Earnings Conference Call

Second Quarter 2021
July 22, 2021

Second Quarter 2021 Highlights

Solid financial results and a favorable credit profile

Loan growth of 3.2% quarter over quarter excluding PPP loans

Positioned for future growth through execution on strategic and integration initiatives

Continued progress towards our expense reduction targets

Reported results include $18.2 million ($17.6 after-tax) expenses related to merger and strategic initiatives

	REPORTED	ADJUSTED
PPNR	$106.5M	$124.8M
INCOME AVAILABLE TO COMMON	$91.6M	$109.2M
DILUTED EPS	$1.01	$1.21
ROACE	11.63%	13.86%
ROATCE	14.26%	16.97%

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

Loans

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

LQ growth of $0.2 billion or 0.8% (3.2% excl. PPP)

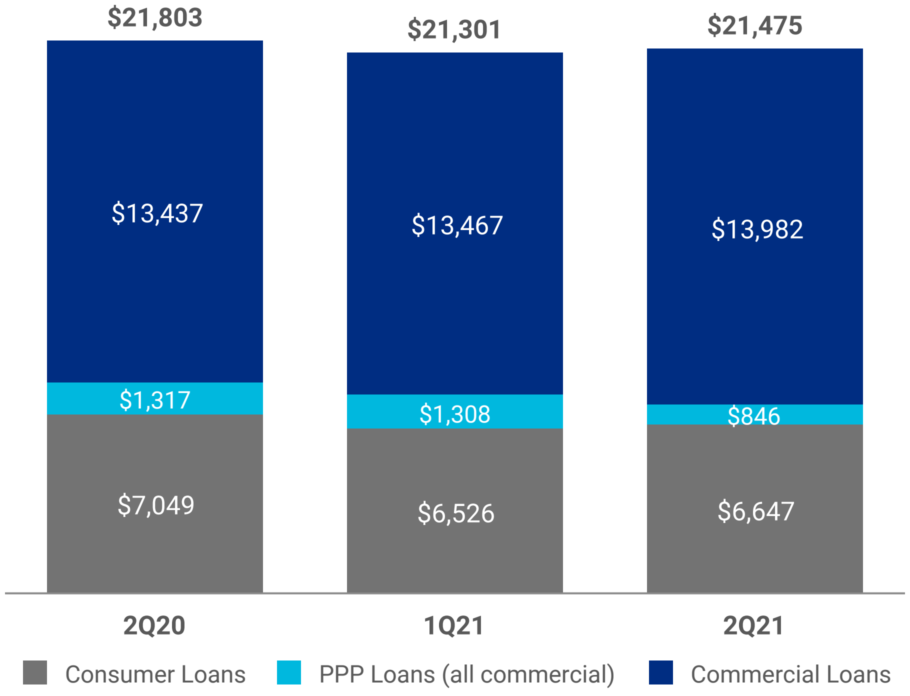
- 3.2% growth LQ excluding PPP loans
- Growth in commercial loans (3.8%) and consumer loans (1.9%)
- Loan portfolio yield declined 11 bps
- Floating and periodic to total loans ratio* of 70% compared to 68% LQ
- Loan balance comprised of 69% commercial loans and 31% consumer loans (including PPP)

YOY decline of $0.3 billion or 1.5%

- 0.7% growth YOY excluding PPP loans
- Growth in commercial loans (4.1%) and decline in consumer loans (5.7%)
- Floating and periodic to total loans ratio* of 70% compared to 67% at 2Q20

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

Loan Growth of 3.2% LQ excluding PPP



Loan Portfolio Yield:

2Q20	1Q21	2Q21
3.63%	3.57%	3.46%

Deposits

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

LQ growth of $0.4 billion or 1.3%

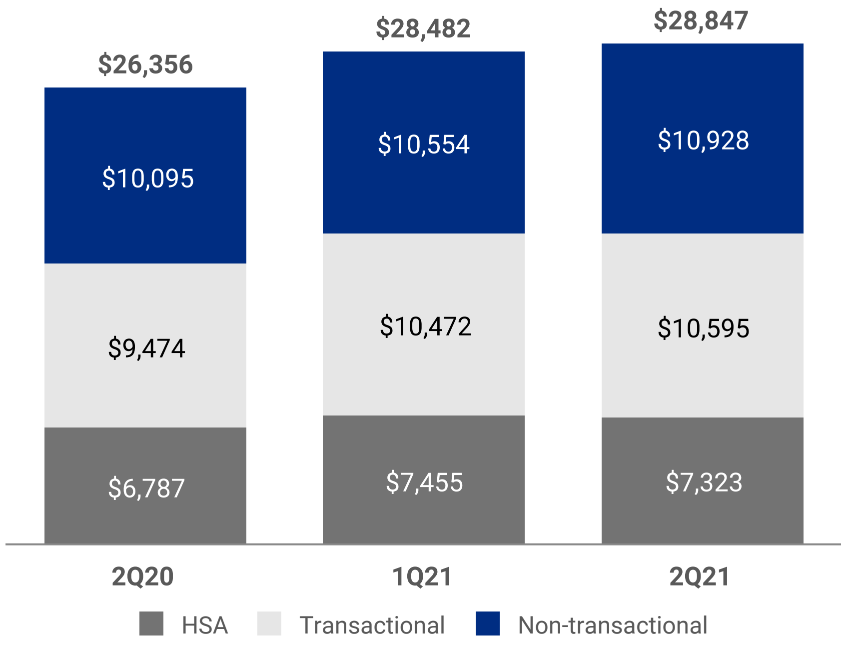
- Transactional deposits grew 1.2%; non-transactional deposits grew 3.5%
- HSA deposits declined 1.8% due to anticipated departure of TPA accounts
- Transactional & HSA / total deposits ratio of 62%, down from 63% at 1Q21
- Deposit costs declined 2 bps

YOY growth of $2.5 billion or 9.5%

- Transactional deposits grew 11.8%; non-transactional deposits grew 8.3%
- HSA deposits grew 7.9%
- Transactional & HSA / total deposits ratio of 62%, flat to 2Q20
- Deposit costs declined 22 bps

- Deposit balance comprised of 25% HSAs, 37% transactional, and 38% non-transactional deposits

Total Deposits: +1.3% LQ



Deposit Cost:

2Q20	1Q21	2Q21
0.29%	0.09%	0.07%

Creating the **Powerhouse** Northeast Bank

Integration Progress

- Defined a comprehensive integration plan guided by four overarching strategic principles:
  - Value Creation
  - Customer First
  - Conversion and Continuity
  - Risk Mitigation
- Established an integration management office (IMO) and named leaders to govern 55 workstreams across business lines and functions
- Onboarded an external advisor to leverage deep expertise in leading integrations
- Engaged community organizations across the combined geography

2Q21 | 3Q21 | 4Q21 | 2022

April 19
Announcement

May 28
Regulatory App Filed

June 3
Named Executive Team

June 11
Preliminary S4 Filed

July 8
Final S4 Filed

August 17
Shareholder Vote

Early 4Q21
Target Closing

2022
Continue Integration

Average Balance Sheet

($ in millions)	2Q21	Increase / (Decrease) 1Q21	2Q20
Securities	$ 8,835	$ (55)	$ 256
Interest-bearing deposits	$ 1,270	$ 590	$ 1,171
Commercial loans	$ 14,849	$ (1)	$ 363
Consumer loans	6,565	(66)	(558)
Total loans	$ 21,413	$ (68)	$ (195)
Transactional deposits	$ 10,572	$ 460	$ 1,598
HSA deposits	7,447	(4)	601
All other deposits	10,683	(9)	573
Total deposits	$ 28,701	$ 446	$ 2,771
Borrowings	$ 1,205	$ (21)	$ (1,783)
Common equity	$ 3,166	$ 57	$ 156
(At end of period)			
Key Ratios:		Favorable / (Unfavorable)	
Loans / total deposits	74.4 %	34 bps	828 bps
Transactional & HSAs / total deposits	62.1 %	(83) bps	42 bps
Common Equity Tier 1 [1]	11.65 %	(24) bps	48 bps
Tangible common equity [2]	7.91 %	6 bps	22 bps
Tangible book value / common share [2]	$ 28.99	$ 0.58	$ 1.59

[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.

2Q21 Highlights

- Average securities decreased 0.6% LQ and increased 3.0% YOY
- Average interest-bearing deposits increased $590 million LQ and $1.2 billion YOY due to excess liquidity
- Average loans decreased 0.3% LQ and 0.9% YOY; PPP average loans totaled $1.1 billion in Q2
- Average deposits increased 1.6% LQ and 10.7% YOY
  - Transactional deposits increased 4.5% LQ and 17.8% YOY
  - HSA deposits increased $601 million or 8.8% YOY
- Loan-to-deposit ratio of 74.4%
- Strong liquidity resulted in a $21 million LQ reduction in borrowings and a borrowings-to-assets ratio of 3.6%
- Capital ratios remain strong
  - CET1 in excess of well capitalized
  - Tangible common equity of $2.6 billion; Tier 1 risk-based capital of $2.8 billion
- Tangible book value per common share increased 5.8% YOY

WBS 2Q21 Income Available to Common

GAAP to Adjusted Reconciliation

($ in millions)	Pre-Tax	After Tax	EPS
Reported (GAAP)	**$ 128.0**	**$ 91.6**	**$ 1.01**
Facilities Optimization	1.1	0.8	0.01
Merger Related	17.1	16.8	0.19
Adjusted (non-GAAP)	**$ 146.2**	**$ 109.2**	**$ 1.21**

Strategic initiative & merger related adjustments:

- $18.2 million of pre-tax income
- $17.6 million of after tax income [1]
- EPS of $0.20 per share

[1] $17.6 million of after tax income reflects merger-related expenses recognized during the period which are largely nondeductible.

Income Statement

Reported to Adjusted

($ in millions, except EPS)	Reported 2Q21	Adj's	Adjusted 2Q21	Favorable / (Unfavorable) 1Q21 [1]	Favorable / (Unfavorable) 2Q20
Net interest income	**$ 220.9**	$ —	**$ 220.9**	$ (2.9)	$ (3.6)
Non-interest income	**72.7**	—	**72.7**	(4.1)	12.6
Total revenue	**$ 293.6**	$ —	**$ 293.6**	$ (6.9)	$ 9.1
Non-interest expense	**187.0**	(18.2)	**168.8**	9.9	7.8
Pre-provision net revenue	**$ 106.5**	$ 18.2	**$ 124.8**	$ 2.9	$ 16.9
Provision for credit losses	**(21.5)**	—	**(21.5)**	(4.3)	61.5
Pre-tax income	**$ 128.0**	$ 18.2	**$ 146.2**	$ (1.5)	$ 78.3
Income tax expense	**34.0**	0.6	**34.6**	(1.9)	(19.8)
Reported net income	**$ 94.0**	$ 17.6	**$ 111.6**	$ (3.4)	$ 58.5
Income available to common	**$ 91.6**	$ 17.6	**$ 109.2**	$ (3.2)	$ 58.5
Diluted earnings per share	**$ 1.01**	$ 0.20	**$ 1.21**	$ (0.04)	$ 0.64
Net interest margin	**2.82 %**	— %	**2.82 %**	(10) bps	(17) bps
Efficiency ratio [2]	**56.64 %**	— %	**56.64 %**	182 bps	340 bps
Tax rate	**26.6 %**	(2.9)%	**23.7 %**	(156) bps	(186) bps

[1] 1Q21 results adjusted for $9.4 million ($6.9 million after-tax) of strategic initiative charges.

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

Key Observations

- $109.2 million adjusted income available to common shareholders, $1.21 diluted earnings per share

Adjusted linked quarter:

- Net interest income declined 1.3% driven by PPP loan fee accretion and lower funding costs
- Non-interest income declined 5.3% driven by fair value adjustments on customer derivatives and lower mortgage banking revenue
- Non-interest expense down 5.5% driven by lower compensation and benefits
- Provision for credit losses reflects a benefit of $21.5 million, compared to a benefit of $25.8 million in 1Q21, and results in a coverage ratio of 1.49% excluding PPP loans

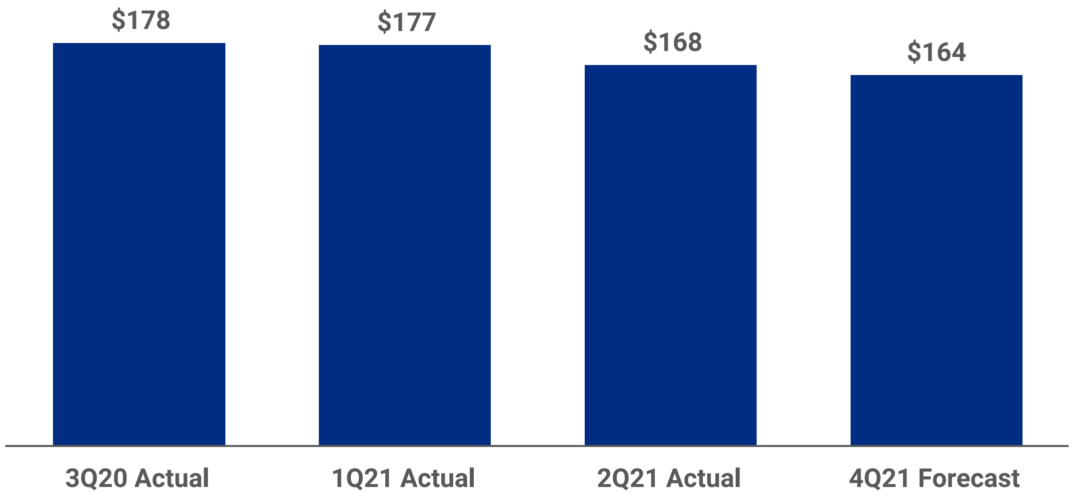
Adjusted year-over-year:

- Net interest income declined 1.6% as a result of lower market rates, partially offset by PPP loan fee accretion, growth in earning assets, and lower funding costs
- Non-interest income up 21.0% driven by deposit service fees, fair value adjustments, and investment activity fees
- Non-interest expense down 4.4% as a result of lower compensation and benefits, occupancy, professional service fees, and deposit insurance

Progress on 2021 Strategic Expense Initiatives

($ in millions)

Efficiency Ratio Based Expense Trend



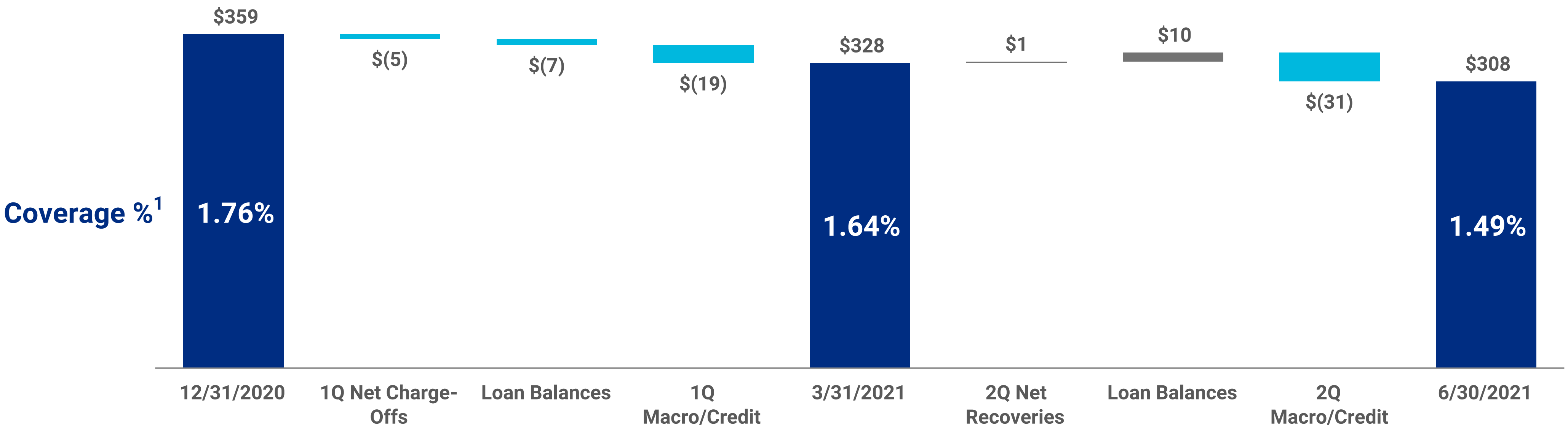
- Efficiency ratio base excludes merger and strategic initiative related non-recurring expenses
- Continued progress on our goal of 8 to 10% run rate expense savings by 4Q21
- Through 2Q21, we have reduced run rate expenses by $10 million or 5.9% from 3Q20

Progress on Strategic Initiatives

- We continue 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 1Q21 organizational actions
    - Progressed on process automation and delivered savings on ancillary spend

Allowance for Credit Losses

($ in millions)



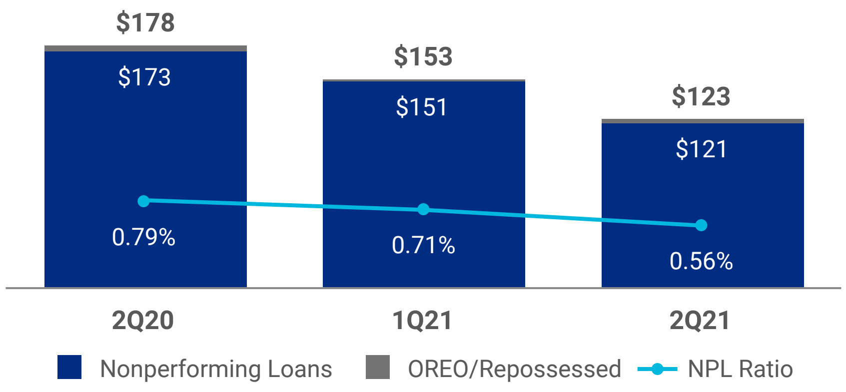
	1Q21 Assumptions			2Q21 Assumptions			2Q21 vs 1Q21		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Avg Unemployment	6.1%	4.9%	4.2%	5.4%	3.7%	3.5%	(0.7)%	(1.2)%	(0.7)%
EOP Unemployment	5.7%	4.5%	4.2%	4.5%	3.5%	3.5%	(1.2)%	(1.0)%	(0.7)%
Real GDP Growth %	4.9%	5.2%	3.1%	6.8%	4.8%	2.4%	1.9%	(0.4)%	(0.7)%

[1] ACL on loans and leases coverage ratio at 6/30/2021, 3/31/2021, and 12/31/2020 excludes $0.8, $1.3, and $1.3 billion of PPP loans, respectively.

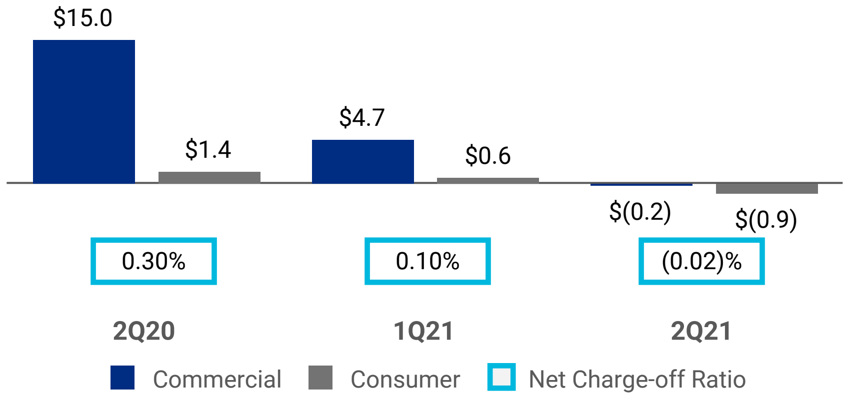
Key Asset Quality Metrics

($ in millions)

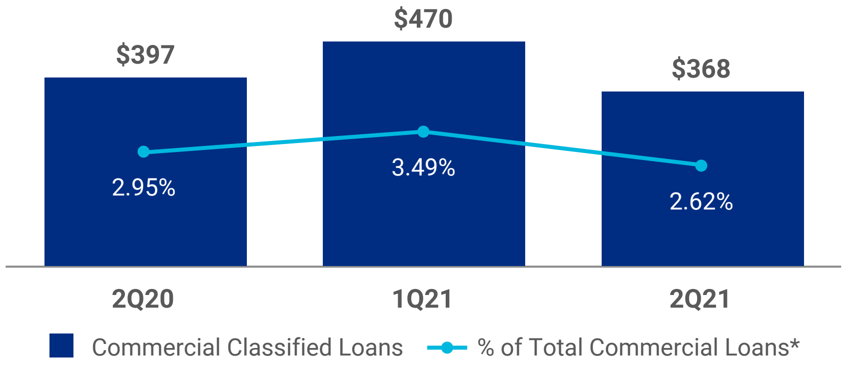
Nonperforming Loans, OREO, NPL Ratio



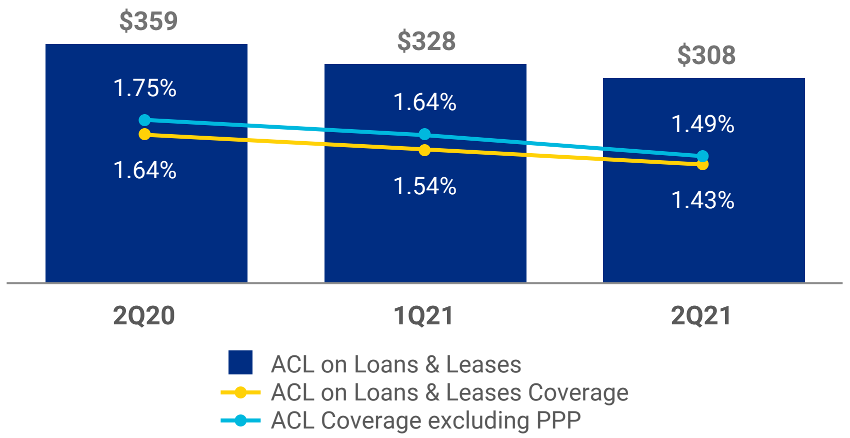
Net Charge-Offs (Recoveries)



Commercial Classified Loans



Allowance for Credit Losses on Loans and Leases



* Excludes $0.8, $1.3, and $1.3 billion of PPP loans at 6/30/2021, 3/31/2021, and 6/30/2020, respectively.

COVID-19 Payment Deferrals

($ in millions)

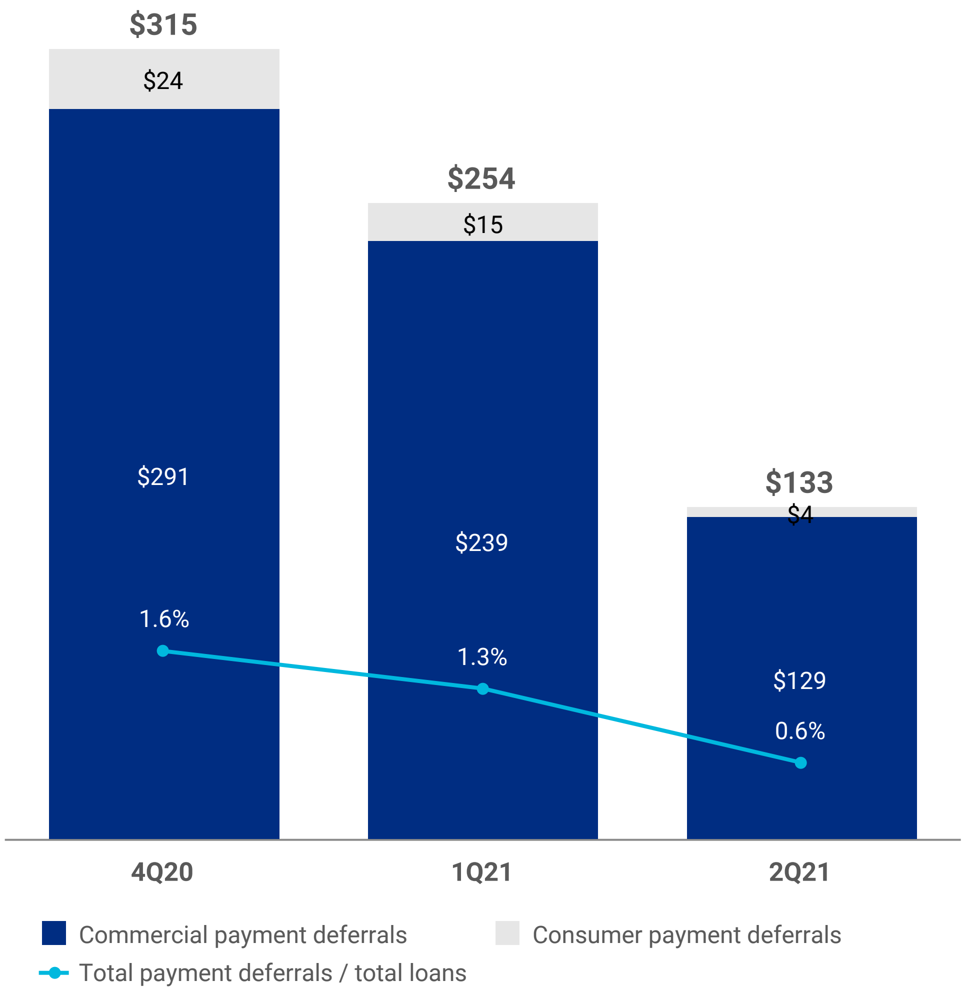
Continued Favorable Trend in Deferrals

Total:

- 0.6% of total loans on deferral compared to 1.3% of total loans on deferral LQ and 1.6% at 4Q20
- Total deferrals of $133 million declined $121 million or 48% from LQ, and declined $182 million or 58% from 4Q20

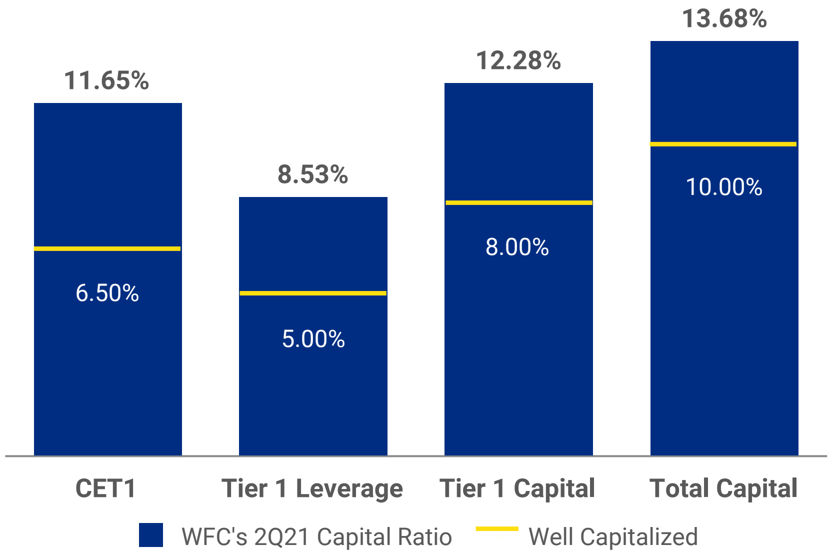
Commercial:

- 0.9% of commercial loans on deferral
- Total commercial deferrals of $129 million, declined $110 million or 46% from LQ, and declined $162 million or 56% from 4Q20
- Total consumer deferrals of $4 million, declined $11 million or 73% from LQ, and declined $20 million or 83% from 4Q20



Strong Capital Levels

Capital Levels



Capital Ratios

	At Jun 30, 2021*	At Mar 31, 2021	At Jun 30, 2020
Common Equity Tier 1 risk-based capital	**11.65%**	11.89%	11.17%
Tangible common equity	**7.91%**	7.85%	7.69%
Tangible equity	**8.35%**	8.30%	8.14%
Tier 1 leverage	**8.53%**	8.45%	8.33%
Tier 1 risk-based capital	**12.28%**	12.55%	11.82%
Total risk-based capital	**13.68%**	14.08%	13.42%
Tangible book value / common share	**$28.99**	$28.41	$27.40

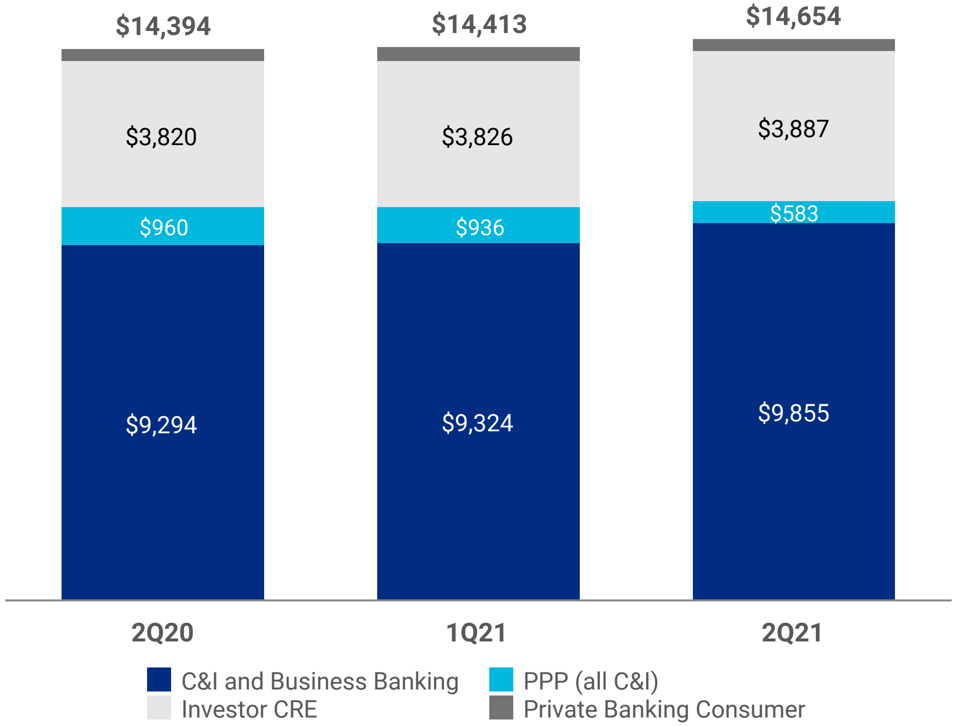
* Preliminary. Represents the estimated ratios for the current period inclusive of CECL regulatory capital transition provisions.

Supplemental Information

Commercial Banking

($ in millions)

Total Loans: +1.8% YOY (+4.7% excl. PPP loans)



Loan Portfolio Yield:

2Q20	1Q21	2Q21
3.60%	3.42%	3.40%

Key Business Metrics

	2Q21	Increase / (Decrease) 1Q21	2Q20
Loan originations	$ 1,582	$ 543	$ (403)
Loan fundings	$ 1,023	$ 259	$ (726)
Coupon on fundings	2.95 %	0.41 %	1.13 %
Deposits	$ 8,844	$ 428	$ 1,097
AUM / AUA*	$ 7,061	$ 367	$ 1,322

*AUM = Assets under management AUA = Assets under administration

PPNR: +18.8% YOY

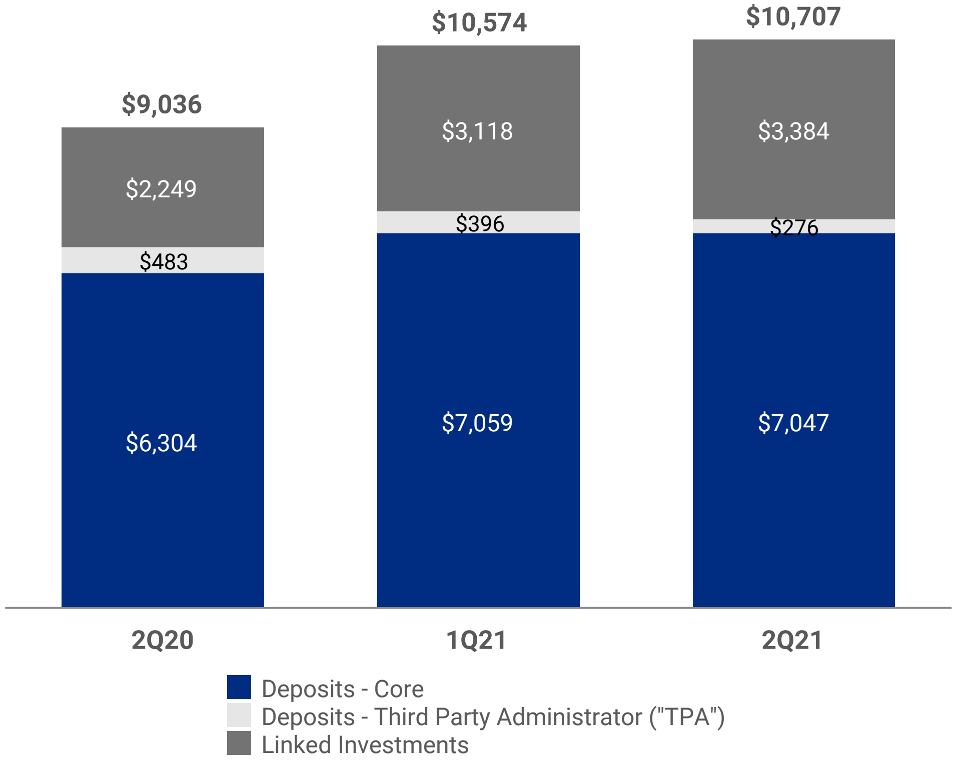
	2Q21	Favorable / (Unfavorable) 1Q21	2Q20
Net interest income	$ 141.1	$ (0.9)	$ 13.0
Non-interest income	25.7	0.5	3.8
Operating revenue	**$ 166.8**	**$ (0.4)**	**$ 16.8**
Operating expenses	61.4	3.4	(0.1)
Pre-provision net revenue	**$ 105.4**	**$ 3.0**	**$ 16.7**

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.

HSA Bank

($ in millions)

Total Footings: +18.5% YOY



Deposit Cost:

2Q20	1Q21	2Q21
0.15%	0.09%	0.09%

Key Business Metrics

	2Q21	Increase / (Decrease) 1Q21	Increase / (Decrease) 2Q20
Core accounts ('000)	2,749	(7)	88
TPA accounts ('000)	246	(38)	(89)
Percent of unfunded accounts - core	6.82 %	0.43 %	0.26 %
Footings per account	$ 3,575	$ 96	$ 559
Deposits per account - core	$ 2,564	$ 2	$ 195
Investments as a % of total footings	31.60 %	2.11 %	6.71 %
New accounts ('000)	97	(167)	—
PTNR / avg account (annualized)	$ 47.53	$ 4.21	$ 9.29

PTNR: +26.5% YOY

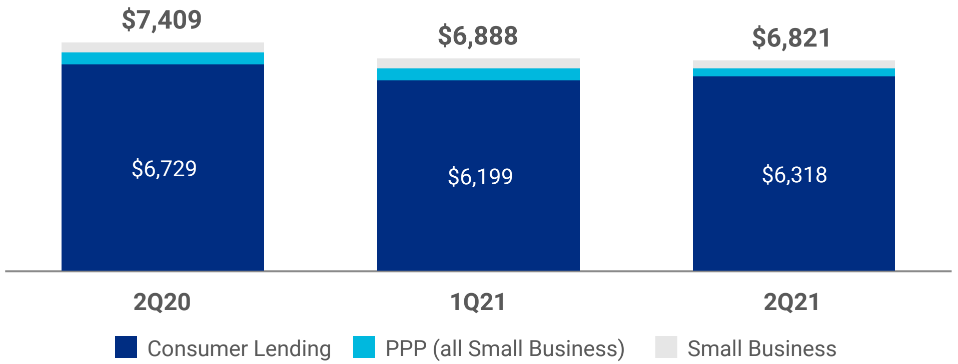
	2Q21	Favorable / (Unfavorable) 1Q21	Favorable / (Unfavorable) 2Q20
Net interest income	$ 42.2	$ 0.1	$ 2.9
Interchange revenue	11.2	(0.2)	2.4
Account and other fees	15.3	(0.4)	1.0
Operating revenue	**$ 68.7**	**$ (0.4)**	**$ 6.3**
Operating expenses	32.8	3.5	1.2
Pre-tax net revenue	**$ 36.0**	**$ 3.1**	**$ 7.5**

Investments linked to TPA accounts were $93 million, $121 million, and $112 million for 2Q21, 1Q21, and 2Q20, respectively.

Retail Banking

($ in millions)

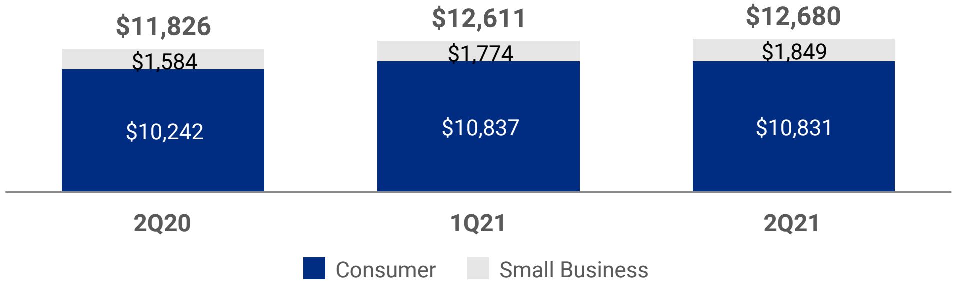
Total Loans: (7.9)% YOY (-7.0% excl. PPP loans)



Loan Portfolio Yield:

2Q20	1Q21	2Q21
3.55%	3.53%	3.42%

Total Deposits: +7.2% YOY



Deposit Cost:

2Q20	1Q21	2Q21
0.42%	0.11%	0.07%

Key Business Metrics

	2Q21	Increase / (Decrease) 1Q21	2Q20
Loan originations - Consumer Lending	$ 766	$ 169	$ 202
Loan originations - Small Business	$ 40	$ (213)	$ (344)
Coupon on fundings	2.96 %	0.46 %	0.57 %
Transactional deposits / total deposits	39.80 %	0.82 %	8.84 %
Digitally active households / total	52.97 %	(0.61)%	1.46 %
Self-service transactions / total	77.44 %	(0.26)%	(0.06)%

PPNR: +77.9% YOY

	2Q21	Favorable / (Unfavorable) 1Q21	2Q20
Net interest income	$ 92.5	$ 3.7	$ 10.9
Non-interest income	16.8	0.7	0.5
Operating revenue	**$ 109.3**	**$ 4.4**	**$ 11.4**
Operating expenses	72.3	3.8	4.8
Pre-provision net revenue	**$ 37.0**	**$ 8.2**	**$ 16.2**

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)	2Q21	Favorable / (Unfavorable) 1Q21	2Q20
Net interest income	$ 220.9	$ (2.9)	$ (3.6)
Non-interest income	72.7	(4.1)	12.6
Total revenue	**$ 293.6**	$ (7.0)	$ 9.1
Non-interest expense	187.0	1.0	(10.4)
Pre-provision net revenue	**$ 106.5**	$ (6.0)	$ (1.4)
Provision for credit losses	(21.5)	(4.3)	61.5
Pre-tax income	**$ 128.0**	$ (10.3)	$ 60.1
Income available to common	**$ 91.6**	$ (14.0)	$ 40.8
Diluted earnings per share	$ 1.01	$ (0.16)	$ 0.44
Net interest margin	2.82 %	(10) bps	(17) bps
Efficiency ratio [1]	56.64 %	182 bps	340 bps
Tax rate	26.6 %	(470) bps	(475) bps

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

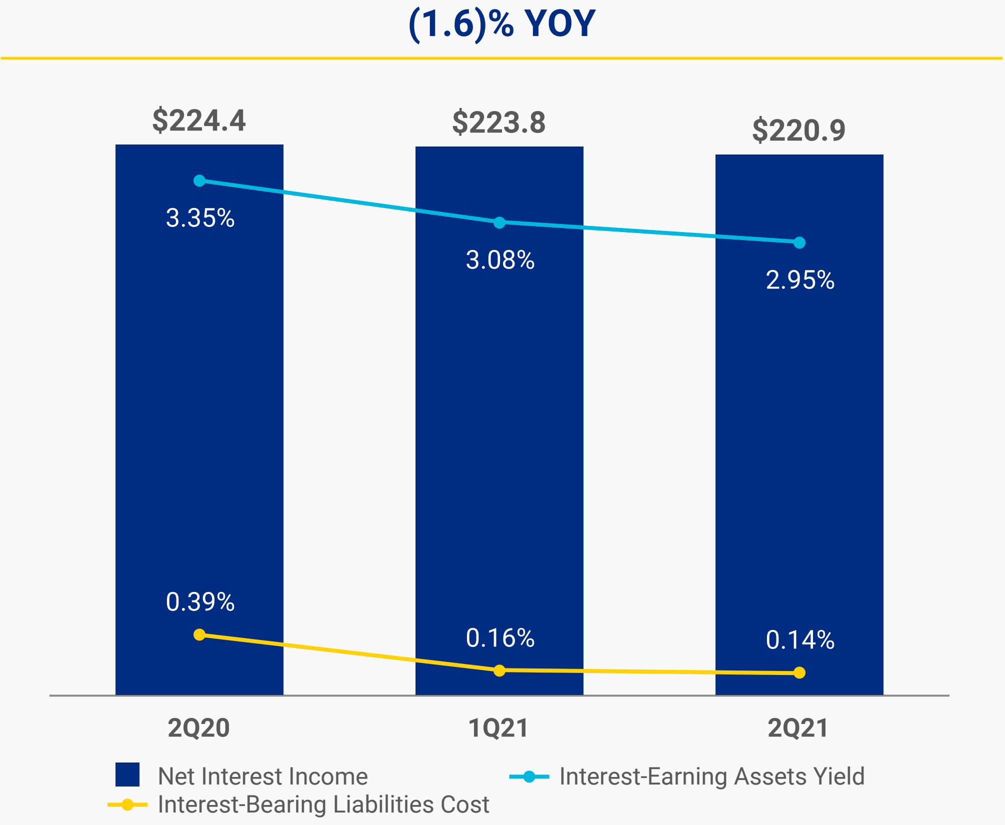
2Q21 Highlights

- $91.6 million income available to common shareholders, $1.01 diluted earnings per share
- Net interest income declined 1.6% YOY reflecting lower market rates, partially offset by PPP loan fee accretion, growth in earning assets, and lower funding costs
- Non-interest income increased 21.0% YOY driven by deposit service fees, fair value adjustments, and investment activity fees
- Non-interest expense up 5.9% YOY reflecting merger and strategic initiatives expenses
- Provision for credit losses reflects a benefit of $21.5 million, compared to an expense of $40.0 million in 2Q20, and results in a coverage ratio of 1.49% excluding PPP loans

Note: The increase in the tax rate reflects merger-related expenses recognized during the period which are largely nondeductible.

Net Interest Income

($ in millions)



Net Interest Margin:

2.99%	2.92%	2.82%

LQ NII decrease of $2.9 million (non-FTE)

- -$5.7 million due to decreased loan prepayments and premium amortization, including PPP loans
- -$1.0 million due to changes in loan balances and yields
- +$1.4 million due to deposit balance growth and cost
- +$1.4 million due to day count
- +$0.8 million due to securities yield and balances
- +$0.2 million due to decline in borrowings and other

LQ NIM decrease of 10 bps

- -7 bps due to yields on loans and deferred fee income
- -6 bps due to increased cash at the Fed
- +2 bps due to continued repricing of maturing CDs
- +1 bp due to acceleration of premium amortization in the securities portfolio

YOY NII decrease of $3.6 million (non-FTE)

- -$20.5 million due to loan and securities balances and yields (1 month LIBOR down 26 bps)
- +$13.6 million due to deposit balance growth and cost
- +$3.3 million due to borrowings balance decline and cost

YOY NIM decrease of 17 bps

- -41 bps due to loan and securities yields and balances
- +24 bps due to deposit and borrowing cost and balances

Non-Interest Income

Diverse Sources

($ in thousands)	2Q21	1Q21	2Q20
		Favorable / (Unfavorable)	
Deposit service fees	**$ 16,961**	$ 1,510	$ 2,863
HSA fee income	**26,553**	(452)	3,449
Wealth & investment services	**10,087**	684	2,985
Loan related fees	**7,862**	(451)	894
Mortgage banking activities	**1,319**	(1,323)	(2,886)
Other	**9,920**	(4,023)	5,321
Total	**$ 72,702**	$ (4,055)	$ 12,626

$4.1 million decrease LQ

- Increase in deposit service fees of $1.5 million driven by interchange, ATM, overdraft, and service related fees
- Decrease in mortgage banking activities of $1.3 million due to lower volume and spreads on loans originated for sale
- Decrease in other of $4.0 million due to fair value adjustments on customer derivatives

$12.6 million increase YOY

- Increase in deposit service fees of $2.9 million driven by higher overdraft, interchange, and cash management fees
- Increase in HSA fee income of $3.4 million primarily due to higher interchange and account service fees
- Increase in wealth & investment services of $3.0 million primarily due to increased investment activity
- Decrease in mortgage banking activities of $2.9 million due to lower volume and spreads on loans originated for sale
- Increase in other of $5.3 million due to fair value adjustments

Non-Interest Expense

Maintaining Expense Discipline

($ in thousands)	2Q21	1Q21	2Q20
		Favorable / (Unfavorable)	
Compensation & benefits	**$ 97,754**	$ 9,846	$ 1,977
Technology & equipment	**27,124**	1,392	344
Occupancy	**14,010**	1,640	235
Deposit insurance	**3,749**	207	1,266
Marketing	**3,227**	(723)	59
Other	**41,164**	(11,408)	(14,325)
Total	**$ 187,028**	$ 954	$ (10,444)

$1.0 million decrease LQ

- Results include $18.2 million of merger and strategic initiative related charges in 2Q21 and $9.4 million in 1Q21
- Decrease in compensation & benefits of $9.8 million due to severance costs in the prior quarter and the effects of the strategic initiatives
- Decrease in technology & equipment of $1.4 million is primarily due a decrease in service contracts
- Decrease in occupancy of $1.6 million primarily due to higher facilities optimization in the prior quarter
- Increase in other of $11.4 million primarily due to merger related costs

$10.4 million increase YOY

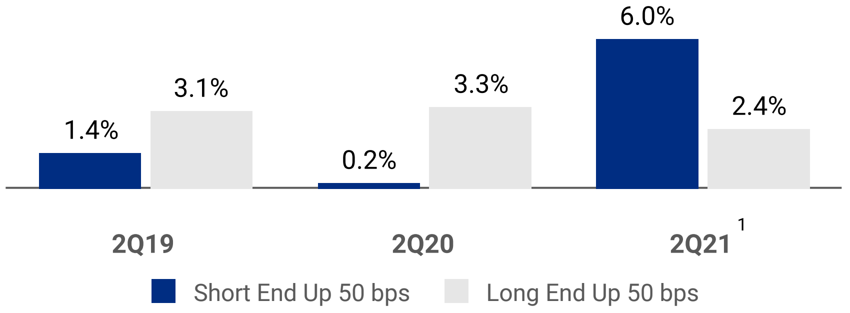
- Results include $18.2 million of merger and strategic initiative related charges in 2Q21
- Decrease in compensation & benefits of $2.0 million primarily due to the effects of the strategic initiatives
- Decrease in deposit insurance of $1.3 million primarily due to improvement in liquidity position
- Increase in other of $14.3 million primarily due to merger related costs

Net Interest Margin - Linked Quarter

	2Q21			1Q21		
				Increase / (Decrease)		
($ in millions)	**Avg Balance**	**Interest**	**Yield/Rate**	**Avg Balance**	**Interest**	**BPs**
Securities	**$ 8,835**	**$ 46.6**	**2.13 %**	$ (55)	$ 0.3	1
Money market & other	**1,347**	**0.7**	**0.22**	589	0.3	—
Loans held for sale	**9**	**0.1**	**2.37**	(5)	—	(17)
Commercial loans	**14,849**	**133.1**	**3.55**	(1)	(4.0)	(15)
Consumer loans	**6,565**	**53.6**	**3.27**	(66)	(0.6)	(1)
Total loans & leases	**21,413**	**186.7**	**3.46 %**	(68)	(4.6)	(11)
Interest-earning assets	**$ 31,605**	**$ 234.0**	**2.95 %**	$ 461	$ (4.0)	(13)
Deposits	**$ 28,701**	**$ 5.1**	**0.07 %**	$ 446	$ (1.3)	(2)
Borrowings	**1,205**	**5.6**	**1.93**	(21)	0.2	11
Interest-bearing liabilities	**$ 29,906**	**$ 10.7**	**0.14 %**	$ 426	$ (1.1)	(2)
Tax-equivalent net interest income		**$ 223.3**			$ (2.9)	
Less: tax-equivalent adjustment		**(2.5)**			—	
Net interest income		**$ 220.9**			$ (2.9)	
Net interest margin			**2.82 %**			(10)

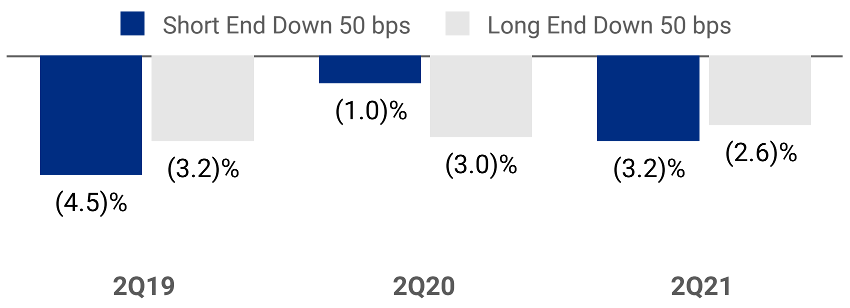
Interest Rate Sensitivity

Rising Rate Scenarios



[1] In 2Q21, management approved assumption changes decreasing deposit betas for several products, resulting in a quarter over quarter 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%

- Revised deposit beta assumption from 35% to 29% for interest-bearing deposits, resulting in a 5.2% increase in the Short End Up 50 bps scenario
- $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 6.0% 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 2.6% decrease in PPNR compared to flat rates
- Loans at floors now approximately $4.0 billion

Earning Asset & Funding Mix

($ in millions, end of period balances)

Earning Asset Mix

Type	Balance	Total %	Floating %	Periodic %	Fixed %
Securities/MM/Other	$ 10,350	33 %	21 %	1 %	78 %
Loans HFS	4	—	100	—	—
Resi / HE Loans	5,372	17	—	28	72
HE Lines	1,268	4	95	—	5
C&I Loans	8,462	27	45	24	27
CRE Loans	6,371	20	81	15	4
Total	$ 31,827	100 %	40 %	14 %	46 %

Funding Mix

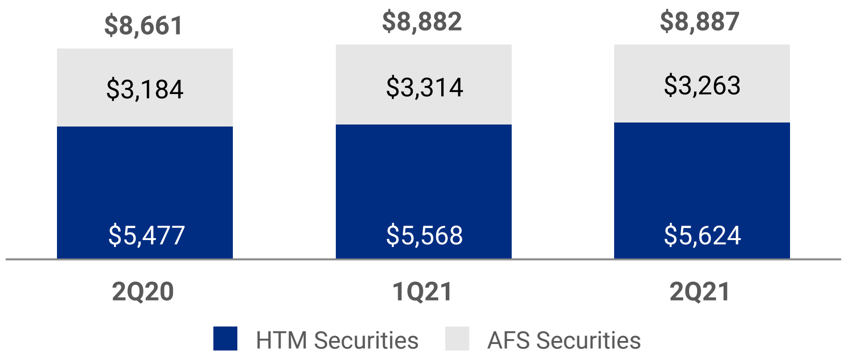
Type	Balance	Total	< 1 Year	> 1 Year
Checking	$ 10,517	35 %		
HSA	7,324	25		
Savings	5,404	18		
Money Market	3,410	11		
Time	1,835	6	80 %	20 %
Borrowings	1,316	5	27 %	73 %
Total	$ 29,806	100 %		

- Floating and periodic rate loans represent 70% of total loans:
  - Floating rate loans represent 49% of total loans
  - Periodic rate loans represent 21% of total loans
- SBA PPP loan balances equal $0.8 billion or 4% of total loans and are all fixed rate. Excluding PPP, floating and periodic loans would have represented 73% of total loans
- LIBOR indexed loans represent 56% of total loans:
  - Loans indexed to 1 month LIBOR represent 40% 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 25% of our funding mix

Investment Portfolio

($ in millions, end of period balances)

Investment Securities

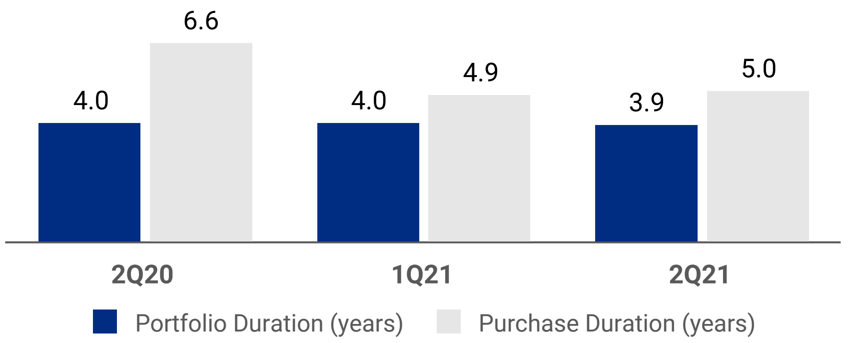


Yield:

2Q20	1Q21	2Q21
2.69%	2.12%	2.13%

- Available-for-Sale portfolio includes $49.3 million of net unrealized gains at 2Q21 compared to $51.3 million at 1Q21
- Held-to-Maturity portfolio excludes $170.5 million of net unrealized gains at 2Q21 compared to $162.6 million at 1Q21
- Securities yields increased 1 bp LQ primarily from increased yield in securities added to the portfolio and a slowdown in total prepayments

Duration / Yield



Purchase Yield:

2Q20	1Q21	2Q21
2.07%	1.28%	1.59%

- Portfolio duration decreased by 0.1 years vs. a year ago; LQ duration decreased by 0.1 years due to lower rates
- Purchase yield increased by 31 bps vs. LQ while purchase duration increased by 0.1 years due to asset mix

Investment Securities

($ in millions, end of period balances)

Available-for-Sale

	June 30, 2021	March 31, 2021	Increase / (Decrease)
Agency CMO	**$ 120.3**	$ 137.6	$ (17.3)
Agency MBS	**1,382.5**	1,456.5	(74.0)
Agency CMBS	**941.4**	974.6	(33.2)
Non-Agency CMBS - Floating	**755.0**	663.0	92.0
Corporate Debt Securities	**13.7**	13.7	—
Collateralized Loan Obligations	**50.0**	68.6	(18.6)
Total Available-for-Sale	**$ 3,262.9**	$ 3,314.0	$ (51.1)

Held-to-Maturity

	June 30, 2021	March 31, 2021	Increase / (Decrease)
Agency CMO	**$ 61.1**	$ 74.3	$ (13.2)
Agency MBS	**2,562.9**	2,365.3	197.6
Agency CMBS	**2,105.9**	2,182.8	(76.9)
Non-Agency CMBS - Fixed	**178.6**	209.7	(31.1)
Municipal Bonds & Notes	**715.2**	736.0	(20.8)
Total Held-to-Maturity	**$ 5,623.6**	$ 5,568.1	$ 55.5

Loan Originations & Mix

($ in millions)

Originations by Loan Portfolio

End of period balances *Full quarter originations*	2Q21 Balance	2Q21 Originations	1Q21 Balance	1Q21 Originations	2Q20 Balance	2Q20 Originations
Commercial non-mortgage	$ 7,474	$ 966	$ 7,530	$ 1,060	$ 7,606	$ 2,015
Asset-based lending	944	160	907	19	941	52
Total Commercial	$ 8,418	$ 1,126	$ 8,437	$ 1,079	$ 8,547	$ 2,067
Commercial real estate	6,411	457	6,338	186	6,207	284
Residential mortgages	4,856	603	4,669	421	4,922	353
Consumer	1,790	147	1,857	121	2,127	114
Portfolio Total	$ 21,475	$ 2,333	$ 21,301	$ 1,807	$ 21,803	$ 2,817
Residential mortgages originated for sale		55		81		115
Total Originations		$ 2,387		$ 1,888		$ 2,932

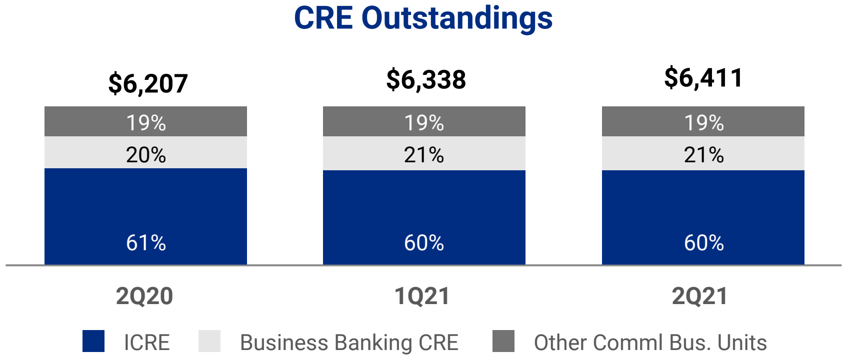
Note: Originations data includes $63 million, $533 million, and $1.404 billion of PPP loans for 2Q21, 1Q21, and 2Q20, respectively.

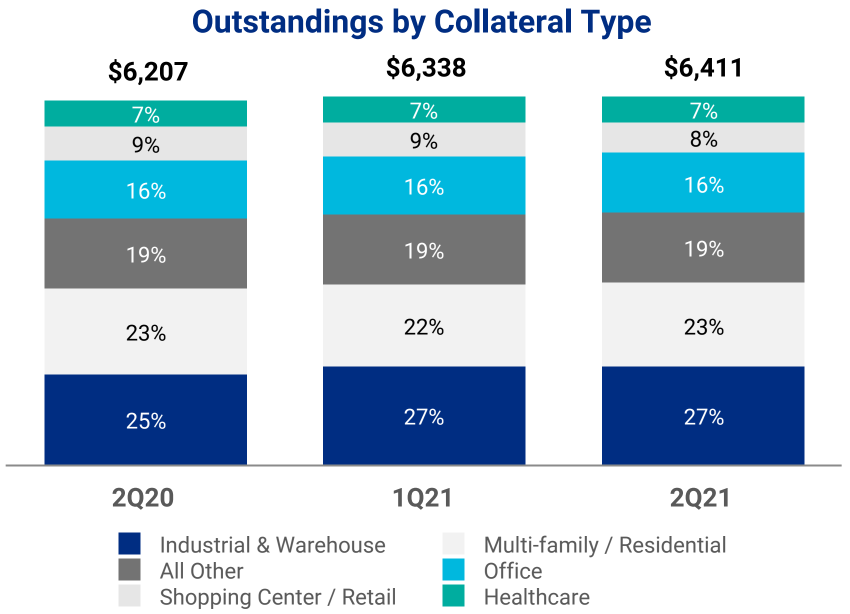
Loan Mix & Yield

End of period balances *Full quarter yield*	2Q21 Balance	2Q21 Yield	1Q21 Balance	1Q21 Yield	2Q20 Balance	2Q20 Yield
Commercial	$ 8,418	4.05 %	$ 8,437	4.28 %	$ 8,547	3.97 %
Commercial real estate	6,411	2.88	6,338	2.90	6,207	3.22
Residential	4,856	3.11	4,669	3.09	4,922	3.44
Consumer	1,790	3.68	1,857	3.73	2,127	3.87
Total Loans	$ 21,475	3.46 %	$ 21,301	3.57 %	$ 21,803	3.63 %

Commercial Real Estate

($ in millions)

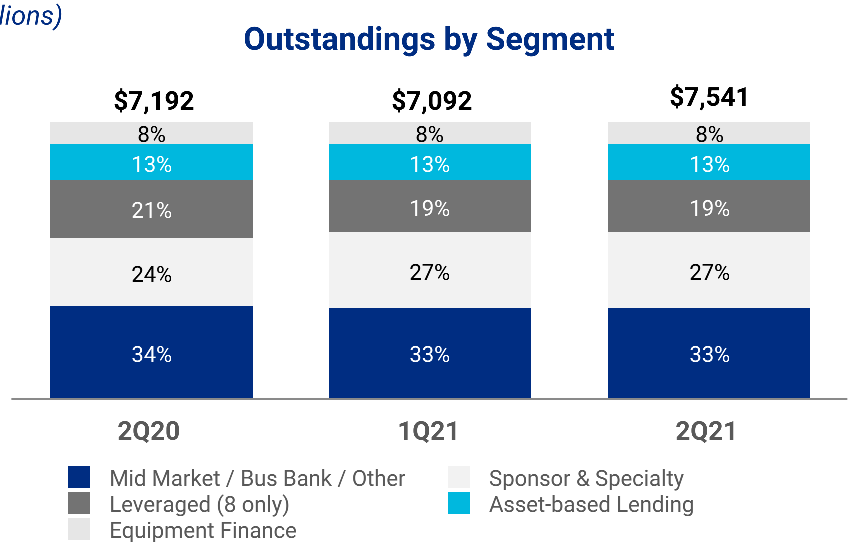




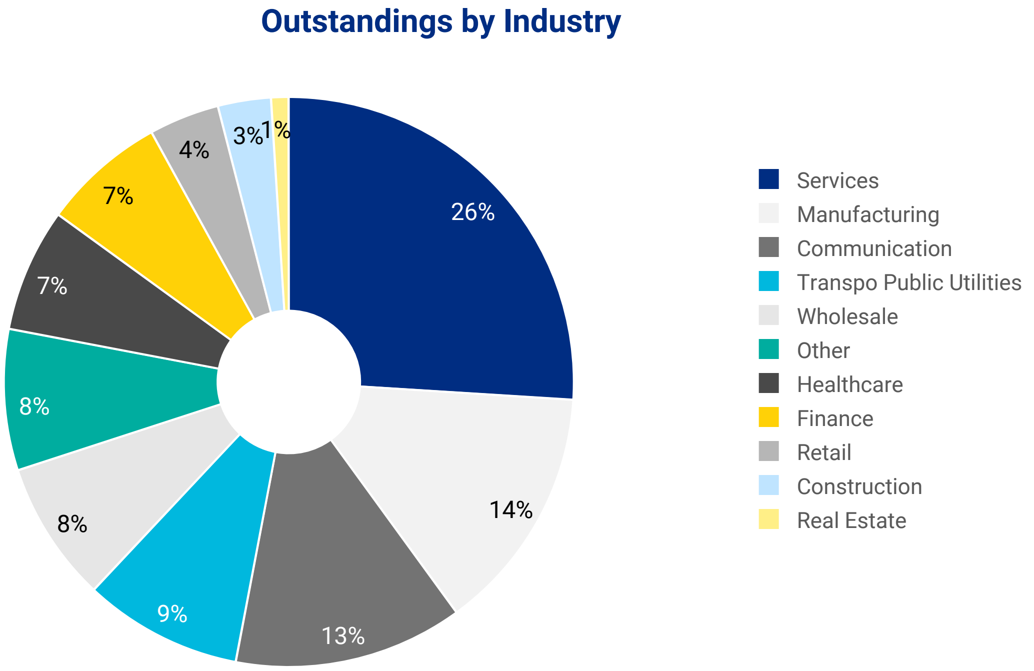
- Majority of balances in CRE line of business:
  - Dedicated expertise, consistent leadership team, and focused strategy
- Business Banking consists of Owner Occupied and Investment CRE
  - Average hold size: < $0.5 million
- Largest segments within Other Commercial Business Units include
  - Healthcare & Senior Living facilities (~$433 million)
  - Data centers (~$219 million)
  - Owner Occupied (~$186 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 $647 million vs. $657 million in 1Q21

Commercial & Industrial

($ in millions)



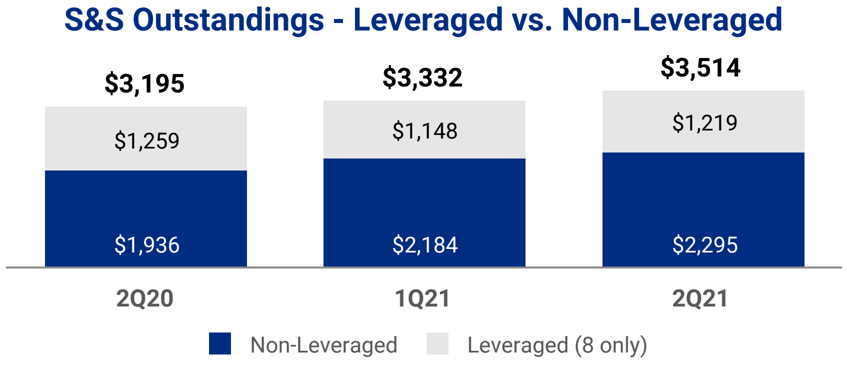
Note: Excludes $0.8, $1.3, and $1.3 billion of PPP loans for 2Q21, 1Q21, and 2Q20, respectively; Leveraged category broken out and represents loans within Sponsor & Specialty and Middle Market segments.

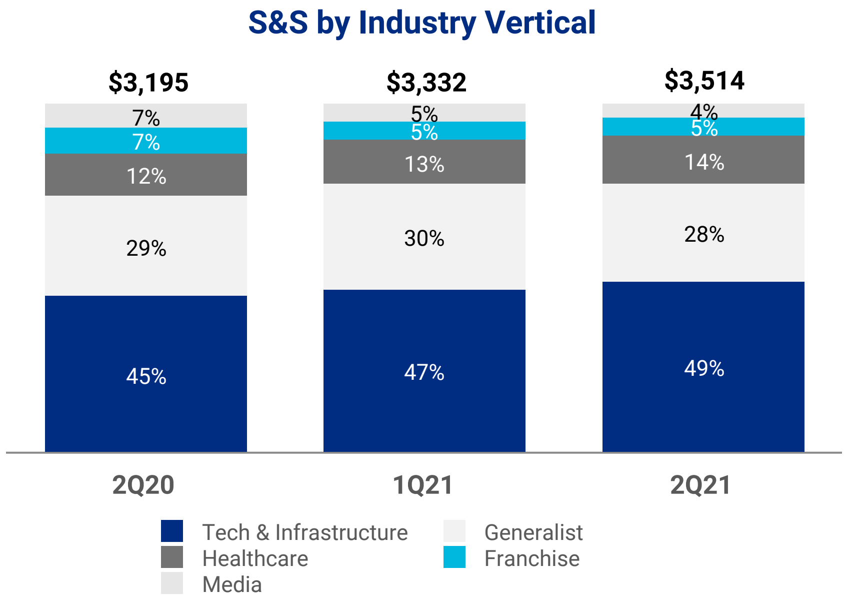


- C&I balances cross multiple lines of business with focused strategies:
    - Sponsor & Specialty and Leveraged: industry focused
    - Asset-based Lending and Equipment Finance: collateral focused
    - Middle Market and Business Banking: in-footprint focus, full services customers
- Diversified portfolio with concentrations in sectors where Webster has deep expertise and long-term relationships
- YoY increase of ~5% was driven by Sponsor & Specialty (within Healthcare and Technology & Infrastructure verticals); all lines of business (excluding Leveraged loans) were up YoY

Sponsor & Specialty and Leveraged Lending

($ in millions)





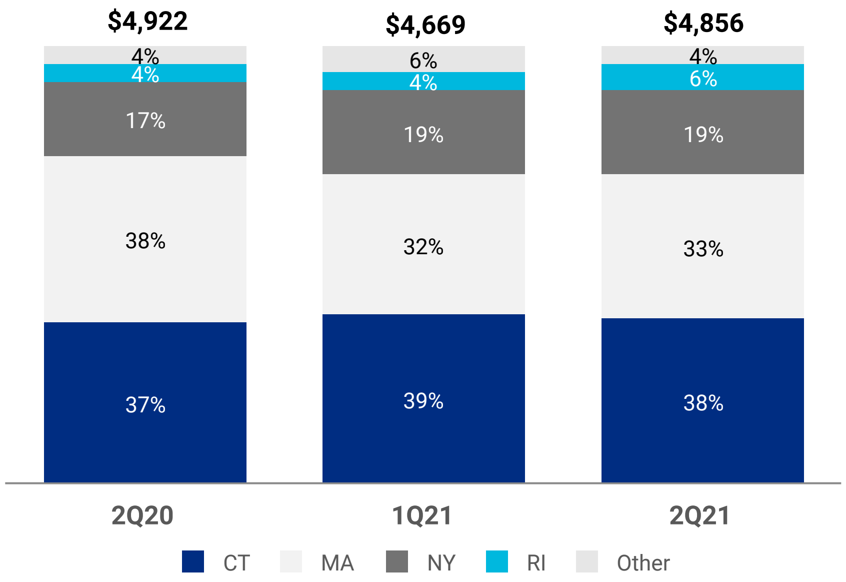
- Sponsor portfolio consists of 65% non-leveraged and 35% leveraged
- 86% of leveraged loans are in Sponsor ($1.2 billion), with the balance in Middle Market
- Webster has been lending to Sponsor-backed and leveraged borrowers for 17 years
- The portfolio performed well through the great recession and 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

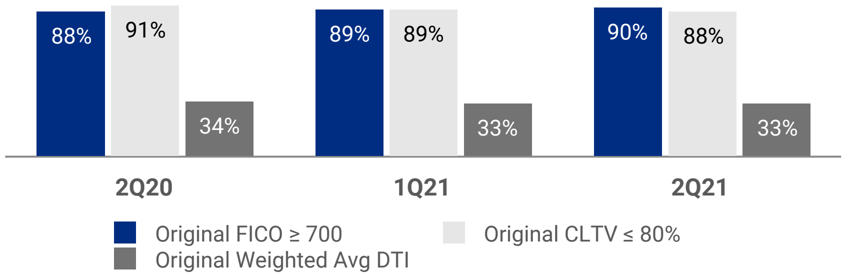
Residential Mortgage

($ in millions)

Portfolio by Geography



Origination FICO, LTV, & Debt to Income

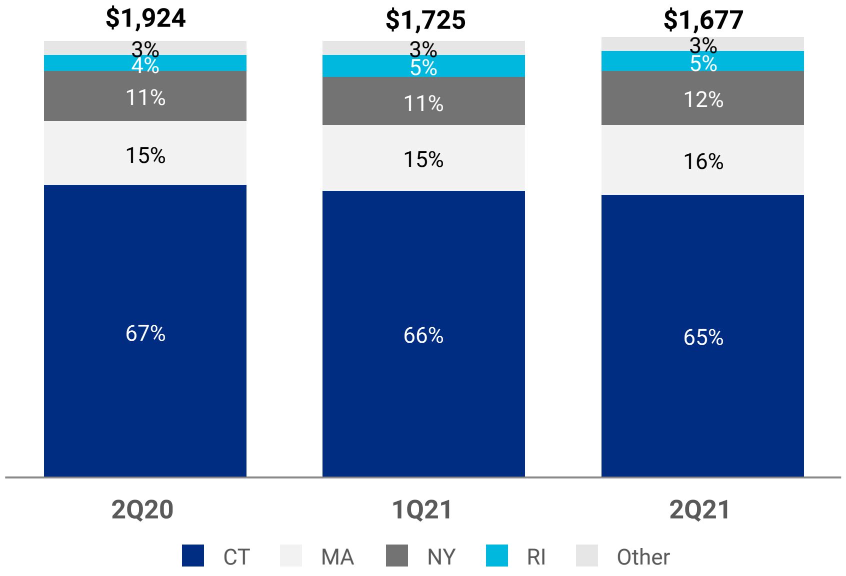


- Portfolio diversification outside of CT is most notably into MA and to a lesser extent NY
- Origination metrics are high quality and have steadily improved over the last few years
  - 90% of balances had a FICO score ≥ 700
  - 88% of balances had an LTV < 80%
  - Average DTI is ~33%
- Current portfolio metrics continue to be favorable
  - Current weighted average FICO is 779
  - Current weighted average LTV is 66%
- Asset quality metrics at cycle lows
  - Non-performing loans represent 0.4% of loans
  - 53% of NPLs are from pre-2008 originated loans
  - Net recoveries YTD
  - Delinquency = 10 bps

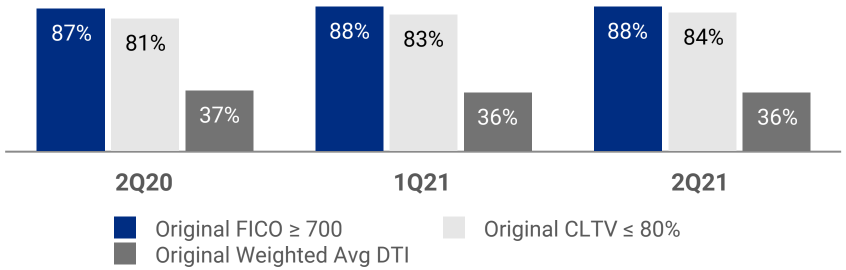
Home Equity

($ in millions)

Portfolio by Geography



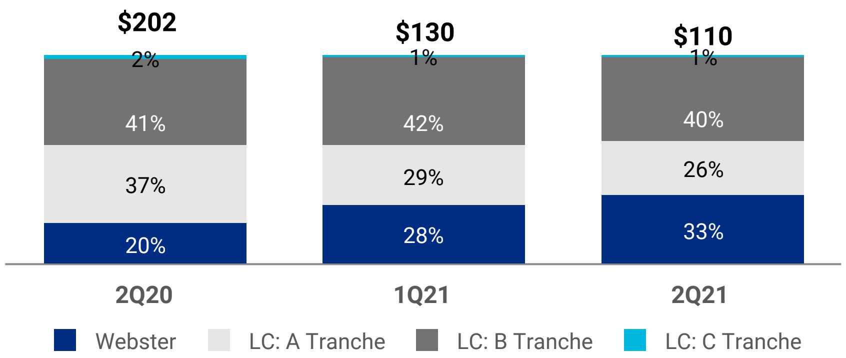
Origination FICO, CLTV, & Weighted Avg DTI

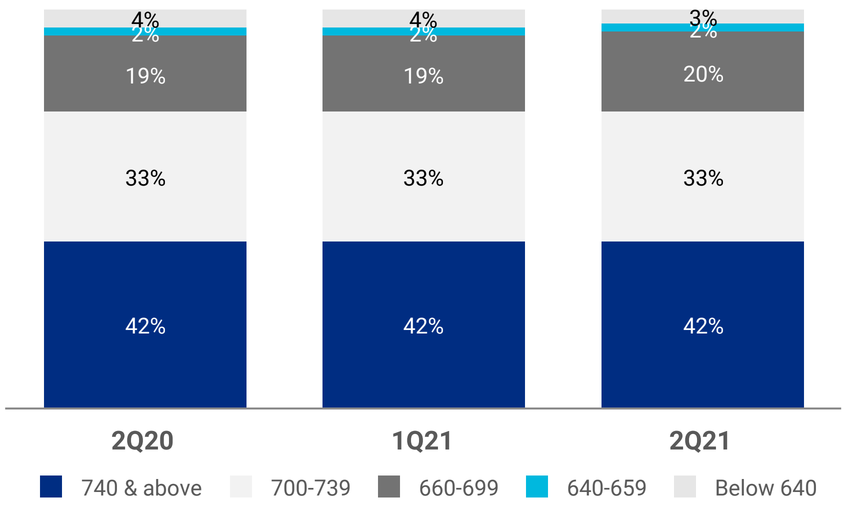


- Portfolio concentrated in CT
- 48% in first lien position
- Origination metrics are high quality and have remained stable over the last few years
  - 88% of balances had a FICO score ≥ 700
  - 84% of balances had a CLTV < 80%
  - Average DTI is ~36%
- Current portfolio metrics continue to be favorable
  - Current weighted average FICO is 765
  - Current weighted average CLTV is 66%
- Asset quality metrics at cycle lows
  - Non-performing loans represent 1.5% of loans
  - 65% of NPLs are from pre-2008 originated loans
  - Delinquency = 48 bps
  - Net recoveries YTD
- 96% 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 $74 million or 67% of the bank's unsecured balances vs. $93 million in 1Q21
- 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 $188 thousand at 2Q21 vs. $1.4 million at 1Q21 and $19 million at the peak

COVID-19 Commercial Payment Deferrals

Loans with Payment Deferrals in our Most Impacted Sectors Declined 70%

($ in millions)	As of 6/30/2021			As of 3/31/2021		
	Portfolio	Payment Deferrals	% of Portfolio	Portfolio	Payment Deferrals	% of Portfolio
Most Impacted Sectors:						
Restaurants	$ 132	$ 9	6.7%	$ 143	$ 10	6.8%
Hotel & Motel	121	1	0.6%	123	46	37.2%
Travel & Leisure	301	19	6.5%	312	53	17.0%
Oil & Gas	100	—	—%	90	—	0.2%
Retail	724	3	0.5%	801	5	0.6%
Transportation	336	6	1.8%	338	5	1.6%
Construction	327	2	0.5%	316	14	4.5%
Subtotal Most Impacted Sectors	**$ 2,041**	**$ 40**	**2.0%**	$ 2,123	$ 133	6.3%
All Other Sectors	**$ 11,977**	**$ 89**	**0.7%**	$ 11,357	$ 106	0.9%
Total Commercial Portfolio	**$ 14,018**	**$ 129**	**0.9%**	$ 13,480	$ 239	1.8%

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

- Total commercial deferrals declined $110 million or 46% from 1Q21, and now represent 0.9% of the portfolio
  - Deferrals in other commercial sectors dropped from 0.9% at 1Q21 to 0.7%

Payment Deferrals by Loan Segment

Deferrals Have Declined 48% to $133 million (0.6% of the Portfolio)

($ in millions)

Line of Business:	As of 6/30/2021 Portfolio	As of 6/30/2021 Payment Deferrals	As of 6/30/2021 % of Portfolio	As of 3/31/2021 Portfolio	As of 3/31/2021 Payment Deferrals	As of 3/31/2021 % of Portfolio
Sponsor & Specialty [1]	$ 2,267	$ 20	0.9%	$ 2,156	$ 20	0.9%
Middle Market [1]	2,889	47	1.6%	2,705	71	2.6%
Asset-based Lending [1]	957	—	—%	901	—	—%
Leveraged	1,460	31	2.1%	1,372	60	4.4%
Commercial Real Estate	3,898	4	0.1%	3,836	49	1.3%
Private Banking	192	—	—%	202	—	—%
Equipment Finance	630	16	2.5%	612	18	3.0%
Business Banking / Small Business	1,725	11	0.6%	1,696	21	1.3%
Total Commercial	**$ 14,018**	**$ 129**	**0.9%**	$ 13,480	$ 239	1.8%
Residential	4,821	2	0.1%	4,636	13	0.3%
Home Equity	1,661	2	0.1%	1,709	2	0.1%
Total Consumer	**$ 6,482**	**4**	**0.1%**	$ 6,345	$ 15	0.2%
Total Bank [2]	**$ 20,500**	**$ 133**	**0.6%**	$ 19,825	$ 254	1.3%

[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 12% from 1Q21 ($120 million at 2Q21 and $137 million at 1Q21)

Deposit Mix & Rate

($ in millions)

By Product

End of period balances / *Full quarter cost*	2Q21 Balance	2Q21 Rate	1Q21 Balance	1Q21 Rate	2Q20 Balance	2Q20 Rate
Demand	**$ 6,751**	**— %**	$ 6,680	— %	$ 6,194	— %
Health savings accounts	**7,323**	**0.09**	7,455	0.09	6,787	0.15
Interest-bearing checking	**3,844**	**0.04**	3,792	0.05	3,280	0.11
Money market	**3,442**	**0.11**	3,016	0.12	2,687	0.43
Savings	**5,472**	**0.02**	5,305	0.03	4,742	0.25
Core Deposits	**$ 26,832**	**0.05 %**	$ 26,248	0.05 %	$ 23,690	0.16 %
Time deposits	**2,015**	**0.35**	2,234	0.53	2,666	1.36
Total Deposits	**$ 28,847**	**0.07 %**	$ 28,482	0.09 %	$ 26,356	0.29 %
Core / Total	**93 %**		92 %		90 %	

By Line of Business

	2Q21 Balance	2Q21 Rate	1Q21 Balance	1Q21 Rate	2Q20 Balance	2Q20 Rate
Commercial Banking	**$ 8,844**	**0.06 %**	$ 8,417	0.07 %	$ 7,747	0.21 %
HSA Bank	**7,323**	**0.09**	7,455	0.09	6,787	0.15
Retail Banking	**12,680**	**0.07**	12,611	0.11	11,826	0.42
Corporate & Reconciling	**—**	**—**	(1)	0.03	(4)	1.27
Total Deposits	**$ 28,847**	**0.07 %**	$ 28,482	0.09 %	$ 26,356	0.29 %

Non-GAAP Reconciliations

($ in thousands, except per share amounts)

Efficiency Ratio

	2Q21	1Q21	2Q20
Non-interest expense	**$ 187,028**	$ 187,982	$ 176,584
Less: Net foreclosed (income) / expense	**(137)**	91	(217)
Amortization of intangibles	**1,132**	1,139	962
Strategic initiatives	**1,138**	9,441	—
Merger related	**17,047**	—	—
Non-interest expense (net of above)	**$ 167,848**	$ 177,311	$ 175,839
Net interest income before provision	**220,852**	223,764	224,407
FTE adjustment	**2,487**	2,495	2,561
Non-interest income	**72,702**	76,757	60,076
Discrete fair value adjustment related to customer derivatives	**—**	—	5,511
Other	**309**	277	293
Total revenue (net of above)	**$ 296,350**	$ 303,293	$ 292,848
Efficiency Ratio	**56.64 %**	58.46 %	60.04 %

Tangible Common Equity Ratio

	2Q21	1Q21	2Q20
Shareholders' equity	**$ 3,329,705**	$ 3,272,928	$ 3,174,779
Less: Goodwill and other intangible assets	**558,485**	559,617	558,367
Tangible shareholders' equity	**2,771,220**	2,713,311	2,616,412
Less: Preferred stock	**145,037**	145,037	145,037
Tangible common shareholders' equity	**$ 2,626,183**	$ 2,568,274	$ 2,471,375
Total assets	**$ 33,753,752**	$ 33,259,037	$ 32,708,617
Less: Goodwill and other intangible assets	**558,485**	559,617	558,367
Tangible assets	**$ 33,195,267**	$ 32,699,420	$ 32,150,250
Tangible Common Equity Ratio	**7.91 %**	7.85 %	7.69 %

Non-GAAP Reconciliations

($ in thousands, except per share amounts)

Tangible Book Value per Common Share

	2Q21	1Q21	2Q20
Tangible common shareholders' equity	**$ 2,626,183**	$ 2,568,274	$ 2,471,375
Common shares outstanding	**90,594**	90,410	90,194
Tangible Book Value per Common Share	**$ 28.99**	$ 28.41	$ 27.40

Return on Average Tangible Common Shareholders' Equity

	2Q21	1Q21	2Q20
Average shareholders' equity	**$ 3,311,406**	$ 3,254,203	$ 3,155,368
Less: Average goodwill and other intangible assets	**559,032**	560,173	558,835
Average preferred stock	**145,037**	145,037	145,037
Average tangible common shareholders' equity	**$ 2,607,337**	$ 2,548,993	$ 2,451,496
Net income	**$ 94,035**	$ 108,078	$ 53,097
Less: Preferred stock dividends	**1,969**	1,969	1,969
Add: Intangible assets amortization, tax-effected	**894**	900	760
Income adjusted for preferred stock dividends & intangible assets amortization	**92,960**	107,009	51,888
Adjusted income, annualized basis	**$ 371,840**	$ 428,036	$ 207,552
Return on Average Tangible Common Shareholders' Equity	**14.26 %**	16.79 %	8.47 %

WBS 2Q21 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 acquisition of 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 second 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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