



Western
New England
Bancorp



INVESTOR PRESENTATION 2ND QUARTER 2024

Local
banking
is better
than ever.

FORWARD-LOOKING STATEMENTS

We may, from time to time, make written or oral “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements contained in our filings with the Securities and Exchange Commission (the “SEC”), our reports to shareholders and in other communications by us. This Investor Presentation contains “forward-looking statements” with respect to the Company’s financial condition, liquidity, results of operations, future performance, and business. Forward-looking statements may be identified by the use of such words as “believe,” “expect,” “anticipate,” “should,” “planned,” “estimated,” and “potential.” Examples of forward-looking statements include, but are not limited to, estimates with respect to our financial condition, results of operations and business that are subject to various factors which could cause actual results to differ materially from these estimates. These factors include, but are not limited to:

- unpredictable changes in general economic conditions, financial markets, fiscal, monetary and regulatory policies, including actual or potential stress in the banking industry;
- the duration and scope of potential pandemics, including the emergence of new variants and the response thereto;
- unstable political and economic conditions which could materially impact credit quality trends and the ability to generate loans and gather deposits;
- inflation and governmental responses to inflation, including recent sustained increases and potential future increases in interest rates that reduce margins;
- the effect on our operations of governmental legislation and regulation, including changes in accounting regulation or standards, the nature and timing of the adoption and effectiveness of new requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Basel guidelines, capital requirements and other applicable laws and regulations;
- significant changes in accounting, tax or regulatory practices or requirements;
- new legal obligations or liabilities or unfavorable resolutions of litigation;
- disruptive technologies in payment systems and other services traditionally provided by banks;
- the highly competitive industry and market area in which we operate;



FORWARD-LOOKING STATEMENTS

- changes in business conditions and inflation;
- operational risks or risk management failures by us or critical third parties, including without limitation with respect to data processing, information systems, cybersecurity, technological changes, vendor issues, business interruption, and fraud risks;
- failure or circumvention of our internal controls or procedures;
- changes in the securities markets which affect investment management revenues;
- increases in Federal Deposit Insurance Corporation deposit insurance premiums and assessments;
- the soundness of other financial services institutions which may adversely affect our credit risk;
- certain of our intangible assets may become impaired in the future;
- new lines of business or new products and services, which may subject us to additional risks;
- changes in key management personnel which may adversely impact our operations;
- severe weather, natural disasters, acts of war or terrorism and other external events which could significantly impact our business;
and
- other risk factors detailed from time to time in our SEC filings.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from the results discussed in these forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We do not undertake any obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except to the extent required by law.



WHO WE ARE

Every day, we focus on showing Westfield Bank customers “*what better banking is all about.*” For us, the idea of better banking starts with putting customers first, while adhering to our core values.

Our Core Values:

- *Integrity*
- *Enhance Shareholder Value*
- *Customer Focus*
- *Community Focus*

Our Core Mission:

Our purpose is to help customers succeed in our community, while creating and increasing shareholder value.

The Company’s purpose drives the outcome we envision for
Western New England Bancorp.



70 Center Street, Chicopee, MA.



SENIOR MANAGEMENT TEAM

James C. Hagan, *President & Chief Executive Officer*

Guida R. Sajdak, *Executive Vice President, Chief Financial Officer & Treasurer*

Allen J. Miles III, *Executive Vice President & Chief Lending Officer*

Kevin C. O'Connor, *Executive Vice President & Chief Banking Officer*

Daniel A. Marini, *Senior Vice President, Retail Banking & Marketing*

Leo R. Sagan, Jr., *Senior Vice President & Chief Risk Officer*

Filipe Goncalves, *Senior Vice President & Chief Credit Officer*

Darlene Libiszewski, *Senior Vice President & Chief Information Officer*

John E. Bonini, *Senior Vice President & General Counsel*

Christine Phillips, *Senior Vice President, Human Resources Director*



2Q2024 QUARTERLY EARNINGS

(\$ in thousands, except EPS)	2Q2024 ⁽¹⁾	1Q2024	4Q2023	3Q2023 ⁽²⁾	2Q2023 ⁽³⁾
Net interest income	\$ 14,470	\$ 15,346	\$ 16,176	\$ 16,383	\$ 16,846
(Reversal of) provision for credit losses	(294)	(550)	486	354	420
Non-interest income	3,834	2,674	2,714	3,612	1,592
Non-interest expense	<u>14,314</u>	<u>14,782</u>	<u>14,785</u>	<u>14,118</u>	<u>14,551</u>
Income before taxes	4,284	3,788	3,619	5,523	3,467
Income tax expense	<u>771</u>	<u>827</u>	<u>1,108</u>	<u>1,033</u>	<u>704</u>
Net income	\$ 3,513	\$ 2,961	\$ 2,511	\$ 4,490	\$ 2,763
Diluted earnings per share (EPS)	\$ 0.17	\$ 0.14	\$ 0.12	\$ 0.21	\$ 0.13
Return on average assets (ROA)	0.55%	0.47%	0.39%	0.70%	0.43%
Return on average equity (ROE)	6.03%	5.04%	4.31%	7.60%	4.72%
Net interest margin	2.42%	2.57%	2.64%	2.70%	2.81%
Net interest margin, <i>on a tax-equivalent basis</i>	2.44%	2.59%	2.66%	2.72%	2.83%

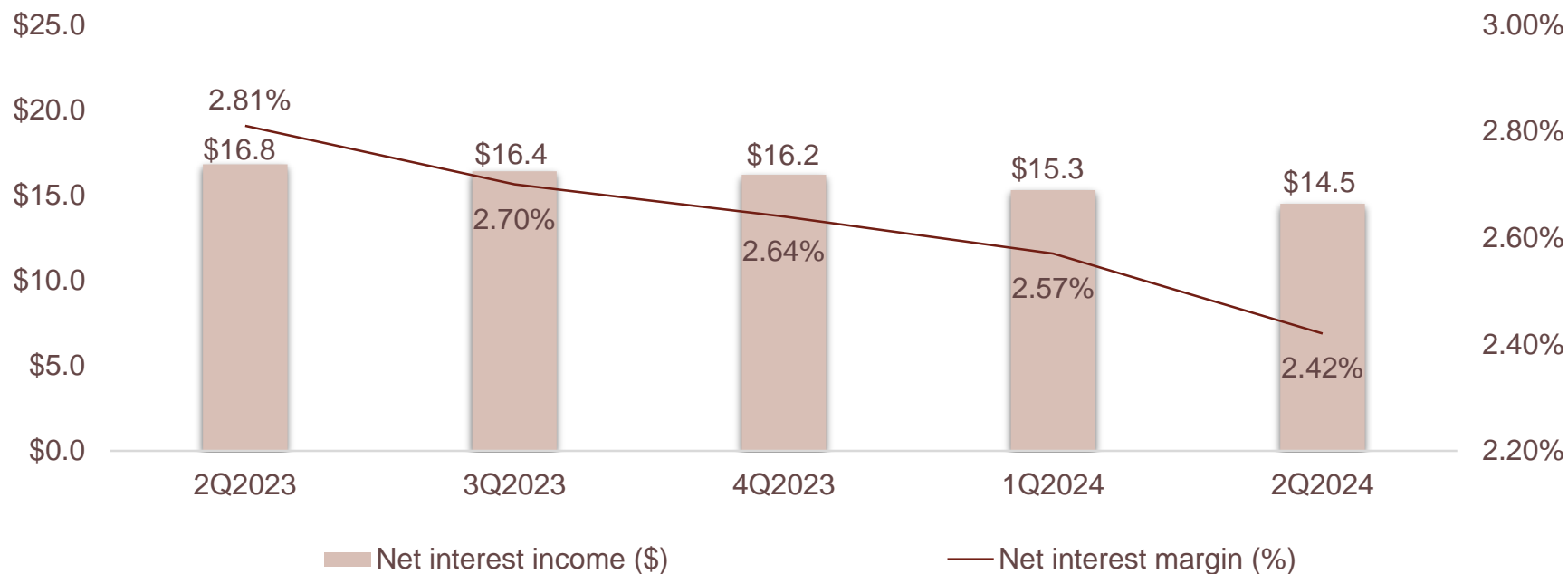
(1) Non-interest income includes a \$987,000 gain on non-marketable equity investments.

(2) Non-interest income includes a non-taxable \$778,000 gain on bank-owned life insurance death benefits.

(3) Non-interest income includes a one-time, non-recurring final termination expense of \$1.1 million, due to the termination of the defined benefit pension plan.



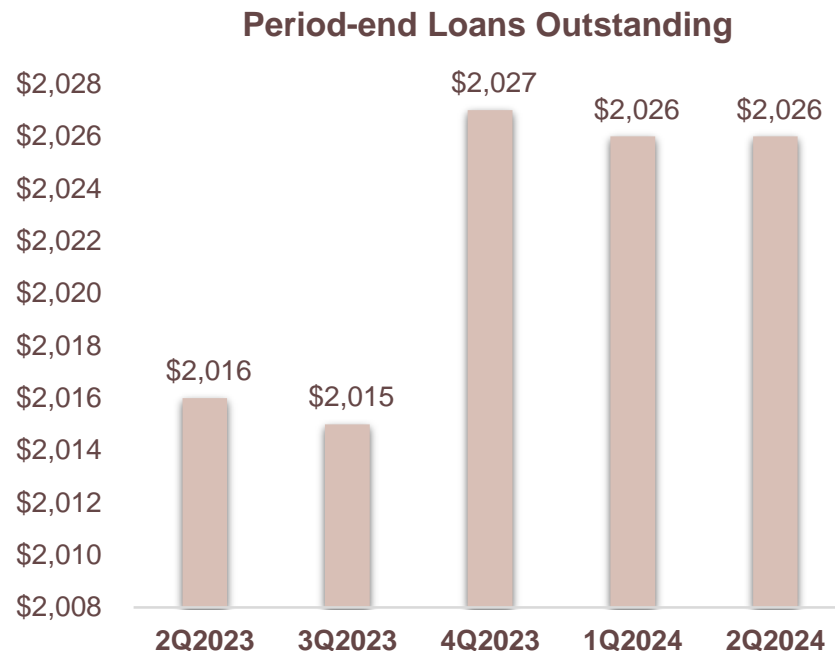
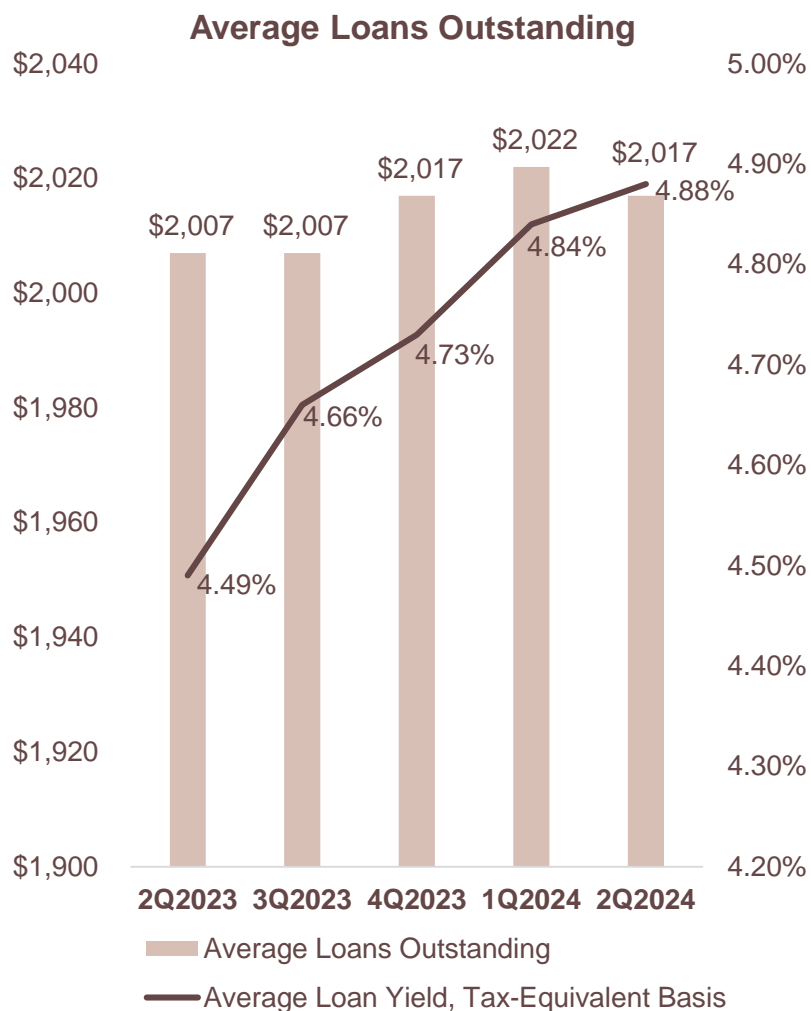
NET INTEREST INCOME AND NET INTEREST MARGIN



On a sequential quarter basis, net interest income, our primary source of revenues, decreased \$876,000, or 5.7%, to \$14.5 million for the three months ended June 30, 2024, from \$15.3 million for the three months ended March 31, 2024. The decrease in net interest income was primarily due to an increase in interest expense of \$1.1 million, or 9.5%, partially offset by an increase in interest income of \$198,000, or 0.7%. The increase in interest expense was a result of competitive pricing on deposits due to the continued high interest rate environment and the unfavorable shift in the deposit mix from low cost core deposits to high cost time deposits. The net interest margin was 2.42% for the three months ended June 30, 2024 compared to 2.57% for the three months ended March 31, 2024. The decrease in net interest income and the net interest margin was primarily due to an increase in the average cost of interest-bearing liabilities, which was partially offset by an increase in the average yield on interest-earning assets.



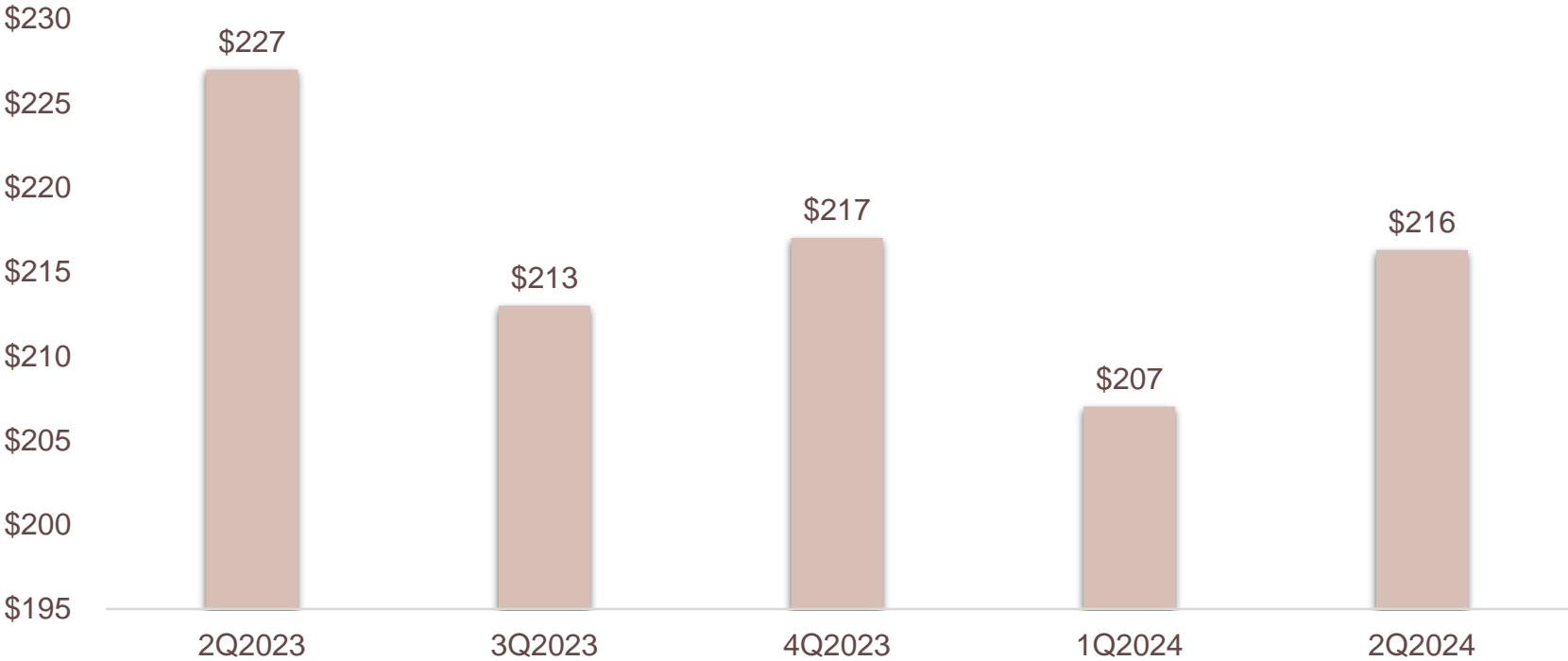
TOTAL LOANS



At June 30, 2024, total loans decreased \$1.1 million, or 0.1%, to \$2.0 billion from December 31, 2023. Commercial real estate loans decreased \$23.2 million, or 2.1%, commercial and industrial loans decreased \$1.1 million, or 0.5%, while residential real estate loans, including home equity loans, increased \$23.8 million, or 3.3%.



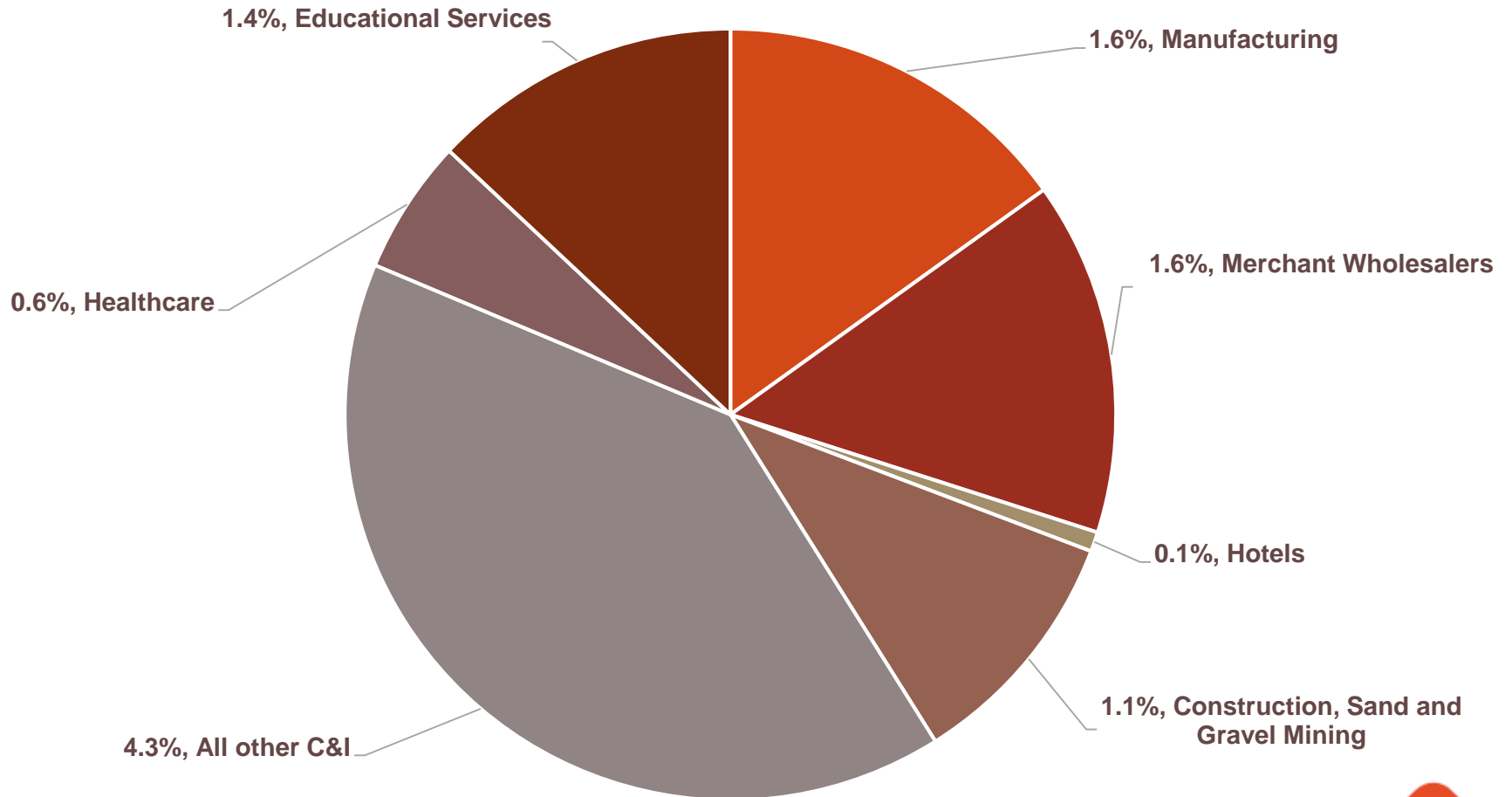
COMMERCIAL AND INDUSTRIAL LOANS



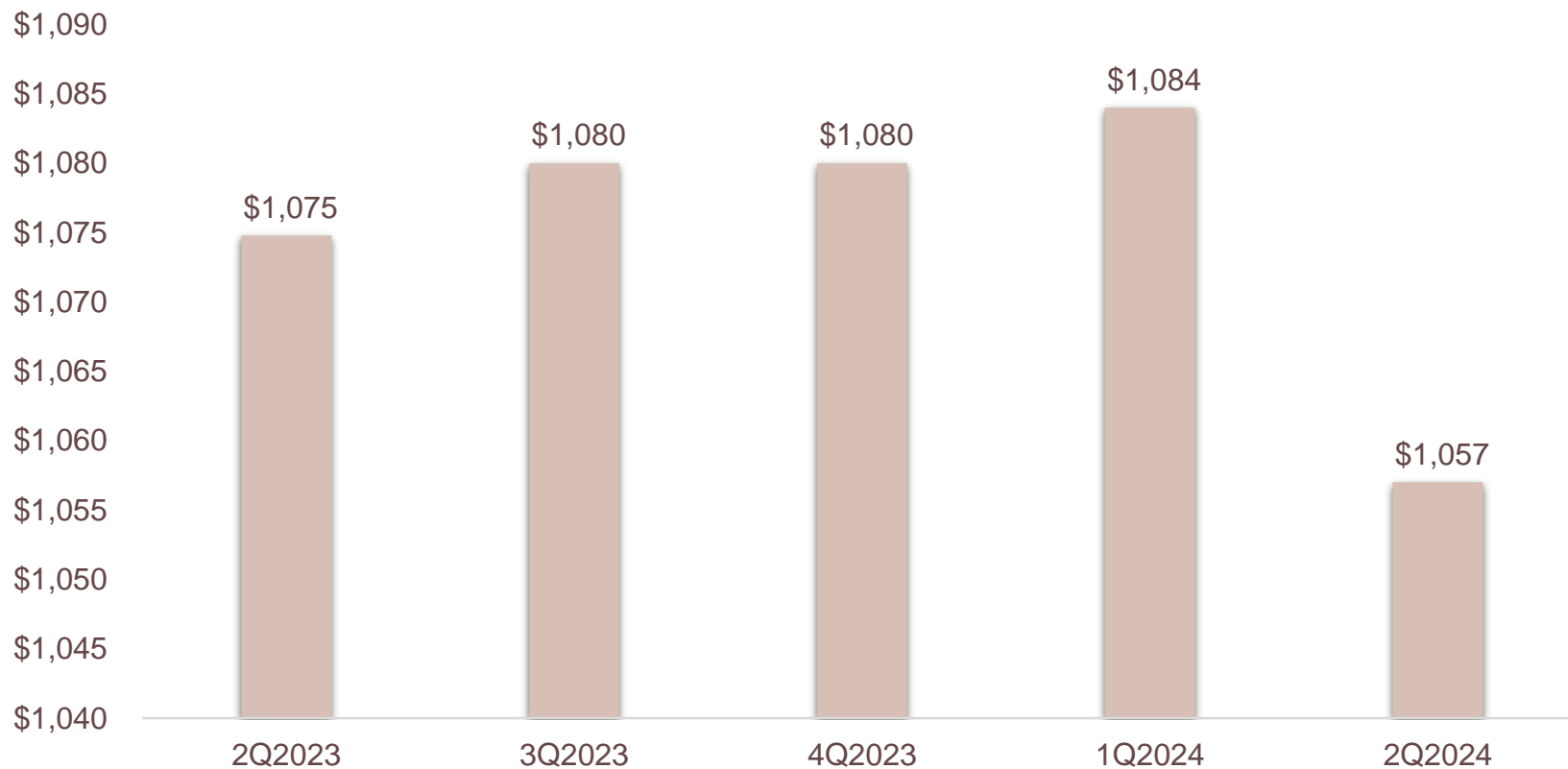
Total commercial and industrial (“C&I”) loans decreased \$1.1 million, or 0.5%, to \$216.3 million at June 30, 2024, from \$217.4 million at December 31, 2023. At June 30, 2024, total delinquent C&I loans totaled \$172,000, or 0.08%, of total C&I loans.



COMMERCIAL & INDUSTRIAL PORTFOLIO (1)



COMMERCIAL REAL ESTATE LOANS



Total commercial real estate (“CRE”) loans decreased \$23.2 million, or 2.1%, to \$1.1 billion from December 31, 2023 to June 30, 2024. At June 30, 2024, total CRE delinquency was \$1.1 million, or 0.10% of total CRE loans.



COMMERCIAL REAL ESTATE LOANS

Property Type	Non-Owner Occupied	Owner Occupied	Total	% of CRE Portfolio	% of Total Loans	% of Total Bank RBC
Office Portfolio	\$ 196,598	\$ 36,711	\$ 233,309	22.1%	11.5%	85.9%
Industrial and Warehouse	126,859	59,896	186,755	17.7%	9.2%	68.7%
Apartment	177,792	-	177,792	16.8%	8.8%	65.4%
Retail	104,035	8,748	112,783	10.7%	5.6%	41.5%
Other	23,987	34,705	58,692	5.6%	2.9%	21.5%
Shopping Center	51,520	-	51,520	4.9%	2.5%	19.0%
Hotel	43,897	-	43,897	4.2%	2.2%	16.2%
Auto Sales	2,495	34,282	36,777	3.5%	1.8%	13.5%
Residential one-to-four family	32,547	1,016	33,563	3.2%	1.7%	12.4%
Adult Care/Assisted Living	32,027	-	32,027	3.0%	1.6%	11.8%
Student Housing	24,310	-	24,310	2.3%	1.2%	8.9%
Mixed Use	18,543	4,897	23,440	2.2%	1.2%	8.6%
College	11,957	11,307	23,264	2.2%	1.1%	8.6%
Self Storage	18,036	374	18,410	1.7%	0.9%	6.8%
Total commercial real estate loans	\$ 864,603	191,936	1,056,539	100.0%	52.2%	388.8%
% of Total Bank Risk-Based Capital	318.2%	70.6%	388.8%			
% of Total CRE Loans	81.8%	18.2%				

At June 30, 2024, the commercial real estate portfolio totaled \$1.1 billion, and represented 52.2% of total gross loans. Of the \$1.1 billion, \$864.6 million, or 81.8%, were categorized as non-owner occupied CRE and \$192.0 million, or 18.2%, were categorized as owner-occupied CRE.



(\$ in thousands)

(1) Due to loan classifications, the percentage of Total Bank Risk-Based Capital ("RBC") may differ from the Call Report.

COMMERCIAL REAL ESTATE – NON-OWNER OCCUPIED

Property Type	MA	CT	NH	RI	Other	Total	% of Total Bank RBC	Weighted Average LTV
Office Portfolio	\$ 77,821	\$ 64,659	\$ 40,841	\$ -	\$ 13,277	\$ 196,598	72.3%	64.9%
Apartment	95,439	35,262	4,998	42,093	-	177,792	65.4%	55.8%
Industrial and Warehouse	72,185	37,039	-	13,076	4,559	126,859	46.7%	59.8%
Retail	34,103	50,044	2,608	6,292	10,988	104,035	38.3%	60.0%
Shopping Center	28,107	11,594	11,819	-	-	51,520	19.0%	51.4%
Hotel	21,165	22,732	-	-	-	43,897	16.2%	52.5%
Residential one-to-four family	31,155	1,262	-	-	130	32,547	12.0%	57.8%
Adult Care/Assisted Living	15,392	16,635	-	-	-	32,027	11.8%	55.0%
Student Housing	3,761	15,452	-	-	5,097	24,310	9.0%	68.9%
Other	18,002	5,985	-	-	-	23,987	8.8%	50.5%
Mixed Use	16,982	626	-	935	-	18,543	6.8%	54.8%
Self Storage	17,246	-	790	-	-	18,036	6.6%	62.3%
College	11,957	-	-	-	-	11,957	4.4%	45.4%
Auto Sales	2,495	-	-	-	-	2,495	0.9%	47.4%
Total Non-Owner CRE	\$ 445,810	\$ 261,290	\$ 61,056	\$ 62,396	\$ 34,051	\$ 864,603	318.2%	58.7%

At June 30, 2024, the non-owner occupied CRE portfolio totaled \$864.6 million, or 318.2% of Total Bank RBC. Of the \$864.6 million, \$445.8 million, or 51.6% of non-owner occupied CRE, was concentrated in Massachusetts and \$261.3 million, or 30.2% of non-owner occupied CRE, was concentrated in Connecticut.

At June 30, 2024, the office portfolio represented the largest concentration of non-owner occupied CRE at 72.3% of Total Bank RBC with a weighted average loan-to-value (“LTV”) of 64.9%. Apartments represented 65.4% of Total Bank RBC with a weighted average LTV of 55.8%.



(\$ in thousands)

(1) Due to loan classifications, the percentage of Total Bank RBC may differ from the Call Report.

(2) Weighted average LTV is based on the original appraisal and the current loan exposure.

COMMERCIAL REAL ESTATE – OFFICE BUILDINGS

	Non-Owner Occupied	Owner Occupied	Total	% of Office Portfolio	% of Total Bank RBC
By Collateral Type					
Office	\$ 80,809	\$ 13,805	\$ 94,614	40.6%	34.8%
Office - Medical	101,894	20,795	122,689	52.6%	45.1%
Office - Retail	3,929	-	3,929	1.7%	1.5%
Office – Mixed	3,499	2,111	5,610	2.4%	2.1%
Office – Warehouse	6,467	-	6,467	2.7%	2.4%
Total Office Portfolio	\$ 196,598	\$ 36,711	\$ 233,309	100.0%	85.9%

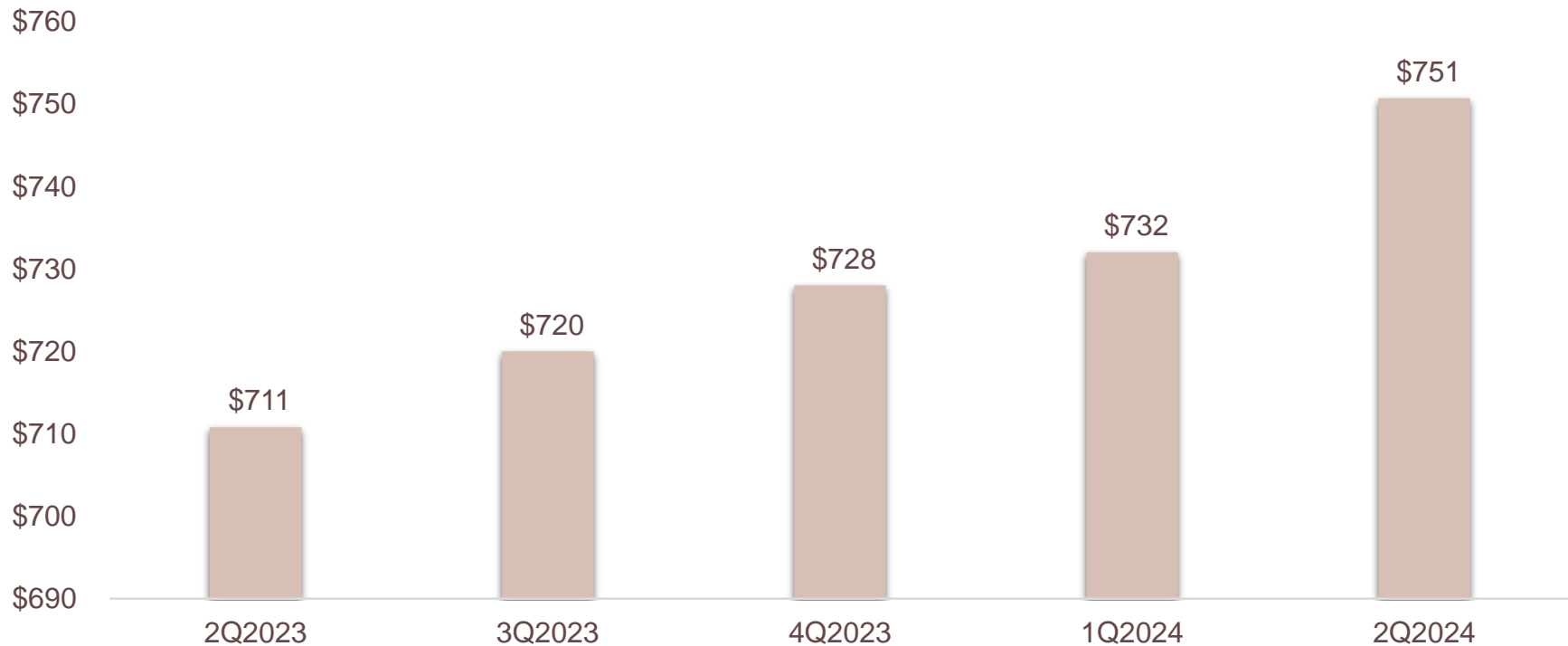
	Non-Owner Occupied	Owner Occupied	Total	% of Office Portfolio	% of Total Bank RBC
By State					
Massachusetts	\$ 77,821	\$ 32,421	\$ 110,242	47.3%	40.6%
Connecticut	64,659	4,290	68,949	29.6%	25.4%
New Hampshire	40,841	-	40,841	17.5%	15.0%
Other	13,277	-	13,277	5.6%	4.9%
Total Office Portfolio	\$ 196,598	\$ 36,711	\$ 233,309	100.0%	85.9%

	Non-Owner Occupied	Owner Occupied	Total	% of Office Portfolio	% of Total Bank RBC
By Risk Rating					
Pass	\$ 196,325	\$ 35,196	\$ 231,521	99.2%	85.2%
Special Mention	80	1,085	1,165	0.5%	0.5%
Substandard	193	430	623	0.3%	0.2%
Total Office Portfolio	\$ 196,598	\$ 36,711	\$ 233,309	100.0%	85.9%

- As of June 30, 2024, the total office CRE portfolio totaled \$233.3 million, or 22.1% of total CRE loans and 85.9% of Total Bank RBC.
- Non-owner occupied office totaled \$196.6 million, or 84.3% of the total office portfolio and owner-occupied office totaled \$36.7 million, or 15.7% of the total office portfolio.
- Office exposure is concentrated in medical-office, totaling \$122.7 million, or 52.6%, of the office portfolio.
- Of the \$233.3 million in total office, 47.3% is concentrated in Massachusetts and 29.6% is concentrated in Connecticut. The Company does not have any exposure in greater Boston or New York.
- Of the \$233.3 million in total office, 99.2% of the office portfolio is in the pass-rated category.
- There is approximately \$37.4 million, or 16.0% of the total office portfolio, maturing by the end of 2026.



RESIDENTIAL REAL ESTATE LOANS AND CONSUMER LOANS



Residential real estate loans, including home equity loans, and consumer loans increased \$23.1 million, or 3.2%, to \$750.7 million, from December 31, 2023 to June 30, 2024. At June 30, 2024, the Company serviced \$70.0 million in loans sold to the secondary market, with servicing retained, which are not included on the Company's balance sheet under residential real estate loans.

At June 30, 2024, total delinquent residential real estate loans and consumer loans totaled \$4.3 million, or 0.57% of total residential real estate loans and consumer loans.



INVESTMENT PORTFOLIO

The table below displays the investment portfolio as of June 30, 2024

At June 30, 2024	Amortized Cost Basis	% of Investment Portfolio's Amortized Cost Basis	Fair Value	Unrealized Loss	Loss as a % of Amortized Cost Basis	Loss % of Tier 1 Capital ⁽¹⁾	Impact to TCE ⁽²⁾
(Dollars in millions)							
HTM	\$217.6	57%	\$177.4	(\$40.2)	-18.5%	-15.9%	-1.1%
AFS	\$166.8	43%	\$135.1	(\$31.7)	-19.0%	-12.6%	-0.9%
Total Investments	\$384.4	100%	\$312.5	(\$71.9)	-18.7%	-28.5%	-2.0%

The held-to-maturity (“HTM”) and available-for-sale (“AFS”) securities portfolio represented 13.6% of total assets at June 30, 2024 and 14.1% of total assets, at December 31, 2023.

Unrealized losses from the HTM securities portfolio totaled \$40.2 million. The HTM unrealized losses were approximately 18.5% of the total HTM amortized cost basis. If the HTM losses were included in capital, the losses would represent 15.9% of Tier 1 capital and negatively impact tangible common equity⁽²⁾ (“TCE”), a non-GAAP financial measure, by 1.1%.

Unrealized losses from the AFS securities portfolio totaled \$31.7 million. The AFS unrealized losses were approximately 19.0% of the total AFS amortized cost basis. As a percentage of Tier 1 capital, the AFS unrealized losses represented 12.6% of Tier 1 capital and negatively impacted TCE, a non-GAAP financial measure, by 0.9%.

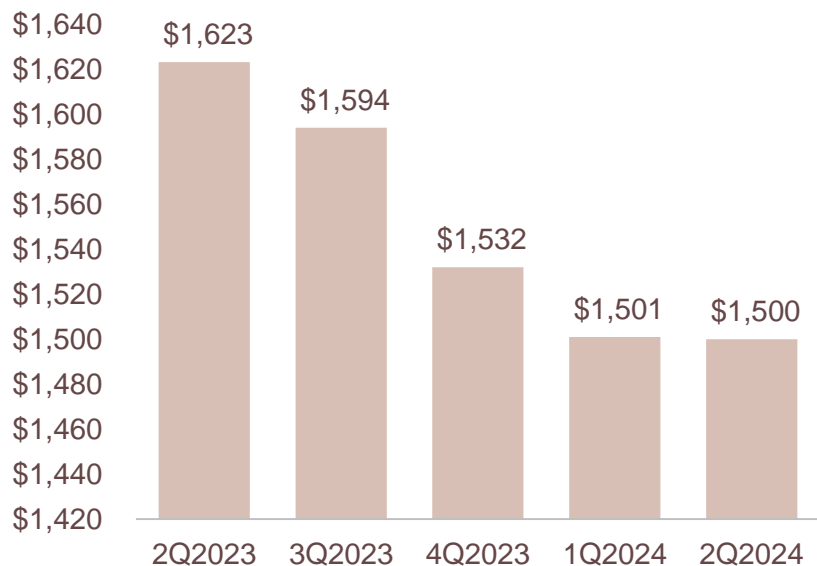


(1) Tier 1 Capital represents Bank Tier 1 Capital as of June 30, 2024.

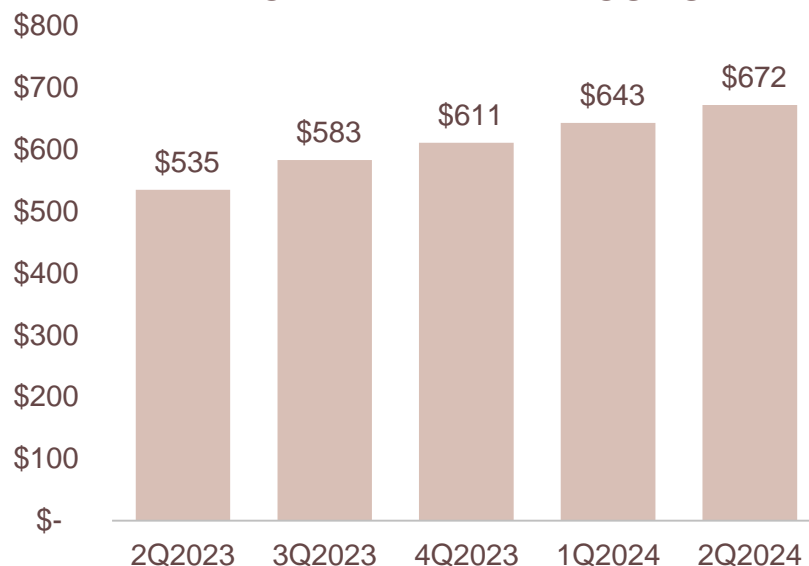
(2) Impact to TCE is net of tax. TCE is a non-GAAP measure. See slides 30-32 for the related TCE calculation and a reconciliation of GAAP to non-GAAP financial measures.

TOTAL DEPOSITS

PERIOD-END CORE DEPOSITS



PERIOD-END TIME DEPOSITS⁽¹⁾



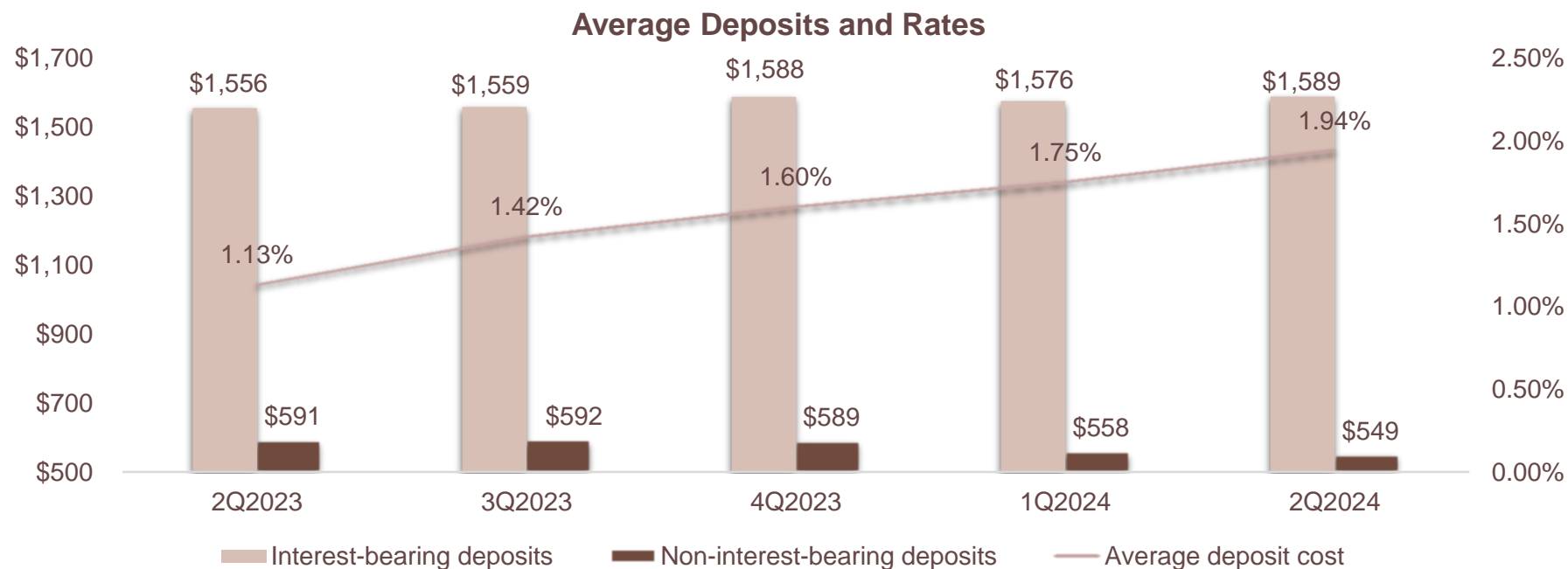
Total deposits increased \$28.1 million, or 1.3%, from \$2.1 billion at December 31, 2023 to \$2.2 billion at June 30, 2024. Core deposits, which the Company defines as all deposits except time deposits, decreased \$32.3 million, or 2.1%, from \$1.5 billion, or 71.5% of total deposits, at December 31, 2023, to \$1.5 billion, or 69.1% of total deposits, at June 30, 2024. Time deposits increased \$60.3 million, or 9.9%, from \$611.4 million at December 31, 2023 to \$671.7 million at June 30, 2024. At June 30, 2024 and December 31, 2023, uninsured deposits represented 26.4% and 26.8%, of total deposits, respectively.



(\$ in millions)

(1) Includes \$1.7 million in brokered deposits beginning with the quarter ended June 30, 2023.

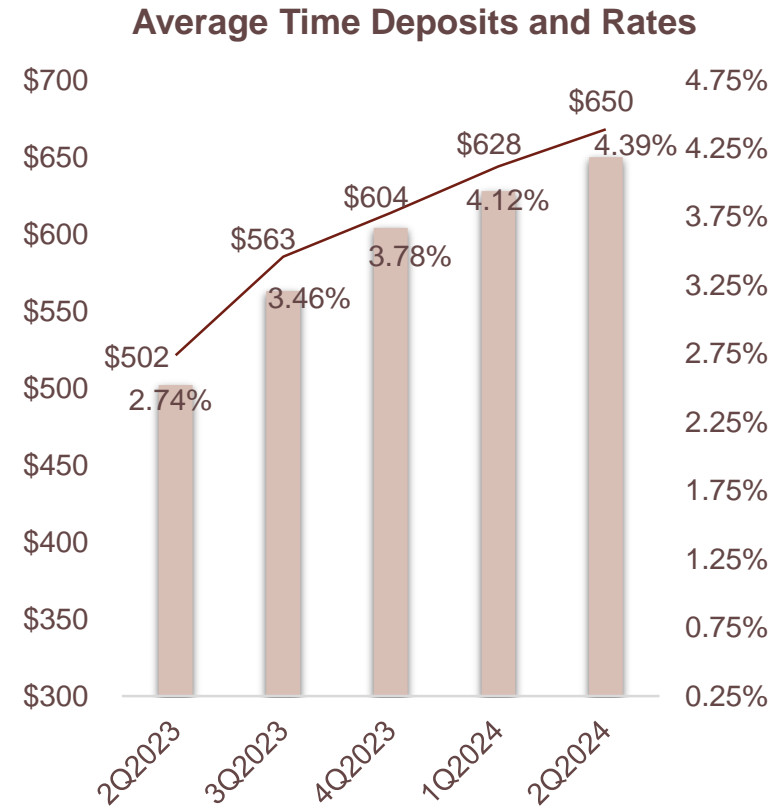
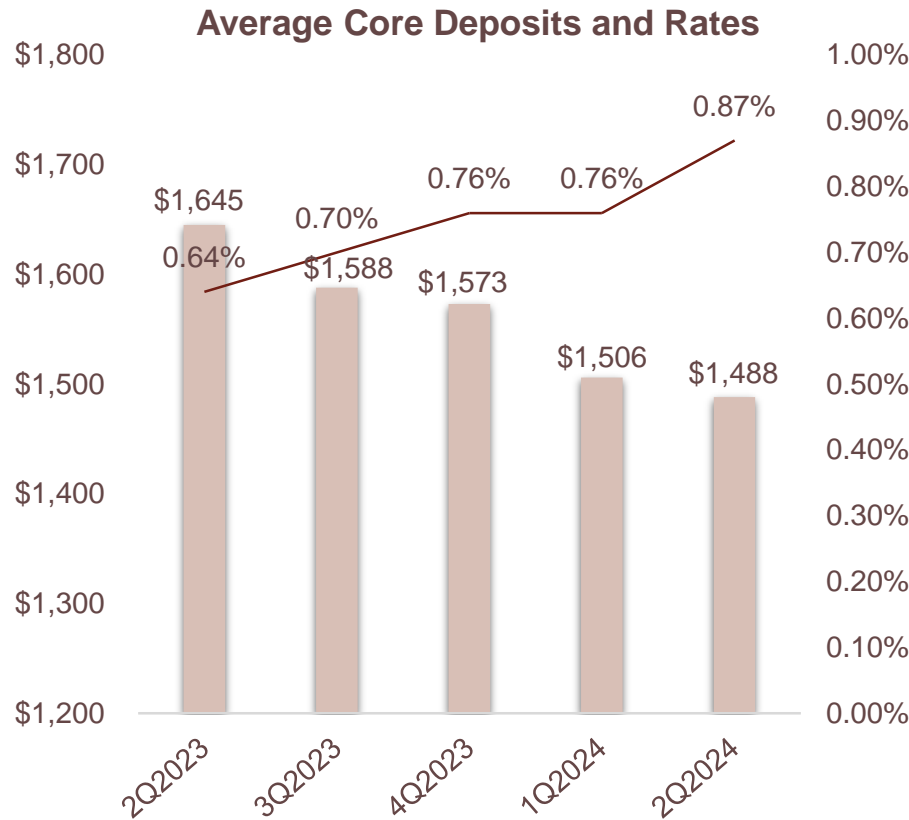
AVERAGE TOTAL DEPOSITS



Average deposits, consisting of interest-bearing and non-interest bearing deposits, were \$2.1 billion as of June 30, 2024, an increase of \$4.7 million, or 0.2%, from December 31, 2023. The average cost of deposits increased 19 basis points, from 1.75% for the quarter ended March 31, 2024 to 1.94% for the quarter ended June 30, 2024.



AVERAGE CORE AND TIME DEPOSITS



Average core deposits, including non-interest bearing deposits, decreased \$17.7 million, or 1.2%, from the linked quarter. Average time deposits were \$650.1 million, an increase of \$22.4 million, or 3.6%, from the linked quarter. During the quarter-ended June 30, 2024, the average cost of core deposits, including non-interest bearing demand deposits, increased 11 basis points from the linked quarter, while the cost of time deposits increased 27 basis points during the same period.

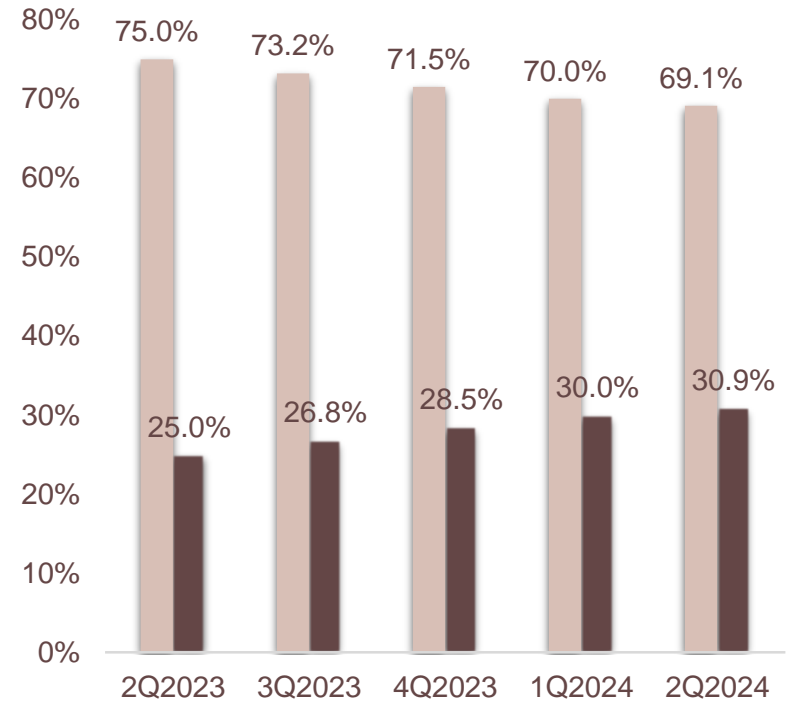


LOAN-TO-DEPOSIT RATIO

Period-end Loan-to-Deposit Ratio



Core Deposits and Time Deposits as a % of Total Deposits

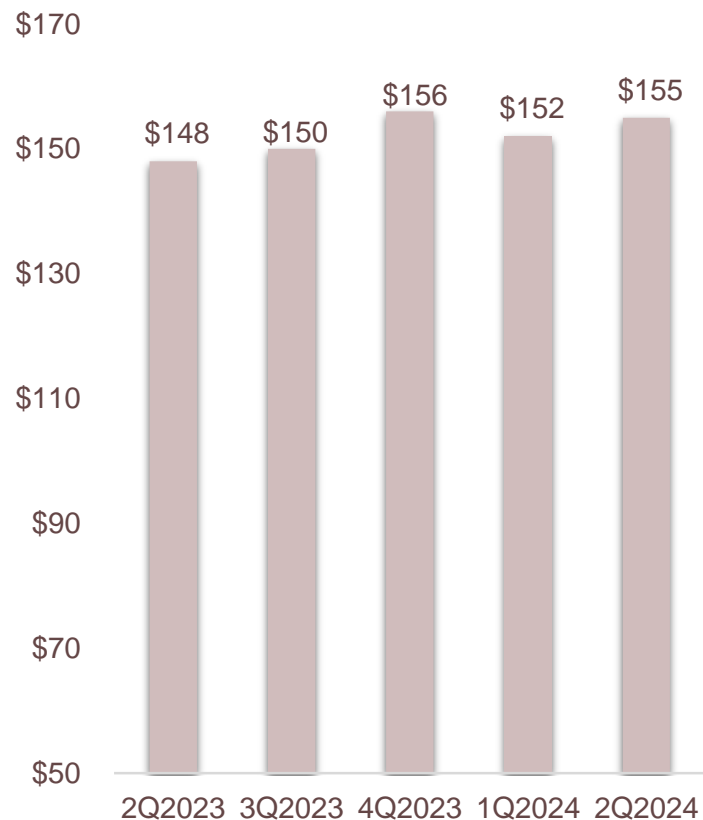


■ Core deposits/Total deposits
■ Time deposits/Total deposits



WHOLESALE FUNDING

Wholesale Funding (Includes \$20 million in Subordinated Debt)



The Bank is considered to be well-capitalized as defined by regulators (see slide 27). The Bank's Tier 1 Leverage Ratio to adjusted average assets was 9.78% at June 30, 2024 and 9.62% at December 31, 2023. In addition, The Bank's TCE Ratio⁽¹⁾, a non-GAAP financial measure, exceeds the Federal Home Loan Bank of Boston ("FHLB") requirements to continue to utilize the FHLB as a funding source.

At June 30, 2024, total borrowings decreased \$1.9 million, or 1.2%, from \$156.5 million at December 31, 2023 to \$154.6 million. Short-term borrowings decreased \$9.5 million, or 59.2%, to \$6.6 million, at June 30, 2024, compared to \$16.1 million at December 31, 2023, while long-term borrowings increased \$7.7 million, or 6.3%, during the same period.

The Company utilized the Bank Term Funding Program ("BTFP"), which was created in March 2023 to enhance banking system liquidity by allowing institutions to pledge certain securities at par value and borrow at a rate of ten basis points over the one-year overnight index swap rate. The BTFP was available to federally insured depository institutions in the U.S., with advances having a term of up to one year with no prepayment penalties. The BTFP ceased extending new advances in March 2024. At December 31, 2023, the Company's outstanding balance under the BTFP was \$90.0 million. There were no outstanding balances under the BTFP at June 30, 2024.

At June 30, 2024, borrowings also consisted of \$19.7 million in fixed-to-floating rate subordinated notes.



(1) TCE is a non-GAAP measure. See slides 30-32 for the related TCE calculation and a reconciliation of GAAP to non-GAAP financial measures.

LIQUIDITY

(\$ in millions)	Total Available	Amount in Use at June 30, 2024	Net Available
Internal Sources:			
Cash and cash equivalents	\$53.5	-	\$53.5
Unpledged securities	\$130.2	-	\$130.2
Excess pledged securities	\$18.0	-	\$18.0
External Sources:			
FHLB	\$591.0	\$153.6	\$437.4
FRB Discount Window	\$403.8	-	\$403.8
Other Unsecured:			
Correspondent banks	<u>\$25.0</u>	-	<u>\$25.0</u>
Total Liquidity	\$1,221.5	\$153.6	\$1,067.9
Uninsured deposits			\$574.4
Liquidity/Total			185.9%

The Company's liquidity position remains strong with solid core deposit relationships, cash, unencumbered securities and access to diversified borrowing sources.

At June 30, 2024, the Company had available borrowing capacity with the FHLB of \$437.4 million, including its overnight Ideal Way Line of Credit. In addition, at June 30, 2024, the Company had available borrowing capacity of \$403.8 million from the Federal Reserve Discount Window, with no outstanding borrowings. At June 30, 2024, the Company also had available borrowing capacity of \$25.0 million from two unsecured credit lines with correspondent banks, with no outstanding borrowings.

At June 30, 2024, the Company had \$1.1 billion in immediately available liquidity, compared to \$574.4 million in uninsured deposits, or 26.4% of total deposits, representing a coverage ratio of 185.9%.

Lastly, the Company has access to the brokered deposit market with approval from the Board of Directors to purchase brokered deposits in an amount not to exceed 10% of total assets. At June 30, 2024, the Company had \$1.7 million in brokered deposits included within time deposits on the balance sheet.



DEPOSIT MARKET SHARE IN HAMPDEN COUNTY, MA AS OF JUNE 30, 2023

Total Deposit Rank 2023	Parent Company Name	Deposits in Market (\$000)	Market Share	# of Branches
1	PeoplesBank	2,271,591	16.96%	13
2	TD Bank	2,029,147	15.15%	16
3	Westfield Bank	1,878,809	14.03%	20
4	M&T Bank	1,143,383	8.54%	14
5	Berkshire Bank	1,142,092	8.53%	11
6	KeyBank	932,631	6.96%	7
7	Citizens Bank	557,490	4.16%	12
8	Monson Savings Bank	526,226	3.93%	4
9	Country Bank	514,307	3.84%	4
10	New Valley Bank & Trust	256,410	1.91%	3

Source: SNL Financial as of June 30, 2023.

Note: Total number of Westfield Bank branches shown includes the Big E seasonal branch and online deposit channel. Three Westfield branches are located in Hampshire County, MA and four Westfield branches are located in Hartford County, CT outside of Springfield MSA.



ASSET QUALITY INDICATORS

	2Q2023	3Q2023	4Q2023	1Q2024	2Q2024
Total delinquent loans	\$5.4M	\$5.6M	\$6.0M	\$4.7M	\$5.6M
Delinquent loans as a % of total loans	0.27%	0.28%	0.30%	0.23%	0.27%
Nonperforming loans (NPL)	\$5.8M	\$6.3M	\$6.4M	\$5.8M	\$5.8M
NPL as a % of total loans	0.29%	0.31%	0.32%	0.29%	0.29%
NPL as a % of total assets	0.22%	0.24%	0.25%	0.23%	0.23%
Allowance for credit losses % of total loans	0.97%	0.99%	1.00%	0.98%	0.96%
Allowance for credit losses % of NPL	341%	318%	316%	341%	333%
Net charge-offs (recoveries)	(\$25K)	\$78K	\$136K	(\$67K)	\$10K
Net charge-offs (recoveries) as a % average loans	0.00%	0.00%	0.01%	0.00%	0.00%

During the three months ended June 30, 2024, the Company recorded net charge-offs of \$10,000 compared to net recoveries of \$67,000 for the three months ended March 31, 2024. Nonperforming loans to total loans were 0.29% at June 30, 2024 compared to 0.32% at December 31, 2023.



ASSET QUALITY

	June 30, 2024			December 31, 2023		
	ACL ⁽¹⁾	Loans Outstanding ⁽¹⁾	ACL/ Total Loan Segment	ACL ⁽¹⁾	Loans Outstanding ⁽¹⁾	ACL/ Total Loan Segment
Commercial and industrial	\$ 2,552	\$ 216,300	1.18%	\$ 2,537	\$ 217,447	1.17%
Commercial real estate	14,331	1,056,539	1.36%	15,141	1,079,751	1.40%
Residential ⁽²⁾	2,444	745,967	0.33%	2,548	722,154	0.35%
Consumer	117	4,715	2.48%	41	5,472	0.75%
Unallocated	-	-	-	-	-	-
Total Loans	\$ 19,444	\$ 2,023,521	0.96%	\$ 20,267	\$ 2,024,824	1.00%

Management continues to remain attentive to any signs of deterioration in borrowers' financial conditions and is proactive in taking the appropriate steps to mitigate risk. The allowance for credit losses as a percentage of total loans was 0.96% at June 30, 2024, compared to 1.00% at December 31, 2023. At June 30, 2024, the allowance for credit losses as a percentage of nonperforming loans was 332.7%, compared to 315.6% at December 31, 2023.



(1) (\$ in thousands)

(2) Includes home equity loans and home equity lines of credit.

ASSET QUALITY

(\$ in millions)	2Q2023	3Q2023	4Q2023	1Q2024	2Q2024
Special Mention	\$11.8	\$12.0	\$5.8	\$15.2	\$14.6
% of Total Loans	0.6%	0.6%	0.3%	0.8%	0.7%
Substandard	\$37.7	\$33.6	\$33.7	\$21.6	\$22.1
% of Total Loans	1.9%	1.7%	1.7%	1.1%	1.1%
Total Watch List Loans	\$49.5	\$45.6	\$39.5	\$36.8	\$36.7
% of Total Loans	2.5%	2.3%	1.9%	1.8%	1.8%

At June 30, 2024, total Watch List loans totaled \$36.7 million, or 1.8% of total loans, representing a decrease of \$2.8 million, or 7.1%, from December 31, 2023.



CAPITAL MANAGEMENT

We are well-capitalized with excess capital.

Consolidated	Ratio at June 30, 2024	Ratio at December 31, 2023
Leverage Ratio	9.56%	9.40%
Common Equity Tier 1 Ratio	12.66%	12.59%
Tier 1 Capital Ratio	12.66%	12.59%
Total Capital Ratio	14.70%	14.67%

As of June 30, 2024, the Bank's Tier 1 Leverage Ratio was 9.78%. The Bank's TCE ratio⁽¹⁾, a non-GAAP financial measure, was 8.86% at June 30, 2024, and after factoring in \$23.6 million in net AOCI unrealized losses, the TCE ratio was 7.94%. If the HTM net unrealized losses of \$28.9 million were factored in, the TCE ratio would decrease to 7.74%.

Westfield Bank	Ratio at June 30, 2024	Ratio at December 31, 2023	Well Capitalized
Leverage Ratio	9.78%	9.62%	5.0%
Common Equity Tier 1 Ratio	12.96%	12.88%	6.5%
Tier 1 Capital Ratio	12.96%	12.88%	8.0%
Total Capital Ratio	13.98%	13.94%	10.0%

- ✓ From a regulatory standpoint, we are well-capitalized with excess capital.
- ✓ We take a prudent approach to capital management.



(1) TCE is a non-GAAP measure. See slides 30-32 for the related TCE calculation and a reconciliation of GAAP to non-GAAP financial measures.

CAPITAL RETURN TO SHAREHOLDERS

Share Repurchases

Year	# of Shares
2018	2,189,276
2019	1,938,667
2020	1,391,496
2021	2,758,051
2022	720,975
2023	649,744
1Q-2024	200,000
2Q-2024	269,841

Dividends

Year	Annual Dividends per Share
2018	\$0.16
2019	\$0.20
2020	\$0.20
2021	\$0.20
2022	\$0.24
2023	\$0.28
1Q-2024	\$0.07
2Q-2024	\$0.07

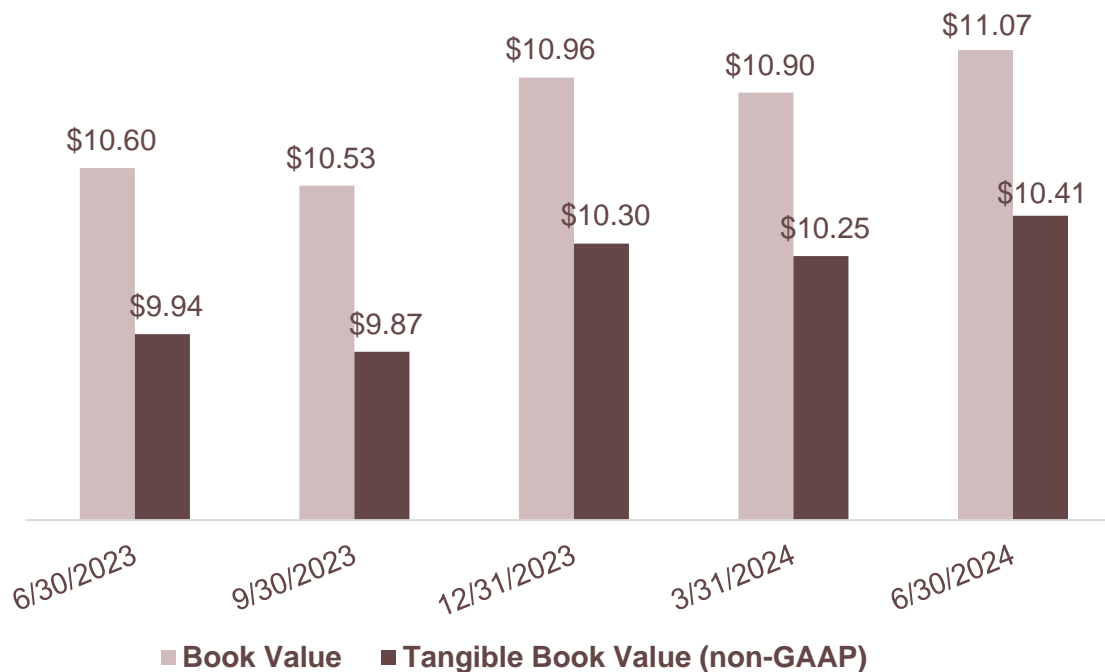
On June 10, 2024, the Company announced the completion of its previously authorized stock repurchase plan (the “2022 Plan”) pursuant to which the Company was authorized to repurchase up to 1.1 million shares, or approximately 5% of its outstanding common stock, as of the date the 2022 Plan was adopted.

On May 22, 2024, the Board of Directors authorized a new stock repurchase plan (the “2024 Plan”) under which the Company may repurchase up to 1.0 million shares, or approximately 4.6%, of the Company’s outstanding shares of common stock. During the three months ended June 30, 2024, the Company repurchased 206,600 shares of common stock under the 2022 Plan, with an average price per share of \$6.64 and 63,241 shares of common stock under the 2024 Plan, with an average price per share of \$6.57. During the six months ended June 30, 2024, the Company repurchased 469,841 shares of common stock with an average price per share of \$7.32. As of June 30, 2024, there were 936,759 shares of common stock available for repurchase under the 2024 Plan.



CAPITAL MANAGEMENT

Book Value per Share Tangible Book Value per Share (non-GAAP)⁽¹⁾



Book value per share increased \$0.11, or 1.1%, from \$10.96 at December 31, 2023 to \$11.07 at June 30, 2024. Tangible book value per share, a non-GAAP measure, increased \$0.11, or 1.1%, from \$10.30 at December 31, 2023 to \$10.41 at June 30, 2024.



(1) Tangible book value is a non-GAAP measure. See slides 30-32 for the related tangible book value calculation and a reconciliation of GAAP to non-GAAP financial measures.

APPENDIX: NON-GAAP TO GAAP RECONCILIATION

Reconciliation of Non-GAAP to GAAP Financial Measures

The Company believes that certain non-GAAP financial measures provide information to investors that is useful in understanding its financial condition. Because not all companies use the same calculation, this presentation may not be comparable to other similarly titled measures calculated by other companies. A reconciliation of these non-GAAP financial measures is provided below.

	For the quarter ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
	(Dollars in thousands)				
Loan interest (no tax adjustment)	\$ 24,340	\$ 24,241	\$ 23,939	\$ 23,451	\$ 22,450
Tax-equivalent adjustment	114	110	113	117	122
Loan interest (tax-equivalent basis)	\$ 24,454	\$ 24,351	\$ 24,052	\$ 23,568	\$ 22,572
Net interest income (no tax adjustment)	\$ 14,470	\$ 15,346	\$ 16,176	\$ 16,383	\$ 16,846
Tax equivalent adjustment	114	110	113	117	122
Net interest income (tax-equivalent basis)	\$ 14,584	\$ 15,456	\$ 16,289	\$ 16,500	\$ 16,968
Average interest-earning assets	\$ 2,400,633	\$ 2,403,086	\$ 2,427,112	\$ 2,402,987	\$ 2,405,077
Net interest margin (no tax adjustment)	2.42%	2.57%	2.64%	2.70%	2.81%
Net interest margin, tax-equivalent	2.44%	2.59%	2.66%	2.72%	2.83%
Book Value per Share (GAAP)	\$ 11.07	\$ 10.90	\$ 10.96	\$ 10.53	\$ 10.60
Non-GAAP adjustments:					
Goodwill	(0.58)	(0.58)	(0.58)	(0.57)	(0.57)
Core deposit intangible	(0.08)	(0.07)	(0.08)	(0.09)	(0.09)
Tangible Book Value per Share (non-GAAP)	\$ 10.41	\$ 10.25	\$ 10.30	\$ 9.87	\$ 9.94
Total Bank Equity (GAAP)	\$ 241,867	\$ 241,480	\$ 242,780	\$ 234,612	\$ 240,041
Non-GAAP adjustments:					
Goodwill	(12,487)	(12,487)	(12,487)	(12,487)	(12,487)
Core deposit intangible net of associated deferred	(1,168)	(1,236)	(1,303)	(1,370)	(1,438)
Tangible Capital (non-GAAP)	\$ 228,212	\$ 227,757	\$ 228,990	\$ 220,755	\$ 226,116



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	For the quarter ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
	(Dollars in thousands)				
Tangible Capital (non-GAAP)	\$ 228,212	\$ 227,757	\$ 228,990	\$ 220,755	\$ 226,116
Unrealized losses on HTM securities net of tax	(28,869)	(28,441)	(25,649)	(34,622)	(27,286)
Adjusted Tangible Capital For Impact of Unrealized Losses on HTM Securities Net of Tax (non-GAAP)	\$ 199,343	\$ 199,316	\$ 203,341	\$ 186,133	\$ 198,830
Tangible Capital (non-GAAP)	\$ 228,212	\$ 227,757	\$ 228,990	\$ 220,755	\$ 226,116
Unrealized losses on AFS securities net of tax	(23,637)	(23,637)	(21,744)	(28,686)	(23,224)
Adjusted Tangible Capital For Impact of Unrealized Losses on AFS Securities Net of Tax (non-GAAP)	\$ 204,575	\$ 204,120	\$ 207,246	\$ 192,069	\$ 202,892
Common Equity Tier (CET) 1 Capital	\$ 251,849	\$ 251,394	\$ 250,734	\$ 249,441	\$ 249,340
Unrealized losses on HTM securities net of tax	(28,869)	(28,441)	(25,649)	(34,622)	(27,286)
Unrealized losses on defined benefit plan net of tax	-	-	-	-	-
Adjusted CET 1 Capital For Impact of Net AFS Securities Losses (non-GAAP)	\$ 222,980	\$ 222,953	\$ 225,085	\$ 214,819	\$ 222,054
Total Assets for Leverage Ratio (non-GAAP)	\$ 2,575,093	\$ 2,572,525	\$ 2,607,260	\$ 2,574,402	\$ 2,572,583
Tier 1 Leverage Ratio	9.78%	9.77%	9.62%	9.69%	9.69%
(non-GAAP)/Total Assets for Leverage Ratio (non-GAAP)	8.86%	8.85%	8.78%	8.58%	8.79%
Adjusted Common Equity Tier 1 for AFS Impact (non-GAAP) = Adjusted CET 1 Capital For Impact of Net AFS Securities Losses (non-GAAP)/Total Assets for Leverage Ratio (non-GAAP)	8.66%	8.67%	8.63%	8.34%	8.63%
Adjusted Tangible Common Equity for AFS Impact (non-GAAP) = Adjusted Tangible Capital For Impact of Unrealized Losses on AFS Securities Net of Tax (non-GAAP)/Total Assets for Leverage Ratio (non-GAAP)	7.94%	7.93%	7.95%	7.46%	7.89%
Adjusted Tangible Common Equity for HTM Impact (non-GAAP) = Adjusted Tangible Capital For Impact of Unrealized Losses on HTM Securities Net of Tax (non-GAAP)/Total Assets for Leverage Ratio (non-GAAP)	7.74%	7.75%	7.80%	7.23%	7.73%



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	For the quarter ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
	(Dollars in thousands)				
Efficiency Ratio:					
<u>Non-interest Expense (GAAP)</u>	\$ 14,314	\$ 14,782	\$ 14,785	\$ 14,118	\$ 14,551
Non-Interest Expense for Adjusted Efficiency Ratio (non-GAAP)	\$ 14,314	\$ 14,782	\$ 14,785	\$ 14,118	\$ 14,551
Net Interest Income (GAAP)	\$ 14,470	\$ 15,346	\$ 16,176	\$ 16,383	\$ 16,846
<u>Non-Interest Income (GAAP)</u>	\$ 3,834	\$ 2,674	\$ 2,714	\$ 3,612	\$ 1,592
Non-GAAP adjustments:					
Loss on securities, net	-	-	-	-	-
Unrealized (gains) losses on marketable equity securities	(4)	(8)	1	-	-
Loss on interest rate swap termination	-	-	-	-	-
Gain on non-marketable equity investments	(987)	-	-	(238)	-
Loss on disposal of premises and equipment	-	6	-	3	-
Loss on defined benefit plan termination	-	-	-	-	1,143
Gain on bank-owned life insurance death benefit	-	-	-	(778)	-
Non-Interest Income for Adjusted Efficiency Ratio (non-GAAP)	\$ 2,843	\$ 2,672	\$ 2,715	\$ 2,599	\$ 2,735
Total Revenue for Adjusted Efficiency Ratio (non-GAAP)	\$ 17,313	\$ 18,018	\$ 18,891	\$ 18,982	\$ 19,581
Efficiency Ratio (GAAP)	78.20%	82.03%	78.27%	70.61%	78.92%
Adjusted Efficiency Ratio (Non-interest Expense for Efficiency Ratio (non-GAAP)/Total Revenue for Efficiency Ratio (non-GAAP))	82.68%	82.04%	78.26%	74.38%	74.31%



WESTFIELD BANK

“WHAT BETTER BANKING’S ALL ABOUT”



James C. Hagan, President and Chief Executive Officer
Guida R. Sajdak, Executive Vice President and Chief Financial Officer
Meghan Hibner, First Vice President and Investor Relations Officer

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