Earnings Conference Call

Third Quarter 2021
October 21, 2021

Third Quarter 2021 Highlights

Solid financial results and a favorable credit profile

Loan growth of 2.7% quarter over quarter excluding PPP loans; average loan growth of 3.2% excluding PPP

Strong liquidity, capital, and reserve position

Positioned for future growth through execution on strategic and integration initiatives

Reported results include a net of $5.8 million ($4.3 million after-tax) merger related costs and strategic initiatives

REPORTED	ADJUSTED
$133.2M PPNR	$139.1M PPNR
$93.2M INCOME AVAILABLE TO COMMON	$97.5M INCOME AVAILABLE TO COMMON
$1.03 DILUTED EPS	$1.08 DILUTED EPS
11.61% ROACE	12.15% ROACE
14.16% ROATCE	14.82% ROATCE

Note: See non-GAAP reconciliation on pages 7 and 37 through 38.

Loans

($ in millions unless noted, balances end of period)

LQ growth of $553 million or 2.7% (excl. PPP)

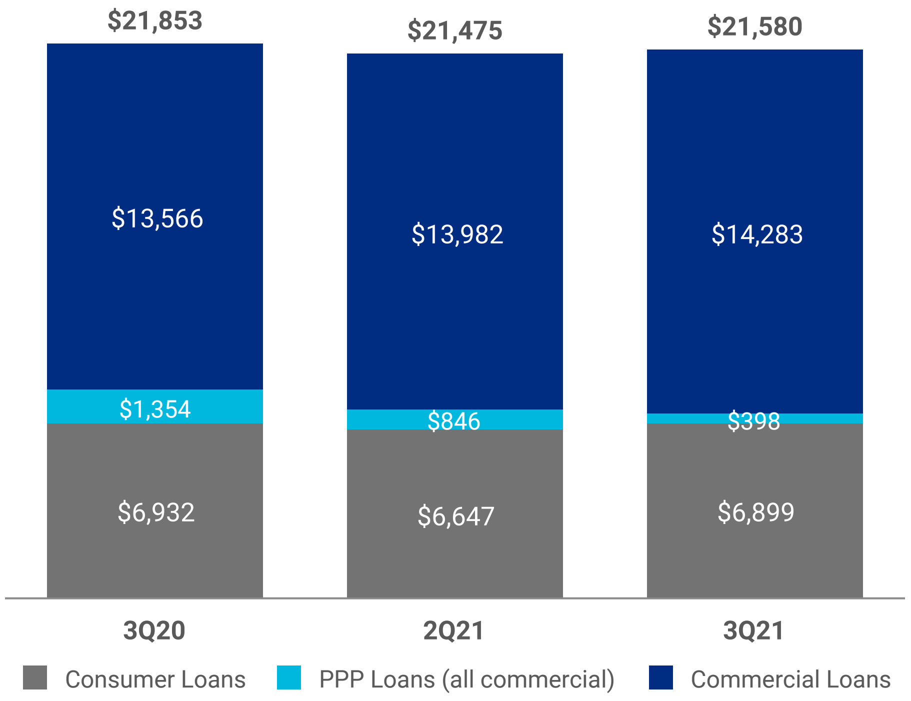
- LQ growth of $105 million or 0.5% including PPP
- Growth in commercial loans (2.2%) and consumer loans (3.8%)
- Loan portfolio yield increased 14 bps
- Floating and periodic to total loans ratio* of 71% compared to 70% at 2Q21
- Loan balance comprised of 68% commercial loans and 32% consumer loans (including PPP)

YOY growth of $684 million or 3.3% (excl. PPP)

- YOY decline of $272 million or 1.2% including PPP
- Growth in commercial loans (5.3%) and decline in consumer loans (0.5%)
- Floating and periodic to total loans ratio* of 71% compared to 67% at 3Q20

* Floating loan rates reset in 1 month or less; periodic loans reset in greater than 1 month but before final maturity.

Loan Growth of 2.7% LQ excluding PPP



Loan Portfolio Yield:

3.40%	3.46%	3.60%

Deposits

($ in millions unless noted, balances end of period)

LQ growth of $1.2 billion or 4.1%

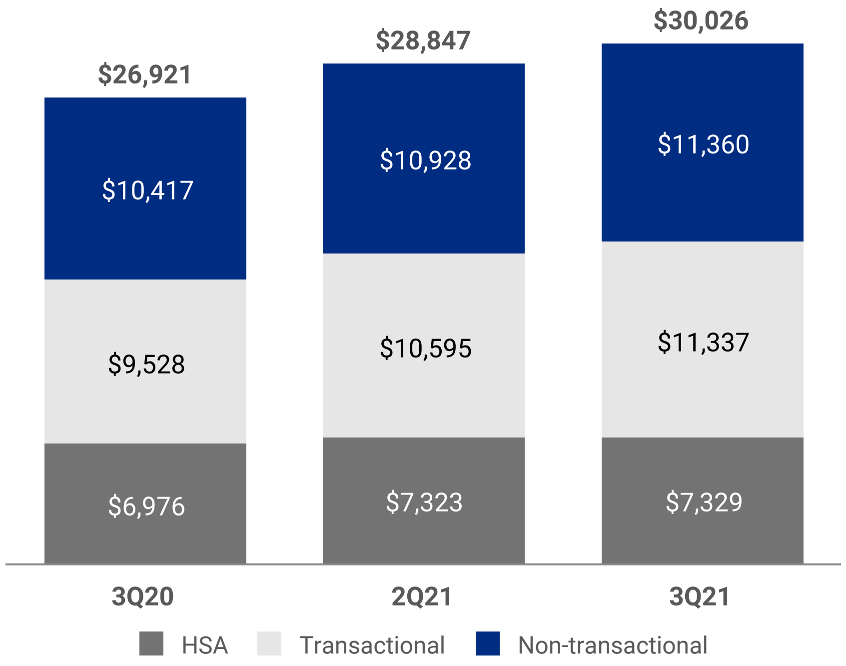
- Transactional deposits grew 7.0%; non-transactional deposits grew 4.0%
- HSA deposits grew 0.1%
- Transactional & HSA / total deposits ratio of 62%, flat to 2Q21
- Deposit costs declined 1 bp to 0.06%

YOY growth of $3.1 billion or 11.5%

- Transactional deposits grew 19.0%; non-transactional deposits grew 9.1%
- HSA deposits grew 5.1%
- Transactional & HSA / total deposits ratio of 62%, up from 61% at 3Q20
- Deposit costs declined 13 bps to 0.06%

- Deposit balance comprised of 24% HSAs, 38% transactional, and 38% non-transactional deposits

Deposit Growth of 4.1% LQ



Deposit Cost:

3Q20	2Q21	3Q21
0.19%	0.07%	0.06%

Integration Momentum Continues

- We are prepared to close the transaction with Sterling upon receipt of all required regulatory approvals
- Execution plans across numerous functional workstreams have been established
- Decisioning on critical technical and operational components is progressing as expected

3Q21 Achievements	Deal Close Activities	Proceeding 12-18 months
• Filed final S4 • Secured joint shareholder merger approval • Received OCC approval • Established cultural integration framework • Determined org structure, named second level executives, and enacted key employee retention initiatives • Confirmed efficiency initiatives	• **Pre-Legal Day 1:** ◦ Communicate conversion plan to Sterling clients ◦ Deploy colleague training and communication plans • **Legal Day 1:** ◦ Initiate brand conversion activities ◦ Coordinate credit policies ◦ Execute communication plan ◦ Commence org efficiencies	• **Integration continues** ◦ Fully execute on org initiatives ◦ Coordinate corporate policies ◦ Consolidate facilities ◦ Migrate to common core ◦ Vendor consolidation ◦ Finalize product alignment

Average Balance Sheet

($ in millions)	3Q21	Increase / (Decrease) 2Q21	3Q20
Securities	$ 8,911	$ 76	$ 149
Interest-bearing deposits	2,335	1,065	2,233
Commercial loans (excluding PPP)	14,132	427	607
PPP loans	615	(529)	(727)
Consumer loans	6,792	227	(212)
Total loans	$ 21,539	$ 125	$ (332)
Transactional deposits	$ 11,230	$ 658	$ 1,641
HSA deposits	7,346	(100)	393
All other deposits	11,273	591	877
Total deposits	$ 29,849	$ 1,148	$ 2,910
Borrowings	1,230	25	(1,014)
Common equity	$ 3,230	$ 64	$ 170
(At end of period)			
Key Ratios:		Favorable / (Unfavorable)	
Loans / total deposits	71.9 %	257 bps	930 bps
Transactional & HSAs / total deposits	62.2 %	5 bps	86 bps
Common Equity Tier 1 [1]	11.77 %	10 bps	54 bps
Tangible common equity [2]	7.71 %	(20) bps	(4) bps
Tangible book value / common share [2]	$ 29.63	$ 0.64	$ 1.77

[1] Represents the estimated common equity tier 1 ("CET1") ratio for the current period inclusive of CECL regulatory capital transition provisions.

[2] See non-GAAP reconciliation on pages 37 through 38.

3Q21 Highlights

- Average securities increased 0.9% LQ and 1.7% YOY
- Average interest-bearing deposits increased $1.1 billion LQ and $2.2 billion YOY due to excess liquidity
- Average loans increased 3.2% LQ and 1.9% YOY excluding PPP; PPP average loans totaled $0.6 billion in Q3
- Including PPP, average loans increased 0.6% LQ and decreased 1.5% YOY
- Average deposits increased 4.0% LQ and 10.8% YOY
  - Transactional deposits increased 6.2% LQ and 17.1% YOY
  - HSA deposits increased $393 million or 5.6% YOY
- Loan-to-deposit ratio of 71.9%
- Strong liquidity resulted in a $1.0 billion YOY decrease in borrowings and a borrowings-to-assets ratio of 3.8%
- Capital ratios remain strong
  - CET1 in excess of well capitalized
  - Tangible common equity of $2.7 billion; Tier 1 risk-based capital of $2.9 billion
- Tangible book value per common share increased 6.4% YOY

WBS 3Q21 Income Available to Common

GAAP to Adjusted Reconciliation

($ in millions)	Pre-Tax	After Tax	EPS
Reported (GAAP)	**$ 125.5**	**$ 93.2**	**$ 1.03**
Strategic initiatives [1]	(4.0)	(3.0)	(0.03)
Merger related [2]	9.8	7.3	0.08
Adjusted (non-GAAP)	**$ 131.3**	**$ 97.5**	**$ 1.08**

Strategic initiative & merger related adjustments:

- $5.8 million of pre-tax income
- $4.3 million of after tax income
- EPS of $0.05 per share

[1] Credit primarily related to a true-up of the previously recorded severance reserve.
[2] Includes compensation & benefits charges (pre-tax) of $7.7 million, professional services of $2.0 million, and other of $0.1 million.

Income Statement

Reported to Adjusted

($ in millions, except EPS)	Reported 3Q21	Adj's	Adjusted 3Q21	Favorable / (Unfavorable) 2Q21 [1]	Favorable / (Unfavorable) 3Q20 [2]
Net interest income	$ 229.7	$ —	$ 229.7	$ 8.8	$ 10.4
Non-interest income	83.8	—	83.8	11.1	8.7
Total revenue	$ 313.5	$ —	$ 313.5	$ 19.9	$ 19.2
Non-interest expense	180.2	(5.8)	174.4	(5.6)	4.8
Pre-provision net revenue	$ 133.2	$ 5.8	$ 139.1	$ 14.3	$ 24.0
Provision for credit losses	7.8	—	7.8	(29.3)	15.0
Pre-tax income	$ 125.5	$ 5.8	$ 131.3	$ (14.9)	$ 39.0
Income tax expense	29.8	1.5	31.3	3.3	(11.7)
Reported net income	$ 95.7	$ 4.3	$ 100.0	$ (11.6)	$ 27.2
Income available to common	$ 93.2	$ 4.3	$ 97.5	$ (11.7)	$ 27.1
Diluted earnings per share	$ 1.03	$ 0.05	$ 1.08	$ (0.13)	$ 0.33
Net interest margin	2.80 %	— %	2.80 %	(2) bps	(8) bps
Efficiency ratio [3]	54.84 %	— %	54.84 %	180 bps	515 bps
Tax rate	23.7 %	0.1 %	23.8 %	(15) bps	(292) bps

[1] 2Q21 results adjusted for $18.2 million ($17.6 million after-tax) of strategic initiative charges.

[2] 3Q20 results adjusted for $4.8 million ($3.5 million after-tax) of strategic initiative charges.

[3] See non-GAAP reconciliation on pages 37 and 38.

Key Observations

- $97.5 million adjusted income available to common shareholders, $1.08 diluted earnings per share

Adjusted linked quarter:

- Net interest income up 4.0% driven by loan growth, PPP loan fee accretion, and lower funding costs
- Non-interest income up 15.2% driven by fair value adjustments on direct investments and customer derivatives, as well as increased syndication fees
- Non-interest expense up 3.3% driven by performance based compensation and technology & equipment expense
- Provision for credit losses reflects an expense of $7.8 million, compared to a benefit of $21.5 million in 2Q21, and results in a coverage ratio of 1.49% excluding PPP loans

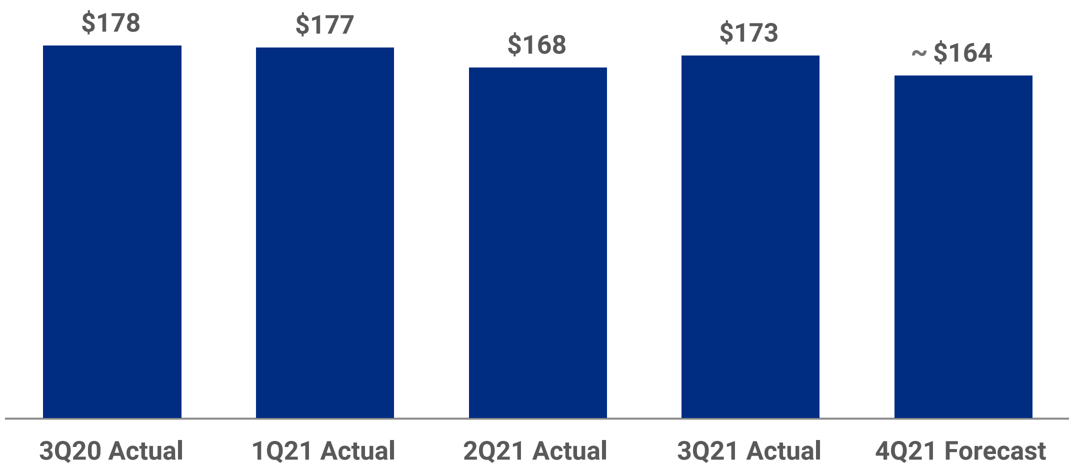
Adjusted year-over-year:

- Net interest income up 4.8% as a result of loan growth, lower funding costs, and PPP loan fee accretion
- Non-interest income up 11.6% driven by fair value adjustments on direct investments and higher syndication and prepayment fees
- Non-interest expense declined 2.7% as a result of lower professional service fees, compensation and benefits, and occupancy

Progress on 2021 Strategic Expense Initiatives

($ in millions)

Efficiency Ratio Based Expense Trend



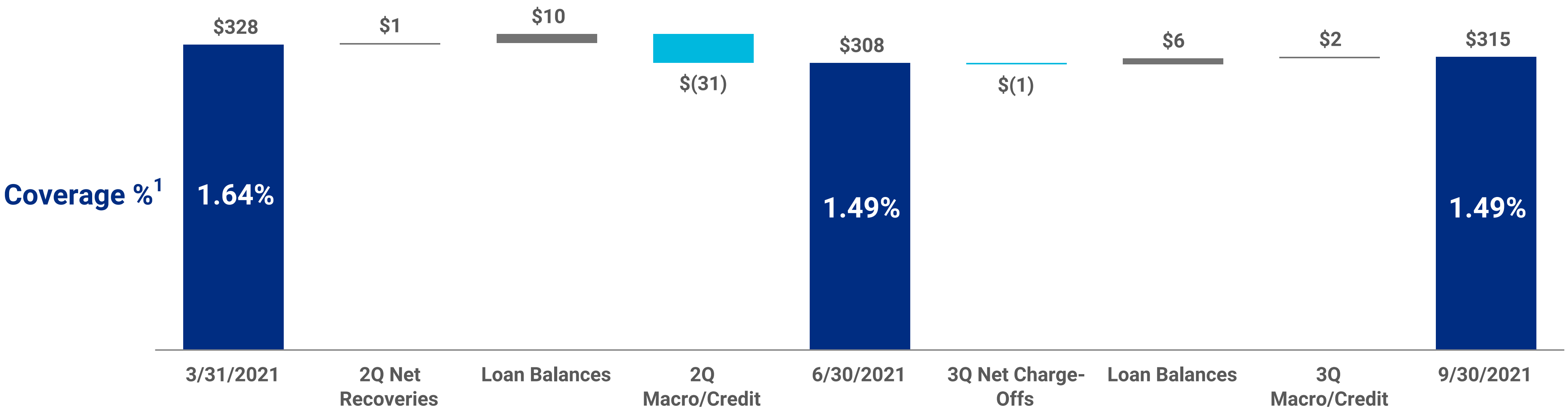
- Efficiency ratio base excludes merger and strategic initiative related non-recurring expenses
- We continued progress on our goal of 8 to 10% run rate expense savings by 4Q21
- $5 million increase linked quarter is primarily the result of higher performance based compensation driven by balance sheet growth, revenue growth, and strong credit quality

Progress on Strategic Initiatives

- We continued to make progress toward our stated goal of an 8 to 10% net reduction in operating expenses through rationalizing our banking center network, consolidating corporate facilities, organizational actions, process automation, and ancillary spend reduction
- To date, key project milestones have been completed, with benefits to be realized throughout 2021 and full realization by 4Q21
  - Completed all 26 banking center closures announced in December
  - Realized benefits from 2021 organizational actions
  - Progressed on process automation and delivered savings on ancillary spend
  - All strategic initiatives will be completed by year-end

Allowance for Credit Losses

($ in millions)



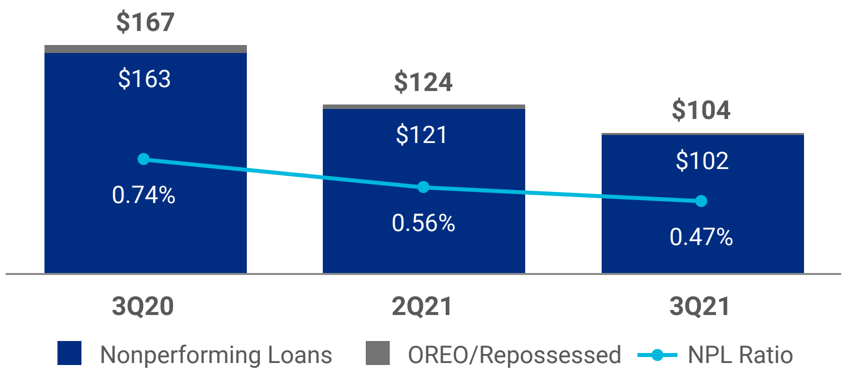
	2Q21 Assumptions			3Q21 Assumptions			3Q21 vs 2Q21		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Avg Unemployment	5.4%	3.7%	3.5%	5.5%	3.7%	3.5%	0.1%	—%	—%
EOP Unemployment	4.5%	3.5%	3.5%	4.6%	3.5%	3.5%	0.1%	—%	—%
Real GDP Growth %	6.8%	4.8%	2.4%	6.3%	4.5%	2.6%	(0.5)%	(0.3)%	0.2%

[1] ACL on loans and leases coverage ratio at 9/30/2021, 6/30/2021, and 3/31/2021 excludes $0.4, $0.8, and $1.3 billion of PPP loans, respectively.

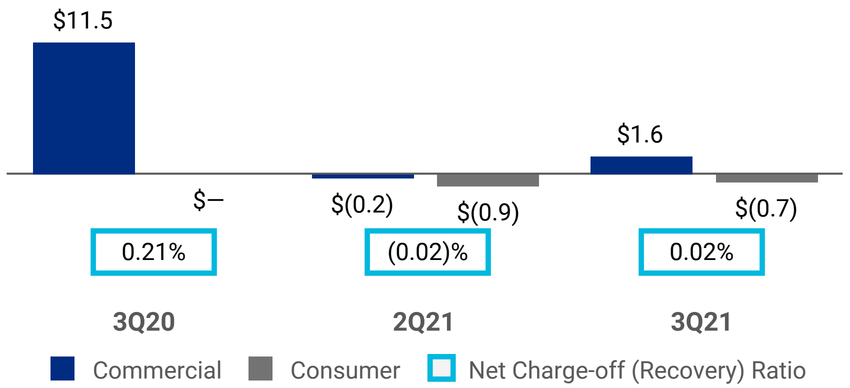
Key Asset Quality Metrics

($ in millions)

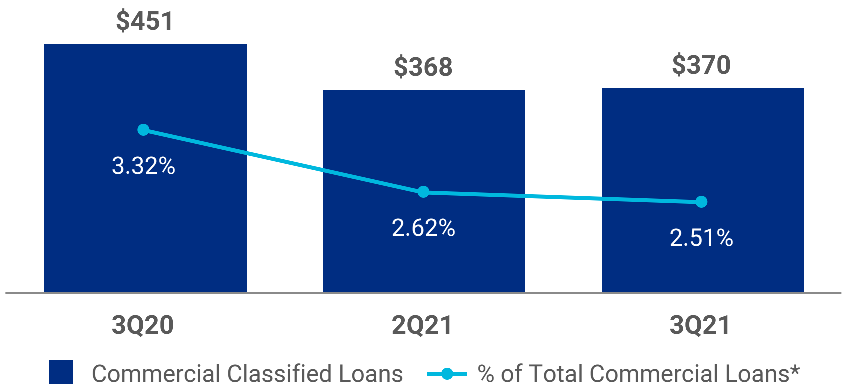
Nonperforming Loans, OREO, NPL Ratio



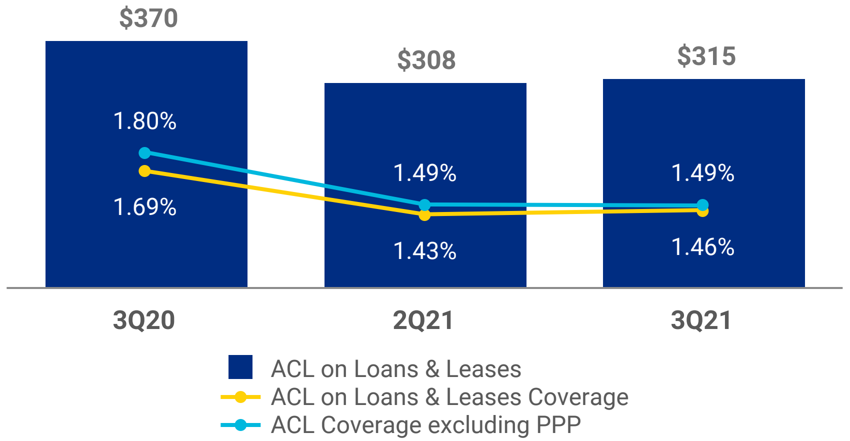
Net Charge-Offs (Recoveries)



Commercial Classified Loans



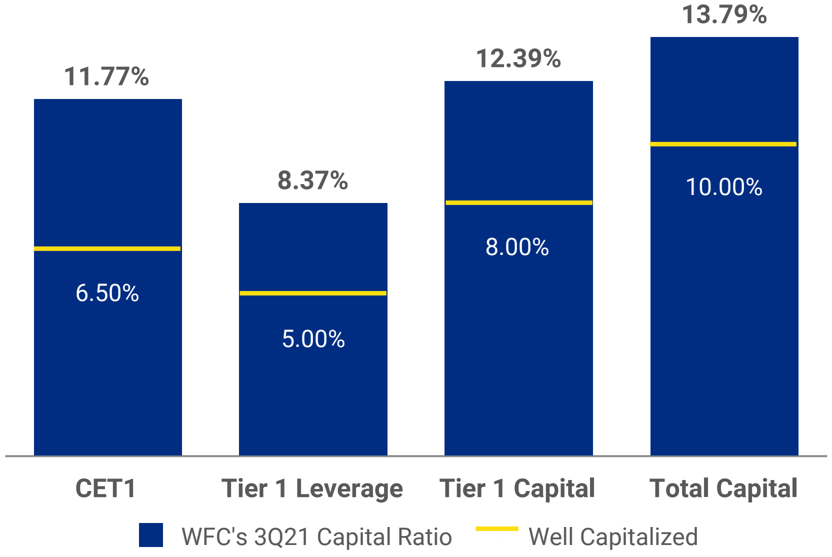
Allowance for Credit Losses on Loans and Leases



* Excludes $0.4, $0.8, and $1.4 billion of PPP loans at 9/30/2021, 6/30/2021, and 9/30/2020, respectively.

Strong Capital Levels

Capital Levels



Capital Ratios

	At Sep 30, 2021*	At Jun 30, 2021	At Sep 30, 2020
Common Equity Tier 1 risk-based capital	**11.77%**	11.66%	11.23%
Tangible common equity	**7.71%**	7.91%	7.75%
Tangible equity	**8.12%**	8.35%	8.19%
Tier 1 leverage	**8.37%**	8.53%	8.45%
Tier 1 risk-based capital	**12.39%**	12.30%	11.88%
Total risk-based capital	**13.79%**	13.70%	13.47%
Tangible book value / common share	**$29.63**	$28.99	$27.86

* Preliminary. Represents the estimated ratios for the current period inclusive of CECL regulatory capital transition provisions.

Supplemental Information

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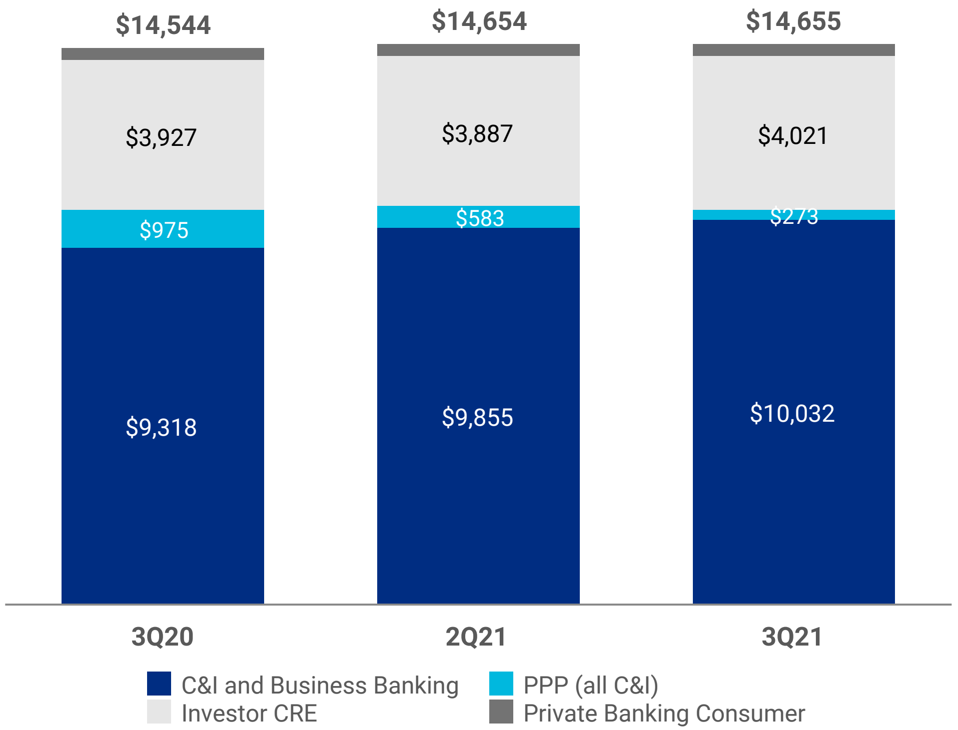
Commercial Banking

($ in millions)

Total Loans: +6.0% YOY excl. PPP (+0.8% incl. PPP)



Loan Portfolio Yield:

3Q20	2Q21	3Q21
3.30%	3.40%	3.50%

Key Business Metrics

	3Q21	Increase / (Decrease) 2Q21	3Q20
Loan originations	$ 1,231	$ (351)	$ 207
Loan fundings	$ 967	$ (56)	$ 372
Coupon on fundings	3.16 %	0.21 %	(0.39)%
Deposits	$ 10,219	$ 1,375	$ 1,893
AUM / AUA*	$ 7,041	$ (20)	$ 1,041

*AUM = Assets under management AUA = Assets under administration

PPNR: +36.5% YOY

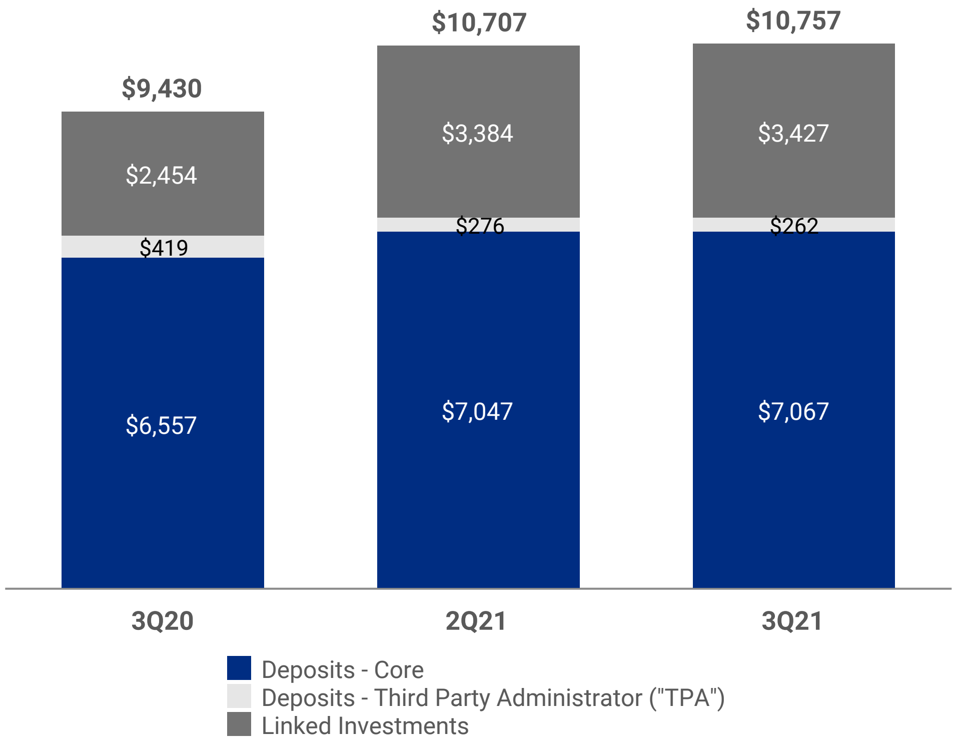
	3Q21	Favorable / (Unfavorable) 2Q21	3Q20
Net interest income	$ 152.5	$ 11.4	$ 20.5
Non-interest income	30.1	4.4	9.4
Operating revenue	**$ 182.6**	**$ 15.8**	**$ 29.9**
Operating expenses	64.9	(3.5)	1.6
Pre-provision net revenue	**$ 117.7**	**$ 12.3**	**$ 31.5**

Note: Webster realigned certain of its business banking and investment services related operations from Retail Banking to Commercial Banking to deliver operational efficiencies and better serve its customers. As a result, effective January 1, 2021, $1.9 billion of loans, $2.2 billion of deposits, and $3.9 billion of assets under administration (off balance sheet) were moved from Retail Banking to Commercial Banking. Prior period results have been restated accordingly.

HSA Bank

($ in millions)

Total Footings: +14.1% YOY



Deposit Cost:

3Q20	2Q21	3Q21
0.12%	0.09%	0.08%

Key Business Metrics

	3Q21	Increase / (Decrease) 2Q21	3Q20
Core accounts ('000)	2,766	17	92
TPA accounts ('000)	238	(8)	(56)
Percent of unfunded accounts - core	6.53 %	(0.29)%	0.27 %
Footings per account	$ 3,582	$ 7	$ 405
Deposits per account - core	$ 2,555	$ (9)	$ 102
Investments as a % of total footings	31.86 %	0.26 %	5.84 %
New accounts ('000)	120	23	(6)
PTNR / avg account (annualized)	$ 45.41	$ (2.12)	$ 2.45

PTNR: +5.3% YOY

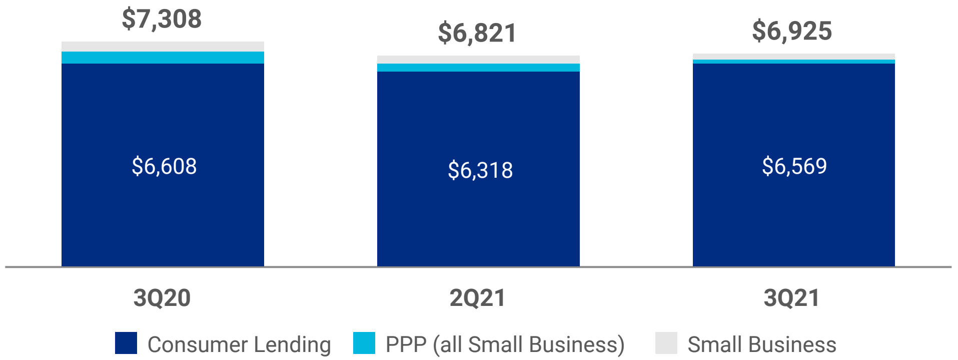
	3Q21	Favorable / (Unfavorable) 2Q21	3Q20
Net interest income	$ 42.1	$ (0.1)	$ 2.2
Interchange revenue	10.5	(0.7)	0.7
Account and other fees	14.2	(1.1)	(3.2)
Operating revenue	**$ 66.8**	**$ (1.9)**	**$ (0.3)**
Operating expenses	32.8	—	2.0
Pre-tax net revenue	**$ 34.0**	**$ (1.9)**	**$ 1.7**

Investments linked to TPA accounts were $92 million, $93 million, and $111 million for 3Q21, 2Q21, and 3Q20, respectively.

Retail Banking

($ in millions)

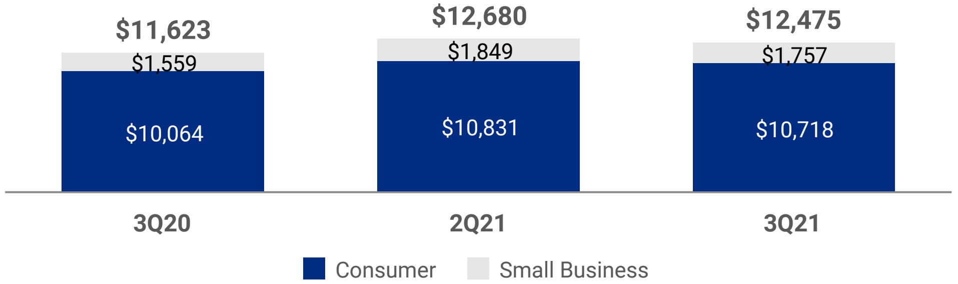
Total Loans: (1.9)% YOY excl. PPP (-5.2% incl. PPP)



Loan Portfolio Yield:

3Q20	2Q21	3Q21
3.43%	3.42%	3.64%

Total Deposits: +7.3% YOY



Deposit Cost:

3Q20	2Q21	3Q21
0.27%	0.07%	0.05%

Key Business Metrics

	3Q21	Increase / (Decrease) 2Q21	3Q20
Loan originations - Consumer Lending	$ 801	$ 35	$ 152
Loan originations - Small Business	$ 12	$ (28)	$ (24)
Coupon on fundings	3.03 %	0.07 %	(0.18)%
Transactional deposits / total deposits	39.57 %	(0.23)%	3.32 %
Digitally active households / total	52.49 %	(0.48)%	1.21 %
Self-service transactions / total	77.65 %	0.21 %	1.41 %

PPNR: +67.2% YOY

	3Q21	Favorable / (Unfavorable) 2Q21	3Q20
Net interest income	$ 98.0	$ 5.5	$ 14.4
Non-interest income	17.0	0.2	(4.4)
Operating revenue	**$ 115.0**	**$ 5.7**	**$ 10.0**
Operating expenses	73.5	(1.1)	6.7
Pre-provision net revenue	**$ 41.5**	**$ 4.6**	**$ 16.7**

Note: Webster realigned certain of its business banking and investment services related operations from Retail Banking to Commercial Banking to deliver operational efficiencies and better serve its customers. As a result, effective January 1, 2021, $1.9 billion of loans, $2.2 billion of deposits, and $3.9 billion of assets under administration (off balance sheet) were moved from Retail Banking to Commercial Banking. Prior period results have been restated accordingly.

Income Statement

($ in millions, except EPS)	3Q21	Favorable / (Unfavorable) 2Q21	3Q20
Net interest income	$ 229.7	$ 8.8	$ 10.4
Non-interest income	83.8	11.1	8.7
Total revenue	$ 313.5	$ 19.9	$ 19.2
Non-interest expense	180.2	6.8	3.8
Pre-provision net revenue	$ 133.2	$ 26.7	$ 22.9
Provision for credit losses	7.8	(29.3)	15.0
Pre-tax income	$ 125.5	$ (2.5)	$ 37.9
Income available to common	$ 93.2	$ 1.6	$ 26.3
Diluted earnings per share	$ 1.03	$ 0.02	$ 0.28
Net interest margin	2.80 %	(2) bps	(8) bps
Efficiency ratio [1]	54.84 %	180 bps	515 bps
Tax rate	23.7 %	283 bps	(284) bps

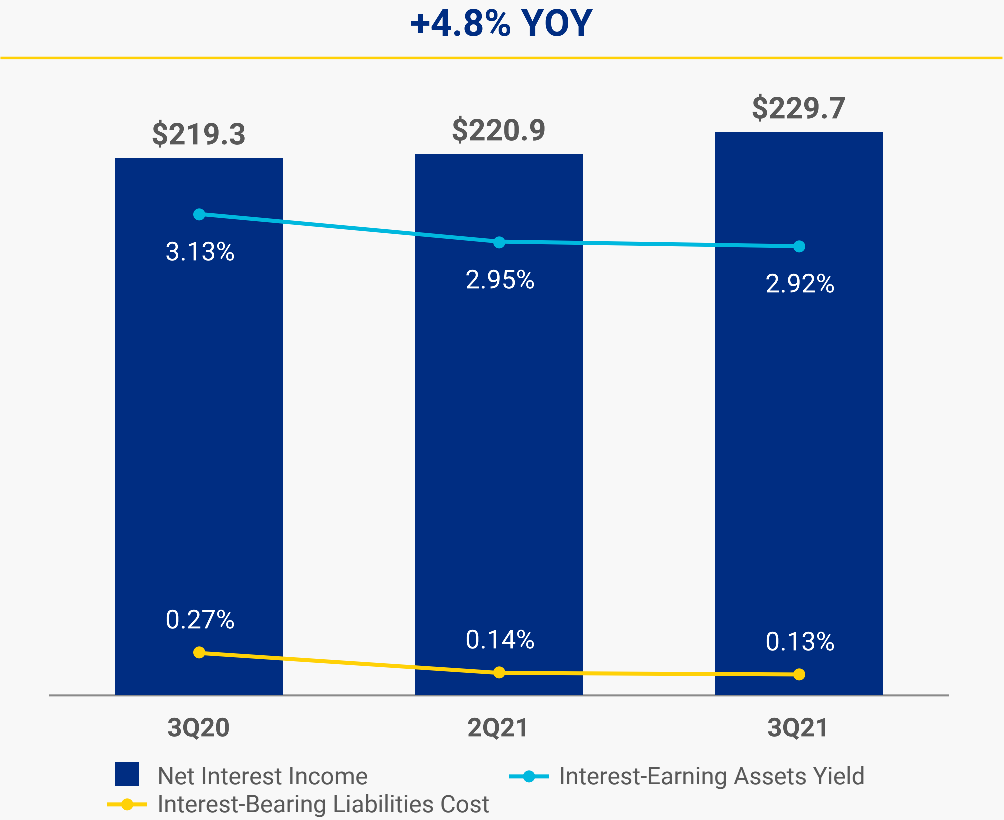
[1] See non-GAAP reconciliation on pages 37 and 38.

3Q21 Highlights

- $93.2 million income available to common shareholders, $1.03 diluted earnings per share
- Net interest income up 4.8% YOY as a result of lower funding costs and PPP loan fee accretion
- Non-interest income increased 11.6% YOY driven by fair value adjustments on direct investments and higher syndication and prepayment fees
- Non-interest expense declined 2.0% YOY reflecting lower merger and strategic initiatives expenses
- Provision for credit losses reflects a provision of $7.8 million, compared to $22.8 million in 3Q20, and results in a coverage ratio of 1.49% excluding PPP loans

Net Interest Income

($ in millions)



Net Interest Margin:

3Q20	2Q21	3Q21
2.88%	2.82%	2.80%

LQ NII increase of $8.8 million (non-FTE)

- +$5.9 million due to the continued realization of PPP fees
- +$3.0 million due to changes in loan balances and yields
- +$1.4 million due to day count
- +$0.5 million due to growth and cost of deposits and borrowings
- +$0.5 million due to excess cash at the Fed
- -$2.5 million due to securities yield and balances

LQ NIM decrease of 2 bps

- -10 bps due to increased cash at the Fed
- -3 bps due to acceleration of premium amortization in the securities portfolio
- +8 bps due to yields on loans and deferred fee income
- +3 bps due to continued repricing of maturing CDs and elevated public funds

YOY NII increase of $10.4 million (non-FTE)

- +$8.0 million due to deposit balance growth and cost
- +$1.5 million due to borrowings balance decline and cost
- +$0.9 million due to loan, securities, and cash balances and yields

YOY NIM decrease of 8 bps

- -21 bps due to excess cash at the Fed
- -1 bp due to loan and securities yields and balances
- +14 bps due to deposit and borrowing cost and balances

Non-Interest Income

Diverse Sources

($ in thousands)	3Q21	Favorable / (Unfavorable) 2Q21	3Q20
Deposit service fees	**$ 17,372**	$ 411	$ 1,761
HSA fee income	**24,756**	(1,797)	(2,479)
Wealth & investment services	**9,985**	(102)	1,730
Loan related fees	**10,881**	3,019	4,313
Mortgage banking activities	**1,525**	206	(5,562)
Other	**19,256**	9,336	8,952
Total	**$ 83,775**	$ 11,073	$ 8,715

$11.1 million increase LQ

- Increase in other of $9.3 million primarily due to fair value adjustments on direct investments and customer derivatives
- Increase in loan related fees of $3.0 million driven by syndication fees
- Decrease in HSA fee income of $1.8 million due to prior period TPA related closure fees and lower interchange revenue

$8.7 million increase YOY

- Increase in other of $9.0 million primarily due to fair value adjustments on direct investments
- Increase in loan related fees of $4.3 million driven by higher syndication and prepayment fees
- Increase in deposit service fees of $1.8 million driven by higher overdraft and cash management fees
- Increase in wealth & investment services of $1.7 million primarily due to increased investment activity
- Decrease in mortgage banking activities of $5.6 million in line with our strategic choice to originate for portfolio along with lower spreads on loans originated for sale
- Decrease in HSA fee income of $2.5 million due to prior year TPA related closure fees and lower account service related charges

Non-Interest Expense

Maintaining Expense Discipline

($ in thousands)	3Q21	2Q21 (Favorable / (Unfavorable))	3Q20 (Favorable / (Unfavorable))
Compensation & benefits	**$ 105,352**	$ (7,598)	$ (1,333)
Technology & equipment	**28,441**	(1,317)	(595)
Occupancy	**12,430**	1,580	1,845
Deposit insurance	**3,855**	(106)	349
Marketing	**3,721**	(494)	131
Other	**26,438**	14,726	3,362
Total	**$ 180,237**	$ 6,791	$ 3,759

$6.8 million decrease LQ

- Results include $5.8 million of merger and strategic initiative related charges in 3Q21 and $18.2 million in 2Q21
- Decrease in other of $14.7 million due to higher merger related costs in the prior quarter
- Decrease in occupancy of $1.6 million primarily due to facilities optimizing charges in the prior quarter
- Increase in compensation & benefits of $7.6 million merger related charges and performance based compensation
- Increase in technology & equipment of $1.3 million primarily due to an increase in infrastructure charges

$3.8 million decrease YOY

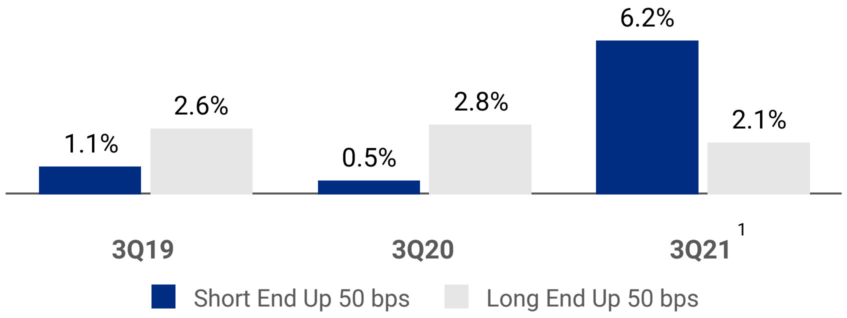
- Results include $5.8 million of merger and strategic initiative related charges in 3Q21 and $4.8 million in 3Q20
- Decrease in other of $3.4 million primarily related to strategic initiative expenses recorded in 3Q20 and a decrease in the reserve for unfunded lines
- Decrease in occupancy of $1.8 million related to lower rent expense as a result of strategic initiatives executed in the prior periods
- Increase in compensation & benefits of $1.3 million primarily related to merger related charges

Net Interest Margin - Linked Quarter

($ in millions)	3Q21 Avg Balance	3Q21 Interest	3Q21 Yield/Rate	2Q21 Increase / (Decrease) Avg Balance	2Q21 Increase / (Decrease) Interest	2Q21 Increase / (Decrease) BPs
Securities	$ 8,911	$ 43.9	2.01 %	$ 76	$ (2.7)	(12)
Money market & other	2,411	1.2	0.19	1,064	0.5	(3)
Loans held for sale	11	0.1	2.03	2	—	(34)
Commercial loans	14,747	142.8	3.79	(102)	9.7	24
Consumer loans	6,792	54.2	3.19	227	0.6	(8)
Total loans & leases	21,539	197.0	3.60 %	125	10.3	14
Interest-earning assets	$ 32,872	$ 242.1	2.92 %	$ 1,268	$ 8.0	(3)
Deposits	$ 29,849	$ 4.6	0.06 %	$ 1,148	$ (0.5)	(1)
Borrowings	1,230	5.4	1.82	25	(0.2)	(11)
Interest-bearing liabilities	$ 31,079	$ 10.0	0.13 %	$ 1,173	$ (0.7)	(1)
Tax-equivalent net interest income		$ 232.1			$ 8.8	
Less: tax-equivalent adjustment		(2.4)			0.1	
Net interest income		$ 229.7			$ 8.8	
Net interest margin			2.80 %			(2)

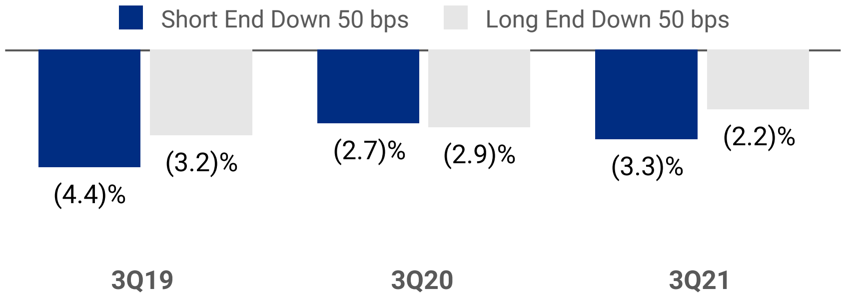
Interest Rate Sensitivity

Rising Rate Scenarios



[1] In 2Q21, management approved assumption changes decreasing deposit betas for several products, resulting in an increase in asset sensitivity to short term rates

Falling Rate Scenarios



- Assumes Federal Funds at stated rate of 25 bps
- Deposit rates will fall no lower than 0.0%

- In 2Q21, management approved assumption changes decreasing deposit betas for several products resulting in an increase in asset sensitivity to short term rates
- $1 billion of 1 month LIBOR floors purchased during 2019 have an average strike of 1.56%
- Short end rates up 50 bps with no change in long end rates results in a 6.2% increase in PPNR compared to flat rates

- Short end rates down 50 bps assumes deposit rates fall to no less than 0.0%
- Long end rates down 50 bps (floored at zero) with no change in short end rates results in a 2.2% decrease in PPNR compared to flat rates
- Loans at floors now approximately $4.3 billion

Earning Asset & Funding Mix

($ in millions, end of period balances)

Earning Asset Mix

Type	Balance	Total %	Floating %	Periodic %	Fixed %
Securities/MM/Other	$ 11,916	36 %	27 %	1 %	72 %
Loans HFS	10	—	100	—	—
Resi / HE Loans	5,659	17	—	26	74
HE Lines	1,235	4	95	—	5
C&I Loans	8,153	24	52	26	22
CRE Loans	6,504	19	81	15	4
Total	$ 33,477	100 %	41 %	14 %	44 %

Funding Mix

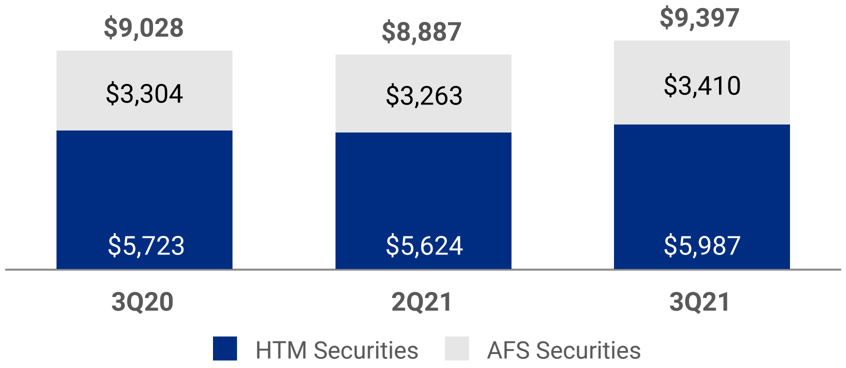
Type	Balance	Total	< 1 Year	> 1 Year
Checking	$ 11,175	36 %		
HSA	7,327	24		
Savings	5,459	18		
Money Market	3,938	13		
Time	1,715	6	81 %	19 %
Borrowings	1,459	5	33 %	67 %
Total	$ 31,073	100 %		

- Floating and periodic rate loans represent 71% of total loans:
  - Floating rate loans represent 50% of total loans
  - Periodic rate loans represent 21% of total loans
- SBA PPP loan balances equal $0.4 billion or 2% of total loans and are all fixed rate. Excluding PPP, floating and periodic loans would have represented 72% of total loans
- LIBOR indexed loans represent 57% of total loans:
  - Loans indexed to 1 month LIBOR represent 41% of total loans
  - LIBOR indexed loans with rate reset frequencies greater than 1 month represent 16% of total loans
- CRE loans are predominantly floating rate to the bank but fixed for customers due to customer swaps
- HSA deposits represent 24% of our funding mix

Investment Portfolio

($ in millions, end of period balances)

Investment Securities

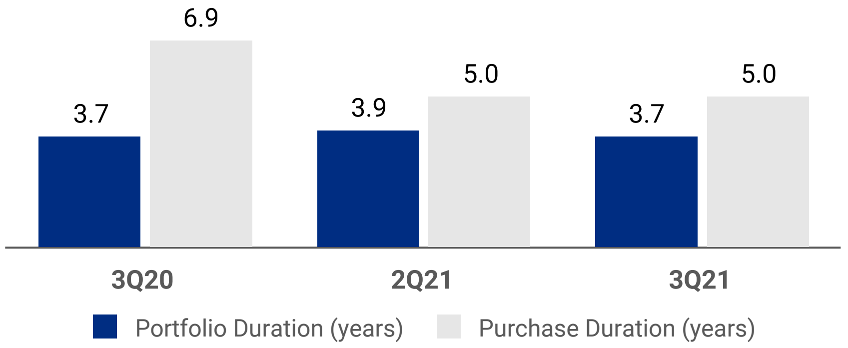


Yield:

3Q20	2Q21	3Q21
2.47%	2.13%	2.01%

- Available-for-Sale portfolio includes $44.7 million of net unrealized gains at 3Q21 compared to $49.3 million at 2Q21
- Held-to-Maturity portfolio excludes $152.9 million of net unrealized gains at 3Q21 compared to $170.5 million at 2Q21
- Securities yields decreased 12 bps LQ primarily from securities that rolled off at higher yields and securities that rolled on at lower yields

Duration / Yield



Purchase Yield:

3Q20	2Q21	3Q21
1.61%	1.59%	1.44%

- Portfolio duration remained unchanged vs. a year ago; LQ duration decreased by 0.2 years due to updates in prepayment models
- Purchase yield decreased by 15 bps vs. LQ due to lower market yields in Agency MBS, while purchase duration was unchanged

Investment Securities

($ in millions, end of period balances)

Available-for-Sale

	September 30, 2021	June 30, 2021	Increase / (Decrease)
Agency CMO	**$ 105.8**	$ 120.3	$ (14.5)
Agency MBS	**1,596.8**	1,382.5	214.3
Agency CMBS	**898.6**	941.4	(42.8)
Non-Agency CMBS - Floating	**770.1**	755.0	15.1
Corporate Debt Securities	**14.2**	13.7	0.5
Collateralized Loan Obligations	**24.9**	50.0	(25.1)
Total Available-for-Sale	**$ 3,410.4**	$ 3,262.9	$ 147.5

Held-to-Maturity

	September 30, 2021	June 30, 2021	Increase / (Decrease)
Agency CMO	**$ 50.1**	$ 61.1	$ (11.0)
Agency MBS	**2,544.5**	2,562.9	(18.4)
Agency CMBS	**2,509.5**	2,105.9	403.6
Non-Agency CMBS - Fixed	**174.8**	178.6	(3.8)
Municipal Bonds & Notes	**707.6**	715.2	(7.6)
Total Held-to-Maturity	**$ 5,986.5**	$ 5,623.6	$ 362.9

Loan Originations & Mix

($ in millions)

Originations by Loan Portfolio

End of period balances / *Full quarter originations*	3Q21 Balance	3Q21 Originations	2Q21 Balance	2Q21 Originations	3Q20 Balance	3Q20 Originations
Commercial non-mortgage	$ 7,172	$ 697	$ 7,474	$ 966	$ 7,723	$ 656
Asset-based lending	987	80	944	160	890	88
Total Commercial	$ 8,159	$ 777	$ 8,418	$ 1,126	$ 8,613	$ 744
Commercial real estate	6,523	443	6,411	457	6,308	297
Residential mortgages	5,168	619	4,856	603	4,886	414
Consumer	1,731	147	1,790	147	2,046	105
Portfolio Total	$ 21,580	$ 1,987	$ 21,475	$ 2,333	$ 21,852	$ 1,560
Residential mortgages originated for sale		57		55		149
Total Originations		$ 2,044		$ 2,387		$ 1,708

Note: Originations data includes $— million, $63 million, and $35 million of PPP loans for 3Q21, 2Q21, and 3Q20, respectively.

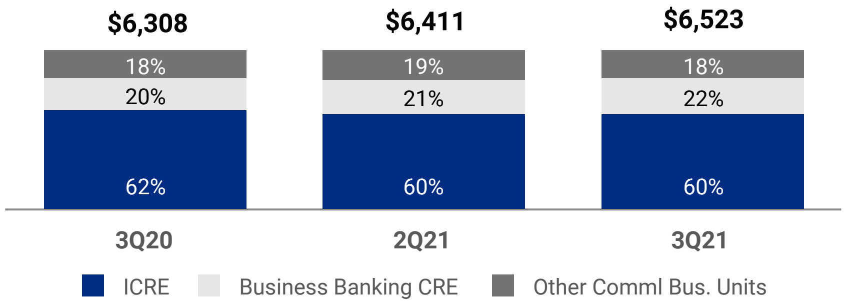
Loan Mix & Yield

End of period balances / *Full quarter yield*	3Q21 Balance	3Q21 Yield	2Q21 Balance	2Q21 Yield	3Q20 Balance	3Q20 Yield
Commercial	$ 8,159	4.54 %	$ 8,418	4.05 %	$ 8,613	3.66 %
Commercial real estate	6,523	2.85	6,411	2.88	6,308	2.95
Residential	5,168	3.06	4,856	3.11	4,886	3.36
Consumer	1,731	3.57	1,790	3.68	2,046	3.83
Total Loans	$ 21,580	3.60 %	$ 21,475	3.46 %	$ 21,852	3.40 %

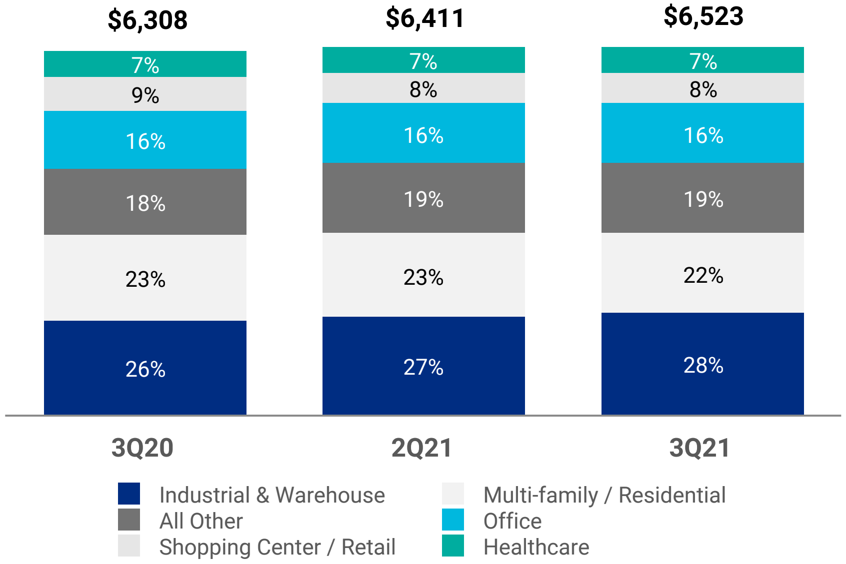
Commercial Real Estate

($ in millions)

CRE Outstandings



Outstandings by Collateral Type

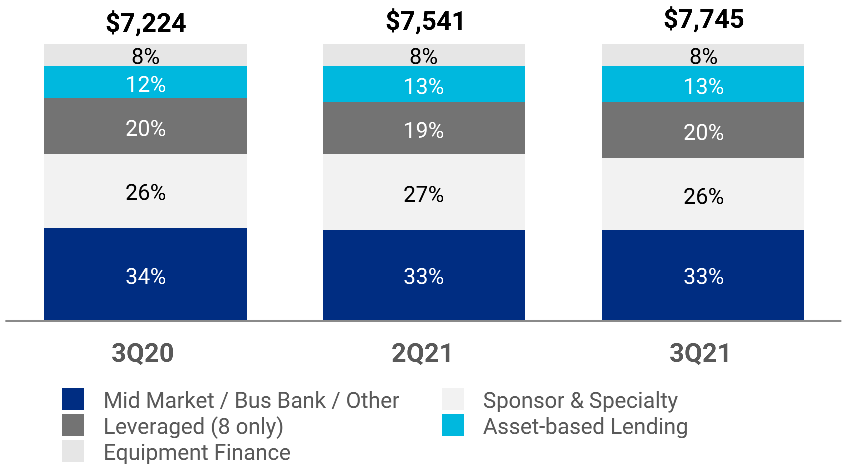


- Majority of balances in CRE line of business:
  - Dedicated expertise, consistent leadership team, and focused strategy
- Business Banking consists of Owner Occupied and Investment CRE
  - Average hold size: < $0.5 million
- Largest segments within Other Commercial Business Units include
  - Healthcare & Senior Living facilities (~$429 million)
  - Data centers (~$196 million)
  - Owner Occupied (~$190 million)
- Balances are well-diversified and strategically weighted on resilient property types with industry tailwinds
  - Industrial / Warehouse
  - Multi-family / Residential
  - Data centers & Healthcare facilities
- Unfunded commitments were $636 million vs. $647 million in 2Q21

Commercial & Industrial

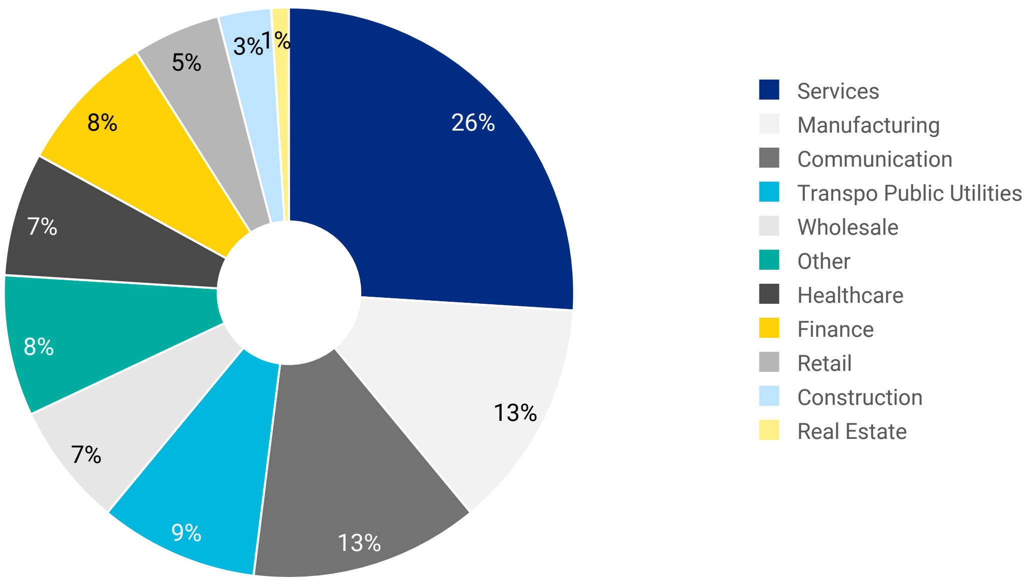
($ in millions)

Outstandings by Segment



Note: Excludes $0.4, $0.8, and $1.4 billion of PPP loans for 3Q21, 2Q21, and 3Q20, respectively; Leveraged category broken out and represents loans within Sponsor & Specialty and Middle Market segments.

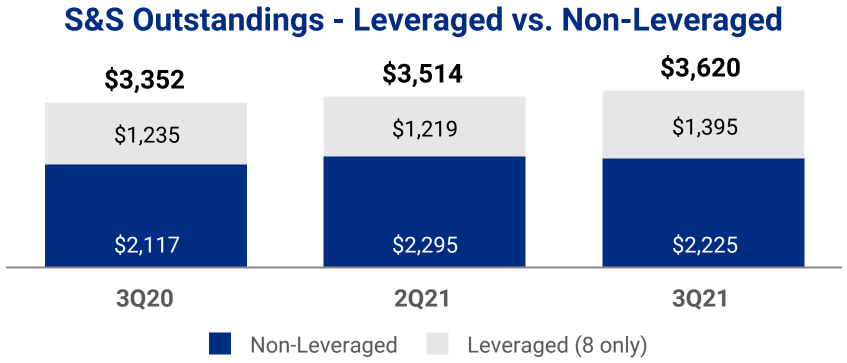
Outstandings by Industry

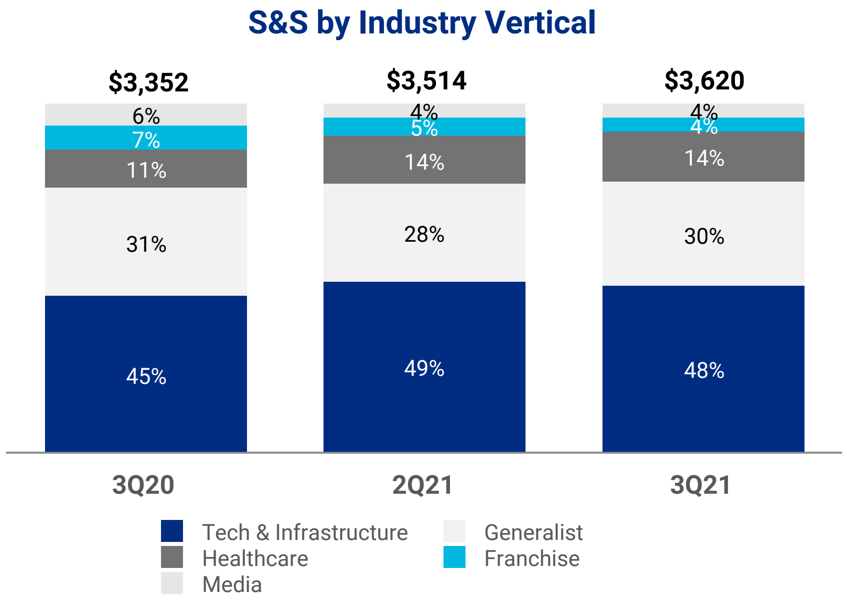


- C&I balances cross multiple lines of business with focused strategies:
  - Sponsor & Specialty and Leveraged: industry focused
  - Asset-based Lending and Equipment Finance: collateral focused
  - Middle Market and Business Banking: in-footprint focus, full services customers
- Diversified portfolio with concentrations in sectors where Webster has deep expertise and long-term relationships
- YoY increase of 7% was driven by Sponsor & Specialty (within Technology & Infrastructure and Healthcare verticals); all lines of business (including Leveraged loans) were up YoY

Sponsor & Specialty and Leveraged Lending

($ in millions)





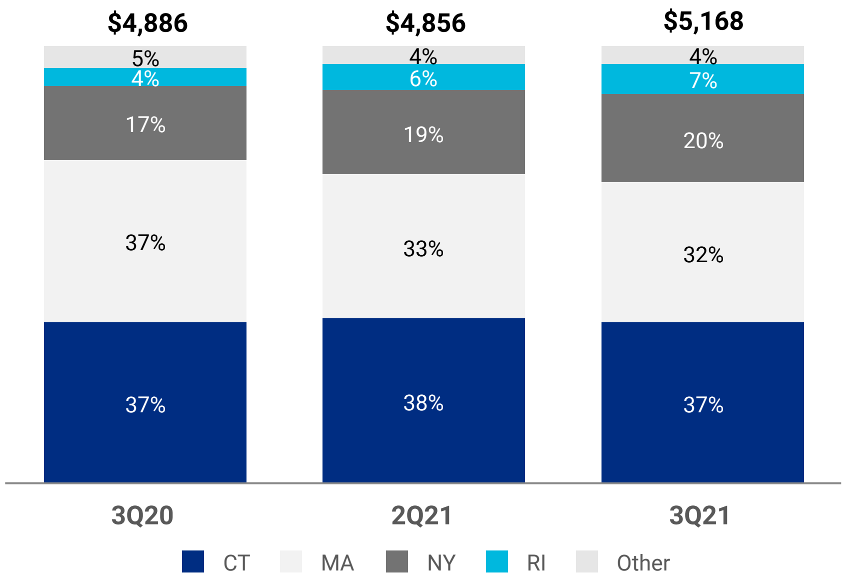
- Sponsor portfolio consists of 61% non-leveraged and 39% leveraged
- 88% of leveraged loans are in Sponsor ($1.4 billion), with the balance in Middle Market
- Webster has been lending to Sponsor-backed and leveraged borrowers for 17 years
- The portfolio performed well through the great recession and generated better risk-adjusted returns
- We maintain a defined strategy:
  - Growth in non-cyclical end markets
  - Finance business models with a high % of recurring revenue (>75%)
  - Partner with Tier 1 private equity firms with deep expertise in target sectors
  - Focus on direct and agented middle market business
  - Maintain credit discipline, avoid chasing the market
  - There have been no payment deferrals for the Tech & Infrastructure portfolio

Note: Sponsor & Specialty Non-Leveraged includes Data Center CRE loans; S&S and Leverage excludes deferred fees and premiums/discounts

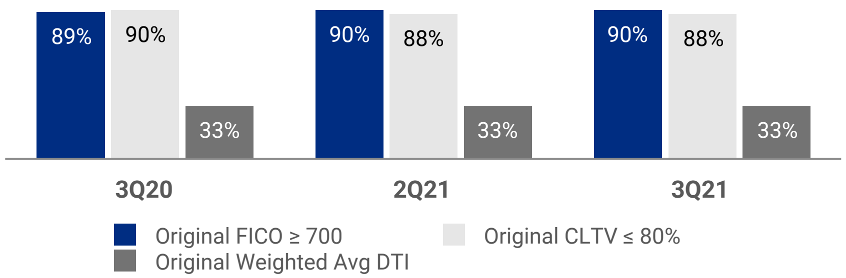
Residential Mortgage

($ in millions)

Portfolio by Geography



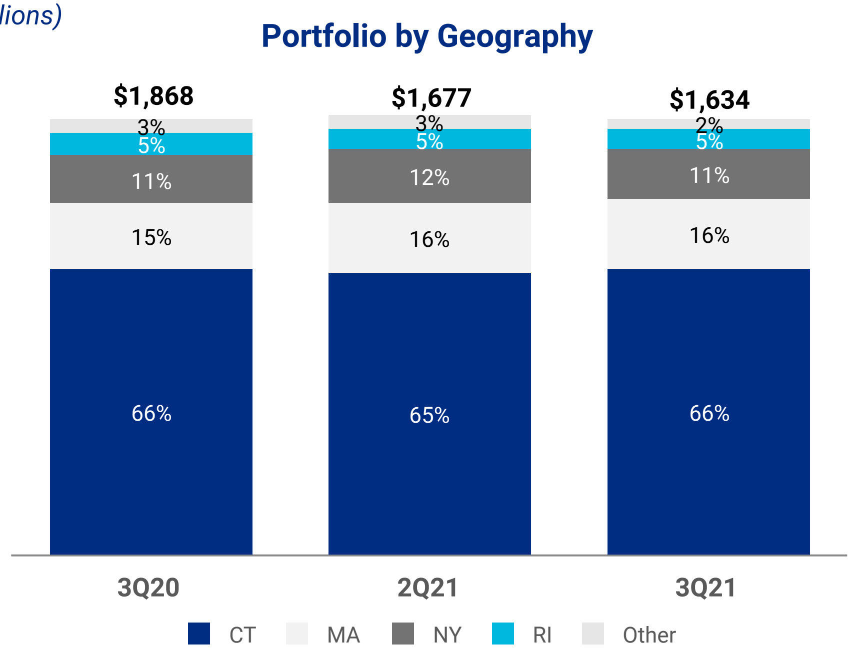
Origination FICO, LTV, & Debt to Income

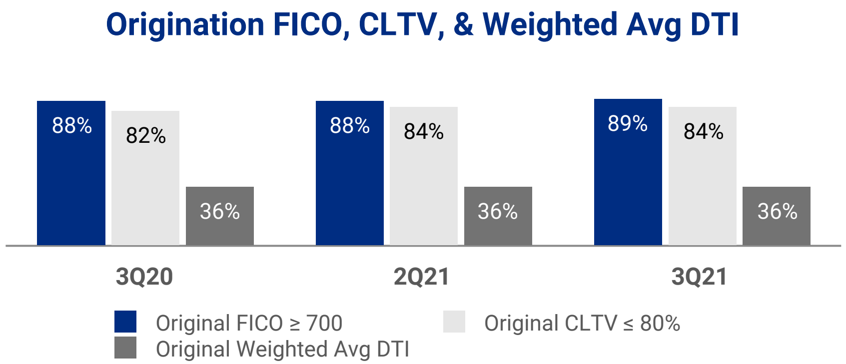


- Portfolio diversification outside of CT is most notably into MA and to a lesser extent NY
- Origination metrics are high quality and have steadily improved over the last few years
  - 90% of balances had a FICO score ≥ 700
  - 88% of balances had an LTV < 80%
  - Average DTI is ~33%
- Current portfolio metrics continue to be favorable
  - Current weighted average FICO is 778
  - Current weighted average LTV is 66%
- Asset quality metrics at cycle lows
  - Non-performing loans represent 0.4% of loans
  - 56% of NPLs are from pre-2008 originated loans
  - Net recoveries YTD
  - Delinquency = 7 bps

Home Equity

($ in millions)

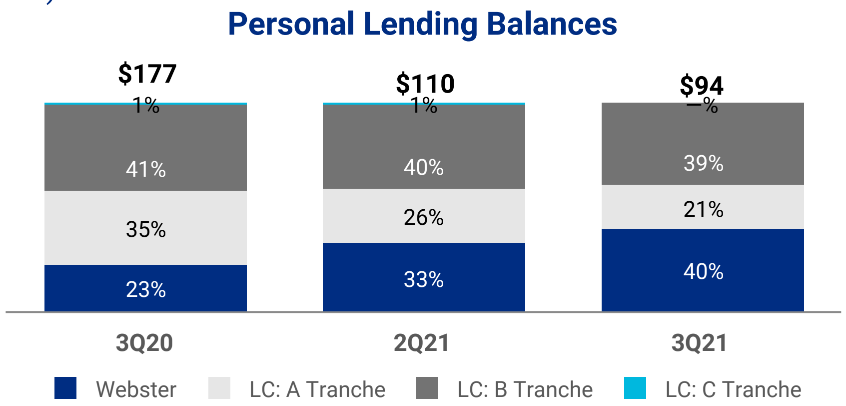


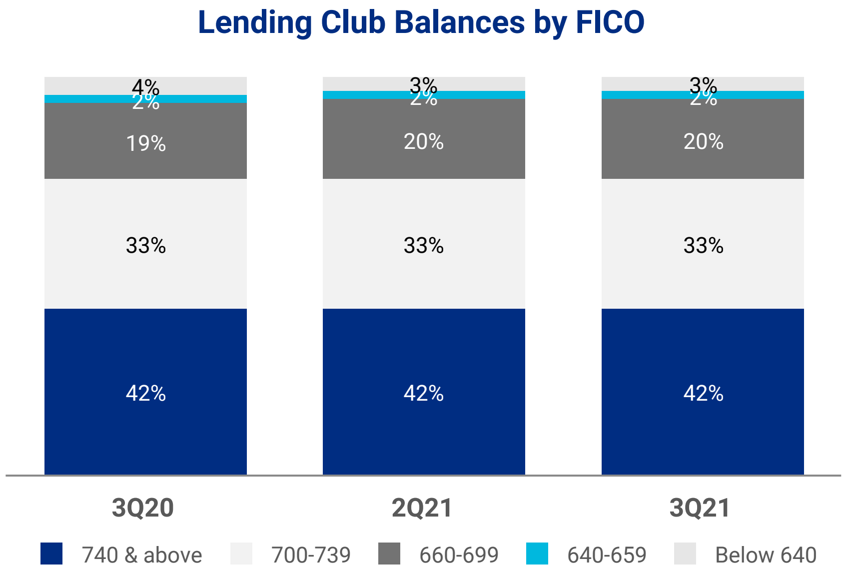


- Portfolio concentrated in CT
- 48% in first lien position
- Origination metrics are high quality and have remained stable over the last few years
  - 89% of balances had a FICO score ≥ 700
  - 84% of balances had a CLTV < 80%
  - Average DTI is ~36%
- Current portfolio metrics continue to be favorable
  - Current weighted average FICO is 765
  - Current weighted average CLTV is 66%
- Asset quality metrics at cycle lows
  - Non-performing loans represent 1.4% of loans
  - 61% of NPLs are from pre-2008 originated loans
  - Delinquency = 39 bps
  - Net recoveries YTD
- ~98% of new originations have FICO > 700
- ~$2 billion of unused exposure
  - Utilization has remained relatively stable at 37%

Personal Lending

($ in millions)





- We discontinued our Lending Club ("LC") purchases in April 2020
- LC represents $57 million or 60% of the bank's unsecured balances vs. $74 million in 2Q21
- The portfolio overall has slowly declined over the last few years (both LC & Webster loans)
- The Bank ceased purchases of Tranche C loans in 2017 due to a change in risk appetite
- Since discontinuing the purchases of Tranche C loans, the average FICO score in the portfolio has increased meaningfully
  - ≥ 700 FICO now represents 75% vs. 58% at the end of 2016
  - ≥ 740 FICO now represents 42% vs. 24% at the end of 2016
  - Loss rates and delinquency have also steadily improved as a result
- Hardship deferrals have declined to $116 thousand at 3Q21 vs. $188 thousand at 2Q21 and $19 million at the peak

COVID-19 Payment Deferrals

($ in millions)

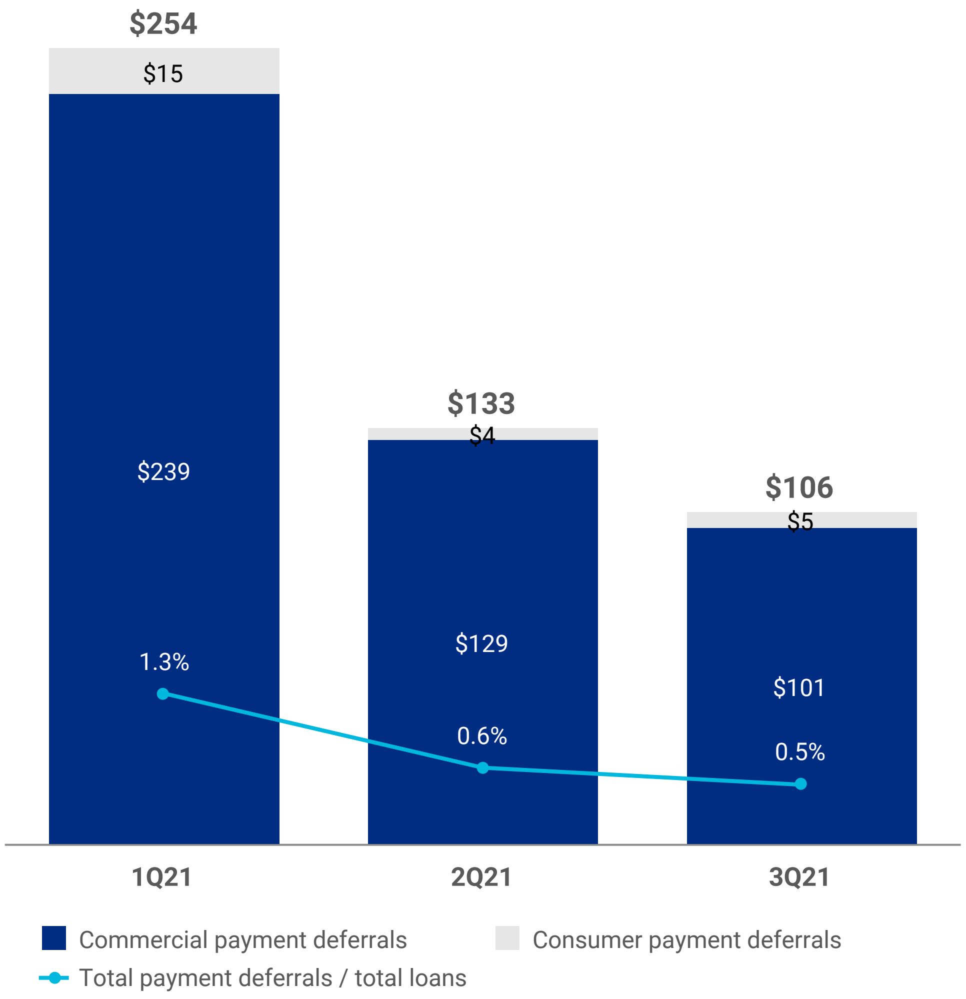
Continued Favorable Trend in Deferrals

Total:

- 0.5% of total loans on deferral compared to 0.6% of total loans on deferral LQ and 1.3% at 1Q21
- Total deferrals of $106 million declined $27 million or 20% from LQ, and declined $148 million or 58% from 1Q21

Commercial:

- 0.7% of commercial loans on deferral
- Total commercial deferrals of $101 million, declined $28 million or 22% from LQ, and declined $138 million or 58% from 1Q21
- Total consumer deferrals of $5 million, increased $1 million or 25% from LQ, and declined $10 million or 67% from 1Q21



COVID-19 Commercial Payment Deferrals

Loans with Payment Deferrals in our Most Impacted Sectors Declined 48%

($ in millions)	As of 9/30/2021			As of 6/30/2021		
	Portfolio	Payment Deferrals	% of Portfolio	Portfolio	Payment Deferrals	% of Portfolio
Most Impacted Sectors:						
Restaurants	$ 127	$ 9	6.8%	$ 132	$ 9	6.7%
Hotel & Motel	121	—	—	121	1	0.6
Travel & Leisure	321	9	2.9	301	19	6.5
Oil & Gas	96	—	—	100	—	—
Retail	716	3	0.5	724	3	0.5
Transportation	317	—	—	336	6	1.8
Construction	300	—	—	327	2	0.5
Subtotal Most Impacted Sectors	**$ 1,998**	**$ 21**	**1.1%**	$ 2,041	$ 40	2.0%
All Other Sectors	**$ 12,304**	**$ 80**	**0.6%**	$ 11,977	$ 89	0.7%
Total Commercial Portfolio	**$ 14,302**	**$ 101**	**0.7%**	$ 14,018	$ 129	0.9%

Note: Balances above exclude deferred fees and premiums/discounts.

- Total commercial deferrals declined $28 million or 22% from 2Q21, and now represent 0.7% of the portfolio
    - Deferrals in other commercial sectors dropped from 0.7% at 2Q21 to 0.6%

Payment Deferrals by Loan Segment

Deferrals Have Declined 20% to $106 million (0.5% of the Portfolio)

($ in millions)	As of 9/30/2021					As of 6/30/2021				
Line of Business:		**Portfolio**		**Payment Deferrals**	**% of Portfolio**		**Portfolio**		**Payment Deferrals**	**% of Portfolio**
Sponsor & Specialty [1]	$	2,221	$	20	0.9%	$	2,267	$	20	0.9%
Middle Market [1]		2,853		41	1.4		2,889		47	1.6
Asset-based Lending [1]		992		—	—		957		—	—
Leveraged		1,613		30	1.9		1,460		31	2.1
Commercial Real Estate		4,032		—	—		3,898		4	0.1
Private Banking		193		—	—		192		—	—
Equipment Finance		620		5	0.7		630		16	2.5
Business Banking / Small Business		1,778		5	0.3		1,725		11	0.6
Total Commercial	**$**	**14,302**	**$**	**101**	**0.7%**	$	14,018	$	129	0.9%
Residential		5,127		3	0.1		4,821		2	0.1
Home Equity		1,618		2	0.1		1,661		2	0.1
Total Consumer	**$**	**6,745**	**$**	**5**	**0.1%**	$	6,482	$	4	0.1%
Total Bank [2]	**$**	**21,047**	**$**	**106**	**0.5%**	$	20,500	$	133	0.6%

[1] Leveraged loans broken out separately
[2] Excludes PPP and Personal Lending loans, premiums/discounts, and deferred fees

- CARES Act / Interagency Statement deferrals are included in the above amounts and declined 49% from 2Q21 ($61 million at 3Q21 and $120 million at 2Q21)

Deposit Mix & Rate

($ in millions)

By Product

End of period balances *Full quarter cost*	3Q21 Balance	3Q21 Rate	2Q21 Balance	2Q21 Rate	3Q20 Balance	3Q20 Rate
Demand	**$ 7,155**	**— %**	$ 6,751	— %	$ 6,137	— %
Health savings accounts	**7,329**	**0.08**	7,323	0.09	6,976	0.12
Interest-bearing checking	**4,182**	**0.04**	3,844	0.04	3,391	0.07
Money market	**3,959**	**0.11**	3,442	0.11	3,069	0.27
Savings	**5,517**	**0.02**	5,472	0.02	4,777	0.11
Core Deposits	**$ 28,142**	**0.05 %**	$ 26,832	0.05 %	$ 24,350	0.10 %
Time deposits	**1,884**	**0.27**	2,015	0.35	2,570	1.00
Total Deposits	**$ 30,026**	**0.06 %**	$ 28,847	0.07 %	$ 26,921	0.19 %
Core / Total	**94 %**		93 %		90 %	

By Line of Business

	3Q21 Balance	3Q21 Rate	2Q21 Balance	2Q21 Rate	3Q20 Balance	3Q20 Rate
Commercial Banking	**$ 10,219**	**0.06 %**	$ 8,844	0.06 %	$ 8,326	0.13 %
HSA Bank	**7,329**	**0.08**	7,323	0.09	6,976	0.12
Retail Banking	**12,475**	**0.05**	12,680	0.07	11,623	0.27
Corporate & Reconciling	**3**	**—**	—	—	(4)	(0.01)
Total Deposits	**$ 30,026**	**0.06 %**	$ 28,847	0.07 %	$ 26,921	0.19 %

Non-GAAP Reconciliations

($ in thousands, except per share amounts)

Efficiency Ratio

	3Q21	2Q21	3Q20
Non-interest expense	$ 180,237	$ 187,028	$ 183,996
Less: Net foreclosed (income) expense	(142)	(137)	(201)
Amortization of intangibles	1,124	1,132	1,089
Strategic initiatives	(4,011)	1,138	4,786
Merger related	9,847	17,047	—
Non-interest expense (net of above)	$ 173,419	$ 167,848	$ 178,322
Net interest income before provision	229,691	220,852	219,256
FTE adjustment	2,434	2,487	2,635
Non-interest income	83,775	72,702	75,060
Other	327	309	297
Total revenue (net of above)	$ 316,227	$ 296,350	$ 297,248
Efficiency Ratio	54.84 %	56.64 %	59.99 %

Tangible Common Equity Ratio

	3Q21	2Q21	3Q20
Shareholders' equity	$ 3,386,189	$ 3,329,705	$ 3,219,690
Less: Goodwill and other intangible assets	557,360	558,485	561,902
Tangible shareholders' equity	2,828,829	2,771,220	2,657,788
Less: Preferred stock	145,037	145,037	145,037
Tangible common shareholders' equity	$ 2,683,792	$ 2,626,183	$ 2,512,751
Total assets	$ 35,374,258	$ 33,753,752	$ 32,994,443
Less: Goodwill and other intangible assets	557,360	558,485	561,902
Tangible assets	$ 34,816,898	$ 33,195,267	$ 32,432,541
Tangible Common Equity Ratio	7.71 %	7.91 %	7.75 %

Non-GAAP Reconciliations

($ in thousands, except per share amounts)

Tangible Book Value per Common Share

	3Q21	2Q21	3Q20
Tangible common shareholders' equity	$ 2,683,792	$ 2,626,183	$ 2,512,751
Common shares outstanding	90,588	90,594	90,204
Tangible Book Value per Common Share	$ 29.63	$ 28.99	$ 27.86

Return on Average Tangible Common Shareholders' Equity

	3Q21	2Q21	3Q20
Average shareholders' equity	$ 3,375,401	$ 3,311,406	$ 3,205,330
Less: Average goodwill and other intangible assets	557,902	559,032	560,959
Average preferred stock	145,037	145,037	145,037
Average tangible common shareholders' equity	$ 2,672,462	$ 2,607,337	$ 2,499,334
Net income	$ 95,713	$ 94,035	$ 69,281
Less: Preferred stock dividends	1,968	1,969	1,968
Add: Intangible assets amortization, tax-effected	888	894	860
Income adjusted for preferred stock dividends & intangible assets amortization	94,633	92,960	68,173
Adjusted income, annualized basis	$ 378,532	$ 371,840	$ 272,692
Return on Average Tangible Common Shareholders' Equity	14.16 %	14.26 %	10.91 %

WBS 3Q21 Financial Review

Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “believes,” “anticipates,” “expects,” “intends,” “targeted,” “continue,” “remain,” “will,” “should,” “may,” “plans,” “estimates,” and similar references to future periods; however, such words are not the exclusive means of identifying such statements. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, expense savings, income or loss, earnings or loss per share, and other financial items; (ii) statements of plans, objectives, and expectations of Webster or its management or Board of Directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Forward-looking statements are based on Webster’s current expectations and assumptions regarding its 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. Webster’s actual results may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Factors that could cause actual results to differ from those discussed in the forward-looking statements include our ability to complete the merger with Sterling Bancorp and realize the anticipated benefits of the merger; our ability to successfully achieve the anticipated cost reductions and operating efficiencies from our completed branch consolidations and other strategic initiatives, including process automation, organization simplification, and spending reductions, and avoid any higher than anticipated costs or delays in the ongoing implementation; and the other factors that are described in the “Forward-Looking Statements”, “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and the “Forward-Looking Statements” section and other information contained in our earnings release for the third quarter of 2021 furnished as an exhibit to our most recent Current Report on Form 8-K. Any forward-looking statement made by the Company in this presentation speaks only as of the date on which it is made. Factors or events that could cause the Company’s actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by law.

Non-GAAP Financial Measures

This presentation contains both financial measures based on accounting principles generally accepted in the United States (“GAAP”) and non-GAAP based financial measures, which are used where management believes them to be helpful in understanding the Company’s results of operations or financial position. Reconciliations of these non-GAAP financial measures, to the most comparable GAAP measures are included in this presentation and the Company’s earnings release available in the Investor Relations portion of the Company’s website at www.wbst.com. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. For additional information see reconciliation to GAAP financial measures presented in the Company’s Press Release.

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