

WASHINGTON TRUST BANCORP INC

Form DEF 14A

March 12, 2019

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only, (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

WASHINGTON TRUST BANCORP, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Notice of
Annual
Meeting of
Shareholders

Date and Time: Tuesday, the 23rd of April, 2019, at 11:00 a.m. (local time)

Place: Westerly Library, 44 Broad Street, Westerly, Rhode Island

Items of Business: 1. The election of four directors, nominated by the Board of Directors and named in the Proxy Statement, each to serve for three-year terms and until their successors are duly elected and qualified; The ratification of the selection of Crowe LLP to serve as the Corporation's independent registered
2. public accounting firm for the year ending December 31, 2019;
3. A non-binding advisory resolution to approve the compensation of the Corporation's named executive officers;
4. Such other business as may properly come before the meeting, or any postponement or adjournment thereof.

Record Date: Shareholders of record at the close of business on February 27, 2019 will be entitled to notice of and to vote at the Annual Meeting.

Proxy Voting: It is important that your shares be represented and voted whether or not you plan to be present at the Annual Meeting. Please sign, date, and fill in the enclosed proxy or voting instruction form and return it by mail in the enclosed addressed envelope or vote your shares through the internet or by telephone as described in the proxy card or voting instruction form. If you wish to vote your shares in person at the Annual Meeting, you may revoke your proxy and do so.

Important Notice Regarding the Availability of Proxy Materials
for the Annual Shareholder Meeting To Be Held on April 23, 2019

On or about March 12, 2019, we mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to all shareholders of record as of February 27, 2019, containing instructions on how to access our Proxy Statement, Form 10-K and Annual Report and vote your shares. The Notice also contains instructions on how you can (i) receive a paper copy of the proxy materials, if you only received the Notice by mail, or (ii) elect to receive your proxy materials over the Internet.

By Order of the Board of Directors,
Kristen L. DiSanto
Corporate Secretary

March 12, 2019

Free parking is available at the Washington Trust parking garage at 23 Broad Street, Westerly, Rhode Island. The Westerly Library is handicapped accessible. Please call 401-348-1566 for information regarding accessibility.

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Proxy Statement

The accompanying proxy is solicited by and on behalf of the Board of Directors of Washington Trust Bancorp, Inc. (the "Corporation" or "Washington Trust") for use at the Annual Meeting of Shareholders to be held at the Westerly Library, 44 Broad Street, Westerly, Rhode Island, on Tuesday, the 23rd of April, 2019 at 11:00 a.m. (local time) (the "Annual Meeting"), and any postponement or adjournment thereof, and may be revoked at any time before it is exercised by submitting another proxy bearing a later date, by mail, by Internet, by telephone, by attending the Annual Meeting and voting in person, or by notifying the Corporation of the revocation in writing to the Corporate Secretary of the Corporation, 23 Broad Street, Westerly, RI 02891. If not revoked, the proxy will be voted at the Annual Meeting in accordance with the instructions indicated by the shareholder or, if no instructions are indicated, all shares represented by valid proxies received pursuant to this solicitation (and not revoked before such shares are voted) will be voted "for" all of the nominees in Proposal 1 and "for" Proposals 2 and 3.

This Proxy Statement was first made available to our shareholders on or about March 12, 2019.

Important Notice Regarding the Availability of Proxy Materials
for the Annual Shareholder Meeting to be Held on April 23, 2019

On or about March 12, 2019, we mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to all shareholders of record as of February 27, 2019, containing instructions on how to access this Proxy Statement and our Annual Report on Form 10-K.

You may access the proxy materials at <http://ir.washtrust.com/proxy>. Printed copies may be obtained at no charge by contacting the Corporation by phone at (800) 475-2265 or by email at investor.relations@washtrust.com.

Please note that the information contained on our website is not incorporated by reference in, or considered to be a part of, this Proxy Statement.

As of February 27, 2019, the record date for determining shareholders entitled to notice of and to vote at the Annual Meeting, there were 17,305,279 shares of our common stock, \$0.0625 par value, issued and outstanding. Each share of common stock is entitled to one vote per share on all matters to be voted upon at the Annual Meeting, with all holders of common stock voting as one class. A majority of the outstanding shares of common stock entitled to vote, represented in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of determining if a quorum is present. For Proposal 1, you may either vote "for" all the nominees to the Board of Directors or you may "withhold" your vote for any nominee that you specify, or all nominees. For Proposals 2 and 3, you may vote "for" or "against" the proposal, or abstain from voting on the proposal.

As required by Rhode Island law, directors will be elected by a plurality of the votes cast at the Annual Meeting by the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. The individuals who receive the largest number of "for" votes cast are elected as directors, up to the maximum number of directors to be chosen at the meeting. Accordingly, the four nominees who receive the most "for" votes will be elected as directors. Abstentions and broker non-votes will not affect the outcome of the election of directors.

For Proposal 2, the ratification of Crowe LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019 will require "for" votes from holders of a majority of shares present in person or represented by proxy at the Annual Meeting and entitled to vote on this proposal. Abstentions will have the same effect as a vote "against" the proposal. Broker non-votes, if any, will have no effect on the vote.

For Proposal 3, the approval of the non-binding advisory resolution to approve the compensation of our named executive officers will require “for” votes from holders of a majority of shares present in person or represented by proxy at the Annual Meeting and entitled to vote on this proposal. Abstentions will have the same effect as a vote “against” the proposal. Broker non-votes, if any, will have no effect on the vote.

We know of no matters to be brought before the Annual Meeting other than those referred to in this Proxy Statement. If any other matters not described in this Proxy Statement are properly presented at the meeting, any proxies received by us will be voted in the discretion of the proxy holders.

Proposal 1: Election of Directors

Our Board of Directors is divided into three classes, with each class serving staggered terms of three years, so that only one class is elected in any one year. The Corporation’s Amended and Restated Articles of Incorporation, as amended (the “Articles of Incorporation”), require that the three classes be as nearly equal in number as possible. There are presently 12 directors, divided into three classes of four directors. Victor J. Orsinger II is age 72 and, pursuant to our by-laws, is not eligible to stand for reelection and therefore, will resign from the Board of Directors effective as of the Annual Meeting.

This year, based on the recommendation of our Nominating and Corporate Governance Committee (the “Nominating Committee”), a total of four individuals have been nominated for election to the Board of Directors, each to serve until the 2022 Annual Meeting of Shareholders and until his or her respective successor is elected and qualified.

Based on the recommendation of our Nominating Committee, the Board of Directors has nominated Edward O. Handy III; Katherine W. Hoxsie, CPA; Kathleen E. McKeough; and John T. Ruggieri for election at the Annual Meeting. Each of the nominees for director is presently a director of the Corporation, except for Mr. Ruggieri. Each of the nominees has consented to being named as a nominee in this Proxy Statement and has agreed to serve as a director if elected at the Annual Meeting. In the event that any nominee is unable to serve, the persons named in the proxy have discretion to vote for other persons if the Board of Directors designates such other persons. The Board of Directors has no reason to believe that any of the nominees will be unavailable for election.

Recommendation: The Board of Directors unanimously recommends that shareholders vote “FOR” each of the nominees in this proposal.

Corporate Governance

Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines, which are available on our website at <http://ir.washtrust.com/govdocs>. The Corporate Governance Guidelines describe our corporate governance practices and address issues such as Board composition and responsibilities, Board leadership structure, the Board’s relationship with management and executive succession planning.

Board Leadership Structure

The Board believes that the Corporation’s Chief Executive Officer is best positioned to serve as Chairman because he is the director most familiar with the Corporation’s business and industry, and most capable of effectively identifying and executing strategy priorities. The Corporation’s independent directors bring experience, oversight and expertise from various areas outside of the Corporation, while the Chief Executive Officer brings Corporation-specific experience and expertise. The Board recognizes its responsibility to hold management accountable for the execution of strategy once it is developed. The

Board believes the combined role of Chairman and Chief Executive Officer, together with an independent Lead Director having the duties described below, is in the best interest of shareholders because it fosters clear accountability and effective decision-making while providing the appropriate balance between strategy development and independent oversight of management.

Independent Lead Director

The Corporation's Corporate Governance Guidelines call for the Chairperson of the Nominating Committee of the Board to serve as Lead Director. The Lead Director has the responsibility of presiding at all executive sessions of the non-employee, independent directors, consulting with the Chairman and Chief Executive Officer on Board and committee meeting agendas, acting as a liaison between management and the non-management directors, including maintaining frequent contact with the Chairman and Chief Executive Officer and advising him on the efficiency of the Board meetings and the facilitation of communication between the non-management directors and management.

Director Independence

The Corporation's Board has determined that each of current directors John J. Bowen, Steven J. Crandall, Robert A. DiMuccio, Constance A. Howes, Katherine W. Hoxsie, Kathleen E. McKeough, Victor J. Orsinger II, H. Douglas Randall III, Edwin J. Santos, and John F. Treanor is considered independent under the NASDAQ Listing Rules. The Corporation's Board has also determined that nominee John T. Ruggieri is considered independent.

Any interested party who wishes to make their concerns known to the independent directors may avail themselves of the same procedures utilized for shareholder communications with the Corporation's Board, which procedures are described under the heading "Communications With the Board of Directors" later in this Proxy Statement.

Executive Sessions

The Board believes that executive sessions consisting solely of independent directors are part of good governance practices. The Board conducts executive sessions as deemed necessary from time to time and as otherwise required by the NASDAQ Listing Rules.

Director Nominations

The Nominating Committee identifies, evaluates and recommends director candidates to the Board. Neither the Nominating Committee nor the Board has a policy with regard to the consideration of diversity in identifying director nominees, although both may consider diversity when identifying and evaluating proposed director candidates. At a minimum, each nominee to become a Board member, whether proposed by a shareholder or any other party, must:

1. have the highest personal and professional integrity, demonstrate sound judgment and effectively interact with other members of the Corporation's Board to serve the long-term interests of the Corporation and our shareholders;
2. have experience at a strategic or policy-making level in a business, government, not-for-profit or academic organization of high standing;
3. have a record of distinguished accomplishment in his or her field;
4. be well regarded in the community and have a long-term reputation for the highest ethical and moral standards;
5. have sufficient time and availability to devote to the affairs of the Corporation, particularly in light of the number of boards on which the nominee may serve; and

6. to the extent such nominee serves or has previously served on other boards, have a demonstrated history of actively contributing at board meetings.

The Nominating Committee evaluates all such proposed nominees in the same manner, without regard to the source of the initial recommendation of such proposed nominee. In seeking candidates to consider for nomination to fill a vacancy on the Corporation's Board, the Nominating Committee may solicit recommendations from a variety of sources, including current directors, our Chief Executive Officer and other executive officers. The Nominating Committee may also engage a search firm to identify or evaluate or assist in identifying or evaluating candidates. The Nominating Committee will consider nominees recommended by shareholders. Shareholders who wish to submit recommendations for candidates to the Nominating Committee must submit their recommendations in writing to the Corporate Secretary of the Corporation at 23 Broad Street, Westerly, RI 02891, who will forward all recommendations to the Nominating Committee. For a shareholder recommendation to be considered by the Nominating Committee for election at the 2020 Annual Meeting of Shareholders, it must be submitted to the Corporation by November 13, 2019. All shareholder recommendations for nominees must include the following information:

1. the name and address of record of the shareholder;
2. a representation that the shareholder is a record holder of our securities, or if the shareholder is not a record holder, evidence of ownership in accordance with Rule 14a-8(b)(2) of the Exchange Act;
3. the name, age, business and residential address, educational background, current principal occupation or employment, and principal occupation or employment for the preceding five full fiscal years of the proposed nominee;
4. a description of the qualifications and background of the proposed nominee that addresses the minimum qualifications and other criteria for board membership approved by the Corporation's Board;
5. a description of all arrangements or understandings between the shareholder and the proposed nominee;
6. the consent of the proposed nominee to (a) be named in the proxy statement relating to our 2020 Annual Meeting of Shareholders, and (b) serve as a director if elected at the 2020 Annual Meeting of Shareholders; and
7. any other information regarding the proposed nominee that is required to be included in a proxy statement filed pursuant to the rules of the Securities and Exchange Commission ("SEC").

Shareholder nominations that are not submitted to the Nominating Committee for consideration may be made at an Annual Meeting of Shareholders in accordance with the procedures set forth in clause (e) of Article Eighth of our Articles of Incorporation. Specifically, advanced written notice of any nominations must be received by the Corporate Secretary not less than 14 days nor more than 60 days prior to any meeting of shareholders called for the election of directors (provided that if fewer than 21 days' notice of the meeting is given to shareholders, notice of the proposed nomination must be received by the Corporate Secretary not later than the close of the 10th day following the day on which notice of the meeting was mailed to shareholders).

The Board's Role in Risk Oversight

The Board's role in the Corporation's risk oversight process includes receiving regular reports from members of senior management on areas of material risk to the Corporation, including operational, credit, interest rate, liquidity, fiduciary, legal, regulatory, compensation, strategic and reputational risks. The full Board of the Corporation or the Bank (or the appropriate Committee in the case of risks that are under the purview of a particular Committee) receives these reports from the appropriate "risk owner" within the Corporation's management to enable it to understand and determine the adequacy of our risk identification, risk management and risk mitigation strategies. When a Committee receives a report, the Chairman of the relevant Committee reports on the discussion to the full Board of the Corporation or the Bank at the next Board meeting. This enables the Board and its Committees to coordinate the risk oversight role, particularly with respect to risk interrelationships. As part of its charter, the Audit Committee is responsible for review and oversight of the Corporation's Enterprise Risk Management Program.

Communications With the Board of Directors

Any shareholder desiring to send communications to the Corporation's Board, or any individual director, may forward such communication to our Corporate Secretary at our offices at 23 Broad Street, Westerly, RI 02891. The Corporate Secretary will collect all such communications and forward them to the Corporation's Board and any such individual director.

Board of Directors

The following is biographical information as of March 12, 2019 for each member of and nominee for the Board of Directors, including positions held, principal occupation and business experience for the past five years or more. The description includes the specific experience, qualifications, attributes and skills that, in the case of each nominee for director, led to the conclusion by the Board of Directors that such person should serve as a director of the Corporation; and in the case of each director who is not standing for election at the Annual Meeting, that the Board of Directors would expect to consider if it were making a conclusion currently as to whether such person should serve as a director. Additionally, we believe each has a reputation for honesty, integrity and adherence to high ethical standards, and has demonstrated business acumen and sound judgment, as well as a commitment to the Corporation and its shareholders. All current directors of the Corporation also serve on the board of directors of our subsidiary bank, The Washington Trust Company, of Westerly (the "Bank").

John J. Bowen

Age: 67 Director Since: 2011 Term in Office Expires: 2020

Business Experience: Mr. Bowen retired from Johnson & Wales University in 2018 and was elected Chancellor

Emeritus. Previously he served as Chancellor, President and Chief Executive Officer of the University from 2010 until his retirement and as President and Chief Executive Officer from 2004 to 2010. He serves as a board member for a wide variety of not-for-profit organizations and has previously served as a director of a large regional bank.

Mr. Bowen's qualifications to serve on the Board of Directors include his experience leading a large, successful institution; experience on governing boards of nonprofit and for-profit corporations; and previous experience in the banking industry.

Steven J. Crandall

Age: 66 Director Since: 1983 Term in Office Expires: 2021

Business Experience: Mr. Crandall has served as Vice President of Ashaway Line & Twine Manufacturing Co., a manufacturer of sporting goods products and medical threads, for more than 40 years. His experience and responsibilities include domestic and international sales and marketing, corporate finance and financial analysis, and human resources management. Mr. Crandall's qualifications to serve on the Board of Directors include his extensive experience in sales and marketing as well as the management of a successful commercial and industrial business.

Robert A. DiMuccio, CPA

Age: 61 Director Since: 2010 Term in Office Expires: 2020

Business Experience: Mr. DiMuccio has served as President and Chief Executive Officer of Amica Mutual Insurance Company since 2005, also serving as Chairman since 2009. He joined Amica in 1991 as a Vice President and has served in various positions of progressive

responsibility, including Chief Financial Officer and Treasurer. Prior to joining Amica, he was an audit partner with the public accounting firm of KPMG LLP, with public and non-public company audit experience, including banking and insurance companies. He is also a director and past Chair of the Property Casualty Insurers Association of America and has earned the Chartered Property Casualty Underwriter (CPCU) designation. Mr. DiMuccio's qualifications to serve on the Board of Directors include his extensive experience in the areas of audit, accounting and financial reporting, as well as his record of leadership in the financial services industry.

Edward O. Handy III

Age: 57 Director Since: 2016 Term in Office Expires: 2019
Business Experience: Mr. Handy assumed the role of Chairman and Chief Executive Officer of the Corporation and the Bank, in March 2018, after serving as President and Chief Operating Officer of the Corporation and the Bank since November 2013. Prior to joining Washington Trust, he served as President of Citizens Bank in Rhode Island and Connecticut from 2009 to 2013; Executive Vice President, Head of Commercial Real Estate from 2007 to 2009; President / Chief Executive Officer of Charter One Bank, an affiliate of Citizens Bank, from 2005 to 2008; and various positions of senior leadership at Citizens Bank and related companies, primarily in commercial real estate lending, from 1995 to 2005. Prior to that, he held positions at Fleet National Bank with concentration in commercial lending and credit analysis. Mr. Handy's qualifications to serve on the Board of Directors include his extensive banking and leadership experience, with particular emphasis on his extensive background in the area of commercial lending.

Constance A. Howes, Esq.

Age: 65 Director Since: 2018 Term in Office Expires: 2021
Business Experience: Ms. Howes served as President and CEO of Women & Infants Hospital of Rhode Island from October 2002 through October 2013. She served at Care New England Health System as EVP of Women's Health from October 2013 through October 2015, and Women's Health Advisor from November 2015 through July 2016. Prior to working in healthcare, she practiced business law in Providence, RI. She served as an Adjunct Professor at Roger Williams School of Law, teaching Health Law and Policy in 2017, and is a Faculty Advisor for the Brown University Executive Master of Healthcare Leadership program. She previously served on the Board of Trustees of the American Hospital Association and as the Chair of the RI Governor's Workforce Board. She also served on the RI Board of Education, as well as on the boards of numerous community organizations. Ms. Howes' qualifications to serve on the Board of Directors include her extensive legal expertise; her experience as an executive of several large healthcare organizations; and her experience on governing boards of various non-profit, industry and government entities.

Katherine W. Hoxsie, CPA

Age: 70 Director Since: 1991 Term in Office Expires: 2019
Business Experience: Ms. Hoxsie has been retired since 2008. She previously served as the Vice President of

Hoxsie Buick-Pontiac-GMC Truck, Inc. automotive dealership, responsible for the company's management and operations from 1991 until 2008. Prior to 1991, Ms. Hoxsie was employed by the public accounting firm of Price Waterhouse with experience in audits of public and non-public companies, including financial services companies. Ms. Hoxsie's qualifications to serve on the Board of Directors include her expertise in the areas of audit, finance, accounting and taxation, as well as her knowledge of regulatory and financial reporting requirements.

Joseph J. MarcAurele

Age: 67 Director Since: 2009 Term in Office Expires: 2021
Business Experience: Mr. MarcAurele served as Chairman and Chief Executive Officer of the Corporation and the Bank from April 2010 until his retirement in March 2018. He held the additional title of President of the Corporation and the Bank from April 2010 to November 2013. Prior to joining Washington Trust in 2009 as President and Chief Operating Officer of the Corporation and the Bank, he served as President of Citizens Bank from 2007 to 2009. He held positions of President and Chief Executive Officer of Citizens Bank entities in Rhode Island and Connecticut from 2001 to 2007, and held a series of positions of executive leadership at Citizens Bank from 1993 to 2001 in the areas of commercial lending, wealth management and private banking. Prior to that, Mr. MarcAurele held positions at Fleet National Bank with concentration in commercial lending and credit analysis and also held the position of Senior Vice President, Director of Human Resources. Mr. MarcAurele's qualifications to serve on the Board of Directors include his extensive experience in banking and financial services, experience in positions of executive leadership, and knowledge of the business community in our market area.

Kathleen E. McKeough

Age: 68 Director Since: 2003 Term in Office Expires: 2019
Business Experience: Ms. McKeough is retired and previously served as Senior Vice President, Human Resources, of GTECH Holdings Corporation, a lottery industry and financial transaction processing company, from 2000 to 2004. From 1991 to 1999, she served with the U.S. division of Allied Domecq, PLC, a manufacturer and franchiser for 6,500 franchised stores, in positions including Treasurer, Chief Financial Officer and Senior Vice President, Human Resources. Previously, she held positions in commercial lending and credit administration with Bank of Boston. Ms. McKeough's qualifications to serve on the Board of Directors include her extensive experience in human resources matters as well as her experience in finance and banking.

Victor J. Orsinger II, Esq.

Age: 72 Director Since: 1983 Term in Office Expires: 2019
Business Experience: Mr. Orsinger is an attorney and since January 1, 2012, has had an independent law practice. He was a partner in the law firm of Orsinger & Nardone Law Offices from 1985 through December 31, 2011. Previously, Mr. Orsinger was engaged in the practice of law either as a sole practitioner or affiliated with other

attorneys and firms. Mr. Orsinger has more than 46 years of legal experience in the areas of real estate, estate planning and probate matters, commercial loan transactions, and corporate and partnership law. Mr. Orsinger's qualifications to serve on the Board of Directors include his broad legal experience, including in the areas of commercial and residential real estate lending and wealth management, and knowledge of corporate governance matters.

H. Douglas Randall III

Age: 71 Director Since: 2000 Term in Office Expires: 2020
Business Experience: Mr. Randall serves as Chief Executive Officer of Randall, Realtors, and holds the title of Chief Executive Officer in several related firms including Kinlin Grover Real Estate (since 2009), Kinlin Grover Commercial (since 2010), Page Taft (since 2011) and Pequot Commercial (since 2012). These firms operate 35 realty offices with 690 professionals and staff in Rhode Island, Massachusetts and Connecticut. He has more than 45 years of experience in realty and property use matters, holding Graduate Realtors Institute and Certified Residential Broker designations. His qualifications to serve on the Board of Directors include his extensive experience and knowledge of real estate matters as well as the management of a successful realty business.

John T. Ruggieri

Age: 62

Nominee for Director

Business Experience: Mr. Ruggieri has served since 2005 as Senior Vice President and Chief Financial Officer for Gilbane Building Company, a global integrated construction and facility management services firm, and as Vice President and Chief Financial Officer for Gilbane, Inc., a global construction and real estate development firm. Prior to joining the Gilbane companies, he served as Executive Vice President and Chief Financial Officer for Emissive Energy Corporation, a manufacturer of lighting electronics and equipment. From 1980 through 2004, he worked for A.T. Cross Company, an international manufacturer of fine writing instruments, timepieces and personal accessories, holding various positions of increasing responsibility, ultimately being named Senior Vice President and Chief Financial Officer in 1997 and assuming the additional responsibility of President, Pen Computing Group in 2001. Mr. Ruggieri is a former certified public accountant. His qualifications to serve on the Board of Directors include his expertise in the areas of audit, finance, accounting and taxation, as well his experience as an executive of several large companies and knowledge of real estate development, facilities management and construction matters.

Edwin J. Santos

Age: 59 Director Since: 2012 Term in Office Expires: 2021

Business Experience: Mr. Santos has had a distinguished career in banking, with experience in risk management, corporate governance, management advisory services, acquisitions, and reengineering efforts. He served for many years in various positions of significant responsibility with FleetBoston Financial Group and most recently served as Group Executive Vice President and General Auditor for Citizens Financial Group prior to his retirement in 2009. Mr. Santos currently serves as Chairman of Prospect CharterCARE, LLC and is Past President of the Board of Trustees of the Rocky Hill School. He is a member of the Bryant University Board of Trustees. Mr. Santos' professional competency, broad experience in the financial services industry and strong reputation in the Rhode Island community qualify him to serve on the Board of Directors.

John F. Treanor

Age: 71 Director Since: 2001 Term in Office Expires: 2020

Business Experience: Mr. Treanor served as President and Chief Operating Officer of the Corporation and the Bank from 1999 until his retirement in 2009. Mr. Treanor has more than 45 years of experience in the financial services

industry. Prior to joining Washington Trust, he held Chief Financial Officer positions with commercial banks for ten years and previously served as Director of Corporate Planning and Mergers and Acquisitions for a major Boston bank. Mr. Treanor is a member of the board of directors of the Federal Home Loan Bank of Boston, where he serves as chairman of its finance committee, and served as a member of the board of directors of Beacon Mutual Insurance Company from 2009 to 2014, where he served as chairperson of its audit committee. Mr. Treanor's qualifications to serve on the Board of Directors include his strong background in banking and finance as well as his extensive knowledge of regulatory and governance matters.

None of our director nominees or incumbents serves or has served during the past five years as a director of any other company with a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or that is registered as an investment company under the Investment Company Act of 1940, as amended.

Board Composition, Qualifications and Diversity

We believe the Board is comprised of an effective mix of experience, skills and perspectives. The following charts and graphs highlight the current composition of our Board.

Committee Membership and Meetings

Current Committee membership and the number of meetings of the full Board and each Committee held during 2018, are shown in the following table.

	Independent Director	Board	Audit Committee	Compensation Committee	Executive Committee	Nominating Committee
John J. Bowen	n	n		n		
Steven J. Crandall	n	n	n			
Robert A. DiMuccio, CPA	n	n	n+	n		
Edward O. Handy III		¬ ^(a)			n	
Constance A. Howes, Esq.	n	n	n	n		
Katherine W. Hoxsie, CPA	n	n	t+		n	n
Joseph J. MarcAurele		n			n	
Kathleen E. McKeough	n	n	n	t	n	n
Victor J. Orsinger II, Esq.	n	μ			t	t
H. Douglas Randall III	n	n				
Edwin J. Santos	n	n	n	n	n	n
John F. Treanor	n	n				
Number of Meetings in 2018		11	16	6	2	6

¬ = Chairperson of the Board μ = Lead Director t = Committee Chair n = Member + = Financial Expert

(a) Mr. Handy assumed this role on March 2, 2018. The role was previously held by Mr. MarcAurele.

During 2018, each member of the Corporation's Board attended at least 75% of the aggregate number of meetings of the Corporation's Board and the Committees of the Corporation's Board of which such person was a member. While we do not have a formal policy related to Board member attendance at annual meetings of shareholders, directors are encouraged to attend each annual meeting to the extent reasonably practicable. All directors except Messrs. Orsinger and Randall attended the April 24, 2018 Annual Meeting of Shareholders.

Executive Committee

When the Corporation's Board is not in session, the Executive Committee is entitled to exercise all the powers and duties of the Corporation's Board.

Nominating Committee

The Nominating Committee has a written charter that is available on our website at <http://ir.washtrust.com/govdocs>. The Nominating Committee's responsibilities and authorities, which are discussed in detail in its charter, include, among other things:

Establishing procedures for identifying and evaluating nominees for the Board.

Establishing procedures to be followed by shareholders in submitting recommendations for director candidates to the Nominating Committee.

Evaluating and recommending to the Board qualified individuals to serve as Board and/or Committee members.

Reviewing and assessing succession plans for the Chief Executive Officer position.

Developing and recommending to the Corporation's Board a set of Corporate Governance Guidelines and recommending any changes to such Guidelines.

Overseeing the evaluation of the Corporation's Board and management.

The Nominating Committee recommended that Edward O. Handy III; Katherine W. Hoxsie, CPA; Kathleen E. McKeough; and John T. Ruggieri be nominated for election to serve as directors until the 2022 Annual Meeting of Shareholders.

Audit Committee

The Audit Committee has a written charter that is available on our website at <http://ir.washtrust.com/govdocs>. The charter is reviewed annually and amended as appropriate to reflect the evolving role of the Audit Committee. The responsibilities of the Audit Committee include, among other things:

overseeing and reviewing our financial statements, accounting practices and related internal controls, as well as audits of the financial statements of the Corporation and its subsidiaries;

overseeing our relationship with our independent registered public accounting firm, including having the sole authority and responsibility for all decisions related to appointing, compensating, evaluating, retaining, assessing the independence of, and, when appropriate, replacing the Corporation's independent registered public accounting firm; overseeing our internal audit function;

reviewing and approving all audit plans, including scope and staffing;

establishing procedures for the submission, receipt and treatment of complaints or concerns regarding accounting or auditing matters; and

overseeing and reviewing the Corporation and the Bank's compliance program and risk management efforts, as well as our credit review program and related results, asset quality and the adequacy of our allowance for loan losses.

Management is responsible for the financial reporting process, including the Corporation's system of internal controls, and the preparation of the Corporation's consolidated financial statements in accordance with U.S. generally accepted accounting principles. The Corporation's independent registered public

accounting firm is responsible for performing an independent audit of the Corporation's consolidated financial statements and internal controls over financial reporting in accordance with the auditing standards of the Public Company Accounting Oversight Board ("PCAOB") and to issue a report thereon. The Audit Committee's responsibility is to oversee and review these processes, and it relies on the expertise and knowledge of management, the internal auditor and the independent auditor in carrying out that role. The Audit Committee is not professionally engaged in the practice of accounting or auditing and does not provide any expert or other special assurance or professional opinion as to the sufficiency of internal and external audits, whether the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles or on the effectiveness of the Corporation's system of internal controls.

In order to assure continuing auditor independence, the Audit Committee periodically considers whether there should be a regular rotation of the independent registered public accounting firm. Additionally, in conjunction with the mandated rotation of the audit firm's lead engagement partner, the Audit Committee is directly involved in the selection of the new lead engagement partner.

In 2018, the Audit Committee approved the engagement of Crowe LLP as the Corporation's independent registered public accounting firm for the fiscal year 2019. This decision, which was ratified by the Board of Directors, followed a comprehensive and competitive review process through which numerous accounting firms were reviewed and evaluated. KPMG LLP has been dismissed as the Corporation's independent registered public accounting firm, effective upon filing of the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2018. The Board has determined that each member of the Audit Committee is an independent director under the NASDAQ Listing Rules and Rule 10A-3(b)(1) under the Exchange Act. In addition, the Board has determined that Ms. Hoxsie, Mr. DiMuccio and Director Nominee Ruggieri each qualify as an "audit committee financial expert" under the Exchange Act.

The Audit Committee's report on our audited financial statements for the fiscal year ended December 31, 2018 appears under the heading "Audit Committee Report" later in this Proxy Statement.

Compensation Committee

The Compensation Committee has a written charter that is available on our website at <http://ir.washtrust.com/govdocs>. Generally, the Compensation Committee is responsible for executive and director compensation decisions, and reports all actions to the members of the Corporation's Board. The Compensation Committee's responsibilities and authorities, which are discussed in detail in its charter, include, among other things: Establishing our compensation philosophy, and reviewing compensation practices to ensure alignment with that philosophy.

Establishing annual compensation for the Chief Executive Officer and all other executive officers including salary, incentive, and equity compensation.

Establishing incentive plans for all employees, and approving awards under such plans to the Chief Executive Officer and all other executive officers.

Establishing director compensation.

Approving equity compensation awards and the terms of such awards to employees and directors.

Reviewing the impact of our compensation practices in relation to the Corporation's risk management objectives.

Administering our retirement, benefit, and equity compensation plans, programs and policies.

A schedule of meetings and preliminary agenda is approved by the Compensation Committee at the end of each year for the coming fiscal year. The agenda for Compensation Committee meetings is determined by its Chairperson with the assistance of the Chief Human Resources Officer. Compensation Committee meetings are regularly attended by the Chief Executive Officer and other members of the senior management team, although they are not voting members nor are they present during executive session

deliberations regarding their own compensation. The Compensation Committee meets regularly in executive session without the presence of employee directors and management.

The Compensation Committee has authority under its charter to select, retain, terminate and approve the fees of advisers, counsel or other experts or consultants, as it deems appropriate. The Compensation Committee has engaged Meridian Compensation Partners, LLC (“Meridian”), an independent compensation consulting firm, to assist in fulfillment of its duties. Meridian was selected by the Compensation Committee after review of, among other things, the Compensation Committee’s needs, the qualifications of the firm’s personnel, the firm’s independence, the firm’s resources, past experience with the firm, and a good faith estimate of fees, and was not made pursuant to the recommendation of management. The compensation consultant advises the Compensation Committee with respect to compensation and benefit trends, best practices, market analysis, plan design and establishing targets for individual compensation awards. The use of an independent compensation consultant provides additional assurance that our executive compensation programs are reasonable and consistent with our philosophy and objectives. The compensation consultant reports directly to the Compensation Committee, and meets with members at least annually in executive session without the presence of employee directors and management. The Compensation Committee does not prohibit Meridian from providing services to management, but such engagement must be requested or approved by the Compensation Committee. The Compensation Committee has considered all relevant factors, including the six factors listed in Rule 10C-1(b)(4) of the Exchange Act and further included in the Compensation Committee’s charter, and determined that no conflict of interest exists with respect to Meridian.

During 2018, Meridian received total remuneration of \$61,436 for consulting services on behalf of the Compensation Committee related to compensation analysis and planning. We did not engage Meridian for any services other than those related to executive and director compensation consulting on behalf of the Compensation Committee.

The Compensation Committee may delegate authority to fulfill certain administrative duties regarding the compensation and benefit programs to our management team. The Compensation Committee solicits the input and recommendations of the Chief Executive Officer for compensation awards to other executives, including the named executive officers. Such awards are further discussed in executive session, with decisions made by the Compensation Committee without the Chief Executive Officer’s involvement.

The Compensation Committee’s report on executive compensation appears under the heading “Compensation Discussion and Analysis” later in this Proxy Statement.

Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information as of February 27, 2019 regarding (i) the beneficial ownership interest in our common stock of the directors and certain executive officers of the Corporation and the Bank, (ii) the beneficial ownership interest of all directors and executive officers of the Corporation, as a group, and (iii) the security holdings of each person, including any group of persons, known by the Corporation to be the beneficial owner of five percent (5%) or more of our common stock outstanding.

Common Stock	Exercisable Options (a)	Vested Restricted Stock Units (b)	Total (c)	Percentage Of Class
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Nominees and Directors: