



To Our Shareholders:

September 15, 2022

### Momentum Continues to Build

I am pleased to report continued momentum, with net income for the second quarter totaling \$121.5 million, or \$1.38 per share. Operating pre-provision net revenue, or PPNR\*, totaled \$146.9 million.

Three operating themes drove our results this quarter. Those include the impact of overall higher rates, what we believe will be the end of reserve releases and higher operating expenses, mainly due to increased personnel costs. The movement up in rates was beneficial to our results as earning assets repriced, new loans and securities were added to the balance sheet at much higher yields, the majority of our floors on loans reset and we delayed moving deposit costs up. We also shifted our mix in earning assets as we used excess liquidity to grow loans, invest in the bond portfolio and fund deposit runoff. As a result of this activity, our NIM for the second quarter widened, pushing our margin back over 3%. Additionally, as expected, the movement in rates also served as a tailwind this quarter and helped us beat our targeted efficiency ratio of 55% ahead of plan.

Core loan growth (excluding PPP loans) exceeded our expectations, increasing over \$700 million linked-quarter. This more than offset this quarter's runoff in PPP loans. Contributors to the 13% linked-quarter annualized growth include improved line utilization, production in all geographic markets across our footprint, as well as a strong showing in health care, real estate and mortgage. There was relatively no change in our best-in-class deposit mix, with almost half in DDA and the other half in low-cost categories. Credit continued improving despite being at historically low levels last quarter; NPLs and criticized loans declined once again and net charge-offs were actually a net recovery for the quarter. As a result of this performance, we finished the quarter with a strong allowance for credit losses at 1.55%. I hope you agree with us that our results reflect a company well-positioned for today's uncertain environment.

### Diversity, equity and inclusion (DEI) are fundamental to the spirit of HWC's purpose, mission and values

As a company that greatly values differences—in thought, culture, ethnicity, and experience—we were excited to re-open our highly-regarded summer Corporate Internship Program (CIP) to in-person, on-site participation. Our CIP is a key component of the Company's Diversity, Equity, and Inclusion (DEI) strategy, focused on championing and developing qualified and diverse talent. Over 12 weeks, our 2022 intern class got to work alongside HWC associates across a variety of corporate disciplines, gaining vital real-world experience to complement the students' already sterling academic, professional, and extracurricular records.



*The 2022 CIP class, their managers and DEI leaders recently gathered for a diversity learning experience at the National World War II Museum in New Orleans.*



Mr. Victor Mavar, Sr.

### Remembering Victor Mavar, Sr.

We were saddened by the recent passing of Mr. Victor Mavar, Sr., who served as a bank and company director through two decades. Victor championed our efforts to improve efficiency and effectiveness during his tenure, and we dedicate our 2Q22 efficiency ratio, the best in our history, to the memory of our dear friend and colleague.

Sincerely,

  
John M. Hairston  
President & CEO



To learn more about your company's performance, visit [investors.hancockwhitney.com](https://investors.hancockwhitney.com).

\* To better understand and explain our improving operating leverage and performance, management uses certain non-GAAP metrics and we refer to them in this letter. For information on reconciling non-GAAP numbers to GAAP numbers, please see our earnings release dated July 19, 2022. Certain of the statements or information included in this letter may constitute forward-looking statements. Hancock Whitney undertakes no obligation to update or revise forward-looking statements and cautions you not to place undue reliance on such forward-looking statements.