

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 10-Q

(Mark One)

- Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **March 31, 2026** or
- Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission file number: 001-32991

WASHINGTON TRUST BANCORP, INC.

(Exact name of registrant as specified in its charter)

Rhode Island

(State or other jurisdiction of incorporation or organization)

23 Broad Street, Westerly, Rhode Island

(Address of principal executive offices)

05-0404671

(IRS Employer Identification No.)

02891

(Zip Code)

(401) 348-1200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:		
Title of each class	Trading Symbol(s)	Name of each exchange on which registered
COMMON STOCK, \$.0625 PAR VALUE PER SHARE	WASH	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of common stock of the registrant outstanding as of April 30, 2026 was 19,065,593.

FORM 10-Q
WASHINGTON TRUST BANCORP, INC. AND SUBSIDIARIES
For the Quarter Ended March 31, 2026

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Glossary of Acronyms and Terms

The following is a list of acronyms and terms that are used throughout this Quarterly Report on Form 10-Q:

2025 Repurchase Program	Washington Trust Bancorp, Inc.'s Stock Repurchase Program commencing May 15, 2025
ACL	Allowance for credit losses
ALCO	Asset/Liability Committee
AOCL	Accumulated other comprehensive loss
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	Automated teller machine
AUA	Assets under administration
Bancorp	Washington Trust Bancorp, Inc.
Bank	The Washington Trust Company, of Westerly
BOLI	Bank-owned life insurance
C&I	Commercial and industrial
CDARS	Certificate of Deposit Account Registry Service
CODM	Chief Operating Decision Maker
Corporation	The Bancorp and its subsidiaries
CRE	Commercial real estate
DDM	Demand Deposit Marketplace
EPS	Earnings per common share
ERM	Enterprise risk management
Exchange Act	Securities Exchange Act of 1934, as amended
FDIC	Federal Deposit Insurance Corporation
Federal Reserve	Board of Governors of the Federal Reserve System
FHLB	Federal Home Loan Bank of Boston
FRBB	Federal Reserve Bank of Boston
FTE	Fully taxable equivalent
GAAP	Accounting principles generally accepted in the United States of America
ICS	Insured Cash Sweep
LTV	Loan to value
NIM	Net interest margin
OREO	Property acquired through foreclosure or repossession
S&P	Standard and Poors, Inc.
SBA	Small Business Administration
SEC	U.S. Securities and Exchange Commission
TLM	Troubled loan modification
Washington Trust	The Bancorp and its subsidiaries

PART I. Financial Information
Item 1. Financial Statements

Washington Trust Bancorp, Inc. and Subsidiaries
Consolidated Balance Sheets (unaudited)
(Dollars in thousands, except par value)

	March 31, 2026	December 31, 2025
Assets:		
Cash and due from banks	\$27,781	\$29,481
Interest-earning deposits with correspondent banks	60,090	61,375
Short-term investments	12,313	12,878
Mortgage loans held for sale, at fair value	32,127	35,833
Available for sale debt securities, at fair value (amortized cost of \$1,008,600, net of allowance for credit losses on securities of \$0 at March 31, 2026; and amortized cost of \$1,035,205; net of allowance for credit losses on securities of \$0 at December 31, 2025)	911,958	940,342
Federal Home Loan Bank stock, at cost	28,273	29,473
Loans:		
Total loans	5,014,885	5,134,388
Less: allowance for credit losses on loans	41,126	37,236
Net loans	4,973,759	5,097,152
Premises and equipment, net	25,900	25,402
Operating lease right-of-use assets	35,855	35,904
Investment in bank-owned life insurance	116,010	115,126
Goodwill	63,909	63,909
Identifiable intangible assets, net	4,148	4,303
Other assets	167,073	170,516
Total assets	\$6,459,196	\$6,621,694
Liabilities:		
Deposits:		
Noninterest-bearing deposits	\$585,415	\$595,092
Interest-bearing deposits	4,579,218	4,674,898
Total deposits	5,164,633	5,269,990
Federal Home Loan Bank advances	576,000	626,000
Junior subordinated debentures	22,681	22,681
Operating lease liabilities	38,724	38,726
Other liabilities	110,385	120,713
Total liabilities	5,912,423	6,078,110
Commitments and contingencies (Note 15)		
Shareholders' Equity:		
Common stock of \$.0625 par value; authorized 60,000,000 shares; 19,561,985 shares issued and 19,040,844 shares outstanding at March 31, 2026 and 19,561,985 shares issued and 19,034,935 shares outstanding at December 31, 2025	1,223	1,223
Paid-in capital	198,654	198,323
Retained earnings	444,508	442,741
Accumulated other comprehensive loss	(78,435)	(79,309)
Treasury stock, at cost; 521,141 shares at March 31, 2026 and 527,050 shares at December 31, 2025	(19,177)	(19,394)
Total shareholders' equity	546,773	543,584
Total liabilities and shareholders' equity	\$6,459,196	\$6,621,694

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Washington Trust Bancorp, Inc. and Subsidiaries
Consolidated Statements of Income (unaudited)
(Dollars and shares in thousands, except per share amounts)

Three months ended March 31,	2026	2025
Interest income:		
Interest and fees on loans	\$64,338	\$66,656
Interest on mortgage loans held for sale	375	958
Taxable interest on debt securities	8,768	8,827
Nontaxable interest on debt securities	7	7
Dividends on Federal Home Loan Bank stock	585	1,022
Other interest income	909	1,993
Total interest and dividend income	74,982	79,463
Interest expense:		
Deposits	27,370	31,748
Federal Home Loan Bank advances	6,777	10,946
Junior subordinated debentures	310	347
Total interest expense	34,457	43,041
Net interest income	40,525	36,422
Provision for credit losses	4,000	1,200
Net interest income after provision for credit losses	36,525	35,222
Noninterest income:		
Wealth management revenues	10,647	9,891
Mortgage banking revenues	3,045	2,304
Card interchange fees	1,385	1,509
Service charges on deposit accounts	785	744
Loan related derivative income	227	101
Income from bank-owned life insurance	885	769
Gain on sale of bank-owned properties, net	—	6,994
Other income	329	331
Total noninterest income	17,303	22,643
Noninterest expense:		
Salaries and employee benefits	24,340	22,422
Outsourced services	4,383	4,346
Net occupancy	2,890	2,741
Equipment	903	891
Legal, audit, and professional fees	936	750
FDIC deposit insurance costs	935	1,262
Advertising and promotion	547	410
Amortization of intangibles	155	204
Pension plan settlement charge	—	6,436
Other expenses	2,676	2,734
Total noninterest expense	37,765	42,196
Income before income taxes	16,063	15,669
Income tax expense	3,463	3,490
Net income	\$12,600	\$12,179
Weighted average common shares outstanding - basic		
	19,039	19,276
Weighted average common shares outstanding - diluted		
	19,173	19,370
Per share information:		
Basic earnings per common share	\$0.66	\$0.63
Diluted earnings per common share	\$0.66	\$0.63

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Washington Trust Bancorp, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income (unaudited)
(Dollars in thousands)

Three months ended March 31,	2026	2025
Net income	\$12,600	\$12,179
Other comprehensive income, net of tax:		
Net change in fair value of available for sale debt securities	(1,334)	12,630
Net change in fair value of cash flow hedges	2,190	593
Net change in defined benefit plan obligations	18	6,769
Total other comprehensive income, net of tax	874	19,992
Total comprehensive income	\$13,474	\$32,171

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Washington Trust Bancorp, Inc. and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity (unaudited)
(Dollars and shares in thousands, except per share amounts)

For the three months ended March 31, 2026	Common Shares Outstanding	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2025	19,035	\$1,223	\$198,323	\$442,741	(\$79,309)	(\$19,394)	\$543,584
Net income	—	—	—	12,600	—	—	12,600
Total other comprehensive income, net of tax	—	—	—	—	874	—	874
Cash dividends declared (\$0.56 per share)	—	—	—	(10,833)	—	—	(10,833)
Share-based compensation	—	—	651	—	—	—	651
Exercise of stock options, issuance of other compensation-related equity awards, net of awards surrendered	6	—	(320)	—	—	217	(103)
Balance at March 31, 2026	19,041	\$1,223	\$198,654	\$444,508	(\$78,435)	(\$19,177)	\$546,773

For the three months ended March 31, 2025	Common Shares Outstanding	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2024	19,274	\$1,223	\$196,947	\$434,014	(\$119,171)	(\$13,285)	\$499,728
Net income	—	—	—	12,179	—	—	12,179
Total other comprehensive income, net of tax	—	—	—	—	19,992	—	19,992
Cash dividends declared (\$0.56 per share)	—	—	—	(10,960)	—	—	(10,960)
Share-based compensation	—	—	780	—	—	—	780
Exercise of stock options, issuance of other compensation-related equity awards, net of awards surrendered	2	—	(157)	—	—	118	(39)
Balance at March 31, 2025	19,276	\$1,223	\$197,570	\$435,233	(\$99,179)	(\$13,167)	\$521,680

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Washington Trust Bancorp, Inc. and Subsidiaries
Consolidated Statement of Cash Flows (unaudited)
(Dollars in thousands)

Three months ended March 31,	2026	2025
Cash flows from operating activities:		
Net income	\$12,600	\$12,179
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	4,000	1,200
Gain on sale of bank-owned properties, net	—	(6,994)
Depreciation of premises and equipment	807	894
Net amortization of premiums and discounts on debt securities and loans	37	94
Amortization of intangibles	155	204
Amortization of terminated cash flow hedge loss	2,116	2,116
Pension plan settlement charge	—	6,436
Share-based compensation	651	780
Tax expense from stock option exercises and other equity awards	(10)	(21)
Income from bank-owned life insurance	(885)	(769)
Net gains on loan sales, including changes in fair value	(2,534)	(1,709)
Proceeds from sales of loans, net	117,481	74,377
Loans originated for sale	(111,945)	(72,919)
Decrease in operating lease right-of-use assets	862	898
Decrease in operating lease liabilities	(815)	(866)
Decrease in other assets	4,147	6,066
Decrease in other liabilities	(10,532)	(13,516)
Net cash provided by operating activities	16,135	8,450
Cash flows from investing activities:		
Maturities, calls, and principal payments of:		
Available for sale debt securities: Mortgage-backed	24,377	15,400
Available for sale debt securities: Other	2,000	—
Net redemptions of Federal Home Loan Bank stock	1,200	10,918
Net decrease in loans	120,889	38,469
Net proceeds from sale of portfolio loans	—	283,182
Purchases of loans	(501)	(453)
Purchases of premises and equipment	(1,306)	(88)
Net proceeds from the sale of bank-owned properties	—	11,780
Equity investments in real estate limited partnerships	(67)	—
Purchases of other equity investments	(125)	(250)
Net cash provided by investing activities	146,467	358,958
Cash flows from financing activities:		
Net decrease in deposits	(105,357)	(75,219)
Proceeds from Federal Home Loan Bank advances	635,000	270,000
Repayments of Federal Home Loan Bank advances	(685,000)	(545,000)
Net proceeds from stock option exercises and issuance of other equity awards, net of awards surrendered	(103)	(39)
Cash dividends paid	(10,692)	(10,800)
Net cash used in by financing activities	(166,152)	(361,058)
Net (decrease) increase in cash and cash equivalents	(3,550)	6,350
Cash and cash equivalents at beginning of period	103,734	113,889
Cash and cash equivalents at end of period	\$100,184	\$120,239
Noncash Investing and Financing Activities:		
Loans charged-off	\$84	\$2,522
Commitment for equity investments in real estate limited partnerships	14,525	—
Supplemental Disclosures:		
Interest payments	\$35,329	\$49,732
Income taxes paid	3,395	23

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Condensed Notes to Unaudited Consolidated Financial Statements

Note 1 - Basis of Presentation

Nature of Operations

The Bancorp is a publicly-owned registered bank holding company that has elected to be a financial holding company. The Bancorp's principal subsidiary is the Bank, a Rhode Island chartered financial institution founded in 1800. The Bank is the oldest community bank in the nation and the largest state-chartered bank headquartered in Rhode Island.

Washington Trust offers a full range of financial services, including commercial, residential, and consumer lending, retail and commercial deposit products, and wealth management and trust services through its offices in Rhode Island, Massachusetts, and Connecticut.

Basis of Presentation

The accounting and reporting policies of the Washington Trust conform to GAAP and to general practices of the banking industry.

The Corporation's Unaudited Consolidated Financial Statements include the accounts of the Bancorp and its wholly-owned subsidiaries, except subsidiaries that are not deemed necessary to be consolidated. Through consolidation, intercompany balances and transactions have been eliminated.

The Unaudited Consolidated Financial Statements of the Corporation presented herein have been prepared pursuant to the rules of the SEC for quarterly reports on Form 10-Q and do not include all of the information and note disclosures required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) and disclosures considered necessary for the fair presentation of the accompanying Unaudited Consolidated Financial Statements have been included. Interim results are not necessarily indicative of the results of the entire year. The accompanying Unaudited Consolidated Financial Statements should be read in conjunction with the Audited Consolidated Financial Statements and notes thereto included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Use of Estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses for the period. Actual results could differ from those estimates. Management considers the ACL on loans to be a material estimate that is particularly susceptible to change.

Note 2 - Recently Issued Accounting Pronouncements

Accounting Standards Adopted in 2026

Financial Instruments - Credit Losses - Topic 326

Accounting Standards Update No. 2025-05, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets" ("ASU 2025-05") was issued in July 2025 to introduce a practical expedient intended to simplify the estimation of expected credit losses on current accounts receivable and contract assets arising from revenue transactions under ASC 606. The practical expedient permits entities to assume that current conditions as of the reporting date remain unchanged for the remaining life of the asset. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years, with early adoption permitted. The Corporation adopted the provisions of ASU 2025-05 on a prospective basis. The adoption of ASU 2025-05 did not have a material impact on the Corporation's financial statements.

Accounting Standards Pending Adoption

Income Statement - Reporting Comprehensive Income - Subtopic 220

Accounting Standards Update No. 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses" ("ASU 2024-03"), was issued in November 2024 to enhance and provide additional disclosure on certain costs and expenses. The effective date of ASU 2024-03 was further clarified in ASU 2025-01, which was subsequently issued in January 2025. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The provisions under ASU 2024-03 can be applied on either a prospective or retrospective basis. ASU 2024-03 is not expected to have a material impact on the Corporation's financial statements.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Intangibles - Goodwill and Other - Internal-Use Software - Subtopic 350

Accounting Standards Update No. 2025-06, “Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software” (“ASU 2025-06”) was issued in September 2025 to modernize the accounting framework for internal-use software development costs to better reflect contemporary development practices. ASU 2025-06 eliminates the previous stage-based model (i.e. preliminary, application development, and post-implementation stages) and introduces a principles-based capitalization model. Under this ASU, software development costs are capitalized when management has authorized and committed to funding the project, and it is probable that the project will be completed and the software will perform its intended function. The ASU also consolidates guidance for website development costs into ASC 350-40 and aligns disclosure requirements with those under ASC 360-10, including the nature and amount of capitalized internal-use software costs, the accounting policy and capitalization criteria, any significant judgments and estimates applied, amortization methods and useful lives, and qualitative and quantitative information about major software projects. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, including interim periods within those annual periods, with early adoption permitted. The provisions under ASU 2025-06 can be applied on either a prospective, modified retrospective, or full retrospective basis. The Corporation is currently evaluating the impact of ASU 2025-06 on its financial statements.

Derivatives and Hedging - Topic 815

Accounting Standards Update No. 2025-09, “Derivatives and Hedging (Topic 815): Hedge Accounting Improvements” (“ASU 2025-09”) was issued in November 2025 to make targeted amendments to the hedge accounting guidance to better align accounting outcomes with an entity’s risk management activities and to clarify certain aspects of the guidance originally amended by ASU 2017-12. The amendments primarily affect cash flow hedges, but also include limited changes related to fair value hedges and net investment hedges. Among other things, ASU 2025-09 expands the ability to hedge groups of forecasted transactions with similar risk exposures, provides a framework to facilitate hedge accounting for forecasted interest payments on variable-rate debt instruments that permit changes to the reference rate and tenor, clarifies hedge accounting for forecasted purchases and sales of nonfinancial assets, updates guidance related to net written options used as hedging instruments, and addresses certain recognition and presentation matters involving foreign currency-denominated debt used in multiple hedging relationships. ASU 2025-09 is effective for annual reporting periods beginning after December 15, 2026, and interim periods within those periods, with early adoption permitted. The amendments are required to be applied on a prospective basis, with transition provisions that allow certain hedging relationships to continue without de-designation. The Corporation is currently evaluating the impact of ASU 2025-09 on its financial statements.

Interim Reporting - Topic 270

Accounting Standards Update No. 2025-11, “Interim Reporting (Topic 270): Narrow-Scope Improvements” (“ASU 2025-11”) was issued in December 2025 to clarify the scope and applicability of interim reporting guidance, reorganize and clarify interim disclosure requirements, and introduce a disclosure principle requiring entities to disclose events occurring since the end of the most recent annual reporting period that have a material impact on the entity. The amendments are intended to improve clarity and consistency in interim reporting and do not change the underlying recognition or measurement requirements under U.S. GAAP. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The amendments can either be applied on a prospective or retrospective basis. ASU 2025-11 is not expected to have a material impact on the Corporation’s financial statements.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 3 - Securities

Available for Sale Debt Securities

The following tables present the amortized cost, gross unrealized holding gains, gross unrealized holding losses, ACL on securities, and fair value of securities by major security type and class of security:

(Dollars in thousands)

March 31, 2026	Amortized Cost	Unrealized Gains	Unrealized Losses	ACL	Fair Value
Available for Sale Debt Securities:					
Obligations of U.S. government agencies and U.S. government-sponsored enterprises	\$41,639	\$47	(\$1,821)	\$—	\$39,865
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	948,909	3,627	(97,814)	—	854,722
Obligations of states and political subdivisions	650	3	—	—	653
Individual name issuer trust preferred debt securities	6,187	—	(114)	—	6,073
Corporate bonds	11,215	—	(570)	—	10,645
Total available for sale debt securities	\$1,008,600	\$3,677	(\$100,319)	\$—	\$911,958

(Dollars in thousands)

December 31, 2025	Amortized Cost	Unrealized Gains	Unrealized Losses	ACL	Fair Value
Available for Sale Debt Securities:					
Obligations of U.S. government agencies and U.S. government-sponsored enterprises	\$41,639	\$93	(\$1,774)	\$—	\$39,958
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	973,520	5,100	(97,726)	—	880,894
Obligations of states and political subdivisions	650	13	—	—	663
Individual name issuer trust preferred debt securities	6,186	—	(83)	—	6,103
Corporate bonds	13,210	2	(488)	—	12,724
Total available for sale debt securities	\$1,035,205	\$5,208	(\$100,071)	\$—	\$940,342

Available for sale debt securities balances exclude accrued interest receivable of \$2.3 million and \$3.1 million, respectively, as of March 31, 2026 and December 31, 2025.

At March 31, 2026 and December 31, 2025, securities with a fair value of \$377.6 million and \$392.4 million, respectively, were pledged as collateral for FHLB borrowings, potential borrowings with the FRBB, certain public deposits, and for other purposes. See Note 9 for additional discussion on FHLB borrowings.

The schedule of maturities of available for sale debt securities is presented below. Mortgage-backed securities are included based on weighted average maturities, adjusted for anticipated prepayments. All other debt securities are included based on contractual maturities. Actual maturities may differ from amounts presented because certain issuers have the right to call or prepay obligations with or without call or prepayment penalties.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

(Dollars in thousands)

March 31, 2026	Amortized Cost	Fair Value
Due in one year or less	\$116,027	\$105,359
Due after one year to five years	344,887	312,778
Due after five years to ten years	247,120	222,592
Due after ten years	300,566	271,229
Total debt securities	\$1,008,600	\$911,958

Included in the above table are debt securities with an amortized cost balance of \$44.7 million and a fair value of \$42.2 million at March 31, 2026 that are callable at the discretion of the issuers. Final maturities of the callable securities range from 1 year to 19 years, with call features ranging from 1 month to 7 years.

Assessment of Available for Sale Debt Securities for Impairment

Management assesses the decline in fair value of investment securities on a regular basis. Unrealized losses on debt securities may occur from current market conditions, increases in interest rates since the time of purchase, a structural change in an investment, volatility of earnings of a specific issuer, or deterioration in credit quality of the issuer. Management evaluates both qualitative and quantitative factors to assess whether an impairment exists.

The following tables summarize available for sale debt securities in an unrealized loss position, for which an ACL on securities has not been recorded, segregated by length of time that the securities have been in a continuous unrealized loss position:

(Dollars in thousands)	Less than 12 Months			12 Months or Longer			Total		
	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses
March 31, 2026									
Obligations of U.S. government agencies and U.S. government-sponsored enterprises	4	\$1,274	(\$15)	3	\$23,543	(\$1,806)	7	\$24,817	(\$1,821)
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	4	24,722	(39)	89	444,293	(97,775)	93	469,015	(97,814)
Individual name issuer trust preferred debt securities	—	—	—	2	6,073	(114)	2	6,073	(114)
Corporate bonds	—	—	—	3	10,645	(570)	3	10,645	(570)
Total	8	\$25,996	(\$54)	97	\$484,554	(\$100,265)	105	\$510,550	(\$100,319)

(Dollars in thousands)	Less than 12 Months			12 Months or Longer			Total		
	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses
December 31, 2025									
Obligations of U.S. government agencies and U.S. government-sponsored enterprises	2	\$611	(\$5)	3	\$23,582	(\$1,769)	5	\$24,193	(\$1,774)
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	1	1,519	(1)	91	453,251	(97,725)	92	454,770	(97,726)
Individual name issuer trust preferred debt securities	—	—	—	2	6,103	(83)	2	6,103	(83)
Corporate bonds	—	—	—	3	10,724	(488)	3	10,724	(488)
Total	3	\$2,130	(\$6)	99	\$493,660	(\$100,065)	102	\$495,790	(\$100,071)

There were no debt securities on nonaccrual status at March 31, 2026 and 2025 and, therefore there was no accrued interest related to debt securities reversed against interest income for the three months ended March 31, 2026 and 2025.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

As of March 31, 2026, the Corporation does not intend to sell the debt securities in an unrealized loss position and has determined that it is more-likely-than-not that the Corporation will not be required to sell each security before the recovery of its amortized cost basis. In addition, management does not believe that any of the securities are impaired due to reasons of credit quality. As further described below, management believes the unrealized losses on these debt securities are primarily attributable to changes in the investment spreads and interest rates. Therefore, no ACL was recorded at both March 31, 2026 and December 31, 2025.

Obligations of U.S. Government Agency and U.S. Government-Sponsored Enterprise Securities, including Mortgage-Backed Securities

The contractual cash flows for these securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major credit rating agencies, and have a long history of no credit losses. The issuers of these securities continue to make timely principal and interest payments, and none of these securities were past due at March 31, 2026. Additionally, the Corporation utilizes a zero credit loss estimate for these securities.

Individual Name Issuer Trust Preferred Debt Securities

These securities in an unrealized loss position at March 31, 2026 included two trust preferred securities issued by two individual companies in the banking sector. Management reviewed the collectability of these securities taking into consideration such factors as the financial condition of the issuers, reported regulatory capital ratios of the issuers, credit ratings, including ratings in effect as of the reporting period date, as well as credit rating changes between the reporting period date and the filing date of this report, and other information. As of March 31, 2026, there was one individual name issuer trust preferred debt security with an amortized cost of \$2.0 million and unrealized losses of \$69 thousand that was rated below investment grade by S&P. We noted no downgrades to below investment grade between March 31, 2026 and the filing date of this report. Based on the information available through the filing date of this report, all individual name issuer trust preferred debt securities continue to accrue interest and make payments as expected with no payment deferrals or defaults on the part of the issuers.

Corporate Bonds

These securities in an unrealized loss position at March 31, 2026 included three corporate bond holdings issued by two individual companies in the financial services industry. Management reviewed the collectability of these securities taking into consideration such factors as the financial condition of the issuers, reported regulatory capital ratios of the issuers, credit ratings, including ratings in effect as of the reporting period date, as well as credit rating changes between the reporting period date and the filing date of this report, and other information. As of March 31, 2026, there were no corporate bond debt securities that were rated below investment grade by S&P. We noted no downgrades to below investment grade between March 31, 2026 and the filing date of this report. Based on the information available through the filing date of this report, all corporate bond debt securities continue to accrue interest and make payments as expected with no payment deferrals or defaults on the part of the issuers.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 4 - Loans

The following table presents the carrying value of loans, segregated by class of loans:

(Dollars in thousands)	March 31, 2026	December 31, 2025
Commercial:		
Commercial real estate (1)	\$2,084,804	\$2,183,985
Commercial & industrial (2)	568,177	564,082
Total commercial	2,652,981	2,748,067
Residential Real Estate:		
Residential real estate (3)	2,029,092	2,050,399
Consumer:		
Home equity	316,353	318,862
Other (4)	16,459	17,060
Total consumer	332,812	335,922
Total loans (5)	\$5,014,885	\$5,134,388

- (1) CRE consists of commercial mortgages primarily secured by non-owner occupied income-producing property, as well as construction and development loans. Construction and development loans are made to businesses for land development or the on-site construction of industrial, commercial, or residential buildings.
- (2) C&I consists of loans to businesses and individuals, a portion of which are fully or partially collateralized by owner occupied real estate.
- (3) Residential real estate consists of mortgage and homeowner construction loans secured by one- to four-family residential properties. Also, includes negative basis adjustments associated with fair value hedges of \$923 thousand and \$335 thousand, respectively, at March 31, 2026 and December 31, 2025. See Note 6 for additional disclosure.
- (4) Other consists of loans to individuals secured by general aviation aircraft and other personal installment loans.
- (5) Includes net unamortized loan origination costs of \$11.3 million and \$11.0 million, respectively, at March 31, 2026 and December 31, 2025 and net unamortized premiums on loans purchased from and serviced by other financial institutions of \$193 thousand and \$198 thousand, respectively, at March 31, 2026 and December 31, 2025.

The carrying value of loans excludes accrued interest receivable of \$19.5 million and \$20.1 million, respectively, as of March 31, 2026 and December 31, 2025.

As of both March 31, 2026 and December 31, 2025, loans amounting to \$2.9 billion were pledged as collateral to the FHLB under a blanket pledge agreement and to the FRBB for the discount window. See Note 9 for additional disclosure regarding borrowings.

Concentrations of Credit Risk

A significant portion of our loan portfolio is concentrated among borrowers in southern New England, and a substantial portion of the portfolio is collateralized by real estate in this area. The ability of single family residential and consumer borrowers to honor their repayment commitments is generally dependent on the level of overall economic activity within the market area and real estate values. The ability of commercial borrowers to honor their repayment commitments is dependent on the general economy, as well as the health of the real estate economic sector in the Corporation's market area.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Past Due Loans

Past due status is based on the contractual payment terms of the loan. The following tables present an aging analysis of past due loans, segregated by class of loans:

(Dollars in thousands)

March 31, 2026	Days Past Due				Total Past Due	Total Loans
Current	30-59	60-89	90 or More			
Commercial:						
Commercial real estate	\$2,078,230	\$6,574	\$—	\$—	\$6,574	\$2,084,804
Commercial & industrial	567,707	344	—	126	470	568,177
Total commercial	2,645,937	6,918	—	126	7,044	2,652,981
Residential Real Estate:						
Residential real estate	2,022,465	3,018	1,185	2,424	6,627	2,029,092
Consumer:						
Home equity	313,607	854	1,545	347	2,746	316,353
Other	16,428	28	—	3	31	16,459
Total consumer	330,035	882	1,545	350	2,777	332,812
Total loans	\$4,998,437	\$10,818	\$2,730	\$2,900	\$16,448	\$5,014,885

(Dollars in thousands)

December 31, 2025	Days Past Due				Total Past Due	Total Loans
Current	30-59	60-89	90 or More			
Commercial:						
Commercial real estate	\$2,183,337	\$648	\$—	\$—	\$648	\$2,183,985
Commercial & industrial	564,075	7	—	—	7	564,082
Total commercial	2,747,412	655	—	—	655	2,748,067
Residential Real Estate:						
Residential real estate	2,041,304	3,533	2,560	3,002	9,095	2,050,399
Consumer:						
Home equity	317,255	1,095	166	346	1,607	318,862
Other	17,034	26	—	—	26	17,060
Total consumer	334,289	1,121	166	346	1,633	335,922
Total loans	\$5,123,005	\$5,309	\$2,726	\$3,348	\$11,383	\$5,134,388

Included in past due loans as of March 31, 2026 and December 31, 2025, were nonaccrual loans of \$12.3 million and \$8.3 million, respectively. In addition, all loans 90 days or more past due at March 31, 2026 and December 31, 2025 were classified as nonaccrual.

Nonaccrual Loans

Loans, with the exception of certain well-secured loans that are in the process of collection, are placed on nonaccrual status and interest recognition is suspended when such loans are 90 days or more overdue with respect to principal and/or interest, or sooner if considered appropriate by management. Well-secured loans are permitted to remain on accrual status provided that full collection of principal and interest is assured and the loan is in the process of collection. Loans are also placed on nonaccrual status when, in the opinion of management, full collection of principal and interest is doubtful. When loans are placed on nonaccrual status, interest previously accrued but not collected is reversed against current period income. Subsequent interest payments received on nonaccrual loans are applied to the outstanding principal balance of the loan or recognized as interest income depending on management's assessment of the ultimate collectability of the loan. Loans are removed from nonaccrual status when they have been current as to principal and interest (generally for six months), the borrower has demonstrated an ability to comply with repayment terms, and when, in management's opinion, the loans are considered to be fully collectible.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

The following table is a summary of nonaccrual loans, segregated by class of loans:

(Dollars in thousands)

	March 31, 2026			December 31, 2025		
	Nonaccrual Loans			Nonaccrual Loans		
	With an ACL	Without an ACL	Total	With an ACL	Without an ACL	Total
Commercial:						
Commercial real estate	\$28,923	\$—	\$28,923	\$—	\$—	\$—
Commercial & industrial	126	—	126	—	—	—
Total commercial	29,049	—	29,049	—	—	—
Residential Real Estate:						
Residential real estate	8,633	998	9,631	9,830	1,269	11,099
Consumer:						
Home equity	1,757	—	1,757	1,824	—	1,824
Other	3	—	3	—	—	—
Total consumer	1,760	—	1,760	1,824	—	1,824
Total nonaccrual loans	\$39,442	\$998	\$40,440	\$11,654	\$1,269	\$12,923
Accruing loans 90 days or more past due			\$—			\$—

Nonaccrual loans of \$28.1 million and \$4.6 million, respectively, at March 31, 2026 and December 31, 2025 were current as to the payment of principal and interest.

As of March 31, 2026 and December 31, 2025, nonaccrual loans secured by one- to four-family residential properties amounting to \$2.0 million and \$3.0 million, respectively, were in process of foreclosure.

The following table presents interest income recognized on nonaccrual loans:

(Dollars in thousands)

Three months ended March 31,	2026	2025
Commercial:		
Commercial real estate	\$588	\$—
Commercial & industrial	—	2
Total commercial	588	2
Residential Real Estate:		
Residential real estate	152	153
Consumer:		
Home equity	22	37
Other	—	—
Total consumer	22	37
Total	\$762	\$192

Troubled Loan Modifications

A loan that has been modified is considered a TLM when the modification is made to a borrower experiencing financial difficulty and the modification has a direct impact to the contractual cash flows. If both of the aforementioned criteria are met, then the modification is considered a TLM and subject to the enhanced disclosure requirements.

In the course of resolving problem loans, the Corporation may choose to modify the contractual terms of loans to borrowers who are experiencing financial difficulty. Such modifications to borrowers experiencing financial difficulty may include modified contractual terms that have a direct impact to contractual cash flows, including principal forgiveness, interest rate reductions, maturity extensions, other-than-insignificant payment delays, or any combination thereof. Debt could be

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

bifurcated with separate terms for each tranche of the TLM. Executing a TLM in lieu of aggressively enforcing the collection of the loan may benefit the Corporation by increasing the ultimate probability of collection.

Nonaccrual loans that become TLMs generally remain on nonaccrual status for six months, subsequent to being modified, before management considers their return to accrual status. If a TLM is on accrual status prior to being modified, it is reviewed to determine if the modified loan should remain on accrual status.

If the TLM successfully meets all repayment terms according to the modification documents for a specified period of time (generally 12 months) and the borrower is no longer experiencing financial difficulty, it would be declassified from TLM status.

There were no loans modified as a TLM for the three months ended March 31, 2026.

The following table presents the carrying value at March 31, 2025 of TLMs made during the period indicated, segregated by class of loans and type of concession granted:

(Dollars in thousands)

Three months ended March 31, 2025	Other-than- Insignificant Payment Delay	Total	% of Loan Class (1)
Residential Real Estate:			
Residential real estate	\$1,431	\$1,431	—%
Total	\$1,431	\$1,431	—%

(1) Percentage of TLMs to the total loans outstanding within the respective loan class.

The following table describes the financial effect of TLMs made during the periods indicated, segregated by class of loans:

Three months ended March 31, 2025	Financial Effect
Other-than-Insignificant Payment Delay:	
Residential real estate	Provided payment delay for a weighted average period of 6 months

Management closely monitors the performance of TLMs to understand the effectiveness of the modifications. As of the dates indicated, the following tables present an aging analysis of TLMs that have been modified in the past 12 months:

(Dollars in thousands)

March 31, 2026	Current	Days Past Due			Total Past Due	Total Loans
		30-59	60-89	90 or More		
Commercial:						
Commercial real estate	\$5,605	\$—	\$—	\$—	\$—	\$5,605
Commercial & industrial	—	—	—	—	—	—
Total commercial	5,605	—	—	—	—	5,605
Residential Real Estate:						
Residential real estate	633	—	—	—	—	633
Total loans	\$6,238	\$—	\$—	\$—	\$—	\$6,238

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

(Dollars in thousands)		Days Past Due				
March 31, 2025	Current	30-59	60-89	90 or More	Total Past Due	Total Loans
Commercial:						
Commercial real estate	\$7,605	\$—	\$—	\$—	\$—	\$7,605
Commercial & industrial	5,000	—	—	—	—	5,000
Total commercial	12,605	—	—	—	—	12,605
Residential Real Estate:						
Residential real estate	1,686	—	—	—	—	1,686
Total loans	\$14,291	\$—	\$—	\$—	\$—	\$14,291

At both March 31, 2026 and March 31, 2025, there were no TLMs made in the previous 12 months for which there was a subsequent payment default.

There were no significant commitments to lend additional funds to borrowers experiencing financial difficulty whose loans were modified as TLMs at March 31, 2026.

Individually Analyzed Loans

Individually analyzed loans include nonaccrual commercial loans, TLMs, as well as certain other loans based on the underlying risk characteristics and the discretion of management to individually analyze such loans.

As of March 31, 2026 and December 31, 2025, the carrying value of individually analyzed loans amounted to \$37.6 million and \$8.9 million, respectively.

The carrying value of collateral dependent individually analyzed loans was \$13.8 million and \$7.5 million, respectively, at March 31, 2026 and December 31, 2025. For collateral dependent loans where management has determined that foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and repayment of the loan is to be provided substantially through the operation or sale of the collateral, the ACL is measured based on the difference between the fair value of the collateral and the amortized cost basis of the loan as of the measurement date. See Note 7 for additional disclosure regarding fair value of individually analyzed collateral dependent loans.

The following table presents the carrying value of collateral dependent individually analyzed loans:

(Dollars in thousands)	March 31, 2026		December 31, 2025	
	Carrying Value	Related Allowance	Carrying Value	Related Allowance
Commercial:				
Commercial real estate (1)	\$12,179	\$1,500	\$5,605	\$—
Commercial & industrial (2)	—	—	—	—
Total commercial	12,179	1,500	5,605	—
Residential Real Estate:				
Residential real estate (3)	1,631	—	1,903	—
Consumer:				
Home equity (3)	—	—	—	—
Other	3	3	—	—
Total consumer	3	3	—	—
Total	\$13,813	\$1,503	\$7,508	\$—

(1) Secured by income-producing property.

(2) Secured by business assets.

(3) Secured by one- to four-family residential properties.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Credit Quality Indicators

Commercial

The Corporation utilizes an internal rating system to assign a risk to each of its commercial loans. Loans are rated on a scale of 1 to 10. This scale can be assigned to three broad categories including “pass” for ratings 1 through 6, “special mention” for 7-rated loans, and “classified” for loans rated 8, 9 or 10. Additionally, ratings 7 through 10 are considered criticized, as defined by regulatory agencies. The loan risk rating system takes into consideration parameters including the borrower’s financial condition, the borrower’s performance with respect to loan terms, the adequacy of collateral, the adequacy of guarantees, and other credit quality characteristics. The Corporation takes the risk rating into consideration along with other credit attributes in the establishment of an appropriate ACL on loans. See Note 5 for additional information.

A description of the commercial loan categories is as follows:

Pass - Loans with acceptable credit quality, defined as ranging from superior or very strong to a status of lesser stature. Superior or very strong credit quality is characterized by a high degree of cash collateralization or strong balance sheet liquidity. Lesser stature loans have an acceptable level of credit quality, but may exhibit some weakness in various credit metrics such as collateral adequacy, cash flow, performance or may be in an industry or of a loan type known to have a higher degree of risk. These weaknesses may be mitigated by secondary sources of repayment, including SBA guarantees.

Special Mention - Loans with potential weaknesses that deserve management’s close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in the Bank’s position as creditor at some future date. Special Mention assets are not adversely classified and do not expose the Bank to sufficient risk to warrant adverse classification. Examples of these conditions include but are not limited to outdated or poor quality financial data, strains on liquidity and leverage, losses or negative trends in operating results, marginal cash flow, weaknesses in occupancy rates or trends in the case of commercial real estate, and frequent delinquencies.

Classified - Loans identified as “substandard,” “doubtful” or “loss” based on criteria consistent with guidelines provided by banking regulators. A “substandard” loan has defined weaknesses which make payment default or principal exposure likely, but not yet certain. Such loans are apt to be dependent upon collateral liquidation, a secondary source of repayment or an event outside of the normal course of business. The loans are closely watched and are either already on nonaccrual status or may be placed on nonaccrual status when management determines there is uncertainty of collectability. A “doubtful” loan is placed on nonaccrual status and has a high probability of loss, but the extent of the loss is difficult to quantify due to dependency upon collateral having a value that is difficult to determine or upon some near-term event which lacks certainty. A loan in the “loss” category is considered generally uncollectible or the timing or amount of payments cannot be determined. “Loss” is not intended to imply that the loan has no recovery value, but rather, it is not practical or desirable to continue to carry the asset.

The Corporation’s procedures call for loan risk ratings and classifications to be revised whenever information becomes available that indicates a change is warranted. On a quarterly basis, management reviews a watched asset list, which generally consists of commercial loans that are risk-rated 6 or worse, highly leveraged transaction loans, high-volatility commercial real estate, and other selected loans. Management’s review focuses on the current status of the loans, the appropriateness of risk ratings and strategies to improve the credit.

An annual credit review program is conducted by a third party to provide an independent evaluation of the creditworthiness of the commercial loan portfolio, the quality of the underwriting and credit risk management practices, and the appropriateness of the risk rating classifications. This review is supplemented with selected targeted internal reviews of the commercial loan portfolio.

Residential and Consumer

Management monitors the relatively homogeneous residential real estate and consumer loan portfolios on an ongoing basis using delinquency information by loan type.

In addition, other techniques are utilized to monitor indicators of credit deterioration in the residential real estate loans and home equity consumer loans. Among these techniques is the periodic tracking of loans with an updated Fair Isaac Corporation (commonly known as “FICO”) score and an updated estimated LTV ratio. LTV is estimated based on such factors as geographic location, the original appraised value, and changes in median home prices, and takes into consideration the age of the loan. The results of these analyses and other credit review procedures, including selected targeted internal

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

reviews, are taken into account in the determination of qualitative loss factors for residential real estate and home equity consumer credits.

Washington Trust may renew commercial loans at or immediately prior to their maturity. In the tables below, renewals subject to full credit evaluation before being granted are reported as originations in the period renewed. Loans with extensions of maturity dates of more than three months, including TLMs, are reported as originations in the period extended. Gross charge-offs are reported in the loan's initial origination year.

The following table includes information on credit quality indicators and gross charge-offs for the Corporation's loan portfolio, segregated by class of loans as of March 31, 2026:

	Term Loans Amortized Cost by Origination Year						Revolving Loans Amortized Cost	Revolving Loans Converted to Term Loans	Total
	2026	2025	2024	2023	2022	Prior			
Commercial:									
CRE:									
Pass	\$58,895	\$369,781	\$98,630	\$282,310	\$475,205	\$701,930	\$9,303	\$929	\$1,996,983
Special mention	—	27,521	—	11,977	9,502	3,773	—	—	52,773
Classified	—	6,574	—	—	22,349	6,125	—	—	35,048
Total CRE	58,895	403,876	98,630	294,287	507,056	711,828	9,303	929	2,084,804
Gross charge-offs	—	—	—	—	—	—	—	—	—
C&I:									
Pass	9,120	91,604	38,889	53,572	127,057	174,893	70,653	317	566,105
Special mention	—	—	784	—	335	126	701	—	1,946
Classified	—	—	—	—	—	126	—	—	126
Total C&I	9,120	91,604	39,673	53,572	127,392	175,145	71,354	317	568,177
Gross charge-offs	17	—	—	—	—	—	—	—	17
Residential Real Estate:									
Current (1)	30,985	161,148	46,821	317,827	676,119	790,488	—	—	2,023,388
Past due	—	—	—	—	1,023	5,604	—	—	6,627
Total residential real estate	30,985	161,148	46,821	317,827	677,142	796,092	—	—	2,030,015
Gross charge-offs	—	—	—	—	—	—	—	—	—
Consumer:									
Home equity:									
Current	2,885	16,260	9,461	13,964	9,646	10,877	236,681	13,833	313,607
Past due	—	—	73	212	49	392	458	1,562	2,746
Total home equity	2,885	16,260	9,534	14,176	9,695	11,269	237,139	15,395	316,353
Gross charge-offs	—	—	—	—	—	—	—	—	—
Other:									
Current	802	4,058	2,456	3,001	1,738	4,110	263	—	16,428
Past due	24	5	—	—	—	1	1	—	31
Total other	826	4,063	2,456	3,001	1,738	4,111	264	—	16,459
Gross charge-offs	66	—	—	1	—	—	—	—	67
Loans, amortized cost	\$102,711	\$676,951	\$197,114	\$682,863	\$1,323,023	\$1,698,445	\$318,060	\$16,641	\$5,015,808
Gross charge-offs	\$83	\$—	\$—	\$1	\$—	\$—	\$—	\$—	\$84

(1) Excludes a \$923 thousand negative basis adjustment associated with fair value hedges. See Note 6 for additional disclosure.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

The following table includes information on credit quality indicators and gross charge-offs for the Corporation's loan portfolio, segregated by class of loans as of December 31, 2025:

(Dollars in thousands)

	Term Loans Amortized Cost by Origination Year						Revolving Loans Amortized Cost	Revolving Loans Converted to Term Loans	Total
	2025	2024	2023	2022	2021	Prior			
Commercial:									
CRE:									
Pass	\$432,404	\$102,312	\$338,922	\$490,011	\$302,383	\$438,112	\$9,426	\$942	\$2,114,512
Special mention	33,416	—	—	27,743	—	2,157	—	—	63,316
Classified	—	—	—	—	—	6,157	—	—	6,157
Total CRE	465,820	102,312	338,922	517,754	302,383	446,426	9,426	942	2,183,985
Gross charge-offs	—	—	—	—	—	5,715	—	—	5,715
C&I:									
Pass	87,523	39,556	54,047	125,846	20,057	159,707	58,146	315	545,197
Special mention	3,569	788	—	3,442	1,095	3,865	6,000	—	18,759
Classified	—	—	—	—	126	—	—	—	126
Total C&I	91,092	40,344	54,047	129,288	21,278	163,572	64,146	315	564,082
Gross charge-offs	49	—	8,345	—	—	299	—	—	8,693
Residential Real Estate:									
Current (1)	161,291	50,709	332,253	690,150	345,038	462,198	—	—	2,041,639
Past due	—	—	—	—	543	8,552	—	—	9,095
Total residential real estate	161,291	50,709	332,253	690,150	345,581	470,750	—	—	2,050,734
Gross charge-offs	—	—	—	—	—	—	—	—	—
Consumer:									
Home equity:									
Current	16,839	10,508	14,662	9,969	5,190	6,086	238,734	15,267	317,255
Past due	—	34	58	—	137	223	814	341	1,607
Total home equity	16,839	10,542	14,720	9,969	5,327	6,309	239,548	15,608	318,862
Gross charge-offs	—	—	—	—	—	—	—	—	—
Other:									
Current	4,295	2,588	3,366	1,790	1,616	3,123	256	—	17,034
Past due	26	—	—	—	—	—	—	—	26
Total other	4,321	2,588	3,366	1,790	1,616	3,123	256	—	17,060
Gross charge-offs	323	—	1	—	—	3	—	—	327
Loans, amortized cost	\$739,363	\$206,495	\$743,308	\$1,348,951	\$676,185	\$1,090,180	\$313,376	\$16,865	\$5,134,723
Gross charge-offs	\$372	\$—	\$8,346	\$—	\$—	\$6,017	\$—	\$—	\$14,735

(1) Excludes a \$335 thousand negative basis adjustment associated with fair value hedges. See Note 6 for additional disclosure.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 5 - Allowance for Credit Losses on Loans

The ACL on loans is management’s estimate of expected lifetime credit losses on loans carried at amortized cost. The level of the ACL on loans is based on management’s ongoing review of all relevant information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts.

The following table presents the activity in the ACL on loans for the three months ended March 31, 2026:

(Dollars in thousands)	Commercial			Residential Real Estate	Consumer			Total
	CRE	C&I	Total Commercial		Home Equity	Other	Total Consumer	
Beginning Balance	\$19,766	\$9,750	\$29,516	\$6,270	\$1,186	\$264	\$1,450	\$37,236
Charge-offs	—	(17)	(17)	—	—	(67)	(67)	(84)
Recoveries	—	59	59	1	1	13	14	74
Provision	4,265	(145)	4,120	(268)	7	41	48	3,900
Ending Balance	\$24,031	\$9,647	\$33,678	\$6,003	\$1,194	\$251	\$1,445	\$41,126

The elevated provision for credit losses in 2026 largely reflected specific reserve allocations on two individually analyzed nonaccrual CRE office segment loans.

The following table presents the activity in the ACL on loans for the three months ended March 31, 2025:

(Dollars in thousands)	Commercial			Residential Real Estate	Consumer			Total
	CRE	C&I	Total Commercial		Home Equity	Other	Total Consumer	
Beginning Balance	\$26,485	\$7,277	\$33,762	\$6,832	\$1,031	\$335	\$1,366	\$41,960
Charge-offs	(2,450)	(7)	(2,457)	—	—	(65)	(65)	(2,522)
Recoveries	200	4	204	—	1	13	14	218
Provision	972	382	1,354	(56)	25	77	102	1,400
Ending Balance	\$25,207	\$7,656	\$32,863	\$6,776	\$1,057	\$360	\$1,417	\$41,056

For the purpose of estimating the ACL, management segregated the loan portfolio into the portfolio segments detailed in the above tables. Each of these segments possesses unique risk characteristics that are considered when determining the appropriate level of ACL for each segment. Some of the characteristics unique to each loan category include:

Commercial Loans

CRE loans consist of commercial mortgages secured by non-owner occupied real property where the primary source of repayment is derived from rental income associated with the property or the proceeds of the sale, refinancing or permanent financing of the property. CRE loans also include construction loans made to businesses for land development or the on-site construction of industrial, commercial or residential buildings. CRE loans frequently involve larger loan balances to single borrowers or groups of related borrowers. Washington Trust’s commercial real estate loans are secured by a variety of property types, such as multi-family, retail, industrial and warehouse, hospitality, office, as well as other specific use properties. Collateral values are determined based upon third-party appraisals. Permissible loan to value ratios at origination are governed by the Corporation’s policy and regulatory guidelines.

C&I loans consist of revolving, non-revolving and term loans extended to commercial borrowers for the purpose of providing working capital, equipment financing and financing for other business-related purposes. C&I loans are frequently collateralized by equipment, inventory, accounts receivable and/or general business assets. A portion of Washington Trust’s C&I loan portfolio is also collateralized by owner occupied real estate. C&I loans also include tax-exempt loans made to states and political subdivisions, as well as industrial development or revenue bonds issued through quasi-public corporations for the benefit of a private or non-profit entity where that entity rather than the governmental entity is obligated to pay the debt service. Washington Trust’s C&I loan portfolio includes loans to business sectors such as health care and social assistance, retail trade, transportation and warehousing, educational services, as well as other business sectors.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

For the commercial portfolio, the Corporation typically obtains personal guarantees for payment from individuals holding material ownership interests in the borrowing entities.

Residential Real Estate Loans

Residential real estate loans held in the Corporation's portfolio are made to borrowers who demonstrate the ability to make scheduled payments with full consideration to underwriting factors such as current and expected income, employment status, current assets, other financial resources, credit history and the value of the collateral. Collateral consists of mortgage liens on one-to-four family residential properties, including condominiums. Residential real estate loans also include loans to construct owner-occupied one-to-four family residential properties. Collateral values are determined based upon third-party appraisals. In general, loans must meet the underwriting and purchase standards imposed by Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and other institutional investors as applicable.

Consumer Loans:

Home equity loans and credit lines are made to qualified individuals and are primarily secured by senior or junior mortgage liens on one-to-four family residential properties, including condominiums. Borrower qualifications include favorable credit history combined with supportive income requirements and combined loan to value ratios within established guidelines, as set forth in the Corporation's policy.

Other consumer loans consist of loans to individuals that are secured by general aviation aircraft and other installment loans made to qualified individuals for various purposes. Borrower qualifications include favorable credit history combined with supportive income and collateral requirements within established guidelines, as set forth in the Corporation's policy.

Note 6 - Derivative Financial Instruments

The Corporation's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Corporation's known or expected cash receipts and its known or expected cash payments, principally to manage the Corporation's interest rate risk. Additionally, the Corporation enters into interest rate derivatives to accommodate the business requirements of its customers. Derivatives are measured at fair value. Derivative assets are included in other assets and derivative liabilities are included in other liabilities in the Unaudited Consolidated Balance Sheets. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative and resulting designation.

Interest Rate Risk Management Agreements

Interest rate risk management agreements, such as swaps, caps, floors, and collars, are used from time to time as part of the Corporation's interest rate risk management strategy. Interest rate swaps are agreements in which the Corporation and another party agree to exchange interest payments (e.g., fixed-rate for variable-rate payments or variable-rate for fixed-rate payments) computed on a notional principal amount. Interest rate caps and floors represent options purchased by the Corporation to manage the interest rate paid throughout the term of the option contract. An interest rate collar is a derivative instrument that represents simultaneously buying an interest rate cap and selling an interest rate floor. The credit risk associated with these derivative transactions is the risk of default by the counterparty. To minimize this risk, the Corporation enters into interest rate agreements only with highly rated counterparties that management believes to be creditworthy. The notional amounts of these agreements do not represent amounts exchanged by the parties and, thus, are not a measure of the potential loss exposure.

Cash Flow Hedging Instruments

As of March 31, 2026 and December 31, 2025, the Corporation had interest rate swaps, interest rate collars, and interest rate floors that were designated as cash flow hedges. The interest rate swaps and collars were executed to hedge the interest rate risk associated with short-term borrowings. See Note 9 for additional disclosure on borrowings. The interest rate floors were executed to hedge the interest rate risk associated with a pool of variable rate commercial loans.

The changes in fair value of these derivatives designated as cash flow hedges are recorded in other comprehensive income (loss) and subsequently reclassified to earnings when gains or losses are realized (i.e., in the same period during which the hedged transactions affect earnings.)

The Corporation previously had an interest rate swap contract that was designated as a cash flow hedge to hedge the interest rate risk associated with a pool of variable rate commercial loans. On March 31, 2023, the Corporation terminated this interest rate swap contract and the derivative liability was derecognized. The loss on this interest rate swap included in the AOCL component of shareholders' equity was updated to its termination date fair value of \$26.5 million, or \$20.1 million

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

after tax. This loss is being amortized into earnings as a reduction of interest income on a straight-line basis over the remaining life of the original interest rate swap term, or through May 1, 2026. At March 31, 2026, the remaining unamortized balance of the loss included in the AOCL component of shareholders' equity was \$729 thousand, or \$547 thousand after tax.

Fair Value Hedging Instruments

As of March 31, 2026 and December 31, 2025, the Corporation had interest rate swap contracts that were designated as fair value hedges. The fair value hedges were executed to hedge the interest rate risk associated with a closed-pool of fixed-rate residential real estate loans (the "hedged item"). The hedged item is measured at fair value through a basis adjustment recognized on the balance sheet. The changes in fair value of derivatives designated as fair value hedges, as well as the offsetting changes in fair value of the hedged item are recognized in earnings.

Loan Related Derivative Contracts

Interest Rate Derivative Contracts with Customers

The Corporation enters into interest rate swap and interest rate cap contracts to help commercial loan borrowers manage their interest rate risk. These interest rate swap contracts allow borrowers to convert variable-rate loan payments to fixed-rate loan payments, while interest rate cap contracts allow borrowers to limit their interest rate exposure in a rising rate environment. When the Corporation enters into an interest rate derivative contract with a commercial loan borrower, it simultaneously enters into a "mirror" interest rate contract with a third party. For interest rate swaps, the third party exchanges the client's fixed-rate loan payments for variable-rate loan payments. The Corporation's credit policies with respect to interest rate contracts with commercial borrowers are similar to those used for loans. The Corporation retains the risk that is associated with the potential failure of counterparties and the risk inherent in originating loans. The interest rate contracts with counterparties are generally subject to bilateral collateralization terms. These derivatives are not designated as hedges and therefore, changes in fair value are recognized in earnings.

Risk Participation Agreements

The Corporation has entered into risk participation agreements with other banks in commercial loan arrangements. Participating banks guarantee the performance on borrower-related interest rate swap contracts. These derivatives are not designated as hedges and therefore, changes in fair value are recognized in earnings.

Under a risk participation-out agreement, a derivative asset, the Corporation participates out a portion of the credit risk associated with the interest rate swap position executed with the commercial borrower for a fee paid to the participating bank. Under a risk participation-in agreement, a derivative liability, the Corporation assumes, or participates in, a portion of the credit risk associated with the interest rate swap position with the commercial borrower for a fee received from the other bank.

Mortgage Loan Commitments

Interest rate lock commitments are extended to borrowers and relate to the origination of mortgage loans held for sale. To mitigate the interest rate risk and pricing risk associated with rate locks and mortgage loans that are originated and intended for sale, the Corporation enters into forward sale commitments. Forward sale commitments are contracts for delayed delivery or net settlement of the underlying instrument, such as a residential mortgage loan, where the seller agrees to deliver on a specified future date, either a specified instrument at a specified price or yield or the net cash equivalent of an underlying instrument. Both interest rate lock commitments and forward sale commitments are derivative financial instruments, but do not meet criteria for hedge accounting and therefore, the changes in fair value of these commitments are recognized in earnings.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

The following table presents the notional amounts and fair values of derivative instruments in the Unaudited Consolidated Balance Sheets:

(Dollars in thousands)

	March 31, 2026			December 31, 2025		
	Notional Amounts	Fair Value		Notional Amounts	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
Derivatives Designated as Cash Flow Hedging Instruments:						
Interest rate risk management contracts:						
Interest rate swaps (1)	\$120,000	\$341	\$470	\$120,000	\$126	\$979
Interest rate collars	100,000	—	3	100,000	—	17
Interest rate floors	200,000	116	—	200,000	125	—
Derivatives Designated as Fair Value Hedging Instruments:						
Interest rate risk management contracts:						
Interest rate swaps	100,000	921	—	100,000	335	—
Derivatives not Designated as Hedging Instruments:						
Loan related derivative contracts:						
Interest rate contracts with customers	846,233	4,690	28,875	882,941	6,326	27,959
Mirror contracts with counterparties	846,233	28,755	4,783	882,941	27,857	6,392
Risk participation agreements	298,536	40	1	304,854	28	1
Mortgage loan commitments:						
Interest rate lock commitments	40,650	593	13	30,373	603	12
Forward sale commitments	83,715	334	440	90,813	13	828
Gross amounts		35,790	34,585		35,413	36,188
Less: amounts offset (2)		5,240	5,240		6,643	6,643
Derivative balances, net of offset		30,550	29,345		28,770	29,545
Less: collateral pledged (3)		—	—		—	—
Net amounts		\$30,550	\$29,345		\$28,770	\$29,545

- (1) The fair value of derivative assets includes accrued interest receivable of \$23 thousand and \$35 thousand, respectively, at March 31, 2026 and December 31, 2025. The fair value of derivative liabilities includes accrued interest payable of \$49 thousand and \$23 thousand, respectively, March 31, 2026 and December 31, 2025.
- (2) Interest rate risk management contracts and loan related derivative contracts with counterparties are subject to master netting arrangements.
- (3) Collateral contractually required to be pledged to derivative counterparties is in the form of cash. Washington Trust may need to post additional collateral in the future in proportion to potential increases in unrealized loss positions.

The following table presents the balance sheet location, carrying value, and cumulative basis adjustment of the hedged item associated with fair value hedges:

(Dollars in thousands)

Balance Sheet Location	March 31, 2026		December 31, 2025	
	Carrying Value of Hedged Item (1)	Cumulative Basis Adjustment	Carrying Value of Hedged Item (1)	Cumulative Basis Adjustment
Residential real estate loans	\$99,077	(\$923)	\$99,665	(\$335)

- (1) Represents the carrying value of the hedged item associated with fair value hedges on a closed-pool of fixed-rate residential real estate loans that are expected to be outstanding for the designated hedged periods. The amortized cost balance of the closed-pool of residential real estate loans used in the fair value hedges was \$600.0 million and \$608.5 million, respectively, at March 31, 2026 and December 31, 2025.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

The following table presents the effect of derivative instruments in the Unaudited Consolidated Statements of Changes in Shareholders' Equity:

(Dollars in thousands)

Three months ended March 31,	Amounts Recognized in Other Comprehensive Income, Net of Tax	
	2026	2025
Derivatives Designated as Cash Flow Hedging Instruments:		
Interest rate risk management contracts:		
Interest rate swaps	\$2,158	\$600
Interest rate collars	11	(7)
Interest rate floors	21	—
Total	\$2,190	\$593

The following table presents the effect of derivative instruments in the Unaudited Consolidated Statements of Income:

(Dollars in thousands)

Three months ended March 31,	Statement of Income Location	Amount of Gain (Loss) Recognized in the Unaudited Consolidated Statements of Income	
		2026	2025
Derivatives Designated as Cash Flow Hedging Instruments:			
Interest rate risk management contracts:			
Interest rate swaps	Interest income: Interest and fees on loans	(\$2,116)	(\$2,116)
Interest rate swaps	Interest expense: FHLB advances	(8)	193
Interest rate floors	Interest income: Interest and fees on loans	(37)	—
Derivatives Designated as Fair Value Hedging Instruments:			
Interest rate risk management contracts:			
Interest rate swaps	Interest income: Interest and fees on loans	586	(779)
Hedged item	Interest income: Interest and fees on loans	(588)	782
Derivatives not Designated as Hedging Instruments:			
Loan related derivative contracts:			
Interest rate contracts with customers	Loan related derivative income	(\$4,805)	\$9,797
Mirror interest rate contracts with counterparties	Loan related derivative income	5,020	(9,728)
Risk participation agreements	Loan related derivative income	12	32
Mortgage loan commitments:			
Interest rate lock commitments	Mortgage banking revenues	(11)	570
Forward sale commitments	Mortgage banking revenues	499	(639)
Total		(\$1,448)	(\$1,888)

For derivatives designated as cash flow hedging instruments in the table above, the amounts represent the pre-tax reclassifications from AOCL into earnings.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 7 - Fair Value Measurements

The Corporation uses fair value measurements to record fair value adjustments on certain assets and liabilities and to determine fair value disclosures. Items recorded at fair value on a recurring basis include securities available for sale, mortgage loans that are originated and intended for sale to the secondary market, and derivatives. Additionally, from time to time, we may be required to record other assets at fair value on a nonrecurring basis, such as collateral dependent individually analyzed loans, loan servicing rights, property acquired through foreclosure or repossession, and mortgage loans reclassified to held for sale from portfolio.

Fair value is a market-based measurement, not an entity-specific measurement. Fair value measurements are determined based on the assumptions the market participants would use in pricing the asset or liability. In addition, GAAP specifies a hierarchy of valuation techniques based on whether the types of valuation information, or “inputs”, are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Corporation’s market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices for *identical* assets or liabilities in active markets.
- Level 2 – Quoted prices for *similar* assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are *unobservable* in the markets and which reflect the Corporation’s market assumptions.

Fair Value Option Election

GAAP allows for the irrevocable option to elect fair value accounting for the initial and subsequent measurement for certain financial assets and liabilities on a contract-by-contract basis. The Corporation has elected the fair value option for mortgage loans that are originated and intended for sale to the secondary market to better match changes in fair value of the loans with changes in the fair value of the forward sale commitment contracts used to economically hedge them.

The following table presents a summary of mortgage loans held for sale accounted for under the fair value option:

(Dollars in thousands)	March 31, 2026	December 31, 2025
Aggregate fair value	\$32,127	\$35,833
Aggregate principal balance	31,958	35,130
Difference between fair value and principal balance	\$169	\$703

Changes in fair value of mortgage loans held for sale accounted for under the fair value option election are included in mortgage banking revenues in the Unaudited Consolidated Statements of Income. Changes in fair value amounted to a decrease in mortgage banking revenues of \$534 thousand for the three months ended March 31, 2026, compared to an increase in mortgage banking revenues of \$225 thousand for the three months ended March 31, 2025.

There were no mortgage loans held for sale 90 days or more past due as of March 31, 2026 and December 31, 2025.

Valuation Techniques for Items Recorded at Fair Value on a Recurring Basis

Available for Sale Debt Securities

Available for sale debt securities are recorded at fair value on a recurring basis. When available, the Corporation uses quoted market prices to determine the fair value of debt securities; such items are classified as Level 1. There were no Level 1 debt securities held at March 31, 2026 and December 31, 2025.

Level 2 debt securities are traded less frequently than exchange-traded instruments. The fair value of these securities is determined using matrix pricing with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category includes obligations of U.S. government-sponsored enterprises, including mortgage-backed securities, individual name issuer trust preferred debt securities, and corporate bonds.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Debt securities not actively traded whose fair value is determined through the use of cash flows utilizing inputs that are unobservable are classified as Level 3. There were no Level 3 debt securities held at March 31, 2026 and December 31, 2025.

Mortgage Loans Held for Sale, at Fair Value

The Corporation has elected the fair value option for mortgage loans that are originated and intended for sale to the secondary market. The fair value is estimated based on current market prices for similar loans in the secondary market and therefore are classified as Level 2 assets.

Derivatives

Interest rate derivative contracts are traded in over-the-counter markets where quoted market prices are not readily available. Fair value measurements are determined using independent valuation software, which utilizes the present value of future cash flows discounted using market observable inputs such as forward rate assumptions. The Corporation evaluates the credit risk of its counterparties, as well as that of the Corporation. Accordingly, factors such as the likelihood of default by the Corporation and its counterparties, its net exposures, and remaining contractual life are considered in determining if any fair value adjustments related to credit risk are required. Counterparty exposure is evaluated by netting positions that are subject to master netting agreements, as well as considering the amount of collateral securing the position, if any. The Corporation has determined that the majority of the inputs used to value its derivative positions fall within Level 2 of the fair value hierarchy. However, the credit valuation adjustments utilize Level 3 inputs. As of March 31, 2026 and December 31, 2025, the Corporation has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation. As a result, the Corporation has classified its derivative valuations in their entirety as Level 2.

Fair value measurements of forward loan commitments (interest rate lock commitments and forward sale commitments) are primarily based on current market prices for similar assets in the secondary market and therefore are classified as Level 2 assets. The fair value of interest rate lock commitments is also dependent on the ultimate closing of the loans. Pull-through rates are based on the Corporation's historical data and reflect the Corporation's best estimate of the likelihood that a commitment will result in a closed loan. Although the pull-through rates are Level 3 inputs, the Corporation has assessed the significance of the impact of pull-through rates on the overall valuation of its interest rate lock commitments and has determined that they are not significant to the overall valuation. As a result, the Corporation has classified its interest rate lock commitments as Level 2.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Items Recorded at Fair Value on a Recurring Basis

The following tables present the balances of assets and liabilities reported at fair value on a recurring basis:

(Dollars in thousands)

March 31, 2026	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Available for sale debt securities:				
Obligations of U.S. government agencies and U.S government sponsored enterprises	\$39,865	\$—	\$39,865	\$—
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	854,722	—	854,722	—
Obligations of states and political subdivisions	653	—	653	—
Individual name issuer trust preferred debt securities	6,073	—	6,073	—
Corporate bonds	10,645	—	10,645	—
Mortgage loans held for sale	32,127	—	32,127	—
Derivative assets	30,550	—	30,550	—
Total assets at fair value on a recurring basis	\$974,635	\$—	\$974,635	\$—
Liabilities:				
Derivative liabilities	\$29,345	\$—	\$29,345	\$—
Total liabilities at fair value on a recurring basis	\$29,345	\$—	\$29,345	\$—

(Dollars in thousands)

December 31, 2025	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Available for sale debt securities:				
Obligations of U.S. government agencies and U.S government sponsored enterprises	\$39,958	\$—	\$39,958	\$—
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	880,894	—	880,894	—
Obligations of states and political subdivisions	663	—	663	—
Individual name issuer trust preferred debt securities	6,103	—	6,103	—
Corporate bonds	12,724	—	12,724	—
Mortgage loans held for sale	35,833	—	35,833	—
Derivative assets	28,770	—	28,770	—
Total assets at fair value on a recurring basis	\$1,004,945	\$—	\$1,004,945	\$—
Liabilities:				
Derivative liabilities	\$29,545	\$—	\$29,545	\$—
Total liabilities at fair value on a recurring basis	\$29,545	\$—	\$29,545	\$—

Valuation Techniques for Items Recorded at Fair Value on a Nonrecurring Basis

Collateral Dependent Individually Analyzed Loans

Collateral dependent individually analyzed loans are valued based upon the lower of amortized cost or fair value. Fair value is determined based on the appraised value of the underlying collateral. Such collateral primarily consists of real estate and, to a lesser extent, other business assets. For collateral dependent loans that are expected to be repaid substantially through the sale of the collateral, management adjusts the fair value for estimated costs to sell. Management may also adjust appraised values to reflect estimated market value declines or apply other discounts to appraised values resulting from its knowledge of

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

the collateral. Internal valuations may be utilized to determine the fair value of other business assets. Collateral dependent individually analyzed loans are categorized as Level 3.

Items Recorded at Fair Value on a Nonrecurring Basis

The following table presents the carrying value of assets held at March 31, 2026, which were written down to fair value during the three months ended March 31, 2026:

(Dollars in thousands)

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Collateral dependent individually analyzed loans	\$5,074	\$—	\$—	\$5,074
Total assets at fair value on a nonrecurring basis	\$5,074	\$—	\$—	\$5,074

Assets written down to fair value for the year ended December 31, 2025 consisted of two collateral dependent individually analyzed loan relationships, which had no carrying value at December 31, 2025. See additional disclosure on these two relationships in Note 10 in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025

The following table presents valuation techniques and unobservable inputs for assets measured at fair value on a nonrecurring basis for which the Corporation has utilized Level 3 inputs to determine fair value:

(Dollars in thousands)

March 31, 2026	Fair Value	Valuation Technique	Unobservable Input	Range of Inputs Utilized (Weighted Average)
Collateral dependent individually analyzed loans	\$5,074	Appraisals of collateral	Discount for costs to sell Appraisal adjustments	10% 0%

Items for which Fair Value is Only Disclosed

The estimated fair values and related carrying amounts for financial instruments for which fair value is only disclosed are presented in the tables below:

(Dollars in thousands)

March 31, 2026	Carrying Amount	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:					
Cash and cash equivalents	\$100,184	\$100,184	\$100,184	\$—	\$—
Loans, net of allowance for credit losses on loans (1)	4,973,759	4,858,427	—	—	4,858,427
FHLB stock	28,273	28,273	—	28,273	—
Investment in BOLI	116,010	116,010	—	116,010	—
Financial Liabilities:					
Non-maturity deposits	\$3,998,202	\$3,998,202	\$—	\$3,998,202	\$—
Time deposits	1,166,431	1,162,582	—	1,162,582	—
FHLB advances	576,000	577,807	—	577,807	—
Junior subordinated debentures	22,681	19,461	—	19,461	—

(1) The estimated fair value excludes a \$923 thousand negative basis adjustment associated with fair value hedges. See Note 6 for additional disclosure.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

(Dollars in thousands)

December 31, 2025	Carrying Amount	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:					
Cash and cash equivalents	\$103,734	\$103,734	\$103,734	\$—	\$—
Loans, net of allowance for credit losses on loans (1)	5,097,152	4,972,651	—	—	4,972,651
FHLB stock	29,473	29,473	—	29,473	—
Investment in BOLI	115,126	115,126	—	115,126	—
Financial Liabilities:					
Non-maturity deposits	\$4,049,307	\$4,049,307	\$—	\$4,049,307	\$—
Time deposits	1,220,683	1,218,361	—	1,218,361	—
FHLB advances	626,000	629,484	—	629,484	—
Junior subordinated debentures	22,681	19,953	—	19,953	—

(1) The estimated fair value excludes a \$335 thousand negative basis adjustment associated with fair value hedges. See Note 6 for additional disclosure.

Note 8 - Deposits

The following table presents a summary of deposits:

(Dollars in thousands)

	March 31, 2026	December 31, 2025
Noninterest-bearing:		
Noninterest-bearing demand deposits	\$585,415	\$595,092
Interest-bearing:		
Interest-bearing demand deposits	758,524	756,794
NOW accounts	690,987	715,114
Money market accounts	1,132,421	1,185,420
Savings accounts	830,855	796,887
Time deposits (1)	1,166,431	1,220,683
Total interest-bearing deposits	4,579,218	4,674,898
Total deposits	\$5,164,633	\$5,269,990

(1) There were no wholesale brokered time deposits at March 31, 2026 or December 31, 2025.

The following table presents scheduled maturities of time certificates of deposit:

(Dollars in thousands)

	Scheduled Maturity	Weighted Average Rate
April 1, 2026 to December 31, 2026	\$972,539	3.48%
2027	127,776	2.98
2028	52,824	3.07
2029	5,784	2.83
2030	5,629	2.17
2031 and thereafter	1,879	1.92
Balance at March 31, 2026	\$1,166,431	3.40%

Time certificates of deposit in denominations of \$250 thousand or more totaled \$356.2 million and \$355.9 million,

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

respectively, at March 31, 2026 and December 31, 2025.

Note 9 - Borrowings

Advances payable to the FHLB amounted to \$576.0 million and \$626.0 million, respectively, at March 31, 2026 and December 31, 2025. See Note 6 for additional disclosure on derivatives designated as cash flow hedges to hedge the interest rate risk associated with short-term FHLB advances.

The Bank pledges certain qualified investment securities and loans as collateral to the FHLB. The Bank had available borrowing capacity of \$1.4 billion with the FHLB as of both March 31, 2026 and December 31, 2025. In addition, the Bank had access to a \$40.0 million unused line of credit with the FHLB at both March 31, 2026 and December 31, 2025.

The Bank had standby letters of credit with the FHLB of \$65.1 million and \$66.0 million at March 31, 2026 and December 31, 2025 to collateralize institutional deposits.

The following table presents maturities and weighted average interest rates on FHLB advances outstanding as of March 31, 2026:

(Dollars in thousands)	Scheduled Maturity	Weighted Average Rate
April 1, 2026 to December 31, 2026	\$340,000	4.07%
2027	60,000	4.12
2028	90,000	4.33
2029	80,000	3.82
2030	6,000	3.33
2031 and thereafter	—	—
Balance at March 31, 2026	\$576,000	4.07%

Note 10 - Shareholders' Equity

Stock Repurchase Program

The 2025 Repurchase Program adopted by the Board of Directors authorizes the repurchase of up to 850,000 shares, or approximately 4%, of the Bancorp's outstanding common stock. This authority may be exercised from time to time and in such amounts as market conditions warrant, and subject to regulatory considerations. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, market conditions, and other corporate liquidity requirements and priorities. Repurchases under the 2025 Repurchase Program are conducted pursuant to a trading plan adopted by the Bancorp that is designed to qualify under Rule 10b5-1 under the Exchange Act. The 2025 Repurchase Program commenced on May 15, 2025 and expires on May 15, 2026 and may be modified, suspended, or discontinued at any time. Through March 31, 2026, the Bancorp has repurchased a total of 267,658 shares, at an average price of \$27.26 and a total cost of \$7.4 million, under its 2025 Repurchase Program. The total cost included \$65 thousand of excise tax attributable to shares that were repurchased.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Regulatory Capital Requirements

Capital levels at March 31, 2026 exceeded the regulatory minimum levels to be considered “well capitalized.”

The following table presents the Corporation’s and the Bank’s actual capital amounts and ratios, as well as the corresponding minimum and well capitalized regulatory amounts and ratios that were in effect during the respective periods:

(Dollars in thousands)

	Actual		For Capital Adequacy Purposes		To Be “Well Capitalized” Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
March 31, 2026						
Total Capital (to Risk-Weighted Assets):						
Corporation	\$622,030	13.38%	\$372,027	8.00%	N/A	N/A
Bank	614,658	13.22	371,824	8.00	\$464,781	10.00%
Tier 1 Capital (to Risk-Weighted Assets):						
Corporation	579,664	12.46	279,020	6.00	N/A	N/A
Bank	572,292	12.31	278,868	6.00	371,824	8.00
Common Equity Tier 1 Capital (to Risk-Weighted Assets):						
Corporation	557,667	11.99	209,265	4.50	N/A	N/A
Bank	572,292	12.31	209,151	4.50	302,107	6.50
Tier 1 Capital (to Average Assets): (1)						
Corporation	579,664	8.80	263,555	4.00	N/A	N/A
Bank	572,292	8.69	263,425	4.00	329,281	5.00
December 31, 2025						
Total Capital (to Risk-Weighted Assets):						
Corporation	615,600	12.95	380,342	8.00	N/A	N/A
Bank	607,862	12.79	380,144	8.00	475,180	10.00
Tier 1 Capital (to Risk-Weighted Assets):						
Corporation	577,224	12.14	285,256	6.00	N/A	N/A
Bank	569,486	11.98	285,108	6.00	380,144	8.00
Common Equity Tier 1 Capital (to Risk-Weighted Assets):						
Corporation	555,227	11.68	213,942	4.50	N/A	N/A
Bank	569,486	11.98	213,831	4.50	308,867	6.50
Tier 1 Capital (to Average Assets): (1)						
Corporation	577,224	8.65	267,046	4.00	N/A	N/A
Bank	569,486	8.53	266,921	4.00	333,651	5.00

(1) Leverage ratio.

In addition to the minimum regulatory capital required for capital adequacy outlined in the table above, the Corporation and the Bank are required to maintain a minimum capital conservation buffer, in the form of common equity, of 2.50%, resulting in a requirement for the Corporation and the Bank to effectively maintain total capital, Tier 1 capital, and common equity Tier 1 capital ratios of 10.50%, 8.50%, and 7.00%, respectively. The Corporation and the Bank must maintain the capital conservation buffer to avoid restrictions on the ability to pay dividends and discretionary bonuses. The Corporation’s and the Bank’s capital levels exceeded the minimum regulatory capital requirements plus the capital conservation buffer at March 31, 2026 and December 31, 2025.

The Bancorp owns the common stock of two capital trusts, which have issued trust preferred securities. In accordance with GAAP, the capital trusts are treated as unconsolidated subsidiaries. At both March 31, 2026 and December 31, 2025, \$22.0 million in trust preferred securities were included in the Tier 1 capital of the Corporation for regulatory capital reporting purposes pursuant to the capital adequacy guidelines of the Federal Reserve.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 11 - Revenue from Contracts with Customers

The following table summarizes total revenues as presented in the Unaudited Consolidated Statements of Income and the related amounts that are from contracts with customers within the scope of ASC 606. As shown below, a substantial portion of our revenues are specifically excluded from the scope of ASC 606.

For the three months ended March 31,

(Dollars in thousands)	2026		2025	
	Revenue (1)	ASC 606 Revenue (2)	Revenue (1)	ASC 606 Revenue (2)
Net interest income	\$40,525	\$—	\$36,422	\$—
Noninterest income:				
Wealth management revenues	10,647	10,647	9,891	9,891
Mortgage banking revenues	3,045	—	2,304	—
Card interchange fees	1,385	1,385	1,509	1,509
Service charges on deposit accounts	785	785	744	744
Loan related derivative income	227	—	101	—
Income from bank-owned life insurance	885	—	769	—
Gain on sale of bank-owned properties, net (3)	—	—	6,994	6,994
Other income	329	262	331	264
Total noninterest income	17,303	13,079	22,643	19,402
Total revenues	\$57,828	\$13,079	\$59,065	\$19,402

(1) As reported in the Unaudited Consolidated Statements of Income.

(2) Revenue from contracts with customers in scope of ASC 606.

(3) For the three months ended March 31, 2025, included herein in accordance with sale-leaseback transaction provisions of ASC 842 and ASC 606.

The following table presents revenue from contracts with customers based on the timing of revenue recognition:

(Dollars in thousands)

Three months ended March 31,

	2026	2025
Revenue recognized at a point in time:		
Card interchange fees	\$1,385	\$1,509
Service charges on deposit accounts	518	463
Gain on sale of bank-owned properties, net	—	6,994
Other income	209	204
Revenue recognized over time:		
Wealth management revenues	10,647	9,891
Service charges on deposit accounts	267	281
Other income	53	60
Total revenues from contracts with customers in scope of ASC 606	\$13,079	\$19,402

Receivables for revenue from contracts with customers primarily consist of amounts due for wealth management services performed for which the Corporation's performance obligations have been fully satisfied. Receivables amounted to \$6.0 million and \$7.0 million, respectively, at March 31, 2026 and December 31, 2025 and were included in other assets in the Unaudited Consolidated Balance Sheets.

Deferred revenues, which are considered contract liabilities under ASC 606, represent advance consideration received from customers for which the Corporation has a remaining performance obligation to fulfill. Contract liabilities are recognized as revenue over the life of the contract as the performance obligations are satisfied. The balances of contract liabilities were insignificant at both March 31, 2026 and December 31, 2025 and were included in other liabilities in the Unaudited Consolidated Balance Sheets.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

For commissions and incentives that are in scope of ASC 606, such as those paid to employees in our wealth management services and banking segments in order to obtain customer contracts, contract cost assets are established. The contract cost assets are capitalized and amortized over the estimated useful life that the asset is expected to generate benefits. The carrying value of contract cost assets amounted to \$2.1 million and \$2.3 million, respectively at March 31, 2026 and December 31, 2025 and were included in other assets in the Unaudited Consolidated Balance Sheets. The amortization of contract cost assets is recorded within salaries and employee benefits expense in the Unaudited Consolidated Statements of Income.

Note 12 - Business Segments

The Corporation manages its operations through two reportable business segments, consisting of Banking and Wealth Management Services. The Corporation's reportable business segments are determined by the Chairman and Chief Executive Officer, and the Senior Executive Vice President, Chief Financial Officer and Treasurer, the designated CODMs.

An allocation methodology is utilized to allocate income and expenses to the business segments. Direct activities are assigned to the appropriate business segment to which the activity relates. Indirect activities, such as corporate, technology and other support functions, are allocated to business segments primarily based upon full-time equivalent employee computations.

The Banking segment includes commercial, residential, and consumer lending activities; mortgage banking activities; deposit generation; treasury management services; other banking activities, including customer support and the operation of ATMs, telephone banking, internet banking, and mobile banking services; as well as investment portfolio and wholesale funding activities.

Wealth management services and operations are provided through the Bank and its registered investment adviser subsidiary. The Wealth Management Services segment provides investment management; holistic financial planning services; personal trust and estate services, including services as trustee, personal representative, and custodian; settlement of decedents' estates; and institutional trust services, including custody and fiduciary services.

The CODMs evaluate the financial performance of each business segment, which is measured based upon the business segment's net income. Components of net income for the business segments that are reviewed by the CODMs include net interest income, provision for credit losses, noninterest income, noninterest expense, and income tax expense. The CODMs, in conjunction with management committees (such as the ALCO) and certain members of executive management, evaluates financial performance to make decisions related to the products and services that are offered, pricing, and the allocation of resources, for each business segment.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

The following table presents the components of net income, as well as other supplemental information for Washington Trust's reportable business segments:

(Dollars in thousands)

Three months ended March 31,	Banking		Wealth Management Services		Consolidated Total	
	2026	2025	2026	2025	2026	2025
Total interest income and dividend income	\$74,982	\$79,463	\$—	\$—	\$74,982	\$79,463
Total interest expense	34,457	43,041	—	—	34,457	43,041
Net interest income	40,525	36,422	—	—	40,525	36,422
Provision for credit losses	4,000	1,200	—	—	4,000	1,200
Net interest income after provision for credit losses	36,525	35,222	—	—	36,525	35,222
Noninterest income	6,430	12,635	10,873	10,008	17,303	22,643
Noninterest expenses:						
Salaries and employee benefits	18,790	16,979	5,550	5,443	24,340	22,422
Outsourced services	3,599	3,265	784	1,081	4,383	4,346
Net occupancy	2,663	2,471	227	270	2,890	2,741
Equipment	843	815	60	76	903	891
Legal, audit and professional fees	662	527	274	223	936	750
FDIC deposit insurance costs	935	1,262	—	—	935	1,262
Advertising and promotion	463	348	84	62	547	410
Amortization of intangibles	—	—	155	204	155	204
Other expenses	2,147	6,879	529	2,291	2,676	9,170
Total noninterest expenses	30,102	32,546	7,663	9,650	37,765	42,196
Income before income taxes	12,853	15,311	3,210	358	16,063	15,669
Income tax expense	2,734	3,347	729	143	3,463	3,490
Net income	\$10,119	\$11,964	\$2,481	\$215	\$12,600	\$12,179

Supplemental Information:

Total assets at period end	\$6,395,861	\$6,525,532	\$63,335	\$60,483	\$6,459,196	\$6,586,015
Expenditures for long-lived assets	1,165	87	141	1	1,306	88
Depreciation expense (1)	736	808	71	86	807	894

(1) Included in net occupancy and equipment expenses in the table above.

For the three months ended March 31, 2025, noninterest income for the Banking segment included a \$7.0 million net gain recognized in the first quarter associated with sale-leaseback transactions that were completed for five branch locations.

Also, for the three months ended March 31, 2025, total other expenses included a \$6.4 million pension plan settlement charge recognized in the first quarter, of which \$4.9 million was included in the Banking segment and \$1.5 million was included in the Wealth Management Services segment.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 13 - Other Comprehensive Income

The following table presents the activity in other comprehensive income:

Three months ended March 31,

(Dollars in thousands)	2026			2025		
	Pre-tax Amounts	Income Tax (Expense) Benefit	Net of Tax	Pre-tax Amounts	Income Tax (Expense) Benefit	Net of Tax
Available for Sale Debt Securities:						
Change in fair value of available for sale debt securities	(\$1,779)	\$445	(\$1,334)	\$16,896	(\$4,266)	\$12,630
Cash Flow Hedges:						
Change in fair value of cash flow hedges	758	(190)	568	(1,130)	286	(844)
Net cash flow hedge losses reclassified into earnings (1)	2,161	(539)	1,622	1,923	(486)	1,437
Net change in fair value of cash flow hedges	2,919	(729)	2,190	793	(200)	593
Defined Benefit Plan Obligations:						
Defined benefit plan obligation remeasurement	—	—	—	2,665	(728)	1,937
Pension plan settlement charge reclassified into earnings	—	—	—	6,436	(1,625)	4,811
Amortization of net actuarial losses into earnings	24	(6)	18	29	(8)	21
Net change in defined benefit plan obligations	24	(6)	18	9,130	(2,361)	6,769
Total other comprehensive income	\$1,164	(\$290)	\$874	\$26,819	(\$6,827)	\$19,992

(1) See Note 6 for additional information on pre-tax amounts related to cash flow hedges that were reclassified into earnings.

The following tables present the changes in AOCL by component, net of tax:

(Dollars in thousands)

	Net Unrealized Losses on Available For Sale Debt Securities	Net Unrealized Losses on Cash Flow Hedges	Net Unrealized Losses on Defined Benefit Plan Obligations	Total
For the three months ended March 31, 2026				
Balance at December 31, 2025	(\$73,743)	(\$3,142)	(\$2,424)	(\$79,309)
Other comprehensive (loss) income before reclassifications	(1,334)	568	—	(766)
Amounts reclassified from AOCL	—	1,622	18	1,640
Net other comprehensive (loss) income	(1,334)	2,190	18	874
Balance at March 31, 2026	(\$75,077)	(\$952)	(\$2,406)	(\$78,435)

(Dollars in thousands)

	Net Unrealized Losses on Available For Sale Debt Securities	Net Unrealized Losses on Cash Flow Hedges	Net Unrealized Losses on Defined Benefit Plan Obligations	Total
For the three months ended March 31, 2025				
Balance at December 31, 2024	(\$102,439)	(\$7,938)	(\$8,794)	(\$119,171)
Other comprehensive income (loss) before reclassifications	12,630	(844)	1,937	13,723
Amounts reclassified from AOCL	—	1,437	4,832	6,269
Net other comprehensive income	12,630	593	6,769	19,992
Balance at March 31, 2025	(\$89,809)	(\$7,345)	(\$2,025)	(\$99,179)

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 14 - Earnings per Common Share

The following table presents the calculation of EPS:

(Dollars and shares in thousands, except per share amounts)

Three months ended March 31,	2026	2025
Earnings for basic and diluted EPS calculations:		
Net income	\$12,600	\$12,179
Shares for basic and diluted EPS calculations:		
Weighted average common shares outstanding for basic EPS	19,039	19,276
Dilutive effect of common stock equivalents	134	94
Weighted average common and potential common shares outstanding for diluted EPS	19,173	19,370
EPS:		
Basic earnings per common share	\$0.66	\$0.63
Diluted earnings per common share	\$0.66	\$0.63

Shares excluded from the calculation of diluted EPS:

Weighted average anti-dilutive common stock equivalents (1)	369	388
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(1) Weighted average anti-dilutive common stock equivalents represent share-based compensation awards not included in the calculation of common shares outstanding for purposes of calculating diluted EPS as the grant prices were greater than the average market price of the Bancorp's common stock, and therefore were anti-dilutive.

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

Note 15 - Commitments and Contingencies

Financial Instruments with Off-Balance Sheet Risk

The Corporation is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers and to manage the Corporation's exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit and standby letters of credit, as well as derivative financial instruments, such as mortgage loan commitments, loan related derivative contracts and interest rate risk management contracts. These instruments involve, to varying degrees, elements of credit risk in excess of the amount recognized in the Unaudited Consolidated Balance Sheets. The contract or notional amounts of these instruments reflect the extent of involvement the Corporation has in particular classes of financial instruments. See Note 6 for additional disclosure pertaining to derivative financial instruments.

Financial Instruments Whose Contract Amounts Represent Credit Risk (Unfunded Commitments)

Commitments to Extend Credit

Commitments to extend credit are agreements to lend to a customer as long as there are no violations of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since some of the commitments are expected to expire without being drawn upon, total commitment amounts do not necessarily represent future cash requirements. Each borrower's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained is based on management's credit evaluation of the borrower.

Standby Letters of Credit

Standby letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. These standby letters of credit are primarily issued to support the financing needs of the Bank's commercial customers. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers. The collateral supporting those commitments is essentially the same as for other commitments. Most standby letters of credit extend for one year. At March 31, 2026 and December 31, 2025, there were no liabilities to beneficiaries resulting from standby letters of credit. Should the Corporation be required to make payments to the beneficiary, repayment from the customer to the Corporation is required.

The following table presents the contractual and notional amounts of financial instruments with off-balance sheet risk:

(Dollars in thousands)

	March 31, 2026	December 31, 2025
Financial instruments whose contract amounts represent credit risk:		
Commitments to extend credit	\$1,017,062	\$952,599
Standby letters of credit	7,317	7,774

Condensed Notes to Unaudited Consolidated Financial Statements – (continued)

ACL on Unfunded Commitments

The ACL on unfunded commitments is management’s estimate of expected lifetime credit losses over the expected contractual term in which the Corporation is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Corporation.

The activity in the ACL on unfunded commitments for the three months ended March 31, 2026 is presented below:

(Dollars in thousands)	Commercial			Residential Real Estate	Consumer			Total
	CRE	C&I	Total Commercial		Home Equity	Other	Total Consumer	
Beginning Balance	\$518	\$590	\$1,108	\$23	\$—	\$9	\$9	\$1,140
Provision	61	40	101	—	—	(1)	(1)	100
Ending Balance	\$579	\$630	\$1,209	\$23	\$—	\$8	\$8	\$1,240

The activity in the ACL on unfunded commitments for the three months ended March 31, 2025 is presented below:

(Dollars in thousands)	Commercial			Residential Real Estate	Consumer			Total
	CRE	C&I	Total Commercial		Home Equity	Other	Total Consumer	
Beginning Balance	\$822	\$589	\$1,411	\$18	\$—	\$11	\$11	\$1,440
Provision	(128)	(71)	(199)	(1)	—	—	—	(200)
Ending Balance	\$694	\$518	\$1,212	\$17	\$—	\$11	\$11	\$1,240

Other Contingencies

Litigation

The Corporation is involved in various claims and legal proceedings arising out of the ordinary course of business. Management is of the opinion, based on its review with counsel of the development of such matters to date, that the ultimate disposition of such matters will not materially affect the consolidated balance sheets or statements of income of the Corporation.

Management's Discussion and Analysis

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the Corporation's Audited Consolidated Financial Statements and notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2025, and in conjunction with the condensed Unaudited Consolidated Financial Statements and notes thereto included in Item 1 of this report. Operating results for the three months ended March 31, 2026 are not necessarily indicative of the results for the full-year ended December 31, 2026 or any future period.

Forward-Looking Statements

This report contains statements that are "forward-looking statements." We may also make forward-looking statements in other documents we file with the SEC, in our annual reports to shareholders, in press releases and other written materials, and in oral statements made by our officers, directors, or employees. You can identify forward-looking statements by the use of the words "believe," "expect," "anticipate," "intend," "estimate," "assume," "outlook," "will," "should," and other expressions that predict or indicate future events and trends and which do not relate to historical matters. You should not rely on forward-looking statements, because they involve known and unknown risks, uncertainties, and other factors, some of which are beyond our control. These risks, uncertainties, and other factors may cause our actual results, performance, or achievements to be materially different than the anticipated future results, performance, or achievements expressed or implied by the forward-looking statements.

Some of the factors that might cause these differences include the following:

- changes in general business and economic conditions (including the impact of ongoing armed conflicts, tariffs, inflation, current or future U.S. government shutdowns, and concerns about liquidity) on a national basis and in the local markets in which we operate;
- interest rate changes or volatility, as well as changes in the balance and mix of loans and deposits;
- changes in customer behavior due to political, business and economic conditions;
- changes in loan demand and collectability;
- the possibility that future credit losses are higher than currently expected due to changes in economic assumptions or adverse economic developments;
- ongoing volatility in national and international financial markets;
- reductions in the market value or outflows of wealth management AUA;
- decreases in the value of securities and other assets;
- increases in defaults and charge-off rates;
- changes in the size and nature of our competition;
- changes in, and evolving interpretations of, existing and future laws, rules and regulations;
- changes in accounting principles, policies and guidelines;
- operational risks including, but not limited to, changes in information technology, cybersecurity incidents, fraud, natural disasters, war, terrorism, civil unrest and future pandemics;
- regulatory, litigation and reputational risks; and
- changes in the assumptions used in making such forward-looking statements.

In addition, the factors described under "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as updated by our Quarterly Reports on Form 10-Q and other filings submitted to the SEC, may result in these differences. You should carefully review all of these factors and you should be aware that there may be other factors that could cause these differences. These forward-looking statements were based on information, plans, and estimates at the date of this report, and we assume no obligation to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

Management's Discussion and Analysis

Non-GAAP Financial Measures and Reconciliation to GAAP

In addition to evaluating the Corporation's results of operations in accordance with GAAP, management supplements this evaluation with an analysis of certain non-GAAP financial measures, such as adjusted noninterest income, adjusted noninterest expense, adjusted income before income taxes, adjusted income tax expense, adjusted effective tax rate, adjusted net income, adjusted diluted earnings per common share, adjusted return on average assets, and adjusted return on average equity.

We believe these non-GAAP financial measures are utilized by regulators and market analysts to evaluate the Corporation's results of operations and financial condition, and therefore such information is useful to investors. In addition, these non-GAAP financial measures remove the impact of infrequent items that may obscure trends in the Corporation's underlying performance. These disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures, which may be presented by other companies. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

Each presentation below reconciles the "as reported" GAAP measure to the adjusted non-GAAP measure.

Management's Discussion and Analysis

The following table presents adjusted noninterest income, adjusted noninterest expense, adjusted income before income taxes, adjusted income tax expense, adjusted effective tax rate, and adjusted net income:

(Dollars in thousands, except per share amounts)

Three months ended March 31,	2026	2025
Adjusted Noninterest Income:		
Noninterest income, as reported	\$17,303	\$22,643
Less adjustments:		
Gain on sale of bank-owned properties, net	—	6,994
Adjusted noninterest income (non-GAAP)	\$17,303	\$15,649
Adjusted Noninterest Expense:		
Noninterest expense, as reported	\$37,765	\$42,196
Less adjustments:		
Pension plan settlement charge	—	6,436
Adjusted noninterest expense (non-GAAP)	\$37,765	\$35,760
Adjusted Income Before Income Taxes:		
Income before income taxes, as reported	\$16,063	\$15,669
Less: total adjustments, pre-tax	—	558
Adjusted income before income taxes (non-GAAP)	\$16,063	\$15,111
Adjusted Income Tax Expense:		
Income tax expense, as reported	\$3,463	\$3,490
Less: tax on total adjustments	—	141
Adjusted income tax expense (non-GAAP)	\$3,463	\$3,349
Adjusted Effective Tax Rate:		
Effective tax rate, as reported (1)	21.6%	22.3%
Less: impact of total adjustments	—	0.1
Adjusted effective tax rate (non-GAAP) (2)	21.6%	22.2%
Adjusted Net Income:		
Net income, as reported	\$12,600	\$12,179
Less: total adjustments, after-tax	—	417
Adjusted net income (non-GAAP)	\$12,600	\$11,762

(1) Calculated as income tax expense divided by income before income taxes.

(2) Calculated as income tax expense, adjusted for the tax impact of the adjustments as outlined in the table above, divided by income before income taxes, adjusted for the pre-tax impact of the adjustments as outlined in the table above.

Management's Discussion and Analysis

The following table presents adjusted diluted earnings per common share:

(Dollars in thousands, except per share amounts)

Three months ended March 31,	2026	2025
Adjusted Diluted Earnings per Common Share:		
Diluted earnings per common share, as reported (1)	\$0.66	\$0.63
Less: impact of total adjustments	—	0.02
Adjusted diluted earnings per common share (non-GAAP) (2)	\$0.66	\$0.61

(1) Net income divided by weighted average diluted common and potential shares outstanding.

(2) Net income, adjusted for the after-tax impact of adjustments as outlined in the table above, divided by weighted average diluted common and potential shares outstanding.

The following table presents adjusted return on average assets and adjusted return on average equity:

(Dollars in thousands)

Three months ended March 31,	2026	2025
Adjusted Return on Average Assets (1):		
Net income, as reported	\$12,600	\$12,179
Less: total adjustments, after-tax	—	417
Adjusted net income (non-GAAP)	12,600	11,762
Total average assets, as reported	6,566,686	6,765,057
Return on average assets (2)	0.78%	0.73%
Adjusted return on average assets (non-GAAP) (3)	0.78%	0.71%
Adjusted Return on Average Equity (1):		
Net income, as reported	\$12,600	\$12,179
Less: total adjustments, after-tax	—	417
Adjusted net income (non-GAAP)	12,600	11,762
Total average equity, as reported	553,374	513,048
Return on average equity (4)	9.23%	9.63%
Adjusted return on average equity (non-GAAP) (5)	9.23%	9.30%

(1) Annualized based on the actual number of days in the period.

(2) Net income divided by total average assets.

(3) Net income, adjusted for the after-tax impact of adjustments as outlined in the table above, divided by total average assets.

(4) Net income divided by total average equity.

(5) Net income, adjusted for the after-tax impact of adjustments as outlined in the table above, divided by total average equity.

Overview

Washington Trust offers a full range of financial services, including commercial, residential, and consumer lending, retail and commercial deposit products, and wealth management and trust services through its offices in Rhode Island, Massachusetts, and Connecticut.

Our largest source of operating income is net interest income, which is the difference between interest earned on loans and securities and interest paid on deposits and borrowings. In addition, we generate noninterest income from a number of sources, including wealth management services, mortgage banking activities, and deposit services. Our principal noninterest expenses include salaries and employee benefit costs, outsourced services (including software-as-a-service) provided by third-party vendors, occupancy and facility-related costs, and other administrative expenses.

Management's Discussion and Analysis

We continue to leverage our strong regional brand to build market share and remain steadfast in our commitment to provide superior service. We believe the key to future growth is providing customers with convenient in-person service and digital banking solutions.

Results of Operations

Summary

The following table presents a summarized consolidated statement of operations:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Net interest income	\$40,525	\$36,422	\$4,103	11%
Noninterest income	17,303	22,643	(5,340)	(24)
Total revenues	57,828	59,065	(1,237)	(2)
Provision for credit losses	4,000	1,200	2,800	233
Noninterest expense	37,765	42,196	(4,431)	(11)
Income before income taxes	16,063	15,669	394	3
Income tax expense	3,463	3,490	(27)	(1)
Net income	\$12,600	\$12,179	\$421	3%
Adjusted net income (non-GAAP)	\$12,600	\$11,762	\$838	7%

Net income totaled \$12.6 million for the three months ended March 31, 2026, compared to \$12.2 million reported for the same period in 2025. These results included the following infrequent transactions:

- In the first quarter of 2025, sale-leaseback transactions were completed for five branch locations and a pre-tax net gain on the sale of the bank-owned properties totaling \$7.0 million was recognized within noninterest income.
- Also in the first quarter of 2025 and in connection with the termination of the Corporation's qualified pension plan, a pre-tax non-cash pension plan settlement charge of \$6.4 million was recognized within noninterest expenses.

Excluding these items, adjusted net income (non-GAAP) for the three months ended March 31, 2026 was \$12.6 million, compared to \$11.8 million for the same period in 2025, up by \$838 thousand, or 7%. These results reflected higher net interest income, as well as growth in wealth management and mortgage banking revenues, partially offset by an elevated provision for credit losses and higher salaries and benefits costs.

The following table presents a summary of performance metrics and ratios:

Three months ended March 31,	2026	2025
Diluted earnings per common share	\$0.66	\$0.63
Adjusted diluted earnings per common share (non-GAAP)	\$0.66	\$0.61
Return on average assets (net income divided by average assets)	0.78%	0.73%
Adjusted return on average assets (non-GAAP)	0.78%	0.71%
Return on average equity (net income divided by average equity)	9.23%	9.63%
Adjusted return on average equity (non-GAAP)	9.23%	9.30%

Management's Discussion and Analysis

Average Balances / Net Interest Margin - Fully Taxable Equivalent Basis

The following table presents daily average balance, interest, and yield/rate information, as well as net interest margin on an FTE basis. Tax-exempt income is converted to an FTE basis using the statutory federal income tax rate. Unrealized gains (losses) on available for sale securities, changes in fair value on mortgage loans held for sale, and basis adjustments associated with fair value hedges are excluded from the average balance and yield calculations. Nonaccrual loans are included in amounts presented for loans. Interest income attributable to nonaccrual loans is included in accordance with accounting policy as disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Three months ended March 31,	2026			2025			Change		
(Dollars in thousands)	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
Assets:									
Cash, federal funds sold, and short-term investments	\$101,091	\$909	3.65%	\$185,724	\$1,993	4.35%	(\$84,633)	(\$1,084)	(0.70%)
Mortgage loans held for sale	24,760	375	6.14	105,253	958	3.69	(80,493)	(583)	2.45
Taxable debt securities	1,022,612	8,768	3.48	1,042,687	8,827	3.43	(20,075)	(59)	0.05
Nontaxable debt securities	650	8	4.99	650	8	4.99	—	—	—
Total securities	1,023,262	8,776	3.48	1,043,337	8,835	3.43	(20,075)	(59)	0.05
FHLB stock	30,566	585	7.76	43,491	1,022	9.53	(12,925)	(437)	(1.77)
Commercial real estate	2,148,792	28,718	5.42	2,138,301	30,354	5.76	10,491	(1,636)	(0.34)
Commercial & industrial	571,498	7,921	5.62	538,083	7,874	5.93	33,415	47	(0.31)
Total commercial	2,720,290	36,639	5.46	2,676,384	38,228	5.79	43,906	(1,589)	(0.33)
Residential real estate	2,035,597	22,723	4.53	2,120,452	23,354	4.47	(84,855)	(631)	0.06
Home equity	316,660	4,931	6.32	296,735	5,061	6.92	19,925	(130)	(0.60)
Other	16,589	215	5.26	17,349	217	5.07	(760)	(2)	0.19
Total consumer	333,249	5,146	6.26	314,084	5,278	6.82	19,165	(132)	(0.56)
Total loans	5,089,136	64,508	5.14	5,110,920	66,860	5.31	(21,784)	(2,352)	(0.17)
Total interest-earning assets	6,268,815	75,153	4.86	6,488,725	79,668	4.98	(219,910)	(4,515)	(0.12)
Noninterest-earning assets	297,871			276,332			21,539		
Total assets	\$6,566,686			\$6,765,057			(\$198,371)		
Liabilities and Shareholders' Equity:									
Interest-bearing demand deposits (in-market)	\$748,233	\$5,889	3.19%	\$628,490	\$5,876	3.79%	\$119,743	\$13	(0.60%)
NOW accounts	676,240	259	0.16	679,138	343	0.20	(2,898)	(84)	(0.04)
Money market accounts	1,162,609	7,788	2.72	1,232,042	10,028	3.30	(69,433)	(2,240)	(0.58)
Savings accounts	810,040	3,418	1.71	564,002	1,851	1.33	246,038	1,567	0.38
Time deposits (in-market)	1,190,414	10,016	3.41	1,204,779	11,304	3.81	(14,365)	(1,288)	(0.40)
Interest-bearing in-market deposits	4,587,536	27,370	2.42	4,308,451	29,402	2.77	279,085	(2,032)	(0.35)
Wholesale brokered time deposits	—	—	—	188,386	2,346	5.05	(188,386)	(2,346)	(5.05)
Total interest-bearing deposits	4,587,536	27,370	2.42	4,496,837	31,748	2.86	90,699	(4,378)	(0.44)
FHLB advances	660,667	6,777	4.16	959,889	10,946	4.62	(299,222)	(4,169)	(0.46)
Junior subordinated debentures	22,681	310	5.54	22,681	347	6.20	—	(37)	(0.66)
Total interest-bearing liabilities	5,270,884	34,457	2.65	5,479,407	43,041	3.19	(208,523)	(8,584)	(0.54)
Noninterest-bearing demand deposits	604,302			620,849			(16,547)		
Other liabilities	138,126			151,753			(13,627)		
Shareholders' equity	553,374			513,048			40,326		
Total liabilities and shareholders' equity	\$6,566,686			\$6,765,057			(\$198,371)		
Net interest income (FTE)		\$40,696			\$36,627			\$4,069	
Interest rate spread			2.21%			1.79%			0.42%
Net interest margin			2.63%			2.29%			0.34%

Management's Discussion and Analysis

Interest income amounts presented in the preceding table include the following adjustments for taxable equivalency:

(Dollars in thousands)	2026	2025	Change
Three months ended March 31,			
Commercial loans	\$168	\$206	(\$38)
Nontaxable debt securities	1	1	—
Total	\$169	\$207	(\$38)

Net Interest Income

Net interest income, the primary source of our operating income, totaled \$40.5 million for the three months ended March 31, 2026, compared to \$36.4 million, for the same period in 2025.

Net interest income is affected by factors including, but not limited to, the level of and changes in interest rates, changes in the amount and composition of interest-earning assets and interest-bearing liabilities, loan and deposit pricing strategies and competitive conditions, loan prepayment speeds, and the level of nonaccrual loans.

NIM is calculated as net interest income on a fully-taxable equivalent basis as a percentage of average interest-earning assets.

The improvement in net interest income, FTE net interest income and NIM discussed below largely reflected continued benefits from the December 2024 balance sheet repositioning transactions.

The following discussion presents net interest income on an FTE basis by adjusting income and yields on tax-exempt loans to be comparable to taxable loans.

FTE net interest income for the three months ended March 31, 2026 amounted to \$40.7 million, up by \$4.1 million from the same period in 2025. For the three months ended March 31, 2026, decreases in average interest-bearing liability balances net of decreases in average interest-earning assets increased net interest income by \$793 thousand. Decreases in funding costs outpaced decreases in asset yields, increasing net interest income by \$3.3 million for the three months ended March 31, 2026.

NIM was 2.63% for the three months ended March 31, 2026, up by 34 basis points from 2.29% for the same period in 2025.

Total average securities for the three months ended March 31, 2026 decreased by \$20.1 million from the same period a year earlier primarily due to routine pay-downs. The FTE rate of return on the securities portfolio for the three months ended March 31, 2026 was 3.48%, up by 5 basis points from the same period in 2025.

Total average loan balances for the three months ended March 31, 2026 decreased by \$21.8 million from the comparable 2025 period, largely reflecting a decrease in the residential real estate loan portfolio. The yield on total loans for the three months ended March 31, 2026 was 5.14%, down by 17 basis points from the same period in 2025.

FHLB advances and brokered time deposits are utilized as wholesale funding sources. The average balance of FHLB advances for the three months ended March 31, 2026 decreased by \$299.2 million from the comparable period in 2025. The average rate paid on such advances for the three months ended March 31, 2026 was 4.16%, down by 46 basis points from the same period in 2025. There were no wholesale brokered time deposits for the three months ended March 31, 2026, compared to \$188.4 million for the three months ended March 31, 2025 that had an average rate of 5.05%. The decline in wholesale funding balances reflected the benefits from the balance sheet repositioning transactions mentioned above, as well as increases in the average balances of in-market deposits. Rates paid on wholesale funding have declined from the prior year reflecting lower market interest rates.

Average in-market interest-bearing deposits, which excludes wholesale brokered deposits, for the three months ended March 31, 2026 increased by \$279.1 million from the same period in 2025, largely reflecting increases in average balances of savings accounts and interest-bearing demand deposits. The average rate paid on in-market interest-bearing deposits for the three months ended March 31, 2026 was 2.42%, down by 35 basis points from the same period in 2025, largely reflecting

Management's Discussion and Analysis

lower market interest rates. The average balance of noninterest-bearing demand deposits for the three months ended March 31, 2026 decreased by \$16.5 million from the same period in 2025.

Volume / Rate Analysis - Interest Income and Expense (FTE Basis)

The following table presents certain information on an FTE basis regarding changes in our interest income and interest expense for the period indicated. The net change attributable to both volume and rate has been allocated proportionately.

(Dollars in thousands)

	Three Months Ended March 31, 2026 vs. 2025		
	Volume	Rate	Net Change
Interest on Interest-Earning Assets:			
Cash, federal funds sold, and other short-term investments	(\$801)	(\$283)	(\$1,084)
Mortgage loans held for sale	(993)	410	(583)
Taxable debt securities	(180)	121	(59)
Nontaxable debt securities	—	—	—
Total securities	(180)	121	(59)
FHLB stock	(269)	(168)	(437)
Commercial real estate	150	(1,786)	(1,636)
Commercial & industrial	472	(425)	47
Total commercial	622	(2,211)	(1,589)
Residential real estate	(942)	311	(631)
Home equity	326	(456)	(130)
Other	(10)	8	(2)
Total consumer	316	(448)	(132)
Total loans	(4)	(2,348)	(2,352)
Total interest income	(2,247)	(2,268)	(4,515)
Interest on Interest-Bearing Liabilities:			
Interest-bearing demand deposits (in-market)	1,023	(1,010)	13
NOW accounts	(2)	(82)	(84)
Money market accounts	(544)	(1,696)	(2,240)
Savings accounts	947	620	1,567
Time deposits (in-market)	(131)	(1,157)	(1,288)
Interest-bearing in-market deposits	1,293	(3,325)	(2,032)
Wholesale brokered time deposits	(1,173)	(1,173)	(2,346)
Total interest-bearing deposits	120	(4,498)	(4,378)
FHLB advances	(3,160)	(1,009)	(4,169)
Junior subordinated debentures	—	(37)	(37)
Total interest expense	(3,040)	(5,544)	(8,584)
Net interest income (FTE)	\$793	\$3,276	\$4,069

Provision for Credit Losses

The provision for credit losses results from management's review of the adequacy of the ACL. The ACL is management's estimate, at the reporting date, of expected lifetime credit losses and includes consideration of current forecasted economic conditions. Estimating an appropriate level of ACL necessarily involves a high degree of judgment.

Management's Discussion and Analysis

The following table presents the provision for credit losses:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Provision for credit losses on loans	\$3,900	\$1,400	\$2,500	179%
Provision for credit losses on unfunded commitments	100	(200)	\$300	150
Provision for credit losses	\$4,000	\$1,200	\$2,800	233%

The provision for credit losses for the three months ended March 31, 2026, largely reflected an increase in specific reserves on two CRE office segment loans, which was partially offset by a decline in loan portfolio balances. See additional discussion regarding these two loans under the caption “Nonaccrual Loans.”

Net charge-offs totaled \$10 thousand for the three months ended March 31, 2026, compared to \$2.3 million for the same period in 2025. See additional discussion regarding the ACL under the caption “Asset Quality” below.

Noninterest Income

Noninterest income is an important source of revenue for Washington Trust. The principal categories of noninterest income are shown in the following table:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Noninterest income:				
Wealth management revenues	\$10,647	\$9,891	\$756	8%
Mortgage banking revenues	3,045	2,304	741	32
Card interchange fees	1,385	1,509	(124)	(8)
Service charges on deposit accounts	785	744	41	6
Loan related derivative income	227	101	126	125
Income from bank-owned life insurance	885	769	116	15
Gain on sale of bank-owned properties, net	—	6,994	(6,994)	(100)
Other income	329	331	(2)	(1)
Total noninterest income	\$17,303	\$22,643	(\$5,340)	(24%)
Adjusted noninterest income (non-GAAP)	\$17,303	\$15,649	\$1,654	11%

Noninterest Income Analysis

Total noninterest income amounted to \$17.3 million for the three months ended March 31, 2026, compared to \$22.6 million for the same period in 2025. Total noninterest income in 2025 was impacted by the gain on sale-leaseback transactions as described under the caption “Summary” above. Excluding the impact of this infrequent transaction, adjusted noninterest income (non-GAAP) for the three months ended March 31, 2026 was up by \$1.7 million, or 11%, from the same period in 2025.

Wealth management revenues represent our largest source of noninterest income. A substantial portion of wealth management revenues is dependent on the value of wealth management AUA and is closely tied to the performance of the financial markets. This portion of wealth management revenues is referred to as “asset-based” and includes trust and investment management fees. Wealth management revenues also include “transaction-based” revenues that are not primarily derived from the value of assets.

Management's Discussion and Analysis

The categories of wealth management revenues are shown in the following table:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Wealth management revenues:				
Asset-based revenues	\$10,580	\$9,769	\$811	8%
Transaction-based revenues	67	122	(55)	(45)
Total wealth management revenues	\$10,647	\$9,891	\$756	8%

The following table presents wealth management AUA balances:

(Dollars in thousands)

	March 31, 2026	December 31, 2025	March 31, 2025
AUA (market value as of the date indicated)	\$7,495,602	\$7,777,250	\$6,818,390

Wealth management revenues for the three months ended March 31, 2026 increased by \$756 thousand, or 8%, from the same period in 2025, largely reflecting an increase in asset-based revenues. The increase in asset-based revenues correlated with the change in average AUA balances. The average balance of AUA for the three months ended March 31, 2026 increased by 10% over the average balance for the same period in 2025, primarily reflecting net investment appreciation of AUA.

Mortgage banking revenues are dependent on mortgage origination volume and are sensitive to interest rates and the condition of housing markets. The composition of mortgage banking revenues and the volume of loans sold to the secondary market are shown in the following table:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Mortgage banking revenues:				
Realized gains on loan sales, net (1)	\$2,370	\$1,575	\$795	50%
Changes in fair value, net (2)	164	133	31	23
Loan servicing fee income, net (3)	511	596	(85)	(14)
Total mortgage banking revenues	\$3,045	\$2,304	\$741	32%
Loans sold to the secondary market (4)	\$121,523	\$75,499	\$46,024	61%

(1) Includes gains on loan sales, commission income on loans originated for others, servicing right gains, and gains (losses) on forward loan commitments.

(2) Represents fair value changes on mortgage loans held for sale and forward loan commitments.

(3) Represents loan servicing fee income, net of servicing right amortization and valuation adjustments.

(4) Includes brokered loans (loans originated for others).

For the three months ended March 31, 2026, mortgage banking revenues were up by \$741 thousand, or 32%, compared to the same period in 2025, largely reflecting an increase in sales volume.

Management's Discussion and Analysis

Noninterest Expense

The following table presents noninterest expense comparisons:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Noninterest expense:				
Salaries and employee benefits	\$24,340	\$22,422	\$1,918	9%
Outsourced services	4,383	4,346	37	1
Net occupancy	2,890	2,741	149	5
Equipment	903	891	12	1
Legal, audit, and professional fees	936	750	186	25
FDIC deposit insurance costs	935	1,262	(327)	(26)
Advertising and promotion	547	410	137	33
Amortization of intangibles	155	204	(49)	(24)
Pension plan settlement charge	—	6,436	(6,436)	(100)
Other	2,676	2,734	(58)	(2)
Total noninterest expense	\$37,765	\$42,196	(\$4,431)	(11%)
Adjusted noninterest expense (non-GAAP)	\$37,765	\$35,760	\$2,005	6%

Noninterest Expense Analysis

Total noninterest expense amounted to \$37.8 million for the three months ended March 31, 2026, compared to \$42.2 million for the same period in 2025. Total noninterest expense in 2025 was impacted by the settlement charge associated with termination of the Corporation's qualified pension plan, as described under the caption "Summary" above. Excluding the impact of this infrequent transaction, adjusted noninterest expense (non-GAAP) for the three months ended March 31, 2026, was up by \$2.0 million, or 6%, from the same period in 2025.

Salaries and employee benefits expense, the largest component of total noninterest expense, for the three months ended March 31, 2026 increased by \$1.9 million, or 9%, compared to the same period in 2025. This primarily reflected merit increases and the addition of resources in our commercial banking and wealth management business lines, as well as volume-related increases in mortgage originator commission expense.

FDIC insurance costs for the three months ended March 31, 2026 decreased by \$327 thousand, or 26%, compared to the same period in 2025, reflecting a decrease in average assets from a year ago and a lower FDIC deposit assessment rate.

Income Taxes

The following table presents the Corporation's income tax provision and applicable tax rates for the periods indicated:

(Dollars in thousands)

Three months ended March 31,	2026	2025
Income tax expense	\$3,463	\$3,490
Adjusted income tax expense (non-GAAP)	3,463	3,349
Effective tax rate	21.6%	22.3%
Adjusted effective tax rate (non-GAAP)	21.6%	22.2%
Blended statutory rate	25.0%	25.3%

The effective tax rates differed from the federal rate of 21%, primarily due to state income tax expense, which was partially offset by benefits from tax-exempt income, income from BOLI, and federal tax credits. The blended statutory rates include the federal income tax rate of 21% and a blended state income tax rate net of a federal tax benefit.

The decrease in the effective tax rate reflected changes in state tax expense and increased federal tax credit benefits.

Management's Discussion and Analysis

The Corporation's net deferred tax assets are reported in other assets and amounted to \$36.6 million at March 31, 2026, down from \$36.9 million at December 31, 2025. Management believes deferred tax assets, net of the valuation allowance, are more-likely-than-not to be realized.

Segment Reporting

The Corporation manages its operations through two reportable business segments, consisting of Banking and Wealth Management Services. See Note 12 to the Unaudited Consolidated Financial Statements for additional disclosure related to business segments.

Banking

The following table presents a summarized statement of operations for the Banking business segment:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Net interest income	\$40,525	\$36,422	\$4,103	11%
Provision for credit losses	4,000	1,200	2,800	233
Net interest income after provision for credit losses	36,525	35,222	1,303	4
Noninterest income	6,430	12,635	(6,205)	(49)
Noninterest expense	30,102	32,546	(2,444)	(8)
Income before income taxes	12,853	15,311	(2,458)	(16)
Income tax expense	2,734	3,347	(613)	(18)
Net income	\$10,119	\$11,964	(\$1,845)	(15%)

Net interest income for the Banking segment for the three months ended March 31, 2026 increased by \$4.1 million from the same period in 2025. Net interest income benefited from lower rates paid on, and decreases in, average interest-bearing liability balances, which was partially offset by lower yields on, and decreases in, average interest-earning asset balances. See additional discussion under the caption "Net Interest Income" above.

The provision for credit losses for the three months ended March 31, 2026 increased by \$2.8 million from the same period in 2025. See additional discussion under the caption "Provision for Credit Losses" above.

Noninterest income derived from the Banking segment was \$6.4 million for the three months ended March 31, 2026, compared to \$12.6 million for the same period in 2025. Included in the three months ended March 31, 2025 was a \$7.0 million net gain recognized on sale-leaseback transactions. Excluding this item, Banking noninterest income increased by \$789 thousand, largely reflecting increases in mortgage banking revenues. See additional disclosure under the caption "Noninterest Income" above.

Banking noninterest expenses for the three months ended March 31, 2026 totaled \$30.1 million compared to \$32.5 million for the same period in 2025. Included in the three months ended March 31, 2025 was \$4.9 million of the total pension plan settlement charge that was allocated to the Banking segment. Excluding this item, noninterest expenses for the Banking segment increased by \$2.5 million, reflecting increases in salaries and employee benefits expense and outsourced services expense, partially offset by a decrease in FDIC insurance costs. See additional discussion under the caption "Noninterest Expense" above.

Management's Discussion and Analysis

Wealth Management Services

The following table presents a summarized statement of operations for the Wealth Management Services business segment:

(Dollars in thousands)

Three months ended March 31,	2026	2025	Change	
			\$	%
Net interest income	\$—	\$—	\$—	—%
Noninterest income	10,873	10,008	865	9
Noninterest expense	7,663	9,650	(1,987)	(21)
Income before income taxes	3,210	358	2,852	797
Income tax expense	729	143	586	410
Net income	\$2,481	\$215	\$2,266	1,054%

Noninterest income derived from the Wealth Management Services segment for the three months ended March 31, 2026 increased by \$865 thousand from the same period in 2025, largely reflecting an increase in asset-based revenues. See further discussion under the caption “Noninterest Income” above.

Noninterest expenses for the Wealth Management Services segment for the three months ended March 31, 2026 totaled \$7.7 million, compared to \$9.7 million for the same period in 2025. Included in the three months ended March 31, 2025 was \$1.5 million of the total pension plan settlement charge that was allocated to the Wealth Management Services segment. Excluding this item, noninterest expenses for the Wealth Management Services segment decreased by \$451 thousand. This included a decrease in outsourced services expense, partially offset by higher salaries and benefits expense. See additional discussion under the caption “Noninterest Expense” above.

Financial Condition

Summary

The following table presents selected financial condition data:

(Dollars in thousands)

	March 31, 2026	December 31, 2025	Change	
			\$	%
Available for sale debt securities	\$911,958	\$940,342	(\$28,384)	(3%)
Total loans	5,014,885	5,134,388	(119,503)	(2)
Allowance for credit losses on loans	41,126	37,236	3,890	10
Total assets	6,459,196	6,621,694	(162,498)	(2)
Total deposits	5,164,633	5,269,990	(105,357)	(2)
FHLB advances	576,000	626,000	(50,000)	(8)
Total shareholders' equity	546,773	543,584	3,189	1

Securities

Investment security activity is monitored by the Investment Committee, the members of which also sit on the ALCO. Asset and liability management objectives are the primary influence on the Corporation's investment activities. However, the Corporation also recognizes that there are certain specific risks inherent in investment activities. The securities portfolio is managed in accordance with regulatory guidelines and established internal corporate investment policies that provide limitations on specific risk factors such as market risk, credit risk and concentration, liquidity risk, and operational risk to help monitor risks associated with investing in securities. Reports on the activities conducted by the Investment Committee and the ALCO are presented to the Board of Directors on a regular basis.

The Corporation's securities portfolio is managed to generate interest income, to implement interest rate risk management strategies, and to provide a readily available source of liquidity for balance sheet management. Securities are designated as either available for sale, held to maturity or trading at the time of purchase. The Corporation does not maintain a portfolio of trading securities and does not have securities designated as held to maturity. Securities available for sale may be sold in response to changes in market conditions, prepayment risk, rate fluctuations, liquidity, or capital requirements. Debt

Management's Discussion and Analysis

securities available for sale are reported at fair value, with any unrealized gains and losses excluded from earnings and reported as a separate component of shareholders' equity, net of tax, until realized.

Determination of Fair Value

The Corporation uses an independent pricing service to obtain quoted prices. The prices provided by the independent pricing service are generally based on observable market data in active markets. The determination of whether markets are active or inactive is based upon the level of trading activity for a particular security class. Management reviews the independent pricing service's documentation to gain an understanding of the appropriateness of the pricing methodologies. Management also reviews the prices provided by the independent pricing service for reasonableness based upon current trading levels for similar securities. If the prices appear unusual, they are re-examined and the value is either confirmed or revised. In addition, management periodically performs independent price tests of securities to ensure proper valuation and to verify our understanding of how securities are priced. As of March 31, 2026 and December 31, 2025, management did not make any adjustments to the prices provided by the pricing service.

Our fair value measurements generally utilize Level 2 inputs, representing quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and model-derived valuations in which all significant input assumptions are observable in active markets.

See Notes 3 and 7 to the Unaudited Consolidated Financial Statements for additional information regarding the determination of fair value of investment securities.

Securities Portfolio

The carrying amounts of securities held are as follows:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Amount	% of Total	Amount	% of Total
Available for Sale Debt Securities:				
Obligations of U.S. government agencies and government-sponsored enterprises	\$39,865	4%	\$39,958	4%
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	854,722	94	880,894	94
Obligations of states and political subdivisions	653	—	663	—
Individual name issuer trust preferred debt securities	6,073	1	6,103	1
Corporate bonds	10,645	1	12,724	1
Total available for sale debt securities	\$911,958	100%	\$940,342	100%

The securities portfolio represented 14% of total assets at both March 31, 2026 and December 31, 2025. The largest component of the securities portfolio is mortgage-backed securities, all of which are issued by U.S. government agencies or U.S. government-sponsored enterprises.

The securities portfolio decreased by \$28.4 million, or 3%, from the end of 2025. This largely reflected routine pay-downs on mortgage-backed securities.

The carrying amounts of available for sale debt securities as of March 31, 2026 and December 31, 2025 included net unrealized losses of \$96.6 million and \$94.9 million, respectively. The net unrealized losses were primarily concentrated in obligations of U.S. government agencies and U.S. government-sponsored enterprises, including mortgage-backed securities, and primarily attributable to relative changes in market interest rates since the time of purchase. See Note 3 to the Unaudited Consolidated Financial Statements for additional information.

Loans

We primarily serve individuals and businesses located in southern New England, and a substantial portion of our loans are secured by properties in southern New England. Total loans amounted to \$5.0 billion at March 31, 2026, down by \$119.5 million, or 2%, from the end of 2025.

Management's Discussion and Analysis

The following table sets forth the composition of the Corporation's loan portfolio:

(Dollars in thousands)	March 31, 2026		December 31, 2025	
	Amount	% of Total	Amount	% of Total
Commercial:				
Commercial real estate	\$2,084,804	42%	\$2,183,985	43%
Commercial & industrial	568,177	11	564,082	11
Total commercial	2,652,981	53	2,748,067	54
Residential Real Estate:				
Residential real estate (1)	2,029,092	40	2,050,399	40
Consumer:				
Home equity	316,353	6	318,862	6
Other	16,459	1	17,060	—
Total consumer	332,812	7	335,922	6
Total loans	\$5,014,885	100%	\$5,134,388	100%

(1) Includes negative basis adjustments associated with fair value hedges of \$923 thousand and \$335 thousand, respectively, at March 31, 2026 and December 31, 2025. See Note 6 to the Unaudited Consolidated Financial Statements for additional disclosure.

Commercial Loans

The commercial loan portfolio represented 53% of total loans at March 31, 2026, compared to 54% at December 31, 2025.

In making commercial loans, we may occasionally solicit the participation of other banks. The Bank also participates in commercial loans originated by other banks. In such cases, these loans are individually underwritten by us using standards similar to those employed for our self-originated loans. Our participation in commercial loans originated by other banks amounted to \$543.6 million and \$613.5 million, respectively, at March 31, 2026 and December 31, 2025. Our participation in commercial loans originated by other banks also includes shared national credits. Shared national credits are defined as participation in loans or loan commitments of at least \$100.0 million that are shared by three or more banks.

Commercial loans fall into two main categories, CRE and C&I loans. CRE loans consist of commercial mortgages secured by non-owner occupied real property where the primary source of repayment is derived from rental income associated with the property or the proceeds of the sale, refinancing or permanent financing of the property. CRE loans also include construction loans made to businesses for land development or the on-site construction of industrial, commercial, or residential buildings. C&I loans primarily provide working capital, equipment financing, and financing for other business-related purposes. C&I loans are frequently collateralized by equipment, inventory, accounts receivable, and/or general business assets. A portion of the Bank's C&I loans is also collateralized by owner occupied real estate. C&I loans also include tax-exempt loans made to states and political subdivisions, as well as industrial development or revenue bonds issued through quasi-public corporations for the benefit of a private or non-profit entity where that entity rather than the governmental entity is obligated to pay the debt service.

From time to time, commercial loans may be reclassified between CRE and C&I categories, reflecting underlying changes in loans to/from owner occupied from/to non-owner occupied. Additionally, certain construction loans may be reclassified to C&I when the construction phase is complete and the loan transitions to permanent financing.

Commercial Real Estate Loans

CRE loans totaled \$2.1 billion at March 31, 2026, down by \$99.2 million, or 4.5%, from the balance at December 31, 2025. In the first three months of 2026, CRE advances and originations amounted to \$39.3 million and were more than offset by payments.

Management's Discussion and Analysis

The following table presents a geographic summary of CRE loans by property location:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Outstanding Balance	% of Total	Outstanding Balance	% of Total
Connecticut	\$716,990	34%	\$816,532	37%
Massachusetts	707,312	34	713,856	33
Rhode Island	372,033	18	375,905	17
Subtotal	1,796,335	86	1,906,293	87
All other states	288,469	14	277,692	13
Total	\$2,084,804	100%	\$2,183,985	100%

Management considers the CRE portfolio to be well-diversified with loans across several property types. Other than the multi-family segment that is discussed further below, there were no other property types within the CRE portfolio that exceeded 10% of total loans. The following table presents a summary of CRE loans by property type segmentation:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Outstanding Balance (1)	% of CRE Total	Outstanding Balance (1)	% of CRE Total
CRE Portfolio Segmentation:				
Multi-family	\$639,976	31%	\$667,388	31%
Retail	407,029	20	436,961	20
Industrial and warehouse	339,839	16	380,403	17
Hospitality	242,229	12	230,549	11
Office	231,007	11	237,706	11
Healthcare facility	156,138	7	156,871	7
Mixed-use	27,459	1	26,440	1
Other	41,127	2	47,667	2
Total CRE loans	\$2,084,804	100%	\$2,183,985	100%
Construction & development loans outstanding, included above	\$100,619		\$86,682	
Participation in CRE loans originated by other banks, included above (2)	\$440,747		\$518,493	
Average CRE loan size (3)	\$5,066		\$5,217	
Largest individual CRE loan outstanding	\$65,516		\$65,509	

(1) Does not include unfunded commitments of \$144.3 million and \$127.1 million, respectively, as of March 31, 2026 and December 31, 2025.

(2) Includes shared national credits balances of \$27.5 million and \$45.6 million, respectively, as of March 31, 2026 and December 31, 2025. There were no classified shared national credit balances as of March 31, 2026 or December 31, 2025.

(3) Total commitment (outstanding loan balance plus unfunded commitments) divided by number of loans.

Multi-family, our largest single CRE segment, totaled \$640.0 million as of March 31, 2026, representing 13% of total loans and 31% of the total CRE portfolio. This segment includes non-owner occupied residential properties consisting of four or more units that are rented to tenants. At March 31, 2026, the credit quality of the multi-family segment was 100% pass-rated. Also, there were no nonaccrual loans and all loans were current with respect to payment terms at March 31, 2026 in this segment.

There continues to be heightened focus in the banking industry on the CRE office sector, given the continuation of remote work and elevated vacancies across the office market. As of March 31, 2026, Washington Trust's CRE office loan segment totaled \$231.0 million, or 5% of total loans and 11% of the total CRE loans. The loans are secured by non-owner occupied office properties, including medical office and lab space, located in our primary lending market area of southern New England - Massachusetts, Connecticut, and Rhode Island. Furthermore, approximately 65% of the CRE office segment balance is secured by properties located in suburban areas. As of March 31, 2026, 97% of the CRE office segment was current with respect to payment terms, and 87% of the CRE office segment was on accruing status. Additionally, the credit

Management's Discussion and Analysis

quality of the CRE office loan segment was 71% pass-rated, 14% special mention-rated, and 15% classified as of March 31, 2026.

Commercial and Industrial Loans

C&I loans amounted to \$568.2 million at March 31, 2026, up by \$4.1 million, or 1%, from the balance at December 31, 2025. In the first three months of 2026, C&I originations and advances amounted to \$19.6 million and were partially offset by payments.

Management considers the C&I portfolio to be well-diversified with loans across several industries. The following table presents a summary of C&I loan by industry segmentation:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Outstanding Balance (1)	% of C&I Total	Outstanding Balance (1)	% of C&I Total
C&I Portfolio Segmentation:				
Healthcare and social assistance	\$149,292	26%	\$150,061	27%
Retail trade	62,866	11	48,289	9
Transportation and warehousing	55,864	10	55,315	10
Educational services	53,831	9	54,245	10
Accommodation and food services	32,982	6	26,431	5
Finance and insurance	26,834	5	22,727	4
Manufacturing	25,540	4	23,714	4
Arts, entertainment, and recreation	24,947	4	22,043	4
Information	21,681	4	21,843	4
Real estate rental and leasing	20,009	4	57,113	10
Professional, scientific, and technical services	19,625	3	12,490	2
Public administration	6,163	1	1,448	—
Other	68,543	13	68,363	11
Total C&I loans	\$568,177	100%	\$564,082	100%
Participation in C&I loans originated by other banks, included above (2)	\$102,856		\$95,047	
Average C&I loan size (3)	\$868		\$839	
Largest individual C&I loan outstanding	\$32,590		\$33,001	

(1) Does not include unfunded commitments of \$320.2 million and \$306.9 million, respectively, as of March 31, 2026 and December 31, 2025.

(2) Includes shared national credits balances of \$79.3 million and \$72.0 million, respectively, as of March 31, 2026 and December 31, 2025, all of which were pass-rated.

(3) Total commitment (outstanding loan balance plus unfunded commitments) divided by number of loans.

Healthcare and social assistance, our largest single C&I segment, totaled \$149.3 million as of March 31, 2026, representing 3% of total loans and 26% of the total C&I portfolio. This segment includes specialty medical practices, elder services, and community and mental health centers. At March 31, 2026, the credit quality of the healthcare and social assistance segment was 100% pass-rated. Also, there were no nonaccrual loans and all loans were current with respect to payment terms at March 31, 2026 in this segment.

Residential Real Estate Loans

The residential real estate loan portfolio represented 40% of total loans at both March 31, 2026 and December 31, 2025.

Residential real estate loans amounted to \$2.0 billion at March 31, 2026, down by \$21.3 million, or 1%, from the balance at December 31, 2025, as loan originations were more than offset by payments.

Management's Discussion and Analysis

The following is a geographic summary of residential real estate loans by property location:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Amount	% of Total	Amount	% of Total
Massachusetts	\$1,409,282	70%	\$1,433,920	70%
Rhode Island	471,870	23	469,008	23
Connecticut	127,211	6	125,866	6
Subtotal	2,008,363	99	2,028,794	99
All other states	20,729	1	21,605	1
Total (1)	\$2,029,092	100%	\$2,050,399	100%

(1) Includes residential mortgage loans purchased from and serviced by other financial institutions totaling \$37.6 million and \$38.5 million, respectively, as of March 31, 2026 and December 31, 2025.

Residential real estate loans are originated both for sale to the secondary market as well as for retention in the Bank's loan portfolio. We also originate residential real estate loans for various investors in a broker capacity, including conventional mortgages and reverse mortgages. Residential real estate loan origination and refinancing activities are sensitive to interest rates and the condition of housing markets.

The table below presents residential real estate loan origination activity:

(Dollars in thousands)

Three months ended March 31,

	2026		2025	
	Amount	% of Total	Amount	% of Total
Originations for retention in portfolio (1)	\$36,813	24%	\$27,662	27%
Originations for sale to the secondary market (2)	118,351	76	75,519	73
Total	\$155,164	100%	\$103,181	100%

(1) Includes the full commitment amount of homeowner construction loans.

(2) Includes brokered loans (loans originated for others).

The table below presents residential real estate loan sales activity:

(Dollars in thousands)

Three months ended March 31,

	2026		2025	
	Amount	% of Total	Amount	% of Total
Loans sold with servicing rights retained	\$4,670	4%	\$16,819	22%
Loans sold with servicing rights released (1)	116,853	96	58,680	78
Total	\$121,523	100%	\$75,499	100%

(1) Includes brokered loans (loans originated for others).

We have active relationships with various secondary market investors that purchase residential real estate loans we originate. In addition to managing our interest rate risk position and earnings through the sale of these loans, we are also able to manage our liquidity position through timely sales of residential real estate loans to the secondary market.

Loans are sold with servicing retained or released. Loans sold with servicing rights retained result in the capitalization of servicing rights. Loan servicing rights are included in other assets and are subsequently amortized as an offset to mortgage banking revenues over the estimated period of servicing. The net balance of capitalized servicing rights amounted to \$6.3 million and \$6.6 million, respectively, as of March 31, 2026 and December 31, 2025. The balance of residential mortgage loans serviced for others, which are not included in the Unaudited Consolidated Balance Sheets, amounted to \$1.3 billion at both March 31, 2026 and December 31, 2025.

Management's Discussion and Analysis

Consumer Loans

The consumer loan portfolio represented 7% of total loans at March 31, 2026, compared to 6% at December 31, 2025.

Consumer loans include home equity loans and lines of credit and personal installment loans. Home equity lines of credit and home equity loans represented 95% of the total consumer portfolio at March 31, 2026. Our home equity line and home equity loan origination activities are conducted primarily in southern New England. The Bank estimates that approximately 45% of the combined home equity lines of credit and home equity loan balances are first lien positions or subordinate to other Washington Trust mortgages.

The consumer loan portfolio totaled \$332.8 million at March 31, 2026, down by \$3.1 million, or 1%, from December 31, 2025, largely reflecting a decrease in home equity lines.

Asset Quality

The Corporation continually monitors the asset quality of the loan portfolio using all available information.

In the course of resolving problem loans, the Corporation may choose to modify the contractual terms of certain loans. A loan that has been modified is considered a TLM when the modification is made to a borrower experiencing financial difficulty and the modification has a direct impact to the contractual cash flows. The decision to modify a loan, versus aggressively enforcing the collection of the loan, may benefit the Corporation by increasing the ultimate probability of collection. See Note 4 to the Unaudited Consolidated Financial Statements for additional information regarding TLMs.

Nonperforming Assets

Nonperforming assets include nonaccrual loans and OREO.

The following table presents nonperforming assets and additional asset quality data:

(Dollars in thousands)

	March 31, 2026	December 31, 2025
Commercial:		
Commercial real estate	\$28,923	\$—
Commercial & industrial	126	—
Total commercial	29,049	—
Residential Real Estate:		
Residential real estate	9,631	11,099
Consumer:		
Home equity	1,757	1,824
Other	3	—
Total consumer	1,760	1,824
Total nonaccrual loans	40,440	12,923
OREO, net	—	—
Total nonperforming assets	\$40,440	\$12,923
Nonperforming assets to total assets	0.63%	0.20%
Nonperforming loans to total loans	0.81%	0.25%
Total past due loans to total loans	0.33%	0.22%
Allowance for credit losses on loans to total loans	0.82%	0.73%
Allowance for credit losses on loans to nonaccrual loans	101.70%	288.14%
Accruing loans 90 days or more past due	\$—	\$—

Nonaccrual Loans

During the three months ended March 31, 2026, the Corporation made no changes in its practices or policies concerning the placement of loans into nonaccrual status.

Management's Discussion and Analysis

The following table presents the activity in nonaccrual loans:

(Dollars in thousands)	2026	2025
For the three months ended March 31,		
Balance at beginning of period	\$12,923	\$23,307
Additions to nonaccrual status	29,064	2,142
Loans returned to accruing status	(69)	(4)
Loans charged-off	(84)	(2,522)
Loans transferred to other real estate owned	—	—
Payments, payoffs, and other changes	(1,394)	(1,297)
Balance at end of period	\$40,440	\$21,626

The following table presents additional detail on nonaccrual loans:

(Dollars in thousands)	March 31, 2026					December 31, 2025				
	Days Past Due			Total Nonaccrual	% (1)	Days Past Due			Total Nonaccrual	% (1)
	Current	30-89	90 or More			Current	30-89	90 or More		
Commercial:										
Commercial real estate	\$22,349	\$6,574	\$—	\$28,923	1.39%	\$—	\$—	\$—	\$—	—%
Commercial & industrial	—	—	126	126	0.02	—	—	—	—	—
Total commercial	22,349	6,574	126	29,049	1.09	—	—	—	—	—
Residential Real Estate:										
Residential real estate	5,170	2,037	2,424	9,631	0.47	3,228	4,869	3,002	11,099	0.54
Consumer:										
Home equity	623	787	347	1,757	0.56	1,347	131	346	1,824	0.57
Other	—	—	3	3	0.02	—	—	—	—	—
Total consumer	623	787	350	1,760	0.53	1,347	131	346	1,824	0.54
Total nonaccrual loans	\$28,142	\$9,398	\$2,900	\$40,440	0.81%	\$4,575	\$5,000	\$3,348	\$12,923	0.25%

(1) Percentage of nonaccrual loans to the total loans outstanding within the respective loan class.

As of March 31, 2026, the composition of nonaccrual loans was 72% commercial and 28% residential and consumer. As of December 31, 2025, nonaccrual loans were 100% residential and consumer.

Nonaccrual loans at March 31, 2026 totaled \$40.4 million, up by \$27.5 million from the end of 2025. Two CRE office segment loans with underlying properties located in our primary lending area of Southern New England were placed on nonaccrual status. The first loan had a carrying value of \$22.3 million at March 31, 2026 and was placed on nonaccrual status when notification of a tenant's intent to vacate was received in March and workout discussions continued. The underlying office property is approximately 60% occupied. As management works to resolve this problem loan, a specific reserve was added in first quarter reflecting the estimated loss resulting from a proposed modification structure. The second loan had a carrying value of \$6.6 million at March 31, 2026 and was placed on nonaccrual status as the loan matured and renewal terms were being negotiated in March. The loan is collateral dependent and a specific reserve was added in the first quarter reflecting the estimated decrease in the fair value of the collateral based on a new appraisal that was received in early April.

Management's Discussion and Analysis

Past Due Loans

The following table presents past due loans by class:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Amount	% (1)	Amount	% (1)
Commercial:				
Commercial real estate	\$6,574	0.32%	\$648	0.03%
Commercial & industrial	470	0.08	7	—
Total commercial	7,044	0.27	655	0.02
Residential Real Estate:				
Residential real estate	6,627	0.33	9,095	0.44
Consumer:				
Home equity	2,746	0.87	1,607	0.50
Other	31	0.19	26	0.15
Total consumer	2,777	0.83	1,633	0.49
Total past due loans	\$16,448	0.33%	\$11,383	0.22%

(1) Percentage of past due loans to the total loans outstanding within the respective loan class.

The composition of past due loans (loans past due 30 days or more) was 57% residential and consumer and 43% commercial as of March 31, 2026, compared to 94% residential and consumer and 6% commercial as of December 31, 2025.

Total past due loans increased by \$5.1 million from the end of 2025, due to the nonaccrual CRE loan with a carrying value of \$6.6 million at March 31, 2026 that matured in first quarter and is further discussed above.

Total past due loans included \$12.3 million of nonaccrual loans as of March 31, 2026, compared to \$8.3 million as of December 31, 2025.

All loans 90 days or more past due at March 31, 2026 and December 31, 2025 were classified as nonaccrual.

Potential Problem Loans

Potential problem loans are loans that are currently performing in accordance with contractual terms, but where possible credit problems of the related borrowers causes management to have doubts about the ability of such borrowers to comply with the present loan repayment terms and which may result in such loans becoming nonperforming at some time in the future. The Corporation classifies certain loans as “substandard,” “doubtful,” or “loss” based on criteria consistent with guidelines provided by banking regulators. Management considers potential problem loans to be classified accruing commercial loans that were less than 90 days past due at March 31, 2026. Potential problem loans are not included in the amounts of nonaccrual loans presented above.

Potential problem loans are assessed for loss exposure using the methods described in Note 4 to the Unaudited Consolidated Financial Statements under the caption “Credit Quality Indicators.” Management cannot predict the extent to which economic conditions or other factors may impact borrowers and the potential problem loans. Accordingly, there can be no assurance that other loans will not become 90 days or more past due, be placed on nonaccrual, become modified, or require an increased allowance coverage and provision for credit losses on loans.

Management has identified \$6.1 million in potential problem loans at March 31, 2026, compared to \$28.4 million at December 31, 2025. As of March 31, 2026, the balance of potential problem loans consisted of one CRE loan secured by an office property in our primary lending market area. At March 31, 2026, this loan was current with respect to payment terms.

Allowance for Credit Losses on Loans

The ACL on loans is management’s estimate of expected lifetime credit losses on loans carried at amortized cost. The ACL on loans is established through a provision for credit losses recognized in earnings. The ACL on loans is reduced by charge-offs on loans and is increased by recoveries of amounts previously charged off. There were no significant changes in our modeling methodology to determine the ACL on loans during the three months ended March 31, 2026.

Management's Discussion and Analysis

The Corporation's general practice is to identify problem credits early. To determine if a loan should be charged-off, all possible sources of repayment are analyzed. Possible sources of repayment include the potential for future cash flows, the value of underlying collateral, and the strength of guarantors. Full or partial charge-offs are recognized as promptly as practicable when available information confirms that the collection of loan principal is unlikely. For collateral dependent loans, this confirming information may include an appraisal that reflects a shortfall between the value of the collateral and the carrying value of the loan or a deficiency balance following the sale of the collateral.

Appraisals are generally obtained with values determined on an "as is" basis from independent appraisal firms for real estate collateral dependent loans in the process of collection or when warranted by other deterioration in the borrower's credit status. New appraisals are generally obtained for nonaccrual loans or when management believes it is warranted. The Corporation has continued to maintain appropriate professional standards regarding the professional qualifications of appraisers and has an internal review process to monitor the quality of appraisals.

The Corporation does not recognize a recovery when new appraisals indicate a subsequent increase in value.

The following table presents additional detail on the Corporation's loan portfolio and associated allowance:

(Dollars in thousands)	March 31, 2026			December 31, 2025		
	Loans	Related Allowance	Allowance / Loans	Loans	Related Allowance	Allowance / Loans
Individually analyzed loans	\$37,569	\$5,359	14.26%	\$8,922	\$43	0.48%
Pooled (collectively evaluated) loans (1)	4,978,239	35,767	0.72	5,125,801	37,193	0.73
Total	\$5,015,808	\$41,126	0.82%	\$5,134,723	\$37,236	0.73%

(1) The amount reported for pooled loans excludes negative basis adjustments associated with fair value hedges of \$923 thousand and \$335 thousand, respectively, at March 31, 2026 and December 31, 2025. See Note 6 to the Unaudited Consolidated Financial Statements for additional disclosure.

The ACL on loans amounted to \$41.1 million at March 31, 2026, up by \$3.9 million, or 10%, from the balance at December 31, 2025. The ACL on loans as a percentage of total loans, also known as the reserve coverage ratio, was 0.82% at March 31, 2026, compared to 0.73% at December 31, 2025. ACL on loans as percentage of nonaccrual loans was 101.70% at March 31, 2026, compared to 288.14% at December 31, 2025.

Net charge-offs totaled \$10 thousand for the three months ended March 31, 2026, compared to \$2.3 million for the three months ended March 31, 2025.

The increase in the ACL on loans from December 31, 2025 largely reflected specific reserve allocations on the two individually analyzed nonaccrual CRE office segment loans noted above. See additional disclosure regarding our ACL methodology in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

The ACL on loans is an estimate and ultimate losses may vary from management's estimate. Deteriorating conditions or assumptions could lead to further increases in the ACL on loans; conversely, improving conditions or assumptions could lead to further reductions in the ACL on loans.

Management's Discussion and Analysis

The following table presents the allocation of the ACL on loans by portfolio segment. The total ACL on loans is available to absorb losses from any segment of the loan portfolio.

(Dollars in thousands)

	March 31, 2026			December 31, 2025		
	Allocated ACL	ACL to Loans	Loans to Total Portfolio (1)	Allocated ACL	ACL to Loans	Loans to Total Portfolio (1)
Commercial:						
Commercial real estate	\$24,031	1.15%	42%	\$19,766	0.91%	43%
Commercial & industrial	9,647	1.70	11	9,750	1.73	11
Total commercial	33,678	1.27	53	29,516	1.07	54
Residential Real Estate:						
Residential real estate	6,003	0.30	40	6,270	0.31	40
Consumer:						
Home equity	1,194	0.38	6	1,186	0.37	6
Other	251	1.53	1	264	1.55	—
Total consumer	1,445	0.43	7	1,450	0.43	6
Total ACL on loans at end of period	\$41,126	0.82%	100%	\$37,236	0.73%	100%

(1) Percentage of loans outstanding in respective class to total loans outstanding.

Sources of Funds

Our sources of funds include in-market deposits, wholesale brokered deposits, FHLB advances, other borrowings, and proceeds from the sales, maturities, and payments of loans and investment securities. The Corporation uses funds to originate and purchase loans, purchase investment securities, conduct operations, expand the branch network, and pay dividends to shareholders.

Deposits

The Corporation offers a wide variety of deposit products to consumer and business customers. Deposits provide an important source of funding for the Bank, as well as an ongoing stream of fee revenue.

The Bank is a participant in the DDM, ICS and CDARS programs. The Bank uses these deposit sweep services to place customer and client funds into interest-bearing demand accounts, money market accounts, and/or time deposits issued by other participating banks. Customer and client funds are placed at one or more participating banks to ensure that each deposit customer is eligible for the full amount of FDIC insurance. As a program participant, we receive reciprocal amounts of deposits from other participating banks. We consider these reciprocal deposit balances to be in-market deposits as distinguished from traditional wholesale brokered deposits.

The following table presents a summary of deposits:

(Dollars in thousands)

	March 31, 2026		December 31, 2025		Balance Change	
	Amount	% of Total	Amount	% of Total	\$	%
Noninterest-bearing demand deposits	\$585,415	11%	\$595,092	11%	(\$9,677)	(2%)
Interest-bearing demand deposits	758,524	15	756,794	14	1,730	—
NOW accounts	690,987	13	715,114	14	(24,127)	(3)
Money market accounts	1,132,421	22	1,185,420	22	(52,999)	(4)
Savings accounts	830,855	16	796,887	15	33,968	4
Time deposits (in-market)	1,166,431	23	1,220,683	24	(54,252)	(4)
Total in-market deposits	5,164,633	100	5,269,990	100	(105,357)	(2)
Wholesale brokered time deposits	—	—	—	—	—	—
Total deposits	\$5,164,633	100%	\$5,269,990	100%	(\$105,357)	(2%)

Management's Discussion and Analysis

In-market deposits, which exclude wholesale brokered time deposits, were down by \$105.4 million, or 2%, from the balance at December 31, 2025. There were no wholesale brokered time deposits at March 31, 2026 or December 31, 2025. Competition for deposits in our market area is strong, and continued demand for higher-cost deposit products remains. Washington Trust remains focused on maintaining existing depositor relationships and supporting organic deposit growth.

The following table presents a summary of the Bank's uninsured deposits:

(Dollars in thousands)

	March 31, 2026		December 31, 2025	
	Balance	% of Total Deposits	Balance	% of Total Deposits
Uninsured Deposits:				
Uninsured deposits (1)	\$1,346,604	26%	\$1,417,127	27%
Less: affiliate deposits (2)	89,595	2	85,651	2
Uninsured deposits, excluding affiliate deposits	1,257,009	24	1,331,476	25
Less: fully-collateralized preferred deposits (3)	142,146	2	220,937	4
Uninsured deposits, after exclusions	\$1,114,863	22%	\$1,110,539	21%

(1) Determined in accordance with regulatory reporting requirements, which includes affiliate deposits and fully-collateralized preferred deposits.

(2) Uninsured deposit balances of Washington Trust Bancorp, Inc. and its subsidiaries that are eliminated in consolidation.

(3) Uninsured deposits of states and political subdivisions, which are secured or collateralized as required by state law.

Borrowings

Borrowings primarily consist of FHLB advances, which are used as a source of funding for liquidity and interest rate risk management purposes. FHLB advances totaled \$576.0 million at March 31, 2026, down by \$50.0 million, or 8%, from the balance at the end of 2025. For additional information regarding FHLB advances see Note 9 to the Unaudited Consolidated Financial Statements.

Liquidity and Capital Resources

Liquidity Management

The Corporation proactively manages its liquidity and cash flow requirements with the intent to maintain stable, cost-effective funding and to promote the strength of its overall balance sheet. The liquidity position of the Corporation is continuously monitored by management and adjustments are made to appropriately balance sources and uses of funds, as needed. For further details surrounding the Corporation's liquidity risks and related strategy, see the "Risk Management – Liquidity Risk Management" section below.

Capital Resources

Total shareholders' equity amounted to \$546.8 million at March 31, 2026, up by \$3.2 million from December 31, 2025. This net increase primarily reflected net income of \$12.6 million, partially offset by dividend declarations of \$10.8 million.

Washington Trust declared a quarterly dividend of 56 cents per share for the three months ended March 31, 2026, unchanged from the 56 cents per share declared for the same period in 2025.

The ratio of total equity to total assets amounted to 8.47% at March 31, 2026, compared to a ratio of 8.21% at December 31, 2025. Book value per share was \$28.72 at March 31, 2026, compared to \$28.56 at December 31, 2025.

The Bancorp and the Bank are subject to various regulatory capital requirements and are considered "well capitalized," with a total risk-based capital ratio of 13.38% at March 31, 2026, compared to 12.95% at December 31, 2025.

See Note 10 to the Unaudited Consolidated Financial Statements for additional discussion regarding shareholders' equity.

Risk Management

The Corporation has a comprehensive ERM program through which the Corporation identifies, measures, monitors, and controls current and emerging material risks.

The Board of Directors is responsible for oversight of the ERM program. The ERM program enables the aggregation of risk across the Corporation and ensures the Corporation has the tools, programs, and processes in place to support informed

Management's Discussion and Analysis

decision making, to anticipate risks before they materialize and to maintain the Corporation's risk profile consistent with its risk strategy. The Board of Directors has approved an ERM Policy and risk appetite statement that addresses each category of risk and outlines the types and levels of risk the Corporation is willing to accept to achieve its strategic objectives. The risk categories include: credit risk, interest rate risk, liquidity risk, price and market risk, compliance risk, strategic and reputation risk, and operational risk. A description of each risk category is provided below.

Credit risk represents the possibility that borrowers or other counterparties may not repay loans or other contractual obligations according to their terms due to changes in the financial capacity, ability, and willingness of such borrowers or counterparties to meet their obligations. In some cases, the collateral securing payment of the loans may be sufficient to assure repayment, but in other cases the Corporation may experience significant credit losses, which could have an adverse effect on its operating results. The Corporation makes various assumptions and judgments about the collectability of its loan portfolio, including the creditworthiness of its borrowers and counterparties and the value of the real estate and other assets serving as collateral for the repayment of loans. Credit risk also exists with respect to investment securities. For further discussion regarding the credit risk and the credit quality of the Corporation's loan portfolio, see Notes 4 and 5 to the Unaudited Consolidated Financial Statements. For further discussion regarding credit risk associated with unfunded commitments, see Note 15 to the Unaudited Consolidated Financial Statements. For further discussion regarding the Corporation's securities portfolio, see Note 3 to the Unaudited Consolidated Financial Statements.

Interest rate risk is the risk of loss to earnings due to movements in interest rates. Interest rate risk arises from differences between the timing of rate changes and the timing of cash flows. It exists because the repricing frequency and magnitude of interest-earning assets and interest-bearing liabilities are not identical. See the "Asset/Liability Management and Interest Rate Risk" section below for additional disclosure.

Liquidity risk is the risk that the Corporation will not have the ability to generate adequate amounts of cash in the most economical way for it to meet its maturing liability obligations and customer loan demand. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources. For detailed disclosure regarding liquidity management, see the "Liquidity Risk Management" section below.

Price and market risk refers to the risk of loss arising from adverse changes in interest rates and other relevant market rates and prices, such as equity prices. Interest rate risk, discussed above, is the most significant market risk to which the Corporation is exposed. The Corporation is also exposed to financial market risk and housing market risk.

Compliance risk represents the risk of regulatory sanctions or financial loss resulting from the failure to comply with laws, rules, and regulations and standards of good banking practice. Activities that may expose the Corporation to compliance risk include, but are not limited to, those dealing with the prevention of money laundering, privacy and data protection, adherence to all applicable laws and regulations, and employment and tax matters.

Strategic and reputation risk represent the risk of loss due to impairment of reputation, failure to fully develop and execute business plans, and failure to assess existing and new opportunities and threats in business, markets, and products.

Operational risk is the risk of loss due to human behavior, inadequate or failed internal processes, systems and controls, information technology changes or failures, and external influences such as market conditions, fraudulent activities, cybersecurity incidents, natural disasters, and security risks.

ERM is an overarching program that includes all areas of the Corporation. A framework approach is utilized to assign responsibility and to ensure that the various business units and activities involved in the risk management life-cycle are effectively integrated. The Corporation has adopted the "three lines of defense" strategy that is an industry best practice for ERM. Business units are the first line of defense in managing risk. They are responsible for identifying, measuring, monitoring, and controlling current and emerging risks. They must report on and escalate their concerns. Corporate functions such as Credit Risk Management, Financial Administration, Information Assurance, and Compliance represent the second line of defense. They are responsible for policy setting and for reviewing and challenging the risk management activities of the business units. They collaborate closely with business units on planning and resource allocation with respect to risk management. Internal Audit is a third line of defense. They provide independent assurance to the Board of Directors of the effectiveness of the first and second lines in fulfilling their risk management responsibilities.

Management's Discussion and Analysis

For additional factors that could adversely impact Washington Trust's future results of operations and financial condition, see Part II, Item 1A below and the section labeled "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as updated by our Quarterly Reports on Form 10-Q and other filings submitted to the SEC.

Asset/Liability Management and Interest Rate Risk

The ALCO establishes policies governing liquidity and interest rate risk and reports quarterly to the Corporation's Audit Committee. The objective of the ALCO is to manage assets and funding sources in alignment with the Corporation's liquidity, capital adequacy, growth, risk, and profitability goals.

The Corporation utilizes the size and duration of the investment securities portfolio, the size and duration of the wholesale funding portfolio, interest rate contracts, and the pricing and structure of loans and deposits, to manage interest rate risk. The interest rate contracts may include interest rate swaps, caps, floors, and collars. These interest rate contracts involve, to varying degrees, credit risk and interest rate risk. Credit risk is the possibility that a loss may occur if a counterparty to a transaction fails to perform according to terms of the contract. The notional amount of the interest rate contracts is the amount upon which interest and other payments are based. The notional amount is not exchanged, and therefore, should not be taken as a measure of credit risk. See Note 6 to the Unaudited Consolidated Financial Statements for additional information.

The ALCO uses income simulation to measure interest rate risk inherent in the Corporation's financial instruments at a given point in time by showing the effect of interest rate shifts on net interest income over a 12-month horizon and a 13- to 24-month horizon. The simulations assume that the size and general composition of the Corporation's balance sheet remain static over the simulation horizons, with the exception of certain deposit mix shifts from lower-cost to higher-cost deposits in selected interest rate scenarios. Additionally, the simulations take into account the specific repricing, maturity, call options, and prepayment characteristics of differing financial instruments that may vary under different interest rate scenarios. Mortgage-backed securities and residential real estate loans involve a level of risk that unforeseen changes in prepayment speeds may cause related cash flows to vary significantly in differing rate environments. Such changes could affect the level of reinvestment risk associated with cash flow from these instruments, as well as their market value. Changes in prepayment speeds could also increase or decrease the amortization of premium or accretion of discounts related to such instruments, thereby affecting interest income. The characteristics of financial instrument classes are reviewed periodically by the ALCO to ensure their accuracy and consistency.

Deposit balances may also be subject to possible outflow to non-bank alternatives in a rising rate environment. This may cause interest rate sensitivity to differ from the results as presented. Another significant simulation assumption is the sensitivity of savings deposits to fluctuations in interest rates. Income simulation results assume that changes in both savings deposit rates and balances are related to changes in short-term interest rates. The relationship between short-term interest rate changes and deposit rate and balance changes may differ from the ALCO's estimates used in income simulation.

The ALCO reviews simulation results to determine whether the Corporation's exposure to a decline in net interest income remains within established tolerance levels over the simulation horizons and to develop appropriate strategies to manage this exposure. As of March 31, 2026 and December 31, 2025, net interest income simulations indicated that exposure to changing interest rates over the simulation horizons remained within tolerance levels established by the Corporation. All changes are measured in comparison to the projected net interest income that would result from an "unchanged" rate scenario where both interest rates and the composition of the Corporation's balance sheet remain stable. The unchanged rate scenario as of March 31, 2026 shows net interest income trending higher over the next 12- and 24-month periods.

The ALCO regularly reviews a wide variety of interest rate shift scenario results to evaluate interest rate risk exposure, including parallel changes in interest rates and scenarios showing the effect of steepening or flattening changes in the yield curve. Because income simulations assume that the Corporation's balance sheet will generally remain static over the simulation horizon, the results do not reflect adjustments in strategy that the ALCO could implement in response to rate shifts. It should also be noted that the static balance sheet assumption does not necessarily reflect the Corporation's expectation for future balance sheet growth, which is a function of the business environment and customer behavior.

While the ALCO reviews and updates simulation assumptions and also periodically back-tests the simulation results to ensure that the assumptions are reasonable and current, income simulation may not always prove to be an accurate indicator of interest rate risk or future NIM. Over time, the repricing, maturity, and prepayment characteristics of financial instruments and the composition of the Corporation's balance sheet may change to a different degree than estimated.

Management's Discussion and Analysis

The following table sets forth the estimated change in net interest income compared to an unchanged rate scenario over the periods indicated for parallel changes in market interest rates using the Corporation's on- and off-balance sheet financial instruments as of March 31, 2026 and December 31, 2025. Interest rates are assumed to shift by parallel rate changes as shown in the table below. Further, deposits are assumed to have certain minimum rate levels below which they will not fall. It should be noted that the rate scenarios shown do not necessarily reflect the ALCO's view of the "most likely" change in interest rates over the periods indicated.

	March 31, 2026		December 31, 2025	
	Months 1 - 12	Months 13 - 24	Months 1 - 12	Months 13 - 24
100 basis point rate decrease	(2.08%)	(3.09%)	(1.72%)	(2.33%)
200 basis point rate decrease	(4.05)	(6.69)	(3.30)	(5.07)
300 basis point rate decrease	(5.90)	(10.83)	(4.77)	(8.28)
100 basis point rate increase	0.31	(1.13)	0.52	(0.54)
200 basis point rate increase	2.04	1.49	2.07	2.36
300 basis point rate increase	3.54	2.99	3.72	4.54

The relative change in interest rate sensitivity from December 31, 2025, as shown in the above table, was attributable to changes in balance sheet composition and market interest rates. The changes reflected lower balances in loans, in-market deposits, and wholesale funding.

The ALCO estimates that as interest rates change, interest-earning assets would reprice more quickly than interest-bearing liabilities. In-market deposit rate changes are modeled to lag behind other market interest rates in both pace and magnitude. In addition, prepayments of loans and securities generally increase as market interest rates decline and decrease as market interest rates rise.

Additionally, the Corporation monitors the potential change in market value of its available for sale debt securities in changing interest rate environments. The purpose is to determine market value exposure that may not be captured by income simulation, but which might result in changes to the Corporation's capital position. Results are calculated using industry-standard analytical techniques and securities data.

The following table summarizes the potential change in market value of the Corporation's available for sale debt securities as of March 31, 2026 and December 31, 2025 resulting from immediate parallel rate shifts:

(Dollars in thousands)

Security Type	Down 100 Basis Points	Up 200 Basis Points
Obligations of U.S. government-sponsored enterprise securities (callable)	\$832	(\$1,609)
Mortgage-backed securities issued by U.S. government agencies and U.S. government-sponsored enterprises	39,885	(101,635)
Obligations of states and political subdivisions	26	(95)
Trust preferred debt and other corporate debt securities	47	(99)
Total change in market value as of March 31, 2026	\$40,790	(\$103,438)
Total change in market value as of December 31, 2025	\$43,783	(\$110,315)

Liquidity Risk Management

Liquidity is the ability of a financial institution to meet maturing liability obligations and customer loan demand. The Corporation's primary source of liquidity is in-market deposits, which funded approximately 79% of total average assets in the three months ended March 31, 2026. While the generally preferred funding strategy is to attract and retain low-cost deposits, the ability to do so is affected by competitive interest rates and terms in the marketplace. Other sources of funding include discretionary use of purchased liabilities (e.g., FHLB term advances and brokered deposits), cash flows from the investment securities portfolio, and loan repayments. Securities designated as available for sale may also be sold in response to short-term or long-term liquidity needs, although management has no intention to do so at this time.

Management's Discussion and Analysis

The Corporation has a detailed liquidity funding policy and a contingency funding plan that provide for the prompt and comprehensive response to unexpected demands for liquidity. Management employs stress testing methodology to estimate needs for contingent funding that could result from unexpected outflows of funds in excess of “business as usual” cash flows. In management’s estimation, risks are concentrated in two major categories: (1) runoff of in-market deposit balances; and (2) unexpected drawdown of loan commitments. Of the two categories, potential runoff of deposit balances would have the most significant impact on contingent liquidity. Our stress test scenarios, therefore, emphasize attempts to quantify deposits at risk over selected time horizons. In addition to these unexpected outflow risks, several other “business as usual” factors enter into the calculation of the adequacy of contingent liquidity including: (1) payment proceeds from loans and investment securities; (2) maturing debt obligations; and (3) maturing time deposits. The Corporation has established collateralized borrowing capacity with the FRBB and also maintains additional collateralized borrowing capacity with the FHLB in excess of levels used in the ordinary course of business. Borrowing capacity is impacted by the amount and type of assets available to be pledged.

The table below presents a summary of contingent liquidity balances by source:

(Dollars in thousands)	March 31, 2026	December 31, 2025
Contingent Liquidity:		
Federal Home Loan Bank of Boston (1)	\$1,392,049	\$1,356,005
Federal Reserve Bank of Boston (2)	99,775	104,379
Available cash liquidity (3)	16,088	17,460
Unencumbered securities	528,317	539,830
Total contingent liquidity	\$2,036,229	\$2,017,674
Percentage of total contingent liquidity to uninsured deposits	151.2%	142.4%
Percentage of total contingent liquidity to uninsured deposits, after exclusions	182.6%	181.7%

- (1) As of March 31, 2026 and December 31, 2025, loans with a carrying value of \$2.8 billion and \$2.9 billion, respectively, and securities available for sale with carrying values of \$70.3 million and \$71.8 million, respectively, were pledged to the FHLB resulting in this additional borrowing capacity.
- (2) As of March 31, 2026 and December 31, 2025, loans with a carrying value of \$55.0 million and \$58.3 million, respectively, and securities available for sale with a carrying value of \$55.9 million and \$57.6 million, respectively, were pledged to the FRBB for the discount window resulting in this additional unused borrowing capacity.
- (3) Available cash liquidity excludes amounts restricted for collateral purposes and designated for operating needs.

In addition to the amounts presented above, the Bank also had access to a \$40.0 million unused line of credit with the FHLB at March 31, 2026 and December 31, 2025.

The ALCO establishes and monitors internal liquidity measures to manage liquidity exposure. Liquidity remained within target ranges established by the ALCO during the three months ended March 31, 2026. Based on its assessment of the liquidity considerations described above, management believes the Corporation’s sources of funding meet anticipated funding needs.

Contractual Obligations, Commitments, and Off-Balance Sheet Arrangements

In the ordinary course of business, the Corporation enters into contractual obligations that require future cash payments. These include payments related to lease obligations, time deposits with stated maturity dates, and borrowings. Also, in the ordinary course of business, the Corporation engages in a variety of financial transactions that, in accordance with GAAP, are not recorded in the financial statements, or are recorded in amounts that differ from the notional amounts. These financial transactions include commitments to extend credit, standby letters of credit, forward loan commitments, loan related derivative contracts and interest rate risk management contracts. For additional information on derivative financial instruments and financial instruments with off-balance sheet risk see Notes 6 and 15 to the Unaudited Consolidated Financial Statements.

Critical Accounting Policies and Estimates

Estimates and assumptions are necessary in the application of certain accounting policies and procedures and can be susceptible to significant change. Critical accounting policies are defined as those that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the Corporation’s financial condition or results of operations.

Management's Discussion and Analysis

Management considers its accounting policy relating to the ACL on loans to be a critical accounting policy. There have been no material changes in the Corporation's critical accounting policies and estimates from those disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Recently Issued Accounting Pronouncements

See Note 2 to the Unaudited Consolidated Financial Statements for details of recently issued accounting pronouncements and their expected impact on the Corporation's financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information regarding quantitative and qualitative disclosures about market risk appears under Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," under the caption "Asset/Liability Management and Interest Rate Risk."

For factors that could adversely impact Washington Trust's future results of operations and financial condition, see Part II, Item 1A below and the section labeled "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as updated by our Quarterly Reports on Form 10-Q and other filings submitted to the SEC.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, the Corporation carried out an evaluation under the supervision and with the participation of the Corporation's management, including the Corporation's principal executive officer and principal financial officer, of the Corporation's disclosure controls and procedures as of the period ended March 31, 2026. Based upon that evaluation, the principal executive officer and principal financial officer concluded that the Corporation's disclosure controls and procedures are effective and designed to ensure that information required to be disclosed by the Corporation in the reports it files or submits under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to the Corporation's management including its Chief Executive Officer and Chief Financial Officer as appropriate to allow timely decisions regarding required disclosures. The Corporation will continue to review and document its disclosure controls and procedures and consider such changes in future evaluations of the effectiveness of such controls and procedures, as it deems appropriate.

Internal Control Over Financial Reporting

There was no change in the Corporation's internal control over financial reporting that occurred during the quarter ended March 31, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. Other Information

Item 1. Legal Proceedings

The Corporation is involved in various claims and legal proceedings arising out of the ordinary course of business. Management is of the opinion, based on its review with counsel of the development of such matters to date, that the ultimate disposition of such matters will not materially affect the consolidated financial position or results of operations of the Corporation.

Item 1A. Risk Factors

There have been no material changes in the risk factors described in Part I, Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 24, 2026.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 5. Other Information

Insider Trading Arrangements

During the three months ended March 31, 2026, none of the Corporation's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

(a) Exhibits. The following exhibits are included as part of this Form 10-Q:

Exhibit Number	
10.1	Amendment No. 1 to the Washington Trust Bancorp, Inc. 2022 Long Term Incentive Plan - Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Filed herewith.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Filed herewith.
32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Furnished herewith. (1)
101	The following materials from Washington Trust Bancorp, Inc.'s Quarterly Report on Form 10-Q for the period ended March 31, 2026 formatted in Inline XBRL: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Changes in Shareholders' Equity, (v) the Consolidated Statements of Cash Flows, and (vi) related Notes to these consolidated financial statements.
104	The cover page from the Corporation's Quarterly Report on Form 10-Q for the period ended March 31, 2026 has been formatted in Inline XBRL and contained in Exhibit 101.

(1) These certifications are not "filed" for purposes of Section 18 of the Exchange Act or incorporated by reference into any filing under the Securities Act or the Securities Exchange Act.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WASHINGTON TRUST BANCORP, INC.

(Registrant)

Date: May 7, 2026

By: /s/ Edward O. Handy III

Edward O. Handy III

Chairman and Chief Executive Officer

(principal executive officer)

Date: May 7, 2026

By: /s/ Ronald S. Ohsberg

Ronald S. Ohsberg

Senior Executive Vice President, Chief Financial Officer, and Treasurer

(principal financial officer)

Date: May 7, 2026

By: /s/ Maria N. Janes

Maria N. Janes

Executive Vice President, Chief Accounting Officer, and Controller

(principal accounting officer)

EXHIBIT 10.1

AMENDMENT NO. 1 TO THE WASHINGTON TRUST BANCORP, INC. 2022 LONG TERM INCENTIVE PLAN

WHEREAS, Washington Trust Bancorp, Inc. (the “Corporation”) maintains the Washington Trust Bancorp, Inc. 2022 Long Term Incentive Plan (the “Equity Plan”), which was previously adopted by the Board of Directors of the Corporation (the “Board”) and approved by the shareholders of the Corporation; and

WHEREAS, the Board has determined that it is in the best interest of the Corporation to amend the Equity Plan as set forth in this Amendment No. 1 (this “Amendment”).

NOW, THEREFORE, the Equity Plan is amended as follows:

1. Section 3(a) of the Equity Plan is hereby deleted in its entirety and replaced with the following:

“(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 1,100,000 shares, subject to adjustment as provided in this Section 3. For purposes of this limitation, the shares of Stock underlying any awards under the Plan and under the Corporation’s 2013 Stock Option and Incentive Plan (the “Prior Plan”) that are forfeited, canceled or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan and, to the extent permitted under Section 422 of the Code and the regulations promulgated thereunder, the shares of Stock that may be issued as Incentive Stock Options. Shares of Stock shall not be deemed to have been issued pursuant to the Plan (and shall again be available for issuance under the Plan) with respect to any portion of an Award (or, after the Effective Date, an award under the Prior Plan) that is settled in cash (other than in the case of Options or Stock Appreciation Rights, in which case shares of Stock having a Fair Market Value equal to the cash delivered shall be deemed issued pursuant to the Plan). Upon the exercise of a Stock Appreciation Right (or, after the Effective Date, exercise of a Stock Appreciation Right that was granted under the Prior Plan), the gross number of shares for which the Stock Appreciation Right is exercised shall be deemed issued and shall not again be available for issuance under the Plan. Any Shares that are withheld by the Company or tendered by a grantee (by either actual delivery or attestation) on or after the Effective Date (i) to pay the exercise price of an Option granted under the Plan or the Prior Plan or (ii) to satisfy tax withholding obligations associated with an Option or Stock Appreciation Right granted under the Plan or the Prior Plan, shall not become available again for grant under the Plan. Any Shares that were purchased by the Company on the open market on or after the Effective Date with the proceeds from the exercise of an Option granted under the Plan or the Prior Plan shall not become available for grant under the Plan. In the event that after the Effective Date, withholding tax liabilities arising in connection with an Award (other than an Option or Stock Appreciation Right) under this Plan or the Prior Plan are satisfied by the tendering of shares of Stock (either actually or by attestation) or by the withholding of shares by the Corporation, then in each such case (other than in the case of such shares tendered or withheld in connection with the exercise of Options or Stock Appreciation Rights) the shares of Stock so tendered or withheld shall be added to the shares available for grant under the Plan on a one-for-one basis. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award; provided, however, that no more than 1,100,000 shares of the Stock may be issued in the form of Incentive Stock Options. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Corporation. After the Effective Date of the Plan, no further awards shall be granted under the Corporation’s 2013 Stock Option and Incentive Plan.”

1. Effective Date of Amendment. This Amendment shall become effective upon the date that it is approved by the Corporation’s shareholders in accordance with applicable laws and regulations.
2. Other Provisions. Except as set forth above, all other provisions of the Equity Plan shall remain unchanged.
3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws and judicial decisions of the State of Rhode Island.

EXHIBIT 31.1

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Edward O. Handy III, Chairman and Chief Executive Officer of Washington Trust Bancorp, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q, for the period ended March 31, 2026, of Washington Trust Bancorp, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 7, 2026

By: /s/ Edward O. Handy III

Edward O. Handy III
Chairman and Chief Executive Officer
(principal executive officer)

EXHIBIT 31.2

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ronald S. Ohsberg, Senior Executive Vice President, Chief Financial Officer and Treasurer of Washington Trust Bancorp, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q, for the period ended March 31, 2026, of Washington Trust Bancorp, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 7, 2026

By: /s/ Ronald S. Ohsberg

Ronald S. Ohsberg
Senior Executive Vice President, Chief Financial Officer and Treasurer
(principal financial officer)

EXHIBIT 32.1

**CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned officer of Washington Trust Bancorp, Inc. (the "Corporation"), hereby certifies that the Corporation's Quarterly Report on Form 10-Q for the period ended March 31, 2026 to which this certification is attached (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: May 7, 2026

By: /s/ Edward O. Handy III

Edward O. Handy III
Chairman and Chief Executive Officer
(principal executive officer)

The undersigned officer of Washington Trust Bancorp, Inc. (the "Corporation"), hereby certifies that the Corporation's Quarterly Report on Form 10-Q for the period ended March 31, 2026 to which this certification is attached (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: May 7, 2026

By: /s/ Ronald S. Ohsberg

Ronald S. Ohsberg
Senior Executive Vice President, Chief Financial Officer and Treasurer
(principal financial officer)