



LEADING THE WAY

2019 **ANNUAL REPORT**

INDEPENDENT
BANK CORP.

Parent of Rockland Trust

Financial Condition Data

As of and for the year ended December 31

(Dollars in thousands, except per share data)

	2019	2018	2017	2016	2015
Loans	\$ 8,873,639	\$ 6,906,194	\$ 6,355,553	\$ 5,999,605	\$ 5,547,721
Total assets	11,395,165	8,851,592	8,082,029	7,709,375	7,209,469
Total deposits	9,147,367	7,427,120	6,729,253	6,412,253	5,990,703
Stockholders' equity	1,708,143	1,073,490	943,809	864,690	771,463
CAPITAL RATIOS					
Tier 1 leverage capital ratio	11.28%	10.69%	10.04%	9.77%	9.33%
OPERATING DATA					
Net interest income	\$ 393,135	\$ 298,165	\$ 258,860	\$ 227,844	\$ 214,928
Noninterest income	115,294	88,505	82,994	82,428	75,888
Noninterest expenses	284,321	225,969	204,359	192,122	197,138
Net income	165,175	121,622	87,204	76,648	64,960
PER SHARE DATA					
Net income—diluted	\$ 5.03	\$ 4.40	\$ 3.19	\$ 2.90	\$ 2.50
Cash dividends declared	1.76	1.52	1.28	1.16	1.04
OPERATING RATIOS					
Operating efficiency	50.82%	55.55%	58.79%	60.02%	63.89%
Return on average assets	1.52%	1.46%	1.11%	1.04%	0.93%
Return on average common equity	10.85%	12.31%	9.55%	9.43%	8.79%
Net interest margin (on a fully tax equivalent basis)	4.04%	3.91%	3.60%	3.40%	3.42%
ASSET QUALITY RATIOS					
Nonperforming loans as a percent of gross loans	0.54%	0.66%	0.78%	0.96%	0.50%
Nonperforming assets as a percent of total assets	0.42%	0.51%	0.62%	0.80%	0.41%

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.

WHERE EACH RELATIONSHIP MATTERS

125+
LOCATIONS

1,400+
COLLEAGUES

300k+
CUSTOMERS

Rockland Trust,

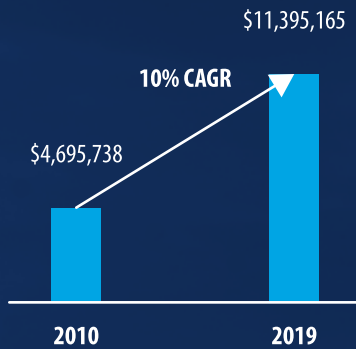
the sole subsidiary of Independent Bank Corp. (INDB), is a full-service commercial bank headquartered in Massachusetts. The Bank has over 1,400 colleagues at more than 95 branches, 15 commercial lending centers, 9 investment management offices, and 7 mortgage offices.

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

OUR GROWTH OVER THE DECADE: 2010 - 2019

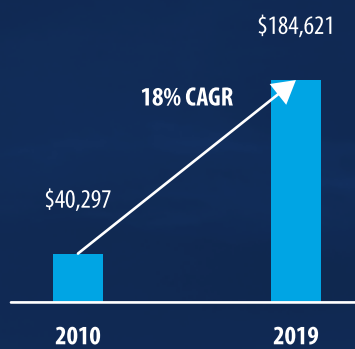
ASSETS

(dollars in thousands)



OPERATING EARNINGS

(dollars in thousands)

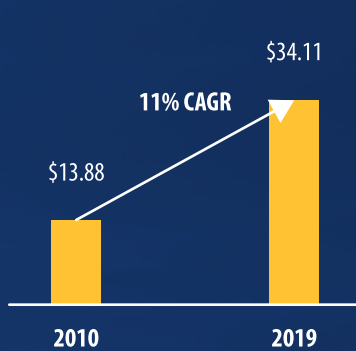


OPERATING EARNINGS PER SHARE

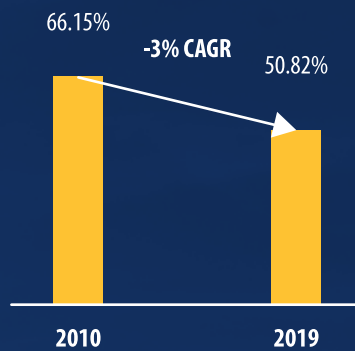


TANGIBLE BOOK VALUE

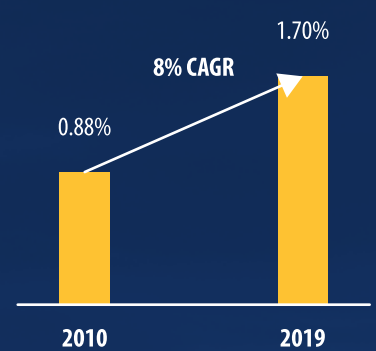
(per share)



OPERATING EFFICIENCY RATIO

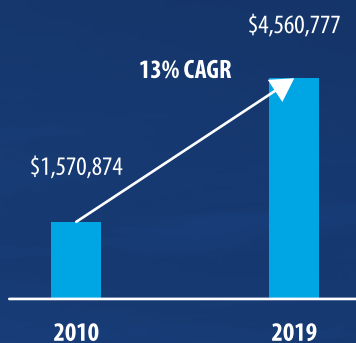


RETURN ON OPERATING ASSETS



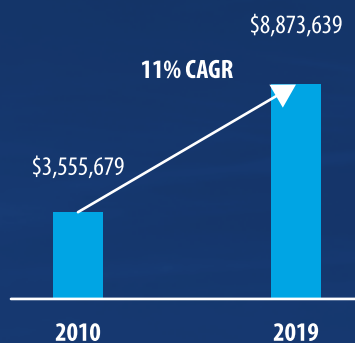
ASSETS UNDER ADMINISTRATION

(dollars in thousands)



LOANS

(dollars in thousands)



DEPOSITS

(dollars in thousands)



DEAR FRIENDS



Christopher Oddleifson

CEO, Independent Bank Corp. & Rockland Trust

Dear Friends,

2019 was another exceptional year for Rockland Trust and marked the end of a decade that delivered many significant achievements. As the charts to the left demonstrate, since 2010 we have:

- Increased operating earnings by over \$144 Million;
- Decreased our operating efficiency ratio to below 51%;
- Increased our tangible book value per share by over \$20;
- Increased loans by over \$5.3 Billion, deposits by over \$5.5 Billion, and assets under administration by over \$3.0 Billion.

In 2019 Rockland Trust completed the Blue Hills Bank acquisition and when compared to 2018, we:

- Increased operating earnings by 42%;
- Decreased our operating efficiency ratio by 9%;
- Increased our tangible book value per share by 19%;
- Increased our operating return on assets by 4%;
- Increased loans by 28%, deposits by 23%, and assets under administration by 26%.

Rockland Trust now has over \$11 Billion in assets, more than 125 locations, over 1,400 colleagues, and more than 300,000 customers. These accomplishments have expanded our reach into new communities and deepened our presence in existing markets. We are consistently one of the most profitable banks in New England, and our remarkable performance was recognized in 2019. *Global Finance* ranked Rockland Trust the top bank in New England, while *Forbes* named us one of the best banks in the world as well as the top bank in Massachusetts.

**SINCE
2010:**

**+\$144.3MM
OPERATING EARNINGS**

**50.82%
OPERATING
EFFICIENCY RATIO**

**+\$20.23
TANGIBLE BOOK
VALUE**

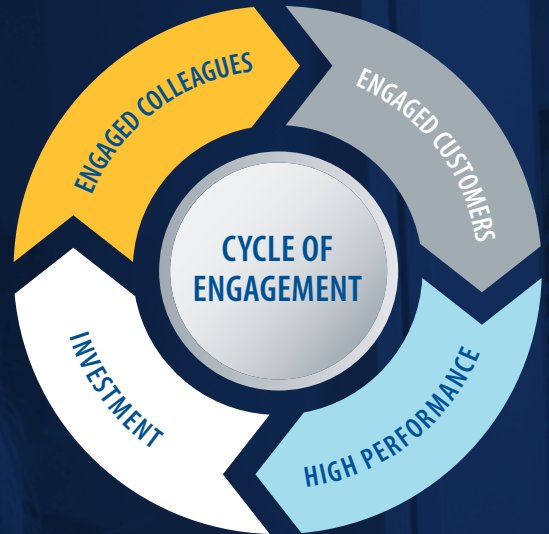


I am extremely proud of the people I work with every day who create these incredible results and the success that Rockland Trust consistently enjoys. We have a long history of creating an environment of highly engaged employees who produce consistently strong performance. I've discussed our Cycle of Engagement in previous letters and the important role it plays in our culture. That cycle doesn't just happen, nor does it operate in a vacuum. It is formed, nurtured, cultivated, and fed by our healthy culture.

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We have a long history of creating an environment of highly engaged employees who produce consistently strong performance.

I have been on a quest to understand on a deeper level how we built a culture where people at every level and location take personal accountability for making each relationship matter with their colleagues, their customers, and their communities. I have read many books and articles, and listened to innumerable podcasts and speakers, about the importance of investing in employees. All my research has reinforced my belief that leadership with a purpose, focused on employees, builds long-term profitability and the corresponding conclusion that it is extremely dangerous to ignore the important role that employees and culture play in success.



OUR PASSION TO EXCEED EXPECTATIONS CREATES A VIRTUOUS CYCLE—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.



Gerard F. Nadeau
President & Chief Commercial
Banking Officer

COMMITMENT

When I asked my colleagues why Rockland Trust has such a wonderful culture, I received simple, yet compelling answers. I heard things like, “Everyone really cares and respects each other,” “We just have fun working together,” and even “We just enjoy making each relationship matter.” These wonderful responses are inspiring, and make it clear to me that a genuine commitment to an environment of caring for each other and mutual respect is more impactful than any formal program. While our employee resource groups and development programs are important, necessary, and critical to our success, they alone are not sufficient and are not the reason each of my colleagues chooses to care.

A recent story about Kay-Ann, one of our branch managers, demonstrates the extraordinary commitment of my colleagues to making each relationship matter. As a new manager, Kay-Ann made several visits to businesses around her branch with the hope of developing new relationships. During one visit she introduced herself to the owner of a local restaurant who, at the time, was not interested in switching banks. Soon after Kay-Ann tried to order food from that restaurant but could not locate them online when searching for their phone number, and she placed her order in person. When Kay-Ann got to the restaurant, she asked the manager why their restaurant information did not show up in search results, only to be told that they weren't sure how to go about it. Kay-Ann told the restaurant that she might be able to help, and with their permission, submitted the required information to set them up. Once everything was up and running, Kay-Ann returned to the restaurant to share the good news that their customers could now find them online. The owner was very impressed and grateful for Kay-Ann's help, especially in light of his initial lack of interest in building a relationship with the

LEADERS WHO CONVEY THE OPTIMISTIC & APPRECIATIVE STANCE:

GENUINELY BELIEVE COLLEAGUES ARE DOING THEIR BEST

- Demonstrate they value colleagues' contributions
- View mistakes as learning opportunities
- Assume colleagues want to meet expectations

ACT WITH HUMILITY AND CURIOSITY

- Listen, consider other ideas and exhibit genuine interest
- Are curious when colleagues disagree or resist, and engage to learn why
- Acknowledge every person comes into every situation from a different point of view and perspective

ARE AWARE OF THEIR OWN PRESENCE

- Focus on the here and now
- Exhibit flexible presence by being choiceful about which presence is called for in which moment
- Have a realistic view of the present

IMPACT:

Colleagues believe their leaders have their best interest in their hearts

bank. There was no directive in our employee handbook to be so helpful, or any order from above to help this restaurant. Kay-Ann did what she did simply because she wanted to help. This is the kind of caring that our employees demonstrate every day. And, by the way, Kay-Ann earned their business.

One reason why we have this kind of commitment lies in the partnership Rockland Trust has with the Gestalt International Study Center. Together we have trained Rockland Trust leaders and managers for many years, helping them learn effective behaviors that nurture a healthy environment for all colleagues. This starts with leaders conveying an optimistic and appreciative stance. The important characteristics of this behavior are described in the graphic to the left. When leaders authentically value their colleagues' contributions and believe colleagues are doing the best they can when mistakes happen or expectations are not met, the conversation turns to a focus on learning opportunities and growth rather than blame and criticism. Even better, when these same leaders act with humility and curiosity, and actively manage their presence in every interaction, an environment of safety and trust is created throughout the organization. An environment of safety and trust leads to connected relationships between leaders and colleagues. A focus on training leaders how to demonstrate these behaviors day in and day out, working with their teams and each other, has built the foundation of the culture that Rockland Trust is known for.

When colleagues develop connected relationships through an environment of safety and trust, and believe their leaders have their best interests in their hearts, they look to their leaders for a shared purpose and vision. Here at Rockland Trust, we strive every day to be the bank Where Each Relationship Matters®. This compelling vision engages colleagues toward a common purpose, and inspires us all to bring it to life through our everyday work. Together safety, trust, connected relationships, and

EFFECTIVE LEADERSHIP:

1

Conveys an Optimistic & Appreciative Stance

2

Builds Safety, Trust & Connected Relationships

3

Infuses Strategic Purpose & Vision

4

Mobilizes Energy for Discretionary Effort

GOAL:

Superior Organizational Health & Business Success

our purpose unleash energy and a desire to go above and beyond, connects the heart with the head and serves as both an aspiration and an inspiration. Initiatives and projects take on a higher level meaning and have greater impact. The shared commitment among leaders and colleagues of all levels across the Bank creates the accountability needed to ensure our vision, purpose, and culture will endure.

There is neurological evidence that this commitment isn't just emotional, but reinforced in our brains as well. When we feel safe, and trust our leaders and each other, our brains release the chemical oxytocin. Reinforcing safety and trust with a shared purpose releases even more oxytocin. When oxytocin is released, we experience feelings of happiness and joy. So, every behavior that supports the release of chemicals of happiness, like oxytocin, bolsters the level of trust colleagues have in their company, their leaders, and each other. It increases retention, effort, and the degree of commitment to the common vision and purpose. This neurological reaction reinforces how much culture matters to employee engagement and a company's performance.

Others have acknowledged our unique culture. In 2019 Rockland Trust was ranked in *The Boston Globe's* annual workplace engagement survey as one of the *Top Places to Work* in Massachusetts for the 11th year in a row. We also earned a perfect score of 100 percent for the fourth consecutive year on the *Human Rights Campaign's* annual *LGBTQ workplace equality scorecard*. Our customers recognized us as well, rating us the region's top commercial lender in *Banker & Tradesman's* annual *Best of 2019 Readers Poll*. Our long history of charitable community support resulted in the *Boston Business Journal* designating us for the sixth consecutive year as one of Massachusetts' Top Charitable Contributors.

CULTURE MATTERS




John O'Hara
Branch Manager, Needham

OUR VISION IS TO BE A HIGH PERFORMING BANK
WHERE EACH OF OUR **CUSTOMERS & COLLEAGUES**
DESCRIBES ROCKLAND TRUST AS THE PLACE...

Where **Each**
Relationship Matters®

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

Ser

A black and white photograph of a woman with shoulder-length hair, smiling warmly. She is wearing a dark, long-sleeved top. In the foreground, a pair of hands is holding a round cake on a decorative plate, presenting it to her. The background is slightly blurred, showing what appears to be a ship's rigging or a similar structure. The overall mood is positive and professional.

Brittany Restuccia
Relationship Banker, Needham

ROCKLAND TRUST

HAS **LEADERS** WHO ARE **PERSONALLY COMMITTED** TO NURTURING AN ENVIRONMENT THAT BUILDS **SAFETY AND TRUST**, AND ALIGNING COLLEAGUES AROUND A **COMPELLING PURPOSE** AND **VISION**.

TOGETHER, THESE LEADERS AND THEIR TEAMS ACCOMPLISH WORK INITIATIVES, SPECIAL PROJECTS, AND TASKS THAT TAKE ON HIGHER LEVEL **MEANING** AND HAVE A **GREATER IMPACT**.

THIS LEADS TO COLLEAGUES OF ALL LEVELS ACROSS THE BANK **UNDERSTANDING** HOW THEIR WORK ALIGNS WITH OUR PURPOSE AND VISION OF BEING THE BANK WHERE EACH RELATIONSHIP MATTERS AND **ACHIEVING** THE **DESIRED GOALS** OF THE BUSINESS.



John Yu
Branch Manager, North Quincy



Christopher Oddleifson
CEO, Independent Bank Corp. & Rockland Trust

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I couldn't be more proud of my colleagues who made these impressive results possible.

I couldn't be more proud of my colleagues who made these impressive results possible. As we enter 2020, we face the headwinds of an uncertain economy, lower interest rates, and increased margin compression. It will be a difficult year for the banking industry, but Rockland Trust is uniquely positioned to meet the challenges ahead. Our culture, built on care and respect, aligns and inspires colleagues across the Bank to maintain our vision of being the bank Where Each Relationship Matters®. I am grateful for the continued trust of our customers and shareholders, and remain confident that with their continued loyalty and engagement, Rockland Trust will achieve our goals and continue our steady progress.

Thank you,

Christopher Oddleifson

Chief Executive Officer
Independent Bank Corp.
Rockland Trust Company

MS. MONEY & THE COINS SINGING TO THE TUNE OF FINANCIAL LITERACY

To the right: **Julie Beckham, AFC®**, Financial Education Officer at Rockland Trust— Julie travels to elementary schools in the Massachusetts area as the character, “Ms. Money” who teaches students the basics of financial literacy through song and dance.



COMMUNITY REPORT

2019

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 MORE THAN 111 YEARS.



\$2.46 MILLION

ROCKLAND TRUST AND ITS AFFILIATED FOUNDATIONS DONATED A COMBINED TOTAL OF \$2,463,734 TO SUPPORT THEIR LOCAL COMMUNITIES.



10 SCHOLARSHIPS

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



20,207 BOOKS

OVER 2,000 SCHOOLCHILDREN PARTICIPATED IN READING MAKES CENTS, READING 20,207 BOOKS AND EARNING OVER \$50,000.



7,970 STUDENTS

OUR FINANCIAL LITERACY PROGRAM, MS. MONEY & THE COINS, PERFORMED 49 TIMES TO 7,970 ELEMENTARY SCHOOL STUDENTS.

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

ROCKLAND TRUST

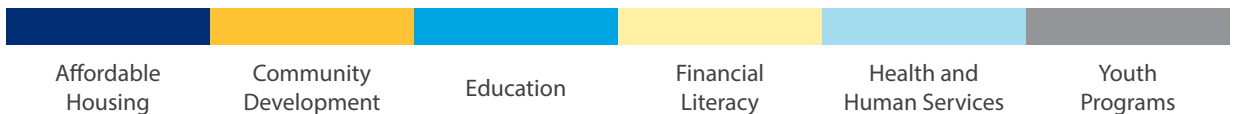
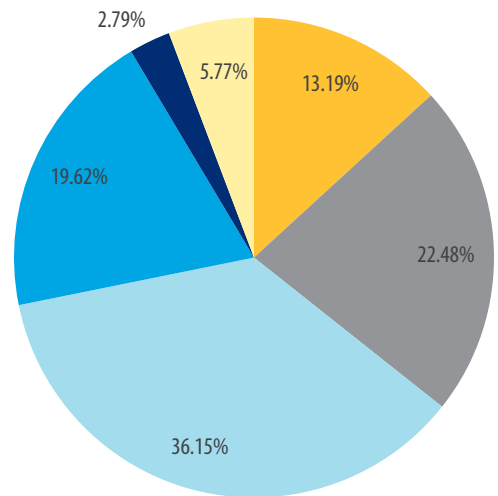
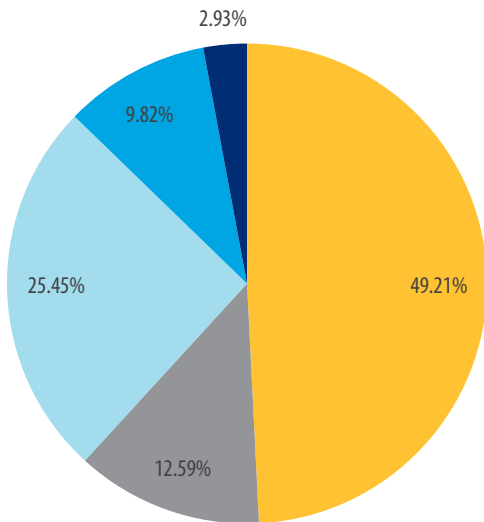
Corporate Giving

Affordable Housing	\$23,400
Community Development	\$393,420
Education	\$78,540
Financial Literacy	\$0
Health and Human Services	\$203,490
Youth Programs	\$100,690
TOTAL	\$799,540

ROCKLAND TRUST

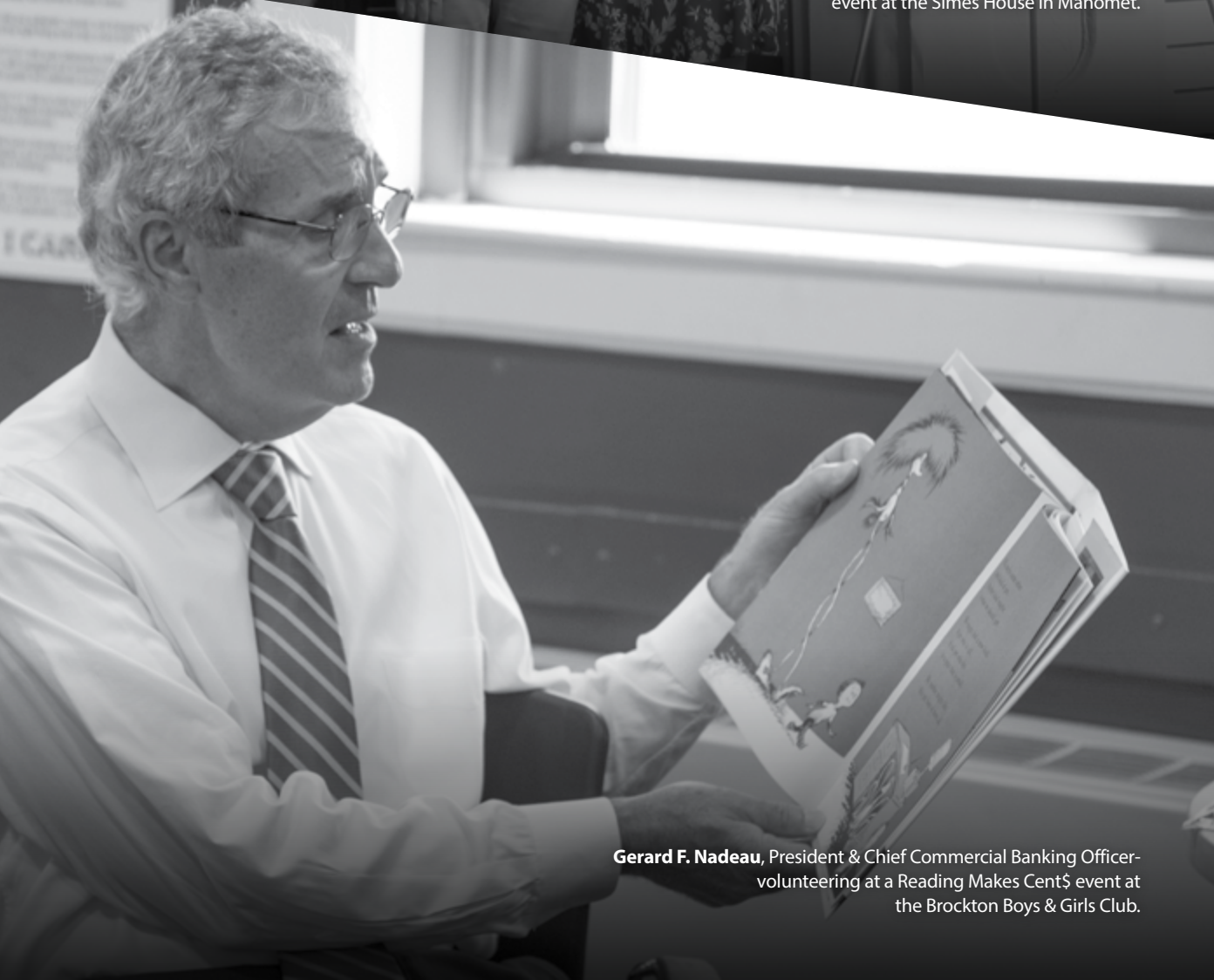
Foundation Giving

Affordable Housing	\$46,500
Community Development	\$219,471
Education	\$326,442
Financial Literacy	\$96,000
Health and Human Services	\$601,626
Youth Programs	\$374,155
TOTAL	\$1,664,194





Ingrid Muirhead (left), Branch, Plymouth (Manomet)-
Mary Shields (middle), Author of *Barnicle & Husk*-
Melissa Guimond (right), Marketing Communications Associate- volunteering at a Reading Makes Cent\$ event at the Simes House in Manomet.



Gerard F. Nadeau, President & Chief Commercial Banking Officer-
volunteering at a Reading Makes Cent\$ event at
the Brockton Boys & Girls Club.

2019 ACCOLADES



Named by **The Boston Globe** one of the **"Top Places to Work"** in Massachusetts for the 11th consecutive year.

Human Rights Campaign Foundation designated Rockland Trust a **Best Place to Work for LGBTQ Equality** 2016 - 2019.



Named by the **Boston Business Journal** as one of the region's **Top Corporate Charitable Contributors** for the 6th consecutive year.

Named by **Forbes** one of the **World's Best Banks for 2019**. Rockland Trust was ranked: **9th** out of all banks nationwide, **1st** among Massachusetts Banks and **2nd** in New England.



Rated as the region's top commercial lender in **Banker & Tradesman's** annual **Best of 2019 Readers Poll**.

Named **Top Bank in New England** for **Global Finance's Best U.S. Regional Banks of 2019** as part of the publication's annual Best Bank Award.





ROCKLAND TRUST COLLEAGUES AT FAMILY WEEK IN PROVINCETOWN, MA

Left to right: **Shawn Duarte**, Virtual & Digital Training Manager-
Dan Taylor, Scituate Branch Manager- **Sue Fitton**, Vice President and
Marketing Officer- **Jennifer Marino**, Senior Vice President, Chief Marketing
and Customer Officer- **David Lupone**, Vice President and Commercial
Documentation Manager.

Directors of Independent Bank Corp. and Rockland Trust Company

- Donna L. Abelli**
Board Chair
- Michael P. Hogan**
- Kevin J. Jones**
- Mary L. Lentz**
- Eileen C. Miskell**
- John J. Morrissey**
- Gerard F. Nadeau**
- Daniel F. O'Brien**
- Christopher Oddleifson**
- David A. Powers**
- 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*
- Patricia M. Natale**
*Deputy General Counsel and
Corporate Secretary*
- Jonathan Nelson**
Treasurer
- Kathryn T. Robson**
Chief Internal Auditor
- 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
- Barry H. Jensen**
*Chief Technology and
Operations Officer*
- Jennifer Marino**
*Chief Marketing and
Customer Officer*
- Patricia M. Natale**
*Deputy General Counsel and
Corporate Secretary*
- Jonathan Nelson**
Treasurer
- Kathryn T. Robson**
Chief Internal Auditor
- Edward H. Seksay**
*Chief Risk Officer and
General Counsel*
- David B. Smith, CFA**
*Managing Director & Chief
Investment Officer
Investment Management Group*
- Debra Smith**
*Director of Banking and
Digital Operations*

INDEPENDENT BANK CORP.

Parent of Rockland Trust

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