

ALIGNED IN PURPOSE

2020 ANNUAL REPORT



Serving Local Communities
since 1907

**INDEPENDENT
BANK CORP.**

Parent of Rockland Trust

Rockland Trust, the sole subsidiary of Independent Bank Corp. (INDB), is a full-service commercial bank headquartered in Massachusetts. The Bank has over 1,400 colleagues at more than 95 branches, 16 commercial lending centers, 10 investment management offices, and 8 mortgage offices.

Rockland Trust provides personal and business banking, commercial lending, investment management, insurance, mortgages, home equity lending, and mobile and online banking.

FINANCIAL CONDITION DATA

As of and for the year ended December 31

<i>(Dollars in thousands, except per share data)</i>	2020	2019	2018	2017	2016
Loans	\$ 9,392,866	\$ 8,873,639	\$ 6,906,194	\$ 6,355,553	\$ 5,999,605
Total assets	13,204,301	11,395,165	8,851,592	8,082,029	7,709,375
Total deposits	10,993,170	9,147,367	7,427,120	6,729,253	6,412,253
Stockholders' equity	1,702,685	1,708,143	1,073,490	943,809	864,690
CAPITAL RATIOS					
Tier 1 leverage capital ratio	9.56%	11.28%	10.69%	10.04%	9.77%
OPERATING DATA					
Net interest income	\$ 367,728	\$ 393,135	\$ 298,165	\$ 258,860	\$ 227,844
Noninterest income	111,440	115,294	88,505	82,994	82,428
Noninterest expenses	273,832	284,321	225,969	204,359	192,122
Net income	121,167	165,175	121,622	87,204	76,648
PER SHARE DATA					
Net income—diluted	\$ 3.64	\$ 5.03	\$ 4.40	\$ 3.19	\$ 2.90
Cash dividends declared	1.84	1.76	1.52	1.28	1.16
OPERATING RATIOS					
Return on average assets	0.96%	1.52%	1.46%	1.11%	1.04%
Return on average common equity	7.13%	10.85%	12.31%	9.55%	9.43%
Net interest margin (on a fully tax equivalent basis)	3.29%	4.04%	3.91%	3.60%	3.40%
ASSET QUALITY RATIOS					
Nonperforming loans as a percent of gross loans	0.71%	0.54%	0.66%	0.78%	0.96%
Nonperforming assets as a percent of total assets	0.51%	0.42%	0.51%	0.62%	0.80%

The selected consolidated financial and other data of the Company set forth above does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by, the more detailed information, including the Consolidated Financial Statements and related notes, appearing in the Company's Form 10-K.



CHRISTOPHER ODDLEIFSON
CEO, INDEPENDENT BANK CORP. & ROCKLAND TRUST

purpose *noun*

pur·pose | \ 'pər-pəs\

: the reason why something is done or used ; the aim or intention of something

: the feeling of being determined to do or achieve something

: the aim or goal of a person ; what a person is trying to do, become, etc.

Source: Merriam Webster Dictionary

DEAR FRIENDS,

At Rockland Trust, we have long understood that being the Bank Where Each Relationship Matters® shapes who we are as an organization. The events of this past year brought us to a truly profound understanding of the role relationships play in both our personal lives and at work, as well as the purpose they bring to all that we do.

We entered 2020 carrying the momentum of a record-setting prior year and a decade of substantial growth. By the end of the first quarter, we found ourselves in the unimaginable environment brought on by the COVID-19 pandemic. Although we did not achieve record financial results nor announce an important acquisition, it was a year of exceptional performance and transformation guided by a deep sense of purpose. The many challenges of 2020 revealed the courage and resourcefulness of my colleagues. Our work, and the care and compassion evident in our relationships with each other and our customers, brought deeper meaning to a year we will remember with pride.

While our total assets grew by nearly 16% to \$13.2 billion in 2020, our full-year operating earnings of \$121.7 million and earnings per share of \$3.66 decreased by 34.1% and 34.9%, respectively. An elevated, mostly COVID-driven, \$52.5 million loan loss provision, coupled with decreasing net interest income due to a lower interest rate environment, significantly impacted our financial results. The bottom-line, however, does not reflect our strong business generation. Despite the challenging environment, we helped customers by originating a record \$3.0 billion of loans, up 11% from 2019, not including the approximate \$811 million in loans we

Where Each Relationship Matters®

SERVES AS AN **ASPIRATION** & AN **INSPIRATION**

made through the Small Business Administration Paycheck Protection Program (PPP). Our core deposits grew 29.9% to \$9.8 billion, due primarily to a combination of PPP loan funds and other government stimulus programs, in addition to record new business account originations and very strong new consumer deposit account originations. Assets under management in our wealth management business grew 8.5% to nearly \$5 billion due to new customer relationships and organic growth. In addition, our commitment to building strong communities earned Rockland Trust an 'Outstanding' Community Reinvestment Act rating from the Federal Deposit Insurance Corporation and the Massachusetts Division of Banks.

As the pandemic unfolded, our vision of Rockland Trust as the Bank Where Each Relationship Matters® served as our foundation. We've always known the compelling nature of this purpose because of how it connects us to the human need for relationships, transforming banking from a transaction into an opportunity to make a positive difference in the lives of others. Our relationships motivate us to do the best we can for customers, in good times and in bad. The throes of the pandemic, and the physical and financial uncertainties it created, reminded us why we exist as a company. Aligned in purpose, our energy mobilized significant discretionary effort to overcome a difficult environment. More than any other year in our lives, 2020 gave us an opportunity to make a difference... and we did.

“

LAST MARCH, WHEN
THE COUNTRY ENTERED
A LOCKDOWN PERIOD,
WE WERE DESIGNATED
AN ESSENTIAL
BUSINESS—
A RESPONSIBILITY
WE TOOK TO
HEART.

Last March, when the country entered a lockdown period, we were designated an essential business- a responsibility we took to heart. Amid all the uncertainty, our colleagues created a feeling of comfort and safety for customers. Despite unprecedented circumstances we remained committed to our customers, immediately instituting a 90-day foreclosure moratorium on residential loans at the onset of the pandemic, waiving late charges for consumer loan payments as well as penalties for early CD withdrawals, and offering payment deferral options for mortgage and home equity loans. We also increased daily debit card spending, ATM withdrawal, and mobile banking limits. My colleagues helped customers navigate a difficult year in many ways:

- With the support of hundreds of other Rockland Trust colleagues, our Business Bankers, Commercial Lenders, and customer-facing Retail employees secured PPP funding for over 6,100 businesses— saving over 80,000 jobs from being eliminated.
- Our Loan Operations group modified nearly 2,000 loans to help provide relief for consumers and businesses on top of managing a record loan origination volume.
- Our Banking Operations team processed hundreds of thousands of stimulus payments.
- Our Customer Information Center helped thousands of customers become familiar with telephone, online, and mobile banking, giving many consumers and businesses comfort that they could stay connected with Rockland Trust.
- Our Investment Management Group conducted virtual financial planning sessions and delivered weekly communications to ensure clients were up to date on the turbulent market and able to rest assured that their financial future was well taken care of.
- Our branch team reached out to thousands of customers to touch base, wrote inspirational notes on the back of cash envelopes, and gave customers gift cards from local businesses to brighten their day and support our business customers.
- Our Mortgage Loan Officers met with customers outdoors during loan closings, using cookie sheets and porch railings to sign documents at a safe distance.





Our relationship-based purpose was also evident in how we prioritized the well-being of our colleagues, who have given so much to our customers. While the care and respect we have for each other is always demonstrated in thousands of kind acts, this past year, our commitment was demonstrated in even bigger ways:

- Our Information Technology department implemented remote work capabilities for over 650 colleagues, about 50% of our workforce, in a few short weeks.
- We implemented weekly communications focused on encouragement and appreciation.
- We used video conferencing to help us stay connected.
- Our Corporate Services team worked tirelessly to provide Personal Protective Equipment and cleaning supplies, even when demand significantly outweighed supply.
- Our Marketing team assisted our Business Bankers by implementing programs to support their customers, including a contest that awarded free billboard advertising to over 50 local businesses.
- Our Retail Training and Development group converted from in-person trainings to a digital training curriculum.
- And our Human Resources team were at the forefront assisting with the transition to remote work and facilitating efforts to care for our colleagues and keep us all safe.

Our focus on “each relationship” naturally led to our ongoing commitment to diversity, equity, and inclusion. COVID-19’s disproportionate impact on Black and Brown communities, as well as the tragic deaths of Ahmaud Arbery, Breonna Taylor, and George Floyd served as a renewed, nationwide call to address the racial inequities and injustices that still exist today. At Rockland Trust, we prioritized and increased our diversity, equity and inclusion (DE&I) efforts more than ever before, launching programs designed to advance Professionals of Color and encourage everyday allyship. Colleagues across the Bank raised their hands to become actively involved and participation in our DE&I programs tripled.

WE SECURED **PPP FUNDING** FOR

6,100+

BUSINESSES

SAVING OVER **80,000 JOBS** FROM BEING ELIMINATED



Our pursuit of making a difference extended to the communities where we live and work. In 2020, Rockland Trust and its affiliated foundations gave nearly \$2.3 million in grants. Enclosed with my letter is a report of our full-year giving. In addition, for the second year in a row, Rockland Trust colleagues participated in the Pan-Mass Challenge to raise money for life-saving cancer research and treatment at the Dana-Farber Cancer Institute. This year, the bike-a-thon was held as a virtual event, but our team of 25 colleagues still organized a group ride. They devised their own route, coordinated a support van to help riders with mechanical issues and planned water stops at our branches along the way. Together, they raised nearly \$250,000 in honor of their family, friends, and loved ones who have been affected by cancer.

THE ROCKLAND TRUST PMC TEAM RAISED

\$250,000

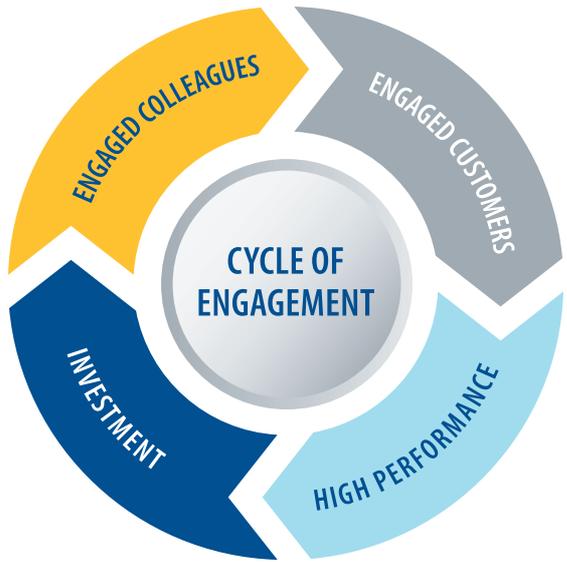
IN HONOR OF THEIR FAMILY, FRIENDS, AND LOVED ONES WHO HAVE BEEN AFFECTED BY CANCER.



In addition to managing through the crisis, we also remained committed to growing our organization throughout the year. We increased our Worcester presence with key commercial banking hires, opened two new branches, deployed eight in-store ATMs, and added another ATM with Live Teller Services. Our Operations team streamlined many manual processes through Robotic Process Automation, deployed electronic signature tools to enable customers to remotely modify or

close loans. We also successfully deployed a PPP forgiveness portal and fully implemented our new commercial loan origination platform for business relationships under \$2 million.

Despite the growing list of challenges and arduous work schedules, Rockland Trust colleague engagement, as measured by the annual Boston Globe “Top Places to Work” survey, was significantly higher than the national average and actually increased from 2019. This increased level of engagement and dedication is directly facilitated by our alignment around our clear purpose and an understanding that the challenges require our collective effort to overcome. Our Cycle of Engagement (see below) is a positive reinforcing loop that is fueled by my colleagues’ engagement and produces an award-winning bank for our customers (see Accolades on page 11).



ENGAGED EMPLOYEES PROVIDE EXEMPLARY SERVICE TO OUR CUSTOMERS, WHO REWARD US WITH MORE BUSINESS, WHICH ENABLES US TO REINVEST IN OUR COLLEAGUES, CUSTOMERS, AND COMMUNITIES.



“ WE HAVE, TOGETHER,
FOUND DEEPER MEANING
IN OUR WORK, ARE MORE
GRATEFUL, MORE PRESENT,
AND MORE RESILIENT THAN
EVER BEFORE. ”

OUR CORPORATE PROMISES

TO OUR COLLEAGUES:

WE ARE COMMITTED TO A CULTURE OF INCLUSION, RESPECT, TEAMWORK, AND EMPLOYEE ENGAGEMENT. EACH OF YOU IS CRITICAL TO OUR FUTURE AND WE WILL INVEST IN YOUR SUCCESS.

TO OUR CUSTOMERS:

YOU WILL RECEIVE EXEMPLARY SERVICE FROM CARING PROFESSIONALS WHO PROVIDE ADVOCACY, STABILITY, AND KNOWLEDGE IN FULFILLING YOUR FINANCIAL NEEDS.

TO OUR COMMUNITIES:

WE WILL STRENGTHEN THE COMMUNITIES IN WHICH WE WORK AND LIVE, AND BUILD ENDURING RELATIONSHIPS.

TO OUR SHAREHOLDERS:

EACH ONE OF US IS RESPONSIBLE TO HELP MEET OR EXCEED YOUR FINANCIAL AND ETHICAL EXPECTATIONS.

We closed the year with a mix of reflection and gratitude. In December 2020, Director David Powers stepped down from the Board after reaching the mandatory retirement age of 72. David joined the Board in April 2019, following our acquisition of Blue Hills Bank where he had served as a Director for over 20 years. We are thankful for David's service and, in particular, for the guidance he provided as we integrated Blue Hills Bank and the communities it served so well into Rockland Trust.

We will remember 2020 for the rest of our lives. I am honored to work alongside our incredible colleagues, and am deeply appreciative of the faith our customers, communities and shareholders continue to bestow on us. In 2020, we showed that when we are aligned in our shared vision, we are able to reach milestones at a pace we never thought possible. We have, together, found deeper meaning in our work, are more grateful, more present and more resilient than ever before. Today and always, we remain steadfast in the pursuit to be the Bank Where Each Relationship Matters®.



All the best,

Christopher Oddleifson

President and Chief Executive Officer
Independent Bank Corp. and
Chief Executive Officer
Rockland Trust Company



Serving Local Communities
Since 1907

COMMUNITY REPORT

2020

ROCKLAND
TRUST

BANK

Where Each Relationship Matters®

WE BELIEVE

that our future is tied to the well-being of the communities we serve. At Rockland Trust, being a bank is about more than providing financial products and services—it's also about being a strong advocate and steward for the community organizations that help support the individuals, families, and businesses that make up our communities. This is a fundamental belief that has been a core element of our culture for over a century.



\$2.34 MILLION

ROCKLAND TRUST AND ITS AFFILIATED FOUNDATIONS DONATED A COMBINED TOTAL OF \$2,341,928 TO SUPPORT LOCAL COMMUNITIES.



11 SCHOLARSHIPS

ELEVEN SCHOLARSHIPS WERE AWARDED THROUGH ROCKLAND TRUST'S ANNUAL SCHOLARSHIP PROGRAM FOR HIGH SCHOOL SENIORS.



OVER 13,000 BOOKS

OVER 1,300 SCHOOLCHILDREN PARTICIPATED IN READING MAKES CENT\$, READING OVER 13,000 BOOKS AND EARNING OVER \$34,000.



6,195 STUDENTS

OUR FINANCIAL LITERACY PROGRAM, MS. MONEY & THE COINS, PERFORMED 40 TIMES TO 6,195 ELEMENTARY SCHOOL STUDENTS IN SCHOOLS AND VIRTUALLY THROUGHOUT THE YEAR.



ROCKLAND TRUST

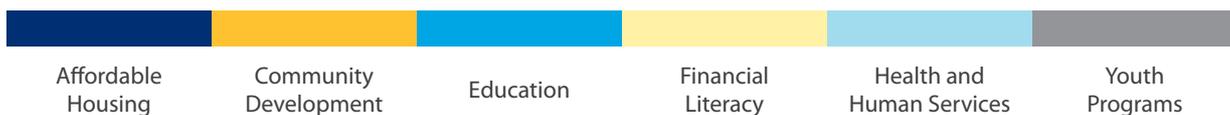
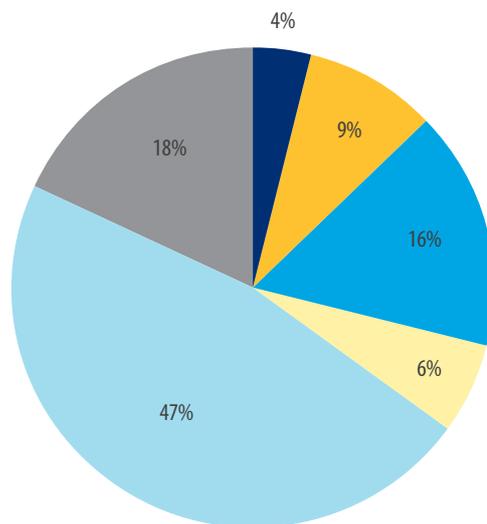
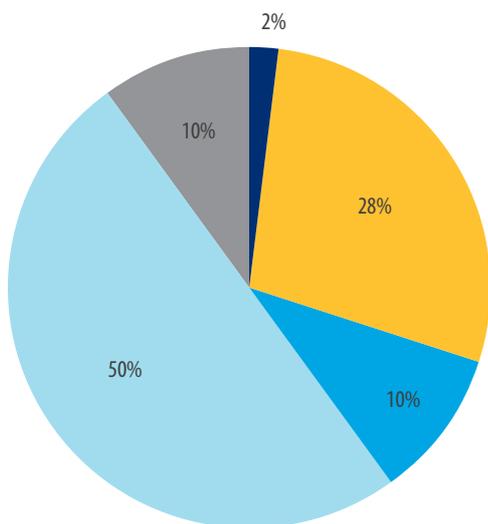
Corporate Giving

Affordable Housing	\$10,000
Community Development	\$123,205
Education	\$43,650
Health and Human Services	\$217,100
Youth Programs	\$42,300
TOTAL	\$436,255

ROCKLAND TRUST

Foundation Giving

Affordable Housing	\$78,000
Community Development	\$179,750
Education	\$296,000
Financial Literacy	\$119,201
Health and Human Services	\$889,572
Youth Programs	\$343,150
TOTAL	\$1,905,673



2020 ACCOLADES



Named by **The Boston Globe** as one of the “**Top Places to Work**” in Massachusetts for the 12th consecutive year.

Human Rights Campaign Foundation has designated **Rockland Trust** a **Best Place to Work for LGBTQ Equality** for the 6th consecutive year.



Named by the **Boston Business Journal** as one of the region’s **Top Corporate Charitable Contributors** for the 7th consecutive year.

Named by **Forbes** as one of the **World’s Best Banks for 2020**. **Rockland Trust** was ranked **1st** among Massachusetts Banks and **2nd** in New England.



Awarded **Gold** by **Banker & Tradesman** for their ‘Best of Awards’ in Commercial Lending and Alternative/Hard Money Lending as well as **Silver** for Real Estate Lending.

Named an honoree in the Finance & Business Category of **Global Finance’s Outstanding Crisis Leadership** program, which recognizes banks that excelled in responding to the global pandemic.



INDEPENDENT BANK CORP.

Parent of Rockland Trust

288 Union Street | Rockland, MA 02370 | 508.732.7072



Directors of Independent Bank Corp. and Rockland Trust Company

Donna L. Abelli
Board Chair

Warren Q. Fields

Michael P. Hogan

Kevin J. Jones

Mary L. Lentz

Eileen C. Miskell

John J. Morrissey

James O'Shanna Morton

Gerard F. Nadeau

Daniel F. O'Brien

Christopher Oddleifson

Scott K. Smith

Frederick Taw

Thomas R. Venables

Officers of Independent Bank Corp.

Christopher Oddleifson
President and Chief Executive Officer

Robert D. Cozzone
Chief Operating Officer

Mark Ruggiero
Chief Financial Officer and Chief Accounting Officer

Barry H. Jensen
Chief Technology and Operations Officer

Timothy C. Lane
Chief Internal Auditor

Patricia M. Natale
Deputy General Counsel and Corporate Secretary

Jonathan Nelson
Treasurer

Edward H. Seksay
Chief Risk Officer and General Counsel

Officers of Rockland Trust Company

Christopher Oddleifson
Chief Executive Officer

Gerard F. Nadeau
President and Chief Commercial Banking Officer

Robert D. Cozzone
Executive Vice President and Chief Operating Officer

Mark Ruggiero
Chief Financial Officer and Chief Accounting Officer

Maria Harris
Director of Human Resources

Alastair Ironside
Chief Marketing Officer

Barry H. Jensen
Chief Technology and Operations Officer

Timothy C. Lane
Chief Internal Auditor

Patricia M. Natale
Deputy General Counsel and Corporate Secretary

Jonathan Nelson
Treasurer

Edward H. Seksay
Chief Risk Officer and General Counsel

David B. Smith, CFA
Managing Director & Chief Investment Officer

Debra Smith
Director of Banking and Digital Operations