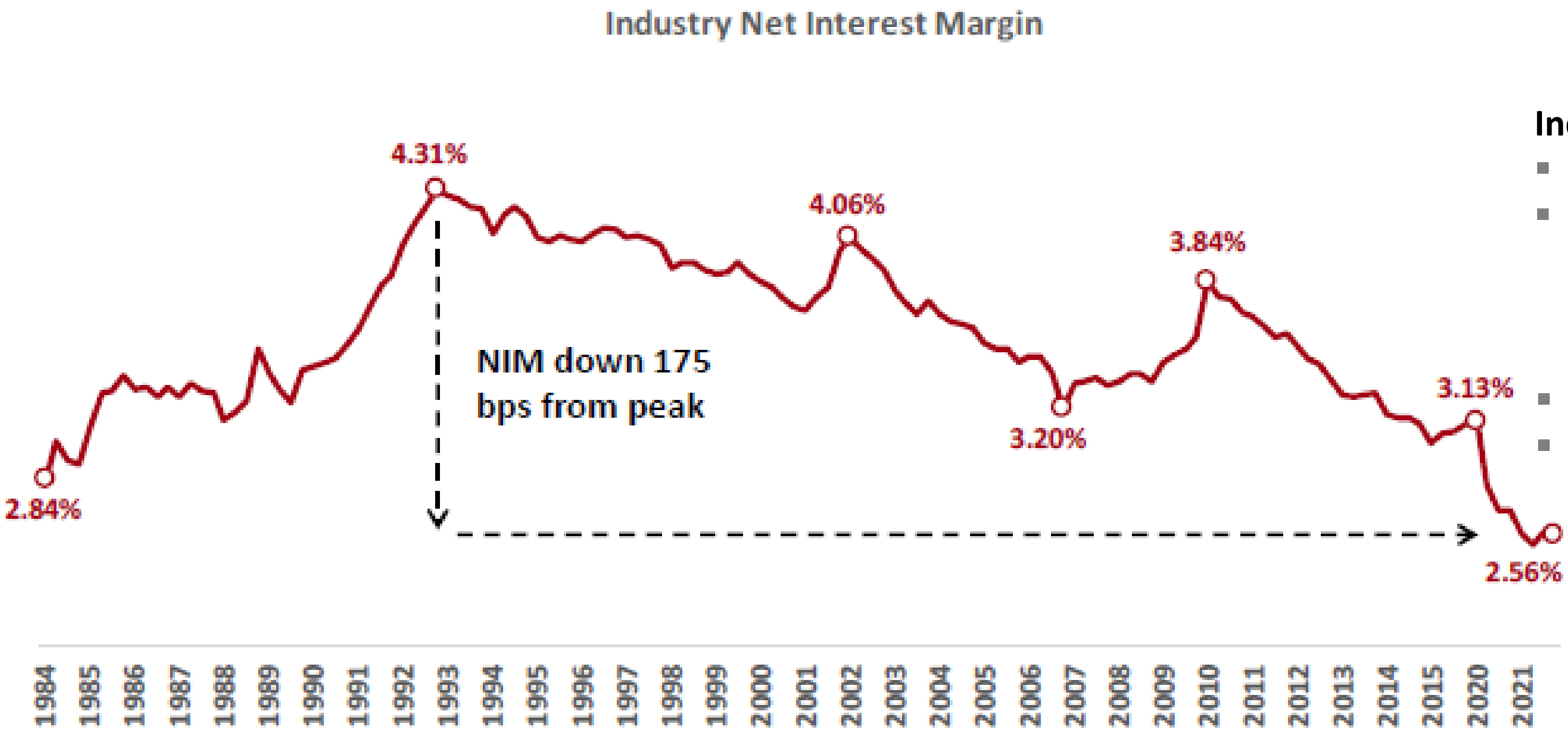
Flood of Liquidity into the Financial System



Policy response to pandemic / recession:

- Flooded financial system with liquidity
- Liquidity is "inventory" available for loan growth and deposit dynamics
- Untapped resource of financial flexibility
- Available to deploy into higher yielding instruments

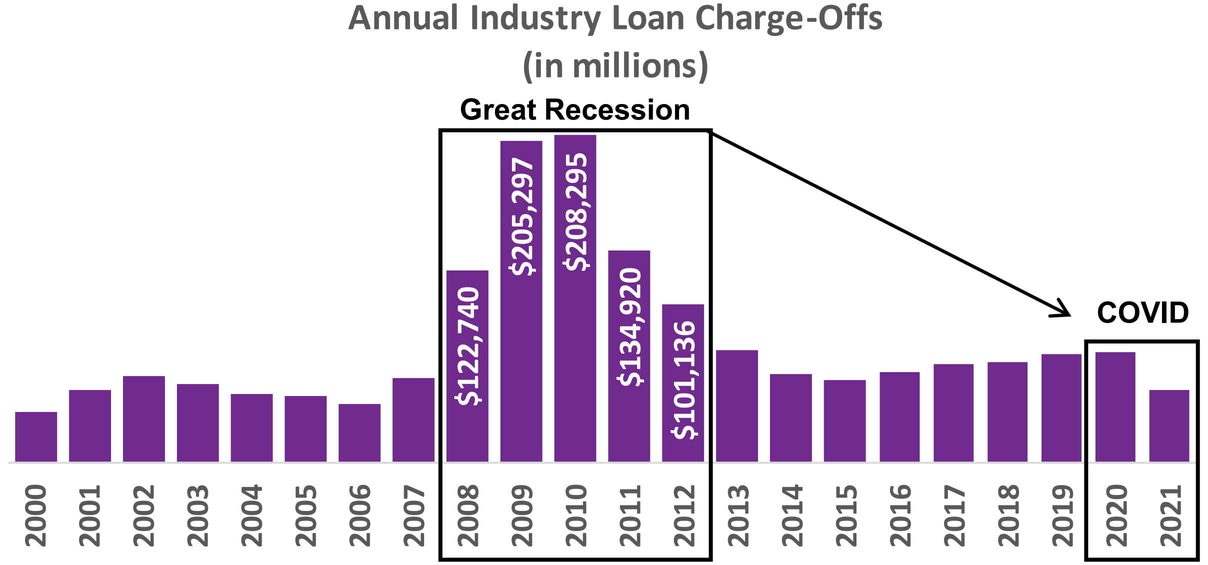
Industry Net Interest Margin

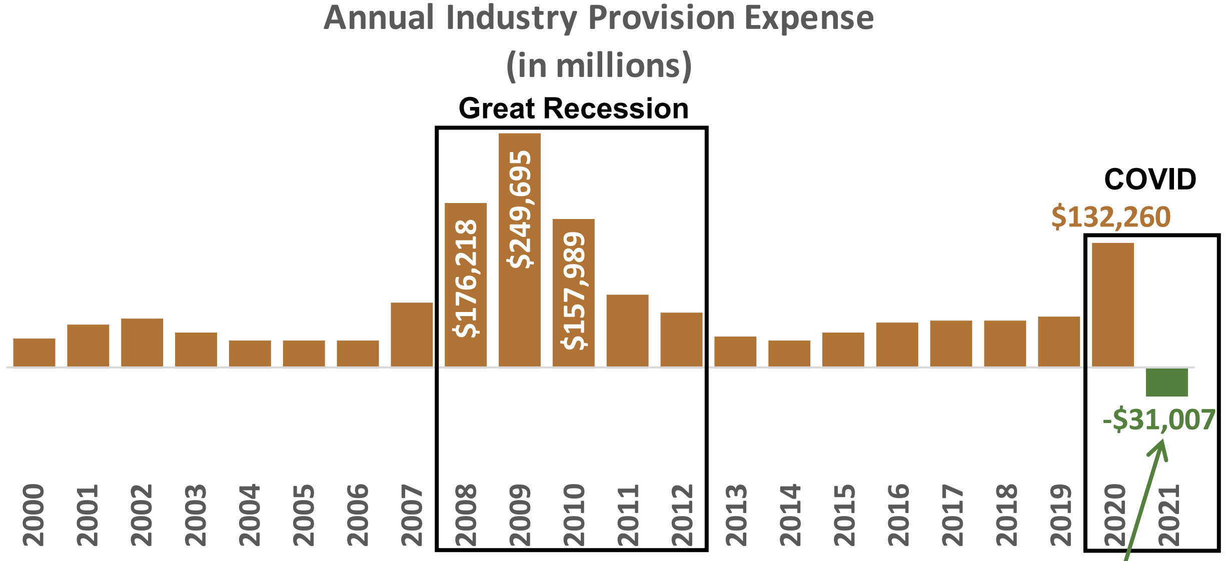


Industry margin of 2.56% lowest in over 40 years:

- Down 175 basis points from modern peak
- Major drivers:
  - Policy response to COVID brings
    - Extraordinary low rates in 2020 / 2021
    - High levels of low yielding cash / bonds
- Rising rates should help margins
- But will also bring pricing pressure (loans / deposits)

Industry: Significant Charge-Offs Never Materialized





Great Recession brought massive loan charge-offs

- $772 billion in industry charge-offs over 5 years
- 9.8% of 2008 YE loans

COVID pandemic was a major economic shock, but…

- Significant credit losses never materialized
  - $116 billion in industry charge-offs over 2 years

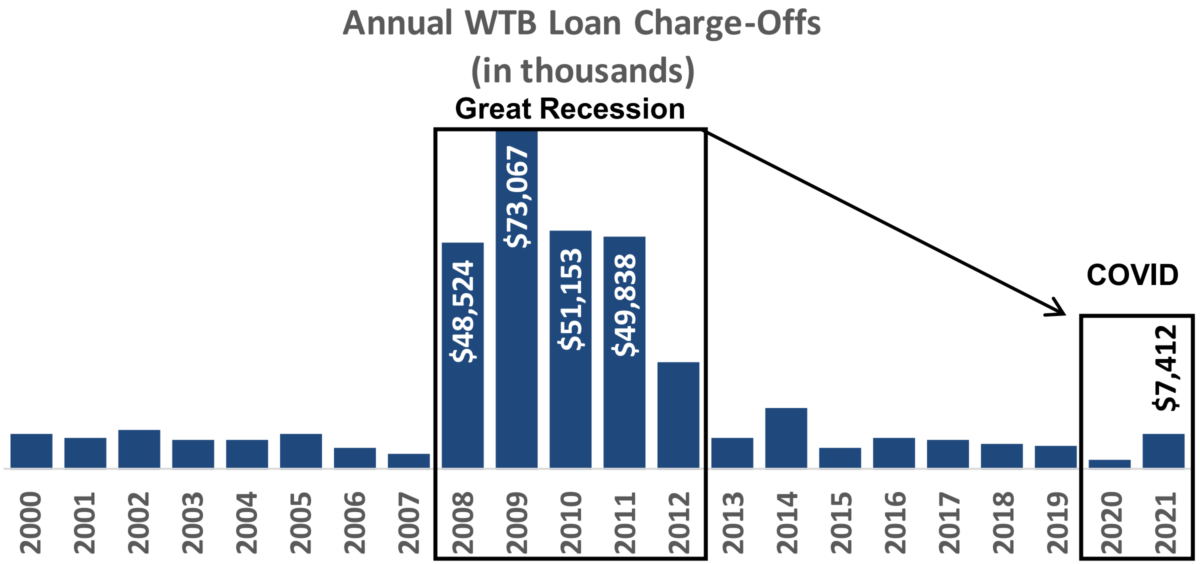
Great Recession charge-offs required massive provision expense

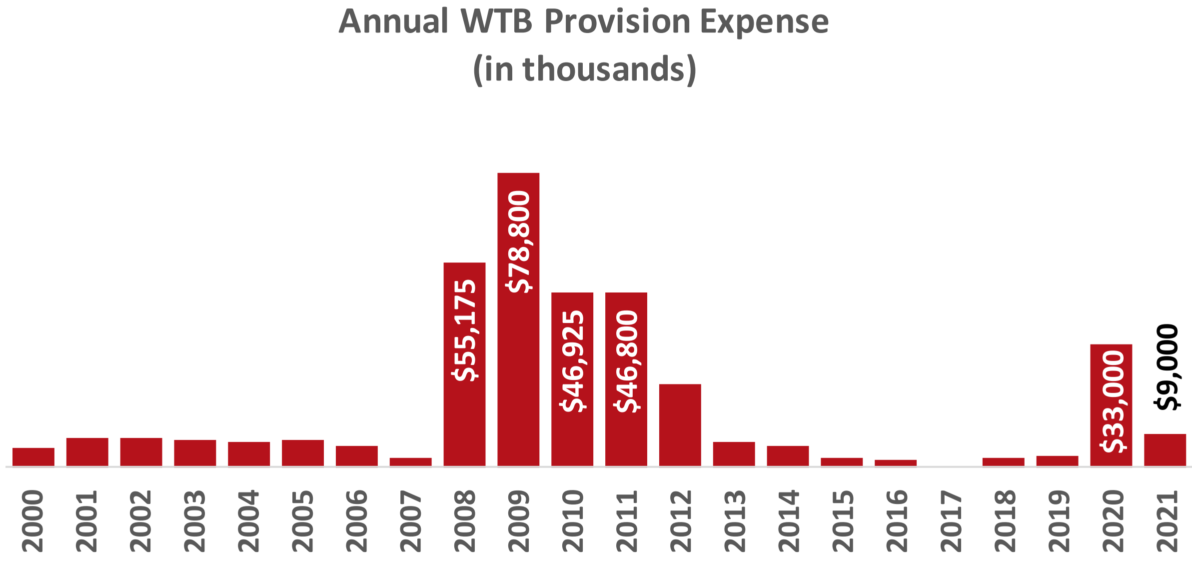
- $730 billion in industry provision expense over 5 years

COVID pandemic…major charge-offs were anticipated

- $132 billion in provision expense in 2020
- But significant credit losses never materialized
- First time in history, negative provision expense in 2021

WTB: Significant Charge-Offs Never Materialized





Great Recession brought significant loan charge-offs
- $246 million in WTB charge-offs over 5 years
- 7.6% of YE 2008 loans

COVID pandemic was a major economic shock, but…
- Significant credit losses never materialized
  - $10 million in WTB charge-offs over 2 years

Great Recession charge-offs required massive provision expense
- $250 million in WTB provision expense over 5 years

COVID pandemic…major charge-offs were anticipated
- $33 million in provision expense in 2020
- But significant credit losses never materialized

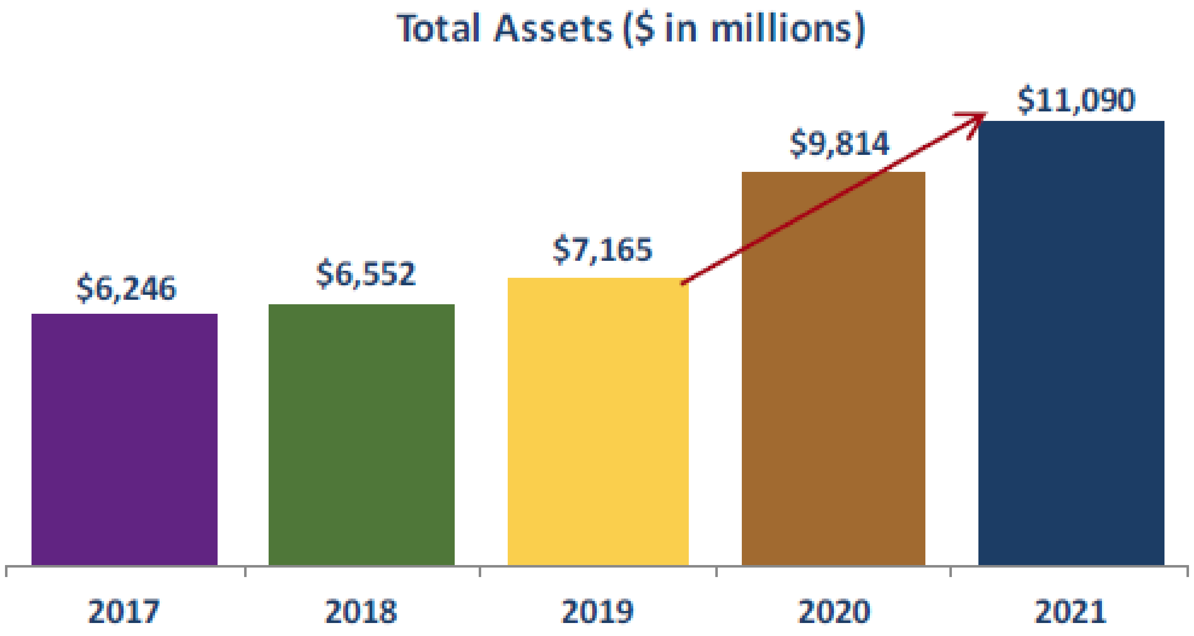
2021 MAJOR INDUSTRY THEMES

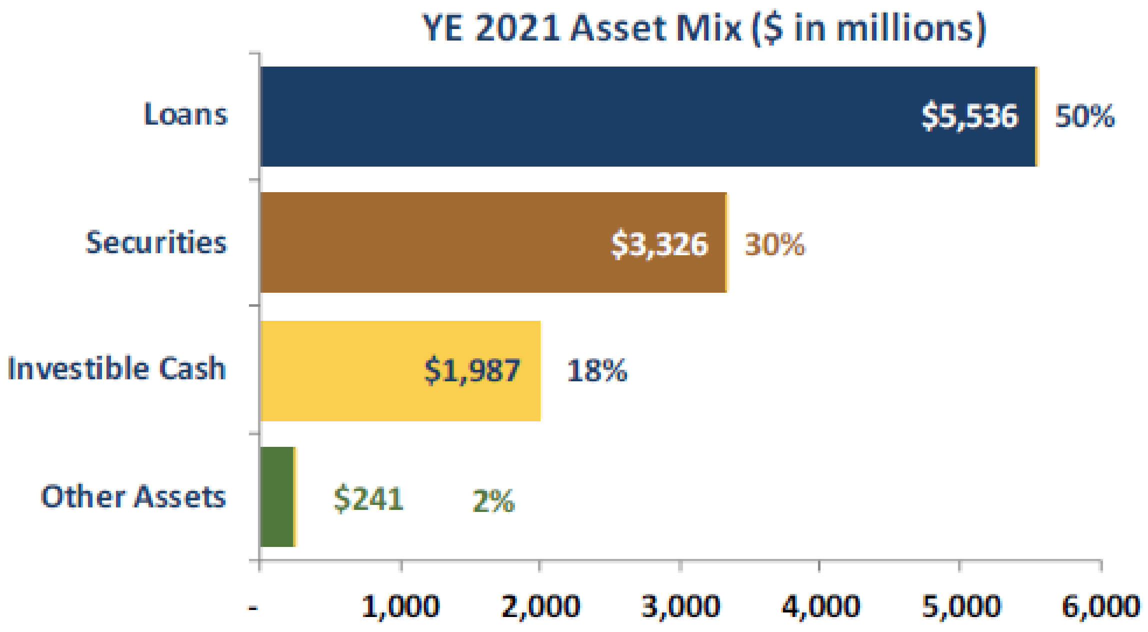
- **Balance Sheet Items:**
  - Deposits increased $1.9 trillion, or 10.5% to $19.7 trillion (deposits fund 83% of the balance sheet)
  - Loans increased $383 billion, or 3.5% to $11.2 trillion…a record low of just 47% of assets
    - Note that C&I loans declined $126 billion, or 5.2% YoY…likely impact of PPP loan forgiveness
  - Securities increased $1.1 trillion, or 22.2% to $6.2 trillion, or 26% of assets
    - Held to Maturity bonds increased 58.3%, while Available for Sale bonds increased 9%
    - Assets increased $1.8 trillion, or 8.5% to a record $23.7 trillion
- **Credit performance:**
  - Noncurrent loans = 0.89% in Q4…peak was 5.46% in 2010
  - Net charge-offs in 2021 averaged 0.25% of loans…Peak was 3.00% in 2009
  - Provision expense negative for 1st time in history ($31 billion) as industry releases reserves
  - Allowance for loan losses to loans down 60 bps to 1.58%...peak was 3.51% in 2010
- **Financial performance:**
  - Net interest margin narrows 12 bps to record low of 2.56%
  - Earnings increase $132 billion, or 89.7% to a record $279 billion
    - CECL and COVID drive favorable $163 billion YoY favorable reversal of provision expense
  - Return on assets soars 51 bps to 1.23%
  - Return on equity nearly doubles from 6.85% to 12.21%

Source: FDIC data from 1984 to the present

WTBFC 2021 Performance in Perspective

TOTAL ASSETS AND MIX

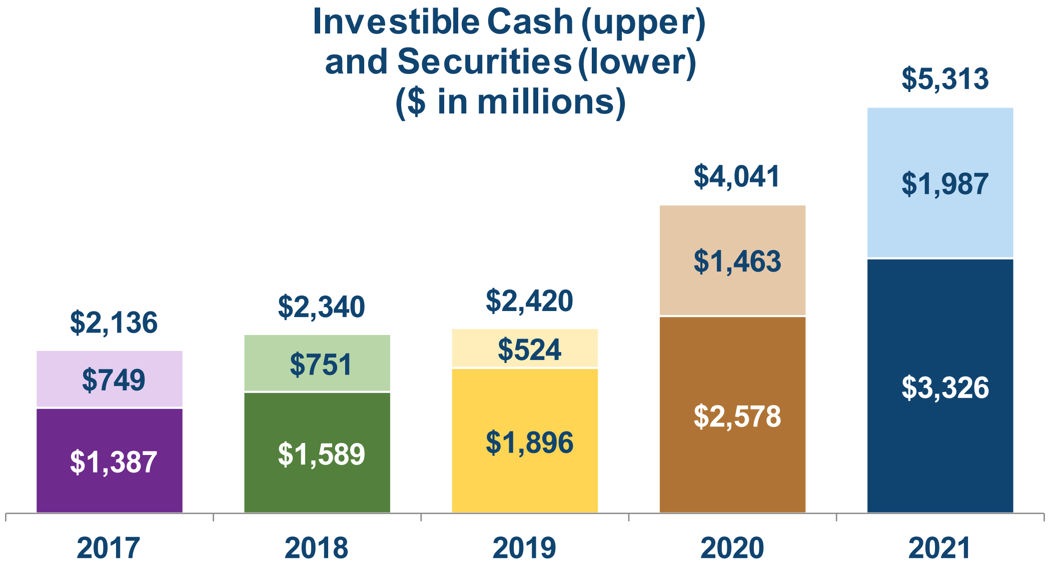




- Asset growth accelerated in 2020 and continued in 2021
  - Assets up $1.3 billion, or 13% in 2021
  - Assets up $3.9 billion, or 55% since YE 2019
    - $2.9 billion of that growth in cash and bonds
- Strong deposit growth was primary driver

- Asset mix shifted towards cash and securities
  - Investible cash totaled $2.0 billion, or 18% of assets
  - Securities total $3.3 billion, or 30% of assets
- Combined, on balance sheet liquidity = 48% of assets
  - Liquidity is a bank's "inventory"
  - Significant financial flexibility

INVESTIBLE CASH AND SECURITIES TRENDS

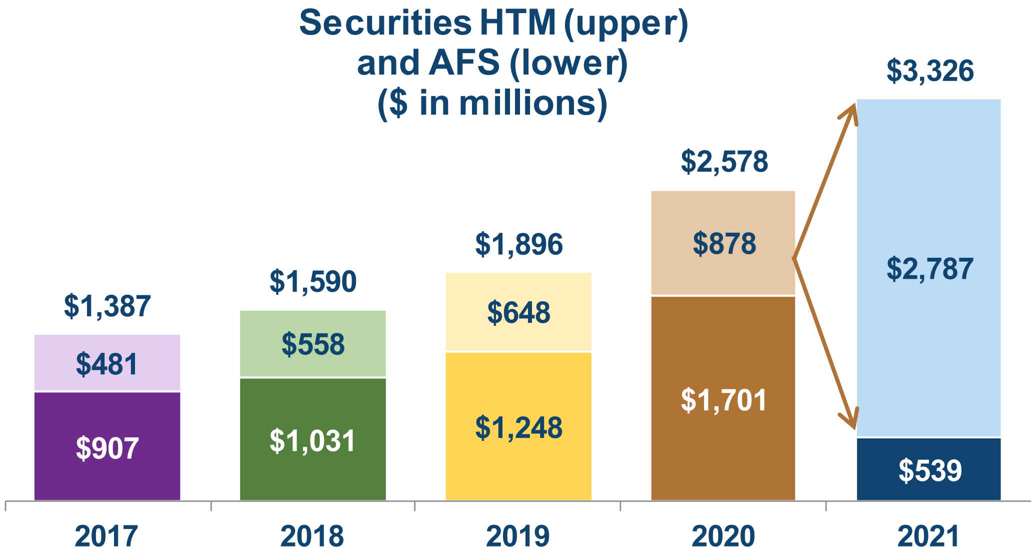


$1.3 Billion

$ Growth over the Past Year

31%

% Growth over the Past Year



- Growth in cash and securities extraordinary
  - Up $1.3 billion, or 31% in 2021
  - Result of deposit growth > loan growth
- Liquidity position at record levels (48% of assets)
- Rising rates will provide investment opportunities for cash
- Securities portfolio shifted from AFS to HTM
  - Accounting protection from rising rate impact on bond valuations

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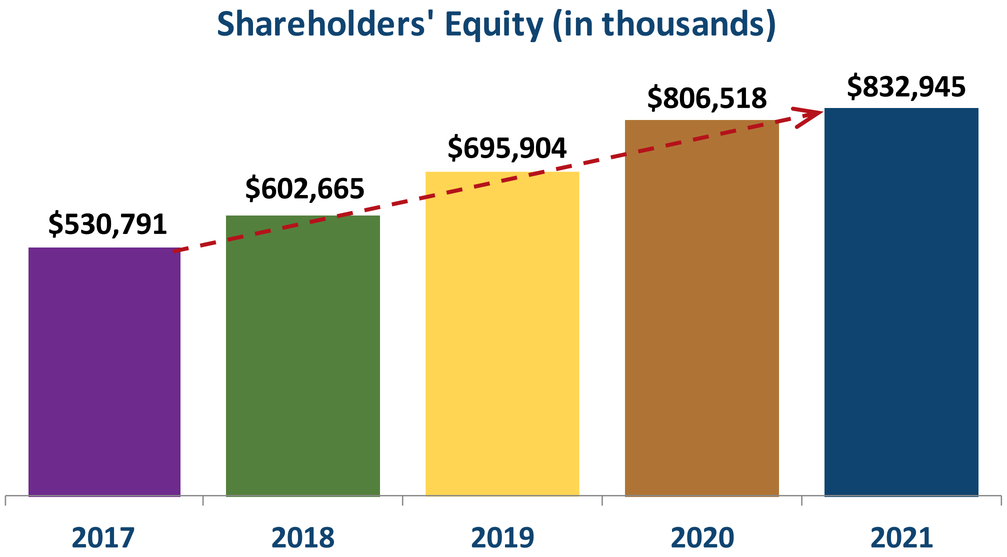
FOCUS ON CAPITAL



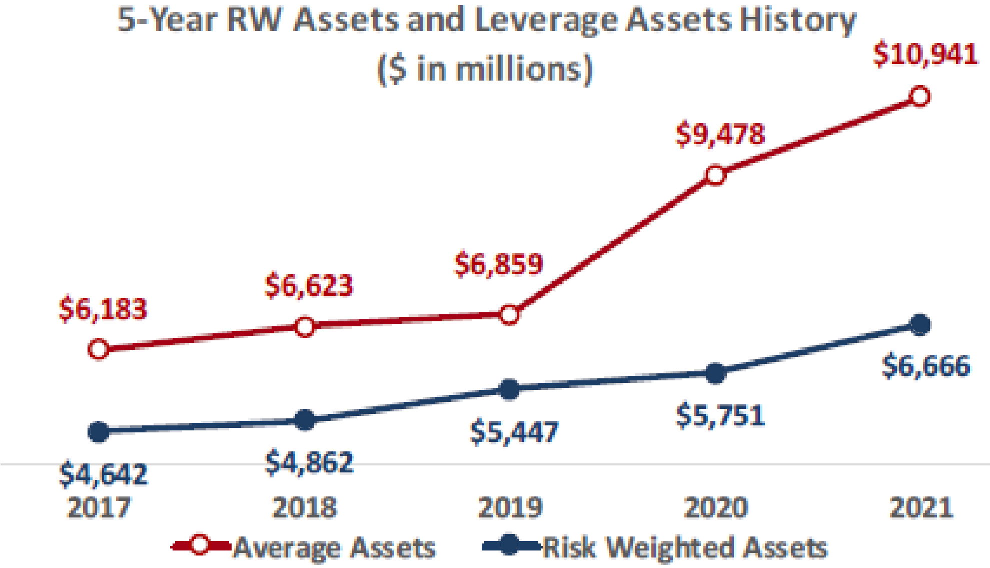
$26 million

$ Growth over the Past Year

3.3%

% Growth over the Past Year

Shareholders' equity up $302 million, or 57% since YE 2017



- Rapid growth in average assets, put pressure on Leverage Ratio.
- Risk weighted asset growth was moderate due to asset growth primarily in low-risk categories (cash and bonds).
- Total Risk Based Capital Ratio remains stable.

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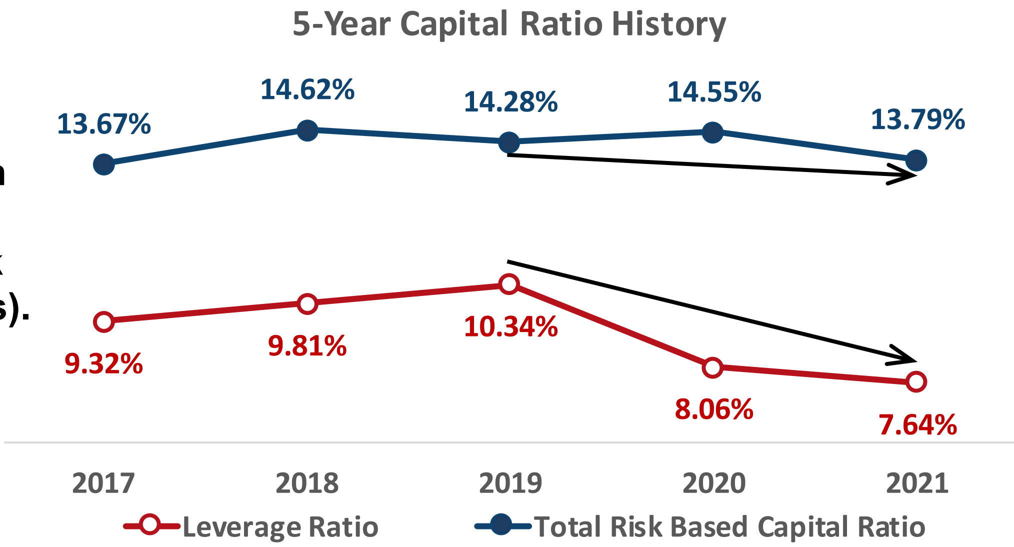
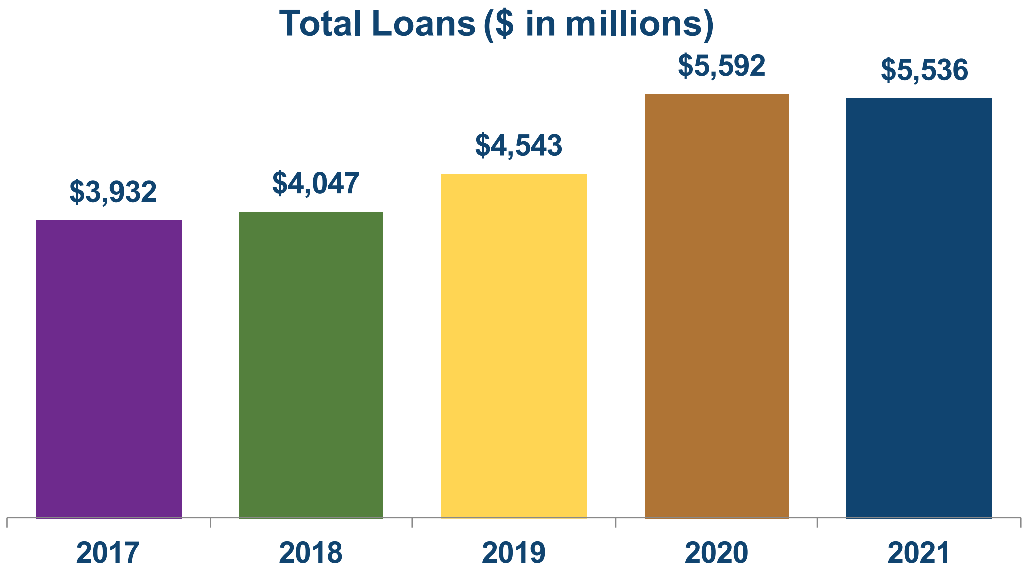
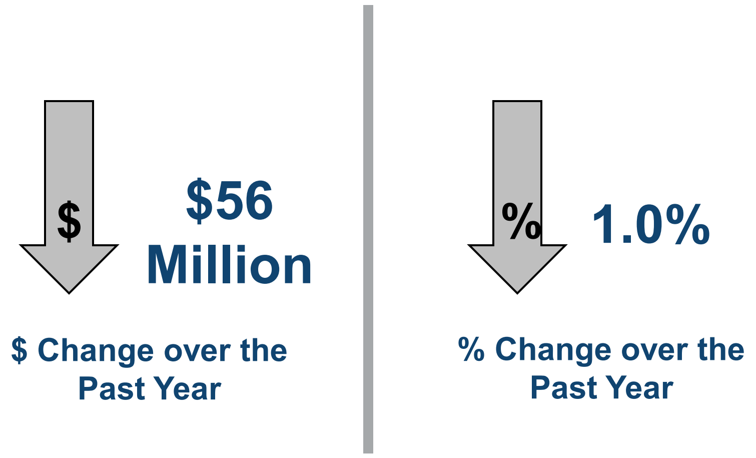


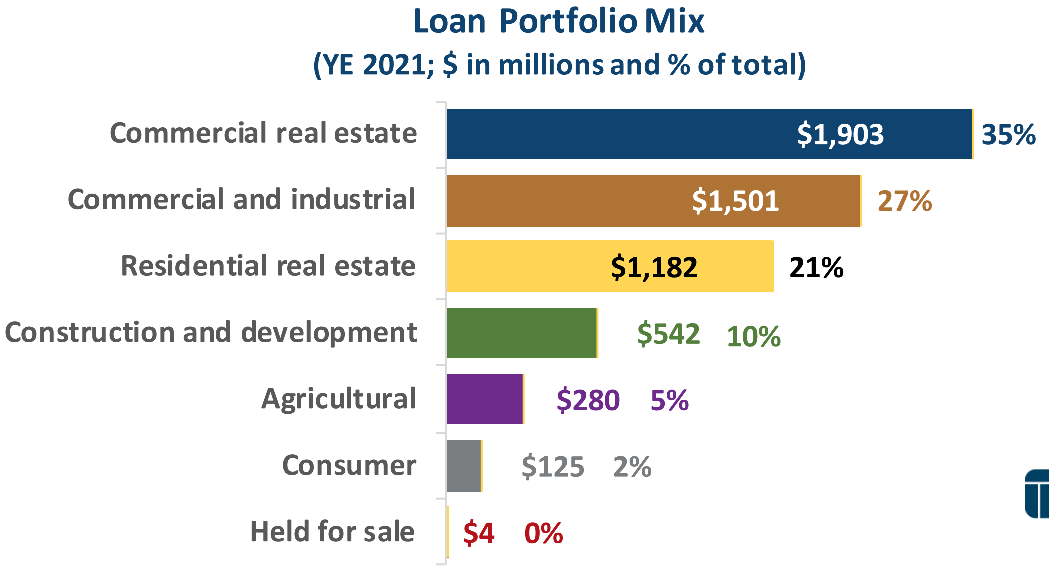
CAPITAL PERSPECTIVE AND FRAMEWORK

- **Capital levels are significantly above regulatory minimums**
  - "Tightest" $ cushion is $253 million above Total Risk Based Capital minimums
  - "Tightest" % cushion is 264 basis points above Leverage Ratio minimums
- **Capital quality is high**
  - No intangible assets
  - No debt in capital structure
- **Rapid balance sheet growth pressured Leverage Ratio, not risk-based ratios**
  - Since YE 2019, average assets (for Leverage Ratio) grew $4.1 billion, or 60%
    - Risk weighted assets increased $1.2 billion, or 22%
    - $2.9 billion, or 70% of the growth in assets in low-risk cash and bonds
  - Since YE 2019, shareholders' equity has grown $137 million, or 20%
- **Substantial allowance position supports capital strength**
  - $141 million, or 2.54% of loans

LOAN PORTFOLIO TRENDS







- Loan decline due to PPP loan payoffs / forgiveness
  - Decline in PPP loan balances totaled $765 million
  - Non-PPP loan growth significant (up $709 million, or 15%)
- CRE loans now the largest loan category
  - High demand for CRE lending
  - C&I loan balances / demand impacted by PPP loans
- Vast majority of loans are relationship based

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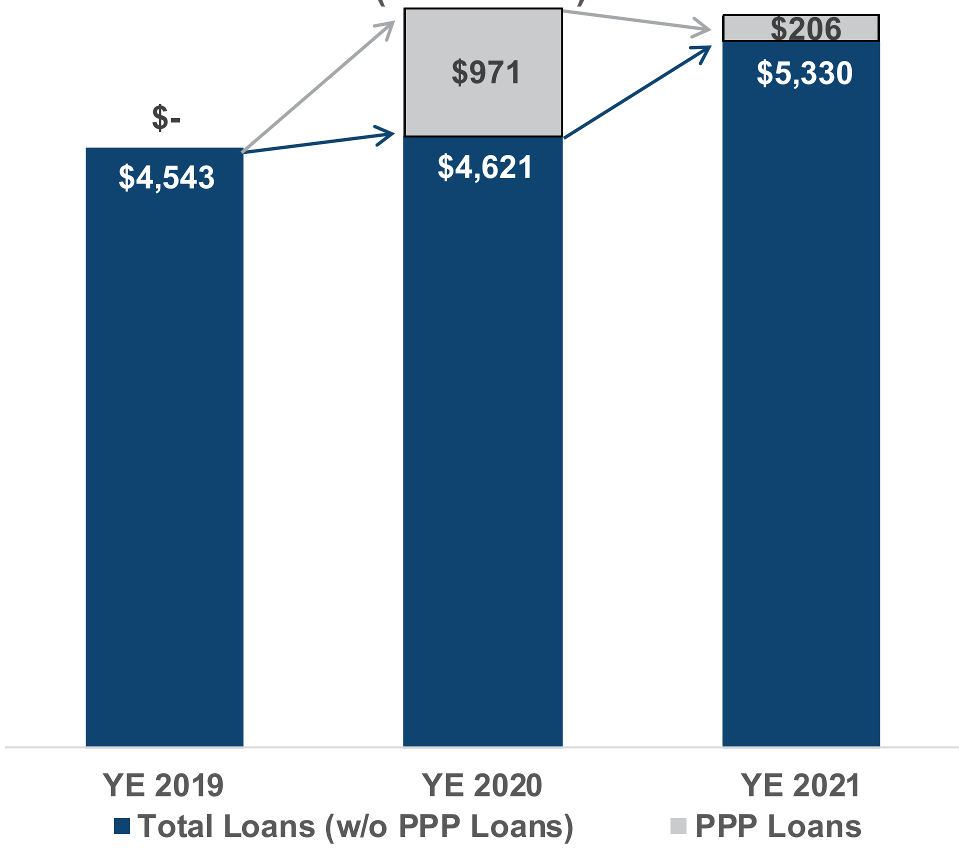
Organic Loan Growth / PPP Loan Balances



- 2020: Loan growth was largely due to the PPP loan program
  - Non-PPP loan growth = $78 million, or 2%
  - PPP loan growth = $971 million
- 2021: Loan portfolio decline was entirely due to PPP loan forgiveness
  - Non-PPP loan growth = $709 million, or 15%
  - PPP loan forgiveness drives total balances lower by $765 million

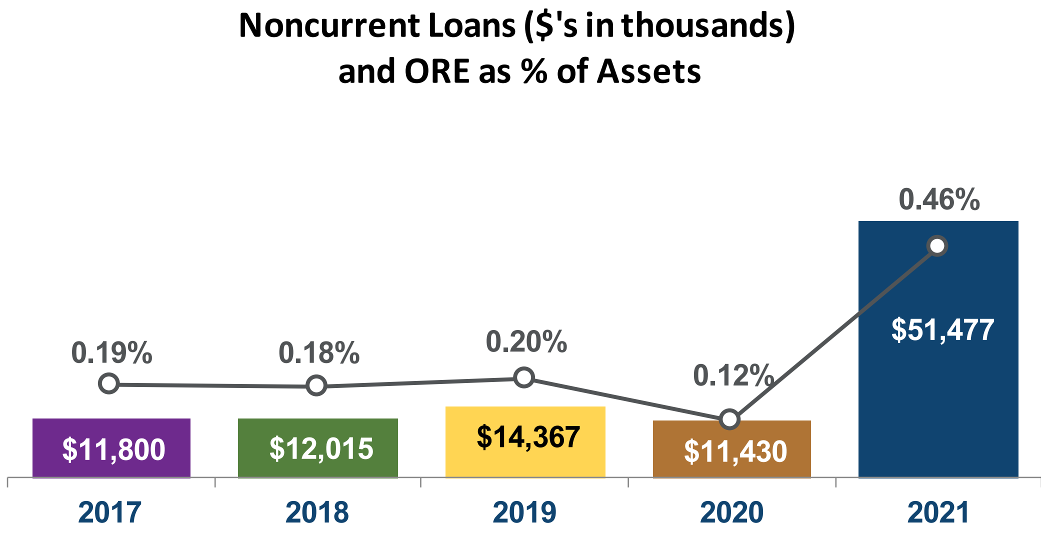
				Net Change		
				YoY	YoY	2-Year
Loan Balances (millions)	**YE 2019**	**YE 2020**	**YE 2021**	**2020 - 2019**	**2021 - 2020**	**2021 - 2019**
Total Loans (w/o PPP Loans)	$ 4,543	$ 4,621	$ 5,330	$ 78	$ 709	$ 787
PPP Loans	-	971	206	971	(765)	206
Total Loans	$ 4,543	$ 5,592	$ 5,536	$ 1,049	$ (56)	$ 993

Core loan demand significant

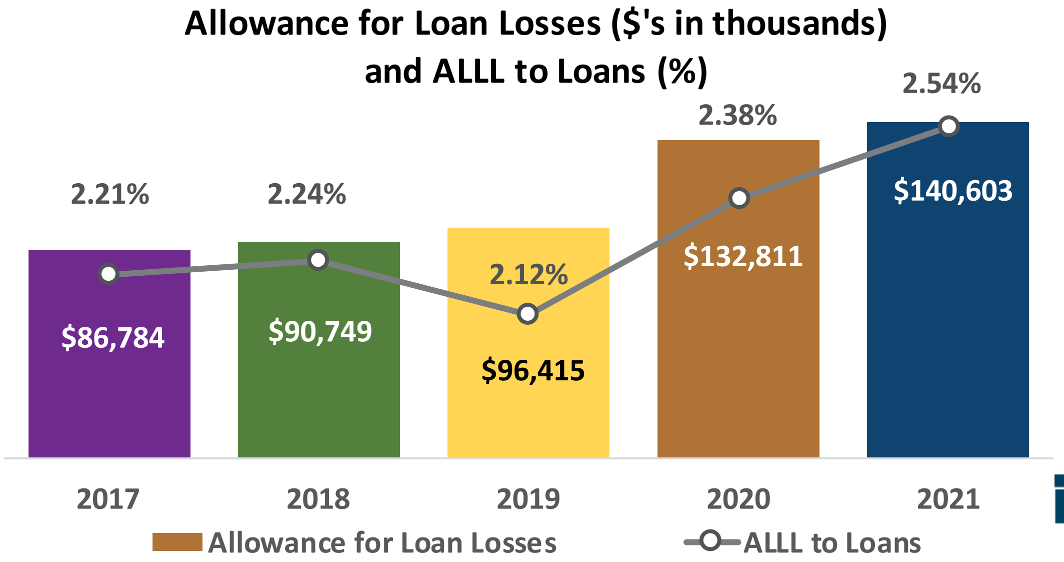
CREDIT PERFORMANCE

- **Credit performance has been solid, especially given challenging operating environment**
  - Noncurrent loans remain at moderate levels ($51 million at YE 2021)
  - Classified loans remain at moderate levels and trending down
    - $126 million at YE 2021
    - $140 million at YE 2020
  - Net charge-off levels minimal ($1.2 million in 2021)
- **Allowance position well above industry levels**
  - ALLL totals $141 million, or 2.54% of loans at YE 2021
  - Industry ALLL to loans = 1.58% at YE 2021

CREDIT PERFORMANCE METRICS



- Noncurrent loans remain low by historical standards
  - Increase to $51 million in 2021 due to a borrower bankruptcy
  - Write-down taken in 2021
    - Offset by significant recoveries
  - Nonaccrual loans < 0.50% of assets
- Allowance for loan losses increased in 2021 to record levels
  - ALLL to loans substantial at $141 million, or 2.54% of loans
  - Broad credit deterioration from COVID never occurred
  - Provision expense in 2021 declined by $24 million to $9.0 million



Credit Performance Impact	2017	2018	2019	2020	2021
Gross Charge-offs	$ (6,288)	$ (5,280)	$ (5,174)	$ (2,134)	$ (7,412)
Recoveries	7,286	6,544	7,640	5,530	6,204
Net Recoveries / (Charge-Offs)	**$ 998**	**$ 1,264**	**$ 2,466**	**$ 3,396**	**$ (1,208)**

Memo Item:	2017	2018	2019	2020	2021
	$ -	**$ 2,700**	**$ 2,466**	**$ 3,396**	**$ (1,208)**

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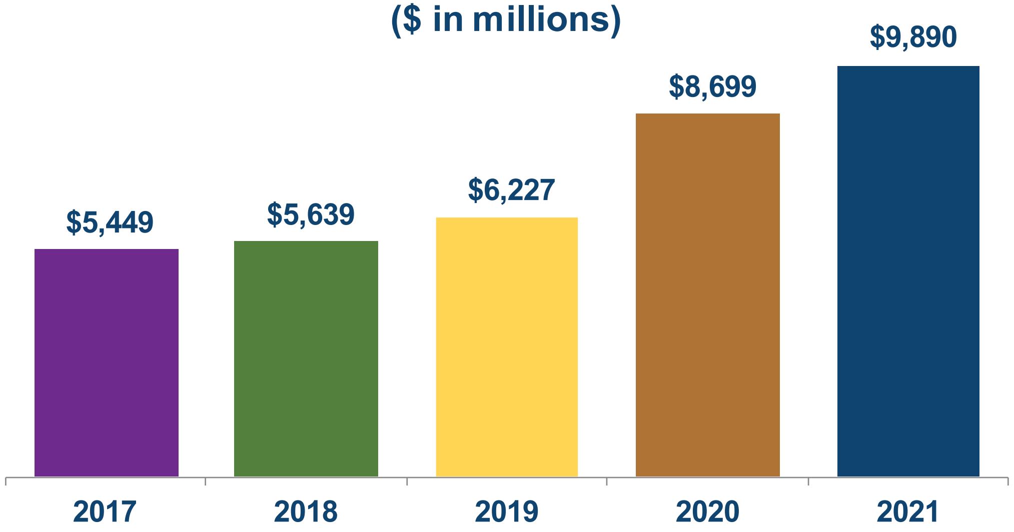
DEPOSIT PORTFOLIO TRENDS

Total Deposits
($ in millions)



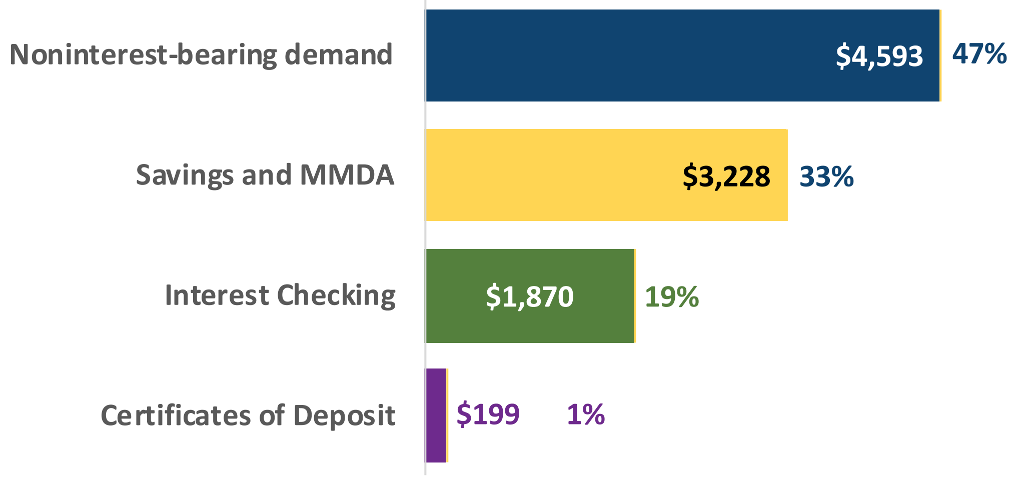
$ **$1.2 Billion**

$ Growth over the Past Year

% **13.7%**

% Growth over the Past Year

Deposit Portfolio Mix
(YE 2021; $ in millions and % of total)



- Deposit growth extraordinary since YE 2019
  - Up $3.7 billion, or 59% in 2 years
    - 2020 growth = $2.5 billion, or 40%
    - 2021 growth = $1.2 billion, or 14%
- Vast majority of deposits are relationship based
- Noninterest demand deposits = 46% of total deposits
- Funding costs at historic low
  - Cost of interest-bearing liabilities = 0.16% in Q4
  - Overall cost of funds (including DDA) = 0.09% in Q4

WEALTH MANAGEMENT AND TRUST DIVISION

Key business line…complements banking client book

- Wealth management, fiduciary, trust and investment services
- Competitive advantage for high value and affluent customers
- Long-term, relationship-based business line

Attractive financial dynamics

- Stable, fee income-based business
  - Recurring revenue stream (Over $25 million annually)
  - Diversifies revenue base
- Off-balance sheet business line
- Capital neutral/Capital efficient
- Profitability enhances ROA and ROE

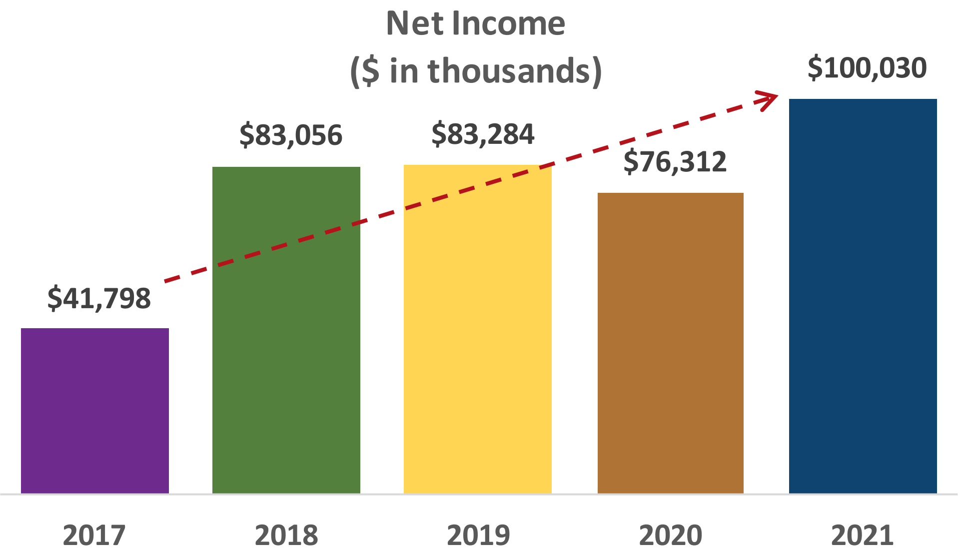
Financial Performance:

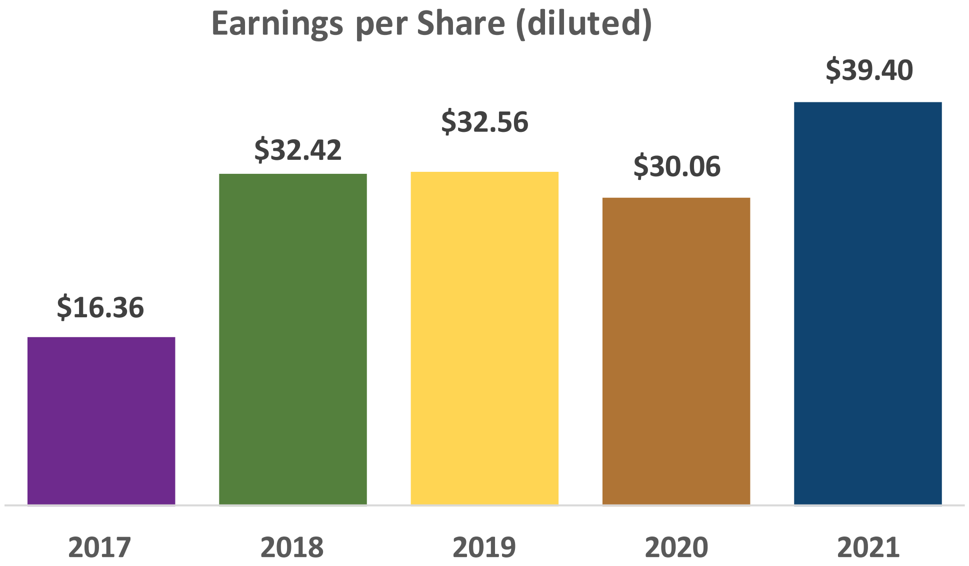
- Over $8.3 billion portfolio of assets
  - 11.9% compound annual growth rate in assets past 5 years
  - 8.0% compound annual growth rate in revenues past 5 years

EARNINGS OVERVIEW

Income Statement (000's)	Years Ended December 31, 2020	2021	$ Difference	% Change
Net interest revenue	$ 272,257	$ 299,057	$ 26,799	9.8%
Provision for loan losses	33,000	9,000	(24,000)	-72.7%
Noninterest revenue	67,372	67,849	477	0.7%
Noninterest expense	208,740	229,910	21,170	10.1%
Pre-tax income	97,889	127,995	30,106	30.8%
Net income	$ 76,312	$ 100,030	$ 23,718	31.1%

- Net interest revenue up on growth in earning assets
- Provision expense down on good credit performance
- Noninterest revenue steady
  - Lower YoY bond gains and mortgage banking revenue
  - Offset by higher YoY bank card and fiduciary revenue
- Expense growth reflects investment in the business
  - Technology, data, electronic delivery and governance
- 2021 performance helped by:
  - Bond prepayment penalties, interest on charged off loans and interest income from PPP loan balances
- Earnings and EPS at record levels





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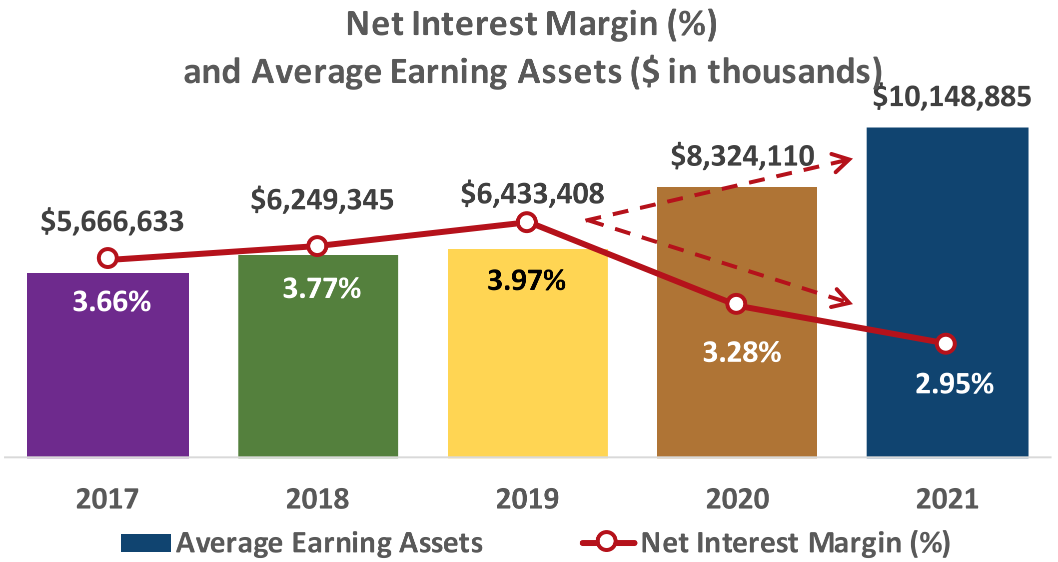
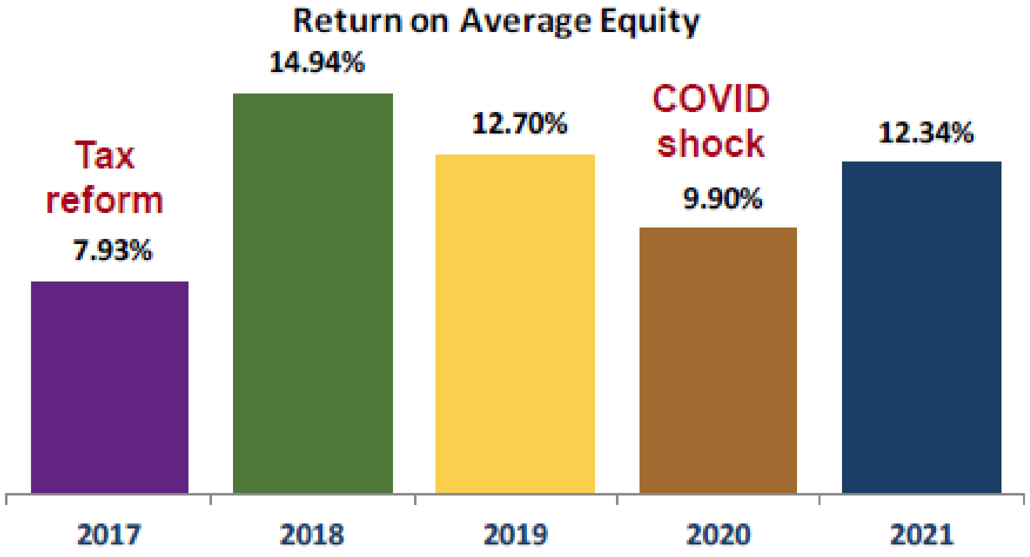
WTBFC FINANCIAL PERFORMANCE METRICS

Performance Metric	For the Year 2020	2021	Difference
Return on average assets	0.89%	0.96%	0.07%
Return on shareholders' equity	9.90%	12.34%	2.44%
Margin on average earning assets	3.28%	2.95%	-0.33%
Noninterest expense to average assets	2.43%	2.21%	-0.22%
Efficiency ratio	61.4%	62.6%	1.20%

- While net interest margin declined to record low of 2.95%
  - Industry net interest margin also hit a record low at 2.54%
- Growth in earning assets drove net interest revenue higher
- Stronger earnings brought improved performance metrics
  - ROA increases 7 bps to 0.96%
  - ROE increases 244 bps to 12.34%



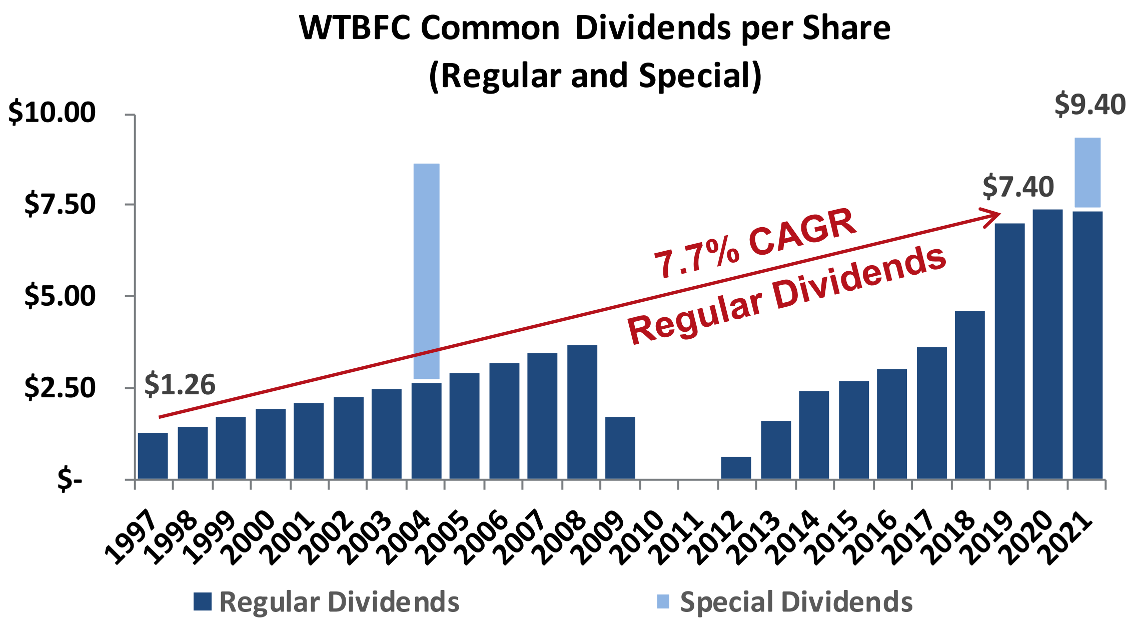
Growth in earning assets (lower yielding cash and bonds) contribute to both lower net interest margin and higher net interest revenue

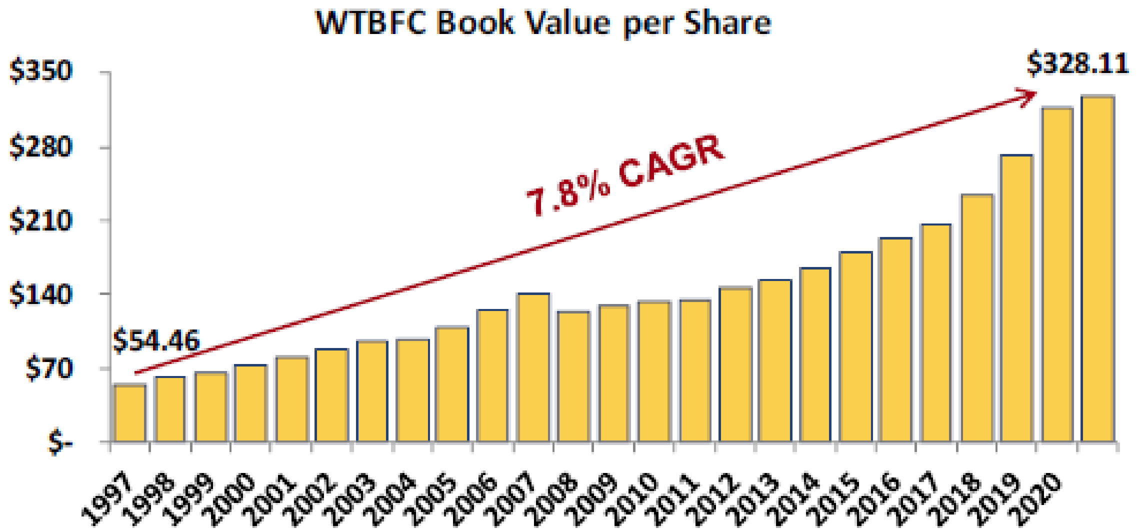


WTBFC SHAREHOLDER VALUE METRICS

Income (000's) and Per Share Data	Years Ended December 31, 2020	2021	$ Difference	% Change
Net Income	$ 76,312	$ 100,030	$ 23,718	31.1%
Diluted Earnings per Common Share	$ 30.06	$ 39.40	$ 9.34	31.1%
Dividends per Common Share	$ 7.40	$ 9.40	$ 2.00	27.0%
Book Value per Common Share	$ 316.30	$ 328.11	$ 11.81	3.7%

- Earnings hit record levels
  - Net income up 31% to $100 million
  - EPS up 31% to $39.40
- Dividends of $9.40 per share
  - $2.00 per share special dividend in Q4





WTBFC Q1 2022 HIGHLIGHTS

- Assets: Steady at $11.1 billion (down $5 million QoQ up $976 million YoY)
- Loans: Down $84 million, or 1.5% QoQ as $100 million in PPP loans are forgiven
  - $106 million in PPP loans remained at end of Q1, from $1.7 billion in originations
- Deposits: Up $14.5 million, or 0.1% to $9.9 billion
- Earnings up slightly: Net income increased $133,000, or 0.6% YoY to $20.8 million
  - Net interest revenue: Steady at $69.9 million (down $10,000 from Q1 2021)
  - Noninterest revenue: Down $991,000, or 5.7% to $16.3 million
  - Noninterest expense: Up $4.9 million, or 9.1% to $59.7 million
- Net interest margin: Narrowed 30 bps YoY to 2.66% (a record low)
- Return on assets: Narrowed 8 bps YoY to 0.77%
- Return on equity: Narrowed 37 bps YoY to 10.11%

CLOSING THOUGHTS

- 2021 was a record year, with some unusual elements to it:
  - Record earnings of $100 million, supported by:
    - Earnings from PPP loans (most PPP loans have now paid-off)
    - One-time benefits from bond prepayments and loan recoveries
  - Strong deposit growth (up 13.7%), but declining loans (down 1%)
    - PPP loans declined $765 million, while "core" loans grew $709 million, or 15%
  - Margin narrowed to a record low of 2.95%
- Current landscape:
  - Inflation, interest rates and economic outlook now dominating the conversation
    - March CPI hits 40 year high of 8.5%, while 10-year UST is 2.75%
    - Fed signaling strong policy response (rates and balance sheet reduction)
  - Rising rates generally favorable to net interest margin and earnings
- Bank positioned well
  - Competitively positioned, transforming delivery, strong balance sheet

Thank you
for your support!