2024
W.T.B. Financial Corporation
Annual Shareholders' Meeting

Presented by:
Larry Sorensen
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.

PRESENTION OUTLINE

- **Company Overview**
- **High Level Perspective on 2023**
- **Operating Environment**
  - Inflation, Rates, Economy and Disruption
  - Industry Trends
- **WTBFC 2023 Positioning and Performance**
- **Q1 2024 Performance Highlights**
- **Strategic Initiatives**
- **Closing Thoughts**

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: WTBFC | WTB

- **Pacific Northwest regional community bank**
  - 120 + years of heritage
  - 4th generation Chairman of the Board
- **Private ownership and family heritage**
  - Conservative risk profile
  - Balance sheet strength
  - Capital management discipline
  - Risk adjusted performance
  - Long-term franchise and shareholder value
- **Relationship banking business model**
  - High value customer relationships
  - Organic customer growth
- **Broad customer base and product line**
  - 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 returns (dividends + BV growth)
- Minimize shareholder dilution
  - Ownership, BV/share, and EPS

Consistent Risk Adjusted Performance:

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

High Level Perspective on 2023

2023 BIG WTBFC THEMES AND ISSUES

Strategic Themes:

- A Challenging Year:
  - Adapting to rising rates
  - Disintermediation of excess/idle deposits
  - Industry disruption (March bank failures)
- Key Objectives:
  - Deposit stabilization (balances and cost)
  - Earning asset yield conversion
  - Margin stabilization
  - Customer acquisition (always be growing)
  - Execute on strategic priorities
  - Build platform for 2024 +
- Organization and leadership
  - Exec team development and succession

Financial Themes:

- 2023 earnings of $56 million, down from $114 million
  - Two key factors:
    - Net interest revenue down $38 million YoY
      - Margin narrowed 37 bps to 2.71%
    - Provision expense up $33 million YoY
      - Release of reserves in 2022
      - CECL adoption in 2023
- 2023 and 2024 will be transitional years
  - Stabilizing ~ growing deposits
  - Stabilizing ~ growing margin
  - Earning asset yield conversion
  - Normalizing the balance sheet
- Credit performance remains solid

LEADERSHIP CHANGES

Left to right: Kevin Blair, Jim Branson, Pete Stanton, Jack Heath

Key Succession Objectives:

- Leadership continuity
- Seamless transition
- Experienced leaders
- Intact vision, culture, business model and strategy

Leadership Changes:

- Kevin Blair:
  - Promoted to President of Washington Trust Bank
  - 20+ years on Commercial/Private Banking team
- Jim Branson:
  - Promoted to Chief Operating Officer of Washington Trust Bank
  - 20+ years with the Bank, most recently Chief Banking Officer
- Pete Stanton:
  - Moves up to Executive Chairman role at the Bank
  - Remains Chairman, President and CEO of W.T.B. Financial Corporation
- Jack Heath:
  - Moves up to Chief Executive Officer role at the Bank
  - Remains Vice Chairman, EVP and COO of W.T.B. Financial Corporation

Operating Environment

Inflation, Rates, Economy and Disruption

OPERATING ENVIRONMENT: KEY FACTORS

FOMC raises rates to control inflation:

- Inflation emerges post COVID
- PCE Peaks at 40-year high of 5.6% in February of 2022
- FOMC forces rates sharply higher (March 2022 to July 2023)

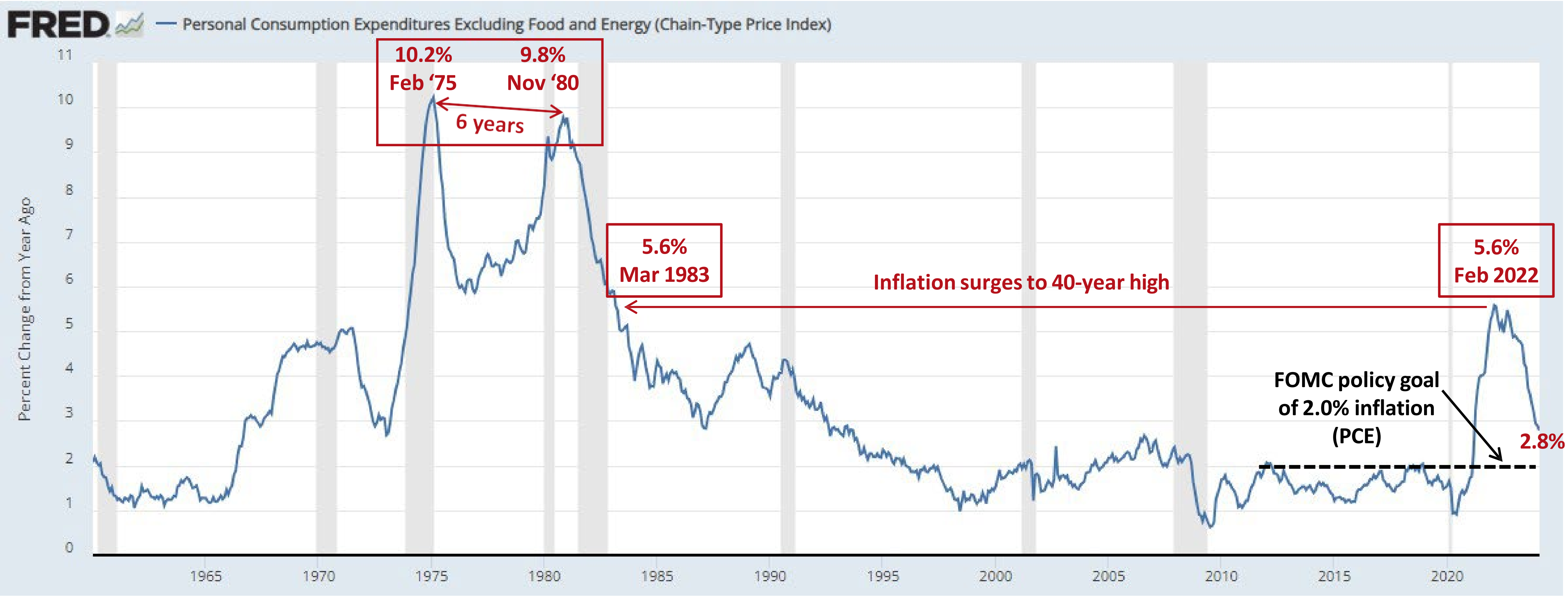
Sharp increase in rates drove industry disruption

- Deposit disintermediation (surge deposits seeking yield)
- Rising funding costs pressure margins/earnings
- Several exposed banks fail in spring of 2023

FOMC's next policy moves

- Case for lower rates
- Case for new normal
- Case for higher rates

INFLATION (PCE) EMERGES AFTER 40 YEARS



- 1973 Arab Israeli War
- Arab Oil Embargo

- 1979 Iranian Revolution
- Oil Price Shock

Thrift Crisis

9/11 Tech Bust

Great Recession

COVID

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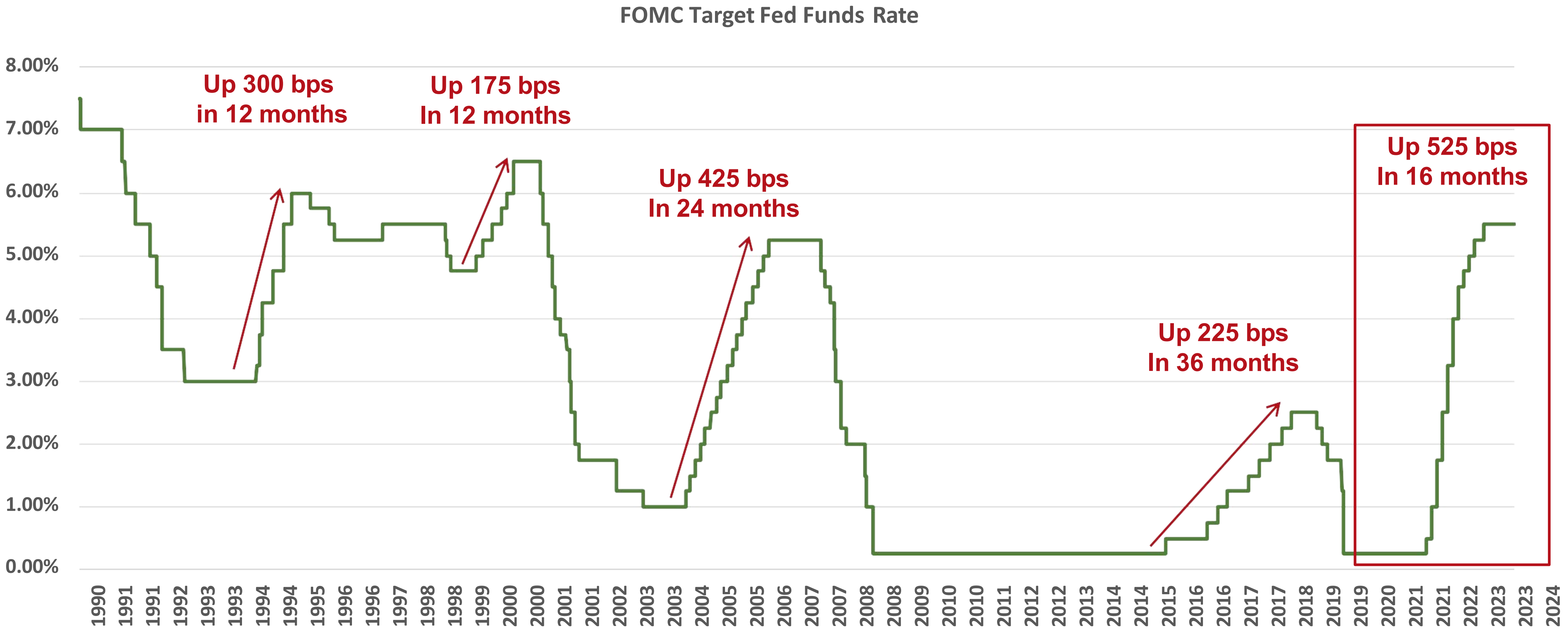
FOMC PUSHES RATES HARD TO FIGHT INFLATION



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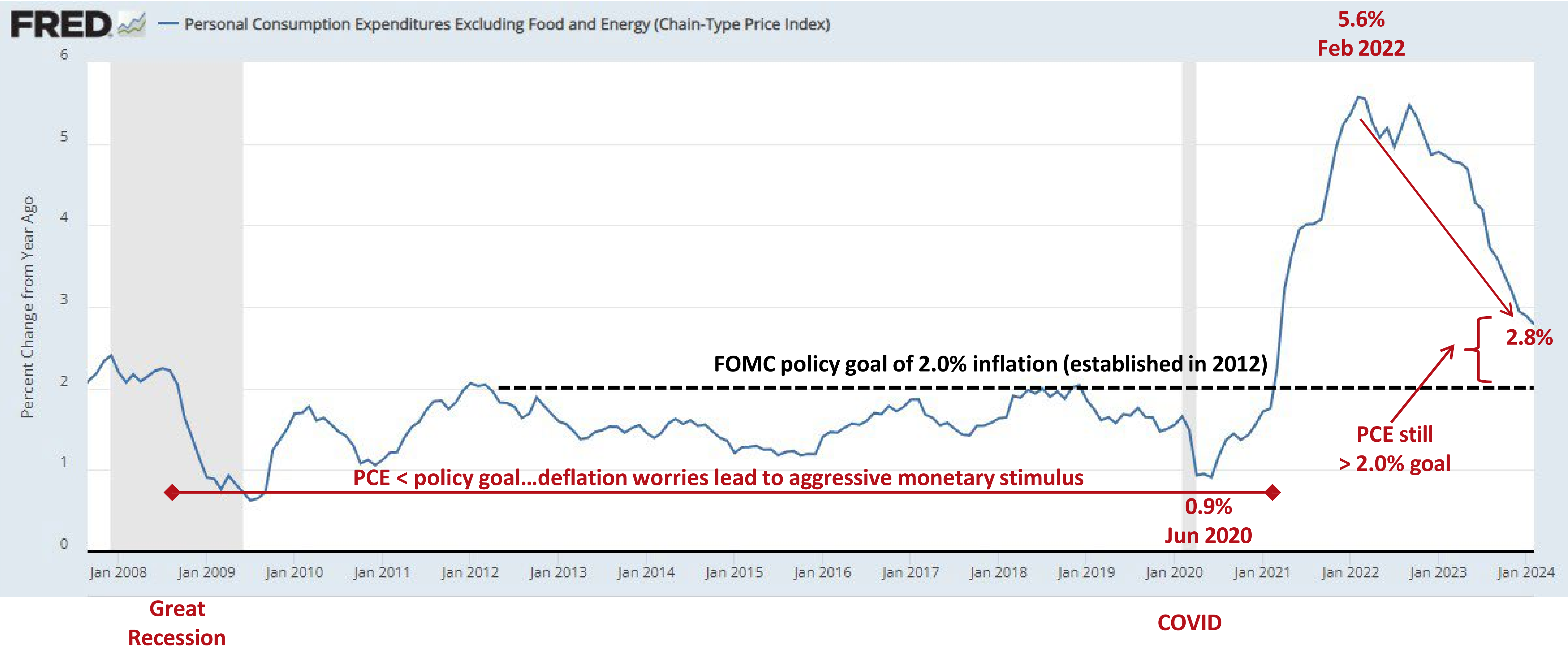
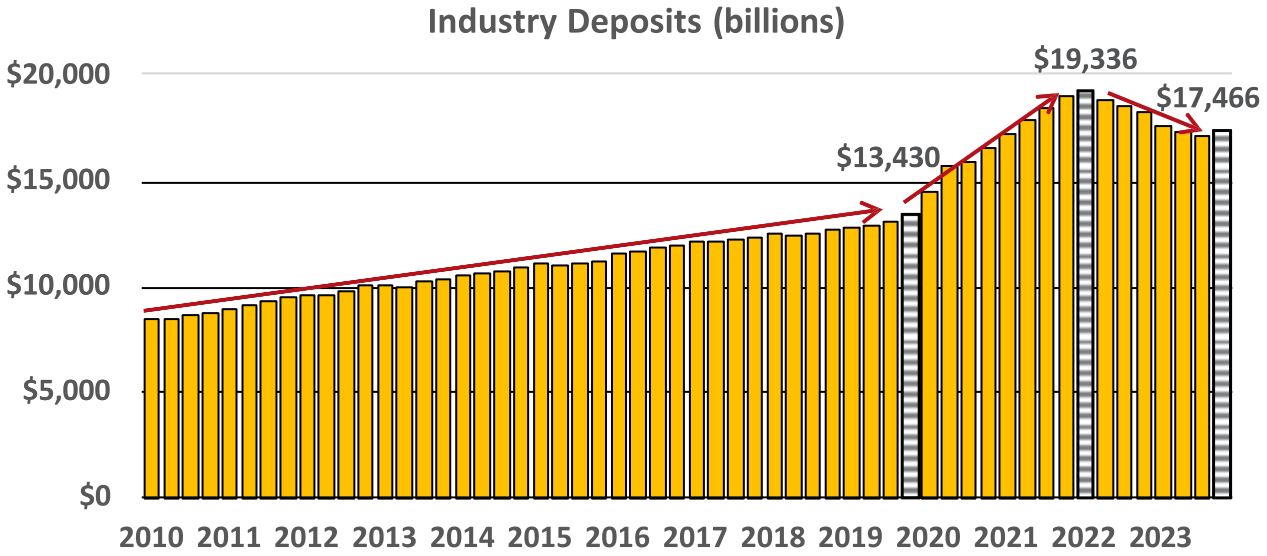
INFLATION (PCE) REMAINS ABOVE FED TARGET



RATE SHOCK DISRUPTS BANKING INDUSTRY



Deposit Flows:

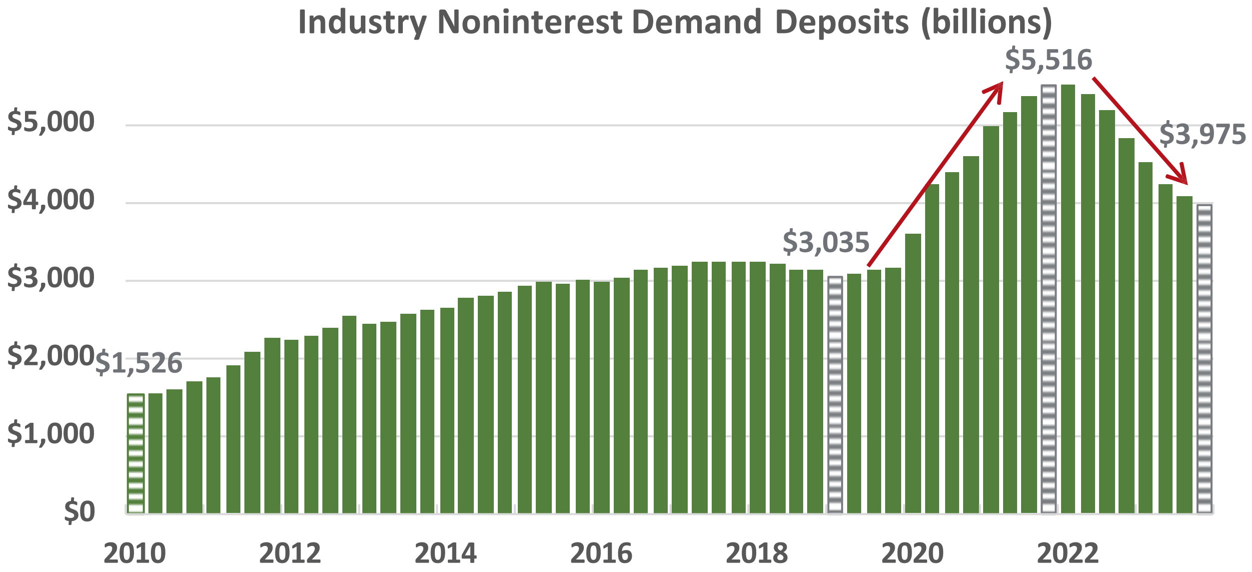
- Balances grew above trend (up $6 trillion)
- Rising rates caused outflows (down $1.9 trillion)
  - Noninterest balances declined by $1.5 trillion

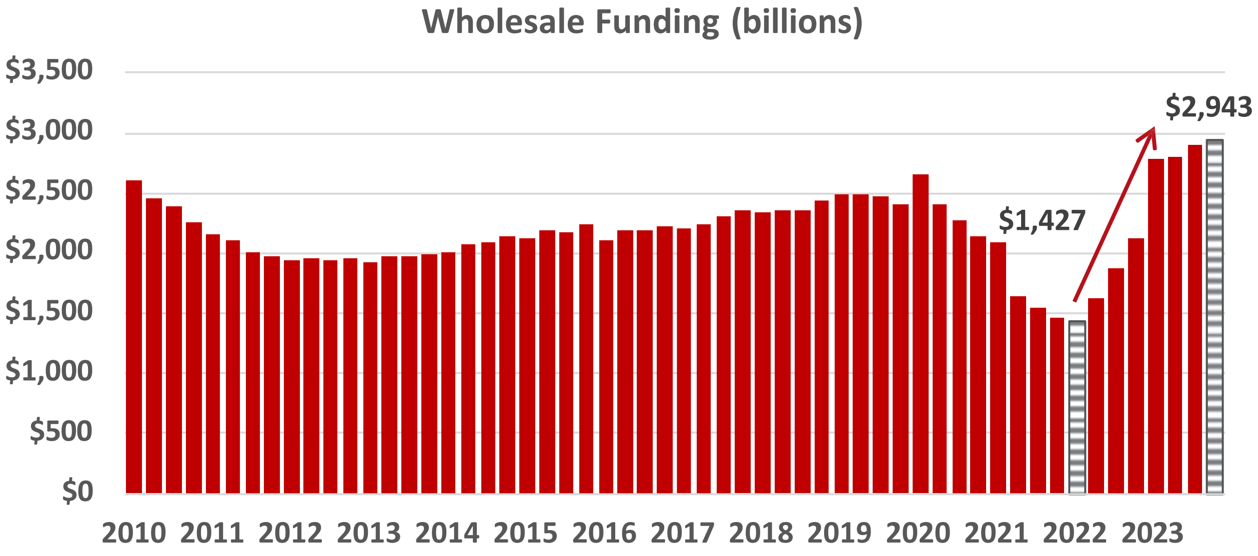
Wholesale funding helped cover disintermediation:

- Wholesale funding increased by $1.5 trillion

Expectations:

- Deposit balances should stabilize (grew $260 billion in Q4)
- Wholesale funding should decrease (stable for 3 quarters)





LIQUIDITY PRESSURE HURTS EXPOSED BANKS

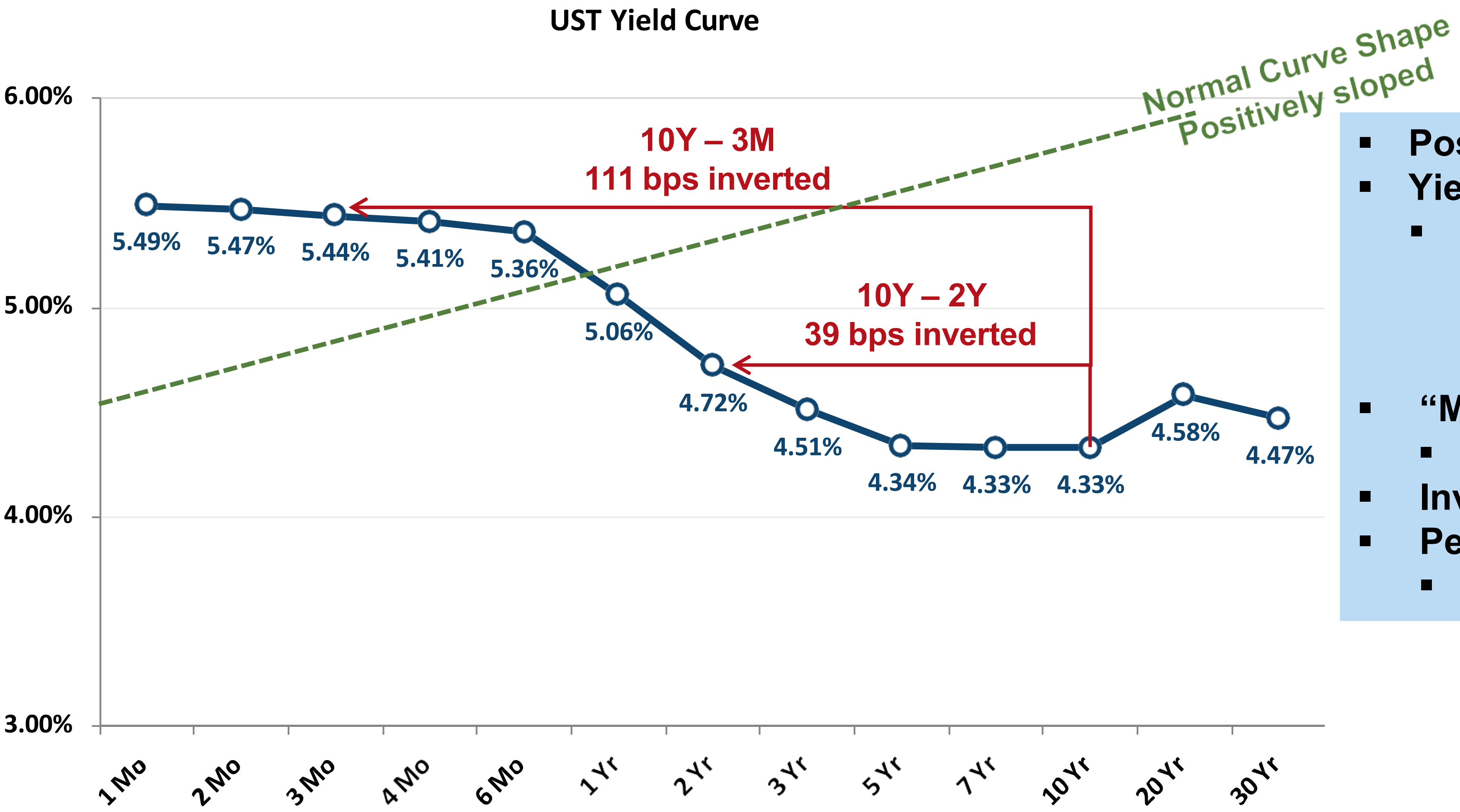
svb Silicon Valley Bank

Silvergate

First Republic

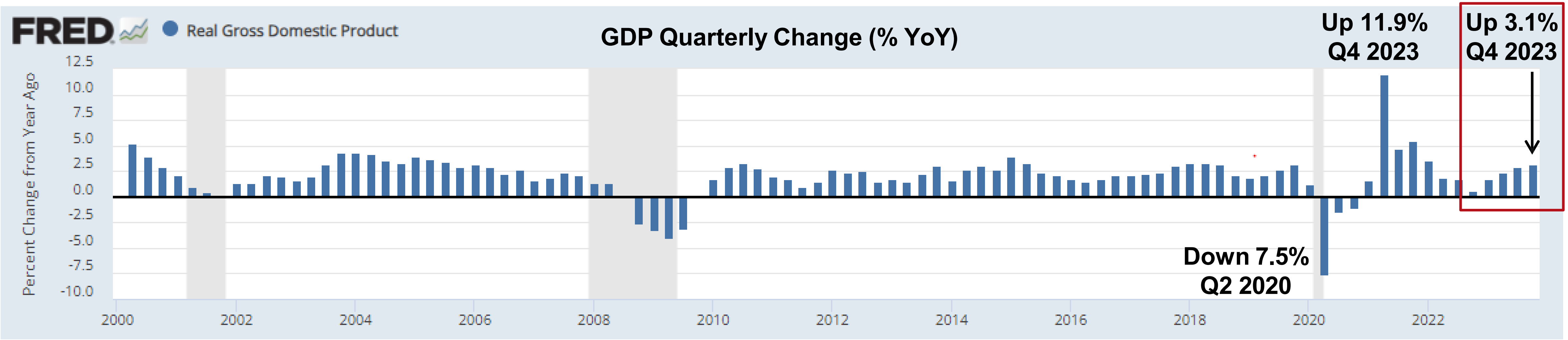
Signature Bank

YIELD CURVE INVERSION



- Positively sloped curve is "normal"
- Yield Curve Inverted:
  - 10-year minus 2-year
    - Inverted since July 2022 (21 months)
    - Maximum inversion was 108 bps
    - Currently inverted by 39 bps
- "Market" expects lower rates in the future
  - "Market" expects FOMC rate cuts
- Inversion typically precedes a recession
- Persistent inflation delays Fed rate cuts
  - FF Futures: < 2 rate cuts in 2024

BUT GDP AND UNEMPLOYMENT REMAIN SOLID



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FOMC MONETARY POLICY PATH

Case for Lower Rates...Current Policy Stance is Restrictive:

- Sharp rate increase should slow economy
- Inverted yield curve signals recession
- Fed Funds futures implies 2 rate cuts of 25 bps (to just less than 5.00% by YE 2024)
- Election year

Case for Steady Rates…Current Policy Stance is Neutral:

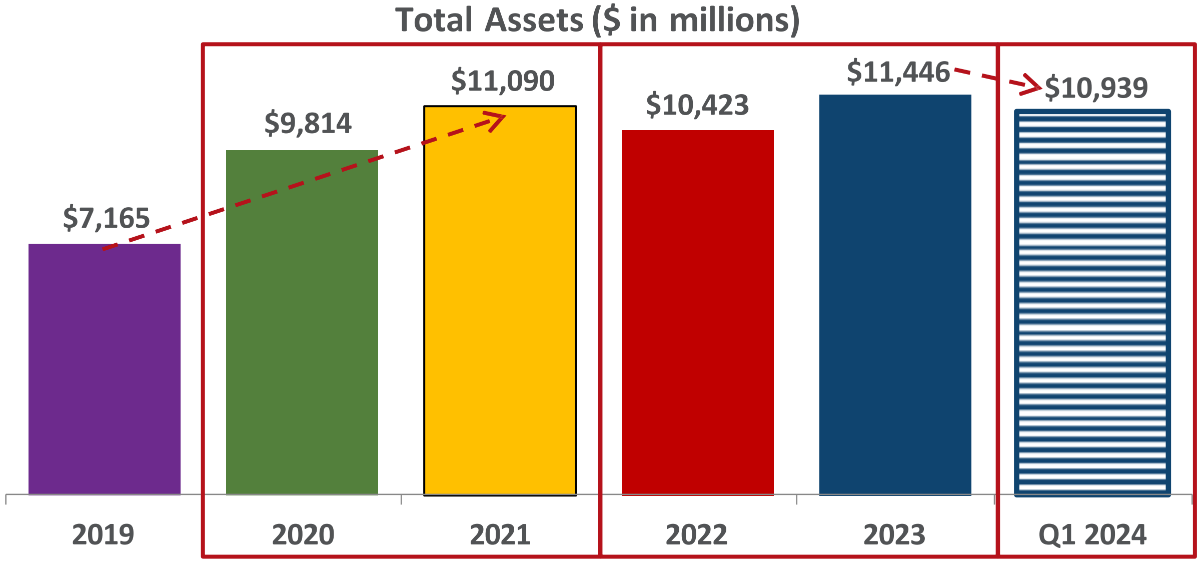
- GDP and unemployment remain strong…Sharp rise in rates had little impact
  - GDP growth (3.1% in Q4 2023)
  - Low unemployment (3.8% in March of 2024)
- What catalyst would lead to lower rates?

Case for Higher Rates…Current Policy Stance is Accommodative:

- Inflation (PCE) remains above Fed 2.00% target
- Massive deficit spending (trillion $ + deficits) is inflationary
- Gold/Bitcoin prices surging
- Energy prices rising…fossil fuels, geo-political disruption, green energy
- Recent employment report (strong employment growth…unemployment rate falls)

WTBFC 2023
Positioning and Performance

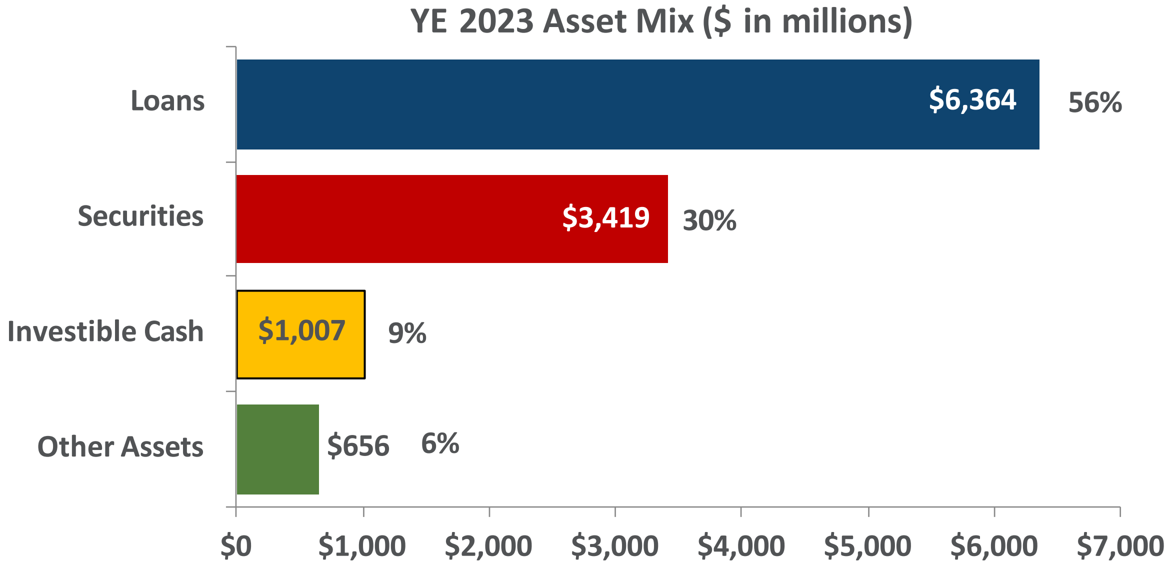
TOTAL ASSETS AND MIX



Stimulus and PPP fuel deposit growth

Rise in rates prompts Deposit outflows borrowings

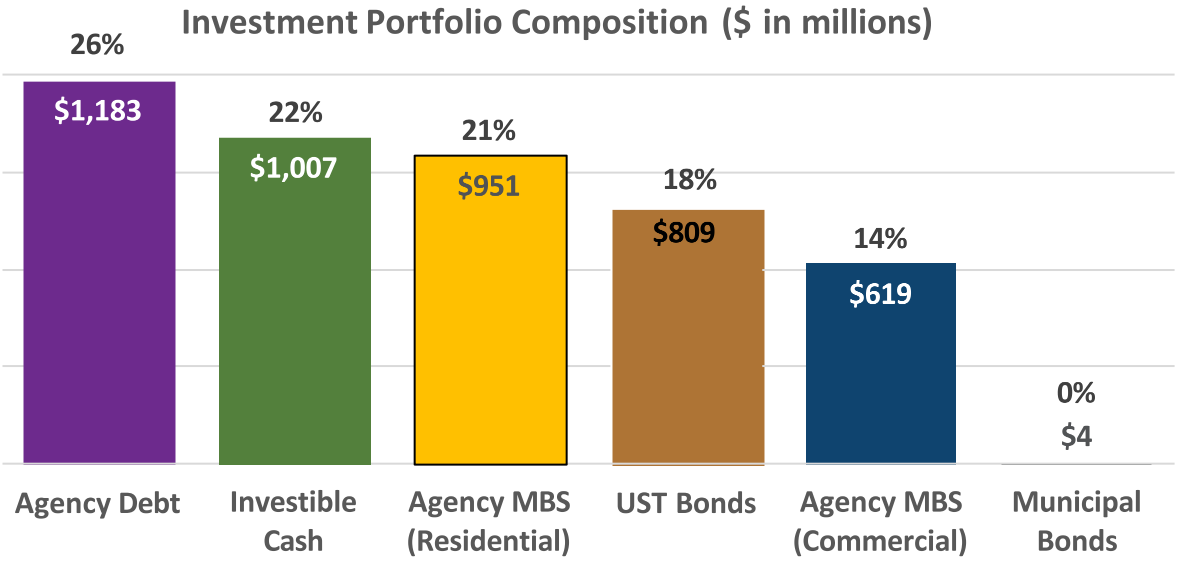
Seasonal outflows lower borrowings

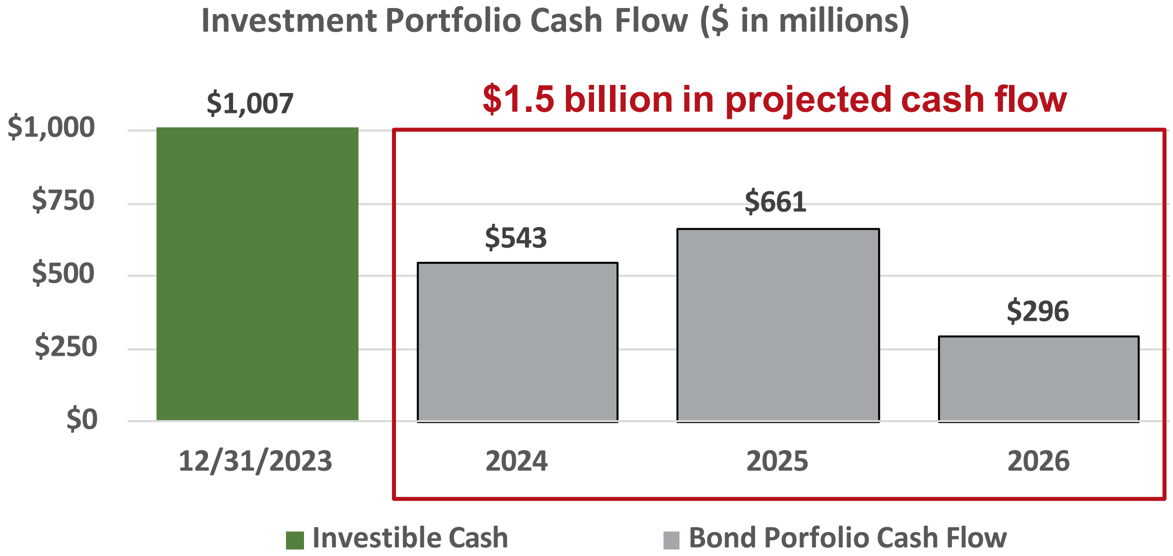


- Asset levels surged to $11 billion +/- since 2019
  - PPP success + deposit surge during COVID
  - Rising market yields drove excess deposit outflows
  - Borrowings helped fund outflows
  - Paydown of borrowings underway

- In 2023:
  - Loans grew $468 million, or 7.7%
  - Liquidity position (Cash and bonds) = 40% of assets
  - Historically high…expect bond cash flow to accelerate
  - Cash position to be used to paydown borrowings

CASH/INVESTMENT PORTFOLIO POSITIONING





Investment Portfolio Key Points:

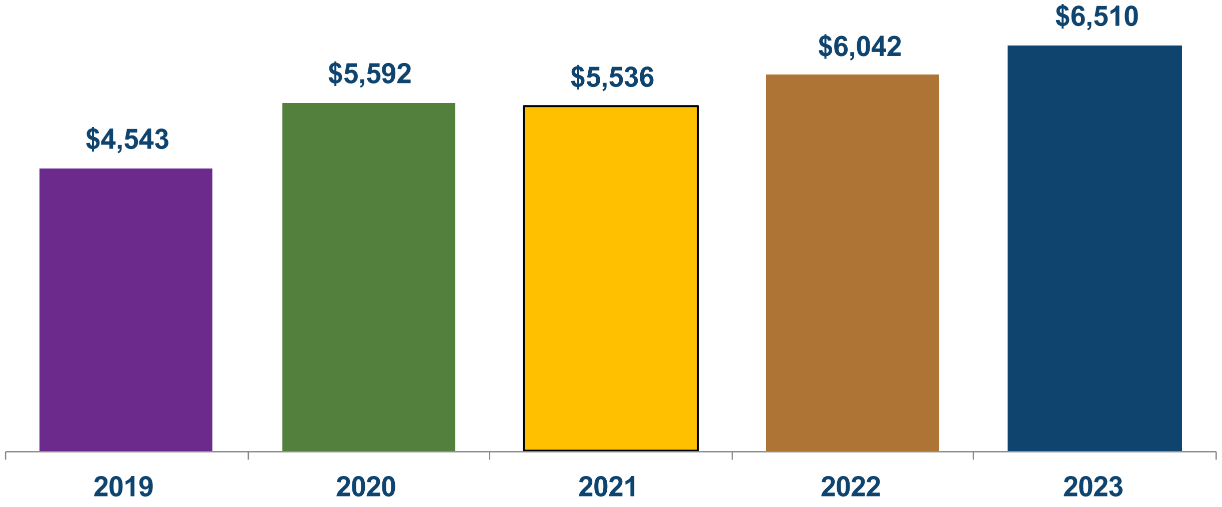
- Cash of $1.0 billion available for reinvestment
  - Yield on cash at Fed of 5.40%
- Composition almost entirely government securities
- All bonds are eligible collateral for borrowings
- Majority of holdings classified held-to-maturity
- Average securities yield (Q1 2024) was 1.86%
- Projected cash flow available to:
  - Fund loan growth (yields typically 7.00% +/-)
  - Paydown borrowings (cost 4.75% +/-)

CREDIT PERFORMANCE

- **Credit performance has been solid, especially given challenging rate environment**
  - Noncurrent loans remain at minimal levels ($31 million at YE 2023)
  - Classified loans remain at moderate levels
    - $97 million at YE 2023, or 1.5% of total loans
    - $89 million at Q1 2024, or 1.3% of total loans
- **Net charge-off levels minimal ($1.4 million in 2023)**
  - As compared with $10.5 million in loan provision expense enabling ACL build
- **Allowance for Credit Loss (“ACL”) position well above industry levels**
  - ACL totals $146 million, or 2.25% of loans at YE 2023
  - Industry ACL to loans = 1.75% at YE 2023

LOAN PORTFOLIO POSITIONING

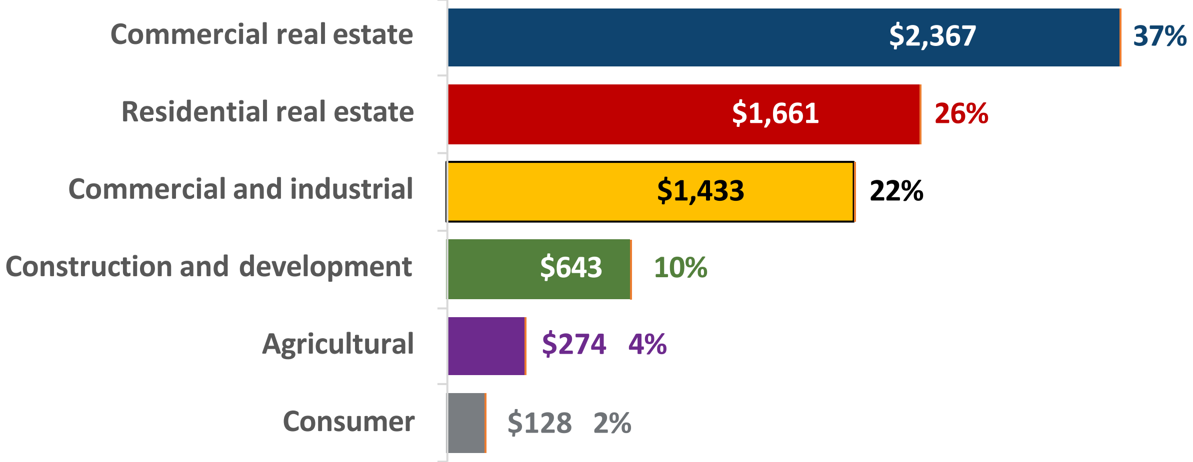
Total Loans ($ in millions)



- Loan growth strong in 2023
  - Up $468 million, or 7.7%
- Elevated rates may slow loan growth in 2024
  - Q1 2024 growth moderate (up $74 million)
- Loans predominantly relationship based

Portfolio Loan Mix

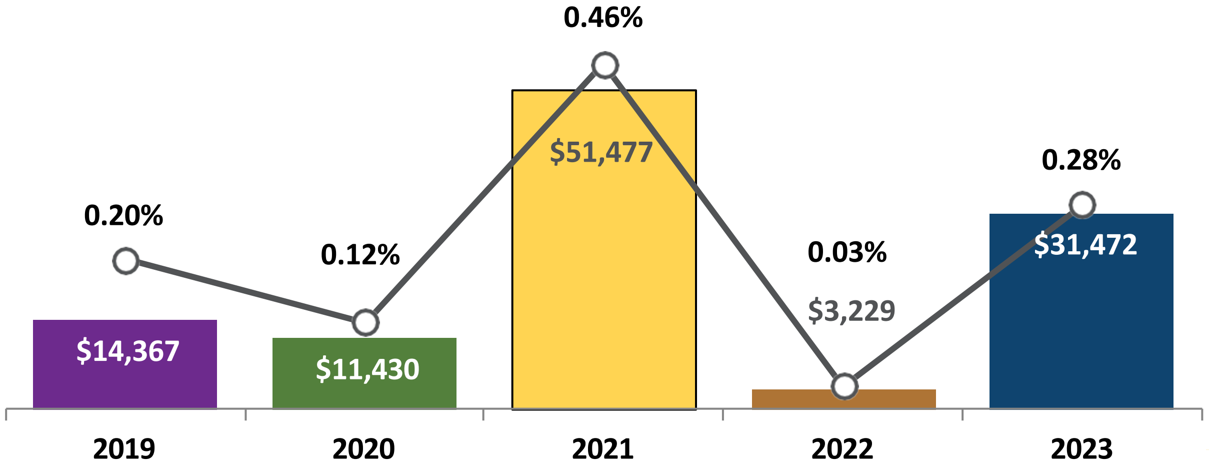
(YE 2023; $ in millions and % of total)



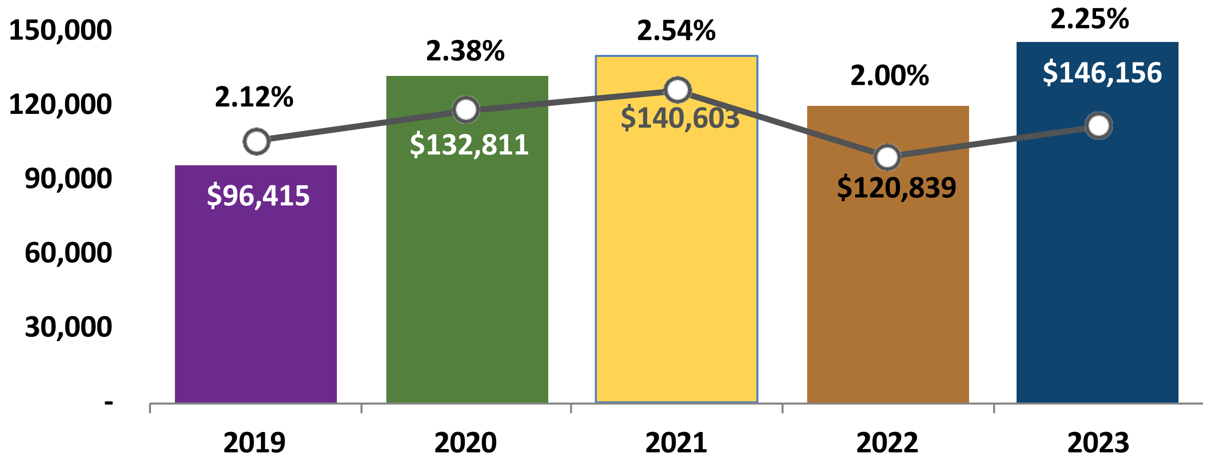
- Mix remains diversified across CRE, SFR and C&I
- C&I balances below historical levels
  - PPP helped borrowers pay down C&I balances
- Expect SFR growth to slow
  - Selling more originations

CREDIT PERFORMANCE METRICS

Noncurrent Loans and OREO ($ in thousands) as a % of Assets



Allowance for Loans ($ in thousands) as a % of Loans



- Noncurrent loans remain low
  - Nonaccrual loans (0.28% of assets)
- Allowance for Credit Losses (“ACL”) substantial
  - Released reserves in 2022 (negative provision expense)
    - Negative provision expense ($20.5 million)
  - Built reserves in 2023 (CECL adoption)
    - Provision expense ($12.3 million)
- ACL ($146 million) to noncurrent loans ($31 million) is robust

Credit Performance Impact	2019	2020	2021	2022	2023
Gross Charge-offs	$ (5,174)	$ (2,134)	$ (7,412)	$ (2,479)	$ (2,711)
Recoveries	7,640	5,530	6,204	3,214	1,289
Net Recoveries / (Charge-Offs)	**$ 2,466**	**$ 3,396**	**$ (1,208)**	**$ 735**	**$ (1,422)**

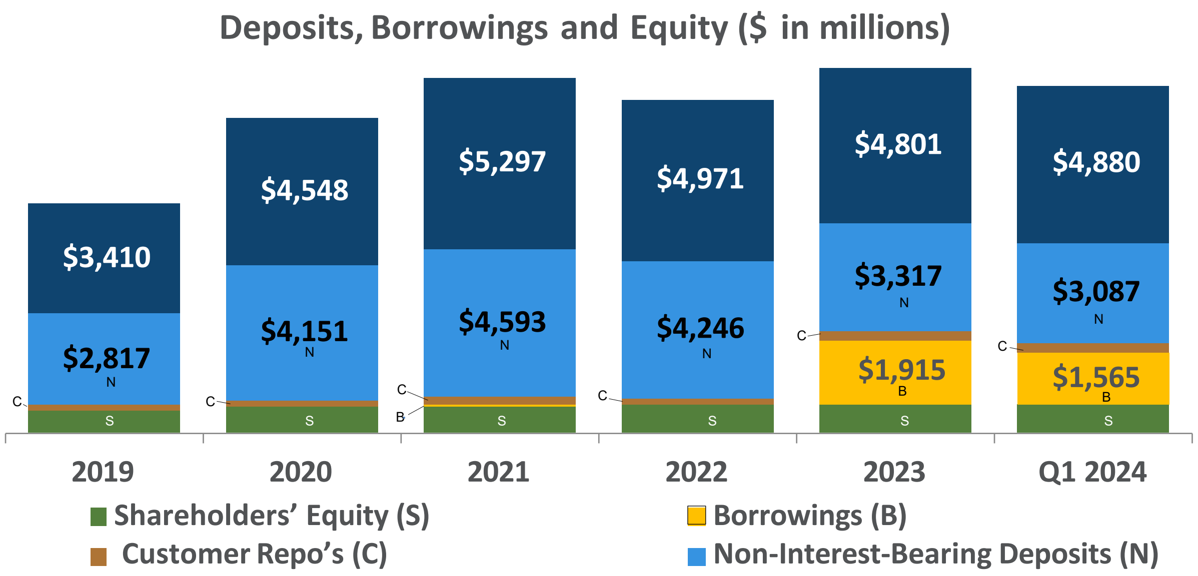
Memo Item:	2019	2020	2021	2022	2023
Loan Provision Expense	$ 3,200	$ 33,000	$ 9,000	$ (20,500)	$ 12,340
Year-over-year net change	$ 500	$ 29,800	$ (24,000)	$ (29,500)	$ 32,840

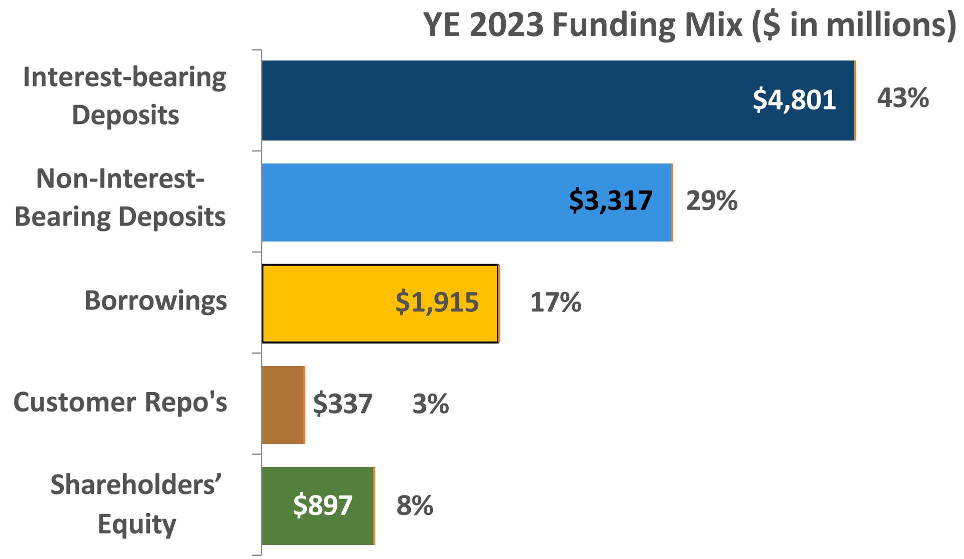
The YoY increase in provision expense in 2023, was due to release of reserves in 2022

FUNDING RISES TO PROMINENCE

- **Deposit portfolio stabilizing**
  - Balances bottomed in Q2 2023
    - Deposits grew in 2H 2023 (up $237 million)
      - Despite noninterest bearing balances declining $201 million
  - Deposit pricing/cost of funds seems to be cresting
- **Borrowings beginning to decline**
  - $350 million decline in BTFP borrowings (YE 2023 to Q1 2024)
  - $565 million maturing in May expected to be paid down significantly
  - Cash position primary source of repayment
- **Bond portfolio cash flow picks up late in 2024 and into 2025**
  - $543 million in 2024 (estimate)
  - $661 million in 2025 (estimate)

DEPOSITS, BORROWINGS AND EQUITY





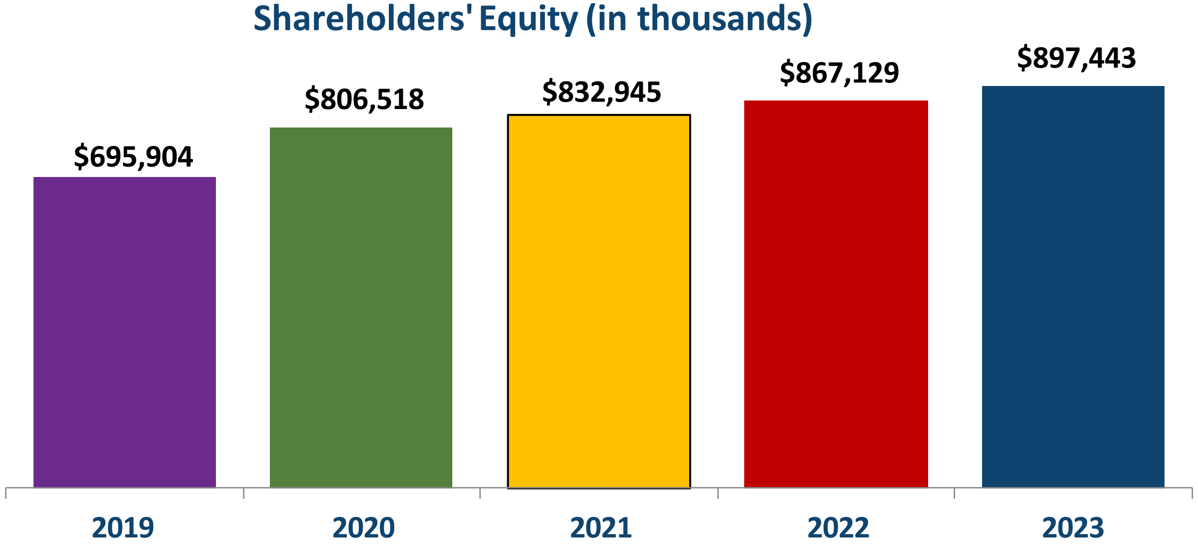
- Funding sources have shifted with the rise in rates
  - Net deposit outflows in 2022 and 1H 2023
    - Deposit balances grew in 2H 2023
  - Outflows funded by cash, bonds and borrowings
  - Bond cash flow a future source of funding
  - Balance sheet normalization underway

- Total deposits declined $1.1 billion in 2023
  - Decline all in 1H of 2023
  - Predominantly noninterest balances seeking yield
- Outflows largely covered by borrowings
- Borrowings peaked at $2.4 billion during Q1 2024
- Cash paid down borrowings by $850 million in March

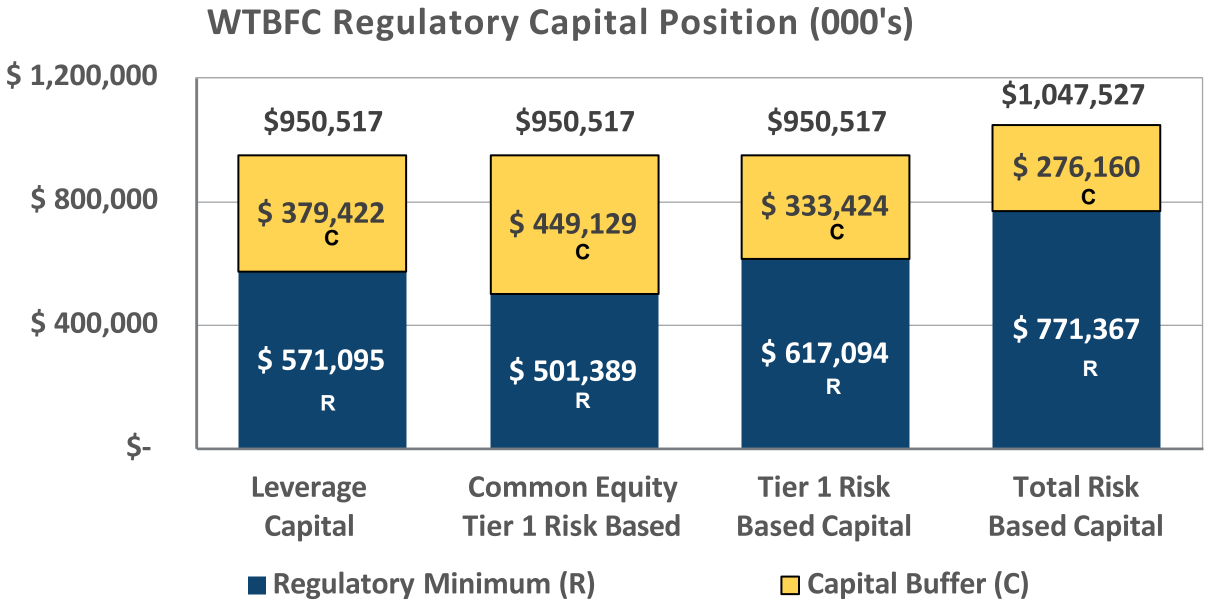
CAPITAL PERSPECTIVE AND FRAMEWORK

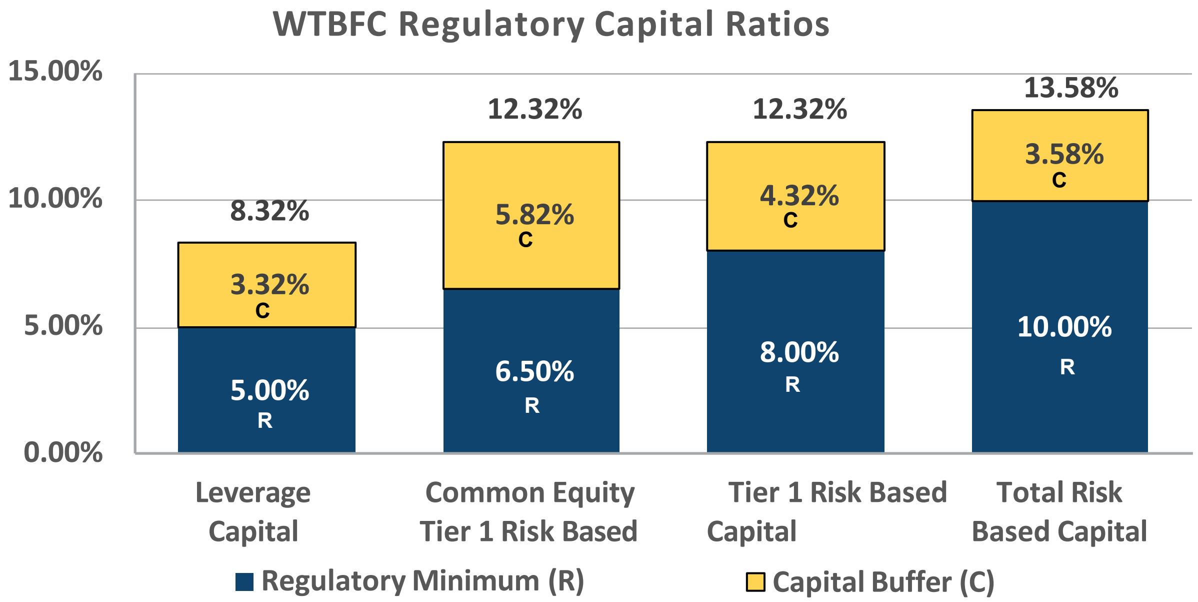
- **Capital levels are significantly above regulatory minimums**
  - "Tightest" $ cushion is $276 million above Total Risk Based Capital minimums
  - "Tightest" % cushion is 332 basis points above Leverage Ratio minimums
- **Capital quality is high**
  - No goodwill
  - All common equity and retained earnings…No debt in capital structure
- **Retained core earnings builds capital**
  - Since YE 2019, shareholders' equity has grown $202 million, or 29%
- **Substantial allowance position supports capital strength**
  - $146 million, or 2.25% of loans
  - CECL adoption and provision expense > net charge-offs adds $25 million to loss reserves

FOCUS ON CAPITAL



- Shareholders’ equity:
  - Up $30 million, or 3.5% in 2023
  - Up $202 million, or 29% since YE 2019
- Capital levels above regulatory minimums
- Significant capital buffers
  - > 332 bps for Leverage Capital
  - > $276 million for Total Risk Based Capital





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:

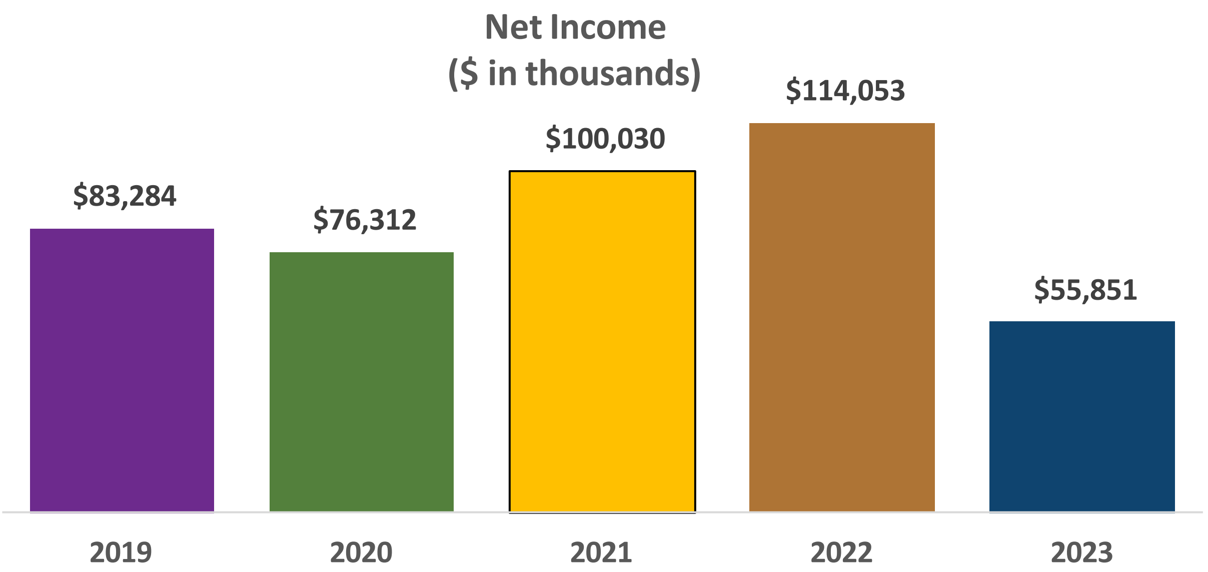
- $9.6 billion in managed and non-managed client assets
  - 37% growth in client assets past 5 years (since 2019)
  - 35% growth in division revenues past 5 years (since 2019)

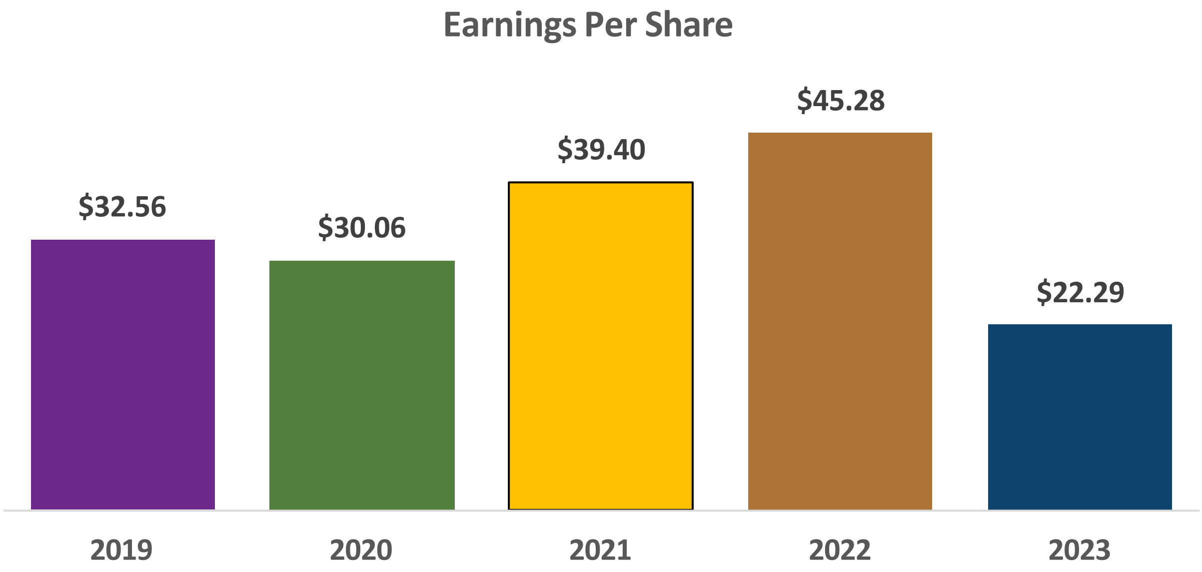
EARNINGS OVERVIEW

Income Statement	Years Ended December 31, 2022	2023	$ Difference	% Change
Net interest revenue	$ 323,120	$ 285,093	$ (38,027)	-11.8%
Provision for loan losses	(20,500)	10,485	30,985	N/M
Noninterest revenue	58,183	57,242	(941)	-1.6%
Noninterest expense	256,026	258,855	2,829	1.1%
Pre-tax income	145,777	71,140	(74,637)	-51.2%
Net income	$ 114,053	$ 55,851	$ (58,203)	-51.0%

Earnings lower YoY to $55.9 million

- Two drivers of lower YoY earnings
  - Net interest revenue down $38 million
    - Higher funding costs
    - Increased borrowings
    - Migration from noninterest demand
  - Higher provision expense
    - 2022 release of reserves (negative $20.5 million)
    - 2023 provision expense covered growth
- Noninterest expense up $2.8 million, or 1.1%

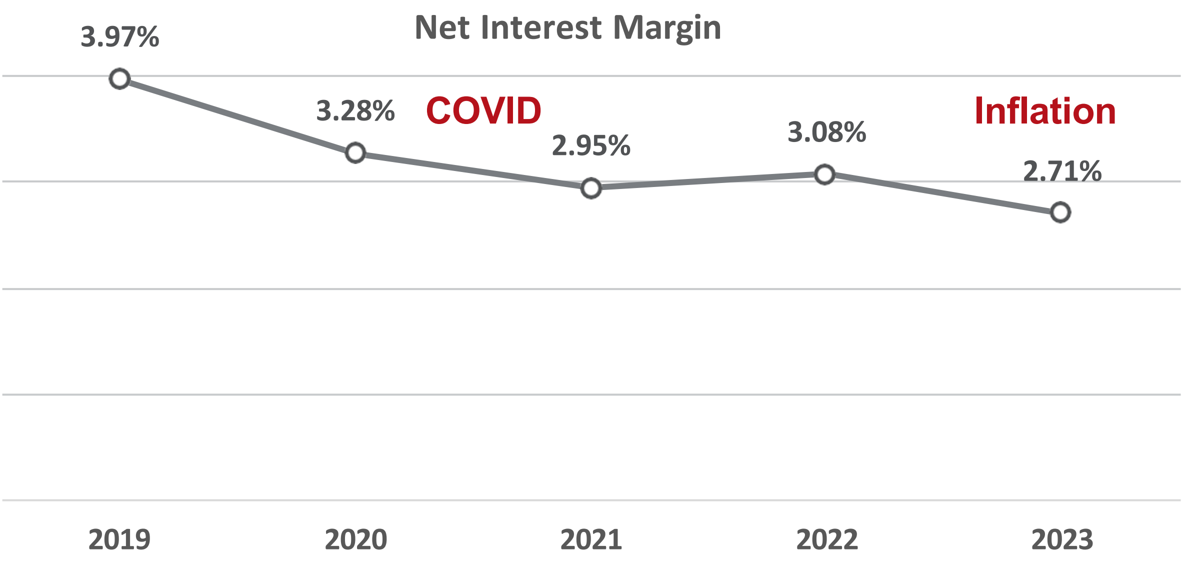


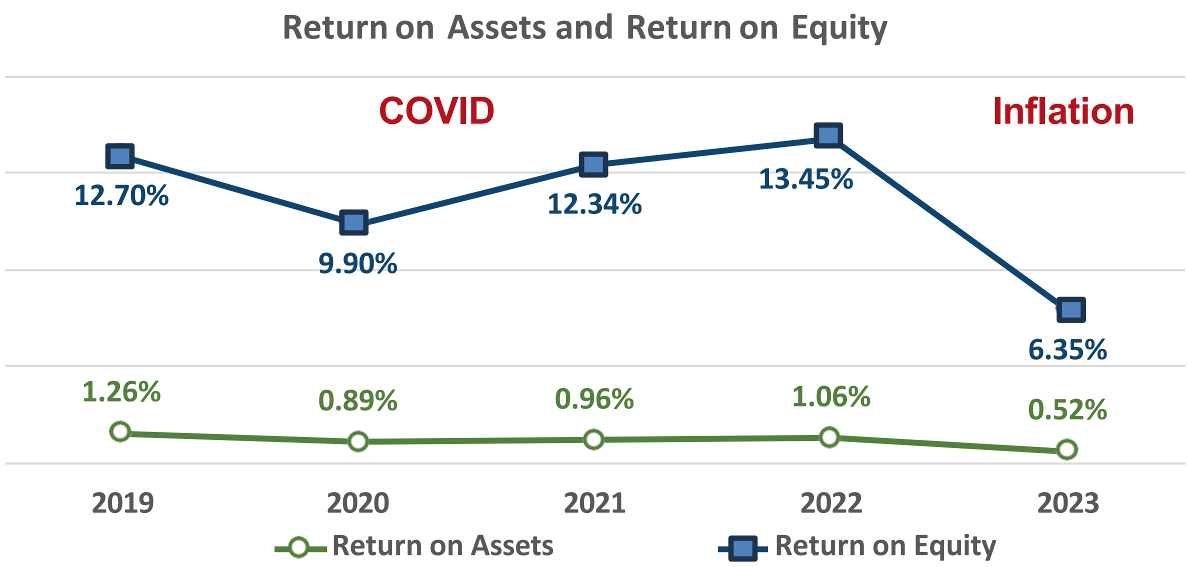


WTBFC FINANCIAL PERFORMANCE METRICS

Performance Metric	For the Year 2022	2023	Difference
Return on average assets	1.06%	0.52%	-0.54%
Return on shareholders' equity	13.45%	6.35%	-7.10%
Margin on average earning assets	3.08%	2.71%	-0.37%
Noninterest expense to average assets	2.38%	2.40%	0.02%
Efficiency ratio	67.1%	75.5%	8.40%

- A challenging year reflected in challenging metrics
  - Performance lower year-over-year
    - Narrowed Net Interest Margin drives performance
    - Efficiency Ratio rises
    - Provision expense YoY increase major factor
  - Challenging earnings reflected in:
    - ROA and ROE

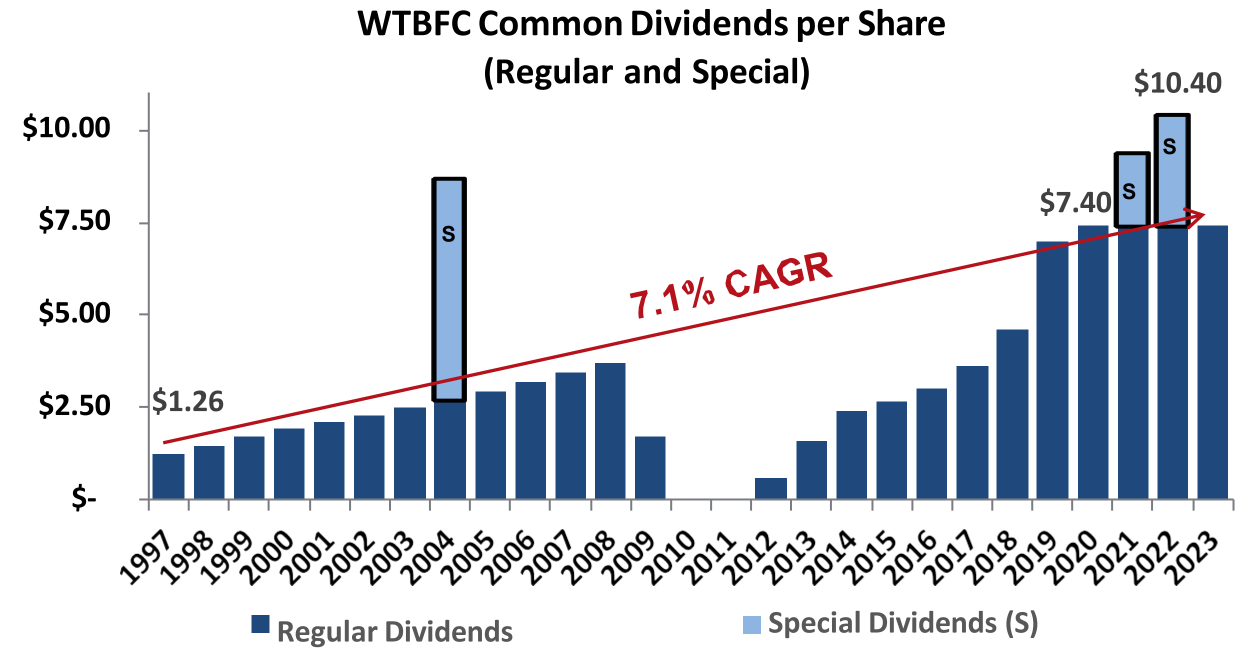


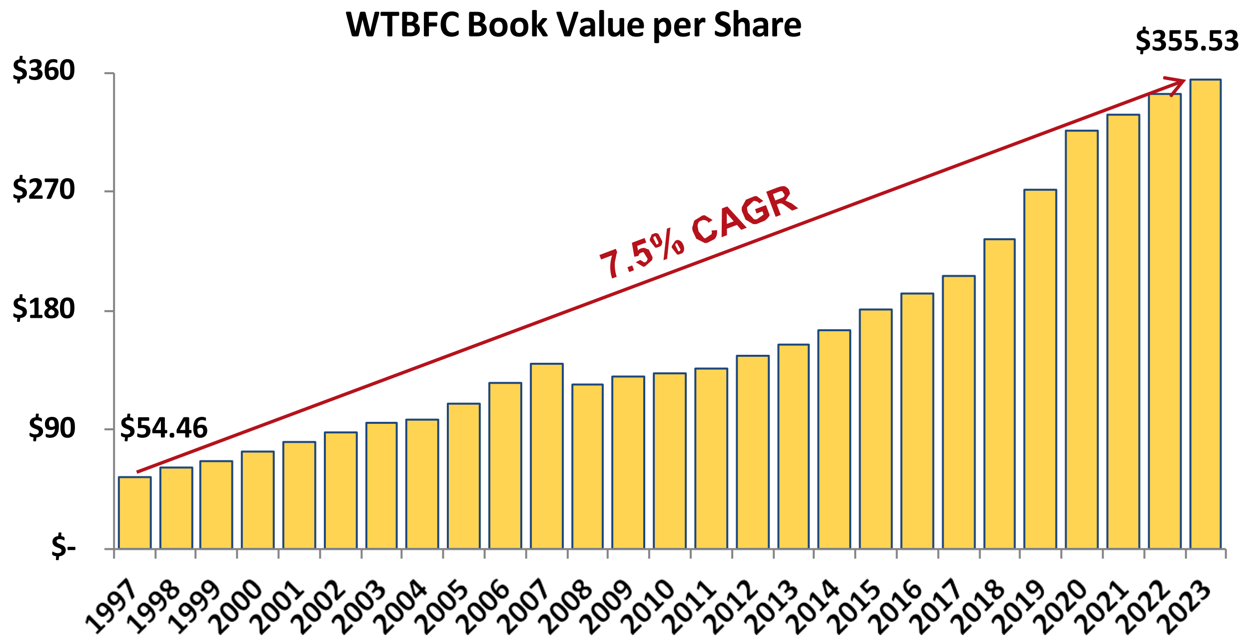


WTBFC SHAREHOLDER VALUE METRICS

Income (000's) and Per Share Data	Years Ended December 31, 2022	2023	$ Change	% Change
Net Income	$ 114,053	$ 55,851	$(58,203)	-51.0%
Diluted Earnings per Common Share	$ 45.28	$ 22.29	$ (22.99)	-50.8%
Dividends per Common Share	$ 10.40	$ 7.40	$ (3.00)	-28.8%
Book Value per Common Share	$ 344.59	$ 355.53	$ 10.94	3.2%

- Earnings decline on higher rates
  - Regular dividends steady at $7.40
  - Special dividend omitted on lower earnings
- Book value per share up
  - Increases $10.94 to $355.53 per share





WTBFC Q1 2024 PERFORMANCE HIGHLIGHTS

- Net income increased $653,000 to $11.4 million QoQ
  - Net interest margin: Narrowed 7 bps QoQ to 2.35%
    - Loan yields rise (up 9 bps to 5.69%; origination yields 7.00% +/-)
    - Cost of interest-bearing deposits up 11 bps to 2.61%
- Assets:
  - Down on lower borrowings and deposits (down $506 million to $10.9 billion)
- Loans:
  - Loan growth slows…Up $74 million, or 1.1 percent
- Deposits:
  - Down $151 million, or 1.9%...typical seasonal outflows
- Wholesale Borrowings decreased $350 million to $1.6 billion (paydown of 4.38% BTFP borrowing)
  - Additional BTFP maturities in May ($565 million @ 4.70%)
  - $1.2 billion in bond cash flow (projected) over next 2 years
  - Borrowing capacity at FRB and FHLB ample (> $4 billion)

WTBFC 2023
Strategic Initiatives

Strategic Initiatives: **Key Projects**

Consumer Digital Banking

Enhanced user interface. Enabled card fraud management, account aggregation and personal financial money management for consumer customers

Enhanced Instant Card Issuance

Implemented ability to issue tap to pay / swipe / chip enabled debit and credit cards in all locations.

Upgrade Loan Origination System

Enhanced loan origination process for all Commercial loans. Migrating origination of Small Business loans in 2024.

Credit Card Rewards

Launched clearly cash back rewards, offering customers 1.5% cash back on all purchases with WTB Credit card.

Technology is critical to enabling capabilities, reducing friction, enhancing customer experience and achieving scale

Strategic Initiatives: **Operational Enhancements**

Consumer Fee Realignment

Identified opportunities to realign a number of fees including reducing overdraft charges and eliminating paper statement and returned check fees.

The bank continues to monitor for other opportunities to enhance customer experience.

Enterprise Compliance Management System (CMS)

Completed initial development of CMS including business lines, corporate compliance and audit. Bank continues to monitor, enhance and strengthen processes and compliance controls.

Enterprise Risk Management

In Process: Development of enterprise framework and methodology including processes for assessment, identification, remediation, and reporting to strengthen discipline of ongoing risk management.

Strategic Initiatives: **Locations**

Market Moves

Central Washington:

- Opened new location in Ephrata

Western Washington

- Southwest Washington: Entered Vancouver market with temporary location (Permanent location to open Q3 2024)
- Downtown Seattle: Moving teams to 31st floor with additional meeting space on 32nd floor in Two Union Square

Eastern Washington:

- Lit up Spokane skyline with new branding on both downtown towers – Tower East and Tower West

CLOSING THOUGHTS

2024 Should be a Year of Transition and Normalization:

- Funding is most prominent issue:
  - Deposit balances stabilized in Q2 2023
  - Deposit costs seem to be cresting
  - Borrowings reduced:
    - Cash used to pay-off $850 million in BTFP borrowings in March
  - Expect further pay-downs as $565 million matures in May
- Significant balance sheet normalization expected in 2024
  - Assets should decline as wholesale funding paid down
  - Loan yields rising as origination yields significantly higher than portfolio average
- Current landscape:
  - Fed inflation fight continues…expect elevated rates longer
  - Inverted yield curve signals potential economic slowdown
- Staying disciplined to our plan, investing in business, advancing capabilities

Thank you
for your continued support!
We appreciate it!