

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-K

- Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the fiscal year ended December 31, 2025
- 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 001-12669



SOUTHSTATE BANK CORPORATION

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation or organization)

39-3424417
(I.R.S. Employer Identification No.)

1101 First Street South, Suite 202,
Winter Haven, FL
(Address of principal executive offices)

33880
(Zip Code)

(863) 293-4710
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol	Name of each exchange on which registered:
Common Stock, \$2.50 par value	SSB	The New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act: **None.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No .

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No .

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 (§ 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 emerging growth company. See the 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 Accelerated filer Non-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 financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262 (b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No .

The aggregate market value of the voting stock of the registrant held by non-affiliates was \$9,225,644,000 based on the closing sale price of \$92.03 per share on June 30, 2025. For purposes of the foregoing calculation only, all directors and executive officers of the registrant have been deemed affiliates. The number of shares of common stock outstanding as of February 19, 2026 was 98,068,647.

Documents Incorporated by Reference

Portions of the Registrant's Definitive Proxy Statement for its 2026 Annual Meeting of Shareholders are incorporated by reference into Part III, Items 10 - 14 of this form 10-K.

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(1) All or portions of this item are incorporated by reference to the Registrant’s Definitive Proxy Statement for its 2026 Annual Meeting of Shareholders.

Forward-Looking Statements

The disclosures set forth in this Report are qualified by Part I, Item 1A. Risk Factors and the section captioned “Forward Looking Statements” in Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations of this Report and other cautionary statements set forth elsewhere in this Report.

PART I

Item 1. Business.

Overview

SouthState Bank Corporation (“We,” “Our,” “SouthState” or the “Company”) is a financial holding company headquartered in Winter Haven, Florida. During the third quarter of 2025, the Company was redomiciled to the state of Florida by merging SouthState Corporation, a South Carolina corporation, with and into SouthState Bank Corporation, a Florida corporation that was wholly-owned by SouthState Corporation prior to such merger, and adopting its name. We provide a wide range of banking services and products to our customers through our wholly owned bank subsidiary, SouthState Bank, National Association (the “Bank”), a national banking association, from our headquarters branch in Winter Haven, Florida and, as of December 31, 2025, a 342-branch network located throughout Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. In addition, the Company owns SSB Insurance Corp., a captive insurance subsidiary pursuant to Section 831(b) of the U.S. Tax Code, which has been in dissolution since 2024. We do not engage in any significant operations other than the ownership of our banking subsidiary.

Through the Bank, we operate a correspondent banking and capital markets service division for over 1,200 small and medium sized community financial institutions, credit unions, and money managers throughout the United States. Based primarily in Atlanta, Georgia and Birmingham, Alabama, this division earns commissions on fixed income security sales, fees from hedging services, loan brokerage fees and consulting fees for services related to these activities. In addition, the Bank operates SouthState Securities Corp. (formally known as SouthState|DuncanWilliams Securities Corp., “SouthState Securities”), a full-service registered broker dealer headquartered in Memphis, Tennessee. The services offered by SouthState Securities are complementary to the Bank’s correspondent banking and capital markets businesses and provide additional opportunities to the Bank’s client base. The Bank also operates SouthState Private Capital Management LLC (“SouthState PCM”), a wholly-owned registered investment advisor, which offers support to the Bank’s Wealth line of business. SouthState PCM is the result of the December 31, 2025 merger of SouthState Advisory, Inc., a wholly-owned registered investment advisor, with and into Private Capital Management LLC, also a wholly-owned registered investment advisor the Bank acquired through the Independent Bank Group, Inc. (“Independent”) acquisition completed on January 1, 2025 (the “Independent Merger”). The Bank operates Corporate Billing, a transaction-based finance division headquartered in Decatur, Alabama that provides factoring, invoicing, collection and accounts receivable management services to transportation companies and automotive parts and service providers nationwide. In late 2023, the Bank formed SSB First Street Corporation, an investment subsidiary headquartered in Wilmington, Delaware, to hold tax-exempt municipal investment securities as part of the Bank’s investment portfolio.

At December 31, 2025, we had approximately \$67.2 billion in assets, \$48.6 billion in loans, \$55.1 billion in deposits, \$9.1 billion in shareholders’ equity, and a market capitalization of approximately \$9.3 billion.

Our principal executive offices are located at, and our mailing address is, 1101 First Street South, Suite 202, Winter Haven, Florida 33880. Our telephone number is (863) 293-4710.

Our revenue is primarily derived from interest on, and fees received in connection with, real estate and other loans, interest and dividends from investment securities and short-term investments, commissions on bond sales, fees from deposit accounts, hedging services, and gains from the sale of residential mortgage loans. The principal sources of funds for our lending activities are customer deposits, repayment of loans, and the sale and maturity of investment securities. Our principal expenses are interest paid on deposits and operating and general administrative expenses.

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As is the case with banking institutions generally, our operations are materially and significantly influenced by the real estate market, general economic conditions, and by the tax, monetary and fiscal policies of the U.S. and state government and regulatory agencies, including the Federal Reserve. Deposit flows and costs of funds are influenced by interest rates on competing investments and general market rates of interest. Lending activities are affected by the demand for financing of real estate, equipment, receivables and other commercial collateral, and other types of loans, which in turn is affected by the interest rates at which such financing may be offered and other factors affecting local demand and availability of funds, including tax rates and regulatory structure. We face strong competition in the attraction of deposits (our primary source of lendable funds) and in the origination of loans. See “Competition.”

Products and Services

Lending Activities

Our loan portfolio includes commercial real estate loans, residential real estate loans, commercial and industrial loans, and consumer loans. The principal risk associated with each category of loans we make is the creditworthiness of the borrower. Borrower creditworthiness is affected by general economic conditions and the attributes of the borrower and the borrower’s market or industry. Attributes of the relevant business market or industry include the competitive environment, customer and supplier availability, the threat of substitutes and barriers to entry and exit.

Commercial Real Estate Loans. As of December 31, 2025, \$28.0 billion, or 58%, of our loan portfolio consisted of loans secured by commercial real estate (including owner occupied and non-owner occupied commercial real estate, other income producing property and construction and land development lending). We offer construction financing, acquisition financing or refinancing of properties, commercial lines of credit and other loans that are secured by commercial real estate.

Residential Real Estate Loans. As of December 31, 2025, \$10.5 billion, or 21%, of our loan portfolio consisted of residential real estate loans including home equity loans. We provide one-to-four family residential real estate loans with terms ranging from 10 to 30 years, with either fixed or adjustable interest rates and home equity lines. It is not our normal business practice to originate subprime loans. Our closed-end first lien loans are for purposes of property purchased, or for refinancing existing loans. The majority of our loans are owner-occupied, full documentation loans.

Commercial and Industrial (“C&I”) Loans. As of December 31, 2025, \$9.2 billion, or 19%, of our loan portfolio consisted of commercial and industrial loans. Our C&I loans include lines of credit, acquisition finance credit facilities and other types of commercial credit and typically have maturities of five years or less. We also have a SBA 7(a) line of business whereby we routinely sell the government guaranteed portion of the SBA loans to investors with the unguaranteed portion of the loan and the servicing rights retained.

Other Consumer Loans. As of December 31, 2025, \$1.0 billion, or 2%, of our loan portfolio consisted of other types of consumer loans. We offer consumer loans to our customers for personal, family and household purposes, including auto, boat, and personal installment loans.

We believe we have a strong team of consumer and commercial bankers to execute on our client-centered, relationship-driven banking model. Our commercial banking team consists of experienced professionals that use an advisory approach that emphasizes understanding each client’s business and offering a broad suite of loan, deposit and treasury management products and services. Our consumer banking team consists of experienced professionals that focus on knowing their individual clients in order to best meet their financial needs, offering a full complement of loan, deposit and online banking solutions. We generally do business with clients located in the areas served by our branches, and we focus our marketing efforts on these areas.

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Deposit Products, Treasury Services, and Other Funding Sources

We offer our customers a variety of deposit products and services, including checking accounts, savings accounts, money market accounts, time deposit accounts, and treasury and merchant services, through multiple channels, including our network of 342 full-service branches, as of December 31, 2025, and our online, mobile and telephone banking platforms. As of December 31, 2025, our deposit portfolio was comprised of 24% noninterest-bearing deposits and 76% interest bearing deposits. We intend to continue our efforts to provide funding for our business from customer relationship deposits.

Deposit flows are significantly influenced by general and local economic conditions, changes in prevailing interest rates, internal pricing decisions and competition. Our deposits are primarily obtained from depositors located around our branch footprint, and we believe that we have attractive opportunities to capture additional retail and commercial deposits in our markets. To attract and retain deposits, we rely on providing quality service, offering a suite of retail and commercial products and services and introducing new products and services that meet our customers' needs as they evolve.

In addition to traditional banking activities and the other products and services specified above, we provide a broad array of financial services to our customers, including debit card and mobile services, funds transfer products and services, and treasury management services, including merchant services, automated clearing house services, lock-box services, remote deposit capture services and other treasury services.

Correspondent Banking and Capital Markets

We operate a correspondent banking and capital markets business division through the Bank and through SouthState Securities, the Bank's broker dealer. This line of business's primary revenue generating activities are related to the capital markets division, which includes commissions earned on fixed income security sales, fees from hedging services, loan brokerage fees and consulting fees for services related to these activities; and its correspondent banking division, which includes spread income earned on correspondent bank deposits (i.e., federal funds purchased) and correspondent bank checking account deposits and fees from safe-keeping activities, bond accounting services for correspondents, asset/liability consulting related activities, international wires, and other clearing and corporate checking account services. The fees derived from the correspondent banking services are less volatile than those generated through the capital markets group. The customer base includes small to medium sized financial institutions located throughout the United States.

Wealth Management

Through the Bank and SouthState PCM, we offer wealth management and other fiduciary and private banking services targeted to affluent clients, including individuals, business owners, families, and professional service companies. In addition to fiduciary and investment management fee income, we believe these services enable us to build new relationships and expand existing relationships to grow our deposits and loans. Through our wealth management line of business, we offer financial planning, retirement services and trust and investment management for affluent clients as well as clients with more modest resources. We offer a wide range of investment alternatives, including certificates of deposits, mutual funds, annuities, individual retirement accounts, money market accounts and other financial products.

Mortgage Banking

We have a mortgage line of business that originates single-family home loans and either sells into the secondary market or holds in our portfolio those mortgages. We retain servicing rights for those loans we hold in our portfolio and for the majority of the loans that are sold.

Growth Strategy

Our business strategy has been to grow our business organically within our footprint and adjoining market areas faster than the related economic growth in those markets through our existing relationship managers and through targeted hiring of talented officers or teams. Our business growth, profitability and market share have been enhanced by engaging in strategic mergers and acquisitions or branch expansion either within or contiguous to our existing footprint. That expansion strategy focuses on banking institutions that:

- are consistent with our guiding principles of soundness, profitability and growth, and are a good fit with our culture;
- are strategically attractive by enhancing our footprint, allowing for cost savings and economies of scale, or providing market diversification, or otherwise strategically compelling;
- have been determined to meet our risk appetite and profile; and
- meet our financial criteria.

We expect to continue to assess future opportunities of financial companies using these criteria, based on market and other conditions.

Competition

Our profitability depends principally on our ability to compete effectively in the markets in which we conduct business. In the financial services industry, market demands, technological and regulatory changes and economic pressures have increased competition among banks, as well as other financial institutions. Competition may further intensify as additional companies enter the markets where we conduct business, and we enter mature markets in accordance with our expansion strategy.

We experience strong competition from both bank and non-bank competitors. We compete with national banks, super-regional banks, smaller community banks, nontraditional internet-based banks, credit unions, insurance companies and government sponsored entities. We also compete with other financial intermediaries and investment alternatives such as mortgage companies, credit card issuers, leasing companies, finance companies, money market mutual funds, brokerage firms, governmental and corporation bonds, and other securities firms.

We encounter strong competition in making loans and attracting deposits. We compete with other financial institutions to offer customers competitive interest rates on deposit accounts, competitive interest rates charged on loans and other credit products and reasonable service charges. In addition, we also compete based on the quality and scope of the services we provide and the convenience of our banking facilities, compared to our competitors. The larger national and super-regional banks may have significantly greater lending limits and may offer additional products. However, by emphasizing customer service and by providing a wide variety of services, we believe that our Bank has generally been able to compete successfully with our competitors, regardless of their size.

Technological advances have made it possible for our competitors, including nonbank competitors, to offer products and services that traditionally were banking products and for financial institutions and other companies to provide electronic and internet-based financial solutions, including online deposit accounts, electronic payment processing and marketplace lending, without having a physical presence where their customers are located. Moreover, technological change has introduced new technology-driven products and services, including innovative ways that customers can make payments or manage their accounts, such as through the use of mobile payments, digital wallets, or digital assets. In addition, many of our non-bank competitors are not subject to the same extensive federal regulations that govern bank holding companies and federally insured banks. In many cases, our competitors have substantially greater resources and lending limits and offer certain services that we do not currently provide.

Legislation has continued to heighten the competitive environment in which financial institutions must conduct their business, and the potential for competition among financial institutions of all types has increased significantly. To compete, we rely upon specialized services, responsive handling of customer needs, and personal contacts by our officers, directors, and staff.

Human Capital Management

We consider our relationship with our employees instrumental to the success of our business. We value our employees by investing in a healthy work-life balance, competitive compensation and benefit packages, and a team-oriented environment centered on professional service and open communication amongst employees. The Board of Directors oversees the strategic management of our human capital resources. The Human Resources Department's day-to-day responsibility is managing our human capital resources.

Core Values and Culture

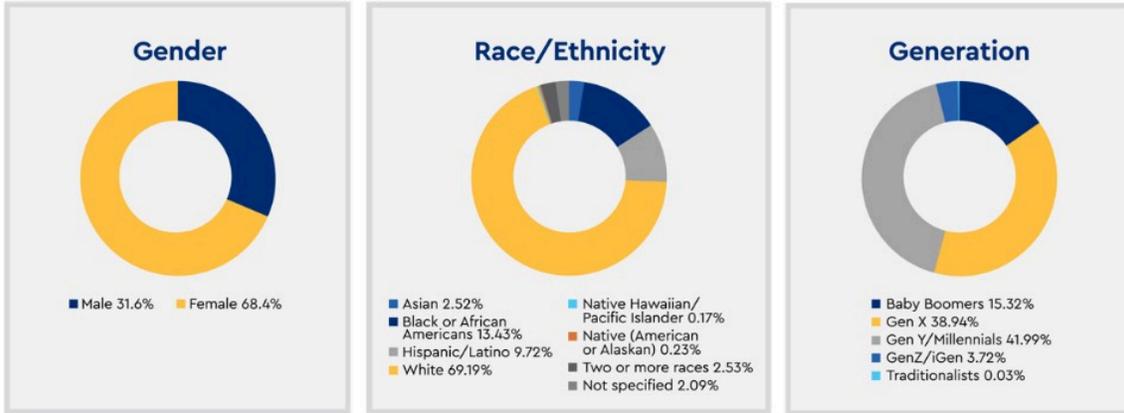
A strategic priority for the Company is to develop a dynamic, high performing team by, in part, facilitating a culture that increases employee engagement, devotes resources to recruiting, developing, and retaining talent, and recognizes the benefits of different perspectives and experiences. The Company's core values, an essential cultural cornerstone, set the course by which we intend to meet this goal through our interactions with each other, our customers, and our suppliers:

- **Local Market Leadership** - Our business model supports the unique character of the communities we serve and encourages decision-making by a banker that is closest to the customer.
- **Long-Term Horizon** - We think and act like owners and measure success over entire economic cycles. We prioritize soundness over short-term profitability and growth.
- **Remarkable Experiences** - We will make our customers' lives better by anticipating their needs and responding with a sense of urgency. Each of us has the freedom and responsibility to do the right thing for our customers.
- **Meaningful and Lasting Relationships** - We communicate with candor and transparency. The relationship is more valuable than the transaction.
- **Greater Purpose** - We enable our team members to pursue their ultimate purpose in life – their personal faith, their family, and their service to the community.

Because we recognize the importance of encouraging an environment that inspires our employees to act consistently with the Company's core values, we incorporate our core values into our strategic planning process, requiring any initiative to further one or more of those values. In addition, our management-level Culture Council oversees the internal and external culture and values messaging, and implements a program for continuing to build and retain a diverse and inclusive employee base, as well as to recruit, train and retain the leadership and talent necessary to deliver the Company's vision, and maintaining an employee engagement program with clear objectives.

The Company's Code of Ethics, which also addresses conflicts of interest and self-dealing, applies to all directors, officers, and employees, each of whom are expected to adhere to it in every transaction. The Company believes that each employee is entitled to work in an atmosphere and environment free of discrimination and unlawful harassment. As a result, the Company has established and communicated to all employees a reporting structure for reporting incidents of harassment or discrimination. The Company's Whistleblower hotline, which is located on our website and governed by our Whistleblower Policy, provides employees, customers, vendors and others with a confidential mechanism to express concerns or complaints regarding the Company's accounting, internal accounting controls, auditing matters, securities law compliance, or any provision of federal law relating to fraud against shareholders. Other complaints or concerns, such as relating to human resources matters, may also be submitted confidentially through the whistleblower process, and any such matters are referred to our Human Resources Department or other departments, as appropriate, for resolution. Reporting on whistleblower complaints are reviewed by the Audit Committee of the Board.

Demographic Information



As of December 31, 2025, we had 6,190 full-time employees (compared to 4,986 as of the same date in 2024) and 203 part-time team members. As of December 31, 2025, approximately 96.98% of our team members are located in the Bank’s eight-state branch footprint of Florida (26.07%), South Carolina (25.54%), Texas (13.79%), Georgia (13.51%), North Carolina (5.89%), Colorado (5.72%), Alabama (4.96%), and Virginia (1.5%). To date, none of our team members are covered by collective bargaining agreements and all team members live in the United States. During fiscal year 2025, we hired 1,786 team members, and our voluntary turnover rate was 11.82% for all team members and 1.49% for management-level team members in 2025. Additional workforce demographics by gender, race or ethnicity and generation as of December 31, 2025, are reflected in the graphics above.

Corporate Stewardship

Our company remains committed to creating a diverse workforce and a culture that creates a sense of belonging. Our efforts are enhanced through the work of the Cultural Council and the Corporate Stewardship Council and Working Group that started over 5 years ago. Our Director of Corporate Stewardship bears primary responsibility for overseeing and directing strategic initiatives related to corporate stewardship, community development, management development, recruiting a diverse talent pool, and the Employee Sunshine Fund, which is funded voluntarily by Company employees to provide emergency monetary grants to Company employees facing financial difficulties.

Through intentional collaboration and relationship building with local leaders, the Company formed the Corporate Stewardship Council and Working Group has made meaningful progress with removing barriers that impacted recruitment and of diverse candidates and developing talent throughout the enterprise. We will continue to use various metrics to monitor the results, track outcomes, and work together to maintain a workforce with diverse leaders and teams.

The results from the adoption of our 2021 corporate stewardship strategic plan led to the creation of SouthState Connects Team Member Network Groups in 2024, starting with the Women’s Network Group, followed by Women in Technology, Military & Veterans. The engagement and camaraderie around this group allowed additional points of connection, and in 2025, we launched the Rising Leaders Network Group, which works closely with SouthState Leads. Through educational webinars, cultural awareness, fireside chats with leaders, and book clubs, team members can connect, network, and collaborate more together. In 2025, team members supported various organizations that brought awareness to financial literacy, empowerment of girls and women, and support for military and veteran organizations.

Talent Acquisition, Retention, and Employee Development

Recruitment is an essential part of managing our human capital resources. We seek to hire well-qualified employees who are also a good fit for our value system. Through our commercial banking internships and management training programs, we recruit from a talented, diverse pool of students from local colleges and universities. To complement other recruitment efforts, our Talent Acquisition team is committed to attending job fairs hosted by Historical Black Colleges and Universities within our footprint. Additionally, the Talent Acquisition team partners closely with regional line of business leadership to network and recruit in-market, experienced and diverse talent in metropolitan markets within our footprint who bring with them a requisite skill set, professional background and aptitude to help grow the Bank and position our teams to support and lead a larger financial institution in the future.

We encourage and support the growth and development of our employees and, when possible, seek to fill positions by promotion and transfer from within the organization. We invest in the growth and development of our employees by providing opportunities to participate in continuing education courses that are relevant to the banking industry and their job function within the Company. Our internal Corporate Learning team offers a suite of leadership development programs to support various levels of leadership experience and expertise with graduated topics designed to engage and develop leaders by improving business acumen and offering 360-degree reviews, individual coaching opportunities and education on topics as varied as culture, communication styles and mentoring. Because the banking industry is highly regulated, we also require employees to complete annual compliance training, the classes for which are selected based on each employee's actual job responsibilities. In 2025, in the aggregate, our employees completed over 300,000 Company-provided training courses, including compliance-related courses that were assigned based on job roles and responsibilities.

Employee retention helps us operate efficiently. We strive to offer competitive salaries, and many of our officers and key employees participate in the Company's incentive program, which offers short-term cash incentives to reward annual performance and long-term incentives designed to reward sustainable shareholder value creation and encourage talent retention. In addition, we provide a comprehensive employee benefit program that includes: group life, health, dental and vision insurance; prescription benefits; flexible spending accounts; health savings accounts; employee wellness program; educational opportunities; an employee stock purchase plan; deferred compensation plans for officers and key employees; and a 401(k) plan with a Company match. The Company offers a broad leave plan awarded based on tenure of service and officer title, to include paid time off, paid parental leave, paid volunteer time, and paid leave for personal illness and for caring of their immediate family members. The Company-sponsored Employee Stock Purchase Plan encourages our employees to invest in the Company by offering shares at a discounted price to participants.

Employee Health, Wellness and Safety

The overall well-being of our employees is a top priority. To raise awareness of good health habits, the Company offers employees a robust wellness program that provides extensive wellness resources to include on-site biometric screenings and a health risk assessment program. The Company also provides support through wellness resources and the Employee Assistance Program designed to support physical, financial, career, social, and mental wellness. The Company offers flexible work options in support of employees optimizing their workplace experience, with approximately 25.7% of our employees work effectively from remote locations.

Oversight of Corporate Stewardship Matters

The Governance and Nominating Committee of the Company's Board of Directors oversees the Company's current and emerging environmental, corporate stewardship, and governance matters that are relevant to the business, operations, or public image of the Company or that are otherwise pertinent to the Company and its shareholders, employees, customers, and parties with whom it does business. The Company issues a Corporate Social Responsibility Report on an annual basis, which highlights the Company's environmental and corporate stewardship initiatives, including the Company's commitment to: building vibrant communities where we operate and where our customers live and work; fostering a strong culture that supports and encourages a diverse and inclusive workforce; promoting the highest ethical standards and acting as good stewards; and being environmentally resourceful as we support efficient and sustainable practices. Our commitment to our communities, colleagues, corporate stewardship, and the environment will inform our Company's actions as we strive to meet our vision: investing in the entrepreneurial spirit, pursuing excellence, and inspiring a greater purpose. During 2025, we continued to build out our transition and climate risk programs, actively working toward developing the necessary structure to understand the Bank's direct and indirect greenhouse gas scopes and emissions across the Company and to develop a process for undertaking climate risk assessments. A copy of the Company's 2025 Corporate Social Responsibility Report is available on the Bank's website at 2025 Corporate Social Responsibility Report.

Effect of Governmental Policies

Our earnings and business are and will be affected by the policies of various regulatory authorities of the United States, especially the Federal Reserve. The Federal Reserve, among other things, seeks to influence interest rates and the supply of money and credit within the United States. Among the traditional methods that have been used to achieve this objective are open market operations in U.S. government securities, changes in the discount rate for bank borrowings, expanded access to funds for non-banks and changes in reserve requirements against bank deposits. The Federal Reserve steeply increased the size of its balance sheet by buying securities in 2020-2021, and since then tapered such purchases to gradually reduce its balance sheet, but has resumed purchasing mortgage-backed securities to increase liquidity in the market. Since the financial crisis, the Federal Reserve has paid interest on excess reserves held by banks at the Federal Reserve. The Federal Reserve decreased its target federal funds rate three times during 2025 from 3.50% to 3.75%. Both the traditional and more recent methods are used in varying combinations to influence overall growth and distribution of bank loans, investments and deposits, interest rates on loans and securities, and rates paid for deposits. The monetary policies of the Federal Reserve have had a significant effect on the operating results of commercial banks and are expected to continue to do so in the future. The monetary policies of the Federal Reserve are influenced by various factors, including inflation, unemployment, and short-term and long-term changes in the international trade balance and in the fiscal policies of the U.S. government. Future monetary policies, including whether and when the Federal Reserve will increase or decrease the federal funds rate and whether or at what pace it will reduce or increase the size of its balance sheet, and the effect of such policies on the future business and earnings of the Company and our subsidiary bank cannot be predicted.

Supervision and Regulation

We are extensively regulated and supervised under federal and state law. The following is a brief summary of certain aspects of that regulation that are material to us and does not purport to be a complete description of all regulations that affect us or all aspects of those regulations. To the extent particular statutory and regulatory provisions are described, the description is qualified in its entirety by reference to the particular statute or regulation. Proposals to change the laws and regulations governing the banking industry are frequently raised at both the state and federal levels. The likelihood and timing of any changes in these laws and regulations, and the impact such changes may have on the Company and the Bank, are difficult to ascertain. In addition to laws and regulations, bank regulatory agencies may issue policy statements, interpretive letters and similar written guidance applicable to the Company or the Bank. A change in applicable laws, regulations or regulatory guidance, or in the manner such laws, regulations or regulatory guidance are interpreted by regulatory agencies or courts, may have a material adverse effect on the Company's and the Bank's business, operations, and earnings. Supervision, regulation, and examination of banks by regulatory agencies are intended primarily for the protection of depositors and customers, the deposit insurance fund and the U.S. banking and financial system rather than shareholders.

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In the past year, the scope of the laws and regulations and the intensity of the supervision to which we are subject have decreased in response to the Trump Administration's deregulatory policies. The Company expects that its business will remain subject to extensive regulation and supervision despite the recent deregulatory environment.

We are also subject to the disclosure and regulatory requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, both as administered by the SEC, as well as the rules of the NYSE that apply to companies with securities listed on the New York Stock Exchange.

Regulation of the Company

We are registered as a bank holding company with the Federal Reserve under the Bank Holding Company Act of 1956 (the "BHC Act") and have elected to be a financial holding company. As a financial holding company, we are subject to comprehensive regulation, examination and supervision by the Federal Reserve and are subject to its regulatory reporting requirements. Federal law subjects financial holding companies, such as the Company, to particular restrictions on the types of activities in which they may engage, and to a range of supervisory requirements and activities, including regulatory enforcement actions for violations of laws and regulations.

As a financial holding company, we are permitted to engage in, and be affiliated with companies engaging in, a broader range of activities than those permitted for a bank holding company. Bank holding companies are generally restricted to engaging in the business of banking, managing or controlling banks and certain other activities determined by the Federal Reserve to be related closely to banking. Financial holding companies may also engage in activities that are considered to be financial in nature, as well as those incidental or complementary to financial activities, including certain insurance underwriting activities. We and the Bank must each remain "well-capitalized" and "well-managed", and the Bank must receive a Community Reinvestment Act ("CRA") rating of at least "Satisfactory" at its most recent examination in order for us to maintain our status as a financial holding company. In addition, the Federal Reserve has the power to order a financial holding company or its subsidiaries to terminate any activity or terminate its ownership or control of any subsidiary, when it has reasonable cause to believe that continuation of such activity or such ownership or control constitutes a serious risk to the financial safety, soundness, or stability of any bank subsidiary of that financial holding company.

A financial holding company is required to act as a source of financial and managerial strength to its subsidiary bank and to maintain resources adequate to support its bank. The term "source of financial strength" has been defined as the ability of a company to provide financial assistance to its insured depository institution subsidiaries in the event of financial distress. The appropriate federal banking agency for the depository institution (in this case, the Office of the Comptroller of the Currency or "OCC") may require reports from the Company to assess its ability to serve as a source of strength and to enforce compliance with the source-of-strength requirements by requiring the holding company to provide financial assistance to the Bank if its capital were to become impaired. If the Company fails to provide such assistance within three months, it could be ordered to sell its stock of the Bank to cover the deficiency. Any capital loans by the Company to the Bank would be subordinate in right of payment to deposits and certain other debts of the Bank. In the event of the Company's bankruptcy, any commitment by the Company to a federal bank regulatory agency to maintain the capital of the Bank would be assumed by the bankruptcy trustee and entitled to a priority of payment.

The BHC Act requires that a financial holding company obtain the prior approval of the Federal Reserve before (i) acquiring direct or indirect ownership or control of more than 5% of the voting shares of any additional bank or bank holding company, (ii) taking any action that causes an additional bank or bank holding company to become a subsidiary of the financial holding company, or (iii) merging or consolidating with any other bank holding company. The Federal Reserve may not approve any such transaction that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any section of the United States, or the effect of which may be substantially to lessen competition or to tend to create a monopoly in any section of the country, or that in any other manner would be in restraint of trade, unless the anticompetitive effects of the proposed transaction are clearly outweighed by the public interest in meeting the convenience and needs of the community to be served. The Federal Reserve is also required to consider (1) the financial and managerial resources of the companies involved, including pro forma capital ratios; (2) the risk to the stability of the United States banking or financial system; (3) the convenience and needs of the communities to be served, including the companies' performance under the CRA; and (4) the effectiveness of the companies in combatting money laundering. We are permitted under applicable federal and state law to make out-of-state acquisitions and mergers of other banks and bank holding companies, subject to the requirements summarized above.

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Federal law restricts the amount of voting stock of a bank holding company and a bank that a person may acquire without the prior approval of banking regulators. The overall effect of such laws is to make it more difficult to acquire a bank holding company and a bank by tender offer or similar means than it might be to acquire control of another type of corporation. Consequently, shareholders of the Company may be less likely to benefit from the rapid increases in stock prices that may result from tender offers or similar efforts to acquire control of other companies. Federal law also imposes restrictions on acquisitions of stock in a bank holding company or a national bank. Under the federal Change in Bank Control Act and the regulations thereunder, a person or group must give advance notice to the Federal Reserve before acquiring control of any bank holding company, such as the Company, and the OCC before acquiring control of any national bank, such as the Bank. Upon receipt of such notice, the bank regulatory agencies may approve or disapprove the acquisition. The Change in Bank Control Act creates a rebuttable presumption of control if a member or group acquires a certain percentage or more of a bank holding company's or bank's voting stock, or if one or more other control factors set forth in the Act are present. As a result, a person or entity generally must provide prior notice to the Federal Reserve before acquiring the power to vote 10% or more of our outstanding common stock. Investors should be aware of these requirements when acquiring shares of our stock.

Regulation of the Bank

The Bank is a national bank subject to comprehensive regulation, examination and supervision by the OCC and is subject to its regulatory reporting requirements. The deposits of the Bank are insured by the FDIC and, accordingly, the Bank is also subject to certain FDIC regulations and the FDIC has backup examination authority and some enforcement powers over the Bank. The Bank also is subject to certain Federal Reserve regulations. These regulations include limitations on loans to a single borrower and to its directors, officers and employees; restrictions on the opening and closing of branch offices; the maintenance of required capital and liquidity ratios; the granting of credit under equal and fair conditions; the disclosure of the costs and terms of such credit, requirements to maintain reserves against deposits and loans, limitation on the types of investment that may be made and requirements governing risk management practices.

The Bank also is subject to restrictions on its ability to lend to and engage in other transactions with the Company and the Bank's other affiliates. Under these provisions, individual loans or other extensions of credit between the Bank and the Company or any nonbank affiliate generally are limited to 10% of the Bank's capital and surplus, and all such transactions between the Bank and either the Company or any nonbank affiliate are limited to 20% of the Bank's capital and surplus. Loans and other extensions of credit from the Bank to any affiliate generally are required to be secured by eligible collateral in specified amounts. In addition, any transaction between the Bank and any affiliate is required to be on arm's length terms and conditions. The definition of "extension of credit" for these purposes includes credit exposures arising from a derivative transaction, a repurchase or reverse repurchase agreement and a securities lending or borrowing transaction. Federal banking laws also place similar restrictions on loans and other extensions of credit by FDIC-insured banks, such as the Bank, to their directors, executive officers and principal shareholders. These restrictions have not had a material impact on the Company or the Bank.

The Bank is permitted under federal law to branch on a *de novo* basis across state lines where the laws of the state would permit banks chartered by that state to open a *de novo* branch.

In 2024, the Department of Justice (the "DOJ") withdrew its 1995 Bank Merger Guidelines and issued the 2024 Banking Addendum to 2023 Merger Guidelines (the "2024 Banking Addendum"). The DOJ clarified that it will assess competition considerations in connection with bank and bank holding company mergers using its 2023 Merger Guidelines, which is the general merger review framework the DOJ now uses to evaluate transactions in all segments of the economy, and the 2024 Banking Addendum. The 2024 Banking Addendum provides guidance on how the DOJ will assess competition in the context of bank and bank holding company mergers. An analysis under the 2023 Merger Guidelines and 2024 Banking Addendum may include consideration of theories of harm and relevant markets not considered under the 1995 Bank Merger Guidelines, which focused primarily on concentrations of deposits and branches. While the 2024 Banking Addendum remains in effect, the DOJ appears to be assessing bank mergers under a looser standard than implied by the 2024 Banking Addendum.

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As a result of Independent Merger into the Company, the Bank grew above \$50 billion in assets as of January 1, 2025, and thus would become subject, effective the fourth quarter of 2026, to the OCC's heightened standards guidelines. These guidelines set expectations for the governance and risk management practices of large depository institutions subject to its supervision with more than \$50 billion in assets. The guidelines require such institutions to establish and adhere to a written governance framework in order to manage and control their risk-taking activities and to incorporate their risk appetite statement and concentration risk limits into capital and liquidity stress testing and planning processes. On December 23, 2025, the OCC issued a notice of proposed rulemaking that would increase the threshold at which the heightened standards apply from \$50 billion to \$700 billion in total assets. If the rule is adopted as proposed, the Bank would not become subject to the OCC's heightened standards in the fourth quarter of 2026. The changes are not expected to have any impact on the Bank's risk management program.

Supervision, Examination and Enforcement

The Federal Reserve, OCC and FDIC have broad supervisory, examination and enforcement authority with regard to bank holding companies and banks, including the power to impose nonpublic supervisory agreements, issue cease and desist or removal orders, impose fines and other civil and criminal penalties, initiate injunctive actions, terminate deposit insurance and appoint a conservator or receiver. In general, these actions may be initiated for violations of laws and regulations, as well as engagement in unsafe and unsound practices, and certain of these actions also may be taken against an "institution affiliated party" as defined in the law. Specifically, the regulators may direct a bank holding company or bank to, among other things, increase its capital, sell subsidiaries or other assets, limit its dividends and distributions, restrict its growth or remove officers and directors. Supervision and examinations are confidential, and the outcomes of these actions may not be made public.

We also are supervised and examined by the Consumer Financial Protection Bureau ("CFPB") with respect to consumer protection laws and regulations.

FDIC Insurance Assessments and Depositor Preference

The deposits of the Bank are insured by the FDIC up to the limits under applicable law, which currently are set at \$250,000 for accounts under the same name and title. The Bank is subject to deposit insurance premium assessments. The FDIC imposes a risk-based deposit premium assessment system. Under this system, the assessment rates for an insured depository institution vary according to the level of risk incurred in its activities. To arrive at an assessment rate for a banking institution, the FDIC places it in one of four risk categories determined by reference to its capital levels and supervisory ratings. In the case of those institutions in the lowest risk category, the FDIC further determines its assessment rate based on certain specified financial ratios or, if applicable, long-term debt ratings. The assessment rate schedule can change from time to time, at the discretion of the FDIC, subject to certain limits. Under the current system, premiums are assessed quarterly. The FDIC has published guidelines on the adjustment of assessment rates for certain institutions.

The FDIC uses a performance score and loss-severity score to calculate the Bank's initial FDIC assessment rate. In calculating these scores, the FDIC uses the Bank's capital level and regulatory supervisory ratings and certain financial measures to assess the Bank's ability to withstand asset-related and funding related stress, and make certain adjustments based on risk factors that are not adequately captured in these calculations.

Insurance of deposits may be terminated by the FDIC upon a finding that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, rule, order or condition imposed by a bank's federal regulatory agency. Deposits and certain claims for administrative expenses and employee compensation against insured depository institutions are afforded a priority over other general unsecured claims against the institution, including federal funds and letters of credit, in the liquidation or other resolution of that institution by any receiver appointed by federal authorities. These priority creditors include the FDIC.

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In response to the bank failures in early 2023, the FDIC implemented a special assessment to recover the losses to the FDIC's Deposit Insurance Fund at an annual rate of approximately 13.4 basis points over eight quarterly assessment periods beginning with the first quarterly assessment period of 2024. The base for the special assessment is equal to an insured depository institution's estimated uninsured deposits reported as of December 31, 2022, adjusted to exclude the first \$5 billion. The FDIC anticipates that the total amount of the special assessment will be collected for a total of eight quarterly assessment periods. In December 2025, the FDIC issued an interim final rule that would reduce the special assessment for the eight collection quarter from 3.35 basis points to 2.97 basis points. Under the interim final rule, upon termination of the receiverships, the FDIC will either provide an offset to regular quarterly deposit insurance assessments for insured depository institutions subject to the special assessment if the amount collected exceeds losses or collect from insured depository institutions subject to the special assessment a one-time final shortfall special assessment if losses at the termination of the receiverships exceed the amount collected. The total estimated FDIC special assessment allocable to the Bank is approximately \$33.5 million, which includes the special assessment applicable to the deposits assumed from Independent on January 1, 2025 and subject to the special assessment for the period subsequent to the acquisition date. The FDIC may impose additional special assessments from time to time based on the actual losses incurred by the FDIC as a result of the March 2023 bank failures or future failures.

Resolution Planning

In June 2024, the FDIC released a final rule amending its requirements for insured depository institutions with more than \$50 billion in assets to develop and submit plans demonstrating how they could be resolved in an orderly and timely manner in the event of receivership. As a result of the Independent Merger, the Bank grew above \$50 billion in assets as of January 1, 2025, and is actively planning to comply with its requirements, which the FDIC had advised the Bank was in October 2026. In December 2025, the FDIC announced plans to propose changes to the Resolution Planning Rule for FDIC Board consideration in 2026. As a result, submissions due in October 2026, including those of the Bank, have been deferred, and the Bank anticipates that its submission will be due in 2027, pending finalization of any revisions to the Resolution Planning Rule.

Dividend Restrictions

The Company is a legal entity separate and distinct from its banking and other subsidiaries and has in the past relied on dividends from the Bank as its primary source of liquidity. There are limitations on the payment of dividends by the Bank to the Company, as well as by the Company to its shareholders.

The OCC has the general authority to limit the dividends paid by the Bank if such payment may be deemed to constitute an unsafe and unsound practice. The Bank may not pay dividends from its paid-in surplus. All dividends must be paid out of undivided profits then on hand, after deducting expenses, including reserves for losses and bad debts. In addition, a national bank, such as the Bank, is prohibited from declaring a dividend on its shares of common stock until its surplus equals its stated capital, unless there has been a transfer to surplus of no less than one tenth of the bank's net profits of the preceding two consecutive half-year periods (in the case of an annual dividend). The approval of the OCC is required if the total of all dividends declared by a national bank in any calendar year exceeds the total of its net profits for that year combined with its retained net profits for the preceding two years, less any required transfers to surplus.

We and the Bank must maintain the applicable common equity Tier 1 ("CET1") capital conservation buffer of 2.5% to avoid becoming subject to restrictions on capital distributions, including dividends. For more information on the CET1 capital conservation buffer, see Part I Item 1 "Supervision and Regulation – Capital Requirements."

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In addition, Federal Reserve policy provides that bank holding companies, such as the Company, should generally pay dividends to shareholders only if (i) the organization's net income available to common shareholders over the past year has been sufficient to fully fund the dividends; (ii) the prospective rate of earnings retention appears consistent with the organization's capital needs, asset quality and overall financial condition; and (iii) the organization will continue to meet minimum capital adequacy ratios. The policy also provides that a bank holding company should inform the Federal Reserve reasonably in advance of declaring or paying a dividend that exceeds earnings for the period for which the dividend is being paid or that could result in a material adverse change to the bank holding company's capital structure. Bank holding companies also are required to consult with the Federal Reserve before increasing dividends or redeeming or repurchasing capital instruments. Additionally, the Federal Reserve could prohibit or limit the payment of dividends by a bank holding company if it determines that payment of the dividend would constitute an unsafe or unsound practice.

Capital Requirements

We are required under federal law to maintain certain minimum capital levels at each of the Company and the Bank. The federal banking agencies have issued substantially similar risk-based and leverage capital requirements to banking organizations they supervise. Under these requirements, the Company and the Bank are required to maintain certain capital standards based on ratios of capital to total assets and capital to risk-weighted assets. The requirements also define the weights assigned to assets and off-balance sheet items to determine the risk-weighted asset components of the risk-based capital rules. The required capital ratios are minimums, and the Federal Reserve and OCC may determine that a banking organization, based on its size, complexity or risk profile, must maintain a higher level of capital in order to operate in a safe and sound manner. Risks such as concentration of credit risks and the risk arising from non-traditional activities, as well as the institution's exposure to a decline in the economic value of its capital due to changes in interest rates, and an institution's ability to manage those risks are important factors that are to be taken into account by the federal banking agencies in assessing an institution's overall capital adequacy.

Under the applicable capital rules, the Company and the Bank are subject to the following risk-based capital ratios: a CET1 risk-based capital ratio, a Tier 1 risk-based capital ratio, which includes CET1 and additional Tier 1 capital, and a total capital ratio, which includes Tier 1 and Tier 2 capital. CET1 is primarily comprised of the sum of common stock instruments and related surplus net of treasury stock, retained earnings, and certain qualifying minority interests, less certain adjustments and deductions, including with respect to goodwill, intangible assets, mortgage servicing assets and deferred tax assets subject to temporary timing differences. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock, tier 1 minority interests and grandfathered trust preferred securities, if applicable.

Tier 2 capital consists of instruments disqualified from Tier 1 capital, including qualifying subordinated debt, certain trust preferred securities, other preferred stock and certain hybrid capital instruments, and a limited amount of loan loss reserves up to a maximum of 1.25% of risk-weighted assets, subject to certain eligibility criteria. The Company's trust preferred securities and subordinated debentures qualify as Tier 2 capital. For institutions, such as us, that have exercised an opt-out election regarding the treatment of accumulated other comprehensive income ("AOCI"), up to 45% of net unrealized gains on available for sale equity securities with readily determinable fair market values are also included in Tier 2 capital. The capital rules also define the risk-weights assigned to assets and off-balance sheet items to determine the risk-weighted asset components of the risk-based capital rules, including, for example, "high volatility" commercial real estate, past due assets, structured securities and equity holdings.

The capital rules require a minimum CET1 risk-based capital ratio of 4.5%, a minimum overall Tier 1 risk-based capital ratio of 6.0%, and a total risk-based capital ratio of 8.0%. In addition, the capital rules require a capital conservation buffer of 2.5% above each of the minimum capital ratio requirements (CET1, Tier 1, and total risk-based capital), which must be met for a bank or bank holding company to be able to pay dividends, engage in share buybacks or make discretionary bonus payments to executive management without automatic restriction. The capital conservation buffer is 2.50%, so a banking organization needs to maintain a CET1 capital ratio of at least 7%, a total Tier 1 capital ratio of at least 8.5% and a total risk-based capital ratio of at least 10.5% or it would be subject to restrictions on capital distributions and discretionary bonus payments to its executive management.

The leverage capital ratio, which serves as a minimum capital standard, is the ratio of Tier 1 capital to quarterly average total assets, less goodwill and other disallowed intangible assets. The required minimum leverage ratio for all banks and bank holding companies is 4%.

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To be well-capitalized, the Bank must maintain the following capital ratios:

- CET1 risk-based capital ratio of 6.5% or greater;
- Tier 1 risk-based capital ratio of 8.0% or greater;
- Total risk-based capital ratio of 10.0% or greater; and
- Tier 1 leverage ratio of 5.0% or greater.

The Federal Reserve has not yet revised the well-capitalized standard for bank holding companies to reflect the higher capital requirements imposed under the current capital rules. For purposes of the Federal Reserve’s Regulation Y, including determining whether a bank holding company meets the requirements to be a financial holding company, bank holding companies, such as the Company, must maintain a Tier 1 risk-based capital ratio of 6.0% or greater and a total risk-based capital ratio of 10.0% or greater to be well-capitalized. If the Federal Reserve were to apply the same or a very similar well-capitalized standard to bank holding companies as that applicable to the Bank, the Company’s capital ratios as of December 31, 2025, would exceed such revised well-capitalized standard. The Federal Reserve may require bank holding companies, including the Company, to maintain capital ratios substantially in excess of mandated minimum levels, depending upon general economic conditions and a bank holding company’s particular condition, risk profile and growth plans.

Failure to be well-capitalized or to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have an adverse material effect on our operations or financial condition. For example, only a well-capitalized depository institution may accept brokered deposits without prior regulatory approval. Failure to be well-capitalized or to meet minimum capital requirements could also result in restrictions on the Company’s or the Bank’s ability to pay dividends or otherwise distribute capital or to receive regulatory approval of applications or other restrictions on its growth.

As of December 31, 2025, the Company’s and the Bank’s regulatory capital ratios were above the well-capitalized standards and met the fully phased-in capital conservation buffer. Please refer to the table below for a summary of the Company’s and the Bank’s regulatory capital ratios as of December 31, 2025 and 2024, calculated using the regulatory capital methodology applicable to us during 2025.

		Minimum Regulatory Capital Ratio	Minimum Ratio + Capital Conservation Buffer	Well- Capitalized Minimums ⁽¹⁾	Actual	Capital Above Minimums ⁽²⁾
As of December 31, 2025						
Tier 1 leverage ratio	Consolidated	4.00 %	N/A	N/A	9.26 %	\$ 3,342,274
	Bank	4.00 %	N/A	5.00 %	10.22 %	\$ 3,953,890
CET 1 risk-based capital ratio	Consolidated	4.50 %	7.00 %	N/A	11.36 %	\$ 2,259,624
	Bank	4.50 %	7.00 %	6.50 %	12.54 %	\$ 2,871,303
Tier 1 risk-based capital ratio	Consolidated	6.00 %	8.50 %	6.00 %	11.36 %	\$ 1,482,636
	Bank	6.00 %	8.50 %	8.00 %	12.54 %	\$ 2,094,501
Total risk-based capital ratio	Consolidated	8.00 %	10.50 %	10.00 %	13.84 %	\$ 1,727,914
	Bank	8.00 %	10.50 %	10.00 %	13.68 %	\$ 1,644,425
As of December 31, 2024						
Tier 1 leverage ratio	Consolidated	4.00 %	N/A	N/A	10.04 %	\$ 2,736,329
	Bank	4.00 %	N/A	5.00 %	10.64 %	\$ 3,007,448
CET 1 risk-based capital ratio	Consolidated	4.50 %	7.00 %	N/A	12.62 %	\$ 2,024,389
	Bank	4.50 %	7.00 %	6.50 %	13.38 %	\$ 2,297,880
Tier 1 risk-based capital ratio	Consolidated	6.00 %	8.50 %	6.00 %	12.62 %	\$ 1,483,762
	Bank	6.00 %	8.50 %	8.00 %	13.38 %	\$ 1,757,866
Total risk-based capital ratio	Consolidated	8.00 %	10.50 %	10.00 %	14.96 %	\$ 1,606,806
	Bank	8.00 %	10.50 %	10.00 %	14.64 %	\$ 1,491,628

- (1) Reflects the well-capitalized standard applicable to the Bank and the well-capitalized standard applicable to the Company under Federal Reserve Regulation Y.
- (2) Amount greater than the highest of the minimum regulatory capital ratio, the minimum regulatory capital ratio plus the capital conservation buffer and the well-capitalized minimum, as applicable.
- (3) At December 31, 2024, approximately \$15.3 million was added to Tier 1 capital at the Bank and Holding Company as a result of the modified CECL transition.

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On July 27, 2023, the banking agencies released a proposed rule to implement major changes to the capital rules for banking organizations with \$100 billion or more in assets intended to bring the U.S. capital rules into conformance with the current international capital standards issued by the Basel Committee on Banking Supervision (“Basel Framework”). In light of the adverse reaction to the proposal, the Federal Reserve announced that it would publish a re-proposal of regulations finalizing the Basel III standards. The re-proposal is expected in early 2026.

Safety and Soundness Guidelines

The federal banking agencies have adopted guidelines prescribing safety and soundness standards relating to internal controls, risk management, information systems, internal audit systems, loan documentation, credit underwriting, interest rate exposure, asset growth and compensation, fees and benefits. These guidelines in general require appropriate systems and practices to identify and manage specified risks and exposures. The guidelines prohibit excessive compensation as an unsafe and unsound practice and characterize compensation as excessive when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer or employee, director or principal shareholder. In addition, the agencies have adopted regulations that authorize but do not require an agency to order an institution that has been given notice by the agency that it is not in compliance with any of the safety and soundness standards to submit a compliance plan. If after being so notified, an institution fails to submit an acceptable compliance plan, the agency must issue an order directing action to correct the deficiency and may issue an order directing other actions of the types, including those that may limit growth or capital distributions.

Lending Standards and Guidance

The federal banking agencies have adopted uniform regulations prescribing standards for extensions of credit that are secured by liens or interests in real estate or made for the purpose of financing permanent improvements to real estate. Under these regulations, all insured depository institutions, such as the Bank, must adopt and maintain written policies establishing appropriate limits and standards for extensions of credit that are secured by liens or interests in real estate or are made for the purpose of financing permanent improvements to real estate. These policies must establish loan portfolio diversification standards, prudent underwriting standards (including loan-to-value limits) that are clear and measurable, loan administration procedures, and documentation, approval and reporting requirements. The real estate lending policies must reflect consideration of the federal bank regulators’ Interagency Guidelines for Real Estate Lending Policies.

The federal banking agencies have also jointly issued guidance on “Concentrations in Commercial Real Estate Lending” (the “Guidance”), which defines commercial real estate loans as exposures secured by raw land, land development and construction (including 1-4 family residential construction), multi-family property, and non-farm nonresidential property where the primary or a significant source of repayment is derived from rental income associated with the property (that is, loans for which 50% or more of the source of repayment comes from third-party, non-affiliated, rental income) or the proceeds of the sale, refinancing, or permanent financing of the property. The Guidance requires that appropriate processes be in place to identify, monitor and control risks associated with real estate lending concentrations. If a concentration is present, management must employ heightened risk management practices that address key elements, including board and management oversight and strategic planning, portfolio management, development of underwriting standards, risk assessment and monitoring through market analysis and stress testing, and maintenance of increased capital levels as needed to support the level of commercial real estate lending. The required heightened risk management practices could include enhanced strategic planning, underwriting policies, risk management, internal controls, portfolio stress testing and risk exposure limits as well as appropriately designed compensation and incentive programs. Higher allowances for credit losses and capital levels may also be required. The Guidance states that the following metrics may indicate a concentration of commercial real estate loans, but that these metrics are neither limits nor a safe harbor: (1) total reported loans for construction, land development, and other land represent 100% or more of total risk-based capital; or (2) total reported loans secured by multi-family properties, non-farm non-residential properties (excluding those that are owner-occupied), and loans for construction, land development, and other land represent 300% or more of total risk-based capital and the bank’s commercial real estate loan portfolio has increased 50% or more during the prior 36 months. As of December 31, 2025, our total reported loans for construction, land development, and other land were 35.2% of the Bank’s total Tier 1 capital plus the allowance for credit losses (excluding reserve for unfunded commitments) and our total reported loans secured by multifamily and non-farm nonresidential properties and loans for construction, land development, and other land were 271.8% of the Bank’s total Tier 1 capital plus the allowance for credit losses.

Consumer Protection Laws

The Bank is subject to a number of federal laws designed to protect its customers. These consumer protection laws apply to a broad range of our activities and to various aspects of our business and include laws relating to interest rates, fair lending, disclosures of credit terms and estimated transaction costs to consumer borrowers, debt collection practices, the use of and the provision of information to consumer reporting agencies, and the prohibition of unfair, deceptive or abusive acts or practices in connection with the offer, sale or provision of consumer financial products and services. Administration of many of these consumer protection rules are the responsibility of the CFPB, which has exclusive supervisory authority over insured depository institutions with more than \$10 billion in total assets and any affiliates thereof. The CFPB also has authority to define and prevent unfair, deceptive and abusive practices in the consumer financial area, and expanded data collecting powers for purposes of determining bank compliance with fair lending laws.

The CFPB has promulgated many mortgage-related final rules, including rules related to the ability to repay and qualified mortgage standards, mortgage servicing standards, loan originator compensation standards, high-cost mortgage requirements, Home Mortgage Disclosure Act requirements and appraisal and escrow standards for higher priced mortgages. In addition, several proposed revisions to mortgage-related rules are pending finalization. The mortgage-related final rules issued by the CFPB have materially restructured the origination, servicing and securitization of residential mortgages in the United States. These rules have impacted, and will continue to impact, the business practices of mortgage lenders, including the Company. For example, under the CFPB's Ability to Repay and Qualified Mortgage rule, before making a mortgage loan, a lender must establish that a borrower has the ability to repay the mortgage. "Qualified mortgages," as defined in the rule, are presumed to comply with this requirement and, as a result, present less litigation risk to lenders. For a loan to qualify as a qualified mortgage, the loan must satisfy certain limits on terms and conditions, pricing and a maximum debt-to-income ratio. Loans eligible for purchase, guarantee or insurance by a government agency or government-sponsored enterprise are exempt from some of these requirements. Satisfying the qualified mortgage standards, ensuring correct calculations are made for individual loans, recordkeeping and monitoring, as well as understanding the effect of the qualified mortgage standards on CRA obligations, impose significant new compliance obligations on, and involve compliance costs for, mortgage lenders, including the Company.

Under applicable law, the Bank, as a debit card issuer, may receive a maximum permissible interchange fee equal to no more than \$0.21 plus 5.0 basis points of the transaction value for many types of debit interchange transactions. Further, a debit card issuer may also recover \$0.01 per transaction for fraud prevention purposes if the issuer complies with certain fraud-related requirements required by the Federal Reserve. In addition, the Federal Reserve rules governing routing and exclusivity require debit card issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product.

In 2023, the Federal Reserve released a notice of proposed rulemaking that would lower the maximum interchange fee that a large debit card issuer can receive on a debit card transaction. Under the proposal, the Federal Reserve would set the components of the maximum interchange fee to amounts lower than those in the currently applicable Regulation II. In addition, the proposal would adopt an approach for future adjustments to the interchange fee cap, which would occur every other year based on issuer cost data gathered from large debit card issuers. The proposal has not been finalized and if it were to be finalized as proposed, would likely materially decrease the Bank's noninterest income.

In 2023, the CFPB issued the "Small Business Lending Rule" to implement Section 1071 of the Dodd-Frank Act for the stated purpose of increasing transparency in small business lending, promoting economic development, and combating unlawful discrimination. Under this rule, covered lenders, including the Bank, are required to collect and report information about the small business credit applications they receive, including, but not limited to, geographic and demographic data. As a result of ongoing litigation since the "Small Business Lending Rule" was first issued, implementation of the final rule had been delayed and postponed. In November 2025, the CFPB published a new notice of proposed rulemaking on the Small Business Lending Rule. The proposed rule will revise the scope of data collected, with the intention of reducing complexity and improving data quality, while still meeting the purpose of the Small Business Lending Rule. The mandatory compliance date for all covered lenders is anticipated to be January 1, 2028. As the Bank has had a formal project to comply with the original rule, we believe the repropounded rule, if adopted as proposed, will not have a material impact on the Bank.

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In October 2024, the CFPB finalized a rule to implement Section 1033 of the Dodd-Frank Act, which would require certain entities, including the Company and the Bank, to, among other things, make available to a consumer, upon request, information in its control or possession concerning the consumer financial product or service that the consumer obtained from that entity. In general, the rule also requires, among other things, data providers holding a consumer account, such as the Bank, to establish a developer interface satisfying certain data security specifications and other standards, through which the data provider can receive requests for, and provide, specific types of data covered by the rule in electronic, usable form to authorized third parties, including data aggregators. Under the rule, data providers are prohibited from, among other things, charging consumers or third parties fees for processing these consumer data requests. The rule also places certain data security, authorization and other obligations on third parties accessing covered data from data providers, which could include the Company and the Bank when acting in certain capacities. The rule requires third parties to limit their collection, use, and retention of the data received to only what is reasonably necessary to provide the consumers' requested product or service. The compliance date for a depository institution data provider that holds at least \$10 billion in total assets but less than \$250 billion in total assets is April 1, 2027. In August 2025, the CFPB released an advance notice of proposed rulemaking seeking comments on certain aspects of the Section 1033 rule. The release did not extend the compliance dates set forth in the original rule and various agencies have requested those dates be rescinded. We continue to monitor the release of the final rule and evaluate the impact this will have on the Company and Bank.

In December 2024, the CFPB issued a final rule that removes an exception for overdraft lending services from longstanding provisions of the Truth in Lending Act ("TILA") and other consumer financial protection laws by requiring banks with assets greater than or equal to \$10 billion to treat overdraft loans like credit cards and other loans, including providing clear disclosures, to the extent the bank charges customer fees in excess of the direct costs of providing the service or in accordance with established benchmarks by the CFPB. This rule would have likely had a material impact on the Bank by reducing revenue from overdraft lending services. In May 2025, this rule was invalidated by a Congressional Review Act resolution.

Community Reinvestment Act

The CRA requires the appropriate federal banking agency, in connection with its examination of a bank, to assess the bank's record in meeting the credit needs of the communities served by the institution, including low- and moderate-income neighborhoods. Furthermore, the relevant federal bank regulatory agency is required to consider a bank's CRA assessment when considering the bank's application to, among other things, merge or consolidate with or acquire the assets or assume the liabilities of an insured depository institution or open or relocate a branch office. The relevant federal banking agency, the OCC in the Bank's case, examines each bank and assigns it a public CRA rating. Under the CRA, institutions are assigned a rating of "outstanding," "satisfactory," "needs to improve," or "unsatisfactory." The Bank received a "satisfactory" rating at its most recent CRA evaluation.

In October 2023, the Federal Reserve, the FDIC, and the OCC issued a final rule amending the agencies' CRA regulations. In July 2025, the federal banking agencies issued a joint Notice of Proposed Rulemaking, which, if finalized, would rescind the 2023 final rule and reinstate the CRA framework that existed prior to the issuance of that rule. Implementation of the October 2023 final rule, which was subject to an injunction and has not taken effect, would have materially changed the CRA framework, including imposing additional costs and changing how CRA performance would be assessed.

Anti-Money Laundering Rules

The Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001, (together, the "BSA") and its implementing regulations require financial institutions to, among other duties, implement and maintain an effective anti-money laundering / countering the financing of terrorism ("AML/CFT") compliance program and file suspicious activity and currency transaction reports when appropriate.

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The Anti-Money Laundering Act of 2020, enacted on January 1, 2021 as part of the National Defense Authorization Act (“AMLA”), amends the BSA but does not directly impose new requirements on banks. However, AMLA requires the U.S. Treasury Department to, among other things, issue National Anti-Money Laundering and Countering the Financing of Terrorism Priorities and implementing regulations, and conduct studies and issue regulations that may, over the next few years, significantly alter certain due diligence, recordkeeping and reporting requirements that the BSA and its implementing regulations impose on banks. AMLA also contains provisions that increase penalties for violations of the BSA and includes whistleblower incentives, both of which could increase regulatory enforcement against banks. Implementation of AMLA is ongoing and is anticipated to impact the Bank’s AML/CET compliance program.

Violations of the BSA and its implementing regulations can result in substantial civil and criminal penalties, and the federal banking agencies are required to consider the effectiveness of a financial institution’s AML compliance program when reviewing bank mergers and bank holding company acquisitions. In addition to the federal banking agencies, FinCEN is authorized to impose significant civil monetary penalties for violations of the BSA and its implementing regulations and has recently engaged in coordinated enforcement actions with state and federal law enforcement agencies and banking regulators.

OFAC Regulation

The U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) is responsible for administering U.S. economic sanctions, which can prohibit certain transactions with designated foreign countries or territories, nationals and others. OFAC-administered sanctions take on many different forms. For example, sanctions may include: (1) restrictions on trade with or investment in a sanctioned country or territory, including prohibitions against direct or indirect imports from and exports to a sanctioned country or territory and prohibitions on U.S. persons engaging in financial transactions relating to, making investments in, or providing investment-related advice or assistance to, a sanctioned country or territory; and (2) blocking assets in which certain sanctioned foreign governments, entities or individuals have an interest, by prohibiting transfers of property subject to U.S. jurisdiction, including property in the possession or control of U.S. persons. OFAC also maintains lists of designated persons, groups or entities that are the target of sanctions, including the “Specially Designated Nationals and Blocked Persons List.” The assets of designated persons, groups or entities are blocked, and U.S. persons are generally prohibited from dealing with any such persons. Moreover, blocked assets, for example property and bank deposits, cannot be paid out, withdrawn, set off or transferred in any manner without a license from OFAC. If we find a name on any transaction, account or wire transfer associated with a sanctioned person, we must freeze or block such account or transaction, file a blocked property report with OFAC and notify the appropriate authorities. Failure to comply with U.S. economic sanctions could have serious legal and reputational consequences.

Data Privacy and Cybersecurity

Various federal, state and local laws, rules, regulations and standards contain extensive data privacy and cybersecurity provisions, and the legal and regulatory framework for data privacy and cybersecurity is in considerable flux and rapidly evolving. For example, current federal laws, rules, regulations and standards, including the Gramm-Leach-Bliley Act (the “GLBA”), require financial institutions to, among other things, periodically disclose their privacy policies and practices relating to sharing personal information and enable retail customers to opt out of our ability to share such personal information with unaffiliated third parties under certain circumstances. Such laws and regulations also require financial institutions to implement a comprehensive cybersecurity program that includes administrative, technical and physical safeguards to ensure the security and confidentiality of customer records and information. An amendment to Regulation S-P, an implementing regulation promulgated under the GLBA, was adopted by the SEC on May 16, 2024 and requires broker-dealers and registered investment advisers to, among other things, adopt and implement an incident response program as part of their formal cybersecurity policies and procedures and report data breaches to affected individuals whose sensitive customer information was, or is reasonably likely to have been, accessed or used without authorization within 30 days of becoming aware of such data breach. Other federal and state laws and regulations impact our ability to share certain information with affiliates and non-affiliates for marketing and/or non-marketing purposes, or to contact customers with marketing offers. Federal law also makes it a criminal offense, except in limited circumstances, to obtain or attempt to obtain customer information of a financial nature by fraudulent or deceptive means. The Bank is also subject to rules and regulations issued by the Federal Trade Commission, which regulates unfair or deceptive acts or practices, including with respect to data privacy and cybersecurity. Additionally, like other lenders, the Bank uses credit bureau data in its underwriting activities. Use of such data is regulated under the Fair Credit Reporting Act, which also regulates reporting information to credit bureaus, prescreening individuals for credit offers, sharing of information between affiliates, and using affiliate data for marketing purposes. Similar state laws may impose additional requirements on us and our subsidiaries. The federal government also is considering, and may pass, additional data privacy and cybersecurity legislation, to which we may become subject if passed.

The enactment of the Cyber Incident Reporting for Critical Infrastructure Act (the “CIRCIA”) in 2022, once rulemaking is complete, will require, among other things, certain companies to report significant cyber incidents to the Cybersecurity and Infrastructure Agency (the “CISA”) within 72 hours from the time the company reasonably believes the incident occurred (and within 24 hours of making a ransom payment as a result of a ransomware attack). On April 4, 2024, the CISA proposed a rule to finalize the regulations implementing CIRCIA that would clarify the scope of cyber incidents to be reported and would further define covered entities subject to CIRCIA to expressly include companies in the financial services industry that are required to report cyber incidents to their primary federal regulators. We continue to monitor for the final requirements to implement this rule.

We also are subject to federal regulations that, among other things, require a banking organization to notify its primary federal regulators as soon as possible and within 36 hours after identifying a “computer-security incident” that has materially disrupted or degraded, or the banking organization believes in good faith is reasonably likely to materially disrupt or degrade its business or operations in a manner that would, among other things, jeopardize the viability of its operations, result in customers being unable to access their deposit and other accounts, result in a material loss of revenue, profit or franchise value, or pose a threat to the financial stability of the U.S. financial sector. Additionally, the federal banking regulators, as well as the SEC and related self-regulatory organizations, regularly issue guidance regarding cybersecurity that is intended to enhance cyber risk management among financial institutions.

Data privacy and cybersecurity are also areas of increasing state legislative focus. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (collectively, the “CCPA”), among other things, gives California residents the right to request access to or correct personal information collected about them, and whether that personal information has been sold or shared with others, the right to request deletion of personal information (subject to certain exceptions), the right to opt out of certain sharing and sales of their personal information, and the right not to be discriminated against for exercising these rights. The CCPA contains several exemptions, including that many, but not all, requirements of the CCPA are inapplicable to personal information that is collected, sold, disclosed or otherwise processed subject to certain federal laws, including the GLBA. Similar laws have been or may be adopted by other states where we do business or collect personal information. In addition, laws in all 50 U.S. states generally require businesses to provide notice under certain circumstances to individuals whose personal information has been disclosed as a result of a data breach.

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For further information regarding the risks associated with data privacy and cybersecurity laws, please see Part I – Item 1A – Risk Factors – “*We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding data privacy and cybersecurity, which could increase the cost of doing business, compliance risks and potential liability*” and “*We face cybersecurity risks from cyber-attacks, information security breaches and other similar incidents that could result in the disclosure of confidential and other information (including personal information), adversely affect our business or reputation, and create significant legal and financial exposure.*”

Broker Dealer and Investment Adviser Regulation

Our broker dealer subsidiary and investment adviser subsidiary are subject to regulation by the SEC. FINRA is the primary self-regulatory organization for our registered broker-dealer subsidiary. The broker dealer and investment adviser subsidiaries also are subject to additional regulation by states or local jurisdictions. The SEC and FINRA have active enforcement functions that oversee broker dealers and investment advisers and can bring actions that result in fines, restitution, a limitation on permitted activities, disqualification to continue to conduct certain activities and an inability to rely on certain favorable exemptions. Certain types of infractions and violations also can affect the Company’s ability to issue new securities expeditiously. In addition, certain changes in the activities of a broker dealer require approval from FINRA, and FINRA takes into account a variety of considerations in acting upon applications for such approval, including internal controls, capital levels, management experience and quality, prior enforcement and disciplinary history, and supervisory concerns.

Future Legislation and Regulation

Banking statutes, regulations and policies are continually under review by Congress, state legislatures and federal and state regulatory agencies. In addition to laws and regulations, state and federal bank regulatory agencies may issue policy statements, interpretive letters and similar written guidance applicable to us and our subsidiaries. We cannot predict the substance or impact of pending or future legislation or regulation or the application of those laws or regulations, although enactment of any significant proposal could affect how we operate and could significantly increase our costs, impede the efficiency of internal business processes or limit our ability to pursue business opportunities in an efficient manner, any of which could materially and adversely affect our business, financial condition and results of operations.

Availability of Reports Furnished or Filed with the Securities and Exchange Commission

We make available at no cost all of our reports filed electronically with the United States Securities and Exchange Commission (“SEC”), including our Annual Report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and the annual proxy statement, as well as amendments to those reports, through the Investor Relations page of our website at www.SouthStatebank.com. These filings are also accessible on the SEC’s website at www.sec.gov.

We also will provide without charge a copy of our Annual Report on Form 10-K to any shareholder by mail. Requests should be sent to SouthState Bank Corporation, Attention: Corporate Secretary, 1101 First Street South, Winter Haven, Florida 33880.

Information with respect to the Company’s Board of Directors, Executive Officers and corporate governance policies and principles is presented on the Company’s website, www.SouthStatebank.com, on the Investor Relations page. We encourage our employees to take initiative and be responsible for their actions. We have implemented a Whistleblower program and adopted a Code of Ethics, and information about both is available under Corporate Overview/Governance Documents on the Investor Relations page of our website located at www.SouthStatebank.com. We also adopted a formal corporate governance policy, a copy of which is available under Corporate Overview/Governance Documents/Corporate Governance Guidelines on the Investor Relations page of our website located at www.SouthStatebank.com.

Item 1A. Risk Factors.

Summary of Risk Factors

Below is a summary of the principal factors that make an investment in our common stock speculative or risky. This summary does not address all of the risks that we face. Additional discussion of the risks summarized in this risk factor summary, and other risks that we face, can be found below under the heading “Risk Factors” and should be carefully considered, together with other information in this Form 10-K and our other filings with the SEC, before making an investment decision regarding our common stock. These risks include, but are not limited to, the following:

Risks related to our Business and Business Strategy:

- our ability to continue to integrate and realize the benefits of the merger between SouthState and Independent;
- our ability to grow or to manage our growth effectively;
- our ability to realize the benefits expected from strategic initiatives;
- our ability to adequately anticipate and respond to changes in market interest rates;
- the negative impact of inflation on our business and profitability;
- an increase in the cost of funds as a result of general economic conditions, FDIC insurance assessments, interest rates, and competitive pressures on deposits;
- our ability to attract and retain experienced people and maintain our culture;
- the pace of adoption and use of artificial intelligence tools by us and our third-party vendors and service providers;
- the implementation of new lines of business or new products and services;
- the impact of technological changes, including artificial intelligence and online and mobile banking, on our business model, and that we may have fewer resources than many competitors to invest in technological improvements;
- a significant portion of our loan portfolio being secured by real estate;
- our loan portfolio including commercial and commercial real estate loans that may have higher risks;
- the risk of default by our clients and counterparties;
- our ability to effectively manage credit risk and interest rate risk;
- lack of liquidity or inability to effectively manage liquidity risk;
- the results of our most recent stress tests not accurately predicting the impact on our financial condition if the economy were to deteriorate;
- the impact of the Current Expected Credit Loss standard, merger activity, and global events on our allowance for credit losses;
- our size and continued pace of growth requiring us to raise additional capital in the future that may not be available when it is needed;
- our processes for managing risk not being effective to mitigate risk or losses;
- changes in mortgage rates and adverse changes in mortgage conditions;
- our recent results not being indicative of our future results;
- environmental risks in our lending activities;
- appraisals used in deciding whether to make a loan that is secured by real estate not ensuring the value of the real property collateral;
- losses due to errors, omissions or fraudulent behavior by employees, clients, counterparties and third parties;
- sustainability, stewardship and governance risks that adversely affect our reputation and/or our business, operations and earnings;
- our ability to offer our key management personnel long-term incentive compensation and our ability to retain such personnel;
- our reliance on the performance of highly skilled personnel and our ability to attract, retain, develop and motivate our human capital in the form of well-qualified employees;
- our ability to implement information technology and cybersecurity system enhancements and operational initiatives;
- a failure of disruption to our operational or security systems or infrastructure, or those of our third-party service providers;
- risks from cyber-attacks, information security breaches, and other similar incidents;
- future expansion;

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- the availability of attractive acquisition opportunities in the future;
- our disclosure controls and procedures not preventing or detecting all errors or acts of fraud;
- our accounting policies and processes;
- the value of the securities in our investment portfolio;
- consumers opting not to use banks to complete their financial transactions; and
- our ability to maintain our reputation.

Risks relating to the Regulatory Environment:

- the expectations of regulatory agencies exposing the Company to risk as it grows;
- government regulations that could limit or restrict our activities;
- our obligation to maintain capital to meet regulatory requirements;
- periodic examination and scrutiny by a number of banking agencies and any adjustments to our business resulting from such examination;
- our obligation to comply with the Bank Secrecy Act and other anti-money laundering statutes and regulations;
- our obligation to comply with numerous laws designed to protect consumers, including the CRA and fair lending laws;
- increases in FDIC deposit insurance premiums and assessments;
- changes to our requirement to commit capital resources to support the Bank;
- changes in tax laws, regulations, and interpretations or challenges to our income tax provision; and
- complex and evolving laws, regulations, rules, standards, and contractual obligations regarding data privacy and cybersecurity.

Risks relating to our Common Stock:

- state law and provisions in our articles of incorporation or bylaws that make it more difficult for another company to purchase us;
- shares of our common stock not being insured deposits and losing value;
- future capital needs resulting in dilution of shareholder investment;
- trading volume in our common stock and the sale of substantial amounts of our common stock in the public market that could depress the price of our common stock;
- our ability to pay dividends;
- rights of our holders of our junior subordinated debentures that are senior to those of our common shareholders;
- volatility of our stock price; and
- a small number of our institutional shareholders exercising significant influence over us and having interests that differ from our other shareholders.

Risks relating to Economic Conditions and Other Outside Forces:

- changes to the political and economic environment;
- changes and instability in global economic conditions and geopolitical matters, including as a result of possible tariffs or other trade disruptions;
- a slowdown in economic growth or a resumption of recessionary economic conditions;
- the soundness of other financial institutions;
- the success of the local economies where we operate;
- natural disasters, adverse weather, or manmade events;
- physical and financial risks associated with climate change and other weather and natural disaster impacts;
- market volatility that could adversely affect our operations or ability to access capital;
- competition;
- changes in the fiscal and monetary policies of the federal government and its agencies; and
- suits, legal proceedings, information-gathering requests, investigations, and proceedings by governmental and self-regulatory agencies.

Risk Factors

An investment in our common stock is subject to risks inherent in our business. The following discussion highlights the risks that management believes are material for our Company, but do not necessarily include all the risks that we may face. You should carefully consider the risk factors and uncertainties described below and elsewhere in this Annual Report on Form 10-K (“Report”) in evaluating an investment in our common stock.

Risks relating to our Business and Business Strategy

Our business strategy includes continued growth, and our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth effectively.

We intend to continue to pursue a growth strategy for our business. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in pursuing such growth strategies. Our ability to continue to grow successfully will depend on a variety of factors, including economic conditions in the markets in which we operate as well as in the U.S. and globally; geopolitical factors resulting in tariffs or other trade disruptions, continued availability of desirable business opportunities; our ability to successfully recruit relationship managers and other front line business officers, the competitive responses from other financial and non-financial institution competitors in our market areas; the regulatory environment in which we operate, including risk management, capital and liquidity expectations; our ability to continue to implement and improve our operational, credit, financial, management and other risk controls and processes and our reporting systems and procedures to manage a growing number of client relationships; and our ability to integrate any acquisitions and develop consistent policies throughout our various businesses. While we believe our market areas are among the highest growth areas in the country, and that we have the management, internal systems, and other resources in place to successfully manage our future growth, there can be no assurance growth opportunities will be available, or growth will be successfully managed. In addition, if we are unable to manage future expansion in our operations, we may experience regulatory, compliance or operational problems, have to slow the pace of growth, or have to incur additional expenditures beyond current projections to support such growth, any of which could adversely affect our business. Particularly in light of prevailing economic and competitive conditions, there can be no assurance that we will be able to expand our market presence in our existing markets or successfully enter new markets, or that any such expansion will not adversely affect our results of operations. Failure to manage our growth effectively could have a material adverse effect on our business, future prospects, financial condition or results of operations, and could adversely affect our ability to successfully implement our business strategy. Also, if our growth occurs more slowly than anticipated or declines, our operating results could be materially adversely affected.

We face continued risks related to integration of operations between Independent and the Company.

The Company and Independent undertook the Independent Merger Agreement with the expectation that the Independent Merger would result in various synergies including, among other things, benefits relating to enhanced revenues, a strengthened and expanded market position for the combined organization in Texas, entry into the Colorado market, technology efficiencies, cost savings and operating efficiencies. Achieving the anticipated benefits of the Independent Merger is subject to a number of uncertainties, including whether the Company continues to integrate the institutions and its relationship managers in an effective manner, as well as general competitive factors in the marketplace. Failure to achieve or delays in achieving these anticipated benefits could result in a share price reduction as well as increased costs, decreases in the amount of expected revenues, and diversion of management’s time and energy could materially and adversely affect the Company’s financial condition, results of operations, business and prospects.

Furthermore, while the Independent Merger closed January 1, 2025, and we successfully integrated the systems and people in May 2025, the success of the Merger depends on, among other things, the ability of the Company and Independent to combine their businesses in a manner that facilitates and enhances growth and business opportunities as well as realizes cost savings. If the combined company is not able to successfully achieve these objectives, the anticipated benefits of the Independent Merger may not be realized fully, or at all, or may take longer to realize than expected.

We may not realize the expected benefits from our strategic initiatives, either in whole or in part, which could negatively impact our future profitability.

Our current strategic plan contains growth, investment, risk management and efficiency initiatives in order to create a better and more profitable Company and remain competitive with other bank and non-bank financial services providers. To achieve our strategic goals, we must successfully execute these initiatives. Our current initiatives include, but are not limited to, organically growing our business in our core market and surrounding areas, continuing to grow our middle market and larger corporate banking and correspondent divisions, implementing an AI strategy to be able to adopt appropriate AI capabilities internally and from vendors to enhance our efficiency with appropriate controls in place to maintain accuracy and reduce or eliminate bias; and building upon our digital banking initiatives by continuing to implement digital banking platforms and expanding our payment capabilities, including by being able to act as a reserve and issuer for stablecoins, continuing to enhance our technology and cybersecurity infrastructure and our risk management framework. While we have met our strategic initiatives in the past, there is no guarantee that these initiatives will be successful in supporting growth or achieving the expected efficiencies and revenue enhancements that we anticipate.

Furthermore, our strategic initiatives may result in an increase in expenses, divert management attention, take away from other opportunities, negatively impact operational effectiveness or impact employee morale. In addition, management expects to continue to make strategic investments in technology and talent that are expected to improve our client experience and support future growth, which will require an increase in our expenditures. There can be no assurance that we will ultimately realize the anticipated benefits of these strategic initiatives, or that these strategic initiatives will not negatively impact our organization. These initiatives may fail to meet our own or our clients' expectations and may fail to keep pace with bank and non-bank competition and we may realize significant losses as a result.

We may not be able to adequately anticipate and respond to changes in market interest rates.

We may be unable to anticipate changes in market interest rates, which are affected by many factors beyond our control including but not limited to inflation, monetary and fiscal policy, money supply, recessionary pressures, unemployment and other changes that affect domestic and foreign financial markets.

We depend on our net interest income to drive our profitability. Net interest income is the difference between the interest income we receive from interest-earning assets (e.g., loans and investment securities) and the interest expense we pay on interest-bearing liabilities (e.g., deposits and borrowings). Our net interest income is affected by the level and pace of interest rate changes and other developments such as the shape of the yield curve and relationships between interest sensitive instruments and key driver rates, as well as balance sheet growth, customer loan and deposit preferences, competitive dynamics and the timing of changes in these variables. We are exposed to changes in general interest rate levels and other economic factors beyond our control, and an increase in our cost of funds could negatively impact our net interest income. Net interest income will decline in a particular period if:

- in a rising or heightened interest rate environment, more interest-bearing liabilities than interest earning assets re-price or mature, or in a declining interest rate environment, more interest earning assets than interest bearing liabilities re-price or mature, or
- for acquired loans, expected total cash flows decline as our loan balances decline.

Our net interest income may also decline based on our exposure to a difference in short-term and long-term interest rates. If the difference between the interest rates shrinks or disappears, the difference between rates paid on deposits and received on loans could narrow significantly resulting in a decrease in net interest income. In addition to these factors, if market interest rates rise rapidly, interest rate adjustment caps may limit increases in the interest rates on adjustable rate loans, thus reducing our net interest income. In addition, certain adjustable rate loans reprice based on lagging interest rate indices. This lagging effect may also negatively impact our net interest income when general interest rates continue to rise periodically.

The Federal Reserve's interest rate changes (whether increases or decreases) have impacted the rates we charge borrowers and depositors and our net interest margin. We cannot predict the nature or timing of future changes in monetary policies or the precise effects that they may have on our activities and financial results.

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In addition, our net interest income may be adversely affected by resurgent inflationary pressures and new global supply chain challenges, fiscal policies, geopolitical matters, including as a result of changes in U.S. presidential administrations or Congress, the implementation of tariffs and other protectionist trade policies, weather events or other developments. While the rate of inflation for 2025 was lower than that experienced earlier in the decade, it continued to exceed the Federal Reserve's two percent (2%) annual target. There is a risk that inflation may become higher or persist for longer periods of time and not decrease. We increased rates in response to the Federal Reserve's interest rate increases, and decreased rates in response to Federal Reserve's interest rate decreases and loan demand has increased over 2025 across our footprint but there is no guarantee that this strong loan demand will continue. As interest rates rise, competition for deposits increased, leading to higher deposit costs and reduced liquidity, and as rates have fallen, deposit costs have been moderating, and liquidity has increased. Any new increase in interest rates to address inflationary pressures or otherwise could result in declines in demand for our banking products and services and could negatively impact, among other things, our liquidity, regulatory capital, goodwill and our growth strategy.

Inflation could negatively impact our business and our profitability.

Continued inflation may impact our profitability by negatively impacting our fixed costs and expenses, including increasing funding costs and expense related to talent acquisition and retention, and the demand for our products and services. Additionally, inflation may lead to a decrease in consumer and clients purchasing power and negatively affect the need or demand for our products and services. If significant inflation continues, our business could be negatively affected by, among other things, increased default rates leading to credit losses which could decrease our appetite for new credit extensions. These inflationary pressures could also result in missed earnings and budgetary projections.

Our cost of funds may increase as a result of general economic conditions, FDIC insurance assessments, interest rates and competitive pressures.

Our cost of funds may increase as a result of increases in interest rates, competitive pressures, general economic conditions and FDIC insurance assessments. We have traditionally obtained funds principally through local deposits and we have a base of lower cost transaction deposits. Generally, we believe local deposits are a less expensive and more stable source of funds than other borrowings because interest rates paid for local deposits are typically lower than interest rates charged for borrowings from other institutional lenders and reflect a mix of transaction and time deposits, whereas brokered deposits typically are higher cost time deposits. Our costs of funds and our profitability and liquidity are likely to be adversely affected, if and to the extent we have to rely upon higher cost borrowings from other institutional lenders or brokers to fund loan demand or liquidity needs, and changes in our deposit mix and growth could adversely affect our profitability and the ability to expand our loan portfolio.

A decrease in the supply of deposits or significant increase in competition for deposits could result in substantial increases in costs to retain and service deposits. In addition, increased adoption of consumer banking technology can result in reduced deposit stickiness due to the relative ease with which depositors may transfer deposits to a different depository institution in the event that confidence is lost in the Bank. The cost of resolving the bank failures in early 2023 prompted the FDIC to issue a special assessment to recover costs to the Deposit Insurance Fund, and such special assessments may continue to be imposed. Please see Item I – Part 1 – “Supervision and Regulation – FDIC Insurance Assessments and Depositor Preference” for further information.

The implementation of new lines of business or new products and services may subject us to additional risk.

We continuously evaluate our service offerings and may implement new lines of business or offer new products and services within existing lines of business in new sales channels such as online and mobile banking in the future. There are substantial risks and uncertainties associated with these efforts. In developing and marketing new lines of business and/or new products and services, we undergo a new product process to assess the risks of, and resources needed for, the initiative and invest significant time and resources to build internal controls, policies and procedures to mitigate those risks, including hiring experienced management to oversee the implementation of the initiative. Initial timetables for the introduction and development of new lines of business and/or new products or services and/or new sales channels may not be achieved, and price and profitability targets may not prove feasible. External factors, such as compliance with regulations, competitive alternatives, and shifting market preferences, may also impact the successful implementation of a new line of business and/or a new product or service and/or sales channels. Furthermore, any new line of business and/or new product or service could require the establishment of new key and other controls and have a significant impact on our existing system of internal controls. Failure to successfully manage these risks in the development and implementation of new lines of business and/or new products or services could have a material adverse effect on our business and, in turn, our financial condition and results of operations.

Technological changes, including artificial intelligence and online and mobile banking, have the potential of disrupting our business model, and we may have fewer resources than many competitors to invest in technological improvements.

The financial services industry continues to undergo rapid technological changes with frequent introductions of new technology-driven products and services, including artificial intelligence tools to enhance efficiencies, as well as mobile and online banking services. Changes in customer behaviors have increased the need to offer these options to our customers. The past several years accelerated technological change as our employees and the customers and communities to which we provide products and services converted to remote work, shopping and banking as we experienced supply chain interruptions.

In addition to serving clients better, investments in, and the effective use of, technology, including artificial intelligence, may increase efficiency and may enable financial institutions to reduce costs. We have adopted a formal AI Strategy and are making focused investments in AI tools and automation and other technology solutions to improve both our customer facing and back-office services for internal efficiencies, investments may not be sufficient or provide the anticipated benefits or desired return. We can make no assurance that investments will be sufficient to increase efficiencies, retain existing customers or attract new customers in the future.

Our future success will depend, in part, upon our ability to invest in and use technology to provide products and services that provide convenience to customers and to create additional efficiencies in operations. One of our strategic goals is to continue to focus on technological change and digital transformation of our product and service channels, which will impact how we deliver our products and services in the future as well as make our internal processes more efficient. We need to make significant additional capital investments in technology in the future to achieve this strategic goal, and we may not be able to implement effectively new technology-driven products and services in a timely manner in response to changes in customer behaviors, thus adversely impacting our operations. Many competitors have substantially greater resources to invest in technological improvements than the Company.

The adoption and use of artificial intelligence tools by us and our third-party vendors and service providers may increase the risk of errors, omissions, unfair treatment or fraudulent behavior by our employees, clients, or counterparties, or other third parties.

Our adoption and use of artificial intelligence, including generative artificial intelligence, machine learning, and similar tools and technologies that collect, aggregate, analyze or generate data or other materials or content (collectively, “AI”), for internal use has increased our efficiency, and we expect to continue to adopt such tools as appropriate, in line with our AI Strategy. In addition, we expect our third-party vendors and service providers to increasingly develop and incorporate AI into their product offerings faster than we are able to do so independently. There are significant and evolving risks involved in utilizing AI, and no assurance can be provided that our or our third-party vendors’ or service providers’ use of AI will enhance our or our third-party vendors’ or service providers’ products or services or produce the intended results. The adoption and incorporation of such AI tools can lead to concerns around safety and soundness, fair access to financial services, fair treatment of consumers, and compliance with applicable laws and regulations. Such risk can result from models being incorrectly or inadequately designed or trained, inadequate model testing or validation, narrow or limited human oversight, inadequate planning or due diligence, inappropriate or controversial data practices by developers or end-users, and other factors adversely affecting public opinion of AI and the acceptance of AI solutions. Further, generative AI has been known to, and may continue to, create biased, incomplete, inaccurate, misleading or poor-quality output or produce other discriminatory or unexpected results, errors, or inadequacies, any of which may not be easily detectable. AI solutions may also be adversely impacted by unforeseen defects, technical challenges, cyber-attacks, cybersecurity breaches, service outages or other similar incidents, or material performance issues. We have implemented an AI governance function and risk management framework that includes a risk assessment of internal and vendor AI solutions, due diligence, model validation, and controls. However, given the pace of rapid adoption of such tools by vendors and service providers, we may not be aware of the addition of AI solutions prior to such tools being introduced into our environment. Failure to adequately manage AI risks can result in erroneous results and decisions made by misinformation, unwanted forms of bias, unauthorized access to sensitive, confidential, proprietary or personal information, and violations of applicable laws and regulations, leading to operational inefficiencies, competitive harm, reputational harm, ethical challenges, legal liability, losses, fines, and other adverse impacts on our business and financial results. If we do not have sufficient rights to use the data or other material or content on which the AI tools we use rely, or to use the output of such AI tools, we also may incur liability through the violation of applicable laws and regulations, third-party intellectual property, privacy or other rights, or contracts to which we are a party. Further, our competitors or other third parties may incorporate AI into their business or operations more quickly or more successfully than us, which could impair our ability to compete effectively.

In addition, regulation of AI is rapidly evolving as legislatures and regulators are increasingly focused on these powerful emerging technologies. The technologies underlying AI and its uses are subject to a variety of laws and regulations, including intellectual property, data privacy and cybersecurity, consumer protection, competition, equal opportunity, and fair lending laws, and are expected to be subject to increased regulation and new laws or new applications of existing laws and regulations. AI is the subject of ongoing review by various U.S. governmental and regulatory agencies, and various U.S. states are applying, or are considering applying, existing laws and regulations to AI or are considering general legal frameworks for AI. We may not be able to anticipate how to respond to these rapidly evolving frameworks, and we may need to expend resources to adjust our operations or offerings in certain jurisdictions if the legal frameworks are inconsistent across jurisdictions. Furthermore, because AI technology itself is highly complex and rapidly developing, it is not possible to predict all the legal, operational or technological risks that may arise relating to the use of AI. We expect our use of AI will require additional resources, including the incurrence of additional costs, to develop and maintain our products and services to minimize potentially harmful or unintended consequences, to comply with applicable and emerging laws and regulations, to maintain or extend our competitive position, and to address any ethical, reputational, technical, operational, legal, competitive or regulatory issues which may arise as a result of any of the foregoing.

A significant portion of our loan portfolio is secured by real estate, and events that negatively impact the real estate market could hurt our business.

A significant portion of our loan portfolios are secured by real estate. As of December 31, 2025, approximately 78.5% of such loans had real estate as a primary or secondary component of collateral. The real estate collateral in each case provides an alternate source of repayment in the event of default by the borrower and may deteriorate in value during the time the credit is extended. There can be no assurance that our local markets will not experience another economic decline. A decline in local economic conditions may have a greater effect on our earnings and capital than on the earnings and capital of other financial institutions whose real estate loan portfolios are more geographically diverse. Any weakening of the real estate market may increase the likelihood of default of these loans, which could negatively impact our loan portfolio's performance and asset quality. Such a determination may lead to an additional increase in our allowance for credit losses, which could also adversely affect our business, financial condition, and results of operations.

Our loan portfolio includes commercial and commercial real estate loans that may have higher risks.

Our commercial industrial, construction and land development and commercial real estate loans at December 31, 2025 and 2024 were \$37.2 billion and \$24.1 billion, respectively, or 77% and 71%, respectively, of total loans. Commercial and commercial real estate loans generally carry larger loan balances and can involve a greater degree of financial and credit risk than other loans. The increased financial and credit risk associated with these types of loans are a result of several factors, including the concentration of principal in a limited number of loans and borrowers, the size of loan balances, the effects of general economic conditions on income-producing properties and the increased difficulty of evaluating and monitoring these types of loans. Any formal or informal action by our supervisors may require us to take increased reserves on these loans and could affect our share price.

As a result, banking regulators give greater scrutiny to lenders with a high concentration of commercial real estate loans in their portfolios, and such lenders are expected to implement stricter underwriting, internal controls, risk management policies and portfolio stress testing, as well as maintain higher capital levels and loss allowances. Concentrations in commercial real estate are monitored by regulatory agencies and subject to especially heightened scrutiny both on a public and confidential basis. The Guidance states that the following metrics may indicate a concentration of commercial real estate loans, but that these metrics are neither limits nor a safe harbor:

- 1) total reported loans for construction, land development, and other land equal 100% or more of total risk-based capital (as of December 31, 2025, our bank ratio was 35.2%); and
- 2) total reported loans secured by multifamily and non-farm nonresidential properties and loans for construction, land development, and other land equal 300% or more of total risk-based capital (as of December 31, 2025, our bank ratio was 271.8%).

Regulators may require banks to maintain elevated levels of capital or liquidity due to commercial real estate loan concentrations, and could do so, especially if there is a downturn in our local real estate markets. See Part I Item 1 "Supervision and Regulation – Lending Standards and Guidance" for further details on the Guidance.

Furthermore, the repayment of loans secured by commercial real estate is typically dependent upon the successful operation of the related real estate or commercial project. If the cash flows from the project are reduced, a borrower's ability to repay the loan may be impaired. This cash flow shortage may result in the failure to make loan payments. In such cases, we may be compelled to modify the terms of the loan. In addition, the nature of these loans is such that they are generally less predictable and more difficult to evaluate and monitor. As a result, repayment of these loans may, to a greater extent than residential loans, be subject to adverse conditions in the real estate market or economy.

We are subject to the risk of default by our clients and counterparties.

Many of our transactions expose us to credit risk if counterparties or clients default on their obligations. This risk increases if the collateral cannot be liquidated or is sold at a price insufficient to cover the full loan. When engaging in credit transactions, we rely on representations and information provided by counterparties and clients, such as financial statements, credit reports, and other disclosures. If the information or representations are inaccurate, our ability to assess default risk effectively may be compromised, potentially leading to unfavorable transactions that could impact our financial condition and results of operations.

If we fail to effectively manage credit risk and interest rate risk, our business and financial condition will suffer.

We must effectively manage credit risk. There are risks inherent in making any loan, including risks with respect to the period of time over which the loan may be repaid, risks relating to proper loan underwriting and guidelines, risks resulting from changes in economic and industry conditions, risks inherent in dealing with individual borrowers and risks resulting from uncertainties as to the future value of collateral. There is no assurance that our credit risk monitoring and loan approval procedures are or will be adequate or will reduce the inherent risks associated with lending. Our credit administration personnel, policies and procedures may not adequately adapt to changes in economic or any other conditions affecting customers and the quality of our loan portfolio. Any failure to manage such credit risks may adversely affect our business, financial condition, and results of operations.

We must also effectively manage interest rate risk. Because mortgage loans typically have much longer maturities than deposits or other types of funding, rising interest rates can raise the cost of funding relative to the value of the mortgage loan. We manage this risk in part by holding adjustable rate mortgages in portfolios and through other means. Conversely, the value of our mortgage servicing assets may fall when interest rates fall, as borrowers refinance into lower rate loans. There can be no assurance that we will successfully manage the lending and servicing businesses through all future interest rate environments.

A lack of liquidity and/or ineffective liquidity management practices could affect our operations and jeopardize our financial condition.

Liquidity is essential to our business. An inability to raise funds through deposits, borrowings, the sale of loans and other sources could have a substantial negative effect on our liquidity. Our funding sources include core deposits, federal funds purchased, securities sold under repurchase agreements, non-core deposits, and short- and long-term debt. Other sources of liquidity are available to us should they be needed, including our ability to acquire additional non-core deposits, the issuance and sale of debt securities, a secured line of credit we have with U.S. Bank, advances from the Federal Home Loan Bank of Atlanta and the Federal Reserve Discount Window, and the issuance and sale of preferred or common securities in public or private transactions. Our access to funding sources in amounts adequate to finance or capitalize our activities or on terms that are acceptable to us could be impaired by factors that affect us specifically or the financial services industry or economy in general. Our ability to borrow could be impaired by factors that are not specific to us, such as further disruption in the financial markets or negative views and expectations about the prospects for the financial services industry in light of the recent turmoil faced by banking organizations and the continued deterioration in credit markets.

Further, effective management of liquidity risk includes, among other practices, establishing liquidity key risk indicators and related risk tolerances, maintaining a portfolio of high-quality liquid assets, building and maintaining loan collateral at the Federal Home Loan Bank of Atlanta and Federal Reserve Discount Window, cash flow forecasting, diversifying funding sources, designing and using stress testing scenarios, and implementing an operational contingency funding plan. Our failure to effectively manage our liquidity risk through one or more of these practices could lead to operational disruptions, financial losses, and reputational damage, resulting in an adverse effect on our business, financial condition, and results of operations.

The results of our most recent stress tests may not accurately predict the impact on our financial condition if the economy were to deteriorate.

We perform capital stress testing on an annual basis using the stress testing assumptions provided by the regulators for the CCAR stress tests. We perform liquidity stress testing and credit stress testing on a quarterly basis. Under the capital stress test, we estimate our loan losses (loan charge-offs), resources available to absorb those losses and any necessary additions to capital that would be required under the “severely adverse” stress test scenario. The results of these stress tests involve many assumptions about the economy and future loan losses and default rates and may not accurately reflect the impact on our financial condition if the economy were to deteriorate. Any deterioration of the economy could result in credit losses significantly higher, with a corresponding impact on our financial condition and capital, than those predicted by our internal stress test.

The Current Expected Credit Loss (“CECL”) standard and merger activity may result in increased volatility and further increases in our allowance for credit losses (“ACL”).

The measure of our ACL is dependent on the interpretation of applicable accounting standards, as well as external events, the path of interest rates and inflation, market conditions, including recession risk and the possible impact on the unemployment rate and the performance of our loan portfolio, and other factors including the conflict in Ukraine, the conflicts in the middle east and tensions in the Americas and other geopolitical tensions, performance of the commercial real estate markets, and natural disasters such as hurricanes and flooding or pandemics such as COVID-19. Under the CECL model, we are required to present certain financial assets carried at amortized cost, such as loans held for investment and held to maturity debt securities, at the net amount expected to be collected. The measurement of expected credit losses is based on information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount and certain management judgments over the life of the loan.

The CECL model has resulted in and may continue to result in differences in the impact of forward-looking information and timing of reserve builds and releases from our ACL, as compared to the “incurred loss” standard that we previously applied in determining our ACL. The CECL model requires us to estimate the lifetime “expected credit loss” with respect to loans and other applicable financial assets, which may produce changes of a greater magnitude than the level of “incurred losses” that would have been used to determine our allowance for loan losses under the prior incurred loss standard. The challenges associated with estimated lifetime credit losses in view of the economic aftermath of the COVID-19 pandemic and government fiscal and monetary intervention have resulted in continued forecasting uncertainties that impact the timing and magnitude of changes in our ACL in the future, which could have a material and adverse effect on our business, financial condition and results of operations. The Company’s estimate of its ACL involves a high degree of judgment; therefore, the Company’s process for determining expected credit losses may result in a range of expected credit losses. It is possible that others, given the same information, may at any point in time reach a different reasonable conclusion. Further, if management’s assumptions and judgments prove to be incorrect and the allowance for credit losses is inadequate to absorb losses going forward, or if bank regulatory authorities require us to increase the allowance for credit losses as a part of their examination process, our earnings and capital could be significantly and adversely affected.

Our size and continued pace of growth may require us to raise additional capital in the future, but that capital may not be available when it is needed.

We are required by federal and state regulatory authorities to maintain adequate levels of capital to support our operations. The Company also may be compelled to raise capital if regulatory or supervisory requirements change and as a result of the acquisition of Independent may face further government scrutiny due to the increased size of the Company’s business. Our ability to raise capital, if needed, in the future to meet capital requirements or otherwise will depend on conditions in the capital markets at that time, which are outside our control, and on our financial performance. Accordingly, there is no assurance as to our ability to raise additional capital if needed on terms acceptable to us. If we cannot raise additional capital when needed, our ability to further expand our operations through internal growth and acquisitions could be materially impaired.

Our ability to access the capital markets, if needed, will depend on a number of factors, including the state of the financial markets. Rising interest rates, disruptions in financial markets, negative perceptions of our business or our financial strength, or other factors may impact our ability to raise additional capital, if needed, on terms acceptable to us. For example, in the event of future turmoil in the banking industry or other idiosyncratic events, there is no guarantee that the U.S. government will invoke the systemic risk exception, create additional liquidity programs, or take any other action to stabilize the banking industry or provide liquidity. Any diminished ability to access short-term funding or capital markets to raise additional capital, if needed, could subject us to liability, restrict our ability to grow, require us to take actions that would affect our earnings negatively or otherwise affect our business and our ability to implement our business plan, capital plan and strategic goals adversely.

Our processes for managing risk may not be effective in mitigating risk or losses to us.

The objectives of our risk management program and processes are to mitigate risk and loss to our organization. We have established an enterprise risk framework and program that are intended to identify, measure, monitor, report and analyze the types of risks to which we are subject across the organization and business lines, including liquidity risk, credit risk, strategic risk, market risk, interest rate risk, operational risk (including payments risk, AML/CFT risk, and model risk), cybersecurity risk, corporate governance and legal risk, compliance risk, and strategic risk (including environmental and social risks), among others. We also assess new and emerging risks on our existing programs. However, this framework will evolve as we grow and become more complex. In addition, as with any risk management process, there are inherent limitations to our risk management strategies as there may exist, or develop in the future, risks that we have not appropriately anticipated or identified. The ongoing developments in the financial services industry continue to highlight both the importance and some of the limitations of managing unanticipated risks. Any potential new regulations or modifications to existing regulations would also likely necessitate changes to our existing regulatory compliance and risk management infrastructure. If our risk management processes prove ineffective, we could suffer unexpected losses and could be materially adversely affected.

Changing mortgage rates and adverse changes in mortgage market conditions could adversely impact our mortgage line of business.

Our mortgage line of business contributes significantly to our results of operations. The residential real estate mortgage lending business is sensitive to changes in interest rates, especially long-term interest rates. As interest rates increased, the demand for mortgages has decreased materially, and our mortgage volume has substantially decreased as well. While we have adjusted our business model in response to these changes in demand, to, among other things, retain a larger portion of our originations on our balance sheet, the portion of our mortgage loans that are originated for our portfolio subjects the Company to increased interest rate risk. Additionally, the fair value of our mortgage servicing rights is sensitive to changes in interest rates and interest rate volatility. Any change in the fair value of our mortgage servicing rights may negatively impact earnings. As a result of these and other factors, our price and profitability targets for this business may not be met, reducing our results of operations in the line of business and our net income. Further, risk in the mortgage business is heightened due to external factors, such as compliance with regulations, historically low housing inventories restraining home sales, competitive alternatives, changing tax rates and strategies, economic conditions, and shifting market preferences, which could impact the profitability of these lines of business and have a material adverse effect on our businesses, and, in turn, our financial condition and results of operations.

Our recent results may not be indicative of our future results.

We may not be able to sustain our historical rate of growth or may not even be able to grow our business at all. In addition, our recent growth may distort some of our historical financial ratios and statistics. Various factors, such as economic conditions, regulatory and legislative considerations and competition, may also impede or prohibit our ability to expand our market presence. If we experience a significant decrease in our historical rate of growth, our results of operations and financial condition may be adversely affected due to a high percentage of our operating costs being fixed expenses.

We are subject to environmental risks in our lending activities.

Because a significant portion of our loan portfolio is secured by real property, we may foreclose upon and take title to such property in the ordinary course of business. If hazardous substances were discovered on any of these properties, we may be liable to governmental agencies or third parties for the full costs of investigation, remediation, as well as for related personal injury and property damage. Environmental laws might require us to incur substantial expenses, materially reduce the property's value, or limit our ability to use or sell the property. Although our management has policies requiring environmental reviews before loans secured by real property are made and before foreclosure is commenced, it is still possible that environmental risks might not be detected and that the associated costs might have a material adverse effect on our financial condition and results of operations. Many environmental laws impose strict liability regardless of whether the Company knew of, or was responsible for, the contamination. In addition, banks' credit and underwriting policies that result in funding fossil fuel projects may impact climate change and lead to increased greenhouse gas emissions. Banks have very limited control over the actions of their clients, and while banks can monitor environmental profiles, information currently available is insufficient to assess both environmental risk and the financial risk inherent in making lending decisions. Accordingly, the Bank may be unable to assess how our lending decisions affect both our risk profile and our profitability.

While we use appraisals in deciding whether to make a loan that is secured by real estate, they do not ensure the value of the real property collateral.

In deciding whether to make a loan secured by real property, we generally require an appraisal. However, an appraisal is only an estimate of the value of the property at the time the appraisal is made. If the appraisal amount does not reflect the amount that may be obtained upon a sale or foreclosure of the property, we may not realize an amount equal to the indebtedness secured by the property.

We are subject to losses due to errors, omissions or fraudulent behavior by our employees, clients, counterparties or other third parties.

We are exposed to many types of operational risk, including the risk of fraud by third parties, customers and employees, clerical recordkeeping errors and transactional errors. Like the financial services industry overall, we have seen an increase in fraudulent attempts on accounts, online transactions, and debit cards during 2025, and these attempts may continue to accelerate with the increased use of artificial intelligence to produce sophisticated malware, phishing schemes, and other fraudulent activities. While (i) our procedures are designed to follow customary, industry-specific security precautions, (ii) we use software to monitor check and online and digital transaction, (iii) we provide employees with ongoing training, table-top exercises and regular communications and guidance to combat fraud, and (iv) we have adopted additional cybersecurity tools and solutions designed to identify fraudulent attempts, our efforts might not be successful in mitigating or reducing fraudulent attempts resulting in financial losses, increased litigation risk and reputational harm.

Our business also is dependent on our employees as well as third-party service providers to process a large number of increasingly larger and more complex transactions. These risks will increase as we implement a real-time payments platform. We could be materially and adversely affected if employees, clients, counterparties or other third parties caused an operational breakdown or failure, either as a result of human error, fraudulent manipulation or purposeful damage to any of our operations or systems.

In deciding whether to extend credit or enter into other transactions with clients and counterparties, we may rely on information furnished to us by or on behalf of clients and counterparties, including financial statements and other financial information. We also may rely on representations of clients and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit to clients, we may assume that a customer's audited financial statements conform to GAAP and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Our earnings are significantly affected by our ability to properly originate, underwrite and service loans. Our financial condition and results of operations could be negatively impacted to the extent we incorrectly assess the creditworthiness of our borrowers, fail to detect or respond to deterioration in asset quality in a timely manner, or rely on financial statements that do not comply with GAAP or are materially misleading.

Our business could suffer if we fail to maintain our culture and attract and retain experienced people.

Our success depends, in large part, on our ability to attract and retain competent, experienced people. Our strategic goals in particular require that we be able to attract qualified and experienced retail, commercial and corporate banking officers, mortgage loan officers, and SBA lenders in our existing markets as well as those markets in which we may want to expand who share our relationship banking philosophy and have those customer relationships that will allow us to grow successfully. We also need to attract and retain qualified and experienced technology, risk and back-office personnel to operate our business. Many of our competitors are pursuing the same relationship banking strategy in our markets and are looking to hire and retain qualified technology, risk and back-office personnel, which increases the competition to identify, hire and retain talented employees.

The Company's recent mergers and the continued integration of the Company's operations and employees into one bank creates an additional risk to the Company's culture. If we fail to consider and account for corporate cultural differences across the companies due to various mergers, we will face increased difficulty in creating a cohesive culture.

We have focused, and will continue to focus, our strategic attention on our employees and our corporate culture, including enhancing our employee orientation, ongoing general credit and management training, leadership training and mentoring, and employee work environment as well as diversity and employee advancement. Our failure to maintain our culture and attractive working environment, through competitive compensation packages that reward initiative, as well as mentoring, training, and advancement opportunities in order to successfully compete for experienced, qualified employees may have an adverse effect on our ability to meet our financial goals and thus adversely affect our future results of operations.

In addition, advances in technology, such as automation and AI, may lead to workforce evolution. This could require the Company to invest in additional employee training, manage impacts on morale and retention, and compete for candidates who possess more advanced technological skills, all of which could have a negative impact on the Company's businesses and operations.

If we are unable to offer our key management personnel long-term incentive compensation, including restricted stock units and performance share units, as part of their total compensation package, we may have difficulty retaining such personnel, which would adversely affect our operations and financial performance.

We have a management team that has substantial experience in banking and financial services in the markets we serve. We rely on our management team to achieve and sustain our profitability. Our future success and profitability are substantially dependent upon this management and banking abilities of our senior executives. Although we currently have employment agreements in place with our executive management team and our regional presidents, we cannot guarantee that our executives will remain with us. Changes in key personnel and their responsibilities may be disruptive to our business because of their skills, customer relationship and/or the potential difficulty of promptly replacing them with successors.

We have historically granted equity awards under an equity compensation plan, which includes granting performance share units and restricted stock awards or restricted stock units, to key management personnel as part of a competitive compensation package. Our ability to grant these awards has been vital to attracting, retaining and aligning shareholder interest with a talented management team in a highly competitive marketplace.

Shareholder advisory groups have implemented guidelines and issued voting recommendations related to how much equity companies should be able to grant to employees. The factors used to formulate these guidelines and voting recommendations include the volatility of a company's share price and are influenced by broader macroeconomic conditions that can change year to year. The variables used by shareholder advisory groups to formulate equity plan recommendations may limit our ability to adopt new equity plans in the future. In addition, the federal banking regulators have issued guidance on executive compensation and have also, along with the SEC, proposed rules that would prohibit certain incentive compensation arrangements. We do not believe that the guidance or proposal will impact our current compensation arrangements.

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If we are limited in our ability to grant equity compensation awards, we would need to explore offering other compelling alternatives to supplement our compensation, including long-term cash compensation plans or significantly increased short-term cash compensation, in order to continue to attract and retain key management personnel. If we used these alternatives to long-term equity awards, our compensation costs could increase, and our financial performance could be adversely affected. If we are unable to offer key management personnel long-term incentive compensation, including stock options, restricted stock or restricted stock units, or performance share units, as part of their total compensation package, we may have difficulty attracting and retaining such personnel, which would adversely affect our operations and financial performance.

We rely on the performance of highly skilled personnel and if we are unable to attract, retain, develop and motivate our human capital in the form of well-qualified employees, our business and results of operations could be harmed.

We believe our success has depended, continues to and in the future will depend, on the efforts and talents of our management team and our highly skilled employees and workers. Our future success depends on our continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. The loss of any of our senior management or key employees could materially and adversely affect our ability to build on the efforts that they have undertaken and to execute our business plan, and we may not be able to find adequate replacements. Despite our current efforts, we cannot ensure that we will be able to retain the services of any members of our senior management or other key employees. If we do not succeed in attracting well-qualified employees or developing, retaining, and motivating our employees, our business and results of operations could be harmed.

We may not be able to successfully implement current or future information technology and cybersecurity system enhancements and operational initiatives, which could adversely affect our business operations and profitability.

We continue to invest significant resources in our information technology and cybersecurity systems, including by deepening and expanding our use of cloud-based applications, in order to provide enhanced functionality and security at an appropriate level, improve our operating efficiency, and streamline our client experience. These initiatives significantly increase the complexity of our relationships with third-party service providers, and such relationships may be difficult to unwind. We may not be able to successfully implement and integrate such system enhancements and initiatives, which could adversely impact our ability to enhance our product and service offerings and meet the expectations of our customers. In addition, these projects could have higher than expected costs and/or result in operating inefficiencies, which could increase the costs associated with the implementation as well as ongoing operations. Failure to properly adopt system enhancements could result in impairment charges that adversely impact our financial condition and results of operations, could result in significant costs to remediate or replace the defective components and could impact our ability to compete. In addition, we may incur significant training, licensing, maintenance, consulting and amortization expense during and after implementation, and any such costs may continue for an extended period of time. As such, we cannot guarantee that the anticipated long-term benefits of these system enhancements and operational initiatives will be realized.

A failure of or disruption to our operational or security systems or infrastructure, or those of our third-party service providers, could disrupt our business, damage our reputation, increase our costs and cause losses.

The potential for operational risk exposure exists throughout our business and, as a result of our interactions with, and reliance on, third parties, is not limited to our own internal operational functions. We depend on our ability to process, record and monitor a large number of client transactions on a continuous basis. Further, third parties provide key components of our business infrastructure, such as our core processing, underwriting and servicing software, data collection and analysis, loan and deposit documents, compliance and risk software, product and service offerings, and internet connections and network access. As client, public and regulatory expectations regarding operational, information, and cybersecurity have increased, we and our third-party service providers must continue to safeguard and monitor our operational and security systems and infrastructure for potential failures, threats, disruptions and breakdowns. Our business, financial, accounting, data processing, or other operating systems and facilities, or those of our third-party service providers, may stop operating properly or become disabled or damaged as a result of a number of factors, including events that are wholly or partially beyond our control. Although we have information and cybersecurity policies and procedures, business continuity plans and other safeguards in place, our business operations may be adversely affected by significant and widespread failure of or disruption to our operational and security systems and infrastructure that support our businesses and clients. Any disruption or failure in our operational or security systems or infrastructure or the services provided by third parties, or any failure by us or these third parties to handle current or higher volumes of use, could adversely affect our ability to deliver products and services to our clients, process transactions and otherwise to conduct business.

For example, our financial, accounting, data processing, backup or other operational or security systems or infrastructure, or those of our third-party service providers, may fail to operate properly or become disabled or damaged as a result of a number of factors, including: sudden increases in customer transaction volume; electrical, telecommunications or other major physical infrastructure outages; cyber-attacks, information security breaches or other similar incidents; natural disasters such as earthquakes, tornadoes, hurricanes and floods; pandemics; and events arising from local or larger scale political or social matters, including wars and terrorist acts. In addition, we rely on our employees and third parties in our day-to-day and ongoing operations, who may, as a result of human error, misconduct, malfeasance or failure, expose us to risk. Moreover, technological or financial difficulties of one of our third-party service providers or their sub-contractors could adversely affect our business to the extent those difficulties result in the interruption or discontinuation of services provided by that party. In the event that backup systems are utilized, they may not process data as quickly as our primary systems and some data might not have been saved to backup systems, potentially resulting in a temporary or permanent loss of such data. Further, our ability to implement backup systems and other safeguards with respect to third-party systems is more limited than with respect to our own systems. Our business recovery plan may not be adequate and may not prevent significant interruptions of our operations or substantial losses. While we have policies and procedures designed to prevent or limit the effect of a disruption to or failure of the operation of our operational and security systems and infrastructure, there could be no assurance that any such disruptions or failures will not occur or, if they do, that they will be adequately addressed. Any failure or interruption in the operation of our communications and information systems and networks could impair or prevent the effective operation of our customer relationship management, general ledger, deposit, lending or other functions. We frequently update our systems to support our operations and growth and to remain compliant with all applicable laws, rules and regulations. This updating entails significant costs and creates risks associated with implementing new systems and integrating them with existing ones, including business interruptions. Implementation and testing of controls related to our computer systems, security monitoring and retaining and training personnel required to operate our systems also entail significant costs.

We may not be insured against all types of losses as a result of disruptions to or failures of our operational and security systems and infrastructure or those of our third-party service providers, and our insurance coverage may not be available on reasonable terms, or at all, or may be inadequate to cover all losses resulting from such disruptions or failures. Disruptions or failures in our business structure or in the structure of one or more of our third-party service providers could interrupt the operations or increase the cost of doing business. The occurrence of any disruptions or failures impacting our or our third-party service providers' operational or security systems or infrastructure could damage our reputation, result in a loss of customer business, and expose us to additional regulatory scrutiny, civil litigation, and possible financial liability, any of which could have a material adverse effect on our liquidity, financial condition and results of operations.

We face cybersecurity risks from cyber-attacks, information security breaches and other similar incidents that could result in the disclosure of confidential and other information (including personal information), adversely affect our business or reputation, and create significant legal and financial exposure.

Our computer systems and network infrastructure and those of third parties, on which we are highly dependent, are subject to cybersecurity risks and could be susceptible to cyber-attacks, information security breaches and other similar incidents. Our business relies on the secure processing, transmission, storage, retrieval and other processing of confidential, proprietary, personal and other information in our computer and data management systems and networks, and in the computer and data management systems and networks of third parties. In addition, to access our network, products and services, our customers and other third parties may use personal mobile devices or computing devices that are outside of our network environment and are subject to their own cybersecurity risks.

We, our customers, regulators and other third parties, including other financial services institutions and companies engaged in data processing, have been subject to, and are likely to continue to be the target of, cyber-attacks, information security breaches, and other similar incidents. These may include hacking, terrorist activities, identity theft, computer viruses, malicious or destructive code, phishing attacks, denial of service attacks, ransomware, improper access by employees or third parties, social engineering, attacks on personal email of employees, or other information security breaches or similar incidents that could result in the unauthorized release, gathering, monitoring, misuse, misappropriation, loss, disclosure or destruction of confidential, proprietary, personal and other information of ours, our employees, our customers or of third parties, damage our systems or otherwise materially disrupt our or our customers' or other third parties' network access or business operations. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any cyber-attacks, information security breaches, or other similar incidents. Despite efforts to ensure the integrity of our systems and implement controls, processes, policies and other protective measures, we may not be able to anticipate or detect all cyber-attacks, information security breaches, or other similar incidents, nor may we be able to implement guaranteed preventive measures against cyber-attacks, information security breaches, or other similar incidents. Cyber threats are increasing and rapidly evolving, and we may not be able to anticipate or prevent all such attacks and could be held liable for any security breach or loss.

Cybersecurity risks for banking organizations have significantly increased in recent years, in part because of the proliferation of new technologies and the use of the internet and telecommunications technologies to conduct financial transactions. For example, cybersecurity risks may increase in the future as we continue to increase our mobile payment and other internet-based product offerings and expand our internal usage of web-based products and applications and as AI tools are increasingly used for purposes of cyber-attacks, information security breaches, and other similar incidents, including for targeted social engineering attacks. In addition, cybersecurity risks have significantly increased in recent years in part due to the increased sophistication and activities of organized crime affiliates, terrorist organizations, hostile foreign governments, disgruntled employees, service providers, activists and other external parties, including those involved in corporate espionage. Even the most advanced internal control environment may be vulnerable to compromise. For example, targeted social engineering attacks and "spear phishing" attacks are becoming more sophisticated and are extremely difficult to prevent. In such an attack, an attacker will attempt to fraudulently induce colleagues, customers or other users of our systems to disclose sensitive information to gain access to its data or that of its clients. Persistent attackers may succeed in penetrating defenses given enough resources, time, and motive. The techniques used by cyber criminals change frequently and may not be recognized until launched or until well after a breach has occurred.

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The risk of a security breach caused by a cyber-attack at a service provider or by unauthorized service provider access has also increased in recent years. Additionally, the existence of cyber-attacks, information security breaches, or other similar incidents at third-party service providers with access to our confidential, proprietary, personal and other information may not be disclosed to us in a timely manner, and we cannot guarantee that we can obtain adequate or any reimbursement from such third-party service providers in the event we should suffer any disruption, compromise, failure, liability, reputational harm or other cost or expense. While we have processes in place to monitor our third-party service providers' data and information security safeguards, we do not control such service providers' day to day operations and a successful cyber-attack, information security breach, or other similar incident at one or more of such third-party service providers is not within our control. The occurrence of any such cyber-attacks, information security breaches, or other incidents could damage our reputation, result in a loss of customer business, and expose us to additional regulatory scrutiny, civil litigation, and possible financial liability, any of which could have a material adverse effect on our financial condition and results of operations. Further, due to applicable laws and regulations or contractual obligations, we may be held responsible for system failures, interruptions, or cyber-attacks attributed to such third-party service providers as they relate to the information we share with them.

We also face indirect technology, cybersecurity and operational risks relating to the customers, clients and other third parties with whom we do business or upon whom we rely to facilitate or enable our business activities, including, for example, financial counterparties, regulators, and providers of critical infrastructure such as internet access and electrical power. As a result of increasing consolidation, interdependence and complexity of financial entities and technology systems, a technology failure, cyber-attack, information security breach or other similar incident that significantly degrades, deletes or compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including us. This consolidation, interconnectivity and complexity increases the risk of operational failure, on both individual and industry-wide bases, as disparate systems need to be integrated, often on an accelerated basis. Any third-party technology failure, cyber-attack, information security breach, or other similar incident could, among other things, adversely affect our ability to effect transactions, service our clients, manage our exposure to risk or expand our business. In addition, we, our employees, and our customers are increasingly transitioning our and their computing infrastructure to cloud-based computing, storage, data processing, networking and other services, which may increase our cybersecurity risk.

Cyber-attacks, information security breaches, and other similar incidents, whether directed at us or third parties, may result in a material loss or have material consequences. Furthermore, the public perception that a cyber-attack on our systems has been successful, whether or not this perception is correct, may damage our reputation with customers and third parties with whom we do business. Hacking or other unauthorized disclosure of personal information and identity theft risks, in particular, could cause serious reputational harm. A successful penetration or circumvention of system security could cause us serious negative consequences, including our loss of customers and business opportunities, significant business disruption to our operations and business, misappropriation or destruction of our confidential, proprietary, personal or other information and/or that of our customers or other third parties, or damage to our or our customers' and/or third parties' computers or systems, and could result in a violation of applicable data privacy and cybersecurity laws and other laws, litigation exposure, regulatory fines, penalties or intervention, loss of confidence in our security measures, reputational damage, reimbursement or other compensatory costs and additional compliance costs, and could adversely impact our results of operations, liquidity and financial condition. We may not be insured against all types of losses as a result of cyber-attacks, information security breaches, and other similar incidents, and our insurer may deny coverage as to any future claim or insurance coverage may not be available on reasonable terms, or at all, or may be inadequate to cover all losses resulting from such incidents.

We experienced a cybersecurity incident in February 2024 involving unauthorized activity in the Company's systems, which was investigated using a cybersecurity firm and as a result of which we mailed notices to individuals that may have been impacted. A consolidated putative class action is pending against us in Circuit Court in Polk County Florida related to the incident. Although we enhanced our cybersecurity defenses since the incident and to date, and we have not experienced any material losses related to this event, there is no assurance that we will not experience cyber-attacks, information security breaches, or other similar incidents in the future or that we will not suffer material losses from such incidents in the future.

We may face risks with respect to future expansion.

Our business growth, profitability and market share has been enhanced by us engaging in strategic mergers and acquisitions and de novo branching either within or contiguous to our existing footprint. While we are focused on organic growth strategies in order to capitalize on the growth of our core markets and possible disruption of competitor financial institutions that are undergoing mergers and acquisitions, we may acquire other financial institutions or parts of financial institutions in the future and engage in lift outs of our banking teams or de novo branching. We may also consider and enter into or acquire new lines of business or offer new products or services, which may also use new sales channels, such as online and mobile banking. As part of our acquisition strategy, we seek companies that are culturally similar to us, have experienced management, and are in markets in which we operate or close to those markets so we can achieve economies of scale.

We expect to continue to evaluate merger and acquisition opportunities that are presented to us in our current and expected markets and conduct due diligence related to those opportunities, as well as negotiate to acquire or merge with other institutions. We may issue equity securities, including common stock and securities convertible into shares of our common stock in connection with future acquisitions. We also may issue debt to finance one or more transactions, including subordinated debt issuances. Generally, acquisitions of financial institutions involve the payment of a premium over book and market values, resulting in dilution of our tangible book value and fully diluted earnings per share, as well as dilution to our existing shareholders. We also face litigation risks with respect to potential mergers and acquisitions, and such litigation is common. We may incur substantial costs to expand, and we can give no assurance such expansion will result in the levels of profits we seek.

Moreover, the standards by which bank and financial institution acquisitions will be evaluated may continue to change as there are changes in presidential administrations and Congress. While the current administration's policies favors mergers and acquisitions, the Company's ability to complete future acquisitions thus may depend on factors outside its control, including changes in the presidential administration or in one or both houses of Congress.

There is no assurance that market conditions will favor mergers or the financial feasibility of completing an acquisition, obtaining cost savings and operational efficiencies, or realizing merger synergies upon integration. Failure to achieve or delays in achieving anticipated benefits could result in a share price reduction as well as increased costs, decreases in the amount of expected revenues, and diversion of management's time and energy and could materially and adversely affect the Company's financial condition, results of operations, business and prospects. Further, there is no assurance that, following any future mergers or acquisitions, our integration efforts will be successful or our Company, after giving effect to the acquisition, will achieve increased revenues comparable to or better than our historical experience, and failure to realize such expected revenue increases, cost savings, increases in market presence or other benefits could have a material adverse effect on our financial conditions and results of operations.

Attractive acquisition opportunities may not be available to us in the future.

While we seek continued organic growth, we anticipate continuing to evaluate merger and acquisition opportunities presented to us in our core markets, contiguous markets, and beyond. The number of financial institutions headquartered in our market areas in the Southeastern United States and across the country continues to decline through merger and other activity. We expect that other banking and financial services companies, many of which have significantly greater resources, will compete with us to acquire financial services businesses. This competition, as the number of appropriate merger targets decreases, could increase prices for potential acquisitions which could reduce our potential returns, and reduce the attractiveness of these opportunities to us. In addition, acquisitions are subject to various regulatory approvals, and if we fail to receive the appropriate regulatory approvals, we will not be able to consummate an acquisition that we believe is in our best interests. Among other things, our regulators consider our capital, liquidity, profitability, risk management, regulatory and fair lending compliance, including with respect to BSA compliance obligations, consumer protection laws, CRA obligations, and levels of goodwill and intangibles when considering acquisition and expansion proposals. Any acquisition could be dilutive to our earnings and shareholders' equity per share of our common stock.

We are subject to sustainability, stewardship and governance risks that could adversely affect our reputation and/or our business, operations, and earnings.

Governments, investors, customers, and the general public have been focused on sustainability, stewardship and governance practices and disclosures. For us and others in the financial services industry, this focus extends to the practices and disclosures of customers, counterparties, and service providers with whom we choose to do business. In addition, certain organizations that provide corporate governance and other corporate risk information to investors and shareholders have developed scores and ratings to evaluate companies based upon sustainability, stewardship and governance metrics, and certain investors integrate these factors into their analysis of the expected risk and return of potential investments. Currently, there are no universal standards for such scores, ratings or analyses, and views are diverse, dynamic, and rapidly changing. Further, because we have multiple stakeholders, often those stakeholders have differing and sometimes conflicting priorities and expectations regarding these issues that must be considered. If we fail or are perceived to fail in meeting our stakeholders' expectations, or if we take actions in conflict with these expectations, this could lead to loss of business, negative publicity in traditional and social media, or an adverse impact on our ability to attract and retain customers and employees.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in reports we file or submit with the SEC is accurately accumulated and communicated to management, and recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. We believe that any disclosure controls and procedures or controls and procedures, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the controls systems are met.

These inherent limitations include the reality that judgments and decision making can be faulty, that alternative reasoned judgments can be drawn, and that breakdowns can occur because of a simple error or mistake. Controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an authorized override of the controls. In addition, properly integrating our acquisitions into our disclosure controls and procedures in a timely manner presents challenges. Accordingly, because of the inherent limitations in our controls systems, misstatements due to error or fraud may occur and not be detected, which could result in a material weakness in our internal controls over financial reporting and the restatement of previously filed financial statements.

Our accounting policies and processes are critical to how we report our financial condition and results of operations and require our management to make estimates about matters that are uncertain.

Accounting policies and processes are fundamental to how we record and report our financial condition and results of operations. Some of these policies require the use of estimates and assumptions that may affect the value of our assets or liabilities and financial results. Several of our accounting policies are critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain and because it is likely that materially different amounts would be reported under different conditions or using different assumptions. Pursuant to generally accepted accounting principles, we are required to make certain assumptions and estimates in preparing our financial statements, including determining credit loss reserves, reserves related to litigation and the fair value of certain assets and liabilities, among other items. If the assumptions or estimates underlying our financial statements are incorrect, we may experience material losses.

Certain of our financial instruments, including trading assets and liabilities, derivatives, securities, and certain loans, among other items, require a determination of their fair value in order to prepare our financial statements. Where quoted market prices are not available, we may make fair value determinations based on internally developed models or other means which ultimately rely to some degree on management judgment. Some of these and other assets and liabilities may have no direct observable price levels, making their valuation particularly subjective, being based on significant estimation and judgment. In addition, some illiquidity in markets and declines in prices of certain loans and securities may make it more difficult to value certain balance sheet items, which may lead to the possibility that such valuations will be subject to further change or adjustment, it could lead to declines in our earnings.

The value of securities in our investment portfolio may decline in the future.

As of December 31, 2025, we owned \$8.7 billion of investment securities, which included \$2.0 billion in held to maturity securities, \$6.3 billion in available for sale securities and \$353.4 million in other investments. The fair value of our investment securities may be adversely affected by market conditions, including changes in interest rates, and the occurrence of any events adversely affecting the issuer of particular securities in our investments portfolio. For available for sale securities, the unrealized gains and losses are recorded in equity, net of tax, in accumulated other comprehensive income (“AOCI”). The Company has elected to exclude AOCI from its regulatory capital calculations, however, after the failure of a few financial institutions in the first quarter of 2023, many investors are taking into consideration losses in available for sale securities included in AOCI along with losses in held to maturity securities, both of which are not included in our statement of income, in looking at the valuations of financial institutions.

We analyze each available for sale security quarterly on an individual basis to determine if there has been a decline in fair value below the amortized cost basis of the security to determine whether there is a credit loss associated with the decline in fair value. We consider the nature of the collateral, potential future changes in collateral values, default rates, delinquency rates, third-party guarantees, credit ratings, interest rate changes since purchase, volatility of the security’s fair value and historical loss information for financial assets secured with similar collateral among other factors. We use a systematic methodology to determine the ACL for investment securities held to maturity. The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the held to maturity portfolio. We consider the effects of past events, current conditions, and reasonable and supportable forecasts on the collectability of the held to maturity portfolio. Our estimate of the ACL involves a high degree of judgment; therefore, our process for determining expected credit losses may result in a range of expected credit losses. We monitor the held to maturity portfolio on a quarterly basis to determine whether a valuation account needs to be recorded. Because of changing economic and market conditions affecting issuers, we may be required to recognize expected credit losses on securities in future periods, which could have a material adverse effect on our business, financial condition or results of operations.

Consumers may decide not to use banks to complete their financial transactions.

Technology and other changes are allowing parties to complete financial transactions that historically have involved banks through alternative methods. For example, consumers can now maintain funds that would have historically been held as bank deposits in brokerage accounts, mutual funds or general purpose reloadable prepaid cards. Consumers can also complete transactions such as paying bills and/or transferring funds directly without the assistance of banks. The process of eliminating banks as intermediaries, known as “disintermediation,” could result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and the lower cost of deposits as a source of funds could have a material adverse effect on our financial condition and results of operations.

Our ability to maintain our reputation is critical to the success of our business, and the failure to do so may materially adversely affect our performance.

Our reputation is one of the most valuable components of our business. As such, we strive to conduct our business in a manner that enhances our reputation. This is done, in part, by recruiting, hiring, and retaining and providing growth opportunities for employees who share our core values of being an integral part of the communities we serve, delivering superior service to our customers, and caring about our customers and employees. If our reputation is negatively affected by the actions of our employees or otherwise, including as a result of a successful cyber-attack, information security breach or other similar incident we experience or any other unauthorized release or loss of customer information (including personal information), our business and, therefore, our operating results, may be materially adversely affected.

Actions by the financial service industry generally or by institutions or individuals in the industry can adversely affect our reputation indirectly by association. The proliferation of social media may increase the likelihood that negative public opinion from any of the real or perceived events in the financial services industry could impact our reputation and business. Negative public opinion could adversely affect the Company’s ability to attract and retain clients and teammates and can result in litigation and regulatory actions. All of these could adversely affect our growth, results of operation, and financial conditions.

Risks relating to the Regulatory Environment

As the Company grows, the heightened expectations of regulatory agencies may expose us to additional regulatory risk.

Following completion of the Independent Merger, the Company reached \$66 billion in assets, requiring the Company to bolster its risk management and governance framework to support a larger company consistent with the OCC's heightened standards for larger institutions. These standards include established minimum standards for the design and implementation of the risk management framework and increased oversight and credible challenge by the Board of Directors over the Company's risk profile and risk management practices. While we have been working to meet these heightened standards over the past three years, on December 23, 2025, the OCC approved a Notice of Proposed Rulemaking which would increase the threshold for applying the guidelines from \$50 billion to \$700 billion. In the event the standard remains in effect for institutions with \$50 billion in assets, our existing enterprise risk framework and program may not be easily scalable to meet such heightened standards, thereby requiring lengthy or costly modifications to meet such standards. Further, the Company's existing workforce may not be sufficient or have the requisite skillset to design, operate and manage the bolstered framework, thereby requiring the Company to expend financial resources to hire and/or train the necessary staff. The Company's failure to meet such heightened standards, to the extent applicable, may expose it to regulatory enforcement actions and civil penalties which could have an adverse material impact on the Company's business, financial condition, operations and reputation and could jeopardize the Company's ability to pursue acquisition opportunities.

We are subject to extensive regulation that could limit or restrict our activities.

We operate in a highly regulated industry and are subject to examination, supervision, and comprehensive regulation by various agencies, including the Federal Reserve, the OCC, CFPB, and the FDIC. These laws, regulations, and rules are imposed primarily to protect depositors, the FDIC Deposit Insurance Fund, consumers, and the banking system as a whole. We also are regulated by the SEC and the Financial Industry Regulatory Authority, or FINRA, whose regulations are designed to protect investors. Our compliance with these regulations is costly and potentially restricts certain of our activities, including payment of dividends, mergers and acquisitions, investments, loans and interest rates charged, interest rates paid and deposits and locations of our offices. We are also subject to capital guidelines established by our regulators, which require us to maintain sufficient capital to support our growth. Regulation of the financial services industry has increased significantly since the global financial crisis. The laws and regulations applicable to the banking industry have been changing and could continue to change at any time. The extent and timing of any regulatory reform, as well as any effect on our business and financial results, are uncertain. Additionally, legislation or regulation may impose unexpected or unintended consequences, the impact of which is difficult to predict. Because government regulation greatly affects the business and financial results of all commercial banks and bank holding companies, our cost of compliance could adversely affect our ability to operate profitably.

The Trump Administration's agenda also includes a heightened focus on immigration reform and the use of sanctions and export controls to support U.S. economic interests. We cannot predict future changes in the applicable laws, regulations and regulatory agency policies, including any changes resulting from changes in the U.S. presidential administration or U.S. Congress, such as with respect to proposed regulations on capital and long-term debt, or the interpretation or implementation of merger policies. Nevertheless, such changes may have a material impact on our business, financial condition and results of operations.

Some of the regulations finalized in the prior administration that are applicable to financial institutions have been modified, rescinded, or withdrawn or are subject to reevaluation, creating further uncertainty. Moreover, political and policy goals of elected and appointed officials may change over time, which could impact the rulemaking, supervision, examination, and enforcement priorities of the federal banking agencies. It is possible the expected changes in law, regulation and policy do not occur or are reversed subsequently, or the regulatory measures that are ultimately enacted deliver significant competitive advantages to financial services that are structured differently or serve different markets than us.

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Regulatory responses in connection with severe market downturns or unforeseen stress events may alter or disrupt our planned future strategies and actions. Adverse developments affecting the overall strength and soundness of other financial institutions, the financial services industry as a whole and the general economic climate and the U.S. Treasury market could have a negative impact on perceptions about the strength and soundness of our business even if we are not subject to the same adverse developments. For example, during 2023, the FDIC took control and was appointed receiver of Silicon Valley Bank, Signature Bank, and First Republic Bank, respectively. The failure of other banks and financial institutions and the measures taken by governments and regulators in response to these events, including increased regulatory scrutiny and heightened supervisory expectations, could adversely impact our business, financial condition and results of operations.

Recent regulatory proposals may increase capital and liquidity risks.

We face the risk of becoming subject to new or more stringent requirements in connection with the introduction of new regulations or modifications of existing regulations, which could require us to hold more capital or liquidity or have other adverse effects on our businesses or profitability. For example, the banking regulators proposed changes to the capital rules intended to bring the U.S. capital rules into conformance with the Basel Framework, which would require banking organizations with assets of \$100 billion or more to face significantly increased capital requirements. While the proposed rule may change to apply to organizations larger than \$100 billion in assets, it may adversely impact the Company due to general regulatory and investor expectations for the Company and the Bank to hold additional capital or as a result of larger banking organizations making changes in response to the increased capital requirements, which could have a material impact on the Company's financial results and business mix. Please see Item I – Part 1 – “Supervision and Regulation – Capital Requirements” for further information regarding the capital rule proposal.

We are required to maintain capital to meet regulatory requirements, and if we fail to maintain sufficient capital, whether due to losses, an inability to raise additional capital or otherwise, our financial condition, liquidity and results of operations, as well as our ability to maintain regulatory compliance, would be adversely affected.

The Company and the Bank each must meet regulatory capital requirements and maintain sufficient liquidity. Banking organizations experiencing growth, especially those making acquisitions, are expected to hold additional capital above regulatory minimums. From time to time, the regulators implement changes to these regulatory capital adequacy guidelines. In recent years, these market and regulatory expectations have increased substantially and have resulted in higher and more stringent capital requirements for us and the Bank.

Actions (if necessary) to increase capital may adversely affect us. Our ability to raise additional capital, when and if needed, will depend on conditions in the capital markets, economic conditions and a number of other factors, including investor perceptions regarding the banking industry and market condition, and governmental activities, many of which are outside our control, and on our financial condition and performance. Accordingly, we cannot assure you that we will be able to raise additional capital if needed or on terms acceptable to us. If we fail to meet these capital and other regulatory requirements, our financial condition, liquidity and results of operations would be materially and adversely affected.

Our failure to remain “well capitalized” for bank regulatory purposes could affect customer confidence, our ability to grow, our costs of funds, and FDIC insurance costs, our ability to pay dividends on common stock and make distributions on our trust preferred securities, our ability to make acquisitions, and our business, results of operations and financial condition. Under FDIC rules, if our subsidiary bank ceases to be a “well capitalized” institution for bank regulatory purposes, the interest rates that it pays and its ability to accept brokered deposits may be restricted. At December 31, 2025, we had approximately \$4.0 billion of in-market CDARs and Insured Cash Sweep (“ICS”) reciprocal deposits, \$1.9 billion of ICS brokered demand deposits, \$1.7 billion in wholesale brokered time deposits, \$83.6 million of other brokered demand deposits, and approximately \$45.9 million of deposits related to our prepaid card business, which are considered brokered deposits for regulatory purposes.

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We are subject to examination and scrutiny by a number of banking agencies and, depending upon the findings and determinations of these agencies, we may be required to make adjustments to our business that could adversely affect us.

The banking agencies regularly conduct examinations of our business, including our compliance with applicable laws and regulations. If, as a result of an examination, a banking agency were to determine that the financial condition, capital resources, asset quality, asset concentration, earning prospects, management, liquidity, sensitivity to market risk, consumer compliance, or other aspects of any of our operations has become unsatisfactory, or that we or our management is in violation of any law or regulation, the agency could take a number of different remedial actions as it deems appropriate. These actions include the power to enjoin “unsafe or unsound” practices, to require affirmative actions to correct any conditions resulting from any violation or practice, to issue an administrative order that can be judicially enforced, to direct an increase in our capital, to restrict our growth, to change the asset composition of our portfolio or balance sheet, to assess civil money penalties against our officers or directors, to remove officers and directors and, if it is concluded that such conditions cannot be corrected or there is an imminent risk of loss to depositors, to terminate our deposit insurance. If we become subject to such regulatory actions, our business, results of operations and reputation may be negatively impacted.

The Company and other large banking organizations are becoming subject to increased scrutiny, more intense supervision and regulation, and a higher risk of enforcement action, with increased fines and penalties, which we expect to continue. We expect that our businesses will remain subject to extensive regulation and supervision.

The Bank is subject to the Bank Secrecy Act and other anti-money laundering statutes and regulations, and any deemed deficiency by the Bank with respect to these laws could result in significant liability and have material impact on our business strategy.

The BSA and its implementing regulations require financial institutions to, among other duties, implement and maintain an effective AML/CFT compliance program and file suspicious activity and currency transaction reports when appropriate. The Bank is also subject to scrutiny from OFAC with respect to its compliance with the U.S. economic sanctions laws and regulations, which include, among other things, the prohibition against dealing with, and the need to block or freeze assets of, persons that are the subject of U.S. economic sanctions. Please see Item I – Part 1 – “Supervision and Regulation - Anti-Money Laundering Rules” and Item 1 – Part 1 – “Supervision and Regulation - OFAC Regulation” for further information regarding the Bank’s obligations under the BSA and its implementing regulations and U.S. economic sanctions laws and regulations, respectively.

If the Bank’s policies, procedures, and systems are deemed deficient, or the policies, procedures and systems of the financial institutions that we have already acquired or may acquire in the future are deficient, the Bank could be subject to liability, including fines and regulatory actions, which may include restrictions on its ability to pay dividends and the necessity and ability to obtain regulatory approvals to proceed with certain aspects of its business plan, including acquisition plans. Failure to maintain and implement an effective AML/CFT and/or sanctions compliance program could also have serious reputational consequences for the Bank. Any of these results could have a material adverse effect on the Bank’s business, financial condition, results of operations, and future prospects.

The Bank is subject to numerous laws designed to protect consumers, including the Community Reinvestment Act and fair lending laws, and failure to comply with these laws could lead to material penalties and other sanctions.

The CRA, the Equal Credit Opportunity Act, the Fair Housing Act, and other fair lending laws and regulations impose nondiscriminatory lending requirements on financial institutions. The U.S. DOJ and other federal agencies are responsible for enforcing these laws and regulations. A successful regulatory challenge to an institution’s performance under the CRA or fair lending laws and regulations could result in a wide variety of sanctions, including damages and civil money penalties, injunctive relief, restrictions on mergers and acquisitions activity, restrictions on expansion, and restrictions on entering new business lines. Private parties may also have the ability to challenge an institution’s performance under fair lending laws in private class action litigation. Such actions could have a material adverse effect on the Bank’s business, financial condition, results of operations, and future prospects.

Higher FDIC deposit insurance premiums and assessments could adversely affect our financial condition.

The FDIC insures deposits at FDIC-insured depository institutions, such as our subsidiary Bank, up to applicable limits. The amount of a particular institution's deposit insurance assessment is based on that institution's risk classification under an FDIC risk-based assessment system. The FDIC uses a performance score and loss-severity score to calculate the Bank's initial FDIC assessment rate. An institution's risk classification is assigned based on its capital levels and the level of supervisory concern the institution poses to its regulators. While our risk management processes are designed to reduce risk by maintaining capital levels and mitigating any supervisory concerns, we may be unable to control the amount of premiums that we are required to pay for FDIC insurance in the event of a new economic downturn and an increase in financial institution failures. For example, we incurred a special assessment of approximately \$33.5 million, which includes the special assessment applicable to the deposits assumed from Independent on January 1, 2025 and subject to the special assessment for the period subsequent to the acquisition date, by the FDIC to help recoup losses to the Deposit Insurance Fund resulting from bank failures in 2023. Any future increases in assessments or required prepayments in FDIC insurance premiums may materially adversely affect results of operations, including by reducing our profitability or limiting our ability to pursue business opportunities.

The Federal Reserve may require us to commit capital resources to support the Bank.

Applicable law and the Federal Reserve require a bank holding company to act as a source of financial and managerial strength to a subsidiary bank and to commit resources to support such subsidiary bank. Under the "source of strength" doctrine, the Federal Reserve may require a bank holding company to make capital injections into a troubled subsidiary bank and may charge the bank holding company with engaging in unsafe and unsound practices for failure to commit resources to such a subsidiary bank. Under these requirements, in the future, we could be required to provide financial assistance to our Bank if it experiences financial distress.

A capital injection may be required at times when we do not have the resources to provide it, and therefore we may be required to borrow the funds. In the event of a bank holding company's bankruptcy, the bankruptcy trustee will assume any commitment by the holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of the holding company's general unsecured creditors, including the holders of its note obligations. Thus, any borrowing that must be done by any holding company in order to make the required capital injection into a bank is difficult and expensive and will adversely impact the holding company's cash flows, financial condition, results of operations and prospects.

We could be subject to changes in tax laws, regulations and interpretations or challenges to our income tax provision.

We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. Any change in enacted tax laws, rules or regulatory or judicial interpretations, or any change in the pronouncements relating to accounting for income taxes could adversely affect our effective tax rate, tax payments and results of operations. The taxing authorities in the jurisdictions in which we operate may challenge our tax positions, which could increase our effective tax rate and harm our financial position and results of operations. We are subject to audit and review by U.S. federal and state tax authorities. Any adverse outcome of such a review or audit could have a negative effect on our financial position and results of operations. In addition, changes in enacted tax laws, such as adoption of a lower income tax rate in any of the jurisdictions in which we operate, could impact our ability to obtain the future tax benefits represented by our deferred tax assets. In addition, the determination of our provision for income taxes and other liabilities requires significant judgment by management. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements and could have a material adverse effect on our financial results in the period or periods for which such determination is made.

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We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding data privacy and cybersecurity, which could increase the cost of doing business, compliance risks and potential liability.

We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations relating to the data privacy and cybersecurity of the personal information of customers, employees or others, and any failure to comply with these laws, regulations, rules, standards and contractual obligations could expose us to liability and reputational damage. As new data privacy and cybersecurity-related laws, regulations, rules and standards are implemented, the time and resources needed for us to comply with such laws, regulations, rules and standards as well as our potential liability for non-compliance and reporting obligations in the case of cyber-attacks, information security breaches, or other similar incidents, may significantly increase. Compliance with these laws, regulations, rules and standards may require us to change our policies, procedures and technology for information security and segregation of data, which could, among other things, make us more vulnerable to operational failures and to monetary penalties for breach of such laws, regulations, rules and standards.

For example, we are subject to federal laws, rules, regulations and standards, including the Gramm-Leach-Bliley Act (the “GLBA”), which require financial institutions to, among other things, periodically disclose their privacy policies and practices relating to sharing personal information and enable retail customers to opt out of our ability to share such personal information with unaffiliated third parties under certain circumstances. Such laws and regulations also require financial institutions to implement a comprehensive cybersecurity program that includes administrative, technical and physical safeguards to ensure the security and confidentiality of customer records and information. An amendment to Regulation S-P, an implementing regulation promulgated under the GLBA, was adopted by the SEC on May 16, 2024 and requires broker-dealers and registered investment advisers to, among other things, adopt and implement an incident response program as part of their formal cybersecurity policies and procedures and report data breaches to affected individuals whose sensitive customer information was, or is reasonably likely to have been, accessed or used without authorization within 30 days of becoming aware of such breach. The Bank is also subject to rules and regulations issued by the Federal Trade Commission, which regulates unfair or deceptive acts or practices, including with respect to data privacy and cybersecurity. Additionally, like other lenders, the Bank uses credit bureau data in its underwriting activities. Use of such data is regulated under the Fair Credit Reporting Act, which also regulates reporting information to credit bureaus, prescreening individuals for credit offers, sharing of information between affiliates, and using affiliate data for marketing purposes. Similar state laws may impose additional requirements on us and our subsidiaries. The federal government also is considering, and may pass, additional data privacy and cybersecurity legislation, to which we may become subject if passed.

We also are subject to federal regulations that, among other things, require a banking organization to notify its primary federal regulators as soon as possible and within 36 hours after identifying a “computer-security incident” that has materially disrupted or degraded, or the banking organization believes in good faith is reasonably likely to materially disrupt or degrade its business or operations in a manner that would, among other things, jeopardize the viability of its operations, result in customers being unable to access their deposit and other accounts, result in a material loss of revenue, profit or franchise value, or pose a threat to the financial stability of the U.S. financial sector. Additionally, the federal banking regulators, as well as the SEC and related self-regulatory organizations, regularly issue guidance regarding cybersecurity that is intended to enhance cyber risk management among financial institutions.

Data privacy and cybersecurity are also areas of increasing state legislative focus. For example, the CCPA, among other things, gives California residents certain rights with respect to their personal information. Similar laws have been or may be adopted by other states where we do business or from which we collect personal information. In addition, laws in all 50 U.S. states generally require businesses to provide notice under certain circumstances to individuals whose personal information has been disclosed as a result of a data breach.

Certain state laws and regulations may be more stringent, broader in scope, or offer greater individual rights, with respect to personal information than federal or other state laws and regulations, and such laws and regulations may differ from each other, which may complicate compliance efforts and increase compliance costs. Aspects of the CCPA and other federal and state laws and regulations relating to data privacy and cybersecurity, as well as their enforcement, remain unclear, and we may be required to modify our practices in an effort to comply with them.

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Further, while we strive to publish and prominently display privacy policies that are accurate, comprehensive, and compliant with applicable laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to data privacy or cybersecurity. Although we endeavor to comply with our privacy policies, we may at times fail to do so or be alleged to have failed to do so. The publication of our privacy policies and other documentation that provide promises and assurances about data privacy and cybersecurity can subject us to potential federal or state action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. Additional risks could arise in connection with any failure or perceived failure by us, our service providers or other third parties with which we do business to provide adequate disclosure or transparency to our customers about the personal information collected from them and its use, to receive, document or honor the privacy preferences expressed by our customers, to protect personal information from unauthorized disclosure, or to maintain proper training on privacy practices for all employees or third parties who have access to personal information in our possession or control.

Any failure or perceived failure by us to comply with our privacy policies, or applicable data privacy and cybersecurity laws, regulations, rules, standards or contractual obligations, or any compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use, modification, acquisition, disclosure, release or transfer of personal information, may result in requirements to modify or cease certain operations or practices, the expenditure of substantial costs, time and other resources, proceedings or actions against us, legal liability, governmental investigations, enforcement actions, claims, fines, judgments, awards, penalties, sanctions and costly litigation (including class actions). Any of the foregoing could harm our reputation, distract our management and technical personnel, increase our costs of doing business, adversely affect the demand for our products and services, and ultimately result in the imposition of liability, any of which could have a material adverse effect on our business, financial condition and results of operations. For further discussion of the data privacy and cybersecurity laws, regulations, rules and standards we are, or may in the future become, subject to, see Part I – Item 1 – “Supervision and Regulation – Data Privacy and Cybersecurity.”

Risks relating to our Common Stock

State law and provisions in our articles of incorporation or bylaws could make it more difficult for another company to purchase us, even though such a purchase may increase shareholder value.

In many cases, shareholders may receive a premium for their shares if we are purchased by another company. State law and our articles of incorporation and bylaws could make it difficult for anyone to purchase us without the approval of our Board of Directors.

Our articles of incorporation provide that a merger, exchange or consolidation of the Company with, or the sale, exchange or lease of all or substantially all of our assets to, any person or entity (referred to herein as a “Fundamental Change”), must be approved by the holders of at least 80% of our outstanding voting stock if the Board of Directors does not recommend a vote in favor of the Fundamental Change. The approval by the holders of at least 80% of our outstanding voting stock is required to amend or repeal these provisions contained in our articles of incorporation. Consequently, a takeover attempt that is not supported by our Board may prove difficult, and shareholders may not realize the highest possible price for their securities. If this 80% vote requirement does not apply because the Board of Directors recommends the transaction, then pursuant to the provisions of the Florida Business Corporation Act, the Fundamental Change generally must be approved by a majority of the votes entitled to be cast with respect thereto.

Shares of our Common Stock are not insured deposits and may lose value.

Shares of our common stock are not savings or deposit accounts and are not insured by the FDIC, or any other agency or private entity. Such shares are subject to investment risk, including the possible loss of some or all of the value of your investment.

Future capital needs could result in dilution of shareholder investment.

Our Board of Directors may determine from time to time that there is a need to obtain additional capital through the issuance of additional shares of our common stock or other securities. These issuances would dilute the ownership interest of our shareholders and may dilute the per share book value of our common stock. New investors also may have rights, preferences and privileges senior to our shareholders which may adversely impact our shareholders.

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The trading volume in our common stock and the sale of substantial amounts of our common stock in the public market could depress the price of our common stock.

We cannot predict the effect, if any, that future sales of our common stock in the market, or availability of shares of our common stock for sale in the market, will have on the market price of our common stock. Our stock price can fluctuate widely in response to a variety of factors. General market fluctuations, industry factors, and general economic and political conditions and events, such as terrorist attacks, economic slowdowns or recessions, interest rate changes, tax rate changes, credit loss trends, or currency fluctuations, also could cause our stock price to decrease regardless of operating results. We therefore can give no assurance that sales of substantial amounts of our common stock in the market, or the potential for large amounts of sales in the market, or any of the other factors discussed above, would not cause the price of our common stock to decline or impair our ability to raise capital through sales of our common stock.

Our ability to pay dividends is limited and we may be unable to pay future dividends.

Our ability to pay dividends is limited by regulatory restrictions and the need to maintain sufficient consolidated capital. The ability of the Bank to pay dividends to us is limited by its obligations to maintain sufficient capital and by other general restrictions on its dividends that are applicable to national banks that are regulated by the OCC. For information on these regulatory restrictions on the right of the Bank to pay dividends to us and on the right of the Company to pay dividends to its shareholders, see Part I - Item 1 – “Supervision and Regulation - Dividend Restrictions.” If we do not satisfy these regulatory requirements, or if the Bank does not have sufficient earnings to make payments to us while maintaining adequate capital levels, we will be unable to pay dividends on our common stock.

Holders of our junior subordinated debentures have rights that are senior to those of our common shareholders.

We have helped support our continued growth through the issuance of, and the acquisition of, through prior mergers, trust preferred securities from special purpose trusts and accompanying junior subordinated debentures. As of December 31, 2025, we had outstanding trust preferred securities and accompanying junior subordinated debentures totaling \$171.7 million, net of fair value adjustments. Payments of the principal and interest on these debt instruments are conditionally guaranteed by us. Further, the accompanying junior subordinated debentures we issued to the special purpose trusts are senior to our shares of common stock. As a result, we must make payments on the junior subordinated debentures before any dividends can be paid on our common stock and, in the event of our bankruptcy, dissolution or liquidation, the holders of the junior subordinated debentures must be satisfied before any distributions can be made on our common stock. We have the right to defer distributions on our junior subordinated debentures (and the related trust preferred securities) for up to five years, during which time no dividends may be paid on our common stock.

Our stock price may be volatile, which could result in losses to our investors and litigation against us.

Our stock price has been volatile in the past and several factors could cause the price to fluctuate substantially in the future. These factors include but are not limited to: actual or anticipated variations in earnings; changes in analysts’ recommendations or projections; our announcement of developments related to our businesses, operations and stock performance of other companies deemed to be peers; new technology used or services offered by traditional and non-traditional competitors; news reports of trends, concerns, irrational exuberance on the part of investors, and other issues related to the financial services industry. Our stock price may fluctuate significantly in the future, and these fluctuations may be unrelated to our performance. General market declines or market volatility in the future, especially in the financial institutions sector, could adversely affect the price of the Company’s common stock, and the current market price may not be indicative of future market prices.

Stock price volatility may make it more difficult for our investors to resell their common stock when they desire and at prices they find attractive. Moreover, in the past, securities class action lawsuits have been instituted against some companies following periods of volatility in the market price of its securities. We could in the future be the target of similar litigation. Securities litigation could result in substantial costs and divert management’s attention and resources from our normal business.

At December 31, 2025, a small number of institutional shareholders own a significant portion of our common stock and they may exercise significant influence over us and their interests may be different from our other shareholders.

Based on their 13F forms filed for the year end December 31, 2025, our shareholders include two funds that collectively own approximately 20% of the outstanding shares of our common stock. The top ten institutional owners collectively own approximately 42% of our outstanding shares of common stock, as reported by S&P Global. While the federal banking laws require prior bank regulatory approval if shareholders owning in excess of 9.9% of a financial holding company's outstanding voting shares desire to act in concert, these institutional owners nonetheless could vote the same way on matters submitted to our shareholders without being deemed to be acting in concert and, if so, could exercise significant influence over us and actions taken by our shareholders. Interests of institutional funds may be different from our other shareholders. Accordingly, given their collective ownership, the funds could have significant influence over whether or not a proposal submitted to our shareholders receives required shareholder approval.

Risks relating to Economic Conditions and other Outside Forces

Changes to the U.S. political and economic environment could adversely affect our business operations and financial condition.

The political and economic environment in the United States and elsewhere has resulted in and will continue to result in some uncertainty. Changing regulatory policies because of the changing political environment, could impact our regulatory and compliance costs and expected revenues, all of which could materially and adversely affect our business, financial condition and operating results. Additionally, financial markets may be adversely affected by fiscal or monetary policies established by central banks and financial regulators, uncertainty concerning government shutdowns, debt ceilings or funding for the government, actual or perceived instability in the U.S. banking system, stricter immigration policies, civil unrest, and the current or anticipated impact of geopolitical instability or conflict, including in the Middle East, Ukraine, Taiwan, and Latin America, as well as terrorism and other geopolitical events.

Further, the change in the U.S. presidential administration and congressional seat turnover following the 2024 election cycle may result in continued increased regulatory uncertainty. Changes in federal policy by the executive branch and regulatory agencies may occur over time through the new presidential administration's and/or Congress's policy and personnel changes, which could lead to changes involving the level of oversight and focus on the financial services industry; however, the nature, timing and economic and political effects of such potential changes remain highly uncertain. At this time, it is unclear what laws, regulations and policies may change and whether future changes or uncertainty surrounding future changes will adversely affect our operating environment and therefore our business, financial condition and results of operations.

Changes and instability in global economic conditions and geopolitical matters could have a material adverse effect on our business, financial condition and results of operations.

Our business, financial condition and results of operations have been in the past and may, in the future, be materially affected by global economic conditions and geopolitical matters, including, both directly and indirectly, through the impact on client activity levels. The macroeconomic environment in the United States is susceptible to global events and volatility in the financial markets. Global economic and political developments, such as the conflicts in Ukraine and the Middle East, tensions in the Americas and between America and Europe, and increased global trade and other multinational tensions, including possible tariffs or other trade disruptions; and other global events, have adverse consequences that impact the macroeconomic environment, and these impacts may persist for some time, including disruptions of global supply chains, cross-border migration trends, labor gluts or shortages, increased energy prices, inflationary pressures and higher interest rates. Changes in the global economic and geopolitical environment have resulted in significant adverse effects for many different types of businesses nationwide and in the regions in which we operate, which could adversely impact economic and market conditions for the Company and its clients and counterparties.

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The impacts of the Federal Reserve's interest rate increases have dampened loan demand, and global events and geopolitical tensions could cause economic disruption which may result in further declines in demand for our banking products and services, and could negatively impact, among other things, our liquidity, regulatory capital, goodwill and our growth strategy. Developments related to the U.S. federal debt ceiling, including the possibility of a government shutdown, default by the U.S. government on its debt obligations, or related credit-rating downgrades, could have adverse effects on the broader economy, disrupt access to capital markets, and contribute to, or worsen, an economic recession. In addition, our net interest margin has increased in 2025 due in part to the impact on our margin from the Independent Merger and in part from decreasing interest rates, which has allowed us to decrease deposit costs while maintaining our loan yields. In addition, increases in our loan pricing impacts our borrowers' ability to repay existing loans or refinance loans as they become due, which could influence the recognition of credit losses on loans and securities and increase the allowance for credit losses, result in additional lost revenue, cause additional increases in expenses, result in goodwill impairment charges, result in the impairment of other financial and nonfinancial assets, and increase the Company's cost of capital. Any one or more of these developments could have a material adverse effect on our business, financial condition and results of operations.

A slowdown in economic growth or a resumption of recessionary economic conditions could have an adverse effect on our business in the future.

The economy is subject to worldwide events, such as the COVID-19 pandemic and geopolitical tensions in the Middle East, the Americas, South America, and Europe, as well as domestic events, any or all of which could impact inflationary pressures and interest rates to dampen demand, and these and other political and market developments are affecting and could continue to affect consumer confidence levels and cause adverse changes in loan payment patterns, causing increases in delinquencies and default rates, which may impact our charge-offs and the provision for credit losses. Changes in the financial services industry and the effects of current and future law and regulations that may be imposed in response to future market developments also could negatively affect us by restricting our business operations, including our ability to originate or sell loans, and adversely impact our financial performance.

The soundness of other financial institutions could adversely affect us.

Our ability to engage in routine funding and other transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. Defaults by, or even rumors or questions about, one or more financial services institutions, or the financial services industry generally, have led to market-wide liquidity problems and losses of depositor, creditor and counterparty confidence and could lead to losses or defaults by us or by other institutions. We could experience increases in deposits and assets as a result of other banks' difficulties or failure, which would increase the capital we need to support our growth.

We may be impacted by actual or perceived soundness of other financial institutions, including as a result of the financial or operational failure of a major financial institution, or concerns about the creditworthiness of such a financial institution or its ability to fulfill its obligations, which can cause substantial and cascading disruption within the financial markets and increased expenses, including FDIC insurance premiums, and could affect our ability to attract and retain depositors and to borrow or raise capital. For example, during 2023 the FDIC took control and was appointed receiver of Silicon Valley Bank, Signature Bank, and First Republic Bank. In addition, adverse developments with respect to third parties with whom we have important relationships could also negatively impact perceptions about us. These perceptions about us could cause our business to be negatively affected and exacerbate the other risks that we face. The failure of other banks and financial institutions and the measures taken by governments, businesses and other organizations in response to these events could adversely impact the Company's business, financial condition and results of operations.

Our business is subject to the success of the local economies where we operate.

Our success significantly depends upon the growth in population, income levels, deposits and housing starts in our primary and secondary markets. If the communities in which we operate do not grow or if prevailing economic conditions locally or nationally become challenging, our business may be adversely affected. We are less able than a larger institution to spread the risks of unfavorable local economic conditions across a large number of diversified economies. We cannot give any assurance we will continue to benefit from market growth or favorable economic conditions in our primary market areas if they do occur.

Natural disasters, adverse weather or manmade events could negatively affect our local economies or disrupt our operations, which would have an adverse effect on our business or results of operations.

Our current market areas are in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. These regions are susceptible to hurricanes, tropical storms, severe thunderstorms and hail, and related flooding and wind damage as well as blizzards, snowstorms, tornados and other types of strong storms. While no storms impacted our market area or disrupted business in 2025, these types of weather events may increase in frequency or intensity because of changes in weather patterns and other factors including climate change. In addition, many of our customers have incurred, or may in the future incur, significantly higher property and casualty insurance premiums on their properties located in our markets, which may adversely affect real estate sales and values in those markets.

Natural disasters, adverse weather events and manmade events could in the future disrupt our operations, result in damage to properties and negatively affect the local economies in the markets where we operate. We cannot predict whether or to what extent damage that may be caused by future natural disasters, adverse weather events or manmade events will affect our operations or the economies in our current or future market areas. Such events could result in a decline in loan originations, a decline in the value or destruction of properties securing our loans, as well as our own properties, and an increase in delinquencies, bankruptcies, foreclosures or loan losses that could result in a higher level of non-performing assets, net charge-offs, and provision for loan losses. Our business or results of operations may be adversely affected by these and other negative effects of future natural disasters, adverse weather events or manmade events.

We are subject to physical and financial risks associated with climate change and other weather and natural disaster impacts.

There continues to be concern over the current and anticipated effects of climate change. These concerns over the anticipated and unanticipated impacts of climate change (including physical risk and transition risk) have led to, and will continue to lead to, governmental efforts to mitigate those impacts. In recent years, governments across the world have entered into international agreements to attempt to reduce global temperatures, in part by limiting greenhouse gas emissions. Although the U.S. is taking steps to withdraw from the Paris Agreement pursuant to President Trump's Executive Order issued on January 20, 2025, such withdrawal to take effect on January 27, 2026, state legislatures and federal and state regulatory agencies have continued to propose and advance numerous legislative and regulatory initiatives seeking to mitigate the effects of climate change, each of which may result in the imposition of taxes and fees, the required purchase of emission credits, and the implementation of significant operational changes, which may require us to expend significant capital and incur compliance, operating, maintenance and remediation costs. In addition, the methodologies and data used to manage and monitor climate risk continue to evolve. Climate-related data, particularly greenhouse gas emissions for clients and counterparties, remains limited in availability and varies in quality. As a result, it is difficult to predict how climate change may impact our financial condition and operations; however, as a banking organization, the physical effects of climate change on the Bank may present certain unique risks.

The physical risks of climate change include longer-term shifts in climate patterns, such as extreme heat, sea level rise, and more frequent and prolonged drought. Weather events such as flooding, hurricanes and wildfires may increase from longer term climate change. Physical risks may alter the Company's strategic direction to mitigate certain financial risks. A significant portion of our operations is located in coastal areas in the Southeastern United States, regions that are susceptible to hurricanes, or in areas of the Southern U.S. that are susceptible to tornadoes and other severe weather events including severe droughts, floods, and sea level rise. Any of these, or any other severe weather event, could cause disruption to our operations and could have a material adverse effect on our overall business, results of operations or financial condition. We have taken certain preemptive measures that we believe will mitigate these adverse effects; however, such measures cannot prevent or mitigate the disruption that a catastrophic earthquake, fire, hurricane, tornado or other severe weather event could cause to the markets that we serve and any resulting adverse impact on our customers, such as hindering our borrowers' ability to timely repay their loans, diminishing the value of any collateral held by us, interrupting supply chains, causing significant property damage, causing us to incur additional expense or resulting in a loss of revenue, and affecting the stability of our deposit base. The severity and impact of future earthquakes, fires, hurricanes, tornadoes, droughts, sea level rise, floods, hail and snowstorms, and other weather-related events are difficult to predict and may be exacerbated by global climate change. Such events may also cause reductions in regional and local economic activity that may have an adverse effect on our customers, which could limit our ability to raise and invest capital in these areas and communities, each of which could have a material adverse effect on our financial condition and results of operations.

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Climate change may worsen the frequency and severity of weather events natural disasters such as fires, hurricanes, tornadoes, droughts, sea level rise, floods, hail and snowstorms and other extreme weather-related events that could cause disruption to our business and operations. Chronic results of climate change such as shifting weather patterns could also cause disruption to our business and operations. Climate change may also result in new and/or more stringent regulatory requirements for the Company, which could materially affect the Company's results of operations by requiring the Company to take costly measures to comply with any new laws or regulations related to climate change that may be forthcoming.

Transition risks of climate change include policy, legal, technology and market changes. Examples of these transition risks include new regulations, shifts in customer behaviors, supply chain disruptions or breakthroughs in technologies that accelerate the transition to a lower carbon economy. Any of these risks may negatively affect certain sectors and borrowers in our loan portfolio, impacting their ability to timely repay their loans or decreasing the value of any collateral held by us. Transition risk resulting from our customers retooling their businesses to transition from reliance on fossil fuels to cleaner energy also may impact the Bank. While loan demand to facilitate that transition may increase, some businesses may not have the financial capacity to make those changes, impacting their ability to timely repay their loans or decreasing the value of any collateral held by us, which may adversely impact our results of operations.

The Company faces potential reputational risks as a result of its practices related to climate change, including as a result of the Company's direct or indirect involvement in certain industries, as well as any decisions management makes in response to managing climate risk, especially as views on climate-related matters become subject to increased polarization. Further, there is increased scrutiny of climate change-related policies, goals, and disclosures, which could result in litigation and regulatory investigations and actions. We may incur additional costs and require additional resources as we evolve our strategy, practices and related disclosures with respect to these matters. In addition, California has passed climate disclosure laws that are applicable to companies (such as the Company) that have more than \$1 billion in annual revenues and operations in California. While the Company has established a corporate stewardship program and a climate risk steering committee and is in the process of determining its Scope 1 and 2 emissions to comply with these laws, these laws will require material investment by the Company to fully implement. Legislative or regulatory change regarding sustainability, stewardship and governance or climate-related risks or disclosures, including inconsistent requirements and uncertainties, could result in loss of revenue or increased credit, compliance, reputational and other risks and costs.

Market volatility could adversely affect our operations or ability to access capital.

The capital and credit markets have experienced volatility and disruption from time to time during the past several years. In some cases, the markets have produced downward pressure on stock prices and credit availability for certain issuers without regard to those issuers' underlying financial condition or performance. If these periodic market disruptions and volatility continue or worsen, we may experience adverse effects, which may be material, on our ability to maintain or access capital and on our business, financial condition and results of operations.

Competition from financial institutions and other financial service providers may adversely affect our profitability.

The banking business is highly competitive and we experience competition in our markets from many other financial institutions. We compete with commercial banks, credit unions, mortgage banking firms, consumer finance companies, securities brokerage firms, insurance companies, money market funds, and other mutual funds, as well as other super-regional, national and international financial institutions and fintech or e-commerce companies that operate in our primary market areas and elsewhere. Some of these competitors may have a long history of successful operation in our markets, greater ties to local businesses and more expansive banking relationships, as well as better established depositor bases. Competitors with greater resources or more advanced technology may possess an advantage by being capable of maintaining numerous and more convenient banking locations, easy to use and available mobile and computer apps or Internet platforms, operating more ATMs and conducting extensive promotional and advertising campaigns.

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In addition, fintechs and other technology-driven platforms are expanding their presence, offering a wide variety of products and services that challenge traditional banking models. The growing experimentation with and adoption of technologies such as artificial intelligence, quantum computing, blockchain, stablecoins, and other digital currencies—including the potential issuance, acceptance, and integration of central bank digital currencies—have the potential to fundamentally reshape the financial services landscape. Developments in the regulatory landscape relating to emerging technologies, such as the enactment and implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025 (“GENIUS Act”) and potential enactment of the Digital Asset Market Clarity Act of 2025 (“CLARITY Act”) or similar market structure legislation, may affect our clients’ needs and expectations for products and services. Failure to keep pace with technological advancements may adversely affect our competitive position, diminish customer satisfaction, and reduce the accessibility and relevance of our products and services.

We compete with these institutions both in attracting deposits and in making loans. In addition, we have to attract our customer base from other existing financial institutions and from new residents. Many of our competitors are well-established, larger financial institutions and credit unions. While we believe we can and do successfully compete with these other financial institutions in our primary markets, we may face a competitive disadvantage as a result of our smaller size, lack of geographic diversification, sophisticated online or mobile applications, and inability to spread our marketing costs across a broader market. Although we compete by concentrating our marketing efforts in our primary markets with local advertisements, personal contacts, and greater flexibility and responsiveness in working with local customers, we can give no assurance this strategy will be successful.

The fiscal and monetary policies of the federal government and its agencies could have a material adverse effect on our earnings.

The Federal Reserve regulates the supply of money and credit in the U.S. as its policies determine in large part the cost of funds for lending and investing and return earned on those loans and investments, both of which affect our net interest margin. They can also materially decrease the value of financial assets we hold. Federal Reserve policies also can adversely affect borrowers, potentially increasing the risk that they may fail to repay their loans, or could result in volatile markets and rapid declining collateral values. Changes in Federal Reserve policies are beyond our control and difficult to predict. Accordingly, the impact of these changes on our activities and results of operations is difficult to predict.

We are or may become involved from time to time in suits, legal proceedings, information-gathering requests, investigations, and proceedings by governmental and self-regulatory agencies that may lead to adverse consequences.

Many aspects of the banking business involve a substantial risk of legal liability. The Company and the Bank have been named or threatened to be named as defendants in various lawsuits arising from our business activities (and in some cases from the activities of companies that we have acquired). In addition, from time to time, we are, or may become, the subject of information-gathering requests, reviews, investigations and proceedings, and other forms of regulatory inquiry, including by bank regulatory agencies, the SEC, self-regulatory organizations and law enforcement authorities. The results of such proceedings could lead to significant civil or criminal penalties, including monetary penalties, damages, adverse judgments, settlements, fines, injunctions, restrictions on the way the Company and the Bank conduct their business, or reputational harm.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity

Cybersecurity risk management is an integral part of our overall enterprise risk management system. We have a cross-departmental approach to identifying, assessing, and managing cybersecurity risk, including input from employees and our Board of Directors (the “Board”). The Board and its Risk Committee and Audit Committee (respectively, the “Risk Committee” and the “Audit Committee”), as well as senior management in, among other areas, the information security, information technology, operations, and risk management (including enterprise and operational risk) areas, devote significant resources to cybersecurity and risk management processes to adapt to the changing cybersecurity landscape and to identify and respond to cybersecurity threats and incidents in a timely and effective manner. Our cybersecurity risk management program leverages the National Institute of Standards and Technology (NIST) framework, which organizes cybersecurity risks into five categories: identify, protect, detect, respond and recover. We regularly assess the threat landscape and take a holistic view of cybersecurity risks, with a layered cybersecurity strategy based on prevention, identification, and remediation. Our information technology and information security areas review enterprise risk management-level cybersecurity risks continually, and key cybersecurity risks are incorporated into the Company’s Enterprise Risk Management Framework that supports its Risk Appetite Statement. In addition, we have a set of Company-wide policies and procedures concerning cybersecurity matters, such as policies related to encryption standards, antivirus protection, remote access, multifactor authentication, confidential information, and the use of the internet, social media, email and wireless devices. These policies go through an internal review process and are approved by appropriate members of management. On an annual basis, the Board approves the Company’s Information Security Policy and Program which provides a layered approach to cybersecurity, and includes administrative, technical, and physical safeguards designed to protect the security, confidentiality, and integrity of customer information in accordance with applicable law.

The Company’s Chief Information Security Officer (“CISO”) is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Company’s Chief Risk Officer (“CRO”), who oversees and supervises the risk function, including the information security, compliance, legal, operational (which includes business continuity, model risk, and third party risk functions) and enterprise risk areas. Our CISO has over 20 years of experience in information technology leadership, eight years of which is experience in leading information security oversight, and others on our information security team have various information security degrees and certifications within applicable disciplines. Our CISO receives reports from our information security team on a regular basis and monitors the prevention, detection, mitigation and remediation of cybersecurity incidents.

Our information security team regularly monitors alerts and meets to discuss threat levels, trends and remediation. The team also regularly collects data on cybersecurity threats and risk areas and conducts an annual risk assessment. Further, we conduct periodic external and internal control validations to assess our processes and procedures and the threat landscape, and we maintain a vulnerability management program designed to identify vulnerabilities and coordinate remediation efforts for any identified vulnerabilities in the environment. We regularly test defenses by performing simulations and drills at both a technical level (including through penetration tests) and by reviewing our operational policies and procedures with third-party experts. These tests and assessments are useful tools for maintaining a robust cybersecurity program to protect our investors, customers, employees, and vendors. Results of these ongoing activities are reported quarterly to management through the Cyber and Information Technology Steering Committee. In addition, we periodically perform simulations and tabletop exercises at the management level and incorporate external resources and advisors as needed. All employees are required to complete information security training at least once every year, and we require employees in certain roles to complete additional role-based, specialized cybersecurity trainings.

We have continued to expand investments in information security and cybersecurity, including providing additional end-user training, using layered defenses, identifying and protecting critical assets, strengthening monitoring and alerting, and engaging third-party cybersecurity experts. For example, in response to the Bank’s engagement with a third-party cybersecurity consultant to conduct a review of the Company’s information security and cybersecurity program in relation to overall threat trends and specific factors affecting the Bank’s cyber risk profile, the Bank established a three-year program to enhance and mature its cybersecurity program. The Bank is in the third year of its program to enhance and mature its cybersecurity defenses. The Company also maintains cybersecurity insurance provided by carriers that can provide additional technical, legal, and consultation services in the event of a security event that requires additional staff or expertise, including attorneys, forensic accountants, and public relations professionals, among others.

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In addition to assessing our own cybersecurity preparedness, we also identify, evaluate and manage cybersecurity risks associated with use of third-party vendors and service providers. Our third-party risk function conducts an annual review of third-party hosted applications with a specific focus on any sensitive data shared with third parties. Our information security area regularly reviews third-party vendors and service providers, including their System and Organization Controls (SOC) 1 or SOC 2 report. If a third-party vendor or service provider is not able to provide a SOC 1 or SOC 2 report, we take additional steps to assess its cybersecurity preparedness and assess our relationship on that basis. The frequency and granularity of our review of third-party vendors and service providers is based on an assigned risk rating for each third-party vendor and service provider. Our assessment of risks associated with use of third-party vendors and service providers is part of our overall cybersecurity risk management framework.

The Board has ultimate oversight responsibility for the Company's risk management and recognizes the importance of protecting the data provided by the Company's customers and employees and devotes considerable time and attention to overseeing the strategies the Company employs to protect our data and systems and to mitigate against cybersecurity risk. A cybersecurity expert chairs the Risk Committee and provides technology-related insight and guidance to the Company. As part of the Risk Committee's responsibility for monitoring key business and regulatory risks, the Risk Committee receives from both our Chief Information Officer and CISO quarterly reports and materials which include a review of cybersecurity and information technology key risk indicators, test results and related remediation, and any recent cybersecurity threats or incidents and how the Company is managing those threats or incidents. The Risk Committee also periodically reviews reports on the threat environment, vulnerability assessments, results of penetration testing, and potential cybersecurity and data privacy incidents, as well as information on ongoing employee training relating to data privacy and cybersecurity and how to protect data against cyber threats. Further, on a quarterly basis, our CRO presents to the Risk Committee updates from our Director of Enterprise and Operational Management on the Company's business continuity program, which covers, among other things, outages and incidences and disaster recovery and business continuity testing. The Risk Committee also approves the annual risk assessment required by the Gramm-Leach-Bliley Act. Moreover, the CISO follows a risk-based escalation process to notify the Risk Committee outside of the cycle of regular updates when management has identified an emerging risk or material issue related to cybersecurity. The Risk Committee also reports material cybersecurity risks to the full Board, based on our CISO's assessment of risk. In addition, the Audit Committee reviews reports of the Company's internal audit department's periodic audits of our information security area and various components thereof.

We face a number of cybersecurity risks in connection with our business and we have, from time to time, experienced threats to and incidents involving our data and systems. For more information about the cybersecurity risks we face, see the risk factors captioned "*We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding data privacy and cybersecurity, which could increase the cost of doing business, compliance risks and potential liability*" and "*We face cybersecurity risks from cyber-attacks, information security breaches and other similar incidents that could result in the disclosure of confidential and other information (including personal information), adversely affect our business or reputation, and create significant legal and financial exposure.*" In Item 1A- Risk Factors.

Item 2. Properties.

Our corporate headquarters are located in a branch located at 1101 First Street South, Suite 202, Winter Haven, Florida 33880. As of December 31, 2025, our bank owns 108 properties and leases 299 properties, most of which are used as branch locations, mortgage loan production offices, wealth management offices or operations centers in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, Virginia, and Tennessee. We also operate a correspondent banking and capital markets division within our national bank subsidiary, of which the majority of its bond salesmen, traders and operational personnel are housed in facilities located in Georgia, Alabama, Tennessee, and California. In addition, we lease some space in South Carolina, Texas, Colorado, North Carolina, and California related to the correspondent banking and capital markets division and occupy a space in Tennessee related to SouthState Securities. Although the properties owned and leased are generally considered adequate, we have a continuing program of modernization, expansion, and when necessary, occasional replacement of facilities. For additional information relating to the Company's premises, equipment and lease commitments, see accompanying Note 6—Premises and Equipment and Note 19—Leases to our audited consolidated financial statements.

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On January 1, 2025, the Company acquired all of the outstanding common stock of Independent, a Texas corporation, in a stock transaction. Upon the closing of the merger, the Company acquired Independent's 92 branch locations, which are located in Texas and Colorado.

In addition, on January 8, 2025, the Bank entered into an agreement for the purchase and sale of real property with entities affiliated with Blue Owl Real Estate Capital LLC, providing for the sale to entities affiliated with Blue Owl of certain bank branch properties owned and operated by the Bank. The branch properties are located in Florida, South Carolina, Georgia, North Carolina, Alabama, and Virginia. Under the sale agreement, the Bank, concurrently with the closing of the sale of the branches, entered into triple net lease agreements with entities affiliated with Blue Owl, pursuant to which the Bank will lease each of the branches. The Company completed the sale-leaseback transaction on February 28, 2025.

For additional information relating to the Company's acquisition of Independent and the sale-leaseback agreement with entities affiliated with Blue Owl, see accompanying with Note 2—Mergers and Acquisitions and Note 19—Leases to our audited consolidated financial statements.

Item 3. Legal Proceedings.

We or our Bank subsidiary is periodically a party to or otherwise involved in legal proceedings arising in the normal course of business, such as claims to enforce liens, claims involving the making and servicing of real property loans, and other issues incident to our products and services and our businesses. We do not believe any pending or threatened legal proceedings in the ordinary course against the Bank would have a material adverse effect on our consolidated results of operations or consolidated financial position.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

As of February 19, 2026, we had issued and outstanding 98,068,647 shares of common stock which were held by approximately 6,400 registered shareholders. Our common stock trades on the New York Stock Exchange (“NYSE”) under the symbol “SSB.”

The table below describes historical information regarding our common stock for the last five fiscal years:

	2025	2024	2023	2022	2021
Stock Performance					
Dividends per share	\$ 2.28	\$ 2.12	\$ 2.04	\$ 1.98	\$ 1.92
Dividend payout ratio	28.82 %	30.22 %	31.34 %	29.54 %	28.43 %
Dividend yield (based on the average of the high and low for the year)	2.43 %	2.29 %	2.77 %	2.39 %	2.46 %
Price/earnings ratio (based on year-end stock price and diluted earnings per share)	11.96x	14.27x	13.07x	11.57x	11.94x
Price/book ratio (end of year)	1.03x	1.29x	1.16x	1.14x	1.16x
Common Stock Statistics					
Stock price ranges:					
High	\$ 109.64	\$ 114.27	\$ 87.77	\$ 93.34	\$ 93.26
Low	77.74	70.68	59.51	72.26	62.60
Close	94.11	99.48	84.45	76.36	80.11
Volume traded on exchanges	219,247,000	125,585,600	142,642,700	90,603,400	88,780,100
As a percentage of average shares outstanding	216.98 %	164.57 %	187.50 %	121.44 %	126.11 %
Earnings per share, basic	\$ 7.90	\$ 7.01	\$ 6.50	\$ 6.65	\$ 6.76
Earnings per share, diluted	7.87	6.97	6.46	6.60	6.71
Book value per share	91.38	77.18	72.78	67.04	69.27

Quarterly Common Stock Price Ranges and Dividends

The table below describes the high and low trading price and dividends paid on our common stock for each quarterly period within the two most recent fiscal years.

Quarter	Year Ended December 31,					
	2025			2024		
	High	Low	Dividend	High	Low	Dividend
1 st	\$ 109.64	\$ 89.08	\$ 0.54	\$ 87.18	\$ 77.64	\$ 0.52
2 nd	94.79	77.74	0.54	84.52	70.68	0.52
3 rd	105.00	90.41	0.60	102.82	74.69	0.54
4 th	102.18	84.48	0.60	114.27	92.97	0.54

Dividends

We intend to continue to pay comparable quarterly cash dividends on our common stock, subject to approval by our Board of Directors, although we may elect not to pay dividends or to change the amount of such dividends. The payment of dividends is a decision by our Board of Directors based upon then-existing circumstances, including our rate of growth, profitability, financial condition, existing and anticipated capital requirements, the amount of funds legally available for the payment of cash dividends, regulatory constraints and such other factors as the Board of Directors determines relevant.

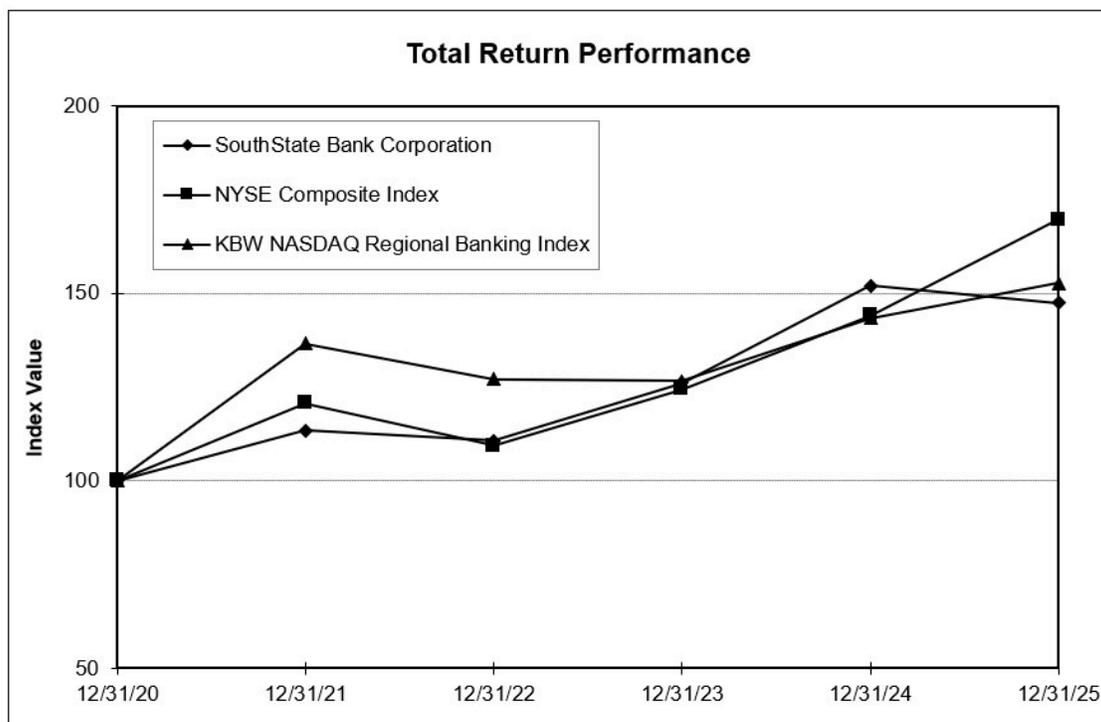
The Company is a legal entity separate and distinct from the Bank. Federal Reserve policy places certain restrictions on our ability pay dividends to our shareholders and Federal bank regulators have also placed restrictions on the Bank’s ability to transfer funds to SouthState in the form of cash dividends. These restrictions are described under Part I - Item 1 – “Supervision and Regulation – *Dividend Restrictions*.”

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We pay cash dividends to our shareholders from our assets, which are provided primarily by dividends paid to SouthState by our Bank. Certain restrictions exist regarding the ability of the Bank to transfer funds to SouthState in the form of cash dividends, loans or advances, as described under Part I - Item 1 – “Supervision and Regulation – *Dividend Restrictions.*” Federal bank regulators have stated that paying dividends that deplete a bank’s capital base to an inadequate level would be an unsafe and unsound banking practice and that banking organizations should generally pay dividends only out of current earnings. The approval of the OCC is required if the total of all dividends declared by the Bank in any calendar year exceeds the total of its net profits for that year combined with its retained net profits for the preceding two years, less any required transfers to surplus. During 2025, the Bank paid dividends to SouthState totaling \$485.0 million. We used these funds primarily to pay dividends to shareholders of approximately \$230.2 million and buyback shares of common stock on the open market of \$224.1 million during 2025.

Stock Performance Graph

The following stock performance graph compares SouthState’s cumulative total shareholder return on our common stock over the most recent five-year period with the NYSE Composite and the KBW NASDAQ Regional Bank Index, an index that comprises performance of U.S. companies that do business as regional banks or thrifts. The stock performance graph assumes \$100 was invested in our common stock and the above indexes on December 31, 2020. The cumulative total return on each investment assumed the reinvestment of dividends.



	Period Ending					
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
SouthState Bank Corporation	\$ 100.00	\$ 113.51	\$ 110.80	\$ 126.07	\$ 152.12	\$ 147.48
NYSE Composite Index	\$ 100.00	\$ 120.68	\$ 109.39	\$ 124.46	\$ 144.12	\$ 169.62
KBW NASDAQ Regional Bank Index	\$ 100.00	\$ 136.64	\$ 127.17	\$ 126.67	\$ 143.39	\$ 152.71

Repurchases of Equity Securities

On February 11, 2025, the Company's 2025 stock repurchase program (the "2025 Repurchase Program") became effective. The 2025 Repurchase Program authorized the Company to repurchase up to 3,000,000 shares, or up to approximately three percent, of the Company's outstanding shares of common stock as of January 2, 2025. During 2025, the Company repurchased 2,440,000 shares at a weighted average price of \$91.85 per share pursuant to the 2025 Stock Repurchase Program. As of December 31, 2025, there was a total of 560,000 shares remaining authorized to be repurchased.

The Board approved a new share repurchase program in January 2026 allowing management to repurchase up to 5,560,000 or approximately 5% of outstanding shares over the next two years ("2026 Repurchase Plan"). As part of that approval, the 2025 Repurchase Program was cancelled and the remaining 560,000 shares under that plan was added to the 2026 Repurchase Plan.

Shares of common stock under the 2026 Stock Repurchase Plan may be repurchased periodically in open market transactions at prevailing market prices, in privately negotiated transactions, or by other means in accordance with federal securities laws. The actual means and timing of any repurchases, target number of shares and prices or range of prices under the 2026 Stock Repurchase Plan may be determined by us in our discretion and depend on a number of factors, including the market price of our common stock, share issuances under our equity plans, general market and economic conditions, and applicable legal and regulatory requirements.

The following table reflects our share repurchase activity during the fourth quarter of 2025:

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 1 - October 31	757,834 *	\$ 89.65	757,519	1,802,481
November 1 - November 30	742,896 *	88.67	742,481	1,060,000
December 1 - December 31	501,604 *	94.99	500,000	560,000
Total	2,002,334		2,000,000	560,000

* During the three months ended December 31, 2025, monthly totals include 315 shares, 415 shares and 1,604 shares, respectively, that were repurchased under arrangements, authorized by our stock based compensation plans and Board of Directors, whereby officers or directors may sell previously owned shares to SouthState in order to pay for the exercises of stock options or for income taxes owed on vesting shares of restricted stock. These shares were not repurchased under the 2025 Stock Repurchase Program.

Item 6. Selected Financial Data.

Pursuant to the November 2020 Amendments, we elect to provide disclosures consistent with the amendments to Regulation S-K, Item 301, which eliminate the requirement to provide selected financial data in comparative tabular form for each of the last five fiscal years.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

Statements included in this Report, which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward looking statements are based on, among other things, management’s beliefs, assumptions, current expectations, estimates and projections about the financial services industry, and the economy. Words and phrases such as “may,” “approximately,” “continue,” “should,” “expects,” “projects,” “anticipates,” “is likely,” “look ahead,” “look forward,” “believes,” “will,” “intends,” “estimates,” “strategy,” “plan,” “could,” “potential,” “possible” and variations of such words and similar expressions are intended to identify such forward-looking statements. We caution readers that forward-looking statements are subject to certain risks, uncertainties and assumptions that are difficult to predict with regard to, among other things, timing, extent, likelihood and degree of occurrence, which could cause actual results to differ materially from anticipated results. Such risks, uncertainties and assumptions, include, among others, those risks listed under “Summary of Risk Factors” starting on page 22 of this Report.

For any forward-looking statements made in this Report or in any documents incorporated by reference into this Report, we claim the protection of the safe harbor for forward looking statements contained in the Private Securities Litigation Reform Act of 1995. All forward-looking statements speak only as of the date they are made and are based on information available at that time. We do not undertake any obligation to update or otherwise revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements. All subsequent written and oral forward-looking statements by us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Additional information with respect to factors that may cause actual results to differ materially from those contemplated by our forward looking statements may also be included in other reports that we file with the SEC. We caution that the foregoing list of risk factors is not exclusive and not to place undue reliance on forward looking statements.

Introduction

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) describes SouthState Bank Corporation and its subsidiary’s results of operations for the year ended December 31, 2025 as compared to the year ended December 31, 2024, and also analyzes our financial condition as of December 31, 2025 as compared to December 31, 2024. Like most banking institutions, we derive most of our income from interest we receive on our loans and investments. Our primary source of funds for making these loans and investments is our deposits, on most of which we pay interest. Consequently, one of the key measures of our success is the amount of net interest income, or the difference between the income on our interest-earning assets, such as loans and investments, and the expense on our interest-bearing liabilities, such as deposits. Another key measure is the spread between the yield we earn on these interest-earning assets and the rate we pay on our interest-bearing liabilities or the net interest margin.

There are risks inherent in all loans, so we maintain an allowance for credit losses to absorb our estimate of probable losses on existing loans that may become uncollectible. We establish and maintain this allowance by recording a provision or recovery for credit losses against our earnings. In the following section, we have included a detailed discussion of this process.

In addition to earning interest on our loans and investments, we earn income through fees and other services we charge to our customers. We incur costs in addition to interest expense on deposits and other borrowings, the largest of which is salaries and employee benefits. We describe the various components of this noninterest income and noninterest expense in the following discussion.

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The following section also identifies significant factors that have affected our financial position and operating results during the periods included in the accompanying financial statements. We encourage you to read this discussion and analysis in conjunction with the financial statements and the related notes and the other information included in this Report.

Overview

SouthState Bank Corporation is a financial holding company headquartered in Winter Haven, Florida. During the third quarter of 2025, the Company was redomiciled to the state of Florida by merging SouthState Corporation, a South Carolina corporation, with and into SouthState Bank Corporation, a Florida corporation that was wholly-owned by SouthState Corporation prior to such merger, and adopting its name. We provide a wide range of banking services and products to our customers through our Bank. The Bank operates SouthState Securities, a registered broker-dealer headquartered in Memphis, Tennessee that serves primarily institutional clients across the U.S. in the fixed income business. The Bank also operates SouthState PCM, Inc., a wholly-owned registered investment advisor. The Bank, through its Corporate Billing Division, provides factoring, invoicing, collection and accounts receivable management services to transportation companies and automotive parts and service providers nationwide. The Bank operates SSB First Street Corporation, an investment subsidiary headquartered in Wilmington, Delaware, to hold tax-exempt municipal investment securities as part of the Bank's investment portfolio. The holding company also owns SSB Insurance Corp., a captive insurance subsidiary pursuant to Section 831(b) of the U.S. Tax Code.

At December 31, 2025, we had \$67.2 billion in assets and 6,317 full-time equivalent employees. Through our Bank branches, ATMs and online banking platforms, we provide our customers with a wide range of financial products and services, through an eight (8) state footprint in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. These financial products and services include deposit accounts such as checking accounts, savings and time deposits of various types, safe deposit boxes, bank money orders, wire transfer and ACH services, brokerage services and alternative investment products such as annuities and mutual funds, trust and asset management services, loans of all types, including business loans, agriculture loans, real estate-secured (mortgage) loans, personal use loans, home improvement loans, automobile loans, manufactured housing loans, boat loans, credit cards, letters of credit, home equity lines of credit, treasury management services, and merchant services.

We also operate a correspondent banking and capital markets division within our national bank subsidiary, of which the majority of its bond salesmen, traders and operational personnel are housed in facilities located in Atlanta, Georgia, Birmingham, Alabama, Memphis, Tennessee, and Walnut Creek, California. This division's primary revenue generating activities are related to its capital markets division, which includes commissions earned on fixed income security sales, fees from hedging services, loan brokerage fees and consulting fees for services related to these activities; and its correspondent banking division, which includes spread income earned on correspondent bank deposits (i.e., federal funds purchased) and correspondent bank checking account deposits and fees from safe-keeping activities, bond accounting services for correspondents, asset/liability consulting related activities, international wires, and other clearing and corporate checking account services.

We earned net income of \$798.7 million, or \$7.87 diluted earnings per share ("EPS"), during 2025 compared to net income of \$534.8 million, or \$6.97 diluted EPS, in 2024. Net income available to the common shareholders was up \$263.9 million, or 49.3%, in 2025 compared to 2024. For further discussion of the Company's results of operations for the year ended December 31, 2025 as compared to the year ended December 31, 2024, see Results of Operations section of this MD&A starting on page 65.

At December 31, 2025, we had total assets of approximately \$67.2 billion compared to approximately \$46.4 billion at December 31, 2024. See the Financial Condition section of this MD&A starting on page 73 for a more detailed description of the change in our balance sheet.

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Our overall asset quality results remained strong during the year. Net charge-offs as a percentage of average loans increased to 0.23% for the year ended December 31, 2025 compared to 0.06% for the year ended December 31, 2024. Net charge-offs, excluding acquisition date charge-offs recorded for PCD loans acquired from Independent of \$56.7 million, to total average loans, during the year ended December 31, 2025 were 0.11%. The increase in charge-offs excluding acquisition date charge-offs on PCD loans acquired from Independent in 2025 was mainly due to one commercial and industrial charge-off recorded in the third quarter of 2025 of \$21.5 million. If this individual charge-off was also excluded, net charge-offs as a percentage of average loans would have been 0.07% for the year 2025, a 0.01% increase compared to the year ended December 31, 2024. The total nonperforming assets (“NPAs”) increased by \$97.9 million to \$311.3 million at December 31, 2025 from \$213.4 million at December 31, 2024. Non-acquired NPAs increased \$23.8 million to \$170.2 million at December 31, 2025 from \$146.5 million at December 31, 2024, which was related to an increase in non-acquired nonperforming loans of \$19.7 million. Non-acquired OREO and other NPAs increased by \$4.1 million to \$5.3 million as of December 31, 2025 compared to \$1.2 million as of December 31, 2024. Acquired NPAs increased \$74.1 to \$141.0 million at December 31, 2025 from \$66.9 million at December 31, 2024. Acquired nonperforming loans increased \$71.8 million and acquired OREO and other nonperforming assets increased \$2.3 million. Total NPAs as a percentage of total assets remained flat at 0.46% at December 31, 2025 and December 31, 2024. We continue to experience solid and stable asset quality numbers and ratios in 2025.

Our efficiency ratio was 53.1% for the year ended December 31, 2025 compared to 56.9% for the same period in 2024. The improvement of our efficiency ratio was due to the result of a 56.1% increase in the total of tax-equivalent net interest income and noninterest income being greater than a 45.7% increase in noninterest expense, excluding amortization of intangibles. The overall increase in both tax-equivalent net interest income and noninterest income and noninterest expense was due to the acquisition of Independent in 2025. The higher increase in tax-equivalent net interest income and noninterest income was due to the \$1.1 billion increase in interest income related to loans held for investment, which was mainly attributable to loans acquired in the acquisition of Independent in 2025.

We continue to remain well-capitalized with a total risk-based capital ratio of 13.8% and a Tier 1 leverage ratio of 9.3%, as of December 31, 2025, compared to 15.0% and 10.0%, respectively, at December 31, 2024. The decline in the capital ratios was mainly due to the effects on capital and assets from the acquisition of Independent. Total risk-based capital increased with the increase in equity resulting from the issuance of shares of common stock for the Independent acquisition, the net income recognized during 2025, along with the increase in the allowance for credit losses and unfunded commitments includable in Tier 2 capital. Total risk-weighted assets increased \$15.8 billion, or 43.7%, in 2025. The decline in the Tier 1 leverage ratio was due to the increase in average assets resulting from the acquisition of Independent. Regulatory average assets used to calculate the Tier 1 leverage ratio increased \$18.3 billion, or 40.4%, in 2025. We believe our current capital ratios position us well to grow both organically and through certain strategic opportunities. For further discussion of the Company’s financial condition as of December 31, 2025 compared to December 31, 2024, see Financial Condition section of this MD&A starting on page 73.

Recent Events

Capital Management

On January 11, 2026, the Board of Directors of the Company approved the 2026 Repurchase Plan authorizing the Company to repurchase up to 5,560,000 shares of the Company’s common stock. This 2026 Repurchase Plan authorization replaces the Company’s pre-existing authorization approved in January 2025, under which 560,000 shares remained available for repurchase, and which was cancelled in connection with the Board’s approval of the 2026 Repurchase Plan. See accompanying with Note 31—Subsequent Events to our audited consolidated financial statements.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared based on the application of accounting policies in accordance with generally accepted accounting principles (“GAAP”) and follow general practices within the banking industry. Our financial position and results of operations are affected by management’s application of accounting policies, including estimates, assumptions and judgments made to arrive at the carrying value of assets and liabilities and amounts reported for revenues and expenses. Differences in the application of these policies could result in material changes in our consolidated financial position and consolidated results of operations and related disclosures. Understanding our accounting policies is fundamental to understanding our consolidated financial position and consolidated results of operations. Accordingly, our significant accounting policies and changes in accounting principles and effects of new accounting pronouncements are discussed in Note 1—Summary of Significant Accounting Policies of our audited consolidated financial statements.

The following is a summary of our critical accounting policies that are highly dependent on estimates, assumptions and judgments.

Business Combinations

We account for acquisitions under FASB ASC Topic 805, *Business Combinations*, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, and liabilities assumed, are recorded at fair value. This includes intangible assets identified as a result of the acquisition. ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires us to record purchased financial assets with credit deterioration (PCD assets), defined as a more-than-insignificant deterioration in credit quality since origination or issuance, at the purchase price plus the allowance for credit losses expected at the time of acquisition. Under this method, there is no provision for credit losses affecting net income on acquired PCD assets. Changes in estimates of expected credit losses after acquisition are recognized as provision for credit loss expense (or recovery of credit losses) in subsequent periods as they arise. Any non-credit discount or premium resulting from acquiring a pool of purchased financial assets with credit deterioration shall be allocated to each individual asset. At the acquisition date, the initial allowance for credit losses determined on a collective basis shall be allocated to individual assets to appropriately allocate any non-credit discount or premium. The non-credit discount or premium, after the adjustment for the allowance for credit losses, shall be accreted into interest income using the interest method based on the effective interest rate determined after the adjustment for credit losses at the adoption date.

A purchased financial asset that does not qualify as a PCD asset is accounted for similar to an originated financial asset. Generally, this means that an entity recognizes the allowance for credit losses for non-PCD assets through net income at the time of acquisition. In addition, both the credit discount and non-credit discount or premium resulting from acquiring a pool of purchased financial assets that do not qualify as PCD assets shall be allocated to each individual asset. This combined discount or premium shall be accreted into interest income using the effective yield method.

For further discussion of our loan accounting and acquisitions, see Note 1—Summary of Significant Accounting Policies, Note 2—Mergers and Acquisitions, Note 4—Loans and Note 5—Allowance for Credit Losses to the audited consolidated financial statements.

Allowance for Credit Losses or ACL

The ACL reflects management’s estimate of the portion of the amortized cost of loans and unfunded commitments that it does not expect to collect. Management has a methodology determining its ACL for loans held for investment and certain off-balance-sheet credit exposures. Management considers the effects of past events, current conditions, and reasonable and supportable forecasts on the collectability of the loan portfolio. The Company’s estimate of its ACL involves a high degree of judgment; therefore, management’s process for determining expected credit losses may result in a range of expected credit losses. It is possible that others, given the same information, may at any point in time reach a different reasonable conclusion. The Company’s ACL recorded on the balance sheet reflects management’s best estimate within the range of expected credit losses. The Company recognizes in net income the amount needed to adjust the ACL for management’s current estimate of expected credit losses. See Note 1—Summary of Significant Accounting Policies for further detailed descriptions of our estimation process and methodology related to the ACL. See also Note 5—Allowance for Credit Losses and “Provision for Credit Losses” in this MD&A.

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One of the most significant judgments influencing the ACL is the macroeconomic forecasts from the third-party service provider. Changes in the economic forecasts may significantly affect the estimated credit losses which may potentially lead to materially different quantitatively modeled allowance levels from one reporting period to the next. Given the dynamic relationship between macroeconomic variables, it is difficult to estimate the impact of a change in any one individual variable on the ACL. SouthState uses a third-party service provider to support the economic forecast assumptions under CECL forecast by providing various levels of economic scenarios. These scenarios are weighted in accordance with management assessment of scenarios as well as expectations of the general market and industry conditions. To illustrate the sensitivity of these scenarios, if a 100% probability weighting was applied to the adverse scenario rather than using the probability-weighted three scenario approach, this would result in an increase in the ACL by approximately \$208 million. Conversely, if a 100% probability weighting was applied to the upside scenario, this would result in a decrease in the ACL by approximately \$122 million. The adverse scenario includes assumptions including, but not limited to, rising unemployment consistent with a recession, high levels of inflation and weakened consumer and business spending, elevated interest rates, tightening credit, widening Federal deficit, and exacerbated geopolitical and trade tensions. Conversely, the upside scenario includes assumptions such as a stronger domestic economy, swift resolution of international conflicts and strengthening global economy, more than full employment, reduced political tensions, and other favorable assumptions. This sensitivity analysis and related impact on the ACL is a hypothetical analysis and is not intended to represent management's judgments at December 31, 2025.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the sum of the estimated fair values of the tangible and identifiable intangible assets acquired less the estimated fair value of the liabilities assumed in a business combination. As of December 31, 2025 and 2024, the balance of goodwill was \$3.1 billion and \$1.9 billion, respectively. Goodwill has an indefinite useful life and is evaluated for impairment annually or more frequently if events and circumstances indicate that the asset might be impaired. An impairment loss is recognized to the extent that the carrying amount exceeds the asset's fair value.

Under the ASU Topic 350, if a reporting unit's carrying amount exceeds its fair value, an entity will record an impairment charge based on the difference. The impairment charge will be limited to the amount of goodwill allocated to the reporting unit. An entity is able to perform an optional qualitative goodwill impairment assessment before proceeding to the quantitative step of determining whether the reporting unit's carrying amount exceeds its fair value.

We evaluated the carrying value of goodwill as of October 31, 2025, our annual test date, and determined that more likely than not that no impairment charge was necessary as the fair value of the entity exceeded the carrying value. We will continue to monitor the impact of current economic conditions and other events on the Company's business, operating results, cash flows and financial condition. If the current economic conditions and other events were to deteriorate and our stock price falls below current levels, we will have to reevaluate the impact on our financial condition and potential impairment of goodwill.

Core deposit intangibles and client list intangibles consist primarily of amortizing assets established during the acquisition of other banks. This includes whole bank acquisitions and the acquisition of certain assets and liabilities from other financial institutions. Core deposit intangibles represent the estimated value of long-term deposit relationships acquired in these transactions. Client list intangibles represent the value of long-term client relationships for the correspondent banking and wealth and trust management business. These costs are amortized over the estimated useful lives, such as deposit accounts in the case of core deposit intangible, on a method that we believe reasonably approximates the anticipated benefit stream from this intangible. The estimated useful lives are periodically reviewed for reasonableness.

Income Taxes and Deferred Tax Assets

Income taxes are provided for the tax effects of the transactions reported in our consolidated financial statements and consist of taxes currently due plus deferred taxes related to differences between the tax basis and accounting basis of certain assets and liabilities. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are reflected at income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. The Company determines the realization of deferred tax assets by considering all positive and negative evidence available, including the impact of recent operating results, future reversals of taxable temporary differences, future taxable income exclusive of reversing temporary differences and carryforwards and tax planning strategies. Determining whether deferred tax assets are realizable is subjective and requires the use of significant judgment. A valuation allowance is provided when it is more-likely-than-not that some portion of the deferred tax asset will not be realized. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. The Company and its subsidiaries file a consolidated federal income tax return. Additionally, income tax returns are filed by the Company or its subsidiaries in various state and local jurisdictions based on the Company's footprint. The tax laws and regulations in each jurisdiction are complex and may be subject to different interpretations by the Company and the relevant taxing authorities. Therefore, the Company is required to exercise judgment in determining tax accruals and evaluating the Company's tax positions, including evaluating uncertain tax positions. See Note 1—Summary of Significant Accounting Policies and Note 11—Income Taxes to the consolidated financial statements for further details and discussion.

Recent Accounting Standards and Pronouncements

For information relating to recent accounting standards and pronouncements, see Note 1—Summary of Significant Accounting Policies to our audited consolidated financial statements entitled "Summary of Significant Accounting Policies."

Results of Operations

Consolidated net income available to common shareholders increased by \$263.9 million, or 49.3%, to \$798.7 million for the year ended December 31, 2025, compared to \$534.8 million for the year ended December 31, 2024. Below are key highlights of our results of operations during 2025:

- A \$1.2 billion increase in interest income, resulting from a \$1.1 billion increase in interest income from loans and loans held for sale, a \$108.3 million increase in interest income from investment securities, and a \$54.1 million increase in interest income on federal funds sold, securities purchased under agreement to resell and interest-bearing deposits (See Net Interest Income section on page 66 for further discussion);
- A \$350.3 million increase in interest expense primarily resulted from a \$323.2 million increase in interest expense from deposits and a \$36.4 million increase in interest expense from subordinated debentures. These increases were partially offset by a \$9.3 million decrease in interest expense from other borrowings (See Net Interest Income section on page 66 for further discussion);
- A \$103.8 million increase in the provision for credit losses, as the Company recorded a provision for credit losses of \$119.8 million in 2025 compared to \$16.0 million in 2024. During 2025, we reported a higher provision for credit losses as the Company recorded the initial provision for credit losses of \$80.0 million and \$12.1 million on the Independent non-PCD loans portfolio and unfunded commitments, respectively;
- A \$75.5 million increase in noninterest income, which resulted primarily due to an increase in correspondent banking and capital market income of \$39.4 million, an increase in trust and investment services income of \$12.7 million and an increase in fees on deposit accounts of \$22.2 million (See Noninterest Income section on page 69 for further discussion);
- A \$519.6 million increase in noninterest expense, resulted primarily from a \$191.0 million increase in salaries and employee benefits expense, a \$97.6 million increase in merger, branch consolidation, severance-related and other expense, a \$72.3 million increase in amortization expense of intangible assets, and a \$70.3 million increase in occupancy expense (See Noninterest Expense section on page 71 for further discussion);

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- Higher income tax provision of \$76.1 million primarily due to the change in pre-tax book income between the two years. The Company recorded pre-tax book income of \$1.0 billion in 2025 compared to pre-tax book income of \$700.2 million in 2024. The Company's effective tax rate was 23.22% for the year ended December 31, 2025 compared to 23.63% for the year ended December 31, 2024;
- Basic earnings per common share increased 12.7% to \$7.90 in 2025, from \$7.01 in 2024;
- Diluted earnings per common share increased 12.9% to \$7.87 in 2025, from \$6.97 in 2024;
- Return on average assets was 1.22% in 2025, an increase compared to 1.17% in 2024. The increase in 2025 compared to 2024 resulted from net income growing at a faster rate than average total assets, with net income increasing by \$263.9 million, or 49.3%, to \$798.7 million while total average assets increasing \$19.6 billion, or 43.0%, to \$65.2 billion in 2025;
- Return on average common shareholders' equity decreased to 9.13% in 2025, compared to 9.41% in 2024, and increased in 2024 from 9.37% in 2023. The decrease in 2025 compared to 2024 was due to the growth in average common shareholders' equity of 53.9% being greater than the increase in net income of 49.3%; and
- Our dividend payout ratio was 28.82% for 2025 compared with 30.22% in 2024 and 31.34% in 2023. The decrease in the dividend payout ratio in 2025 compared to 2024 was due to the increase in net income available to common shareholders of 49.3%, or \$263.9 million, exceeding the increase in total dividends paid during 2025 of 42.5%, or \$68.6 million. The increase in dividends paid was due to the increase in outstanding common shares in 2025 resulting from the issuance of 24.9 million shares of common stock for the acquisition of Independent in the first quarter of 2025, along with the Company increasing its dividend per share from \$0.54 to \$0.60 in the third quarter of 2025.

Net Interest Income

Net interest income is the largest component of our net income. Net interest income is the difference between income earned on interest-earning assets and interest paid on deposits and borrowings. Net interest income is determined by the yields earned on interest-earning assets, rates paid on interest-bearing liabilities, the relative balances of interest-earning assets and interest-bearing liabilities, the degree of mismatch, and the maturity and repricing characteristics of interest-earning assets and interest-bearing liabilities. Net interest income divided by average interest-earning assets represents our net interest margin.

The Federal Reserve implemented total rate cuts of 175 basis-point, beginning with a 50 basis-point reduction in mid-September 2024. This was followed by five additional cuts of 25 basis-point each, one in early November 2024, one in mid-December 2024, one in late October 2025, and the latest one in December 2025. These rate cuts came after a series of rate hikes that began in March 2022, resulting in a target range of 3.50% to 3.75% at December 31, 2025. As a result, the Company operated in a comparatively lower rate environment in 2025 compared to 2024.

2025 compared to 2024

Net interest income and net interest margin are highlighted for the year ended December 31, 2025, compared to 2024:

- The non-tax equivalent and the Tax Equivalent ("TE") net interest margin increased by 51 basis points and 52 basis points, respectively, in 2025 compared to 2024. The net interest margin increased primarily due to a 60-basis point rise in the yield on interest earning assets, while the cost of interest-bearing liabilities remained stable.
 - Overall, our yield on interest-earning assets in 2025 increased 60 basis points to 5.78% from 2024, primarily due to higher yields on investments securities and loans held for investment. The yield on investment securities increased due to the investment portfolio restructuring completed in the first quarter of 2025. The yield on loans increased primarily due to loan accretion recognized during 2025 of approximately \$258.6 million, which was mainly attributable to the loan portfolio acquired from Independent. In addition, the average balance of the higher yielding acquired loans increased by \$10.8 billion and the average balance of investment securities increased by \$1.3 billion, mainly due to balances acquired from Independent, while the average balance of non-acquired loans increased by \$3.5 billion.

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- The average cost of interest-bearing liabilities in 2025 compared to 2024 slightly increased by 2 basis points to 2.61%. The average cost of corporate and subordinated debentures increased by 134 basis points, primarily driven by higher interest expense incurred resulting from a \$419.9 million increase in average balances. The increase in average balances includes the assumption of \$360.5 million in corporate and subordinated debentures in connection with the Independent acquisition, as well as the issuance of \$350.0 million in aggregate principal amount of subordinated notes during the second quarter of 2025. These increases were partially offset by the redemption of \$405.0 million of subordinated debentures that occurred during the latter half of the third quarter of 2025. The cost increase was offset by lower costs associated with other borrowings, federal funds purchased, securities sold with agreements to repurchase, and decreases across all deposit categories, reflecting the comparatively lower rate environment. The average cost of other borrowings was 4.40% for the year 2025. This compares to a cost of 5.55% for the year 2024. The Company had no other borrowings outstanding as of December 31, 2025 and 2024. The average cost of federal funds purchased, securities sold with agreements to repurchase decreased by 96 basis points and 7 basis points, respectively, despite increases of \$56.5 million and \$22.6 million, respectively, in average balances. Our overall cost of funds, including noninterest-bearing deposits, was 1.96% for the year 2025, compared to 1.88% for the year 2024.
- Our net interest income increased by \$887.9 million, or 62.7%, to \$2.3 billion during 2025 compared to 2024, as our interest income increased \$1.2 billion while interest expense increased \$350.3 million.
 - Our interest income increased by \$1.2 billion led by higher acquired loan interest income of \$867.8 million due to a higher average balance of \$10.8 billion, and a higher yield of 126 basis points. Interest income on non-acquired loans increased \$195.8 million due to an increase in the average balance of \$3.5 billion. Interest income on investment securities increased by \$108.3 million due to higher average balance of \$1.3 billion and a higher yield of 89 basis points. Interest income on federal funds sold and repurchase agreements increased by \$54.1 million due to higher average balance of \$1.4 billion. Interest income on loans held for sale increased by \$12.1 million due to a higher average balance of \$162.1 million and a higher yield of 46 basis points.
 - Our interest expense increased by \$350.3 million in 2025 compared to 2024, due primarily to an increase in interest expense on interest-bearing deposits of \$323.2 million. The increase in interest expense on interest-bearing deposit was attributable to an increase in the average balances of \$12.9 billion primarily as a result of the balances assumed from the Independent acquisition. Interest expense on corporate and subordinated debentures and securities sold with agreements to repurchase increased by \$36.4 million and \$260,000, respectively, due to increases in the average balances of \$419.9 million and \$22.6 million, respectively. During 2025, we recorded lower interest expense related to other borrowings of \$9.3 million due to a decrease in the average balance of \$164.5 million. Interest expense on federal funds purchased was lower by \$287,000 despite an increase in the average balance of \$56.5 million, reflecting the comparatively lower rate environment.
- Average interest-earning assets increased by \$17.2 billion, or 41.5%, to \$58.5 billion in 2025 compared to 2024.
 - The increase in the average balance on the acquired loan portfolio of \$10.8 billion was due to the loans acquired in the Independent acquisition, offset by paydowns, pay-offs and renewals of acquired loans that are moved to our non-acquired loan portfolio.
 - The increase in the average balance on non-acquired loan portfolio of \$3.5 billion was due to organic growth and renewals of matured acquired loans that are moved to our non-acquired loan portfolio.
 - The average balance on federal funds sold, securities purchased under agreements to resell and other interest earning deposits increased by \$1.4 billion.
 - The average balance in investment securities increased by \$1.3 billion. The increase in average was primarily due to the Company acquiring \$1.6 billion in investment securities through the acquisition of Independent. These securities were subsequently sold during the first quarter of 2025 with the proceeds reinvested into purchases of new securities that fit the Company's investment strategy. The increase in investment securities related to the Independent acquisition was partially offset by maturities, calls and paydowns on available for sale and held to maturity securities.
 - The increase in the average balance of loans held for sale of \$162.1 million was primarily due to the SBA loans purchased from third-party originators. The Company began purchasing and pooling the guaranteed portion of SBA loans during the third quarter of 2024.

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- Average interest-bearing liabilities increased by \$13.3 billion, or 47.4%, to \$41.3 billion in 2025 compared to 2024.
 - The average balance of interest-bearing deposits increased by \$12.9 billion mainly due to \$12.0 billion of interest-bearing deposits assumed from Independent in the first quarter of 2025. Money market, transaction, time deposit, and savings accounts' average balances increased by \$4.9 billion, \$4.7 billion, \$2.9 billion, and \$391.3 million, respectively.
 - The average balance of federal funds purchased increased by \$56.5 million and repurchase agreements increased by \$22.6 million.
 - The average balance of corporate and subordinated debentures increased by \$419.9 million. The increase in average balances includes the assumption of \$360.5 million in corporate and subordinated debentures in connection with the Independent acquisition, as well as the issuance of \$350.0 million in aggregate principal amount of subordinated notes during the second quarter of 2025. These increases were partially offset by the redemption of \$405.0 million of subordinated debentures that occurred during the latter half of the third quarter of 2025.
 - The average balance of other borrowings decreased by \$164.5 million. The Company utilized short-term borrowings from the FHLB, FRB Discount Window, AFX and US Bank line of credit throughout 2025, mostly in early 2025. In 2024, the Company utilized FHLB advances until the third quarter of 2024, as deposits markets became more competitive. All of the outstanding balance was subsequently paid off, with no outstanding balances as of December 31, 2025 and 2024.

Table 1—Yields on Average Interest-Earning Assets and Rates on Average Interest-Bearing Liabilities

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate
Assets									
Interest-earning assets:									
Non-acquired loans, net of unearned income ⁽¹⁾	\$ 31,413,927	\$ 1,791,729	5.70 %	\$ 27,920,075	\$ 1,595,916	5.72 %	\$ 24,813,599	\$ 1,312,452	5.29 %
Acquired loans, net	15,974,336	1,191,072	7.46 %	5,212,144	323,225	6.20 %	6,589,692	401,914	6.10 %
Loans held for sale	262,000	18,775	7.17 %	99,857	6,697	6.71 %	30,740	2,039	6.63 %
Investment securities ⁽²⁾ :									
Taxable	7,680,915	260,119	3.39 %	6,435,688	155,470	2.42 %	7,014,604	162,907	2.32 %
Tax-exempt	876,525	26,573	3.03 %	813,960	22,928	2.82 %	813,695	23,455	2.88 %
Federal funds sold, securities purchased under agreement to resell and interest-earning deposits with banks	2,251,227	91,230	4.05 %	817,853	37,126	4.54 %	836,068	41,639	4.98 %
Total interest-earning assets	58,458,930	3,379,498	5.78 %	41,299,577	2,141,362	5.18 %	40,098,398	1,944,406	4.85 %
Noninterest-earning assets:									
Cash and due from banks	570,621			437,084			471,418		
Other assets	6,825,790			4,366,169			4,486,196		
Allowance for credit losses	(607,258)			(465,809)			(400,051)		
Total noninterest-earning assets	6,789,153			4,337,444			4,557,563		
Total assets	\$ 65,248,083			\$ 45,637,021			\$ 44,655,961		
Liabilities									
Interest-bearing liabilities:									
Deposits									
Transaction and money market accounts	\$ 29,618,180	\$ 716,185	2.42 %	\$ 19,991,510	\$ 488,865	2.45 %	\$ 17,843,581	\$ 307,692	1.72 %
Savings deposits	2,884,938	7,723	0.27 %	2,493,636	7,282	0.29 %	2,961,654	7,514	0.25 %
Certificates and other time deposits	7,304,382	271,101	3.71 %	4,394,644	175,678	4.00 %	4,042,052	125,051	3.09 %
Federal funds purchased	337,538	14,359	4.25 %	281,031	14,646	5.21 %	225,642	11,457	5.08 %
Securities sold with agreements to repurchase	290,289	5,882	2.03 %	267,713	5,622	2.10 %	317,879	4,132	1.30 %
Corporate and subordinated debentures	811,652	60,293	7.43 %	391,729	23,874	6.09 %	392,099	23,617	6.02 %
Other borrowings	14,728	648	4.40 %	179,235	9,941	5.55 %	243,014	12,335	5.08 %
Total interest-bearing liabilities	41,261,707	1,076,191	2.61 %	27,999,498	725,908	2.59 %	26,025,921	491,798	1.89 %
Noninterest-bearing liabilities:									
Noninterest-bearing deposits	13,581,113			10,515,850			11,777,053		
Other liabilities	1,653,888			1,435,705			1,575,621		
Total noninterest-bearing liabilities	15,235,001			11,951,555			13,352,674		
Shareholders' equity	8,751,375			5,685,968			5,277,366		
Total noninterest-bearing liabilities and shareholders' equity	23,986,376			17,637,523			18,630,040		
Total liabilities and shareholders' equity	\$ 65,248,083			\$ 45,637,021			\$ 44,655,961		
Net interest spread			3.17 %			2.59 %			2.96 %
Net interest income and margin (non-taxable equivalent)		\$ 2,303,307	3.94 %		\$ 1,415,454	3.43 %		\$ 1,452,608	3.62 %
TEFRA (included in net interest margin, tax equivalent)		2,973			2,192			3,023	
Net interest income and margin (taxable equivalent)		\$ 2,306,280	3.95 %		\$ 1,417,646	3.43 %		\$ 1,455,631	3.63 %
Total Deposit Cost (without corporate and subordinated debentures and other borrowings)			1.86 %			1.80 %			1.20 %
Overall Cost of Funds (including interest-bearing deposits)			1.96 %			1.88 %			1.30 %

(1) Nonaccrual loans are included in the above analysis.
 (2) Investment securities (taxable and tax-exempt) include trading securities.

Table 2—Volume and Rate Variance Analysis

(Dollars in thousands)	2025 Compared to 2024 Increase (Decrease) due to			2024 Compared to 2023 Increase (Decrease) due to		
	Volume ⁽¹⁾	Rate ⁽¹⁾	Total	Volume ⁽¹⁾	Rate ⁽¹⁾	Total
Interest income on:						
Non-acquired loans, net of unearned income ⁽²⁾	\$ 199,709	\$ (3,896)	\$ 195,813	\$ 164,309	\$ 119,155	\$ 283,464
Acquired loans ⁽²⁾	667,405	200,442	867,847	(84,018)	5,329	(78,689)
Loans held for sale	10,874	1,204	12,078	4,585	73	4,658
Investment securities:						
Taxable	30,082	74,567	104,649	(13,445)	6,008	(7,437)
Tax exempt ⁽³⁾	1,762	1,883	3,645	8	(535)	(527)
Federal funds sold and securities purchased under agreements to resell and time deposits	65,067	(10,963)	54,104	(907)	(3,606)	(4,513)
Total interest income	<u>974,899</u>	<u>263,237</u>	<u>1,238,136</u>	<u>70,532</u>	<u>126,424</u>	<u>196,956</u>
Interest expense on:						
Deposits						
Transaction and money market accounts	235,407	(8,087)	227,320	37,039	144,134	181,173
Savings deposits	1,143	(702)	441	(1,187)	955	(232)
Certificates and other time deposits	116,384	(20,961)	95,423	10,877	39,750	50,627
Federal funds purchased	2,945	(3,232)	(287)	2,812	377	3,189
Securities sold under agreements to repurchase	474	(214)	260	(652)	2,142	1,490
Other borrowings	15,127	11,999	27,126	(3,631)	1,494	(2,137)
Total interest expense	<u>371,480</u>	<u>(21,197)</u>	<u>350,283</u>	<u>45,258</u>	<u>188,852</u>	<u>234,110</u>
Net interest income	<u>\$ 603,419</u>	<u>\$ 284,434</u>	<u>\$ 887,853</u>	<u>\$ 25,274</u>	<u>\$ (62,428)</u>	<u>\$ (37,154)</u>

- (1) The rate/volume variance for each category has been allocated on the same basis between rate and volumes.
(2) Nonaccrual loans are included in the above analysis.
(3) Tax exempt income is not presented on a taxable-equivalent basis in the above analysis.

Noninterest Income and Expense

Noninterest income provides us with additional revenues that are significant sources of income. In 2025, 2024, and 2023, noninterest income comprised 14.1%, 17.6%, and 16.5%, respectively, of total net interest income and noninterest income.

Table 3—Noninterest Income for the Three Years

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Service charges on deposit accounts	\$ 102,773	\$ 91,333	\$ 88,271
Debit, prepaid, ATM and merchant card related income	55,551	44,761	40,744
Mortgage banking income	24,293	20,047	13,355
Trust and investment services income	58,192	45,474	39,447
Correspondent banking and capital markets income	71,987	32,619	49,101
Securities (losses) gain, net	(228,811)	(50)	43
Gain on sale-leaseback, net of transaction costs	229,279	—	—
SBA income	9,196	16,226	13,929
Bank owned life insurance income	39,582	30,484	26,690
Other	15,702	21,368	15,326
Total noninterest income	<u>\$ 377,744</u>	<u>\$ 302,262</u>	<u>\$ 286,906</u>

2025 compared to 2024

Our noninterest income increased by \$75.5 million, or 25.0%, for the year ended December 31, 2025 compared to 2024. This change in total noninterest income resulted from the following:

- Service charges on deposit accounts were higher in 2025 by \$11.4 million, or 12.5%, compared to 2024. The increase was mainly attributable to deposit accounts assumed from Independent. Account maintenance fees increased by \$8.7 million and retail service charges increased by approximately \$2.3 million in 2025 compared to 2024.
- Debit, prepaid, ATM and merchant card related income increased by \$10.8 million, or 24.1%, in 2025 compared to 2024. The increase in debit, ATM, prepaid and merchant card related income was mainly attributable to higher bank card and ATM related fee income \$7.7 million and higher card and ATM system expense of \$3.1 million.

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- Mortgage banking income increased by \$4.2 million, or 21.2%, which comprised of a \$2.7 million, or 18.5%, increase in secondary market mortgage income and a \$1.5 million, or 28.7%, increase in mortgage servicing related income. Mortgage production increased from \$1.9 billion in 2024 to \$2.5 billion in 2025 with relatively lower mortgage rates in 2025 compared to the same period in 2024. During 2025, we sold 37% of our mortgage production to the secondary market versus 58% in 2024.
 - Mortgage income from the secondary market increased by \$2.7 million between the comparable periods resulting from a \$5.5 million increase in gain on sale of mortgage loans, which is net of the commission expense related to mortgage production, offset primarily by decreases in the fair value of MBS forward trades of \$1.9 million. Mortgage commission expense was \$7.6 million during 2025 compared to \$11.3 million during 2024.
 - The mortgage servicing related income, net of the hedge, increased by \$1.5 million in 2025. The increase was mainly due to a \$1.4 million increase in the change in fair value of the MSR, including decay. The increase in fair value of the MSR between the comparable periods was primarily due to an increase from gains/losses on the MSR hedge of \$10.2 million, offset by a decrease in the change in fair value from interest rates of \$9.0 million.
 - Trust and investment services income increased by \$12.7 million, or 28.0%, in 2025 compared to 2024, as assets under management have increased by \$66.1 million, or 0.6%, in that same time frame. The trust and investment services income increased during 2025, primarily due to higher asset values and the addition of new clients through wealth management services provided by Private Capital Management LLC (“PCM”), which became the Bank’s wholly owned subsidiary through the Company’s acquisition of Independent during 2025. Effective December 31, 2025, PCM and SouthState Advisory, Inc., both wholly-owned registered investment advisors of the Bank, merged and now operate under the name SouthState PCM.
 - Correspondent banking and capital markets income increased by \$39.4 million, or 120.7%, from 2024. The increase was primarily related to an increase of \$15.8 million in income generated from the sale of customer swap ARC hedges during 2025 compared to 2024, resulting from the comparatively lower interest rates in 2025. The increase was also due to lower expense attributable to the variation margin payments for centrally cleared swaps where we recorded an expense of \$20.0 million related to variation margin payments in 2025 compared to \$36.5 million in 2024.
 - During the first quarter of 2025, the Company recorded net losses of \$228.8 million on the sales of investment securities, excluding the sales of investment securities acquired from Independent.
 - The Company recorded a gain on the sale of bank properties of \$229.3 million, net of transaction costs, from a sale-leaseback transaction completed in February 2025.
 - SBA income decreased by \$7.0 million, or 43.3%, compared to 2024. SBA income includes changes in the fair value of the servicing asset, loan servicing fees and gains on sale of SBA loans. The decrease was primarily attributable to lower gains on the sale of SBA loans of \$6.3 million.
 - Bank owned life insurance income increased by \$9.1 million, or 29.8%, in 2025 compared to 2024. This increase was primarily due to the acquisition of bank owned life insurance assets from Independent.
 - Other income decreased by \$5.7 million, or 26.5%, in 2025 compared to 2024. In 2025, the Company recognized approximately \$6.9 million in gains from the sale of a bank property held for sale. The Company also recorded \$5.6 million in impairment expense related to a Right-of-Use (“ROU”) asset. During 2024, the Company recognized approximately \$5.2 million of benefit from federal tax refunds received for net operating loss carrybacks.
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Table 4—Noninterest Expense for the Three Years

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Salaries and employee benefits	\$ 797,835	\$ 606,869	\$ 583,398
Occupancy expense	160,441	90,103	88,695
Information services expense	120,948	92,193	84,472
OREO and loan related expense	10,373	4,687	1,716
Amortization of intangibles	94,722	22,395	27,558
Business development and staff related expense	36,085	23,782	25,055
Supplies, printing and postage expense	13,969	10,558	10,578
Professional fees	21,771	16,404	18,547
FDIC assessment and other regulatory charges	40,985	31,152	33,070
FDIC special assessment	(3,835)	3,852	25,691
Advertising and marketing	12,990	9,143	9,474
Merger, branch consolidation, severance-related, and other expense	117,768	20,133	13,162
Other	97,032	70,222	73,164
Total noninterest expense	<u>\$ 1,521,084</u>	<u>\$ 1,001,493</u>	<u>\$ 994,580</u>

2025 compared to 2024

Noninterest expense represents the largest expense category for the Company. Noninterest expense increased \$519.6 million, or 51.9%, for the year ended December 31, 2025 compared to 2024. The change in total noninterest expense resulted from the following:

- Salaries and employee benefits increased by \$191.0 million, or 31.5%, in 2025 compared to 2024. The increase was primarily associated with the addition of Independent employees during the first quarter of 2025. Salaries increased by \$110.3 million resulting from both merit increases and an increase in the number of employees, along with higher commission and incentive expense of \$46.4 million and higher employee benefits from higher FICA tax paid and medical insurance expense of \$34.2 million during 2025.
- Occupancy expense increased by \$70.3 million, or 78.1%, in 2025 compared to 2024. The increase was primarily due to increases in lease expense and branch maintenance and repair expenses of \$54.1 million and \$17.8 million, respectively. The increase in the lease expense was primarily due to the sale-leaseback transaction completed in February 2025.
- Information services expense increased by \$28.8 million, or 31.2%, in 2025 compared to 2024. The increase was due to additional costs associated with the Company updating systems and expenses associated with transferring, managing, and processing data as it grows in size and complexity.
- OREO expense and loan related expense increased by \$5.7 million, or 121.3%, in 2025 compared to 2024, primarily due to a \$6.1 million increase in loan related expenses, including legal, tax and other costs.
- Amortization of intangibles increased by \$72.3 million, or 323.0%, which is related to the Independent acquisition.
- Business development and staff related expense increased \$12.3 million, or 51.7%, in 2025 compared to 2024, due mainly to the increase in employees resulting from the Independent acquisition and additional employee travel, training, and entertainment-related costs.
- Professional fees increased by \$5.4 million, or 32.7%, in 2025 compared to 2024. This increase was primarily due to an increase in legal fees of \$3.4 million and an increase in consulting related fees totaling \$1.7 million.
- FDIC assessment and other regulatory charges, excluding the FDIC special assessment, increased by \$9.8 million, or 31.6% in 2025 compared to 2024. The increase reflects changes in the Company's size, primarily due to the acquisition of Independent, and complexity along with the effects from the increase in the Company's classified assets.
- The FDIC's special assessment decreased by \$7.7 million as the FDIC announced a projected reduction in the special assessment rate in late 2025. The FDIC announced an interim final rule to reduce the special assessment rate, which resulted in a reduction of our assessment accrual by approximately \$3.8 million. The Company accrued a total of \$3.9 million during 2024.

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- Merger, branch consolidation, severance-related, and other expense increased by \$97.6 million, or 485.0%, in 2025 compared to 2024. Of the \$117.8 million of expense recognized in 2025, approximately \$119.8 million pertains to the Independent acquisition. The expense was partially offset by an insurance reimbursement of approximately \$3.6 million received in 2025. The reimbursement pertains to costs previously incurred in connection with the cybersecurity incident in February 2024.
- Other noninterest expense increased by \$26.8 million, or 38.2%, in 2025 compared to 2024. This increase was primarily driven by increases in earnings credit expense to Homeowners Association (“HOA”) customers of \$7.1 million. The Bank provides credit to HOA customers based on the average deposit balances held that reduces fees for other services provided. Additional increases included a \$6.6 million increase in other miscellaneous operational expense and an approximately \$2.6 million increase in donations. The remaining increases was attributed to a number of smaller expense increase across various categories, reflecting higher operating costs associated with the full-year impact of the Company’s acquisition of Independent.

Income Tax Expense

Our effective tax rate decreased to 23.22% at December 31, 2025, compared to 23.63% for the year-ended December 31, 2024. The decrease was primarily due to a decrease in state tax expense due to state tax planning and lowering of related state apportionment in specific jurisdictions as well as the increase in tax-exempt income and an increase in the cash surrender value of BOLI policies held by the Bank. This benefit was partially offset by the increase in pretax book income and higher non-deductible executive compensation and disallowed FDIC premiums during the current period, when compared to 2024. For additional information refer to Note 11—Income Taxes in the consolidated financial statements.

Segment Reporting

As discussed in Note 29—Segment Reporting, the Company’s operations are managed and financial performance is evaluated on an organization-wide basis, and the Company’s banking and finance operations are considered by management to constitute one reportable operating segment, the General Banking Unit.

The Company’s Chief Operating Decision Maker (“CODM”), the Executive Committee, consists of the Company’s senior executive management team, including the Chief Executive Officer, Chief Strategy Officer, President, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer, Chief Credit Officer and other executives. The CODM generally meets monthly to assess performance of the General Banking Unit using a variety of figures, metrics and key performance indicators. In addition to net income and non-Tax Equivalent (“TE”) Net Interest Margin (“NIM”), the CODM considers Pre-Provision Net Revenue (“PPNR”) and TE NIM to make business decisions. The CODM monitors these profitability measures at each meeting, and is regularly featured in various investor presentations, earnings releases, and other internal management reports. These performance and profitability measures influence business decisions and allocation of resources within the General Banking Unit.

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The table below provides PPNR and TE NIM information of the General Banking Unit.

Table 5— Pre-Provision Net Revenue and Tax Equivalent Net Interest Margin

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Revenue, Adjusted (Non-GAAP)			
Net interest income (GAAP) (a)	\$ 2,303,307	\$ 1,415,454	\$ 1,452,608
Plus:			
Noninterest income	377,744	302,262	286,906
Revenue (GAAP)	\$ 2,681,051	\$ 1,717,716	\$ 1,739,514
Less:			
Securities (losses) gain, net	(228,811)	(50)	43
Gain on sale-leaseback, net of transaction costs	229,279	—	—
Revenue, adjusted (Non-GAAP)	\$ 2,680,583	\$ 1,717,766	\$ 1,739,471
PPNR, Adjusted (Non-GAAP)			
Revenue, adjusted (Non-GAAP)	\$ 2,680,583	\$ 1,717,766	\$ 1,739,471
Less:			
Noninterest expense	1,521,084	1,001,493	994,580
PPNR (Non-GAAP)	\$ 1,159,499	\$ 716,273	\$ 744,891
Plus:			
Merger, branch consolidation, severance-related, and other expense	117,768	20,133	13,162
FDIC special assessment	(3,835)	3,852	25,691
PPNR, adjusted (Non-GAAP)	\$ 1,273,432	\$ 740,258	\$ 783,744
Net Interest Margin, Tax Equivalent ("TE") (non-GAAP)			
Average interest earning assets (b)	\$ 58,458,930	\$ 41,299,577	\$ 40,098,398
Net interest margin, non-TE ((a)/(b)) (GAAP)	3.94%	3.43%	3.62%
TE adjustment (c)	2,974	2,192	3,023
Net interest margin, TE (((a)+(c))/(b)) (non-GAAP)	3.95%	3.43%	3.63%

Financial Condition

Overview

At December 31, 2025, we had total assets of approximately \$67.2 billion, consisting principally of \$48.6 billion in total loans, before taking into account the allowance for credit losses of \$585.2 million, \$8.7 billion in investment securities, \$3.2 billion in cash and cash equivalents and \$3.1 billion in goodwill. Our liabilities at December 31, 2025 totaled \$58.1 billion, consisting principally of deposits of \$55.1 billion (\$13.4 billion in noninterest-bearing and \$41.8 billion in interest-bearing), \$554.7 million derivative liabilities and \$1.3 billion of short-term and long-term borrowings. At December 31, 2025, our shareholders' equity was \$9.1 billion.

At December 31, 2024, we had total assets of approximately \$46.4 billion, consisting principally of \$33.9 billion in total loans, before taking into account the allowance for credit losses of \$465.3 million, \$6.8 billion in investment securities, \$1.4 billion in cash and cash equivalents and \$1.9 billion in goodwill. Our liabilities at December 31, 2024 totaled \$40.5 billion, consisting principally of deposits of \$38.1 billion (\$10.2 billion in noninterest-bearing and \$27.9 in interest-bearing) and short-term and long-term borrowings of \$906.4 million. At December 31, 2024, our shareholders' equity was \$5.9 billion.

Book value per common share was \$91.38 at the end of 2025, an increase from \$77.18 at the end of 2024. Book value per common share increased in 2025 as shareholder equity increased by \$3.2 billion, or 53.8%, while common shares outstanding increased by 29.9%. The primary reason for an increase in shareholders' equity was primarily due to the acquisition of Independent. The Company issued \$2.5 billion in stock related to the acquisition of Independent.

Our common equity to assets ratio increased to 13.5% in 2025, compared to 12.7% in 2024. The improvement during 2025 was due to an increase in shareholders' equity of 53.8%, resulting from the items noted above, while total assets increased 44.9%.

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Trading Securities

We have a trading portfolio associated with our Correspondent Bank Division and its subsidiary SouthState Securities. This portfolio is carried at fair value and realized and unrealized gains and losses are included in trading securities revenue, a component of Correspondent Banking and Capital Markets Income in our Consolidated Statements of Income. Securities purchased for this portfolio have primarily been municipal bonds, treasuries, mortgage-backed agency securities, and SBA securities, which are held for short periods of time and totaled \$110.2 million and \$102.9 million at December 31, 2025 and 2024, respectively.

Investment Securities

We use investment securities, our second largest category of earning assets, to generate interest income, provide liquidity, fund loan demand or deposit liquidation, and pledge as collateral for public funds deposits, repurchase agreements, derivative exposures and to augment borrowing capacity at the Federal Reserve Bank of Atlanta, and the Federal Home Loan Bank of Atlanta. At December 31, 2025 and 2024, investment securities totaled \$8.7 billion and \$6.8 billion, respectively. For the year ended December 31, 2025, average investment securities were \$8.4 billion, or 14.3% of average earning assets, compared with \$7.1 billion, or 17.6% of average earning assets for the year ended December 31, 2024. The expected average life of the investment portfolio at December 31, 2025 was approximately 5.83 years, compared with 7.73 years at December 31, 2024. See Note 1—Summary of Significant Accounting Policies in the audited consolidated financial statements for our accounting policy on investment securities.

As securities are purchased, they are designated as held to maturity or available for sale based upon our intent, which considers liquidity needs, interest rate expectations, asset/liability management strategies, and capital requirements.

The following table presents the reported values of investment securities for the past two years:

Table 6—Values of Investment Securities

(Dollars in thousands)	December 31,	
	2025	2024
Held to Maturity (amortized cost):		
U.S. Government agencies	\$ 132,913	\$ 147,272
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,153,024	1,297,543
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	379,107	411,721
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	336,910	348,338
Small Business Administration loan-backed securities	46,076	49,796
Total held to maturity	<u>\$ 2,048,030</u>	<u>\$ 2,254,670</u>
Available for Sale (fair value):		
U.S. Treasuries	—	10,656
U.S. Government agencies	—	150,418
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,698,108	1,377,525
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	2,185,584	459,095
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	832,449	1,040,555
State and municipal obligations	1,007,412	945,723
Small Business Administration loan-backed securities	568,433	310,112
Corporate securities	21,770	26,509
Total available for sale	<u>6,313,756</u>	<u>4,320,593</u>
Total other investments	353,428	223,613
Total investment securities	<u>\$ 8,715,214</u>	<u>\$ 6,798,876</u>

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During 2025, our total investment securities increased \$1.9 billion, or 28.2%, from December 31, 2024. The Company acquired \$1.6 billion in investment securities through the acquisition of Independent. A majority of these securities were subsequently sold with the proceeds reinvested into securities that fit the Company's investment strategy. The Company also executed a securities repositioning and sold investment securities with a book value of approximately \$1.8 billion at a loss of \$228.8 million and used the proceeds to purchase new securities. This securities repositioning improved the yield and risk weightings and shortened the duration of the investment portfolio.

The Company purchased \$7.1 billion of investment securities during the year ended December 31, 2025, funded by maturities, calls, and paydowns, along with reinvestment of proceeds from the sales of securities acquired from Independent, and proceeds from the sale of securities involved in the repositioning strategy. The increases in investment securities from the acquisition and purchases were partially offset as a result of maturities, calls, and paydowns of investment securities totaling \$7.0 billion and a reduction from the net amortization of premiums of \$11.0 million during the year ended December 31, 2025. All of the \$7.1 billion in purchases of investment securities during the year ended December 31, 2025, were classified as available for sale securities or other investment securities. There were no purchases of held to maturity securities during the year ended December 31, 2025.

At December 31, 2025, the unrealized net loss of the available for sale investment securities portfolio was \$382.8 million, or 5.7%, below its amortized cost basis. Comparable valuations at December 31, 2024 reflected an unrealized net loss of the available for sale investment portfolio of \$808.6 million, or 15.8%, below its amortized cost basis. The decrease in the unrealized net loss of the available for sale portfolio at December 31, 2025 compared to December 31, 2024 was due to the securities restructuring executed during the first quarter of 2025 and the impact of lower interest rates on the value of the securities portfolio. At December 31, 2025, the unrealized net loss of the held to maturity investment securities portfolio was \$315.2 million, or 15.4%, below its amortized cost basis. At December 31, 2024, the unrealized net loss of the held to maturity investment securities portfolio was \$420.1 million, or 18.6%, below its amortized cost basis.

Table 7—Credit Ratings of Investment Securities

(Dollars in thousands)	Amortized Cost	Fair Value	Unrealized Net Loss	AAA–A	Not Rated
December 31, 2025					
U.S. Government agencies	\$ 132,913	\$ 117,146	\$ (15,767)	\$ 132,913	\$ —
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises *	2,979,331	2,674,031	(305,300)	90	2,979,241
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises *	2,587,817	2,509,459	(78,358)	—	2,587,817
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises *	1,240,119	1,111,027	(129,092)	53,442	1,186,677
State and municipal obligations	1,141,377	1,007,412	(133,965)	1,135,216	6,161
Small Business Administration loan-backed securities	640,049	605,761	(34,288)	640,049	—
Corporate securities	23,000	21,770	(1,230)	—	23,000
	<u>\$ 8,744,606</u>	<u>\$ 8,046,606</u>	<u>\$ (698,000)</u>	<u>\$ 1,961,710</u>	<u>\$ 6,782,896</u>

* Agency mortgage-backed securities ("MBS"), agency collateralized mortgage-obligations ("CMO") and agency commercial mortgage-backed securities ("CMBS") are guaranteed by the issuing government-sponsored enterprise ("GSE") as to the timely payments of principal and interest. Except for Government National Mortgage Association securities, which have the full faith and credit backing of the United States Government, the GSE alone is responsible for making payments on this guaranty. While the rating agencies have not rated any of the MBS, CMO and CMBS issued, senior debt securities issued by GSEs are rated consistently as "Triple-A." Most market participants consider agency MBS, CMOs and CMBSs as carrying an implied Aaa rating (S&P rating of AA+) because of the guarantees of timely payments and selection criteria of mortgages backing the securities. We do not own any private label mortgage-backed securities. The balances presented under the ratings above reflect the amortized cost of the investment securities.

Held to maturity

As described above, the Company elected to classify some of its securities as held to maturity at the time of purchase. The securities designated as held to maturity are securities the Company does not intend to sell and expects to hold through maturity. The securities consist of \$132.9 million of agency securities, \$1.9 billion of residential and commercial mortgage-backed securities issued by U.S government agencies or sponsored enterprises and \$46.1 million of Small Business Administration loan-backed securities. The following are highlights of our held to maturity portfolio:

- Total amortized cost of held to maturity portfolio totaled \$2.0 billion.
- The balance of securities held to maturity represented 3.0% of total assets at December 31, 2025.
- No purchases or sales of held to maturity investment securities in 2025; maturities, calls and paydowns totaled \$202.5 million in 2025.

Available for sale

Securities available for sale consist of debentures of government sponsored entities, state and municipal bonds, residential and commercial mortgage-backed securities issued by U.S government agencies or sponsored enterprises, Small Business Administration loan-backed securities and corporate securities. At December 31, 2025, investment securities with a fair value and amortized cost of \$6.3 billion and \$6.7 billion, respectively, were classified as available for sale. The adjustment for net unrealized losses of \$382.8 million between the carrying value of these securities and their amortized cost has been reflected, net of tax, in the Consolidated Balance Sheet as a component of Accumulated Other Comprehensive Loss. The following are highlights of our available for sale securities:

- Total securities available for sale increased \$2.0 billion, or 46.1%, from the balance at December 31, 2024. The net unrealized loss position on the investment portfolio decreased \$425.8 million and net amortization of premiums was \$6.9 million during 2025. We purchased \$7.0 billion of available for sale investment securities in 2025, partially offset by maturities, calls and paydowns totaling \$3.8 billion and sales totaling \$2.6 billion in 2025. These purchases included \$1.6 billion in acquired balances from Independent.
- The balance of securities available for sale represented 9.4% of total assets at December 31, 2025 and 9.3% of total assets at December 31, 2024.
- Interest income earned on all investment securities in 2025 was \$286.7 million, an increase of \$108.3 million, or 60.7%, from \$178.4 million in 2024. The increase was due to an increase in total average securities balances of \$1.3 billion in 2025 and an increase in the yield on investment securities. Both were primarily a result of the securities acquired and reinvested in the Independent acquisition and the securities portfolio restructuring executed during 2025.

At December 31, 2025, we had 1,073 investment securities (including both available for sale and held to maturity) in an unrealized loss position, which totaled \$737.2 million, compared to 1,214 investment securities in an unrealized loss position, which totaled \$1.3 billion at December 31, 2024. See Note 1—Summary of Significant Accounting Policies and Note 3—Investment Securities in the consolidated financial statements for additional information.

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Management evaluates securities for impairment where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value on at least a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. For securities designated as available for sale, credit losses are calculated individually, rather than collectively, using a discounted cash flow method, whereby management compares the present value of expected cash flows with the amortized cost basis of the security. The credit loss component would be recognized through the provision for credit losses. Consideration is given to (1) the financial condition and near-term prospects of the issuer including looking at default and delinquency rates, (2) the outlook for receiving the contractual cash flows of the investments, (3) the extent to which the fair value has been less than cost, (4) our intent to hold the security as well as there being no requirement to sell the security, (5) the anticipated outlook for changes in the general level of interest rates, (6) credit ratings, (7) third-party guarantees, and (8) collateral values. In analyzing an issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred, the results of reviews of the issuer's financial condition, and the issuer's anticipated ability to pay the contractual cash flows of the investments. The Company performed an analysis that determined that the following securities have a zero expected credit loss: U.S. Treasury Securities, Agency-Backed Securities including securities issued by Ginnie Mae, Fannie Mae, FHLB, FFCB and SBA. All of the U.S. Treasury and Agency-Backed Securities have the full faith and credit backing of the United States Government or the credit backing of one of its agencies. Municipal securities and all other securities that do not have a zero expected credit loss are evaluated quarterly to determine whether there is a credit loss associated with a decline in fair value. All debt securities in an unrealized loss position as of December 31, 2025 continue to perform as scheduled and we do not believe there is a credit loss or a provision for credit losses is necessary. Also, as part of our evaluation of our intent and ability to hold investments, we consider our investment strategy, cash flow needs, liquidity position, capital adequacy and interest rate risk position. We do not currently intend to sell the securities within the portfolio, and it is not more-likely-than-not that we will be required to sell the debt securities.

Also, as part of our evaluation of our intent and ability to hold investments for a period of time sufficient to allow for any anticipated recovery in the market, we consider our investment strategy, cash flow needs, liquidity position, capital adequacy and interest rate risk position. We do not currently intend to sell the securities within the portfolio, and it is not more-likely-than-not that we will be required to sell the debt securities. Changes in the above considerations may affect our intent in the future. See Note 1—Summary of Significant Account Policies for further discussion.

Other Investments

Other investment securities include primarily our investments in FHLB and FRB stock with no readily determinable market value. Accordingly, when evaluating these securities for impairment, management considers the ultimate recoverability of the par value rather than recognizing temporary declines in value. As of December 31, 2025, other investment securities represented approximately \$353.4 million, or 0.53% of total assets and primarily consisted of FRB and FHLB stock, which totaled \$234.4 million and \$18.1 million, respectively. There were no gains or losses on the sales of these securities during 2025 or 2024.

Table 8—Maturity Distribution and Yields of Investment Securities

(Dollars in thousands)	Due In 1 Year or Less		Due After 1 Thru 5 Years		Due After 5 Thru 10 Years		Due After 10 Years		Total	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Held to Maturity (amortized cost)										
U.S. Government agencies	\$ —	— %	\$ 32,928	1.89 %	\$ 99,985	1.68 %	\$ —	— %	\$ 132,913	1.73 %
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	—	—	192,095	1.50	960,929	1.88	1,153,024	1.82
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	—	—	—	—	—	—	379,107	2.54	379,107	2.54
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	90,085	1.06	122,869	0.97	123,956	1.64	336,910	1.24
Small Business Administration loan-backed securities	—	—	—	—	—	—	46,076	1.23	46,076	1.23
Total held to maturity	\$ —	— %	\$ 123,013	1.28 %	\$ 414,949	1.39 %	\$ 1,510,068	2.01 %	\$ 2,048,030	1.84 %
Available for Sale (fair value)										
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	\$ 120	2.31 %	\$ 6,823	2.18 %	\$ 104,950	3.05 %	\$ 1,586,215	3.48 %	\$ 1,698,108	3.46 %
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	370	2.52	1,358	2.18	4,919	2.30	2,178,937	4.67	2,185,584	4.67
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	3,332	3.19	316,944	4.08	331,901	3.15	180,272	1.83	832,449	3.14
State and municipal obligations	8,698	3.41	32,976	3.20	209,650	2.68	756,088	3.13	1,007,412	3.04
Small Business Administration loan-backed securities	10,808	2.28	11,331	4.47	195,529	4.48	350,765	3.42	568,433	3.79
Corporate securities	—	—	9,976	6.90	11,794	4.29	—	—	21,770	5.43
Total available for sale	\$ 23,328	2.84 %	\$ 379,408	4.05 %	\$ 858,743	3.34 %	\$ 5,052,277	3.88 %	\$ 6,313,756	3.81 %
Total other investments	\$ —	— %	\$ —	— %	\$ —	— %	\$ 353,428	2.36 %	\$ 353,428	2.36 %
Total investment securities	\$ 23,328	2.84 %	\$ 502,421	3.37 %	\$ 1,273,692	2.70 %	\$ 6,915,773	3.39 %	\$ 8,715,214	3.28 %
Percent of total	1 %		5 %		13 %		81 %			
Cumulative percent of total	1 %		5 %		19 %		100 %			

- (1) The expected average life for U.S. Government agencies is 6.23 years.
- (2) The expected average life for residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises is 5.91 years; 6.79 years for held to maturity and 5.30 years for available for sale.
- (3) The expected average life for residential collateralized mortgage-obligations securities issued by U.S. government agencies or sponsored enterprises is 4.35 years; 7.26 years for held to maturity and 3.85 years for available for sale.
- (4) The expected average life for commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises is 5.41 years; 5.63 years for held to maturity and 5.33 years for available for sale.
- (5) Weighted average yields on tax-exempt income have been presented on a taxable-equivalent basis, assuming a federal tax rate of 21.00% and a state tax rate of 3.04%, which is net of federal tax benefit in the above table. These yields were calculated using coupon interest and adjusting for discount accretion and premium amortization, where applicable.
- (6) The expected average life for state and municipal obligations is 10.87 years.
- (7) The expected average life for Small Business Administration loan-backed securities is 4.11 years; 4.89 years for held to maturity and 4.05 years for available for sale.
- (8) The expected average life for corporate securities is 3.53 years.
- (9) FRB, FHLB and other non-marketable equity securities have no set maturity date and are classified in “Due after 10 Years.”
- (10) The expected average life for the total investment securities portfolio is 5.83 years (not including FRB, FHLB and corporate stock with no maturity date).
- (11) The total values presented in the table above represent the total fair value of available for sale securities and amortized cost for held to maturity.

Approximately 84.1% of the investment portfolio is comprised of U.S. Treasury securities, U.S. Government agency securities, and U.S. Government Agency Mortgage-backed securities. These securities may be pledged to the Federal Home Loan Bank of Atlanta or the Federal Reserve Bank of Atlanta Discount Window or Bank Term Funding Program. Approximately 11.6% of the investment portfolio is comprised of municipal securities. A portion of the municipal bond portfolio may be pledged to the Federal Home Loan Bank of Atlanta subject to their credit approval. Approximately 99% of the municipal bond portfolio has ratings in the Double A or Triple A category.

As of December 31, 2025, the portfolio had an effective duration of 4.60 years. We continue to monitor duration risk and seek to align actual duration with the target range.

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The following table presents a summary of our investment portfolio duration for the periods presented:

Table 9—Investment Portfolio Duration

(Dollars in thousands, duration in years)	December 31, 2025		December 31, 2024	
	Amount	Duration	Amount	Duration
Held to Maturity (amortized cost)				
U.S. Government agencies	\$ 132,913	5.62	\$ 147,272	5.85
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,153,024	6.06	1,297,543	5.94
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	379,107	6.63	411,721	6.76
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	336,910	5.05	348,338	6.12
Small Business Administration loan-backed securities	46,076	5.99	49,796	9.12
Total held to maturity	\$ 2,048,030	5.97	\$ 2,254,670	6.18
Available for Sale (fair value)				
U.S. Treasuries	\$ —	—	\$ 10,656	0.10
U.S. Government agencies	—	—	150,418	3.95
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,698,108	4.43	1,377,525	5.73
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	2,185,584	2.54	459,095	6.00
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	832,449	4.55	1,040,555	5.35
State and municipal obligations	1,007,412	7.79	945,723	10.08
Small Business Administration loan-backed securities	568,433	2.19	310,112	5.09
Corporate securities	21,770	0.51	26,509	1.27
Total available for sale	\$ 6,313,756	4.22	\$ 4,320,593	6.47

Loans Held for Sale

The balance of loans held for sale increased \$65.9 million from December 31, 2024, to \$345.3 million on December 31, 2025. Loans held for sale at December 31, 2025 and 2024 consisted of mortgage and SBA loans held for sale. The increase in loans held for sale in 2025 was driven by an increase in SBA loans held for sale as this line of business became more established in 2025.

During the third quarter of 2024, the Company began purchasing the guaranteed portions of SBA loans from third-party originators with the intent to aggregate the guaranteed portion of the SBA loans into pools with similar characteristics to create a security representing an interest in those pools through the SBA's fiscal transfer agent. SBA loans held for sale totaled \$283.9 million at December 31, 2025, a \$102.6 million increase from \$181.3 million at December 31, 2024. See Note – 28 – SBA Loans Held for Sale for more information.

Mortgage loans held for sale totaled \$61.4 million at December 31, 2025, a decrease from \$98.1 million at December 31, 2024. Total mortgage production was \$2.5 billion in 2025. This compares to \$1.9 billion 2024. Mortgage production increased from 2024 as average mortgage rates have declined in 2025 along with the effects of adding new markets with the acquisition of Independent on January 1, 2025. The percentage of mortgage production sold into the secondary market decreased in 2025 to 37% from 58% in 2024. The allocation of mortgage production between portfolio and secondary market depends on the Company's liquidity, market spreads and rate changes during each period and will fluctuate over time.

Interest income from loans held for sale increased \$12.1 million, or 180.3%, during 2025 to \$18.8 million from \$6.7 million in 2024. This increase was due to an increase in the average balance of loans held for sale of \$162.1 million, or 162.4%, from \$99.9 million for the year ended December 31, 2024 to \$262.0 million for the year ended December 31, 2025. Of this increase, \$158.0 million was related to SBA loans held for sale and \$4.2 million was related to mortgage loans held for sale. The yield on loans held for sale increased in 2025 compared to 2024. For year ended 2025 the yield on loans held for sale was 7.17% compared to 6.71% in 2024. This increase was driven by the higher average balance held of SBA loans held for sale in 2025 which have higher yields.

See Note 1—Summary of Significant Accounting Policies, under Loans Held for Sale section for more information.

Loan Portfolio

Our loan portfolio remains our largest category of interest-earning assets. At December 31, 2025, total loans, excluding loans held for sale, were \$48.6 billion, which was an overall increase of \$14.7 billion, or 43.3%, from the balance at the end of 2024. Non-acquired loan growth was \$5.0 billion, or 16.9% for 2025, driven by organic growth and renewals of acquired loans moved to our non-acquired loan portfolio. The loan growth was made up of a 28.9% increase in commercial and industrial loans, a 19.6% increase in commercial non-owner occupied real estate loans (including construction and land development loans), a 12.6% increase in owner-occupied real estate loans, an 11.8% increase in consumer real estate loans and a 8.1% increase in other income producing property loans. Total acquired loans increased by \$9.7 billion, or 215.9% from the balance at the end of 2024. This increase in acquired loans was due to the addition of \$13.1 billion from the acquisition of Independent, net of offsets from paydowns and payoffs in both the PCD and Non-PCD loan categories along with renewals of acquired loans that were moved to our non-acquired loan portfolio. The loan growth was made up of a 333.2% increase in commercial non-owner occupied real estate loans (including construction and land development loans), a 433.0% increase in other income producing property loans, a 222.2% increase in commercial and industrial loans, a 109.4% increase in owner-occupied real estate loans, and a 101.3% increase in consumer real estate loans.

Average total loans outstanding during 2025 were \$47.4 billion, an increase of \$14.3 billion, or 43.0%, over the 2024 average of \$33.1 billion. (For further discussion of the Company's acquired loan accounting, see Note 1—Summary of Significant Accounting Policies, Note 2—Mergers and Acquisitions, Note 4—Loans and Note 5—Allowance for Credit Losses in the consolidated financial statements.)

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The following table presents a summary of the loan portfolio by category (excludes loans held for sale):

Table 10—Distribution of Loans by Type

(Dollars in thousands)	December 31,	
	2025	2024
Acquired loans:		
Acquired - non-purchased credit deteriorated loans:		
Non-owner-occupied real estate ⁽¹⁾	\$ 5,346,868	\$ 1,355,452
Consumer real estate ⁽²⁾	1,380,091	619,208
Commercial owner-occupied real estate	1,982,641	912,760
Commercial and industrial	1,789,588	579,883
Other income producing property	672,593	111,394
Consumer	60,528	56,879
Other	105	206
Total acquired - non-purchased credit deteriorated loans	11,232,414	3,635,782
Acquired - purchased credit deteriorated loans (PCD):		
Non-owner-occupied real estate ⁽³⁾	2,066,891	355,891
Consumer real estate ⁽²⁾	205,702	168,737
Commercial owner-occupied real estate	486,118	266,288
Commercial and industrial	148,089	21,451
Other income producing property	49,090	24,013
Consumer	21,609	25,775
Total acquired - purchased credit deteriorated loans (PCD)	2,977,499	862,155
Total acquired loans	14,209,913	4,497,937
Non-acquired loans:		
Non-owner-occupied real estate ⁽⁴⁾	11,786,361	9,856,716
Consumer real estate ⁽²⁾	8,864,430	7,927,024
Commercial owner-occupied real estate	5,108,232	4,537,328
Commercial and industrial	7,243,731	5,621,542
Other income producing property	510,470	472,343
Consumer	873,129	979,945
Other loans	2,261	10,092
Total non-acquired loans	34,388,614	29,404,990
Total loans (net of unearned income)	\$ 48,598,527	\$ 33,902,927

(1) Includes \$580.7 million and \$37.5 million of construction and land development loans at December 31, 2025 and 2024, respectively.

(2) Includes loans on both 1-4 family owner-occupied property, as well as loans collateralized by 1-4 family owner-occupied property with a business intent.

(3) Includes \$106.8 million and \$5.9 million of construction and land development loans at December 31, 2025 and 2024, respectively.

(4) Includes \$1.9 billion and \$2.1 billion of construction and land development loans at December 31, 2025 and 2024, respectively.

The following highlights of our loan portfolio as of December 31, 2025 compared to December 31, 2024:

- Non-acquired loans were \$34.4 billion, or 70.8% of total loans at December 31, 2025. This compares to non-acquired loans of \$29.4 billion, or 86.7% at December 31, 2024. The increase in non-acquired loans of \$5.0 billion was due to organic growth and renewals of acquired loans that were moved to the non-acquired loan portfolio. Acquired loans were \$14.2 billion, or 29.2% of total loans at December 31, 2025. This compares to acquired loans of \$4.5 billion, or 13.3%, at December 31, 2024. The \$9.7 billion increase in acquired loans was due to the addition of \$13.1 billion from the acquisition of Independent, net of offsets from paydowns and payoffs in both the PCD and Non-PCD loan categories along with renewals of acquired loans that were moved to our non-acquired loan portfolio.
 - Non-acquired loans secured by non-owner occupied and consumer real estate were \$20.7 billion and comprised 42.5% of the total loan portfolio at December 31, 2025. This was an increase of \$2.9 billion, or 16.1%, over December 31, 2024. At December 31, 2025, acquired loans secured by non-owner occupied and consumer real estate were \$9.0 billion and comprised 18.5% of the total loan portfolio. This was an increase of \$6.5 billion, or 260.1%, over December 31, 2024. Between both the non-acquired and acquired portfolios, 61.0% of loans were non-owner occupied and consumer real estate loans.

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- Of the non-acquired real estate loans at December 31, 2025, \$11.8 billion, or 24.3% of the loan portfolio were secured by non-owner-occupied real estate. Loans secured by consumer real estate were \$8.9 billion, or 18.2% of the total loan portfolio at December 31, 2025. This compared to loans secured by non-owner-occupied real estate of \$9.9 billion, or 29.1%, and loans secured by consumer real estate of \$7.9 billion, or 23.4% of the loan portfolio at December 31, 2024.
- Of the acquired real estate loans, \$7.4 billion, or 15.3% of the loan portfolio were secured by non-owner-occupied real estate at December 31, 2025. Loans secured by consumer real estate were \$1.6 billion, or 3.3% of the loan portfolio. This compared to acquired loans secured by non-owner-occupied real estate of \$1.7 billion, or 5.0%, and loans secured by consumer real estate of \$787.9 million, or 2.3% of the loan portfolio at December 31, 2024.
- Included within loans secured by non-owner-occupied real estate noted above are construction and land development loans. Total construction and land development loans were \$2.5 billion at December 31, 2025 compared to \$2.2 billion at December 31, 2024. Construction and land development loans are more susceptible to a risk of loss during a downturn in the business cycle.
 - Non-acquired construction and land development loans declined \$280.0 million to \$1.9 billion in 2025 from \$2.1 billion at December 31, 2024.
 - Acquired construction and land development loans increased \$644.1 million to \$687.5 million in 2025 from \$43.4 million at December 31, 2024 due to the Independent merger, net of principal payments, charge offs, foreclosures and renewals of acquired loans that were moved to our non-acquired loan portfolio.
- Total consumer real estate loans were comprised of \$8.6 billion in consumer owner occupied loans and \$1.8 billion in home equity line loans at December 31, 2025. This compares to \$7.1 billion in consumer owner-occupied loans and \$1.6 billion in home equity line loans at December 31, 2024. During 2025, the consumer real estate loan portfolio increased by \$1.7 billion from December 31, 2024 through organic growth, as well as the merger with Independent, net of principal payments, charge offs, foreclosures and renewals of acquired loans that were moved to our non-acquired loan portfolio.
 - Non-acquired loans secured by consumer real estate were comprised of \$7.3 billion in consumer owner occupied loans and \$1.6 billion in home equity loans at December 31, 2025. At December 31, 2024, we had \$6.6 billion in consumer owner occupied loans and \$1.4 billion in home equity loans in the non-acquired loan portfolio.
 - Acquired loans secured by consumer real estate are comprised of \$1.4 billion in consumer owner occupied loans and \$228.8 million in home equity loans at December 31, 2025. At December 31, 2024, we had \$574.0 million in consumer owner occupied loans and \$213.9 million in home equity loans in the acquired loan portfolio.
- Non-acquired and acquired commercial owner-occupied real estate loans were \$5.1 billion, or 10.5%, and \$2.5 billion, or 5.1%, respectively, of the total loan portfolio at December 31, 2025 compared to \$4.5 billion, or 13.4%, and \$1.2 billion, or 3.5%, respectively, of the loan portfolio at December 31, 2024.
 - Non-acquired commercial owner-occupied real estate loans increased \$570.9 million through organic growth and renewals of acquired loans.
 - Acquired commercial owner-occupied real estate loans increased \$1.3 billion due to the Independent merger, net of principal payments, charge offs, foreclosures and renewals of acquired loans that were moved to our non-acquired loan portfolio from December 31, 2024 compared to December 31, 2025.
- Non-acquired and acquired commercial and industrial loans were \$7.2 billion, or 14.9%, and \$1.9 billion, or 4.0%, respectively, of the total loan portfolio at December 31, 2025 compared to \$5.6 billion, or 16.6%, and \$601.3 million, or 1.8%, respectively, of the loan portfolio at December 31, 2024.
 - Non-acquired commercial and industrial loans increased \$1.6 billion during 2025 from December 31, 2024.
 - Acquired commercial and industrial loans increased \$1.3 billion from December 31, 2024 compared to December 31, 2025.

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Total loan interest income was \$3.0 billion in 2025, an increase of \$1.2 billion, or 55.9%, compared to \$1.9 billion in 2024. This increase was due to both an increase in the average balance and an increase in the yield on the total loan portfolio in 2025. The overall average balance in the loan portfolio increased \$14.3 billion in 2025. The average balance increased on the non-acquired loan portfolio and the acquired loan portfolio \$3.5 billion and \$10.8 billion, respectively. The growth in the non-acquired loan portfolio average balance was due to normal organic growth and renewals of acquired loans. The growth in the acquired loan portfolio was due to the merger with Independent, net of paydowns and payoffs, along with renewals of acquired loans that were moved to our non-acquired loan portfolio. The overall yield on the loan portfolio increased by 124 basis points in 2025. This increase was due to a 2-basis point decrease in the yield on the non-acquired portfolio and a 126-basis point increase in the yield on the acquired portfolio. The yield on the non-acquired loan portfolio decreased from 5.72% in 2024, to 5.70% in 2025 and the yield on the acquired loan portfolio increased from 6.20% in 2024, to 7.46% in 2025. The overall increase in the yield on the loan portfolio was primarily due to additional loan accretion on acquired Independent loans.

The table below shows the contractual maturity of the non-acquired loan portfolio at December 31, 2025.

Table 11—Maturity Distribution of Non-acquired Loans

December 31, 2025 (Dollars in thousands)	Total	1 Year or Less	Maturity 1 to 5 Years	Maturity 5 to 15 Years	Over 15 Years
Non-owner-occupied real estate	\$ 11,786,361	\$ 2,100,719	\$ 5,887,252	\$ 3,494,176	\$ 304,214
Consumer real estate	8,864,430	84,150	482,258	1,245,342	7,052,680
Commercial owner-occupied real estate	5,108,232	323,641	2,145,699	2,430,283	208,609
Commercial and industrial	7,243,731	1,409,942	3,399,095	1,756,057	678,637
Other income producing property	510,470	91,323	272,527	78,424	68,196
Consumer	873,129	61,458	290,817	279,195	241,659
Other loans	2,261	2,261	—	—	—
Total non-acquired loans	\$ 34,388,614	\$ 4,073,494	\$ 12,477,648	\$ 9,283,477	\$ 8,553,995

Table 12—Non-Acquired Loans Due After One Year - Fixed or Floating

December 31, 2025 (Dollars in thousands)	Fixed Rate	Variable Rate
Non-owner-occupied real estate	\$ 2,823,819	\$ 6,861,823
Consumer real estate	3,547,028	5,233,252
Commercial owner-occupied real estate	2,595,503	2,189,088
Commercial and industrial	3,162,853	2,670,936
Other income producing property	256,026	163,121
Consumer	775,697	35,974
Total non-acquired loans	\$ 13,160,926	\$ 17,154,194

The table below shows the contractual maturity of the acquired non-purchased credit deteriorated loan portfolio at December 31, 2025.

Table 13—Maturity Distribution of Acquired Non-purchased Credit Deteriorated Loans

December 31, 2025 (Dollars in thousands)	Total	1 Year or Less	Maturity 1 to 5 Years	Maturity 5 to 15 Years	Over 15 Years
Non-owner-occupied real estate	\$ 5,346,868	\$ 1,356,567	\$ 2,918,640	\$ 988,665	\$ 82,996
Consumer real estate	1,380,091	66,747	251,646	164,024	897,674
Commercial owner-occupied real estate	1,982,641	248,972	797,508	733,324	202,837
Commercial and industrial	1,789,588	364,167	1,070,720	299,816	54,885
Other income producing property	672,593	137,991	308,497	155,482	70,623
Consumer	60,528	13,840	15,548	29,805	1,335
Other	105	105	—	—	—
Total acquired - non-purchased credit deteriorated loans	\$ 11,232,414	\$ 2,188,389	\$ 5,362,559	\$ 2,371,116	\$ 1,310,350

Table 14—Acquired Non-PCD Loans Due After One Year - Fixed or Floating

December 31, 2025 (Dollars in thousands)			Fixed Rate	Variable Rate
Non-owner-occupied real estate			\$ 1,781,600	\$ 2,208,701
Consumer real estate			698,700	614,644
Commercial owner-occupied real estate			624,241	1,109,428
Commercial and industrial			602,756	822,665
Other income producing property			260,540	274,062
Consumer			41,683	5,005
Total acquired - non-purchased credit deteriorated loans			\$ 4,009,520	\$ 5,034,505

The table below shows the contractual maturity of the acquired purchased credit deteriorated loan portfolio at December 31, 2025.

Table 15—Maturity Distribution of Acquired Purchased Credit Deteriorated Loans

December 31, 2025 (Dollars in thousands)					
	Total	1 Year or Less	Maturity 1 to 5 Years	Maturity 5 to 15 Years	Over 15 Years
Non-owner-occupied real estate	\$ 2,066,891	\$ 660,896	\$ 1,111,660	\$ 266,406	\$ 27,929
Consumer real estate	205,702	8,064	27,405	37,720	132,513
Commercial owner-occupied real estate	486,118	56,834	228,092	142,692	58,500
Commercial and industrial	148,089	83,388	55,462	5,708	3,531
Other income producing property	49,090	8,790	25,119	10,718	4,463
Consumer	21,609	704	5,360	15,544	1
Total acquired - purchased credit deteriorated loans (PCD)	\$ 2,977,499	\$ 818,676	\$ 1,453,098	\$ 478,788	\$ 226,937

Table 16—Acquired PCD Loans Due After One Year - Fixed or Floating

December 31, 2025 (Dollars in thousands)			Fixed Rate	Variable Rate
Non-owner-occupied real estate			\$ 648,659	\$ 757,336
Consumer real estate			111,927	85,711
Commercial owner-occupied real estate			161,326	267,958
Commercial and industrial			21,057	43,644
Other income producing property			8,467	31,833
Consumer			20,905	—
Total acquired - purchased credit deteriorated loans (PCD)			\$ 972,341	\$ 1,186,482

Total commercial non-owner-occupied loans of \$16.7 billion, approximately 34.3% of the total loans held for investment, was the largest category of the loan portfolio as of December 31, 2025. As of December 31, 2025, approximately 94% of the commercial non-owner-occupied portfolio was located within the Company's footprint. Of the \$16.7 billion, approximately \$1.8 billion, or 4% of the total loans, represented our office segment. Approximately 96% of the office segment was located in the Company's footprint.

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The following table presents the top eight loan segments of the commercial non-owner-occupied loan category (excluding loans held for sale). The loan segments in the table below are determined by the call code, used for the Bank's regulatory reporting requirements issued by the FDIC for the FFIEC 041, also referred to as the Call Report.

Table 17—Commercial Non-Owner-Occupied Loans

Commercial Non-Owner-Occupied Loans (Dollars in thousands)	Net Book Balance ⁽¹⁾	Average Loan Size	% of Non-Accrual	% of Substandard & Accruing	% of Special Mention
December 31, 2025					
Loan Type:					
Retail	\$ 4,516,819	\$ 2,278	0.10 %	1.75 %	1.57 %
Multifamily	2,843,452	4,127	1.71 %	22.64 %	12.55 %
Warehouse/Industrial	2,449,760	2,143	— %	6.43 %	2.69 %
Office	1,839,157	1,605	0.73 %	8.16 %	3.14 %
Hotel	1,383,286	5,300	0.04 %	5.99 %	3.11 %
Medical	929,856	2,094	— %	2.25 %	0.47 %
Other	924,936	1,697	— %	6.50 %	5.50 %
Self Storage	699,843	3,431	— %	12.68 %	4.93 %

(1) Net book balance in each segment that represents 2% or more of commercial non-owner-occupied portfolio as of December 31, 2025.

Nonperforming Assets (“NPAs”)

The level of risk elements in the loan portfolio, OREO and other nonperforming assets for the past two years is shown below:

Table 18—Nonperforming Assets

(Dollars in thousands)	December 31,	
	2025	2024
Non-acquired:		
Nonaccrual loans	\$ 157,662	\$ 134,867
Accruing loans past due 90 days or more	2,997	3,293
Modified loans to a borrower experiencing financial difficulty – nonaccrual	4,313	7,115
Total non-acquired nonperforming loans	164,972	145,275
Other real estate owned (“OREO”) ^{(1) (2)}	4,961	648
Other nonperforming assets ⁽³⁾	312	534
Total OREO and other nonperforming assets excluding acquired assets	5,273	1,182
Total nonperforming assets excluding acquired assets	170,245	146,457
Acquired:		
Nonaccrual loans ⁽⁴⁾	129,402	58,923
Accruing loans past due 90 days or more	1,944	—
Modified loans to a borrower experiencing financial difficulty – nonaccrual	5,778	6,391
Total acquired nonperforming loans	137,124	65,314
Acquired OREO and other nonperforming assets:		
Acquired OREO ⁽¹⁾	3,810	1,505
Other acquired nonperforming assets ⁽³⁾	91	78
Total acquired OREO and other nonperforming assets	3,901	1,583
Total acquired nonperforming assets	141,025	66,897
Total nonperforming assets	\$ 311,270	\$ 213,354
Excluding acquired assets:		
Total nonperforming assets as a percentage of total loans and repossessed assets ⁽⁵⁾	0.49 %	0.50 %
Total nonperforming assets as a percentage of total assets ⁽⁶⁾	0.25 %	0.32 %
Nonperforming loans as a percentage of period end loans ⁽⁵⁾	0.48 %	0.49 %
Including acquired assets:		
Total nonperforming assets as a percentage of total loans and repossessed assets ⁽⁵⁾	0.64 %	0.63 %
Total nonperforming assets as a percentage of total assets ⁽⁶⁾	0.46 %	0.46 %
Nonperforming loans as a percentage of period end loans ⁽⁵⁾	0.62 %	0.62 %

(1) Consists of real estate acquired as a result of foreclosure. Excludes certain property no longer intended for bank use.

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- (2) Excludes non-acquired bank premises held for sale of \$0 and \$3.3 million as of December 31, 2025 and 2024, respectively, that is now separately disclosed on the balance sheet.
- (3) Consists of non-real estate foreclosed assets, such as repossessed vehicles.
- (4) Includes nonaccrual loans that are purchase credit deteriorated (PCD loans).
- (5) Loan data excludes mortgage loans held for sale.
- (6) For purposes of this calculation, total assets include all assets (both acquired and non-acquired).

Total non-acquired nonperforming loans were \$165.0 million, or 0.48% of total non-acquired loans, an increase of approximately \$19.7 million, or 13.6%, from December 31, 2024. The increase in nonperforming loans was driven primarily by an increase in consumer nonaccrual loans of \$23.3 million, offset by a decrease in commercial nonaccrual loans of \$497,000, a decrease in modified loans to borrowers with financial difficulties on nonaccrual of \$2.8 million and a decrease in accruing loans past due 90 days or more of \$296,000. The increase in consumer nonaccrual loans year over year was primarily in first mortgage 1-4 family owner occupied loans. Acquired nonperforming loans were \$137.1 million, or 0.96% of total acquired loans, an increase of \$71.8, or 109.9% from December 31, 2024. The increase in acquired nonperforming loans was mainly driven by an increase in commercial nonaccrual loans of \$68.7 million, an increase in consumer nonaccrual loans of \$1.8 million, an increase in accruing loans past due 90 days or more of \$1.9 million, offset by a decrease in restructured loans of \$612,000. The majority of the increase in acquired commercial nonaccrual loans was due to the addition of \$75.1 million in loans acquired in the merger with Independent, offset by a \$6.4 million decline in legacy commercial nonaccrual loans. The \$75.1 million in nonaccrual loans acquired were primarily commercial real estate and commercial and industrial loans.

The top ten nonaccrual loans at December 31, 2025 totaled \$96.1 million and consisted of four loans located in Texas, two in North Carolina, one in Alabama, one in Florida, one in Georgia, and one in South Carolina. These loans comprise 32.3% of total nonaccrual loans at December 31, 2025, with around 60% being real estate collateral dependent and the other 40% being non real estate. We currently hold a specific reserve against three of these ten loans, totaling \$15.9 million. The remaining seven loans do not carry a specific reserve due to carrying balances being below current collateral values.

As of December 31, 2025, the Bank had a total of \$195.0 million loans to borrowers experiencing financial difficulty. Of the \$195.0 million, \$189.5 million loans were current, \$4.5 million loans were 30 to 89 days past due and \$925,000 were 90 days past due.

Allowance for Credit Losses (“ACL”) on Loans and Certain Off-Balance-Sheet Credit Exposure

The ACL reflects management’s estimate of losses that will result from the inability of our borrowers to make required loan payments. The Company records loans charged off against the ACL and subsequent recoveries, if any, increase the ACL when they are recognized. Please see Note 1 — Summary of Significant Accounting Policies, under the “ACL – Loans” section, in this Annual Report on Form 10-K for further detailed descriptions of our estimation process and methodology related to the ACL on loans.

Management considers forward-looking information in estimating expected credit losses. The Company subscribes to a third-party service which provides a quarterly macroeconomic baseline outlook and alternative scenarios for the United States economy. The baseline, along with the evaluation of alternative scenarios, is used by management to determine the best estimate within the range of expected credit losses. Management evaluates the appropriateness of the reasonable and supportable forecast scenarios and takes into consideration the scenarios in relation to actual economic and other data, such as gross domestic product growth, monetary and fiscal policy, inflation, supply chain issues and global events like the Russian/Ukraine conflict and unrest in the middle east, and changes in global trade policy, as well as the volatility and magnitude of changes within those scenarios quarter over quarter, and consideration of conditions within the Bank’s operating environment and geographic area. Additional forecast scenarios may be weighted along with the baseline forecast to arrive at the final reserve estimate. While periods of relative economic stability should generally lead to stability in forecast scenarios and weightings to estimate credit losses, periods of instability can likewise require management to adjust the selection of scenarios and weightings, in accordance with the accounting standards. For the contractual term that extends beyond the reasonable and supportable forecast period, the Company reverts to the long term mean of historical factors within four quarters using a straight-line approach. The Company generally uses an eight-quarter forecast and a four-quarter reversion period.

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There are several headwinds that continue to weigh on the economy, though the U.S. has thus far avoided a recession. Management continues to use a blended forecast scenario of the baseline, upside, and more severe scenario, depending on the circumstances and economic outlook. As of December 31, 2025, management selected a baseline weighting of 40%, a 25% weighting for an upside scenario and a 35% weighting for the more severe scenario. Scenario weightings are generally expected to remain stable but are reviewed on a quarterly basis. Weightings were unchanged from the prior quarter and reflect a broadly neutral outlook with continued recognition of downside risks and elevated uncertainty in the economic forecast from flat job growth, high interest rates, lack of clarity on trade policy impacts, and tightening credit conditions. Improved GDP growth and employment resilience kept expected losses largely stable.

The Company has a variety of assets that have a component that qualifies as an off-balance sheet exposure. These primarily include undrawn portions of revolving lines of credit and standby letters of credit. Please see Note 1—Summary of Significant Accounting Policies in this Report on Form 10-K for further detailed descriptions of our estimation process and methodology related to the ACL on certain off-balance-sheet credit exposures. As of December 31, 2025 and 2024, the liabilities recorded for expected credit losses on unfunded commitments were \$69.6 million and \$45.3 million, respectively. The current adjustment to the ACL for unfunded commitments is recognized through the Provision for Credit Losses in the Consolidated Statements of Income.

As of December 31, 2025, the balance of the ACL was \$585.2 million, or 1.20%, of total loans. For the year ended December 31, 2025, the ACL increased \$119.9 million from the balance of \$465.3 million at December 31, 2024. The increase in ACL of \$119.9 million included an initial provision related to PCD loans acquired from Independent of \$135.4 million, an initial provision related to Non-PCD loans acquired from Independent of \$80.0 million, a \$15.5 million provision for all other loans, and \$111.0 million in net charge-offs, which included \$56.7 million of acquisition date charge-offs on PCD loans acquired from Independent. For both the three and twelve months ended December 31, 2025, the Company recorded provision for credit losses due to loan growth and current forecasts applied to our modeling to adequately capture growing economic recessionary risks. As of December 31, 2024, the balance of the ACL was \$465.3 million or 1.37% of total loans. For the year ended December 31, 2024, the ACL increased \$8.7 million from the balance of \$456.6 million at December 31, 2023. The increase in ACL of \$8.7 million included \$27.0 million of provision for credit losses, and \$18.2 million in net charge-offs. For both the three and twelve months ended December 31, 2024, the Company recorded provision for credit losses due to loan growth and current forecasts applied to our modeling to adequately capture growing economic recessionary risks.

At December 31, 2025, the Company had a reserve on unfunded commitments of \$69.6 million, which was recorded as a liability on the Consolidated Balance Sheet, compared to \$45.3 million at December 31, 2024. During the three and twelve months ended December 31, 2025, the Company recorded an increase in the reserve for unfunded commitments of \$1.1 million and \$24.3 million, respectively. Of the \$24.3 million of provision for credit losses recorded for unfunded commitments during the twelve months ended December 31, 2025, \$12.1 million was related to the initial provision for unfunded commitments acquired from Independent and \$12.2 million was for all other unfunded commitments. For the prior comparative period, the Company recorded an increase in the reserve for unfunded commitments of \$3.8 million and a release for \$11.0 million, respectively. The provision for credit losses for unfunded commitments is based on the growth in unfunded loan commitments, production mix, and current forecast scenarios applied to our modeling to adequately capture growing economic recessionary risks. This amount was recorded in Provision for Credit Losses on the Consolidated Statements of Income. The Company did not have an allowance for credit losses or record a provision for credit losses on investment securities or other financial assets during 2025.

The ACL provides 1.94 times coverage of nonperforming loans at December 31, 2025. Net charge offs to total average loans during the year ended December 31, 2025 were 0.23%, compared to 0.06% during the year ended December 31, 2024. Net charge-offs, excluding acquisition date charge-offs recorded for PCD loans acquired from Independent of \$56.7 million, to total average loans, during the twelve months ended December 31, 2025 were 0.11%. The ACL, including reserve for unfunded commitments, as a percentage of loans were 1.35% and 1.51%, respectively, as of December 31, 2025 and 2024.

The following table provides the allocation, by segment, for expected credit losses for the year ended December 31, 2025. While non-owner occupied CRE is the largest segment of our loan portfolio, the risk profile of the non-owner occupied CRE portfolio remains low and stable. We have a granular loan portfolio where the average loan size of the non-owner occupied CRE portfolio is less than \$2.5 million. Loans for the commercial office space, which are included in the non-owner occupied CRE portfolio, represent approximately 4% of the total outstanding portfolio with an average loan size of less than \$2 million as of December 31, 2025. 94% of these office spaces are located in the Company's southeast footprint, of which approximately 72% mature in 2027 or later.

Table 19—Allocation of the Allowance by Segment

(Dollars in thousands)	December 31, 2025		December 31, 2024	
	Amount	% *	Amount	% *
Residential Mortgage Senior	\$ 55,947	19.8 %	\$ 42,687	22.4 %
Residential Mortgage Junior	1,356	0.1 %	432	0.1 %
Revolving Mortgage	14,150	3.9 %	14,845	4.8 %
Residential Construction	8,732	1.2 %	9,298	1.1 %
Other Construction and Development	53,494	3.9 %	65,553	5.2 %
Consumer	19,280	2.0 %	17,484	3.1 %
Multifamily	58,678	5.8 %	22,279	4.7 %
Municipal	1,799	1.9 %	1,197	2.3 %
Owner-Occupied Commercial Real Estate	73,871	15.5 %	78,753	16.9 %
Non-Owner-Occupied Commercial Real Estate	174,797	28.5 %	111,538	23.1 %
Commercial and Industrial	123,093	17.4 %	101,214	16.3 %
Total	\$ 585,197	100.0 %	\$ 465,280	100.0 %

* Loan balance in each category expressed as a percentage of total loans.

The following table presents a summary of net charge off ratios by loan segment, for the year ended December 31, 2025 and 2024:

Table 20—Disaggregated Net Recovery (Charge Off) Ratio by Segment

(Dollars in thousands)	Year Ended					
	December 31, 2025			December 31, 2024		
	Net Recovery (Charge-Off)	Average Balance	Net Recovery (Charge-Off) Ratio	Net Recovery (Charge-Off)	Average Balance	Net Recovery (Charge-Off) Ratio
Residential Mortgage Senior	\$ (2,052)	\$ 9,365,431	(0.02)%	\$ (379)	\$ 7,369,909	(0.01)%
Residential Mortgage Junior	363	47,813	0.76 %	222	18,642	1.19 %
Revolving Mortgage	253	1,817,066	0.01 %	949	1,546,347	0.06 %
Residential Construction	150	633,257	0.02 %	(263)	517,782	(0.05)%
Other Construction and Development	1,161	2,334,425	0.05 %	(868)	1,970,675	(0.04)%
Consumer	(8,994)	999,052	(0.90)%	(5,664)	1,139,980	(0.50)%
Multifamily	(18,867)	2,652,011	(0.71)%	66	1,234,870	0.01 %
Municipal	—	876,841	— %	—	761,195	— %
Owner-Occupied Commercial Real Estate	(4,929)	7,454,173	(0.07)%	(380)	5,554,828	(0.01)%
Non-Owner-Occupied Commercial Real Estate	(12,198)	13,337,427	(0.09)%	1,184	7,889,448	0.02 %
Commercial and Industrial	(65,876)	7,870,767	(0.84)%	(13,111)	5,128,543	(0.26)%
Total	\$ (110,989)	\$ 47,388,263	(0.23)%	\$ (18,244)	\$ 33,132,219	(0.06)%

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The following table presents a summary of the changes in the ACL for the years ended December 31, 2025, 2024 and 2023:

Table 21—Summary of the Changes in ACL

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Non-PCD Loans	PCD Loans	Total	Non-PCD Loans	PCD Loans	Total	Non-PCD Loans	PCD Loans	Total
Allowance for credit losses at January 1	\$ 444,959	\$ 20,321	\$ 465,280	\$ 423,876	\$ 32,697	\$ 456,573	\$ 309,606	\$ 46,838	\$ 356,444
Allowance adjustment - FMV for Independent acquisition	—	135,441	135,441	—	—	—	—	—	—
Initial Allowance for Non-PCD loans acquired during period	79,971	—	79,971	—	—	—	—	—	—
Independent Day 1 PCD loan net charge-offs	—	(56,688)	(56,688)	—	—	—	—	—	—
Loans charged-off	(66,680)	(4,619)	(71,299)	(30,347)	(4,723)	(35,070)	(39,077)	(1,571)	(40,648)
Recoveries of loans previously charged off	10,090	6,908	16,998	12,433	4,393	16,826	9,987	5,795	15,782
Net (charge-offs) recoveries	(56,590)	(4,619)	(110,989)	(17,914)	(330)	(18,244)	(29,090)	4,224	(24,866)
Provision (recovery) for credit losses	47,701	(32,207)	15,494	38,997	(12,046)	26,951	143,360	(18,365)	124,995
Balance at end of period	\$ 516,041	\$ 69,156	\$ 585,197	\$ 444,959	\$ 20,321	\$ 465,280	\$ 423,876	\$ 32,697	\$ 456,573
Total loans, net of unearned income:									
At period end	\$ 48,598,527			\$ 33,902,927			\$ 32,388,489		
Average	47,388,263			33,132,219			31,403,291		
Net charge-offs as a percentage of average loans (annualized)	0.23 %			0.06 %			0.08 %		
Allowance for credit losses as a percentage of period end loans	1.20 %			1.37 %			1.41 %		
Allowance for credit losses as a percentage of period end non-performing loans ("NPLs")	193.71 %			220.94 %			249.90 %		

* Net charge-offs at December 31, 2025, 2024 and 2023 include automated overdraft protection ("AOP") and insufficient fund ("NSF") principal net charge-offs of \$3.8 million, \$2.8 million and \$6.8 million, respectively, that are included in the consumer classification above.

** Average loans, net of unearned income does not include loans held for sale

Deposits

We rely on deposits by our customers as the primary source of funds for the continued growth of our loan and investment securities portfolios. Customer deposits are categorized as either noninterest-bearing deposits or interest-bearing deposits. Noninterest-bearing deposits (or demand deposits) are transaction accounts that provide us with "interest-free" sources of funds. Interest-bearing deposits include savings deposit, interest-bearing transaction accounts, certificates of deposits, and other time deposits. Interest-bearing transaction accounts include NOW, HSA, IOLTA, and Market Rate checking accounts. The Company uses brokered time deposits as a secondary source of deposits to supplement its primary source through organic growth of deposits from our customers.

The following table presents total deposits for the two years at December 31:

Table 22—Total Deposits

(Dollars in thousands)	December 31,	
	2025	2024
Noninterest-bearing deposits	\$ 13,375,697	\$ 10,192,116
Savings deposits	2,820,621	2,414,172
Interest-bearing demand deposits	31,590,246	21,288,856
Total savings and interest-bearing demand deposits	34,410,867	23,703,028
Certificates of deposit	7,354,868	4,161,095
Other time deposits	4,365	4,627
Total time deposits	7,359,233	4,165,722
Total deposits	\$ 55,145,797	\$ 38,060,866

The following are key highlights regarding overall changes in total deposits:

- Total deposits increased \$17.1 billion, or 44.9%, for the year ended December 31, 2025, compared to 2024, reflecting balances assumed through the Independent acquisition during the first quarter of 2025 and organic deposit growth.
 - Noninterest-bearing deposits (demand deposits) increased by \$3.2 billion, or 31.2%, for the year ended December 31, 2025.
 - Savings deposits increased \$406.4 million, or 16.8%, when compared with December 31, 2024.
 - Money market (Market Rate Checking) and other interest-bearing demand deposits increased \$10.3 billion, or 48.4%, for the year ended December 31, 2025

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- Time deposits, including brokered time deposits, increased by \$3.2 billion, or 76.7%, when compared with December 31, 2024. The Company saw an increase in its brokered time deposits to \$1.7 billion at December 31, 2025 from \$614.5 million at December 31, 2024, reflecting increased use of brokered deposits to support balance sheet growth.
- At December 31, 2025, and 2024, core deposits (total deposits excluding time deposits) represented 87% and 89%, respectively, of total deposits.

The following are key highlights regarding overall growth in average total deposits:

- Total deposits averaged \$53.4 billion in 2025, an increase of \$16.0 billion, or 42.8%, from 2024, primarily attributable to deposit balances assumed in the Independent acquisition.
 - Average interest-bearing deposits increased by \$12.9 billion, or 48.1%, to \$39.8 billion in 2025 compared to 2024.
 - Average noninterest-bearing demand deposits increased by \$3.1 billion, or 29.1%, to \$13.6 billion in 2025 compared to 2024.

The following table provides a maturity distribution of certificates of deposit of \$250,000 or more for the next twelve months as of December 31:

Table 23—Maturity Distribution of Certificates of Deposits of \$250 Thousand or More

(Dollars in thousands)	December 31, 2025	December 31, 2024	% Change
Within three months	\$ 1,080,218	\$ 707,894	52.6 %
After three through six months	692,531	243,784	184.1 %
After six through twelve months	328,191	118,763	176.3 %
After twelve months	38,816	23,234	67.1 %
	<u>\$ 2,139,756</u>	<u>\$ 1,093,675</u>	95.6 %

At December 31, 2025 and 2024, the Company estimates that it has approximately \$22.0 billion and \$14.7 billion, respectively, in uninsured deposits. The amounts above are estimates and are based on the same methodologies and assumptions used for the Bank’s regulatory reporting requirements by the FDIC for the Call Report.

The following table provides a maturity distribution of uninsured time deposits for the next twelve months as of December 31, 2025 and 2024:

Table 24—Maturity Distribution of Uninsured Time Deposits

(Dollars in thousands)	December 31,		% Change
	2025	2024	
Within three months	\$ 539,973	\$ 343,644	57.1 %
After three through six months	371,031	117,784	215.0 %
After six through twelve months	222,691	75,513	194.9 %
After twelve months	20,567	13,984	47.1 %
	<u>\$ 1,154,262</u>	<u>\$ 550,925</u>	109.5 %

Short-Term Borrowed Funds

Our short-term borrowed funds consist of federal funds purchased and securities sold under repurchase agreements, FRB borrowings on a secured line of credit, short-term FHLB Advances and the U.S. Bank line of credit. Note 9—Federal Funds Purchased and Securities Sold Under Agreements to Repurchase in our audited financial statements provides a profile of these funds at each year-end, the average amounts outstanding during each period, the maximum amounts outstanding at any month-end, and the weighted average interest rates on year-end and average balances in each category. Federal funds purchased and securities sold under agreements to repurchase most typically have maturities within one to three days from the transaction date. Certain of these borrowings have no defined maturity date. Note 10—Other Borrowings in our audited financial statements provide provides a profile of short-term FHLB advances, FRB borrowings and the U.S. Bank line of credit at each year-end, the average amount outstanding during each period and the weighted average interest rates on year-end and average balances. Short-term FHLB advances has a maturity of less than one year and the FRB borrowings and U.S. Bank line of credit has a daily maturity.

Long-Term Borrowed Funds

Our long-term borrowed funds consist of trust preferred junior subordinated debt and corporate subordinated debt. Note 10—Other Borrowings in our audited financial statements provides a profile of these funds at each year-end, the balance at year end, the interest rate at year end and the weighted average interest rate for long-term borrowings. Each issuance of trust preferred junior subordinated debt has a maturity of 30 years, but we can call the debt at any time without penalty.

Capital and Dividends

Our ongoing capital requirements have been met primarily through retained earnings, less the payment of cash dividends. As of December 31, 2025, shareholders' equity was \$9.1 billion, an increase of \$3.2 billion, or 53.8%, compared to the balance at December 31, 2024. The change from year-end 2024 was mainly attributable to the issuance of \$2.5 billion in stock related to the acquisition of Independent, net income of \$798.7 million, an increase in the market value of securities available for sale, net of tax of \$323.6 million and the recognition of equity based compensation of \$37.0 million. These increases were offset by dividends paid on common shares of \$230.2 million and common stock repurchased under our stock repurchase plan and equity plans of \$235.8 million.

The following shows the changes in shareholders' equity during 2025:

Table 25—Changes in Shareholders' Equity

(Dollars in thousands)	
Total shareholders' equity at December 31, 2024	\$ 5,890,415
Net income	798,667
Dividends paid on common shares (\$2.28 per share)	(230,203)
Dividends paid on restricted stock units	(1,100)
Net increase in market value of securities available for sale, net of deferred taxes	323,553
Net decrease in market value of post retirement plan, net of deferred taxes	(13)
Stock options exercised	472
Employee stock purchases	4,543
Equity based compensation	37,005
Excise tax on repurchase of corporate stock	(1,832)
Common stock repurchased - buyback plan	(224,108)
Common stock repurchased - equity plans	(11,712)
Stock issued pursuant to the acquisition of Independent	2,472,947
Stock issued in lieu of cash - directors fees	474
Total shareholders' equity at December 31, 2025	\$ 9,059,108

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The 2025 Repurchase Program authorized the Company to repurchase up to 3,000,000 shares, or up to approximately three percent, of the Company's outstanding shares of common stock as of January 2, 2025. During 2025, the Company repurchased 2,440,000 shares at a weighted average price of \$91.85 per share pursuant to the 2025 Stock Repurchase Program. As of December 31, 2025, there was a total of 560,000 shares remaining authorized to be repurchased.

On January 11, 2026, the Board of Directors of the Company approved the 2026 Repurchase Plan. This 2026 Repurchase Plan authorization replaces the Company's pre-existing authorization previously approved in January 2025, under which 560,000 shares remained available for repurchase, and which was cancelled in connection with the Board's approval of the 2026 Repurchase Plan.

We are subject to regulations with respect to certain risk-based capital ratios. These risk-based capital ratios measure the relationship of capital to a combination of balance sheet and off-balance sheet risks. The values of both balance sheet and off-balance sheet items are adjusted based on the rules to reflect categorical credit risk. In addition to the risk-based capital ratios, the regulatory agencies have also established a leverage ratio for assessing capital adequacy. The leverage ratio is equal to Tier 1 capital divided by total consolidated on-balance sheet assets (minus amounts deducted from Tier 1 capital). The leverage ratio does not involve assigning risk weights to assets.

Specifically, we are required to maintain the following minimum capital ratios:

- a CET1, risk-based capital ratio of 4.5%;
- a Tier 1 risk-based capital ratio of 6%;
- a total risk-based capital ratio of 8%; and
- a leverage ratio of 4%.

Under the current capital rules, Tier 1 capital includes two components: CET1 capital and additional Tier 1 capital. The highest form of capital, CET1 capital, consists solely of common stock (plus related surplus), retained earnings, accumulated other comprehensive income, otherwise referred to as AOCI, and limited amounts of minority interests that are in the form of common stock. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock and Tier 1 minority interests. Tier 2 capital generally includes the allowance for loan losses up to 1.25% of risk-weighted assets, qualifying preferred stock, subordinated debt, trust preferred securities and qualifying tier 2 minority interests, less any deductions in Tier 2 instruments of an unconsolidated financial institution. AOCI is presumptively included in CET1 capital and often would operate to reduce this category of capital. When the current capital rules were first implemented, the Bank exercised its one-time opportunity to opt out of much of this treatment of AOCI, allowing us to retain our pre-existing treatment for AOCI.

In order to avoid restrictions on capital distributions or discretionary bonus payments to executives, a banking organization must maintain a "capital conservation buffer" on top of its minimum risk-based capital requirements. This buffer must consist solely of Tier 1 Common Equity, but the buffer applies to all three risk-based measurements (CET1, Tier 1 capital and total capital), resulting in the following effective minimum capital plus capital conservation buffer ratios: (i) a CET1 capital ratio of 7.0%, (ii) a Tier 1 risk-based capital ratio of 8.5%, and (iii) a total risk-based capital ratio of 10.5%.

The Bank is also subject to the regulatory framework for prompt corrective action, which identifies five capital categories for insured depository institutions (well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized) and is based on specified thresholds for each of the three risk-based regulatory capital ratios (CET1, Tier 1 capital and total capital) and for the leverage ratio.

Table 26—Capital Adequacy Ratios

The following table presents our consolidated capital ratios under the applicable capital rules:

(In percent)	December 31,		
	2025	2024	2023
Common equity Tier 1 risk-based capital	11.36 %	12.62 %	11.75 %
Tier 1 risk-based capital	11.36 %	12.62 %	11.75 %
Total risk-based capital	13.84 %	14.96 %	14.08 %
Tier 1 leverage	9.26 %	10.04 %	9.42 %

The Company’s and Bank’s Common equity Tier 1 risk-based capital, Tier 1 risk-based capital and total risk-based capital and Tier 1 leverage ratios all declined compared to December 31, 2024. The capital ratios declined mainly due to the effects on capital and assets from the acquisition of Independent. Tier 1 capital increased by 29.4% and 34.8% at both the Company and Bank, respectively, with the increase in equity resulting from the issuance of shares of common stock for the Independent acquisition and the net income recognized during 2025. Total risk-based capital increased by 32.9% and 34.3% at both the Company and Bank, respectively, with the increase in equity resulting from the issuance of shares of common stock for the Independent acquisition, the net income recognized during 2025 along with the increase in the allowance for credit losses and unfunded commitments includable in Tier 2 capital. Both regulatory risk-based assets and quarterly average assets increased in 2025 when compared to the fourth quarter with average assets for both the Company and Bank increasing by 40% and risk-based assets increasing by 44%. The increases in both average assets and risk-based assets were mainly due to the assets acquired in the Independent acquisition during the first quarter of 2025. Our capital ratios are currently well in excess of the minimum standards and continue to be in the “well capitalized” regulatory classification. Should the Company need to sell its available for sale and held to maturity securities for liquidity purposes and recognize the unrealized losses as of December 31, 2025 through earnings, all else equal, our capital ratios would remain well in excess of the minimum standards and continue to be in the “well capitalized” regulatory classification.

The Company pays cash dividends to shareholders from its assets, which are mainly provided by dividends from its banking subsidiary. However, certain restrictions exist regarding the ability of its banking subsidiary to transfer funds to the Company in the form of cash dividends, loans or advances. The approval of the OCC is required if the total of all dividends declared by the Bank in any calendar year exceeds the total of its net profits for that year combined with its retained net profits for the preceding two years, less any required transfers to surplus. The federal banking agencies have issued policy statements which provide that bank holding companies and insured banks should generally pay dividends only out of current earnings.

During 2025, the Bank paid dividends to SouthState totaling \$485.0 million. The Bank was not required to obtain approval of the OCC to pay these dividends. We used these funds primarily to pay our dividend to shareholders of \$230.2 million and repurchase shares of our common stock on the open market totaling \$224.1 million.

The following table provides the amount of dividends and payout ratios for the years ended December 31, 2025, 2024 and 2023:

Table 27—Dividends Paid to Common Shareholders

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Dividend payments to common shareholders	\$ 230,203	\$ 161,597	\$ 154,919
Dividend payout ratios	28.82 %	30.22 %	31.34 %

We retain earnings to have capital sufficient to grow our loan and investment portfolios and to support certain acquisitions or other business expansion opportunities. The dividend payout ratio is calculated by dividing dividends paid during the year by net income for the year.

Liquidity

Liquidity refers to our ability to generate sufficient cash to meet our financial obligations, which arise primarily from the withdrawal of deposits, extension of credit and payment of operating expenses. Liquidity risk is the risk that the Bank's financial condition or overall safety and soundness is adversely affected by an inability (or perceived inability) to meet its obligations. Our Asset Liability Management Committee ("ALCO") is charged with the responsibility of monitoring policies designed to ensure an acceptable composition of our asset/liability mix. Two critical areas of focus for ALCO are interest rate sensitivity and liquidity risk management. We have employed our funds in a manner to provide liquidity from both assets and liabilities sufficient to meet our cash needs.

The ALCO has established key risk indicators to monitor liquidity and interest rate risk. The key risk indicators are reviewed and approved by the ALCO on an annual basis. The liquidity key risk indicators include the loan to deposit ratio (policy limit not to exceed 100%), net noncore funding dependence ratio (policy limit not to exceed 30%), on-hand liquidity to total liabilities ratio (policy limit not to fall below 5%), the percentage of securities pledged to total securities (policy limit not to exceed 85%), primary liquidity to uninsured deposits excluding collateralized deposits (policy limit not to exceed 95%), primary liquidity to uninsured deposits including collateralized deposits (policy limit not to exceed 80%) and the ratio of brokered deposits to total deposits (policy limit not to exceed 15%). As of December 31, 2025, the Company was operating within its liquidity policy limits.

Asset liquidity is maintained by the maturity structure of loans, investment securities and other short-term investments. Management has policies and procedures governing the length of time to maturity on loans and investments. Normally, changes in the earning asset mix are of a longer-term nature and are not used for day-to-day corporate liquidity needs.

Our liabilities provide liquidity on a day-to-day basis. Daily liquidity needs are met from deposit levels or from our use of federal funds purchased, securities sold under agreements to repurchase, interest-bearing deposits at other banks and other short-term borrowings. We engage in routine activities to retain deposits intended to enhance our liquidity position. These routine activities include various measures, such as the following:

- Emphasizing relationship banking to new and existing customers, where borrowers are encouraged and normally expected to maintain deposit accounts with our Bank;
- Pricing deposits, including certificates of deposit, at rate levels that will attract and/or retain balances of deposits that will enhance our Bank's asset/liability management and net interest margin requirements; and
- Continually working to identify and introduce new products that will attract customers or enhance our Bank's appeal as a primary provider of financial services.

Our non-acquired loan portfolio increased by approximately \$5.0 billion, or approximately 16.9%, compared to the balance at December 31, 2024. The increase in the non-acquired loan portfolio was due to organic growth and renewals of acquired loans that are moved to our non-acquired loan portfolio. The acquired loan portfolio increased by \$9.7 billion, or 215.9%, from the balance at December 31, 2024 from loans acquired from the Independent acquisition, offset by principal paydowns, charge-offs, foreclosures and renewals of acquired loans. For more detail around the changes in the loan portfolio see the Loan Portfolio section in MD&A starting on page 80.

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Our investment securities portfolio (excluding trading securities) increased \$1.9 billion, or approximately 28.2%, compared to the balance at December 31, 2024. Increases in the investment securities portfolio came from \$1.6 billion in securities acquired in the Independent acquisition and \$7.1 billion in investment securities purchased during 2025, including securities purchased from reinvesting funds provided by the sales of securities acquired from Independent and the securities repositioning completed during the first quarter of 2025. The securities repositioning improved the yield and shortened the duration of the investment portfolio. The increases in investment securities from the acquisition and purchases were partially offset as a result of maturities, calls, and paydowns of investment securities totaling \$7.0 billion and a reduction from the net amortization of premiums of \$11.0 million. The net unrealized loss of the available for sale securities decreased during 2025 by \$425.8 million mainly through the securities repositioning and the recognition of losses in the portfolio and the impact of lower market interest rates. Of the \$7.1 billion in purchases of investment securities during the year, \$7.0 billion were in available for sale securities and \$117.4 million were in other investment securities. There were no purchases of held to maturity securities during the quarter. Other investment securities purchased were mainly related to capital stock with the Federal Home Loan Bank and Federal Reserve Bank of which we sold back \$45.1 million during 2025. The purchases in the Federal Home Loan Bank Stock and Federal Reserve Bank Stock during the year were mainly due to stock holding requirements related to the Independent acquisition and FHLB borrowing activity. The Bank pledges a portion of its investment portfolio for a variety of purposes, including, but not limited to, collateral for public funds and credit with the Federal Home Loan Bank of Atlanta. As of December 31, 2025, the bank pledged 69.0% of the market value of its available for sale and held to maturity investment portfolios. As of December 31, 2025, the Bank had unpledged securities with a market value of \$2.5 billion. These securities included Treasury, Agency, Agency MBS, Municipals and Corporate securities.

Total cash and cash equivalents increased \$1.8 billion in 2025 to \$3.2 billion at December 31, 2025, compared to \$1.4 billion at December 31, 2024. The increase in cash and cash equivalents was due to the cash received from the sale-leaseback transaction of approximately \$456.4 million, an increase in deposits, excluding deposits assumed from Independent, of approximately \$1.9 billion, and an increase in federal funds purchased and securities sold under agreements to repurchase of \$103.3 million. The increase in deposits, excluding deposits assumed from Independent, was mainly due to increases in interest-bearing checking accounts (including money market accounts) and brokered time deposits. These increases were partially offset by cash used to fund net loan growth, excluding loans assumed from Independent, of \$1.6 billion and by cash used to fund investment growth, excluding investments assumed from Independent, of \$325.9 million.

At December 31, 2025 and December 31, 2024, we had \$1.7 billion and \$614.5 million of traditional, out-of-market brokered time deposits, respectively. At December 31, 2025 and December 31, 2024, we had \$4.0 billion and \$2.5 billion, respectively, of reciprocal deposits. At December 31, 2025, we also had \$2.0 billion in brokered interest-bearing checking and money market accounts. The Company has allowed some higher costing local deposits run off in 2025 and replaced the deposits with brokered and other out of market deposits at lower interest rates. Total deposits were \$55.1 billion at December 31, 2025, an increase of \$17.1 billion from \$38.1 billion at December 31, 2024. Our deposit growth since December 31, 2024 was mainly attributable to the deposits acquired in the Independent acquisition of \$15.2 billion. See further discussion on changes in deposits in the Interest-Bearing Liabilities and Noninterest-Bearing Deposits section of this MD&A. Total short-term borrowings at December 31, 2025 were \$618.2 million consisting of \$306.8 million in federal funds purchased, \$311.4 million in securities sold under agreements to repurchase. Total long-term borrowings, consisting of trust preferred securities and subordinated debentures, increased by \$305.0 million to \$696.5 million at December 31, 2025. This increase was mainly due to \$360.5 in corporate and subordinated debentures assumed in the Independent acquisition. The Company also issued \$350.0 million in new subordinated debt in the second quarter of 2025 and subsequently paid off \$405.0 million in subordinated debt in the third quarter of 2025 that had reached its call date and the end of its fixed rate period. To the extent that we employ other types of non-deposit funding sources, typically to accommodate retail and correspondent customers, we continue to take in shorter maturities of such funds. Our current approach may provide an opportunity to sustain a low funding rate or possibly lower our cost of funds but could also increase our cost of funds if interest rates rise.

Deposit flows are significantly influenced by general and local economic conditions, changes in prevailing interest rates, internal pricing decisions, and competition. Our deposits are primarily obtained from depositors located around our branch footprint, and we believe that we have attractive opportunities to capture additional retail and commercial deposits in our markets, in addition to having access to brokered deposits. Of the \$55.1 billion in total deposits at December 31, 2025, approximately 70% were insured or collateralized. The Bank has a granular deposit base comprised of over 1.4 million accounts, with an average deposit size of \$39,000. Approximately 24% of total deposits are noninterest-bearing at December 31, 2025.

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The Bank supplements its in-market deposits with brokered deposits. While the Bank has a policy limit for brokered time deposits of no more than 15% of total deposits, it has operated well below this policy limit. At December 31, 2025, the Company had \$3.8 billion in brokered deposits including \$1.7 billion in brokered time deposits, \$1.9 billion of ICS brokered demand deposits, and \$83.6 million of other brokered demand deposits. Total brokered deposits represented 6.9% of total deposits at December 31, 2025. Brokered deposits totaled \$614.5 million, or 1.6% of total deposits at December 31, 2024. In 2025, the Company has allowed some higher costing local deposits run off and replaced the deposits with brokered and other out of market deposits at lower interest rates.

As discussed below, the Bank maintains credit facilities with the Federal Home Loan Bank of Atlanta and the Federal Reserve Bank of Atlanta. The table below compares Primary Funding Sources to uninsured deposits as of December 31, 2025.

Table 28—Primary Funding Sources to Uninsured Deposits

(Dollars in millions)	Available Capacity
Federal Home Loan Bank of Atlanta	\$ 5,732
Federal Reserve Bank of Atlanta Discount Window	11,139
Liquid cash and cash equivalents	3,148
Fair value of securities that can be pledged	2,395
Total primary sources	\$ 22,414
Uninsured deposits, excluding collateralized deposits	\$ 16,663
Uninsured and collateralized deposits	\$ 21,970
Coverage ratio, uninsured deposits	102.0 %
Coverage ratio, uninsured and uncollateralized deposits	134.5 %
Ratio of uninsured and collateralized deposits to total deposits	39.8 %

Through the operations of our Bank, we have made contractual commitments to extend credit in the ordinary course of our business activities. These commitments are legally binding agreements to lend money to our customers at predetermined interest rates for a specified period of time. We manage the credit risk on these commitments by subjecting them to normal underwriting and risk management processes. We believe that we have adequate sources of liquidity to fund commitments that are drawn upon by the borrowers. In addition to commitments to extend credit, we also issue standby letters of credit, which are assurances to third parties that they will not suffer a loss if our customer fails to meet its contractual obligation to the third-party. Although our experience indicates that many of these standby letters of credit will expire unused, through our various sources of liquidity, we believe that we will have the resources to meet these obligations should the need arise.

Our ongoing philosophy is to remain in a liquid position, as reflected by such indicators as the composition of our earning assets, typically including some level of reverse repurchase agreements; federal funds sold; balances at the Federal Reserve Bank; and/or other short-term investments; asset quality; well-capitalized position; and profitable operating results. Cyclical and other economic trends and conditions can disrupt our desired liquidity position at any time. We expect that these conditions would generally be of a short-term nature. Under such circumstances, we expect our reverse repurchase agreements and federal funds sold positions, or balances at the Federal Reserve Bank, if any, to serve as the primary source of immediate liquidity. We could draw on additional alternative immediate funding sources from lines of credit extended to us from our correspondent banks. The Bank may also access funds from borrowing facilities established with the Federal Home Loan Bank of Atlanta and the discount window of the Federal Reserve Bank of Atlanta.

At December 31, 2025, the Bank had a total FHLB credit facility of \$5.7 billion, with no outstanding borrowings in short-term FHLB advances and \$17.8 million in secured credit exposure at year-end, leaving \$5.7 billion in availability on the FHLB credit facility. At December 31, 2025, the Bank had \$11.1 billion of credit available at the Federal Reserve Bank's discount window and federal funds credit lines of \$300.0 million with no balances outstanding at year-end. The Bank has \$2.4 billion in pledgeable market value of securities at December 31, 2025, that can be pledged to attain additional funds if necessary. The Bank also has an internal limit on brokered deposits of 15% of total deposits (consolidated bank), which would allow capacity of \$8.3 billion at December 31, 2025. The Bank had \$3.8 billion of outstanding brokered deposits at the end of the year leaving \$4.5 billion in available capacity. All of these resources would provide an additional \$24.0 billion in funding if we needed additional liquidity. We can also consider actions such as deposit promotions to increase core deposits. The Company has a \$100.0 million unsecured line of credit with U.S. Bank with no balance outstanding at December 31, 2025. We believe that our liquidity position continues to be adequate and readily available.

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Our contingency funding plan describes several potential stages based on stressed liquidity levels. Liquidity key risk indicators are reported to the Board of Directors on a quarterly basis. We maintain various wholesale sources of funding. If our deposit retention efforts were to be unsuccessful, we would use these alternative sources of funding. Under such circumstances, depending on the external source of funds, our interest cost would vary based on the range of interest rates charged. This could increase our cost of funds, impacting our net interest margin and net interest spread.

Asset-Liability Management and Market Risk Sensitivity

Our earnings and the economic value of equity vary in relation to the behavior of interest rates and the accompanying fluctuations in market prices of certain of our financial instruments. We define interest rate risk as the risk to earnings and equity arising from the behavior of interest rates. These behaviors include increases and decreases in interest rates as well as continuation of the current interest rate environment.

Our interest rate risk principally consists of reprice, option, basis, and yield curve risk. Reprice risk results from differences in the maturity or repricing characteristics of asset and liability portfolios. Option risk arises from embedded options in the investment and loan portfolios such as investment securities calls and loan prepayment options. Option risk also exists since deposit customers may withdraw funds at their discretion in response to general market conditions, competitive alternatives to existing accounts or other factors. The exercise of such options may result in higher costs or lower revenue. Basis risk refers to the potential for changes in the underlying relationship between market rates or indices, which subsequently result in narrowing spreads on interest-earning assets and interest-bearing liabilities. Basis risk also exists in administered rate liabilities, such as interest-bearing checking accounts, savings accounts, and money market accounts where the price sensitivity of such products may vary relative to general markets rates. Yield curve risk refers to adverse consequences of nonparallel shifts in the yield curves of various market indices that impact our assets and liabilities.

We use simulation analysis as a primary method to assess earnings at risk and equity at risk due to assumed changes in interest rates. Management uses the results of its various simulation analyses in combination with other data and observations to formulate strategies designed to maintain interest rate risk within risk tolerances.

Simulation analysis involves the use of several assumptions including, but not limited to, the timing of cash flows such as the terms of contractual agreements, investment security calls, loan prepayment speeds, deposit attrition rates, the interest rate sensitivity of loans and deposits relative to general market rates, and the behavior of interest rates and spreads. The assumptions for loan prepayments, deposit decay, and nonstable deposit balances are derived from models that use historical bank data. These models are independently validated. Equity at risk simulation uses assumptions regarding discount rates that value cash flows. Simulation analysis is highly dependent on model assumptions that may vary from actual outcomes. Key simulation assumptions are subject to sensitivity analysis to assess the impact of assumption changes on earnings at risk and equity at risk. Model assumptions are reviewed by our Assumptions Committee. While the Bank is continuously refining its modeling methodology, the core principles of the methodology have remained stable over for several years.

Earnings at risk is defined as the percentage change in net interest income due to assumed changes in interest rates. Earnings at risk is generally used to assess interest rate risk over relatively short time horizons.

Equity at risk is defined as the percentage change in the net economic value of assets and liabilities due to changes in interest rates compared to a base net economic value. The discounted present value of all cash flows represents our economic value of equity. Equity at risk is generally considered a measure of the long-term interest rate exposures of the balance sheet at a point in time.

The earnings simulation models consider our contractual agreements with regard to investments, loans, deposits, borrowings, and derivatives as well as a number of behavioral assumptions applied to certain assets and liabilities.

Mortgage banking derivatives used in the ordinary course of business consist of forward sales contracts and interest rate lock commitments on residential mortgage loans. These derivatives involve underlying items, such as interest rates, and are designed to mitigate risk. Derivatives are also used to hedge mortgage servicing rights. For additional information see Note 26—Derivative Financial Instruments in the consolidated financial statements.

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From time to time, we execute interest rate swaps to hedge some of our interest rate risks. Under these arrangements, the Company enters into a variable rate loan with a client in addition to a swap agreement. The swap agreement effectively converts the client's variable rate loan into a fixed rate loan. The Company then enters into a matching swap agreement with a third-party dealer to offset its exposure on the customer swap. The Company may also execute interest rate swap agreements that are not specific to client loans. As of December 31, 2025, the Company had a series of short-term interest rate hedges to address monthly accrual mismatches related to the Company's ARC program and its transition from LIBOR to SOFR after June 30, 2023. For additional information on these derivatives refer to Note 26—Derivative Financial Instruments in the consolidated financial statements.

Our interest rate risk key indicators are applied to a static balance sheet using forward rates from the Moody's Baseline Scenario. The Company will also use other rate forecasts, including, but not limited to, Moody's Consensus Scenario. This Base Case Scenario assumes the maturity composition of asset and liability rollover volumes is modeled to approximately replicate current consolidated balance sheet characteristics throughout the simulation. These treatments are consistent with the Company's goal of assessing current interest rate risk embedded in its current balance sheet. The Base Case Scenario assumes that maturing or repricing assets and liabilities are replaced at prices referencing forward rates derived from the selected rate forecast consistent with current balance sheet pricing characteristics. Key rate drivers are used to price assets and liabilities with sensitivity assumptions used to price non-maturity deposits. The sensitivity assumptions for the pricing of non-maturity deposits are subjected to sensitivity analysis no less frequently than on an annual basis.

Interest rate shocks are applied to the Base Case on an instantaneous basis. Our policy establishes the use of upward and downward interest rate shocks applied in 100 basis point increments through 400 basis points. We calculate smaller rate shocks as needed. At times, market conditions may result in assumed rate movements that will be deemphasized. For example, during a period of ultra-low interest rates, certain downward rate shocks may be impractical. The model simulation results produced from the Base Case Scenario and related instantaneous shocks for changes in net interest income and changes in the economic value of equity are referred to as the Core Scenario Analysis and constitute the policy key risk indicators for interest rate risk when compared to risk tolerances. As of December 31, 2025, the Company was operating within its interest rate key risk indicator policy limits.

During 2025, the beta assumption applied to deposits increased to reflect changes in deposit mix. From the beginning of the upward rate cycle, our deposit costs increased from five basis points to one hundred and ninety basis points. During that period, the federal funds rate increased 525 basis points, which implies a 35% beta. Management recognizes the difficulty in using historical data to forecast deposit betas in the current environment. For internal purposes, and based on the deposit mix as of December 31, 2025, the total deposit beta assumption was 44.3%. For internal forecasting, management will apply overlays to certain assumptions to adjust for current market conditions rather than use assumptions modeled over longer periods of time.

The following interest rate risk metrics are derived from analysis using the Moody's Baseline Scenario published in October 2025 as the Base Case Scenario. As of December 31, 2025, the earnings simulations indicated that the year 1 impact of an instantaneous 100 basis point parallel increase / decrease in rates would result in an estimated 1.4% increase (up 100) and 1.9% decrease (down 100) in net interest income.

We use Economic Value of Equity ("EVE") analysis as an indicator of the extent to which the present value of our capital could change, given potential changes in interest rates. This measure also assumes a static balance sheet (Base Case Scenario) with rate shocks applied as described above. At December 31, 2025, the percentage change in EVE due to a 100-basis point increase or decrease in interest rates was 1.9% decrease and 0.9% increase, respectively. The percentage changes in EVE due to a 200-basis point increase or decrease in interest rates were 4.7% decrease and 0.6% increase, respectively. Downward shocks are constrained on various balance sheet categories due to the inability to price products below floors or zero. This is particularly meaningful given the cost of deposits as of December 31, 2025.

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The analysis below reflects a Base Case and shocked scenarios that assume a static balance sheet projection where volume is added to maintain balances consistent with current levels. Base Case assumes new and repricing volumes reference forward rates derived from the Moody's Baseline rate forecast. Instantaneous, parallel, and sustained interest rate shocks are applied to the Base Case scenario over a one-year time horizon.

Table 29—Rate Shock Analysis – Net Interest Income

Percentage Change in Net Interest Income over One Year	
Up 300 basis points	3.5 %
Up 200 basis points	2.6 %
Up 100 basis points	1.4 %
Base Case	— %
Down 100 basis points	(1.9)%
Down 200 basis points	(4.1)%
Down 300 basis points	(7.1)%

Asset Credit Risk and Concentrations

The quality of our interest-earning assets is maintained through our management of certain concentrations of credit risk. We review each individual earning asset including investment securities and loans for credit risk. To facilitate this review, we have established credit and investment policies that include credit limits, documentation, periodic examination, and follow-up. In addition, we examine these portfolios for exposure to concentration in any one industry, government agency, or geographic location.

Deposit Concentrations

At December 31, 2025 and 2024, we have no material concentration of deposits from any single customer or group of customers. We have no significant portion of our deposits concentrated within a single industry or group of related industries. We do not believe there are any material seasonal factors that would have a material adverse effect on us. The total deposit balances held by top 10 and 20 deposit holders were below 6% and 5% of the Company's average total deposit balances at December 31, 2025 and 2024. We do not have any foreign deposits.

Concentration of Credit Risk

Each category of earning assets has a certain degree of credit risk. We use various techniques to measure credit risk. Credit risk in the investment portfolio can be measured through bond ratings published by independent agencies. In the investment securities portfolio, the investments consist of U.S. government-sponsored entity securities, tax-free securities, or other securities having ratings of "AAA" to "Not Rated". All securities, with the exception of those that are not rated, were rated by at least one of the nationally recognized statistical rating organizations. The credit risk of the loan portfolio can be measured by historical experience. We maintain our loan portfolio in accordance with credit policies that we have established. Although the Bank has a diversified loan portfolio, a substantial portion of our borrowers' abilities to honor their contracts is dependent upon economic conditions within our geographic footprint and the surrounding regions. See Concentration of Credit Risk section in Note 1 – Summary of Significant Accounting Policies for further discussion of credit risk concentrations.

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Banking regulators have established guidelines for calculating credit concentrations. Banking regulators set the guidelines for construction, land development and other land loans to total less than 100% of total Tier 1 capital less modified CECL transitional amount plus ACL (CDL concentration ratio) and for total commercial real estate loans (construction, land development and other land loans along with other non-owner-occupied commercial real estate and multifamily loans) to total less than 300% of total Tier 1 capital less modified CECL transitional amount plus ACL (CRE concentration ratio). Both ratios are calculated by dividing certain types of loan balances for each of the two categories by the Bank's total Tier 1 capital less modified CECL transitional amount plus ACL. At December 31, 2025, the Bank's CDL concentration ratio was 35.2% and its CRE concentration ratio was 271.8%. At December 31, 2024, the Bank's CDL concentration ratio was 40.9% and its CRE concentration ratio was 219.6%. As of December 31, 2025 and 2024, the Bank was below the established regulatory guidelines. When a bank's ratios are in excess of one or both of these loan concentration ratios guidelines, banking regulators generally require an increased level of monitoring in these lending areas by bank management. Therefore, we monitor these two ratios as part of our concentration management processes.

Effect of Inflation and Changing Prices

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require the measure of financial position and results of operations in terms of historical dollars, without consideration of changes in the relative purchasing power over time due to inflation. Unlike most other industries, the majority of the assets and liabilities of a financial institution are monetary in nature. As a result, interest rates generally have a more significant effect on a financial institution's performance than does the effect of inflation. Interest rates do not necessarily change in the same magnitude as the prices of goods and services.

While the effect of inflation on banks is normally not as significant as is its influence on those businesses which have large investments in plant and inventories, it does have an effect. During periods of high inflation, there are normally corresponding increases in money supply, and banks will normally experience above average growth in assets, loans and deposits. Also, general increases in the prices of goods and services will result in increased operating expenses. Inflation also affects our Bank's customers and may result in an indirect effect on our Bank's business.

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Contractual Obligations

The following table presents payment schedules for certain of our contractual obligations as of December 31, 2025. Long-term debt obligations totaling \$696.5 million include trust preferred junior subordinated debt and corporate subordinated debt. Operating and finance lease obligations of \$801.6 million and \$1.2 million, respectively, pertain to banking facilities. Certain lease agreements include payment of property taxes and insurance and contain various renewal options. Additional information regarding leases is contained in Note 19—Leases of the audited consolidated financial statements.

Table 30—Obligations

(Dollars in thousands)	Total	Less Than 1 Year	1 to 3 Years	3 to 5 Years	More Than 5 Years
Long-term debt obligations *	\$ 696,536	\$ —	\$ —	\$ —	\$ 696,536
Finance lease obligations	1,190	494	696	—	—
Operating lease obligations	801,604	57,805	118,751	117,613	507,435
Total	<u>\$ 1,499,330</u>	<u>\$ 58,299</u>	<u>\$ 119,447</u>	<u>\$ 117,613</u>	<u>\$ 1,203,971</u>

* Represents principal maturities.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

See “Asset-Liability Management and Market Risk Sensitivity” on page 97 in Management’s Discussion and Analysis of Financial Condition and Results of Operations for quantitative and qualitative disclosures about market risk.

Item 8. Financial Statements and Supplementary Data.

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Management’s Report on Internal Control Over Financial Reporting	F-1
Report of Independent Registered Public Accounting Firm (Ernst & Young LLP, Birmingham, Alabama, PCAOB Firm ID No. 42)	F-2
<i>SouthState Bank Corporation Consolidated Financial Statements</i>	
Consolidated Balance Sheets at December 31, 2025 and December 31, 2024	F-5
Consolidated Statements of Income for the Years Ended December 31, 2025, 2024 and 2023	F-6
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Consolidated Statements of Cash Flows for the Years Ended December 31, 2025, 2024 and 2023	F-9
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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

SouthState’s management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of SouthState’s disclosure controls and procedures as of

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December 31, 2025, in accordance with Rule 13a-15 of the Securities Exchange Act of 1934. We applied our judgment in the process of reviewing these controls and procedures, which, by their nature, can provide only reasonable assurance regarding our control objectives. Based upon that evaluation, our Chief Executive Officer and the Chief Financial Officer concluded that SouthState's disclosure controls and procedures as of December 31, 2025, were effective to provide reasonable assurance regarding our control objectives.

Management's Report on Internal Control over Financial Reporting is included on page F-1 of this Report. The report of SouthState's independent registered public accounting firm regarding SouthState's internal control over financial reporting begins on page F-2 of this Report.

Changes in Internal Controls

During the first quarter of 2025, Independent merged into SouthState. We integrated Independent into our overall internal control over financial reporting processes during the second quarter of 2025. Except for changes made in connection with this integration of Independent, there has been no change in our internal control over financial reporting during our most recent fiscal quarter, that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Management's Report on Internal Controls over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting. Management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2025 is included in Item 8 of this Report under the heading "Management's Report on Internal Controls Over Financial Reporting."

Our independent auditors have issued an audit report on management's assessment of internal controls over financial reporting. This Report entitled "Report of Independent Registered Public Accounting Firm" appears in Item 8.

Item 9B. Other Information.

On December 9, 2025, David R. Brooks, a member of the Company's Board of Directors, terminated a 10b5-1 trading plan that had been adopted on August 26, 2025. The termination was not related to any material nonpublic information and no transactions occurred under this plan.

On December 10, 2025, David R. Brooks adopted a new Rule 10b-51 trading plan in accordance with Rule 10b5-1(c) (1) under the Securities Exchange Act of 1934. The plan provides for the potential sale of up to 300,109 shares of the Company's common stock, subject to specified price, volume, and timing conditions. Transactions under the plan may begin after the expiration of the applicable cooling-off period and will terminate the earlier of November 30, 2026 or the completion of all planned transactions. As of the date of this report, no transactions have occurred under the new plan.

During the year ended December 31, 2025, no other directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement", as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required to be disclosed by this item will be disclosed in the Company’s definitive proxy statement to be filed no later than 120 days after December 31, 2025 and in connection with our 2026 Annual Meeting of Shareholders under the sections captioned (i) “Proposal 1: Electing Directors”, (ii) “Corporate Governance” including the subsection captioned “Board Meetings, Committee Membership, and Attendance”; (iii) Related Person and Certain Other Transactions; (iv) Shareholder Proposals and Nominations for our 2027 Annual Meeting; (v) “Director Compensation – Stock Retention Requirements, 10b5-1 Plans and Hedging and Pledging Prohibitions - Insider Trading Policy and 10b5-1 Rules”, (vi) “Compensation Discussion and Analysis – Executive Summary – Our Named Executive Officers”, (vii) “Audit Committee Report”, (viii) “Proxy Statement Summary – Additional Corporate Governance Information”, and (ix) “Stock Ownership of Directors, Executive Officers, and Certain Beneficial Owners – Delinquent Section 16(a) Reports.” We incorporate such required information herein by reference.

We have adopted policies and procedures reasonably designed to promote compliance with relevant insider trading laws, rules and regulations, and NYSE listing standards. A copy of our Insider Trading Policy is filed as Exhibit [19.1](#) to this Form 10-K.

Item 11. Executive Compensation.

The information required to be disclosed by this item will be disclosed in our definitive proxy statement to be filed no later than 120 days after December 31, 2025 and in connection with our 2026 Annual Meeting of Shareholders under the captions “Compensation Discussion and Analysis,” “Director Compensation,” and “Executive Compensation,” including the sections titled “Summary Compensation Table,” “Grants of Plan-based Awards Table,” “Year-end Equity Values and Equity Exercised or Vested Table,” “Nonqualified Deferred Compensation Table,” “Pension Benefits Table,” and “Potential Payments Upon Termination or Change of Control.” We incorporate such required information herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table contains certain information as of December 31, 2025, relating to securities authorized for issuance under our equity compensation plans:

	A	B	C
	Number of securities to be issued upon exercise of Outstanding options, warrants, and Rights	Weighted-average exercise price of Outstanding options, warrants, and Rights	Number of Securities remaining available for future issuance under equity Compensation plans (excluding Securities reflected in column “A”)
Plan Category			
Equity compensation plans approved by security holders	28,815	\$ 61.00	3,088,612
Equity compensation plans not approved by security holders	None	n/a	n/a

Included within the 3,088,612 number of securities available for future issuance in Column C of the table above are 1,874,774 shares remaining for future grant from the 2,451,634 of authorized shares under our Amended and Restated 2020 Omnibus Incentive Plan and 1,213,838 shares remaining for future grant from the 1,763,825 of authorized shares under our Amended and Restated 2002 Employee Stock Purchase Plan. Shares issued in respect of restricted stock and restricted stock units granted under the Amended and Restated 2020 Omnibus Incentive Plan count as one share for every share/unit granted under the plan.

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Other information required to be disclosed by this item will be disclosed under the captions “Stock Ownership of Directors, Executive Officers and Certain Beneficial Owners” in our definitive proxy statement to be filed no later than 120 days after December 31, 2025 and in connection with our 2026 Annual Meeting of Shareholders. We incorporate such required other information herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required to be disclosed by this item will be disclosed under the caption “Certain Relationships and Related Transactions” in our definitive proxy statement to be filed no later than 120 days after December 31, 2025 and in connection with our 2026 Annual Meeting of Shareholders. We incorporate such required information herein by reference.

Item 14. Principal Accounting Fees and Services.

The information required to be disclosed by this item will be disclosed under the caption “Audit and Other Fees” in our definitive proxy statement to be filed no later than 120 days after December 31, 2025 and in connection with our 2026 Annual Meeting of Shareholders. We incorporate such required information herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

- (a) 1. The financial statements and independent auditors' report referenced in "Item 8—Financial Statements and Supplementary Data" are listed below:

SouthState Bank Corporation and Subsidiaries
Report of Independent Registered Public Accounting Firm
Consolidated Balance Sheets
Consolidated Statements of Income
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes in Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements

2. Financial Schedules Filed: Not applicable. All of the schedules for which provision is made in the applicable accounting regulations of the SEC are either not required under the related instruction, the required information is contained elsewhere in the Form 10-K, or the schedules are inapplicable and therefore have been omitted.
3. Exhibits

In most cases, documents incorporated by reference to exhibits that have been filed with our reports or proxy statements under the Securities Exchange Act of 1934 are available to the public over the Internet from the SEC's web site at www.sec.gov. You may also read and copy any such document at the SEC's public reference room located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549 under our SEC file number (001-12669).

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
1.1	Underwriting Agreement dated as of June 10, 2025, by and among SouthState Corporation and Morgan Stanley & Co LLC, Piper Sandler & Co., and Keefe, Bruyette & Woods, Inc., as representatives of the several underwriters named therein	8-K	001-12669	1.1	6/11/2025	
2.1	Agreement for the purchase and sale of real property with entities affiliated with Blue Owl Real Estate Capital LLC †	8-K	001-12669	10.1	01/13/2025	
2.2	Agreement and Plan of Merger dated as of August 19, 2025, by and between SouthState Corporation and SouthState Bank Corporation	8-K	001-12669	2.1	8/19/2025	
3.1	Articles of Incorporation of SouthState Bank Corporation	8-K	001-12669	3.1	8/19/2025	
3.2	Bylaws of SouthState Bank Corporation	8-K	001-12669	3.2	8/19/2025	
3.3	First Amendment to Bylaws of SouthState Bank Corporation					X
4.1	Specimen SouthState Corporation Common Stock Certificate	10-K	001-12669	4.1	2/27/2015	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
4.2	Articles of Incorporation (see Exhibit 3.1)		001-12669			
4.3	Bylaws, as amended (see Exhibits 3.2 and 3.3)		001-12669			
4.4	Description of Securities	10-K	001-12669	4.4	2/26/2021	
4.5	Subordinated Debt Indenture, dated as of June 25, 2014, between Independent Bank Group, Inc. and Wells Fargo Bank, National Association, in its capacity as Indenture Trustee	S-3, Am. No. 1	001-35854	4.6	6/25/2014	
4.6	Fourth Supplemental Indenture, dated as of July 31, 2024, between Independent Bank Group, Inc. and Computershare Trust Company, National Association, as successor in interest to Wells Fargo Bank, National Association, as trustee	8-K	001-35854	4.2	7/29/2024	
4.7	Sixth Supplemental Indenture, dated as of January 1, 2025, among SouthState Corporation, Independent Bank Group, Inc. and Computershare Trust Company, National Association, as successor in interest to Wells Fargo Bank, National Association, as trustee	8-K	001-12669	4.7	1/2/2025	
4.8	Eighth Supplemental Indenture, dated as of August 31, 2025, among SouthState Corporation, SouthState Bank Corporation, and Computershare Trust Company, National Association, as successor in interest to Wells Fargo Bank, National Association, as trustee	8-K	001-12669	4.16	9/4/2025	
4.9	Form of 8.375% Fixed-to-Floating Rate Subordinated Notes due 2034 of Independent Bank Group, Inc. #	8-K	001-35854	4.2	7/29/2024	
4.10	Indenture dated as of June 13, 2025, between SouthState Corporation and U.S. Bank Trust Company, National Association, as Trustee	8-K	001-12669	4.1	6/13/2025	
4.11	First Supplemental Indenture dated as of June 13, 2025, between SouthState Corporation and U.S. Bank Trust Company, National Association, as Trustee	8-K	001-12669	4.2	6/13/2025	
4.12	Second Supplemental Indenture dated as of August 31, 2025, between SouthState Corporation, SouthState Bank Corporation, and U.S. Bank Trust Company, National Association, as Trustee	8-K	001-12669	4.7	9/4/2025	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
10.1	SCBT Financial Corporation Stock Incentive Plan *	DEF 14A	001-12669	Appendix A	3/12/2004	
10.2	Form of Split-Dollar Agreement of CenterState Bank Corporation *	8-K	001-32017	10.1	1/11/2006	
10.3	Employment Agreement between CenterState Bank Corporation and John C. Corbett *	8-K	001-32017	10.4	7/14/2010	
10.4	Amended and Restated SCBT, N.A. Deferred Income Plan executed November 30, 2010, to be effective December 1, 2010 *	8-K	001-12669	10.1	12/6/2010	
10.5	Employment Agreement between CenterState Bank Corporation and Stephen D. Young *	10-K	001-32017	10.10	3/16/2011	
10.6	Form of Stock Option Agreement under the SouthState Bank Corporation Omnibus Stock and Performance Plan *	8-K	001-12669	10.2	1/22/2013	
10.7	Supplemental Executive Retirement Benefits Agreement dated January 1, 2016 by and between National Bank of Commerce and Richard Murray, IV *	8-K	001-36878	10.1A	12/22/2015	
10.8	Split-Dollar Agreement dated January 1, 2016 by and between National Bank of Commerce and Richard Murray, IV *	8-K	001-36878	10.2A	12/22/2015	
10.9	Supplemental Executive Retirement Benefits Agreement dated January 1, 2016 by and between National Bank of Commerce and William E. Matthews, V *	8-K	001-36878	10.1B	12/22/2015	
10.10	Split-Dollar Agreement dated January 1, 2016 by and between National Bank of Commerce and William E. Matthews, V *	8-K	001-36878	10.2B	12/22/2015	
10.11	SouthState Bank Corporation Omnibus Stock and Performance Plan (Originally approved by shareholders on April 24, 2012, as Amended and Restated Effective as of April 20, 2017) *	DEF 14A	001-12669	Appendix A	3/6/2017	
10.12	Amendment Number 1 through 4 to Gateway Financial Holdings of Florida, Inc. Officers' and Employees' Stock Option Plan *	S-8	000-32017	10.1	5/1/2017	
10.13	HCBF Holding Company, Inc. Amended and Restated 2010 Stock Incentive Plan *	S-8	000-32017	10.1	1/2/2018	
10.14	Annual Incentive Plan dated March 23, 2018 *	8-K	001-12669	10.1	3/27/2018	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
10.15	2018 Supplemental Executive Retirement Benefits Agreement dated September 12, 2018, by and between National Bank of Commerce and Richard Murray IV *	8-K	001-36878	10.1A	9/17/2018	
10.16	2018 Split-Dollar Agreement dated September 12, 2018, by and between National Bank of Commerce and Richard Murray IV *	8-K	001-36878	10.2A	9/17/2018	
10.17	2018 Supplemental Executive Retirement Benefits Agreement dated September 12, 2018, by and between National Bank of Commerce and William E. Matthews V *	8-K	001-36878	10.1B	9/17/2018	
10.18	2018 Split-Dollar Agreement dated September 12, 2018, by and between National Bank of Commerce and William E. Matthews V *	8-K	001-36878	10.2B	9/17/2018	
10.19	Employment Agreement between CenterState Bank Corporation and Richard Murray IV *	8-K	000-32017	10.1	11/26/2018	
10.20	Employment Agreement between CenterState Bank Corporation and William E. Matthews V *	8-K	000-32017	10.2	11/26/2018	
10.21	Amendment No. 1 to Supplemental Executive Retirement Benefits Agreement dated December 13, 2018, by and between National Bank of Commerce and Richard Murray IV *	8-K	001-36878	10.1A	12/18/2018	
10.22	Amendment No. 1 to 2018 Supplemental Executive Retirement Benefits Agreement dated December 13, 2018, by and between National Bank of Commerce and Richard Murray IV *	8-K	001-36878	10.1B	12/18/2018	
10.23	Amendment Number One to 2016 Split-Dollar Agreement by and between National Bank of Commerce and Richard Murray IV, dated December 13, 2018 *	8-K	001-36878	10.2A	12/18/2018	
10.24	Amendment Number One to 2018 Split-Dollar Agreement by and between National Bank of Commerce and Richard Murray IV, dated December 13, 2018 *	8-K	001-36878	10.2B	12/18/2018	
10.25	Amendment No. 1 to Supplemental Executive Retirement Benefits Agreement dated December 13, 2018, by and between National Bank of Commerce and William E. Matthews V *	8-K	001-36878	10.1C	12/18/2018	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
10.26	Amendment No. 1 to 2018 Supplemental Executive Retirement Benefits Agreement dated December 13, 2018, by and between National Bank of Commerce and William E. Matthews V *	8-K	001-36878	10.1D	12/18/2018	
10.27	Amendment Number One to 2016 Split-Dollar Agreement by and between National Bank of Commerce and William E. Matthews, dated December 13, 2018 *	8-K	001-36878	10.2C	12/18/2018	
10.28	Amendment Number One to 2018 Split-Dollar Agreement by and between National Bank of Commerce and William E. Matthews V, dated December 13, 2018 *	8-K	001-36878	10.2D	12/18/2018	
10.29	Amendment No. 1 to Premier Community Bank of Florida 2015 Stock Option Plan (Incorporated by reference to Exhibit 10.3a to the National Commerce Corporation Form S-4 Registrations Statement (333-224820), dated May 10, 2018) *	S-8 POS	000-32017	10.10	4/1/2019	
10.30	Amendment No. 1 to Premier Community Bank of Florida 2017 Stock Option Plan (Incorporated by reference to Exhibit 10.4a to the National Commerce Corporation Form S-4 Registrations Statement (333-224820), dated May 10, 2018) *	S-8 POS	000-32017	10.12	4/1/2019	
10.31	First Amendment to the First Landmark Bank 2015 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.4a to the National Commerce Corporation Form S-4 Registration Statement (333-225524), dated June 8, 2018) *	S-8 POS	000-32017	10.4	4/1/2019	
10.32	First Amendment to the First Landmark Bank 2007 Stock Option Plan (Incorporated by reference to Exhibit 10.3a to the National Commerce Corporation Form S-4 Registration Statement (333-225524), dated June 8, 2018) *	S-8 POS	000-32017	10.7	4/1/2019	
10.33	Employment Agreement between SouthState Bank and for Renee R. Brooks dated January 25, 2020 *	10-K	001-12669	10.31	2/21/2020	
10.34	Employment Agreement between South State Bank and Jonathan Kivett, dated January 25, 2020 *	10-K/A	001-12669	10.34	3/6/2020	
10.35	CenterState Bank Corporation (formerly CenterState Banks, Inc.) 2013 Equity Incentive Plan, as amended September 17, 2015 *	S-8	001-12669	4.7	6/9/2020	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
10.36	CenterState Bank Corporation 2018 Equity Incentive Plan *	S-8	001-12669	4.11	6/9/2020	
10.37	SouthState Deferred Income Plan (Amended and Restated) *	S-8	001-12669	4.4	8/3/2020	
10.38	SouthState Bank Corporation 2020 Omnibus Incentive Plan *	DEF 14A	001-12669	Annex C	8/12/2020	
10.39	SouthState Bank Corporation Non-Employee Directors Deferred Income Plan *	S-8	001-12669	4.6	9/30/2020	
10.40	Form of Stock Option Agreement under the South State Corporation 2020 Omnibus Incentive Plan *	10-K	001-12669	10.47	2/26/2021	
10.41	Form of Restricted Stock Unit Agreement under the South State Corporation 2020 Omnibus Incentive Plan *	10-Q	001-12669	10.1	5/7/2021	
10.42	Form of Performance-based Restricted Share Unit Agreement under the South State Corporation 2020 Omnibus Incentive Plan *	10-Q	001-12669	10.2	5/7/2021	
10.43	SouthState Bank Corporation 2002 Employee Stock Purchase Plan (Amended and Restated) *	10-K	001-12669	10.49	2/25/2022	
10.44	Form of Performance Share Unit Agreement (Annual Incentive Plan) *	10-K	001-12699	10.58	3/4/2024	
10.45	Amended and Restated 2020 Omnibus Incentive Plan *	DEF 14A	001-12699	Appendix B	3/08/2024	
10.46	Transition Agreement for David R. Brooks*	10-K	001-12699	10.47	2/21/2025	
10.47	Transition Agreement for Daniel W. Brooks*	10-K	001-12699	10.48	2/21/2025	
10.48	Amendment and Restatement, dated as of November 15, 2021, to Credit Agreement, dated as of October 28, 2013, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender	8-K	001-12669	10.1	11/16/2021	
10.49	Amendment Number One, dated as of November 14, 2022, to and under Credit Agreement, dated as of November 15, 2021, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender	10-K	001-12699	10.57	2/24/2023	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
10.50	Amendment No. 2, dated as of November 13, 2023, to and under Credit Agreement, dated as of November 15, 2021, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender	10-K	001-12699	10.61	3/4/2024	
10.51	Amendment No. 3, dated as of November 11, 2024, to and under Credit Agreement, dated as of November 15, 2021, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender	10-K	001-12699	10.52	2/21/2025	
10.52	Amendment No. 4, dated as of November 10, 2025, to and under Credit Agreement, dated as of November 15, 2021, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender					X
10.53	Amendment No. 5, dated as of December 29, 2025, to and under Credit Agreement, dated as of November 15, 2021, by and between SouthState Bank Corporation, as borrower, and U.S. Bank National Association, as lender					X
10.54	Form of Lease Agreement between SouthState Bank, N.A. and entities affiliated with Blue Owl Real Estate Capital LLC	8-K	001-12669	10.2	01/13/2025	
19.1	Insider Trading Policy					X
21	Subsidiaries of the Registrant					X
23.1	Consent of Ernst & Young LLP					X
24.1	Power of Attorney (contained herein as part of Annual Report on Form 10-K)					X
31.1	Rule 13a-14(a) Certification of the Principal Executive Officer					X
31.2	Rule 13a-14(a) Certification of the Principal Financial Officer					X
32	Section 1350 Certifications					X
97.1	Compensation Recoupment Policy, approved by SouthState Bank Corporation's Board of Directors on July 27, 2023, effective as of October 2, 2023 *	10-K	001-12699	97.1	3/4/2024	

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Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	Commission File No.	Exhibit	Filing Date	
101	The following financial statements from the Annual Report on Form 10-K of SouthState Bank Corporation, formatted in inline eXtensible Business Reporting Language (iXBRL): (i) Consolidated Balance Sheets as of December 31, 2025 and 2024, (ii) Consolidated Statements of Income for the years ended December 31, 2025, 2024 and 2023, (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023, (iv) Consolidated Statements of Changes in Shareholders' Equity and Comprehensive Income for the years ended December 31, 2025, 2024, and 2023, (v) Consolidated Statement of Cash Flows for the years ended December 31, 2025, 2024 and 2023 and (vi) Notes to Consolidated Financial Statements.					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).					X

† Pursuant to Item 601(b)(2) of Regulation S-K, certain schedules and similar attachments have been omitted. The registrant hereby agrees to furnish a copy of any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.

* Denotes a management compensatory plan or arrangement.

(b) Not Applicable.

SouthState Bank Corporation and certain of its consolidated subsidiaries are parties to long-term debt instruments with respect to trust preferred securities under which the total amount of securities authorized does not exceed 10% of the total assets of SouthState Bank Corporation and its subsidiaries on a consolidated basis. Pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K, SouthState Bank Corporation agrees to furnish a copy of such instruments to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, in the City of Winter Haven, State of Florida, on the 20th day of February 2026.

SouthState Bank Corporation
(Registrant)

By: /s/ JOHN C. CORBETT
John C. Corbett
Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John C. Corbett, his true and lawful attorney in fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10 K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto attorney in fact and agent full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that attorney in fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, this Report has been signed below by the following persons in the capacities indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ JOHN C. CORBETT</u> John C. Corbett	Chief Executive Officer and Director	February 20, 2026
<u>/s/ WILLIAM E. MATTHEWS, V</u> William E. Matthews, V	Senior Executive Vice President, Chief Financial Officer	February 20, 2026
<u>/s/ SARA G. ARANA</u> Sara G. Arana	Executive Vice President and Principal Accounting Officer	February 20, 2026
<u>/s/ DOUGLAS J. HERTZ</u> Douglas J. Hertz	Independent Chairman of the Board of Directors	February 20, 2026
<u>/s/ DAVID R. BROOKS</u> David R. Brooks	Director	February 20, 2026
<u>/s/ RONALD M. COFIELD, SR.</u> Ronald M. Cofield, Sr.	Director	February 20, 2026
<u>/s/ SHANTELLA E. COOPER</u> Shantella E. Cooper	Director	February 20, 2026
<u>/s/ MARTIN B. DAVIS</u> Martin B. Davis	Director	February 20, 2026

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ JANET P. FROETSCHER</u> Janet P. Froetscher	Director	February 20, 2026
<u>/s/ MERRIANN METZ</u> Merriann Metz	Director	February 20, 2026
<u>/s/ G. RUFFNER PAGE, JR.</u> G. Ruffner Page, Jr.	Director	February 20, 2026
<u>/s/ WILLIAM KNOX POU, JR.</u> William Knox Pou, Jr.	Director	February 20, 2026
<u>/s/ JAMES W. ROQUEMORE</u> James W. Roquemore	Director	February 20, 2026
<u>/s/ DAVID G. SALYERS</u> David G. Salyers	Director	February 20, 2026
<u>/s/ BEN E. SASSE</u> Ben E. Sasse	Director	February 20, 2026
<u>/s/ G. STACY SMITH</u> G. Stacy Smith	Director	February 20, 2026
<u>/s/ JOSHUA A. SNIVELY</u> Joshua A. Snively	Director	February 20, 2026



MANAGEMENT’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of SouthState Bank Corporation (the “Company”) is responsible for establishing and maintaining adequate internal control over financial reporting. Management has assessed the effectiveness of internal control over financial reporting using the criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Company’s internal control over financial reporting is a process designed 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. The Company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on the testing performed using the criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), management of the Company believes that the Company’s internal control over financial reporting was effective as of December 31, 2025.

The effectiveness of our internal control over financial reporting as of December 31, 2025, has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included herein.

/s/ SouthState Bank Corporation

Winter Haven, Florida
February 20, 2026

www.SouthStateBank.com
(863) 293-4710 | Winter Haven, Florida | 33880

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of SouthState Bank Corporation

Opinion on Internal Control Over Financial Reporting

We have audited SouthState Bank Corporation and subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, SouthState Bank Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 20, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Birmingham, Alabama

February 20, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of SouthState Bank Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of SouthState Bank Corporation and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 20, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for credit losses

<i>Description of the Matter</i>	As of December 31, 2025, the Company's held for investment loan portfolio was \$48.6 billion and the associated allowance for credit losses ("ACL"), inclusive of the reserve for unfunded commitments, was \$654.8 million. The provision for credit losses was \$119.8 million for the year ended December 31, 2025. As described in Notes 1 and 5 to the consolidated financial statements, the Company's ACL recorded on the balance sheet reflects management's best estimate of the portion of the amortized cost of loans and unfunded commitments that it does not expect to collect. Management considers the effects of past events, current conditions, and reasonable and supportable forecasts on the collectability of the loan portfolio. The ACL is measured on a collective pool basis when similar risk characteristics exist, and the Discounted Cash Flow method ("DCF") is utilized and aggregated at the pool level. A probability of default ("PD") and absolute loss given default ("LGD") are applied to a projective model of the loan's cash flow while considering prepayment and principal curtailment effects. Management considers the need to qualitatively adjust expected credit losses for information not already captured in the loss estimation model.
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How We Addressed the Matter in Our Audit

Auditing management's ACL estimate and related provision for credit losses was complex due to the need for involvement of professionals with specialized skills and knowledge in evaluating the expected loss forecasting models, and due to subjectivity in evaluating management's selection and weighting of economic forecast scenarios used during the reasonable and supportable period and the qualitative factors.

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's internal controls over establishing the ACL, including controls that address: 1) the governance of the credit loss methodology, including management's review and approval of the ACL; 2) the completeness and accuracy of key inputs and assumptions used in the models; 3) the selection and challenge of the economic forecasts, including the selected weightings of the economic forecasts applied by management; 4) the identification and measurement of qualitative factors, among others.

With respect to expected loss forecasting models, with the support of our internal specialists, we evaluated the conceptual soundness of the model methodology and recalculated the model output on a sample basis. We also tested the appropriateness of key inputs and assumptions used in these models by agreeing a sample of inputs to supporting documentation.

Regarding the reasonable and supportable economic forecasts used in the models, we evaluated the reasonableness of management's selection and weighting of the forecast scenarios used, tested the completeness and accuracy of forecast data to supporting documentation and searched for and evaluated information that corroborated or contradicted the forecast.

Regarding measurement of the qualitative factors, we evaluated the methodology applied and data utilized by management to estimate the appropriate level of the qualitative factors with the support of our internal specialists. We also considered if qualitative factors were consistent with external macroeconomic factors and current credit metrics.

We evaluated the overall ACL amount, including model estimates and qualitative factors, and whether the recorded ACL appropriately reflects expected credit losses on the loan portfolio and unfunded credit commitments. We considered overall trends in credit quality, historical loss statistics, peer-bank information, and subsequent events and considered whether they corroborate or contradict the Company's measurement of the ACL.

Business Combinations – Fair Value of Acquired Loans

Description of the Matter

As described in Note 2 to the consolidated financial statements, the Company acquired Independent Bank Group, Inc. on January 1, 2025 and recognized \$13 billion in fair value of acquired loans. To determine the fair value of acquired loans, management used a discounted cash flow approach that estimated the present value of contractual and expected cash flows, adjusted for expected credit losses and market-based discount rates.

Auditing management's fair value estimate of the acquired loans was complex due to the need for involvement of professionals with specialized skills and knowledge, and due to subjectivity in evaluating management's credit loss and discount rate assumptions used in the valuation methodology.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's internal controls over estimating the fair value of the acquired loans, including the selection of the valuation methodology, developing credit loss expectations and determining the discount rate to be used in the discounted cash flow methodology, and testing completeness and accuracy of key inputs used in the valuation, including loan data.

With the support of our internal specialists, we evaluated management's valuation methodology and key assumptions used to estimate the fair value of the acquired loans. We tested the determination and application of the credit loss and discount rate assumptions by comparing management's selected assumptions to independently developed ranges based on internal and third-party market data. Additionally, with the support of our internal specialists, we performed independent comparative calculations of the fair value adjustment to the acquired loans on a sample basis.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2023.

Birmingham, Alabama

February 20, 2026

SouthState Bank Corporation and Subsidiaries
Consolidated Balance Sheets
(Dollars in thousands, except share and par value)

	December 31,	
	2025	2024
ASSETS		
Cash and cash equivalents:		
Cash and due from banks	\$ 583,375	\$ 525,506
Federal funds sold and interest-earning deposits with banks	2,286,928	593,777
Deposits in other financial institutions (restricted cash)	302,180	272,784
Total cash and cash equivalents	3,172,483	1,392,067
Trading securities, at fair value	110,183	102,932
Investment securities:		
Securities held to maturity (fair value of \$1,732,850 and \$1,834,527)	2,048,030	2,254,670
Securities available for sale, at fair value	6,313,756	4,320,593
Other investments	353,428	223,613
Total investment securities	8,715,214	6,798,876
Loans held for sale	345,343	279,426
Loans:		
Acquired - non-purchased credit deteriorated loans	11,232,414	3,635,782
Acquired - purchased credit deteriorated loans	2,977,499	862,155
Non-acquired loans	34,388,614	29,404,990
Less allowance for credit losses	(585,197)	(465,280)
Loans, net	48,013,330	33,437,647
Premises and equipment, net	994,176	502,559
Bank owned life insurance ("BOLI")	1,293,574	1,013,209
Deferred tax assets	112,578	179,884
Derivatives assets	222,886	161,490
Mortgage servicing rights	84,032	89,795
Core deposit and other intangibles	386,326	66,458
Goodwill	3,094,059	1,923,106
Other assets	653,228	433,755
Total assets	\$ 67,197,412	\$ 46,381,204
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest-bearing	\$ 13,375,697	\$ 10,192,117
Interest-bearing	41,770,100	27,868,749
Total deposits	55,145,797	38,060,866
Federal funds purchased	306,841	260,191
Securities sold under agreements to repurchase	311,374	254,721
Corporate and subordinated debentures	696,536	391,534
Reserve for unfunded commitments	69,619	45,327
Derivative liabilities	554,748	879,855
Other liabilities	1,053,389	598,295
Total liabilities	58,138,304	40,490,789
Shareholders' equity:		
Common stock - \$2.50 par value; authorized 160,000,000 shares; 99,138,204 and 76,322,206 shares issued and outstanding, respectively	247,845	190,805
Surplus	6,480,471	4,259,722
Retained earnings	2,614,173	2,046,809
Accumulated other comprehensive loss	(283,381)	(606,921)
Total shareholders' equity	9,059,108	5,890,415
Total liabilities and shareholders' equity	\$ 67,197,412	\$ 46,381,204

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements.

SouthState Bank Corporation and Subsidiaries
Consolidated Statements of Income
(in thousands, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Interest income:			
Loans, including fees	\$ 3,001,576	\$ 1,925,838	\$ 1,716,405
Investment securities:			
Taxable	260,119	155,470	162,907
Tax-exempt	26,573	22,928	23,455
Federal funds sold, securities purchased under agreements to resell and interest-bearing deposits with banks	91,230	37,126	41,639
Total interest income	<u>3,379,498</u>	<u>2,141,362</u>	<u>1,944,406</u>
Interest expense:			
Deposits	995,009	671,825	440,257
Federal funds purchased and securities sold under agreements to repurchase	20,241	20,268	15,589
Corporate and subordinated debentures	60,293	23,874	23,617
Other borrowings	648	9,941	12,335
Total interest expense	<u>1,076,191</u>	<u>725,908</u>	<u>491,798</u>
Net interest income	2,303,307	1,415,454	1,452,608
Provision for credit losses	119,757	15,975	114,082
Net interest income after provision for credit losses	<u>2,183,550</u>	<u>1,399,479</u>	<u>1,338,526</u>
Noninterest income:			
Fees on deposit accounts	158,324	136,094	129,015
Mortgage banking income	24,293	20,047	13,355
Trust and investment services income	58,192	45,474	39,447
Correspondent banking and capital markets income	71,987	32,619	49,101
SBA income	9,196	16,226	13,929
Securities (losses) gains, net	(228,811)	(50)	43
Gain on sale-leaseback, net of transaction costs	229,279	—	—
Other income	55,284	51,852	42,016
Total noninterest income	<u>377,744</u>	<u>302,262</u>	<u>286,906</u>
Noninterest expense:			
Salaries and employee benefits	797,835	606,869	583,398
Occupancy expense	160,441	90,103	88,695
Information services expense	120,948	92,193	84,472
OREO and loan related expense	10,373	4,687	1,716
Amortization of intangibles	94,722	22,395	27,558
Supplies, printing and postage expense	13,969	10,558	10,578
Professional fees	21,771	16,404	18,547
FDIC assessment and other regulatory charges	40,985	31,152	33,070
FDIC special assessment	(3,835)	3,852	25,691
Advertising and marketing	12,990	9,143	9,474
Merger, branch consolidation, severance-related, and other expense	117,768	20,133	13,162
Other expense	133,117	94,004	98,219
Total noninterest expense	<u>1,521,084</u>	<u>1,001,493</u>	<u>994,580</u>
Earnings:			
Income before provision for income taxes	1,040,210	700,248	630,852
Provision for income taxes	241,543	165,465	136,544
Net income	<u>\$ 798,667</u>	<u>\$ 534,783</u>	<u>\$ 494,308</u>
Earnings per common share:			
Basic	<u>\$ 7.90</u>	<u>\$ 7.01</u>	<u>\$ 6.50</u>
Diluted	<u>\$ 7.87</u>	<u>\$ 6.97</u>	<u>\$ 6.46</u>
Weighted average common shares outstanding:			
Basic	101,043	76,303	76,051
Diluted	101,499	76,762	76,480

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements.

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SouthState Bank Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
(Dollars in thousands)

	Year Ended December 31,		
	2025	2024	2023
Net income	\$ 798,667	\$ 534,783	\$ 494,308
Other comprehensive income (loss):			
Unrealized holding gains (losses) on available for sale securities:			
Unrealized holding gains (losses) arising during period	196,991	(32,055)	112,743
Tax effect	(47,106)	7,681	(19,458)
Reclassification adjustment for net (gains) loss included in net income	228,811	50	(43)
Tax effect	(55,143)	(12)	10
Net of tax amount	323,553	(24,336)	93,252
Change in the retiree medical plan obligation:			
Change in the retiree medical plan obligation during period	(83)	(110)	1,442
Tax effect	26	27	(356)
Reclassification adjustment for changes included in net income	58	45	285
Tax effect	(14)	(11)	(71)
Net of tax amount	(13)	(49)	1,300
Other comprehensive income (loss), net of tax	323,540	(24,385)	94,552
Comprehensive income	\$ 1,122,207	\$ 510,398	\$ 588,860

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements.

SouthState Bank Corporation and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
(Dollars in thousands, except share and per share data)

	Common Stock		Surplus	Retained Earnings	Accumulated Other Comprehensive (Loss) Gain	Total
	Shares	Amount				
Balance, December 31, 2022	75,704,563	\$ 189,261	\$ 4,215,712	\$ 1,347,042	\$ (677,088)	\$ 5,074,927
Comprehensive income:						
Net income	—	—	—	494,308	—	494,308
Other comprehensive income, net of tax effects	—	—	—	—	94,552	94,552
Total comprehensive income	—	—	—	—	—	588,860
Cash dividends declared on common stock at \$2.04 per share	—	—	—	(154,919)	—	(154,919)
Cash dividend equivalents paid on restricted stock units	—	—	—	(1,265)	—	(1,265)
Employee stock purchases	43,356	108	2,664	—	—	2,772
Stock options exercised	53,225	133	2,793	—	—	2,926
Restricted stock awards	(2,721)	(8)	8	—	—	—
Stock issued pursuant to restricted stock units	455,443	1,140	(1,140)	—	—	—
Common stock repurchased - buyback plan	(100,000)	(250)	(6,498)	—	—	(6,748)
Common stock repurchased	(131,827)	(329)	(8,987)	—	—	(9,316)
Share-based compensation expense	—	—	35,861	—	—	35,861
Balance, December 31, 2023	76,022,039	\$ 190,055	\$ 4,240,413	\$ 1,685,166	\$ (582,536)	\$ 5,533,098
Comprehensive loss:						
Net income	—	—	—	534,783	—	534,783
Other comprehensive loss, net of tax effects	—	—	—	—	(24,385)	(24,385)
Total comprehensive income	—	—	—	—	—	510,398
Cash dividends declared on common stock at \$2.12 per share	—	—	—	(161,597)	—	(161,597)
Cash dividend equivalents paid on restricted stock units	—	—	—	(1,297)	—	(1,297)
Employee stock purchases	38,026	95	2,864	—	—	2,959
Stock options exercised	68,793	172	5,408	—	—	5,580
Restricted stock awards (forfeits)	(356)	(2)	2	—	—	—
Stock issued pursuant to restricted stock units	395,412	989	(989)	—	—	—
Stock issued in lieu of cash - directors fees	3,159	8	270	—	—	278
Common stock repurchased - buyback plan	(100,000)	(250)	(7,735)	—	—	(7,985)
Common stock repurchased	(104,867)	(262)	(8,511)	—	—	(8,773)
Share-based compensation expense	—	—	28,000	—	—	28,000
Cumulative change in accounting principle due to the adoption of ASU 2023-02	—	—	—	(10,246)	—	(10,246)
Balance, December 31, 2024	76,322,206	\$ 190,805	\$ 4,259,722	\$ 2,046,809	\$ (606,921)	\$ 5,890,415
Comprehensive income:						
Net income	—	—	—	798,667	—	798,667
Other comprehensive income, net of tax effects	—	—	—	—	323,540	323,540
Total comprehensive income	—	—	—	—	—	1,122,207
Cash dividends declared on common stock at \$2.28 per share	—	—	—	(230,203)	—	(230,203)
Cash dividend equivalents paid on restricted stock units	—	—	—	(1,100)	—	(1,100)
Employee stock purchases	51,114	128	4,415	—	—	4,543
Stock options exercised	9,949	25	447	—	—	472
Stock issued pursuant to restricted stock units	446,440	1,117	(1,117)	—	—	—
Stock issued in lieu of cash - directors fees	5,123	12	462	—	—	474
Common stock repurchased - buyback plan	(2,440,000)	(6,100)	(218,008)	—	—	(224,108)
Common stock repurchased - equity plans	(115,359)	(289)	(11,423)	—	—	(11,712)
Share-based compensation expense	—	—	37,005	—	—	37,005
Excise tax on repurchases of corporate stock	—	—	(1,832)	—	—	(1,832)
Common stock issued for Independent acquisition	24,858,731	62,147	2,410,800	—	—	2,472,947
Balance, December 31, 2025	99,138,204	\$ 247,845	\$ 6,480,471	\$ 2,614,173	\$ (283,381)	\$ 9,059,108

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements.

SouthState Bank Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	\$ 798,667	\$ 534,783	\$ 494,308
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	157,595	56,697	58,826
Provision for credit losses	119,757	15,975	114,082
Deferred income taxes	117,752	(10,852)	1,950
(Gains) losses on sale of securities, net	228,811	50	(43)
Share-based compensation expense	37,005	28,000	35,861
Accretion of discount related to acquired loans	(258,608)	(14,418)	(20,801)
Losses (gains) on disposal of premises and equipment	148	(19)	66
Impairment of lease right of use asset	4,413	—	—
Gains on sale of bank properties held for sale and repossessed real estate	(244,934)	(1,354)	(1,733)
Net amortization of premiums and discounts on investment securities	11,036	19,343	20,136
Bank properties held for sale and repossessed real estate write downs	5,733	255	1,571
Premises and equipment write downs	1,210	—	—
Fair value adjustment for loans held for sale	1,498	69	(833)
Originations and purchases of loans held for sale	(2,101,147)	(1,841,572)	(881,017)
Proceeds from sales of loans held for sale	1,171,734	1,246,249	863,464
Gains on sales of loans held for sale	(21,475)	(24,890)	(3,535)
Increase in cash surrender value of BOLI	(35,888)	(27,573)	(25,141)
Net change in:			
Accrued interest receivable	(9,541)	(9,002)	(19,806)
Prepaid assets	6,777	(8,284)	1,967
Operating leases	7,409	72	322
Bank owned life insurance	(3,870)	(2,841)	(1,595)
Trading securities	826,053	281,893	(57)
Derivative assets	(54,667)	11,449	38,077
Miscellaneous other assets	(40,633)	5,908	(6,259)
Accrued interest payable	(29,966)	(16,070)	50,590
Accrued income taxes	(60,356)	52,136	62,509
Derivative liabilities	(332,795)	75,369	(229,657)
Miscellaneous other liabilities	(872)	140,587	(6,495)
Net cash provided by operating activities	<u>300,846</u>	<u>511,960</u>	<u>546,757</u>
Cash flows from investing activities:			
Proceeds from sales of investment securities available for sale	2,874,110	1,950	129,614
Proceeds from maturities and calls of investment securities held to maturity	202,461	228,485	190,825
Proceeds from maturities and calls of investment securities available for sale	3,842,339	511,556	590,758
Proceeds from sales and redemptions of other investment securities	45,447	144,896	214,375
Purchases of investment securities available for sale	(6,944,570)	(96,824)	(80,354)
Purchases of other investment securities	(117,369)	(140,119)	(226,701)
Net increase in loans	(1,470,813)	(1,540,747)	(2,234,274)
Net cash received from acquisitions	1,040,765	—	—
Net cash paid for acquisition of customer list	(279)	—	—
Recoveries of loans previously charged off	16,998	16,826	15,782
Purchase of bank owned life insurance	—	—	(5,966)
Purchases of premises and equipment	(70,255)	(35,807)	(38,885)
Proceeds from redemption and payout of bank owned life insurance policies	11,395	8,659	5,956
Proceeds from sale of bank properties held for sale and repossessed real estate	589,580	14,573	11,575
Proceeds from sale of premises and equipment	997	373	856
Net cash provided by (used in) investing activities	<u>20,806</u>	<u>(886,179)</u>	<u>(1,426,439)</u>
Cash flows from financing activities:			
Net increase in deposits	1,878,805	1,012,517	699,778
Net increase (decrease) in federal funds purchased and securities sold under agreements to repurchase and other short-term borrowings	103,303	25,727	(67,232)
Proceeds from borrowings	1,045,122	4,000,000	6,050,200
Repayment of borrowings	(1,105,000)	(4,100,000)	(5,950,200)
Common stock issuance	5,017	3,237	2,772
Common stock repurchases	(235,820)	(16,758)	(16,064)
Dividends paid	(231,303)	(162,894)	(156,184)
Excess tax paid on repurchases of corporate stock	(1,832)	—	—
Stock options exercised	472	5,580	2,926
Net cash provided by financing activities	<u>1,458,764</u>	<u>767,409</u>	<u>565,996</u>
Net increase (decrease) in cash and cash equivalents	<u>1,780,416</u>	<u>393,190</u>	<u>(313,686)</u>
Cash and cash equivalents at beginning of period	<u>1,392,067</u>	<u>998,877</u>	<u>1,312,563</u>
Cash and cash equivalents at end of period	<u>\$ 3,172,483</u>	<u>\$ 1,392,067</u>	<u>\$ 998,877</u>

SouthState Bank Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year Ended December 31,		
	2025	2024	2023
Supplemental Disclosures:			
Cash Flow Information:			
Cash paid for:			
Interest	\$ 1,106,157	\$ 741,978	\$ 441,208
Income taxes	\$ 170,137	\$ 111,484	\$ 74,725
Recognition of operating lease assets in exchange for lease liabilities	\$ 439,576	\$ 11,134	\$ 1,160
Schedule of Noncash Operating Transactions:			
Pooling of interest only strips into trading securities	\$ 20,423	\$ —	\$ —
Creation of interest only strips from pooling of SBA loans held for sale	83,022	—	—
Pooling of SBA loans held for sale into trading securities	812,882	353,504	—
Schedule of Noncash Investing Transactions:			
Acquisitions:			
Fair value of tangible assets acquired	\$ 16,553,467	\$ —	\$ —
Other intangible assets acquired	414,553	—	—
Liabilities assumed	15,665,912	—	—
Net identifiable assets acquired over liabilities assumed	1,170,953	—	—
Common stock issued in acquisition	2,472,947	—	—
Real estate transferred from premises and equipment to premises held for sale related to the sale-leaseback transaction	230,143	—	—
Real estate acquired in full or in partial settlement of loans	32,834	5,658	3,801

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements.

Note 1—Summary of Significant Accounting Policies

Nature of Operations

SouthState is a financial holding company headquartered in Winter Haven, Florida. During the third quarter of 2025, the Company was redomiciled to the state of Florida through the merger of SouthState Corporation, a South Carolina corporation, with and into SouthState Bank Corporation, a Florida corporation wholly owned by SouthState Corporation prior to such merger and adopting its current name. We provide a wide range of banking services and products to our customers through our Bank with locations located throughout our eight (8) state footprint in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. In addition, the Company operates a correspondent banking and capital markets division within the national bank subsidiary, of which the majority of its bond salesmen, traders and operational personnel are housed in facilities located in Atlanta, Georgia, Birmingham, Alabama, Memphis, Tennessee, and Walnut Creek, California. The Bank operates SouthState Securities Corp. (“SouthState Securities”), a registered broker-dealer headquartered in Memphis, Tennessee that serves primarily institutional clients across the U.S. in the fixed income business. The Bank also operates SouthState PCM, Inc. (“SouthState PCM”), a wholly-owned registered investment advisor. The Bank, through its Corporate Billing Division, provides factoring, invoicing, collection and accounts receivable management services to transportation companies and automotive parts and service providers nationwide. The Bank operates an investment subsidiary, SSB First Street Corporation, headquartered in Wilmington, Delaware, to hold tax-exempt municipal investment securities as part of the Bank’s investment portfolio.

The holding company also owns SSB Insurance Corp., a captive insurance subsidiary pursuant to Section 831(b) of the U.S. Tax Code, which has been in dissolution since 2024.

The accounting and reporting policies of the Company and its consolidated subsidiary conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”). There are 22 unconsolidated subsidiaries of the Company that were established for the purpose of issuing in the aggregate \$175.9 million of trust preferred securities at December 31, 2025. See Note 10—Other Borrowings for further detailed descriptions of our trust preferred securities.

Unless otherwise mentioned or unless the context requires otherwise, references herein to “SouthState,” the “Company” “we,” “us,” “our” or similar references mean SouthState Bank Corporation and its consolidated subsidiaries. References to the “Bank” means SouthState Bank, National Association.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and other entities in which it has a controlling financial interest. All significant intercompany balances and transactions have been eliminated in consolidation. Assets held by the Company in trust are not assets of the Company and are not included in the accompanying consolidated financial statements.

Reportable Segment

The Company, through the Bank, provides a broad range of financial services to individuals and companies primarily in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. These services include, but not limited to, demand, time and savings deposits; lending and credit card servicing; ATM processing; mortgage banking services; correspondent banking services and wealth management and trust services. The Company’s operations are managed and financial performance is evaluated on an organization wide basis. Accordingly, the Company’s banking and finance operations are not considered by management to constitute more than one reportable operating segment.

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Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated balance sheet and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for credit losses for loans and investment securities held to maturity, fair value of financial instruments, fair values of assets and liabilities acquired in business combinations, evaluating impairment of investment securities, goodwill and other intangible asset impairment tests and valuation of deferred tax assets.

In connection with the determination of the allowance for credit losses, management has identified specific loans as well as adopted a policy of providing amounts for loan valuation purposes which are not identified with any specific loan but are derived from models based on macroeconomic factors and forecasts. Management believes that the allowance for credit losses is appropriate. While management uses available information to recognize losses on loans, future additions or reductions to the allowance for credit losses may be necessary based on changes in economic forecasts. In addition, regulatory agencies, as an integral part of the examination process, periodically review the banking subsidiary's allowance for credit losses.

Concentrations of Credit Risk

The Bank provides agribusiness, commercial, and residential and other consumer loans to customers primarily throughout Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. Although the Bank has a diversified loan portfolio, a substantial portion of our borrowers' abilities to honor their contracts is dependent upon economic conditions within Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, Virginia, and the surrounding regions.

The Company considers concentrations of credit to exist when, pursuant to regulatory guidelines, the amounts loaned to a multiple number of borrowers engaged in similar business activities which would cause them to be similarly impacted by general economic conditions represents 25% of total Tier 1 capital plus regulatory adjusted allowance for credit losses of the Company, or \$1.6 billion at December 31, 2025. Based on this criteria, we had eight such credit concentrations at December 31, 2025, including loans secured by 1st mortgage 1-4 family owner occupied residential property (including condos and home equity lines) of \$11.0 billion, loans to lessors of nonresidential buildings (except mini warehouses) of \$10.5 billion, loans to lessors of residential buildings (investment properties and multi-family) of \$4.4 billion, loans secured by business assets including accounts receivable, inventory and equipment of \$3.5 billion, loans secured by jumbo (original loans greater than amount set by Federal Housing Finance Agency) 1st mortgage 1-4 family owner occupied residential property of \$3.3 billion, loans secured by owner occupied nonresidential buildings (excluding office buildings) of \$2.9 billion, loans secured by owner occupied office buildings (including medical office buildings) of \$2.4 billion, and purchased commercial and industrial syndications of \$2.4 billion. The risk for these loans and for all loans is managed collectively through the use of credit underwriting practices developed and updated over time. The loss estimate for these loans is determined using our standard ACL methodology.

Cash and Cash Equivalents

Cash and cash equivalents, for the purpose of presentation in the consolidated statements of cash flows, include the following items disclosed in the Consolidated Statement of Balance Sheet; Cash and Due from Banks, Federal funds sold and Interest-earnings Deposits with Banks and Deposits in Other Financial Institutions (Restricted Cash). The restricted cash is used as collateral on the counterparty for the interest rate swap contracts with loan customers of respondent bank customers of the Correspondent Banking Division. Due from bank balances are maintained at other financial institutions. Federal funds sold are generally purchased and sold for one-day periods, but may, from time to time, have longer terms.

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The Company enters from time to time into purchases of securities under agreements to resell substantially identical securities. When the Company enters into such repurchase agreements, the securities purchased under agreements to resell generally consist of U.S. government sponsored entities and agency mortgage backed securities. The Company may elect to use other asset classes at its discretion. It is the Company's practice to take possession of securities purchased under agreements to resell. The securities are delivered into the Company's account maintained by a third party custodian designated by the Company under a written custodial agreement that explicitly recognizes the Company's interest in the securities. The Company monitors the market value of the underlying securities, including accrued interest, which collateralizes the related receivable on agreements to resell. These agreements were considered to be cash equivalents with maturities within less than one year. The Company held no securities under agreements to resell at December 31, 2025.

Trading Securities

Through its Correspondent Banking Department and the Bank's wholly owned broker dealer SouthState Securities, the Company purchases trading securities and subsequently sells them to their customers to take advantage of market opportunities, when presented, for short-term revenue gains. Securities purchased for this portfolio are primarily municipals, treasuries, mortgage-backed agency, and SBA securities and are held for short periods of time. This portfolio is carried at fair value and realized and unrealized gains and losses are included in trading securities revenue, a component of Correspondent Banking and Capital Market Income in our Consolidated Statements of Income.

Investment Securities

Debt securities that management has the positive intent and ability to hold to maturity are classified as "held to maturity" and carried at amortized cost. Securities not classified as held to maturity, including equity securities with readily determinable fair values, are classified as "available for sale" and carried at fair value with unrealized gains and losses excluded from earnings and reported in Other Comprehensive Income.

Purchase premiums and discounts are recognized in interest income using methods approximating the interest method over the terms of the securities. Gains and losses realized on sales of securities available for sale are determined using the specific identification method.

In accordance with ASC Subtopic 326-30, *Financial Instruments—Credit Losses—Available for sale Debt Securities*, Management evaluates securities for impairment where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value on at least a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. For securities designated as available for sale, credit losses are calculated individually, rather than collectively, using a discounted cash flow method, whereby management compares the present value of expected cash flows with the amortized cost basis of the security. The credit loss component would be recognized through the provision for credit losses. Consideration is given to (1) the financial condition and near-term prospects of the issuer including looking at default and delinquency rates, (2) the outlook for receiving the contractual cash flows of the investments, (3) the extent to which the fair value has been less than cost, (4) our intent to hold the security as well as there being no requirement to sell the security, (5) the anticipated outlook for changes in the general level of interest rates, (6) credit ratings, (7) third-party guarantees, and (8) collateral values. In analyzing an issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred, the results of reviews of the issuer's financial condition, and the issuer's anticipated ability to pay the contractual cash flows of the investments. The Company performed an analysis that determined that the following securities have a zero expected credit loss: U.S. Treasury Securities, Agency-Backed Securities including securities issued by Ginnie Mae, Fannie Mae, FHLB, FFCB and SBA. All of the U.S. Treasury and Agency-Backed Securities have the full faith and credit backing of the United States Government or one of its agencies. Municipal securities and all other securities that do not have a zero expected credit loss are evaluated quarterly to determine whether there is a credit loss associated with a decline in fair value. All debt securities in an unrealized loss position as of December 31, 2025 continue to perform as scheduled and we do not believe there is a credit loss or a provision for credit losses is necessary. Also, as part of our evaluation of our intent and ability to hold investments, we consider our investment strategy, cash flow needs, liquidity position, capital adequacy and interest rate risk position. We do not currently intend to sell the securities within the portfolio and it is not more-likely-than-not that we will be required to sell the debt securities.

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Other investments include stock acquired for regulatory purposes, investments in unconsolidated subsidiaries and other nonmarketable investment securities. Stock acquired for regulatory purposes include Federal Home Loan Bank of Atlanta (“FHLB”) stock and Federal Reserve Bank (“FRB”) stock. These securities do not have a readily determinable fair value because their ownership is restricted and they lack a market for trading. As a result, these securities are carried at cost and are periodically evaluated for impairment. Investments in unconsolidated subsidiaries represent a minority investment in various trusts created to issue debt with preferential regulatory capital treatment. See Note 10 – Other Borrowings for additional detail. These investments are recorded at cost and the Company receives quarterly dividend payments on these investments. Other nonmarketable investment securities consist of Business Development Corporation stock and stock in Banker’s Banks. These investments also do not have a readily determinable fair value because their ownership is restricted and they lack a market for trading. As a result, these securities are carried at cost and are periodically evaluated for impairment.

Loans Held for Sale

The Company sells residential mortgages to government sponsored entities (“GSEs”) and third-party investors, who may issue securities backed by pools of such loans. The Company retains no beneficial interests in these sales, but may retain the servicing rights for the loans sold. The Company is obligated to subsequently repurchase a loan if the purchaser discovers a representation or warranty violation such as noncompliance with eligibility or servicing requirements, or customer fraud, that should have been identified in a loan file review. Mortgage loans held for sale are accounted for at fair value on an individual loan basis. Estimated fair value is determined on the basis of existing forward commitments, or the current market value of similar loans. Changes in the fair value, and realized gains and losses on the sales of mortgage loans, are reported in Mortgage Banking Income, a component of Noninterest Income in our Consolidated Statements of Income. Interest income on loans held for sale is reported in Loans, including fees, a component of Interest Income in our Consolidated Statements of Income.

The Company purchases the guaranteed portions of Small Business Administration (“SBA”) loans from third-party originators. The guaranteed portions of SBA loans purchased by the Company are aggregated into pools with similar characteristics to create a security representing an interest in those pools through the SBA’s fiscal transfer agent (“FTA”). Gains or losses on the sale of the securities and individual guaranteed portions of loans are both recorded in Correspondent Banking and Capital Markets Income in Noninterest Income on the Consolidated Statements of Income. The guaranteed portion of the SBA loans that have not been pooled or sold, are reported as Loans Held for Sale on the Company’s Consolidated Balance Sheet and recorded at the lower of cost or estimated fair value. The fair value of the purchased guaranteed portion of the SBA loans is determined based upon their committed sales price, and actual observable market price provided to secondary market participants from the originating banks who are selling their guaranteed portions of loans.

Loans

Loans that management has originated and has the intent and ability to hold for the foreseeable future or until maturity or pay off generally are reported at their unpaid principal balances, less unearned income and net of any deferred loan fees and costs. Unearned income on installment loans is recognized as income over the terms of the loans by methods that approximate the interest method. Interest on other loans is calculated by using the simple interest method on daily balances of the principal amount outstanding.

Premiums and discounts on purchased loans and non-refundable loan origination and commitment fees, net of direct costs of originating or acquiring loans, are deferred and recognized over the contractual or estimated lives of the related loans as an adjustment to the loans’ constant effective yield, which is included in interest income on loans.

We place loans on nonaccrual once reasonable doubt exists about the collectability of all principal and interest due. Generally, this occurs when principal or interest is 90 days or more past due, unless the loan is well secured and in the process of collection. For factored receivables, which are commercial trade credits rather than promissory notes, the Company’s practice, in most cases, is to charge-off unpaid recourse receivables when they become 240 days past due from the invoice due date and the non-recourse receivables when they become 240 days past due from the statement due date. Past due status is based on the contractual terms of the loan. In all cases, loans are placed on non-accrual or charged-off at an earlier date if collection of principal or interest is considered doubtful.

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A loan is evaluated individually for loss when it is on nonaccrual and has a net book balance over \$1 million. Large pools of homogeneous loans are collectively evaluated for loss and reserved at the pool level. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as nonaccrual, provided that management expects to collect all amounts due, including interest accrued at the contractual interest rate for the period of delay.

Allowance for Credit Losses (“ACL”)

The Company complies with the requirements of Accounting Standards Update (“ASU”) No. 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, sometimes referred to herein as ASU 2016-13. Topic 326 was subsequently amended by ASU No. 2019-11, Codification Improvements to Topic 326, *Financial Instruments-Credit Losses*; ASU No. 2019-05, Codification Improvements to Topic 326, *Financial Instruments-Credit Losses*; and ASU No. 2019-04, Codification Improvements to Topic 326, *Financial Instruments-Credit Losses*, Topic 815, *Derivatives and Hedging*, and Topic 825, *Financial Instruments*. This standard applies to all financial assets measured at amortized cost and off balance sheet credit exposures, including loans, investment securities and unfunded commitments.

ACL – Investment Securities

Management uses a systematic methodology to determine its ACL for investment securities held to maturity. The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the held to maturity portfolio. Management considers the effects of past events, current conditions, and reasonable and supportable forecasts on the collectability of the loan portfolio. The Company’s estimate of its ACL involves a high degree of judgment; therefore, management’s process for determining expected credit losses may result in a range of expected credit losses. Management monitors the held to maturity portfolio to determine whether a valuation account should be recorded. As of December 31, 2025, the Company had \$2.0 billion of held to maturity securities and no related valuation account. As of December 31, 2025, the held to maturity portfolio consisted of U.S. Government Agency, U.S. Government Agency Residential and Commercial Mortgage-backed securities, and Small Business Administration loan-backed securities.

ASC Subtopic 326-30, *Financial Instruments—Credit Losses—Available for sale Debt Securities*, changed the accounting for recognizing impairment on available for sale debt securities. Each quarter, management evaluates impairment where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value. Management considers the nature of the collateral, potential future changes in collateral values, default rates, delinquency rates, third-party guarantees, credit ratings, interest rate changes since purchase, volatility of the security’s fair value and historical loss information for financial assets secured with similar collateral among other factors. Credit losses are calculated individually, rather than collectively, using a discounted cash flow method, whereby management compares the present value of expected cash flows with the amortized cost basis of the security. The credit loss component would be recognized through the Provision for Credit Losses in the Consolidated Statements of Income. Management excludes the accrued interest receivable balance from the amortized cost basis in measuring expected credit losses on the investment securities and does not record an allowance for credit losses on accrued interest receivable as the Company reverses any accrued interest against interest income if an investment is placed on nonaccrual status. As of December 31, 2025 and December 31, 2024, the accrued interest receivables for investment securities recorded in Other Assets were \$38.9 million and \$24.2 million, respectively.

ACL – Loans

The ACL for loans held for investment reflects management’s estimate of credit losses that will result from the inability of our borrowers to make required loan payments. The Company makes adjustments to the ACL by recording a provision for or recovery of credit losses through earnings. Loans charged off are recorded as reductions to the ACL on the balance sheet and subsequent recoveries of loan charge-offs are recorded as increases to the ACL when they are received.

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Management uses systematic methodologies to determine its ACL for loans held for investment and certain off-balance-sheet credit exposures. The ACL is a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the loan portfolio. Management estimates the allowance balance using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, credit quality, or term, as well as for changes in macroeconomic conditions, such as changes in unemployment rates, gross domestic product, property values, or other relevant factors. Acquired portfolios may be supported by separate credit models using loss histories relevant to those portfolios. The Company's estimate of its ACL involves a high degree of judgment; therefore, management's process for determining expected losses may result in a range of expected losses. The Company's ACL recorded in the balance sheet reflects management's best estimate within the range of expected losses. The Company recognizes in net income the amount needed to adjust the ACL for management's current estimate of expected losses.

The Company's ACL is calculated using collectively evaluated and individually evaluated loans. The allowance for credit losses is measured on a collective pool basis when similar risk characteristics exist. Loans with similar risk characteristics are grouped into homogenous segments, or pools, for analysis. The Discounted Cash Flow ("DCF") method is used for each loan in a pool, and the results are aggregated at the pool level. A probability of default and absolute loss given default are applied to a projective model of the loan's cash flow while considering prepayment and principal curtailment effects. The analysis produces expected cash flows for each instrument in the pool by pairing loan-level term information (e.g., maturity date, payment amount, interest rate, etc.) with top-down pool assumptions (e.g., default rates and prepayment speeds). The Company has identified the following portfolio segments: Owner-Occupied Commercial Real Estate, Non-Owner Occupied Commercial Real Estate, Multifamily, Municipal, Commercial and Industrial, Commercial Construction and Land Development, Residential Construction, Residential Senior Mortgage, Residential Junior Mortgage, Revolving Mortgage, and Consumer and Other.

In determining the proper level of the ACL, management has determined that the loss experience of the Bank provides the best basis for its assessment of expected credit losses. The Company therefore used its own historical credit loss experience by each loan segment over an economic cycle, while excluding loss experience from certain acquired institutions (i.e., failed banks). For most of the segment models for collectively evaluated loans, the Company incorporated two or more macroeconomic drivers using a statistical regression modeling methodology.

Management considers forward-looking information in estimating expected credit losses. The Company subscribes to a third-party service which provides a quarterly macroeconomic baseline outlook and alternative scenarios for the United States economy. The baseline, along with the evaluation of alternative scenarios, is used by management to determine the best estimate within the range of expected credit losses. Management has evaluated the appropriateness of the reasonable and supportable forecast scenarios and has made adjustments as needed. The Company generally uses an eight-quarter forecast period, based on a single forecast scenario or a blend of multiple forecast scenarios, using variables management believes are most relevant to each portfolio segment. For periods beyond which management is able to develop reasonable and supportable forecasts, the Company reverts to the average historical loss rate, reflecting historical default probabilities and loss severities, using a reversion speed that approximates four quarters. The forecast period and scenarios used are reviewed on a quarterly basis and may be adjusted based on management's view of the current economic conditions and level of predictability the forecast can provide.

While quantitative allowance methodologies strive to reflect all risk factors, any estimate involves assumptions and uncertainties resulting in some level of imprecision. Imprecision exists in the estimation process due to the inherent time lag between obtaining information, performing the calculation, as well as variations between estimates and actual outcomes. As a result, amounts determined under the methodologies described above are adjusted by management to consider the potential impact of other qualitative factors not captured in the quantitative model adjustments which include, but are not limited to, the following: imprecision or conditions not captured in economic scenario assumptions, emerging risks related to either changes in the internal or external environment that are affecting specific portfolios, trends in loan or portfolio level credit metrics not captured in quantitative modeling, or model imprecision adjustments. The consideration of these items results in adjustments to allowance amounts included in the Company's allowance for credit losses for each loan portfolio.

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The Company's ACL is calculated using collectively evaluated and individually evaluated loans. Even though portions of the allowance may be allocated to specific loans or pools of loans, the entire allowance is available for any credit that, in management's judgment, should be charged off.

When a loan no longer shares similar risk characteristics with its segment, the asset is assessed to determine whether it should be included in another pool or should be individually evaluated. The Company's threshold for individually evaluated loans includes all non-accrual loans with a net book balance in excess of \$1.0 million. During an acquisition, the Company may identify accruing loans that do not share similar risk characteristics as pooled loans and therefore be individually evaluated. These loans are identified during the credit review process, have unique characteristics or circumstances, and identified as PCD loans, though the loans may remain on accrual status. Management will monitor the credit environment and make adjustments to this threshold in the future if warranted. Based on the threshold above, consumer financial assets will generally remain in pools unless they meet the dollar threshold. The expected credit losses on individually evaluated loans will be estimated based on discounted cash flow analysis unless the loan meets the criteria for use of the fair value of collateral, either by virtue of an expected foreclosure or through meeting the definition of collateral-dependent. Accruing individually evaluated loans will remain in this status until 1) the loan is upgraded to pass, or 2) the loan is downgraded to non accrual and follow the non accrual individually evaluated process. Financial assets that have been individually evaluated can be returned to a pool for purposes of estimating the expected credit loss insofar as their credit profile improves and that the repayment terms were not considered to be unique to the asset.

Management measures expected credit losses over the contractual term of a loan. When determining the contractual term, the Company considers expected prepayments but is precluded from considering expected extensions, renewals, or modifications. Loans modified to a borrower experiencing financial difficulty are reviewed by the Bank to determine if an interest rate reduction, a term extension, an other-than-insignificant payment delay, a principal forgiveness, or any combination of these has occurred.

The ACL includes expected losses from modifications of receivables to borrowers experiencing financial difficulty. Losses on modifications of non-accrual loans over \$1 million to borrowers experiencing financial difficulty are estimated on an individual basis. Because the effect of the remainder of modifications made to borrowers experiencing financial difficulty is already incorporated into the measurement methodologies used to estimate the allowance, they are accounted for as pooled loans.

For purchased credit-deteriorated, otherwise referred to herein as PCD, assets are defined as acquired individual financial assets (or acquired groups of financial assets with similar risk characteristics) that, as of the date of acquisition, have experienced a more-than-insignificant deterioration in credit quality since origination, as determined by the Company's assessment. The Company records acquired PCD loans by adding the expected credit losses (i.e., allowance for credit losses) to the purchase price of the financial assets rather than recording through the provision for credit losses in the income statement. The expected credit loss, as of the acquisition day, of a PCD loan is added to the allowance for credit losses. The non-credit discount or premium is the difference between the unpaid principal balance and the amortized cost basis as of the acquisition date. Subsequent to the acquisition date, the change in the ACL on PCD loans is recognized through the Provision for Credit Losses in the Consolidated Statements of Income. The non-credit discount or premium is accreted or amortized, respectively, into interest income over the remaining life of the PCD loan on a level-yield basis.

The Company follows its nonaccrual policy by reversing contractual interest income in the income statement when the Company places a loan on nonaccrual status. Therefore, management excludes the accrued interest receivable balance from the amortized cost basis in measuring expected credit losses on the portfolio and does not record an allowance for credit losses on accrued interest receivable. As of December 31, 2025 and December 31, 2024, the accrued interest receivable for loans recorded in Other Assets were \$186.5 million and \$133.0 million, respectively.

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The Company has a variety of assets that have a component that qualifies as an off-balance sheet exposure. These primarily include undrawn portions of revolving lines of credit and standby letters of credit. The expected losses associated with these exposures within the unfunded portion of the expected credit loss will be recorded as a liability on the balance sheet. Management has determined that a majority of the Company's off-balance sheet credit exposures are not unconditionally cancellable. Management completes funding studies based on historical data to estimate the percentage of unfunded loan commitments that will ultimately be funded to calculate the reserve for unfunded commitments. Management applies this funding rate, along with the loss factor rate determined for each pooled loan segment, to unfunded loan commitments, excluding unconditionally cancellable exposures and letters of credit, to arrive at the reserve for unfunded loan commitments. As of December 31, 2025 and December 31, 2024, the liability recorded for expected credit losses on unfunded commitments was \$69.6 million and \$45.3 million, respectively. The current adjustment to the ACL for unfunded commitments is recognized through the Provision for Credit Losses in the Consolidated Statements of Income.

The methodology used in the estimation of the allowance, which is performed at least quarterly, is designed to be dynamic and responsive to changes in portfolio credit quality and forecasted economic conditions. Changes are reflected in the pool-basis allowance and in reserves assigned on an individual basis as the collectability of classified loans is evaluated with new information. As the Company's portfolio has matured, historical loss ratios have been closely monitored. The review of the appropriateness of the allowance is performed by executive management and presented to the Audit and Risk Committees of the Board of Directors for their review. The committees report to the board as part of the board's quarterly review of the Company's consolidated financial statements.

Other Real Estate Owned and Bank Property Held For Sale

Other real estate owned ("OREO") consists of properties obtained through foreclosure or through a deed in lieu of foreclosure in satisfaction of loans. The Company discloses former branch site assets as bank property held for sale and reports within Other Assets on the Consolidated Balance Sheet. Both OREO and bank property held for sale are recorded at the lower of cost or fair value and the fair value was determined on the basis of current valuations obtained principally from independent sources, adjusted for estimated selling costs. At the time of foreclosure or initial possession of collateral, for OREO, any excess of the loan balance over the fair value of the real estate held as collateral is treated as a charge against the ACL. At the time a bank property is no longer in service and is moved to held for sale, any excess of the current book value over fair value is recorded as an expense in the Consolidated Statements of Income in the merger and branch consolidation related expense line item. The property is then actively marketed for sale at a price that is reasonable in relation to its current fair value.

The Company reports subsequent declines in the fair value of OREO and bank properties held for sale below the new cost basis through valuation adjustments. Significant judgments and complex estimates are required in estimating the fair value of these properties, and the period of time within which such estimates can be considered current is significantly shortened during periods of market volatility. In response to market conditions and other economic factors, management may utilize liquidation sales as part of its problem asset disposition strategy. As a result of the significant judgments required in estimating fair value and the variables involved in different methods of disposition, the net proceeds realized from sales transactions could differ significantly from the current valuations used to determine the fair value of these properties. Management reviews the value of these properties periodically and adjusts the values as appropriate. Revenue and expenses from OREO operations, as well as gains or losses on sales and any subsequent adjustments to the value, are recorded as OREO Expense and Loan Related Expense, a component of Noninterest Expense in the Consolidated Statements of Income. Expenses related to bank property held for sale, as well as gains or losses on sales and any subsequent adjustments to the value, are recorded in Other Expenses, a component of Noninterest Expense in the Consolidated Statements of Income.

Business Combinations and Method of Accounting

The Company accounts for its acquisitions under FASB ASC Topic 805, *Business Combinations*, which requires the use of the acquisition method of accounting. Under this method, the identifiable assets acquired, liabilities assumed, and any noncontrolling interests are recorded at their estimated fair values as of the acquisition date. Fair value measurements are based on management's estimates and assumptions, which may include discounted cash flow techniques, market participant inputs, third party valuation reports, and other observable data.

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All identifiable assets acquired, including loans, are recorded at fair value, which requires us to record purchased financial assets with credit deterioration (PCD assets), defined as a more-than-insignificant deterioration in credit quality since origination or issuance, at the purchase price plus the allowance for credit losses expected at the time of acquisition. In determining the fair value of acquired loans, the Company applies valuation techniques that incorporate assumptions a market participant would use in estimating expected cash flows. Acquired loans are measured using a discounted cash flow approach that estimates the present value of contractual and expected cash flows, adjusted for expected credit losses and market based discount rates. These assumptions are applied to each loan in a pool with similar risk characteristics and results are aggregated at the pool level. Loans that do not share similar risk characteristics are evaluated on an individual basis. Expected cash flows are developed using probability of default (PD) and loss given default (LGD) models calibrated to the specific risk characteristics of the acquired portfolios, prepayment assumptions based on historical experience and borrower behavior, expected life estimates reflecting contractual terms adjusted for expected prepayments and credit considerations, and macroeconomic scenarios consistent with the Company's CECL framework. Fair value discount rates incorporate the risk free yield curve, a liquidity adjustment, a market participant credit spread, and adjustments for uncertainty in modeled cash flows. These discount rates are benchmarked using observable pricing when available.

There is no credit loss expense affecting net income on acquisition of PCD assets. The initial allowance for credit losses for PCD loans is measured using these expected cash flow models and added to the purchase price to establish the amortized cost basis. Changes in estimates of expected credit losses after acquisition are recognized as provision for credit losses (or recovery for credit losses) in subsequent periods as they arise. Any non-credit discount or premium resulting from acquiring a pool of purchased financial assets with credit deterioration shall be allocated to each individual asset. At the acquisition date, the initial allowance for credit losses determined on a collective basis shall be allocated to individual assets to appropriately allocate any non-credit discount or premium. The non-credit discount or premium, after the adjustment for the allowance for credit losses, shall be accreted to interest income using the interest method based on the effective interest rate determined after the adjustment for credit losses at the acquisition date.

A purchased financial asset that does not qualify as a PCD asset is accounted for similar to an originated financial asset. Generally, this means that an entity recognizes the allowance for credit losses for non-PCD assets through net income at the time of acquisition. In addition, both the credit discount and non-credit discount or premium resulting from acquiring a pool of purchased financial assets that do not qualify as PCD assets shall be allocated to each individual asset. This combined discount or premium shall be accreted to interest income using the effective yield method.

For further discussion of our loan accounting and acquisitions, see "ACL – Loans" section of this Note 1, Note 2—Mergers and Acquisitions, Note 4—Loans and Note 5—Allowance for Credit Losses to the audited consolidated financial statements.

The fair value of core deposit intangibles acquired in business combinations is estimated using an income based valuation approach that measures the economic benefit of the acquired deposit base relative to alternative market funding. The valuation reflects assumptions a market participant would use in assessing expected cost savings associated with holding the acquired deposits over their estimated lives. Key assumptions include customer attrition that reflect anticipated runoff of acquired deposits, segmentation, alternative cost of funds, retention rates, non-interest income/expense synergy, and discount rate. The discount rate applied in the valuation is based on market based rates of return for intangible assets of similar risk, generally aligned with the weighted average cost of capital for financial institutions and adjusted for risks specific to the acquired deposit base. The resulting core deposit intangible represents the present value of expected cost savings attributable to the assumed deposits over their estimated useful lives. The intangible asset is amortized over its estimated life in a manner that reflects the pattern in which the economic benefits are expected to be realized. For further discussion of our accounting for CDI assets, see Note 7—Goodwill and Other Intangible Assets.

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The excess of purchase consideration over the net fair value of identifiable assets acquired and liabilities assumed is recorded as goodwill. Goodwill is not amortized but is tested for impairment annually, or more frequently if indicators of impairment arise. Identifiable intangible assets acquired in a business combination—such as core deposit intangibles and customer relationship intangibles—are recognized separately from goodwill at their estimated fair values and amortized over their estimated useful lives in a manner consistent with the pattern of expected economic benefit. In accordance with ASC 805, the Company may revise provisional fair-value estimates during the measurement period, which may be up to 12 months from the acquisition date, and any such revisions may result in an adjustment to goodwill. For further discussion of our accounting for Goodwill, see Note 7—Goodwill and Other Intangible Assets.

Merger-related, restructuring, and integration costs, including professional fees, system conversion expenses, personnel-related costs, contract termination charges, and facility consolidation costs—are expensed as incurred. These costs arise from activities required to integrate acquired operations, including conversion of systems and data to Company platforms, consolidation and alignment of policies and procedures, harmonization of credit and risk management practices, incorporation of acquired portfolios into the Company’s CECL and governance frameworks, and operational integration consistent with regulatory expectations applicable to institutions of the Company’s size and complexity. These integration activities do not affect the measurement principles under ASC 805 or ASC 326 but may influence the timing of related expenses.

Premises and Equipment

Land is carried at cost. Office equipment, furnishings, and buildings are carried at cost less accumulated depreciation computed principally on the declining-balance and straight-line methods over the estimated useful lives of the assets. Leasehold improvements are amortized on the straight-line method over the shorter of the estimated useful lives of the improvements or the terms of the related leases including lease renewals only when the Company is reasonably assured of the aggregate term of the lease. Additions to premises and equipment and major replacements are added to the accounts at cost. Maintenance and repairs and minor replacements are charged to expense when incurred. Gains and losses on routine dispositions are reflected in current operations.

Leases

Right-of-Use (“ROU”) assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. We determined that we do not have any leases classified as finance leases, and that all of our leases are operating leases, with the exception of the two minor finance leases. ROU assets and liabilities for operating leases are recognized at commencement date based on present value of lease payments not yet paid, discounted using the discount rate for the lease at the lease commencement date over the lease term. Because the rate implicit in the lease is typically not known, the lease incremental borrowing rate is determined by averaging the borrowing rates of multiple borrowing sources available to the Bank. For operating leases, lease expense is determined by the sum of the lease payments to be recognized on a straight-line basis over the lease term.

As of December 31, 2025 and 2024, we had operating ROU assets of \$507.1 million and \$95.8 million, respectively, recorded within Premises and Equipment on the Consolidated Balance Sheets and a lease liability of \$525.3 million and \$103.9 million, respectively, recorded within Other Liabilities on the Consolidated Balance Sheets.

Bank Owned Life Insurance

BOLI is comprised of long-term life insurance contracts on the lives of certain current and past employees where the insurance policy benefits and ownership are retained by the employer. Its cash surrender value is an asset that the Company uses to partially offset the future cost of employee benefits. The cash value accumulation on BOLI is permanently tax deferred if the policy is held to the insured person’s death and certain other conditions are met.

Intangible Assets

Intangible assets consist of goodwill, core deposit intangibles and client list intangibles that result from the acquisition of other banks or branches from other financial institutions. Core deposit intangibles represent the value of long-term deposit relationships acquired in these transactions. Client list intangibles represent the value of long-term client relationships for the wealth and trust management business. Goodwill represents the excess of the purchase price over the sum of the estimated fair values of the tangible and identifiable intangible assets acquired less the estimated fair value of the liabilities assumed in a business combination. At December 31, 2025 and December 31, 2024, the balance of goodwill was \$3.1 billion and \$1.9 billion, respectively. Goodwill has an indefinite useful life and is evaluated for impairment annually or more frequently if events and circumstances indicate that the asset might be impaired. An impairment loss is recognized to the extent that the carrying amount exceeds the asset's fair value.

ASC Topic 350 requires an entity record an impairment charge if the reporting unit's fair value exceeds its carrying value. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The standard eliminates the requirement to calculate a goodwill impairment charge using Step 2 which involved calculating an implied fair value of goodwill for each reporting unit for which the first step indicated impairment. The standard does not change the guidance on completing Step 1 of the goodwill impairment test. An entity will still be able to perform today's optional qualitative goodwill impairment assessment before determining whether to proceed to the quantitative step of determining whether the reporting unit's carrying amount exceeds its fair value.

The Company evaluated the carrying value of goodwill as of October 31, 2025, our annual test date, and determined that no impairment charge was necessary.

Core deposit intangibles and client list intangibles consist primarily of amortizing assets established during the acquisition of other banks. This includes whole bank acquisitions and the acquisition of certain assets and liabilities from other financial institutions. Core deposit intangibles, included in Core Deposit and Other Intangibles in the Consolidated Balance Sheets, are amortized over the estimated useful lives of the deposit accounts acquired (generally 10 to 13 years) on an accelerated basis method which reasonably approximates the anticipated benefit stream from the accounts. The estimated useful lives are periodically reviewed for by comparing current balances to the initial estimates calculated at the time of merger or acquisition. Client list intangibles, included in Core Deposit and Other Intangibles in the Consolidated Balance Sheets, are amortized over the estimated useful lives of the client lists acquired (generally 15 years) on the straight-line method. The estimated useful lives are periodically reviewed for reasonableness.

Mortgage Servicing Rights ("MSRs")

The Company has a mortgage loan servicing portfolio with related mortgage servicing rights. MSRs represent the present value of the future net servicing fees from servicing mortgage loans. Servicing assets and servicing liabilities must be initially measured at fair value, if practicable. For subsequent measurements, an entity can choose to measure servicing assets and liabilities either based on fair value or lower of cost or market. The Company uses the fair value measurement option for MSRs.

The methodology used to determine the fair value of MSRs is subjective and requires the development of a number of assumptions, including anticipated prepayments of loan principal. Fair value is determined by estimating the present value of the asset's future cash flows utilizing estimated market-based prepayment rates and discount rates, interest rates and other economic factors and assumptions validated through comparison to trade information, industry surveys, and with the use of independent third-party appraisals. Risks inherent in the MSRs valuation include higher than expected prepayment rates and/or delayed receipt of cash flows. The value of MSRs is significantly affected by interest rates available in the marketplace, which influence loan prepayment speeds. In general, during periods of declining interest rates, the value of mortgage servicing rights declines due to increasing prepayments attributable to increased mortgage refinance activity. Conversely, during periods of rising interest rates, the value of servicing rights generally increases due to reduced refinance activity. MSRs are carried at fair value with changes in fair value recorded as a component of Mortgage Banking Income.

Transfer of Financial Assets

Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over the transferred assets is deemed to be surrendered when: (1) the assets have been isolated from the Company, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity. The Company reviews all sales of loans by evaluating specific terms in the sales documents and believes that the criteria discussed above to qualify for sales treatment have been met as loans have been transferred for cash and the notes and mortgages for all loans in each sale are endorsed and assigned to the transferee. Investors perform quality control reviews of mortgage loans purchased including post-purchase, early payment default, servicing, and post-foreclosure reviews. If a loan level deficiency cannot be remedied and breaches a term contained in the Investor agreement in effect at the time of loan delivery, the reviews may result in loan repurchase demands, or other alternative remedies. In certain sales, mortgage servicing rights may be retained and in other programs potential loss exposure from the credit enhancement obligation may be retained, both of which are evaluated and appropriately measured at the date of sale.

The Company maintains a risk management program to manage interest rate risk and pricing risk associated with its mortgage lending activities. This program includes the use of forward contracts and other derivatives that are used to offset changes in value of the mortgage inventory due to changes in market interest rates. Forward contracts to sell primarily fixed-rate mortgage loans are entered into to reduce the exposure to market risk arising from potential changes in interest rates. This could affect the fair value of mortgage loans held for sale and outstanding interest rate lock commitments which guarantee a certain interest rate if the loan is ultimately funded by the Company as a mortgage loan held for sale. The commitments to sell mortgage loans are at fixed prices and are schedule to settle on specific dates.

The Company enters into interest rate lock commitments for residential mortgage loans which commits it to lend funds to a potential borrower at a specific interest rate and within a specified time period. Interest rate lock commitments that relate to origination of mortgage loans that, if originated, will be held for sale, are considered derivative financial instruments under applicable accounting guidance. Outstanding interest rate lock commitments expose the Company to the risk that the price of the mortgage loans underlying the commitments may decline due to increases in mortgage interest rates from the inception of the rate lock to the funding of the loan and the eventual commitment for sale into the secondary market.

The Company packages the fixed rate conforming mortgage loans to be sold to investors. The Company records the sale when the transferred loans are purchased by the investor and the accounting criteria for the sale are met. Gains or losses recorded depend in part on the net carrying amount of the loans sold, which is allocated between the loans sold and retained interests based on their relative fair values at the date of sale. Since quoted market prices are not typically available, the fair value of retained interests is estimated through the services of a third-party service provider to determine the net present value of expected future cash flows. Such models incorporate management's best estimates of key variables, such as prepayment speeds and discount rates that would be used by market participants and are appropriate for the risks involved. The Company generally retains mortgage servicing rights on residential loans sold in the secondary market to Fannie Mae and Freddie Mac. Loans sold to other third-party investors are sold servicing released. Gains and losses incurred on loans sold to third-party investors are included in Mortgage Banking Income in the Consolidated Statements of Income.

Revenue from Contracts with Customers

The majority of our revenue is derived primarily from interest income from receivables (loans) and securities. Other revenues are derived from fees received in connection with deposit accounts, mortgage banking activities including gains from the sale of loans and loan origination fees, correspondent banking activities including revenue from the sale of fixed income securities and fees from hedging services, and trust and investment advisory services. We recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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We report network costs associated with debit card and ATM transactions netted against the related fees from such transactions. For years 2025, 2024, and 2023, gross interchange and debit card transaction fees totaled \$48.6 million, \$44.1 million, and \$41.3 million, respectively, while related network costs totaled \$16.3 million, \$19.4 million, and \$20.7 million, respectively. On a net basis, the Company reported \$32.3 million, \$24.8 million, and \$20.6 million, respectively, as interchange and debit card transactions fees in the accompanying Consolidated Statements of Income within Noninterest Income for the years ended December 31, 2025, 2024, and 2023.

The Company maintains contracts to provide services, primarily for investment advisory and/or custody of assets. Through the Company's wholly owned subsidiaries, the Bank, and SouthState PCM, the Company contracts with its customers to perform IRA, Trust, and/or Custody and Agency advisory services. Total revenue recognized from these contracts with customers was \$58.2 million, \$45.5 million, and \$39.4 million, respectively, for the years ended December 31, 2025, 2024 and 2023. The Bank has contracts with its customers to perform deposit account services. Total revenue recognized from these contracts with customers is \$166.3 million, \$142.3 million, and \$134.6 million, respectively, for the years ended December 31, 2025, 2024 and 2023. Due to the nature of our relationship with the customers that we provide services, we do not incur costs to obtain contracts and there are no material incremental costs to fulfill these contracts that should be capitalized.

Disaggregation of Revenue - The portfolio of services provided to the Company's customers which generates revenue for which the revenue recognition standard applies consists of approximately 1.4 million active contracts at December 31, 2025. The Company has disaggregated revenue according to the timing of the transfer of service. Total revenue derived from contracts in which services are transferred at a point in time was \$280.1 million, \$234.0 million, and \$237.3 million, respectively, for the years ended December 31, 2025, 2024 and 2023. Total revenue derived from contracts in which services are transferred over time was \$33.1 million, \$23.5 million, and \$20.9 million, respectively, for the years ended December 31, 2025, 2024 and 2023. Revenue is recognized as the services are provided to the customers. Economic factors impacting the customers could affect the nature, amount, and timing of these cash flows, as unfavorable economic conditions could impair the customers' ability to provide payment for services. This risk is mitigated as we generally deduct payments from customers' accounts as services are rendered.

Contract Balances - The timing of revenue recognition, billings, and cash collections results in billed accounts receivable on our balance sheet. Most contracts call for payment by a charge or deduction to the respective customer account but there are some that require a receipt of payment from the customer. For fee per transaction contracts, the customers are billed as the transactions are processed. For hourly rate and monthly service contracts related to trust and some investment revenues, the customers are billed monthly (generally as a percentage basis point of the market value of the investment account). In some cases, specific to SouthState PCM, customers are billed in advance for quarterly services to be performed based on the past quarter's average account balance. These do create contract liabilities or deferred revenue, as the customers pay in advance for service. Neither the contract liabilities nor the accounts receivables balances are material to the Company's Consolidated Balance Sheets.

Performance Obligations - A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account for revenue recognition. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The performance obligations for these contracts are satisfied as the service is provided to the customer (either over time or at a point in time). The payment terms of the contracts are typically based on a basis point percentage of the investment account market value, fee per hour of service, or fee for service incurred. There are no significant financing components in the contracts. Excluding deposit services revenues, which are mostly billed at a point in time as a fee for services incurred, all other contracts contain variable consideration in that fees earned are derived from market values of accounts or from hours worked for services performed which determines the amount of consideration to which we are entitled. The variability is resolved when the hours are incurred or services are provided. The contracts do not include obligations for returns, refunds, or warranties. The contracts are specific to the amounts owed to the Company for services performed during a period should the contracts be terminated.

Significant Judgments - All of the contracts create performance obligations that are satisfied at a point in time excluding the contracts billed in advance through SouthState PCM and some immaterial deposit revenues. Revenue is recognized as services are billed to the customers. Variable consideration does exist for contracts related to our trust and investment services as revenues are based on market values and services performed. The Company has adopted the right-to-invoice practical expedient for trust management contracts through SouthState Bank, which we contract with our customers to perform IRA, Trust, and/or Custody services.

Advertising Costs

The Company expenses advertising costs as they are incurred and advertising communication costs the first time the advertising takes place. The Company may establish accruals for anticipated advertising expenses within the course of a fiscal year.

Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Certain changes in assets and liabilities, such as (1) unrealized gains and losses on available for sale securities (2) unrealized gains and losses on effective portions of derivative financial instruments accounted for as cash flow hedges and (3) net change in unrecognized amounts related to pension and post-retirement benefits, are reported as a separate component of the equity section of the Consolidated Balance Sheets. Such items, along with net income, are components of total comprehensive income (see Consolidated Statements of Comprehensive Income on page F-7).

Employee Benefit Plans

The Employee Stock Purchase Plan (“ESPP”) allows for a look-back option which establishes the purchase price as an amount based on the lesser of the stock’s market price at the grant date or its market price at the exercise (or purchase) date. For the shares issued in exchange for employee services under the plan, the Company accounts for the plan under the FASB ASC 718, *Compensation—Stock Compensation*, in which the fair value measurement method is used to estimate the fair value of the equity instruments, based on the share price and other measurement assumptions at the grant date. See Note 17—Share-Based Compensation for the amount the Company recognized as expense for the years ended December 31, 2025, 2024 and 2023.

Income Taxes

Income taxes are provided for the tax effects of the transactions reported in the accompanying consolidated financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the tax basis and financial statement. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are reflected at income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the Provision for Income Taxes in the Consolidated Statements of Income.

The Company will evaluate and recognize income tax benefits related to any uncertain tax positions using the recognition and measurement thresholds outlined in the applicable guidance. If the Company does not believe that it is more likely than not that an uncertain tax position will be sustained, the Company records a liability for the uncertain tax positions. If a tax benefit is more-likely-than not of being sustained based on the applicable authority, the Company records an income tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with a taxing authority. The Company recognizes interest and penalties related to unrecognized tax benefits on other expense line in the accompanying consolidated statements of income. Accrued interest and penalties are included on the related liability lines in the consolidated balance sheet.

See Note 11—Income Taxes to the consolidated financial statements for further details and discussion.

Earnings Per Share

Basic earnings per share (“EPS”) represents income available to common shareholders divided by the weighted-average number of shares outstanding during the year. Diluted earnings per share reflects additional shares that would have been outstanding if dilutive potential shares had been issued. Potential shares that may be issued by the Company relate solely to outstanding stock options, restricted stock and restricted stock units (non-vested shares and vested shares subject to a holding period), and are determined using the treasury stock method. Under the treasury stock method, the number of incremental shares is determined by assuming the issuance of stock for the outstanding stock options, reduced by the number of shares assumed to be repurchased from the issuance proceeds, using the average market price for the year of the Company’s stock. Weighted-average shares for the basic and diluted EPS calculations have been reduced by the average number of unvested restricted shares.

Derivative Financial Instruments

The Company maintains loan swaps which are accounted for as a fair value hedge. This derivative protects the Company from interest rate risk caused by changes in the SOFR curve in relation to a certain designated fixed rate loan. Fair value hedges convert the fixed rate to a floating rate.

The Company's risk management strategy for its mortgage banking activities incorporates derivative instruments used to economically hedge both the value of the mortgage servicing rights and the mortgage pipeline. These derivative instruments are not designated as hedges and are not speculative in nature. The derivative instruments that are used to hedge the value of the mortgage servicing rights include financial forwards, futures contracts, and options written and purchased. When-issued securities and mandatory cash forward trades are typically used to hedge the mortgage pipeline. These instruments derive their cash flows, and therefore their values, by reference to an underlying instrument, index or referenced interest rate.

Management utilizes interest rate hedges to address monthly accrual mismatches related to the Company's Assumable Rate Conversion ("ARC") program. The Company is required to execute the correspondent side of its back-to-back swaps with customers with the central clearinghouses, London Clearing House ("LCH") and Chicago Mercantile Exchange ("CME"). Term SOFR was not available to execute through CME and LCH, and therefore, management elected to convert to the CME-eligible daily SOFR. Because many of the respondent bank customers converted to term SOFR, this created interest rate basis risk. To address this risk, monthly interest rate hedges were executed to minimize the impact of accrual mismatches between the monthly term SOFR used by the customer and the daily SOFR rates used by the central clearinghouses. As these economic interest rate hedges do not meet the strict hedge accounting requirements, changes in the fair value of the swaps are recognized directly in earnings.

The Company's risk management strategy also incorporates the use of interest rate swap contracts that help in managing interest rate risk within the loan portfolio and foreign currency exchange. These derivatives are not designated as hedges and are not speculative, and result from a service the Company provides to certain customers. The Company executes interest rate swaps with commercial banking customers to facilitate their respective risk management strategies. Those interest rate swaps are simultaneously economically hedged by offsetting interest rate swaps that the Company executes with a third-party, such that the Company minimizes its net risk exposure resulting from such transactions. As the interest rate swaps associated with this program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings.

The Company enters into master netting agreements with counterparties which requires collateral to cover exposures as identified within the derivative instruments not designated hedges of interest rate risk. Where legally enforceable, these master netting agreements give the Company, in the event of default by the counterparty, the right to liquidate securities held as collateral and to offset receivables and payables with the same counterparty.

The Company determined the variation margin payments for the Company's interest rate swaps centrally cleared through LCH and CME meet the legal characteristics of daily settlements of the derivatives (settle-to-market) rather than collateral (collateralize-to-market). As a result, the variation margin payment and the related derivative instruments are considered a single unit of account for accounting and financial reporting purposes. Depending on the net position, the fair value of the single unit of account is reported in Derivative Assets or Derivative Liabilities on the Consolidated Balance Sheets, as opposed to interest-earning deposits (restricted cash) within Cash and Cash Equivalents or interest-bearing deposits within Total Deposits. In addition, the expense or income attributable to the variation margin payments for the centrally cleared swaps is reported in Noninterest Income, specifically within Correspondent and Capital Markets Income, as opposed to Interest Income or Interest Expense. The daily settlement of the derivative exposure does not change or reset the contractual terms of the instrument.

By using derivative instruments, the Company is exposed to credit and market risk. If the counterparty fails to perform, credit risk is equal to the fair value gain in a derivative. When the fair value of a derivative contract is positive, this situation generally indicates that the counterparty is obligated to pay the Company, and, therefore, creates a repayment risk for the Company. When the fair value of a derivative contract is negative, the Company is obligated to pay the counterparty and, therefore, has no repayment risk. The Company minimizes the credit risk in derivative instruments by entering into transactions with high-quality counterparties that are reviewed periodically by the Company.

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The Company's derivative activities are monitored by its Asset-Liability Management Committee ("ALCO") as part of that committee's oversight of the Company's asset/liability and treasury functions. The Company's ALCO is responsible for implementing various hedging strategies that are developed through its analysis of data from financial simulation models and other internal and industry sources. The resulting hedging strategies are then incorporated into the overall interest-rate risk management process.

The Company recognizes the fair value of derivatives as assets or liabilities in the financial statements. The accounting for the changes in the fair value of a derivative depends on the intended use of the derivative instrument at inception. Gains and losses recognized from changes in fair value on derivatives are reported in Derivative Assets and Derivatives Liabilities lines under cash flows from operating activities section in the Consolidated Statements of Cash Flows. Changes in fair value of derivative instruments that are not intended as a hedge are accounted for in Net Income in the period of the change.

See Note 26—Derivative Financial Instruments for further disclosure.

Reclassification

Certain amounts previously reported have been reclassified to conform to the current year's presentation. Such reclassifications are immaterial and had no effect on net income, comprehensive income (loss), total assets or total shareholders' equity as previously reported.

Recent Accounting and Regulatory Pronouncements

Accounting Standards Adopted

The Company adopted ASU 2023-02, *Investments - Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method* effective January 1, 2024, and changed the accounting method of its LIHTC structured investments from the equity method to the proportional amortization method. The Company adopted ASU 2023-02 using the modified retrospective approach. Under this adoption approach, management was required to verify the LIHTCs met the conditions for proportional amortization method as of the date the investments were originally made by the Bank. In addition, management evaluated the actual tax credits and other income tax benefits received, as well as the remaining benefits expected to be received, as of the adoption date. The cumulative difference between the equity method and proportional amortization method resulted in a one-time cumulative effect adjustment recorded through retained earnings as of January 1, 2024. The cumulative effect resulting from the adoption of proportional amortization method was a net reduction to retained earnings of \$10.2 million.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, to improve disclosures about a public entity's reportable segments and address requests from investors and other allocators of capital for additional, more detailed information about a reportable segment's expenses. Segment information gives investors an understanding of overall performance and is key to assessing potential future cash flows. In addition, although information about a segment's revenue and measure of profit or loss is disclosed in an entity's financial statements, there is limited information disclosed about a segment's expenses. The key amendments include annual and interim disclosures of significant expenses and other segment items that are regularly provided to the chief operating decision maker and included within each reported measure of profit or loss, as well as any other key measure of performance used for segment management decisions. This ASU also requires disclosure of key profitability measures used in assessing performance and how to allocate resources. The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2023-07 using the retrospective approach. Aside from the new disclosures required by ASU No. 2023-07, the ASU did not have a material impact on our consolidated financial statements. See Note 29—Segment Reporting for further disclosure.

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In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which aims to address requests for improved income tax disclosures from investors, lenders, creditors and other allocators of capital (collectively, “investors”) that use the financial statements to make capital allocation decisions. The amendments in this ASU address investor requests for more transparency about income tax information, including jurisdictional information, by requiring consistent categories and greater disaggregation of information in both the rate reconciliation and income taxes paid disaggregated by jurisdiction. The amendments are effective for annual periods beginning after December 15, 2024. The adoption of this ASU did not have a material impact on its financial statements beyond the additional required disclosures.

Issued But Not Yet Adopted Accounting Standards

In December 2026, the FASB issued Accounting Standards Update (ASU) No. 2025-08, *Financial Instruments—Credit Losses (Topic 326): Purchased Loans*, which expands the population of acquired financial assets subject to the gross-up approach for accounting for credit losses. This ASU introduces the concept of purchased seasoned loans and requires certain acquired loans (excluding credit cards) that have not experienced significant credit deterioration since origination to be accounted for using the gross-up approach, addressing longstanding stakeholder concerns regarding the complexity and reduced comparability under previous guidance that distinguished between PCD and non-PCD assets. The amendments clarify initial and subsequent measurement, including recognition of an allowance for credit losses at acquisition with an offsetting gross-up to the purchase price, and require purchased seasoned loans to follow the same interest income recognition model as originated financial assets. The ASU also updates disclosure requirements to include separate presentation of the initial allowance recognized for purchased seasoned loans. The amendments are effective for annual reporting periods beginning after December 15, 2026, and for interim reporting periods within those annual periods, with early adoption permitted. The amendments must be applied prospectively to loans acquired on or after the adoption date. In the event of future acquisitions, this ASU will likely have a material impact on the Company’s financial statements.

In September 2025, the FASB issued Accounting Standards Update (ASU) No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, seeking to update the guidance on accounting for software. This ASU addresses stakeholder and investor concerns on the challenges of applying current internal-use software accounting requirements that do not specifically address software developed using modern incremental and iterative methods, which has led to diversity in practice in determining when to begin capitalizing software costs. The ASU removes all references to a prescriptive and sequential software development method. The amendments require an entity to start capitalizing software costs when management has authorized and committed to funding the software project, and it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2027, and for interim reporting periods beginning after December 15, 2027. The Company does not anticipate this ASU will have a material impact on its financial statements.

In November 2024, the FASB has issued Accounting Standards Update ASU No. 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, to provide investors with more decision-useful information about a public business entity’s expense by improving disclosures on income statement expenses. The amendments in the ASU are effective for public business entities only for annual reporting periods beginning after December 15, 2026, and for interim reporting periods beginning after December 15, 2027. The Company does not anticipate this ASU will have a material impact on its financial statements.

Note 2—Mergers and Acquisitions

Independent Bank Group, Inc. (“Independent”)

On January 1, 2025, the Company acquired Independent in an all-stock merger transaction. Upon the terms and subject to the conditions set forth in the merger agreement for the Independent transaction, Independent merged with and into the Company, with the Company continuing as the surviving corporation in the merger. Immediately following the merger, Independent’s wholly owned banking subsidiary, Independent Bank merged with and into the Bank, with the Bank continuing as the surviving bank. Shareholders of Independent received 0.60 shares of the Company’s common stock for each share of Independent common stock they owned. In total, the purchase price for Independent was \$2.5 billion.

In the Independent acquisition, the Company acquired \$13.0 billion of loans, at fair value, net of \$617.4 million, or 4.5%, estimated discount to the outstanding principal balance, representing 38.8% of the Company’s total loans at December 31, 2024. Of the total loans acquired, management identified \$2.8 billion that had more than insignificantly deteriorated since origination and were thus determined to be PCD loans.

The operating results of Independent have been included in the consolidated financial statements of the Company since the acquisition date. Due to the integration of Independent’s financial information into the financial statements of the Company since the acquisition date, it is impractical to separately disclose the revenue and earnings of Independent.

During the years ended December 31, 2025 and 2024, the Company incurred approximately \$119.8 million and \$8.0 million, respectively, of acquisition costs related to the Independent acquisition. These acquisition costs are reported in Merger, Branch Consolidation, Severance-Related, and Other Expense on the Company’s Consolidated Statements of Net Income.

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The Independent acquisition was accounted for under the acquisition method of accounting in accordance with ASC Topic 805. The Company recognized goodwill on this acquisition of \$1.2 billion. The goodwill was calculated based on the fair values of the assets acquired and liabilities assumed as of the acquisition date, inclusive of measurement period adjustments identified during the measurement period. In addition to the fair value adjustments and measurement period adjustments recorded during 2025 for assets acquired and liabilities assumed from Independent, the table below includes on the line adjustments representing expenses incurred by Independent that were contingent upon the consummation of the acquisition, as well as reclassifications to conform with the Company's presentation and other adjustments.

<u>(Dollars in thousands, except per share data)</u>	<u>As Recorded by Independent</u>	<u>On The Line Adjustments</u>	<u>Reclassifications and Other Adjustments</u>	<u>Adjusted Acquired Balance Sheet</u>	<u>Preliminary Fair Value Adjustments</u>	<u>Subsequent Fair Value Adjustments</u>	<u>Fair Value of Net Assets Acquired at Date of Acquisition</u>
Assets							
Cash and cash equivalents	\$ 1,043,293	\$ —	\$ (2,415) (d)	\$ 1,040,878	\$ —	\$ —	\$ 1,040,878
Investment securities	1,644,381	—	2,782 (e)	1,647,163	(56,711) (i)	—	1,590,452
Loans held for sale	12,430	—	—	12,430	—	—	12,430
Loans held for investment, net of allowance for credit losses	13,452,928	—	750 (f)	13,453,678	(445,321) (j)	(16,798) (j)	12,991,559
Premises and equipment, net	348,071	—	33,133 (g)	381,204	(65,530) (k)	—	315,674
Bank owned life insurance	252,001	—	—	252,001	—	—	252,001
Deferred tax asset	72,362	6,596 (a)	231 (h)	79,189	35,374 (l)	1,849 (l)	116,412
Bank property held for sale	—	—	—	—	72,000 (m)	6,474 (m)	78,474
Goodwill	476,021	—	—	476,021	(476,021) (n)	—	—
Core deposit and other intangible assets	38,808	—	—	38,808	373,270 (o)	2,475 (o)	414,553
Other assets	226,032	(23,000) (b)	(35,915) (e, g)	167,117	(11,530) (p)	—	155,587
Total assets	<u>\$ 17,566,327</u>	<u>\$ (16,404)</u>	<u>\$ (1,434)</u>	<u>\$ 17,548,489</u>	<u>\$ (574,469)</u>	<u>\$ (6,000)</u>	<u>\$ 16,968,020</u>
Liabilities							
Deposits:							
Noninterest-bearing	\$ 3,241,446	\$ —	\$ (3,276) (d)	\$ 3,238,170	\$ —	\$ —	\$ 3,238,170
Interest-bearing	11,966,362	—	2,459 (d)	11,968,821	1,722 (q)	—	11,970,543
Total deposits	15,207,808	—	(817)	15,206,991	1,722	—	15,208,713
Other borrowings	354,713	—	—	354,713	5,809 (r)	—	360,522
Other liabilities	95,409	6,859 (c)	(1,103) (d)	101,165	(4,488) (s)	—	96,677
Total liabilities	15,657,930	6,859	(1,920)	15,662,869	3,043	—	15,665,912
Net identifiable assets acquired over liabilities assumed	1,908,397	(23,263)	486	1,885,620	(577,512)	(6,000)	1,302,108
Goodwill	—	—	—	—	1,164,953	6,000	1,170,953
Net assets acquired over liabilities assumed	<u>\$ 1,908,397</u>	<u>\$ (23,263)</u>	<u>\$ 486</u>	<u>\$ 1,885,620</u>	<u>\$ 587,441</u>	<u>\$ —</u>	<u>\$ 2,473,061</u>
Consideration:							
SouthState Bank Corporation common shares issued							24,858,731
Purchase price per share of the Company's common stock							<u>\$ 99.48</u>
Company common stock issued							\$ 2,472,947
Cash exchanged for fractional shares							114
Fair value of total consideration transferred							<u>\$ 2,473,061</u>

On the Line Adjustments

- (a) represents deferred tax assets related to the on the line adjustments which were contingent upon the consummation of the merger.
- (b) represents acquiree investment banker fees contingent upon the consummation of the merger paid by Independent prior to the effective time of the merger.
- (c) represents employer payroll taxes related to the acceleration of outstanding stock awards that fully vested upon the consummation of the merger.

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Reclassification and Other Adjustments

- (d) represents the reclassification of cash and other in-process accounts between cash and cash equivalents, deposits and other liabilities to conform with SouthState's presentation, and miscellaneous accruals.
- (e) represents the reclassification of other investments from other assets to investment securities to conform with SouthState's presentation.
- (f) represents a loan recovery received by Independent effective as of the acquisition date.
- (g) represents the reclassification of right of use assets and software from other assets to premises and equipment, net to conform with SouthState's presentation.
- (h) represents deferred tax assets related to other miscellaneous adjustments.

Fair Value Adjustments

- (i) represents an adjustment of \$56.7 million to record investment securities at fair value.
- (j) represents approximately 1.6%, or \$214.8 million, initial credit mark on the loan portfolio and 4.4% total initial mark, or \$600.6 million, including interest rate discount, derived from a third party valuation. Also includes the reversal of Independent's ending allowance for credit losses of \$133.0 million and \$22.2 million of existing Independent fair value adjustments. The fair value for loans was subsequently adjusted by \$16.8 million due to an increase in the credit mark (ACL) related to PCD loans.
- (k) represents the fair value adjustments of \$65.5 million on bank premises and equipment, inclusive of bank property transferred to held for sale as of the acquisition date.
- (l) represents net deferred tax assets related to the initial fair value adjustments with effective tax rate of 23.5%. This includes an adjustment from Independent's blended tax rate to SouthState's blended tax rate. The difference in tax rates relates to state income taxes. Also includes approximately \$1.8 million of net deferred tax assets related to subsequent fair value adjustments recorded during the current period.
- (m) represents a transfer of \$72.0 million of bank real estate to bank property held for sale. Subsequently, the fair value of the property, net of selling costs, was adjusted by \$6.5 million based on the terms of the executed sale agreement, closing statement and selling costs.
- (n) represents the reversal of Independent's existing goodwill.
- (o) represents the core deposit intangibles ("CDI") of \$412.1 million, or 3.6% of core deposits, derived from a third party valuation, net of \$38.8 million of existing CDI from prior transactions completed by Independent and reversed on the acquisition date. The Company recorded a wealth customer relationship intangible for approximately \$2.5 million in the second quarter of 2025.
- (p) represents the fair value adjustments on repossessed real estate of \$4.2 million and write-offs of \$7.3 million of prepaids and miscellaneous other assets.
- (q) represents the premium for fixed maturity time deposits of \$1.7 million derived from a third party valuation.
- (r) represents the reversal of the existing Independent discount and issuance costs on trust preferred securities and subordinated debentures of \$7.6 million, and recording the net discount of \$1.8 million for trust preferred securities and subordinated debentures derived from a third party valuation.
- (s) represents the reversal of \$2.9 million of the existing reserve for unfunded commitments, a fair value adjustment of \$2.2 million for lease liabilities, net of adjustments of approximately \$660 thousand for miscellaneous accruals.

Comparative and Pro Forma Financial Information for the Independent Acquisition

Pro-forma data for the year ended December 31, 2024 listed in the table below presents unaudited pro-forma information as if the Independent acquisition occurred at the beginning of 2024. These results combine the historical results of Independent in the Company's Consolidated Statements of Income and, while certain adjustments were made for the estimated impact of certain fair value adjustments and other acquisition-related activity, they are not indicative of what would have occurred had the Independent acquisition taken place on January 1, 2024.

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Merger-related costs of \$119.8 million from the Independent acquisition were incurred during 2025 and excluded from the pro forma information presented below. Merger-related costs of \$8.0 million incurred during the year ended December 31, 2024 were also excluded from pro forma information below. No adjustments have been made to reduce the impact of any Other Real Estate Owned (“OREO”) write downs, investment securities sold or repayment of borrowings recognized by Independent in 2024. The core system conversion for the Independent acquisition was completed during the second quarter of 2025. The Company expects to achieve further operating cost savings and other business synergies as a result of the acquisition, which are not reflected in the pro forma amounts below. The total revenues presented below represent pro-forma net interest income plus pro-forma noninterest income:

	Pro Forma Year Ended December 31, 2024 (Unaudited)	
(Dollars in thousands, except per share data)		
Total revenues (<i>net interest income plus noninterest income</i>)	\$	2,454,092
Net interest income	\$	2,095,756
Net adjusted income available to the common shareholder	\$	590,822
EPS — basic	\$	5.85
EPS — diluted	\$	5.82

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Note 3—Securities

Investment Securities

The following is the amortized cost and fair value of investment securities held to maturity:

(Dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2025:				
U.S. Government agencies	\$ 132,913	\$ —	\$ (15,767)	\$ 117,146
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,153,024	—	(177,101)	975,923
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	379,107	—	(55,232)	323,875
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	336,910	—	(58,332)	278,578
Small Business Administration loan-backed securities	46,076	—	(8,748)	37,328
	<u>\$ 2,048,030</u>	<u>\$ —</u>	<u>\$ (315,180)</u>	<u>\$ 1,732,850</u>
December 31, 2024:				
U.S. Government agencies	\$ 147,272	\$ —	\$ (23,498)	\$ 123,774
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,297,543	—	(241,204)	1,056,339
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	411,721	—	(72,057)	339,664
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	348,338	—	(72,391)	275,947
Small Business Administration loan-backed securities	49,796	—	(10,993)	38,803
	<u>\$ 2,254,670</u>	<u>\$ —</u>	<u>\$ (420,143)</u>	<u>\$ 1,834,527</u>

The following is the amortized cost and fair value of investment securities available for sale:

(Dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2025:				
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	\$ 1,826,307	\$ 10,108	\$ (138,307)	\$ 1,698,108
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	2,208,710	23,979	(47,105)	2,185,584
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	903,209	3,282	(74,042)	832,449
State and municipal obligations	1,141,377	1,252	(135,217)	1,007,412
Small Business Administration loan-backed securities	593,973	548	(26,088)	568,433
Corporate securities	23,000	—	(1,230)	21,770
	<u>\$ 6,696,576</u>	<u>\$ 39,169</u>	<u>\$ (421,989)</u>	<u>\$ 6,313,756</u>
December 31, 2024:				
U.S. Treasuries	\$ 10,654	\$ 2	\$ —	\$ 10,656
U.S. Government agencies	169,207	—	(18,789)	150,418
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,659,851	97	(282,423)	1,377,525
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	557,288	19	(98,212)	459,095
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,234,573	562	(194,580)	1,040,555
State and municipal obligations	1,117,330	2	(171,609)	945,723
Small Business Administration loan-backed securities	351,814	19	(41,721)	310,112
Corporate securities	28,499	—	(1,990)	26,509
	<u>\$ 5,129,216</u>	<u>\$ 701</u>	<u>\$ (809,324)</u>	<u>\$ 4,320,593</u>

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The following is the amortized cost and carrying value of other investment securities:

(Dollars in thousands)	Carrying Value
December 31, 2025:	
Federal Home Loan Bank stock	\$ 18,086
Federal Reserve Bank stock	234,374
Investment in unconsolidated subsidiaries	5,287
Other investment securities	95,681
	<u>\$ 353,428</u>
December 31, 2024:	
Federal Home Loan Bank stock	\$ 18,087
Federal Reserve Bank stock	150,261
Investment in unconsolidated subsidiaries	3,563
Other investment securities	51,702
	<u>\$ 223,613</u>

The Company's other investment securities consist of non-marketable equity and other securities that have no readily determinable market value. Accordingly, when evaluating these securities for impairment, management considers the ultimate recoverability of the par value rather than recognizing temporary declines in value. As of December 31, 2025, the Company has determined that there was no impairment on its other investment securities.

The amortized cost and fair value of debt and equity securities at December 31, 2025, by contractual maturity are detailed below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without prepayment penalties.

(Dollars in thousands)	Securities Held to Maturity		Securities Available for Sale	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	\$ —	\$ —	\$ 23,367	\$ 23,328
Due after one year through five years	123,013	112,980	380,125	379,408
Due after five years through ten years	414,949	370,335	912,389	858,743
Due after ten years	1,510,068	1,249,535	5,380,695	5,052,277
	<u>\$ 2,048,030</u>	<u>\$ 1,732,850</u>	<u>\$ 6,696,576</u>	<u>\$ 6,313,756</u>

The following table summarizes information with respect to sales of available for sale securities for the years ended December 31, 2025, 2024, and 2023:

(Dollars in thousands)	Year Ended December 31,				
	2025	2024		2023	
Sales of Securities	Acquired from	Investment Securities	Total	Investment Securities	Investment Securities
Independent	Sales	Sales	Sales	Sales	Sales
Sale proceeds	\$ 1,279,717	\$ 1,594,393	\$ 2,874,110	\$ 1,950	\$ 129,614
Gross realized gains	—	8,892	8,892	—	1,335
Gross realized losses	—	(237,703)	(237,703)	(50)	(1,292)
Net realized (losses) gain	<u>\$ —</u>	<u>\$ (228,811)</u>	<u>\$ (228,811)</u>	<u>\$ (50)</u>	<u>\$ 43</u>

There were no sales of held to maturity securities for years ended December 31, 2025, 2024 or 2023.

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The Company had 1,073 securities with gross unrealized losses at December 31, 2025. Information pertaining to securities with gross unrealized losses at December 31, 2025 and 2024, aggregated by investment category and length of time that individual securities have been in a continuous loss position follows:

(Dollars in thousands)	Less Than Twelve Months		Twelve Months or More	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
December 31, 2025:				
Securities Held to Maturity				
U.S. Government agencies	\$ —	\$ —	\$ 15,767	\$ 117,146
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	177,101	975,923
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	—	—	55,232	323,874
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	58,332	278,579
Small Business Administration loan-backed securities	—	—	8,748	37,328
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 315,180</u>	<u>\$ 1,732,850</u>
Securities Available for Sale				
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	\$ 459	\$ 145,357	\$ 137,848	\$ 803,407
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	46	40,399	47,059	278,620
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	228	152,299	73,814	423,165
State and municipal obligations	572	43,620	134,645	903,784
Small Business Administration loan-backed securities	680	284,036	25,408	202,322
Corporate securities	—	—	1,230	21,769
	<u>\$ 1,985</u>	<u>\$ 665,711</u>	<u>\$ 420,004</u>	<u>\$ 2,633,067</u>
December 31, 2024:				
Securities Held to Maturity				
U.S. Government agencies	\$ —	\$ —	\$ 23,498	\$ 123,774
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	241,204	1,056,339
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	—	—	72,057	339,664
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	—	—	72,391	275,947
Small Business Administration loan-backed securities	—	—	10,993	38,803
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 420,143</u>	<u>\$ 1,834,527</u>
Securities Available for Sale				
U.S. Treasuries ⁽¹⁾	\$ —	\$ —	\$ —	\$ —
U.S. Government agencies	—	—	18,789	150,418
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	294	14,341	282,129	1,350,268
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	—	—	98,212	454,908
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	792	53,342	193,788	918,338
State and municipal obligations	1,484	19,400	170,125	923,431
Small Business Administration loan-backed securities	24	6,747	41,697	289,786
Corporate securities	—	—	1,990	26,509
	<u>\$ 2,594</u>	<u>\$ 93,830</u>	<u>\$ 806,730</u>	<u>\$ 4,113,658</u>

(1) The U.S. Treasury securities in a continuous unrealized losses position for less than twelve months at December 31, 2024, had a combined gross unrealized loss total of less than \$1,000.

Each quarter, management evaluates impairment where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value. Management continues to monitor all of our securities with a high degree of scrutiny. There can be no assurance that we will not conclude in future periods that conditions existing at that time indicate some or all of its securities may be sold or would require a charge to earnings as a provision for credit losses in such periods. See Note 1—Summary of Significant Account Policies for further discussion.

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At December 31, 2025, investment securities with a market value of \$5.2 billion and a carrying value of \$5.5 billion were pledged to secure public funds deposits and for other purposes required and permitted by law (excluding securities pledged to secure repurchase agreement disclosed in Note 10—Other Borrowings, under the “Short-Term Borrowings”, “Securities Sold Under Agreements to Repurchase (“Repurchase agreements”)” section). Of the \$5.5 billion carrying value of investment securities pledged, \$5.2 billion were pledged to secure public funds deposits, \$182.2 million were pledged to secure FHLB advances, and \$83.3 million were pledged to secure interest rate swap positions with correspondents. At December 31, 2024, investment securities with a market value of \$2.4 billion and a carrying value of \$2.6 billion were pledged to secure public funds deposits and for other purposes required and permitted by law. Of the \$2.6 billion carrying value of investment securities pledged, \$2.3 billion were pledged to secure public funds deposits, \$193.7 million were pledged to secure FHLB advances and \$101.5 million were pledged to secure interest rate swap positions with correspondents.

Trading Securities

At December 31, 2025 and 2024, trading securities, at estimated fair value, were as follows:

(Dollars in thousands)	December 31, 2025	December 31, 2024
U.S. Government agencies	\$ 1,872	\$ 15,002
Residential mortgage pass-through securities issued or guaranteed by U.S. government agencies or sponsored enterprises	9,799	14,803
Other residential mortgage issued or guaranteed by U.S. government agencies or sponsored enterprises	1,419	—
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	5,966	14,419
State and municipal obligations	24,816	35,896
Small Business Administration loan-backed securities	66,173	22,571
Other debt securities	138	241
	<u>\$ 110,183</u>	<u>\$ 102,932</u>

Net gains on trading securities for the years ended December 31, 2025, 2024 and 2023 were as follows:

(Dollars in thousands)	2025	2024	2023
Net gains on sales transaction	\$ 2,290	\$ 1,596	\$ 289
Net unrealized gains (losses)	1,090	(583)	278
Net gains on trading securities	<u>\$ 3,380</u>	<u>\$ 1,013</u>	<u>\$ 567</u>

Note 4—Loans

The following is a summary of total loans:

(Dollars in thousands)	December 31,	
	2025	2024
Loans:		
Construction and land development ⁽¹⁾	\$ 2,548,360	\$ 2,184,327
Commercial non-owner-occupied	16,651,760	9,383,732
Commercial owner-occupied real estate	7,576,991	5,716,376
Consumer owner-occupied ⁽²⁾	8,618,434	7,144,885
Home equity loans	1,831,789	1,570,084
Commercial and industrial	9,181,408	6,222,876
Other income producing property	1,232,153	607,750
Consumer	955,266	1,062,599
Other loans	2,366	10,298
Total loans	48,598,527	33,902,927
Less: allowance for credit losses	(585,197)	(465,280)
Loans, net	<u>\$ 48,013,330</u>	<u>\$ 33,437,647</u>

- (1) Construction and land development includes loans for both commercial construction and development, as well as loans for 1-4 family construction and lot loans.
- (2) Consumer owner occupied real estate includes loans on both 1-4 family owner occupied property, as well as loans collateralized by 1-4 family owner occupied properties with a business intent.

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The above table reflects the loan portfolio at the amortized cost basis for the years ended December 31, 2025 and 2024, to include net deferred costs of \$97.0 million and \$86.7 million, respectively, and unamortized discount total related to loans acquired of \$259.5 million compared to \$36.9 million, respectively. Accrued interest receivable of \$186.5 million and \$133.0 million, respectively, are accounted for separately and reported in other assets for the periods December 31, 2025 and 2024.

The Company purchased loans through its acquisition of Independent, for which there was, at acquisition, evidence of more than an insignificant deterioration of credit quality since origination, thus determined to be PCD loans. The carrying amount of those acquired PCD loans, at acquisition, is as follows:

(Dollars in thousands)	January 1, 2025
Book value of acquired loans at acquisition	\$ 3,081,440
Allowance for credit losses at acquisition	(135,441)
Non-credit discount at acquisition	(151,993)
Carrying value or book value of acquired loans at acquisition	<u>\$ 2,794,006</u>

As part of the ongoing monitoring of the credit quality of our loan portfolio, management tracks certain credit quality indicators, including trends related to (i) the level of classified loans, (ii) net charge-offs, (iii) non-performing loans (see details below), and (iv) the general economic conditions of the markets that we serve.

The Company utilizes a risk grading matrix to assign a risk grade to each commercial loan. Classified loans are assessed at a minimum every six months. A description of the general characteristics of the risk grades is as follows:

- **Pass**—These loans range from minimal credit risk to average, however, still acceptable credit risk.
- **Special mention**—A special mention loan has potential weaknesses that deserve management’s close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or the institution’s credit position at some future date.
- **Substandard**—A substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness, or weaknesses, that may jeopardize the liquidation of the debt. A substandard loan is characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.
- **Doubtful**—A doubtful loan has all of the weaknesses inherent in one classified as substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of the currently existing facts, conditions and values, highly questionable and improbable.

Construction and land development loans in the following table are on commercial and speculative real estate. Consumer owner-occupied loans are collateralized by 1-4 family owner-occupied property with a business intent.

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The following tables present the credit risk profile by risk grade of commercial loans by origination year as of and for the period ending December 31, 2025:

(Dollars in thousands)		Term Loans Amortized Cost Basis by Origination Year							
As of December 31, 2025	2025	2024	2023	2022	2021	Prior	Revolving	Total	
Construction and land development									
Risk rating:									
Pass	\$ 862,035	\$ 575,253	\$ 264,370	\$ 175,486	\$ 57,814	\$ 40,977	\$ 147,911	\$ 2,123,846	
Special mention	706	137	1,815	20,580	335	510	—	24,083	
Substandard	5,292	7,512	32,431	5,898	892	5,564	—	57,589	
Doubtful	—	—	—	—	—	—	—	—	
Total Construction and land development	\$ 868,033	\$ 582,902	\$ 298,616	\$ 201,964	\$ 59,041	\$ 47,051	\$ 147,911	\$ 2,205,518	
Construction and land development									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ 16	\$ —	\$ —	\$ 16	
Commercial non-owner-occupied									
Risk rating:									
Pass	\$ 2,564,868	\$ 1,161,720	\$ 1,304,297	\$ 3,828,512	\$ 2,440,726	\$ 2,996,445	\$ 185,751	\$ 14,482,319	
Special mention	51,864	17,084	100,316	383,957	27,680	96,579	10,484	687,964	
Substandard	169,713	28,225	100,542	598,777	357,340	226,461	415	1,481,473	
Doubtful	—	—	—	—	—	1	3	4	
Total Commercial non-owner-occupied	\$ 2,786,445	\$ 1,207,029	\$ 1,505,155	\$ 4,811,246	\$ 2,825,747	\$ 3,319,488	\$ 196,650	\$ 16,651,760	
Commercial non-owner-occupied									
Current-period gross charge-offs	\$ —	\$ —	\$ 4,565	\$ 1,237	\$ 18,033	\$ 9,800	\$ —	\$ 33,635	
Commercial Owner-Occupied									
Risk rating:									
Pass	\$ 1,210,501	\$ 777,109	\$ 634,593	\$ 1,105,730	\$ 1,110,749	\$ 2,218,753	\$ 102,835	\$ 7,160,270	
Special mention	4,609	1,075	12,204	10,424	5,539	17,866	438	52,155	
Substandard	19,657	38,394	52,341	115,676	33,813	102,965	1,703	364,549	
Doubtful	9	4	—	—	—	4	—	17	
Total commercial owner-occupied	\$ 1,234,776	\$ 816,582	\$ 699,138	\$ 1,231,830	\$ 1,150,101	\$ 2,339,588	\$ 104,976	\$ 7,576,991	
Commercial owner-occupied									
Current-period gross charge-offs	\$ 1,095	\$ —	\$ 874	\$ 1,628	\$ 184	\$ 1,317	\$ 50	\$ 5,148	
Commercial and industrial									
Risk rating:									
Pass	\$ 2,644,081	\$ 1,056,432	\$ 613,536	\$ 876,480	\$ 410,578	\$ 771,994	\$ 2,396,981	\$ 8,770,082	
Special mention	5,089	2,283	20,226	6,023	2,955	2,208	14,387	53,171	
Substandard	10,054	50,362	52,210	52,356	37,921	31,469	123,611	357,983	
Doubtful	—	3	43	68	50	2	6	172	
Total commercial and industrial	\$ 2,659,224	\$ 1,109,080	\$ 686,015	\$ 934,927	\$ 451,504	\$ 805,673	\$ 2,534,985	\$ 9,181,408	
Commercial and industrial									
Current-period gross charge-offs	\$ 23,240	\$ 2,947	\$ 4,351	\$ 9,157	\$ 12,680	\$ 11,844	\$ 10,007	\$ 74,226	
Other income producing property									
Risk rating:									
Pass	\$ 157,404	\$ 114,264	\$ 88,883	\$ 272,672	\$ 173,188	\$ 210,459	\$ 55,663	\$ 1,072,533	
Special mention	2,020	463	145	269	542	2,897	602	6,938	
Substandard	1,936	420	1,918	15,540	2,294	17,247	548	39,903	
Doubtful	—	—	—	—	—	—	—	—	
Total other income producing property	\$ 161,360	\$ 115,147	\$ 90,946	\$ 288,481	\$ 176,024	\$ 230,603	\$ 56,813	\$ 1,119,374	
Other income producing property									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Consumer owner-occupied									
Risk rating:									
Pass	\$ 15,587	\$ 3,687	\$ 20,410	\$ 10,949	\$ 11,145	\$ 25,248	\$ 31,042	\$ 118,068	
Special mention	118	745	131	—	—	—	—	994	
Substandard	1,376	209	—	—	—	158	588	2,331	
Doubtful	—	—	—	—	—	1	—	1	
Total Consumer owner-occupied	\$ 17,081	\$ 4,641	\$ 20,541	\$ 10,949	\$ 11,145	\$ 25,407	\$ 31,630	\$ 121,394	
Consumer owner-occupied									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Other loans									
Risk rating:									
Pass	\$ 2,366	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,366	
Special mention	—	—	—	—	—	—	—	—	
Substandard	—	—	—	—	—	—	—	—	
Doubtful	—	—	—	—	—	—	—	—	
Total other loans	\$ 2,366	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,366	
Other loans									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Total Commercial Loans									
Risk rating:									
Pass	\$ 7,456,842	\$ 3,688,465	\$ 2,926,089	\$ 6,269,829	\$ 4,204,200	\$ 6,263,876	\$ 2,920,183	\$ 33,729,484	
Special mention	64,406	21,787	134,837	421,253	37,051	120,060	25,911	825,305	
Substandard	208,028	125,122	239,442	788,247	432,260	383,864	126,865	2,303,828	
Doubtful	9	7	43	68	51	10	6	194	
Total Commercial Loans	\$ 7,729,285	\$ 3,835,381	\$ 3,300,411	\$ 7,479,397	\$ 4,673,562	\$ 6,767,810	\$ 3,072,965	\$ 36,858,811	
Commercial Loans									
Current-period gross charge-offs	\$ 24,335	\$ 2,947	\$ 9,790	\$ 12,022	\$ 30,913	\$ 22,961	\$ 10,057	\$ 113,025	

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The following table presents the credit risk profile by risk grade of commercial loans by origination year as of and for the period ending December 31, 2024:

(Dollars in thousands)		Term Loans Amortized Cost Basis by Origination Year							
As of December 31, 2024	2024	2023	2022	2021	2020	Prior	Revolving	Total	
Construction and land development									
Risk rating:									
Pass	\$ 339,152	\$ 397,574	\$ 843,053	\$ 42,524	\$ 9,327	\$ 13,462	\$ 35,025	\$ 1,680,117	
Special mention	627	30,791	35,170	579	—	321	—	67,488	
Substandard	16,672	—	32,483	750	—	581	—	50,486	
Doubtful	—	—	—	—	1	4	—	5	
Total Construction and land development	\$ 356,451	\$ 428,365	\$ 910,706	\$ 43,853	\$ 9,328	\$ 14,368	\$ 35,025	\$ 1,798,096	
Construction and land development									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ 74	\$ 2,088	\$ —	\$ 2,162	
Commercial non-owner-occupied									
Risk rating:									
Pass	\$ 782,863	\$ 798,454	\$ 2,664,327	\$ 1,770,690	\$ 575,679	\$ 1,724,342	\$ 111,021	\$ 8,427,376	
Special mention	6,954	36,014	120,363	137,943	7,486	13,920	195	322,877	
Substandard	82,369	47,934	177,487	125,634	82,448	117,606	—	633,478	
Doubtful	—	—	—	1	—	—	—	1	
Total Commercial non-owner-occupied	\$ 872,186	\$ 882,402	\$ 2,962,177	\$ 2,034,270	\$ 665,613	\$ 1,855,868	\$ 111,216	\$ 9,383,732	
Commercial non-owner-occupied									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ 176	\$ —	\$ 354	\$ —	\$ 530	
Commercial Owner-Occupied									
Risk rating:									
Pass	\$ 624,613	\$ 648,461	\$ 1,020,841	\$ 1,004,549	\$ 572,108	\$ 1,440,686	\$ 87,011	\$ 5,398,269	
Special mention	4,571	14,537	38,361	8,092	1,114	15,112	212	81,999	
Substandard	25,843	35,855	49,032	34,135	21,502	58,982	10,748	236,097	
Doubtful	4	3	—	—	—	4	—	11	
Total commercial owner-occupied	\$ 655,031	\$ 698,856	\$ 1,108,234	\$ 1,046,776	\$ 594,724	\$ 1,514,784	\$ 97,971	\$ 5,716,376	
Commercial owner-occupied									
Current-period gross charge-offs	\$ —	\$ 298	\$ —	\$ 91	\$ 227	\$ 583	\$ —	\$ 1,199	
Commercial and industrial									
Risk rating:									
Pass	\$ 1,881,120	\$ 683,911	\$ 939,929	\$ 462,655	\$ 292,253	\$ 419,145	\$ 1,226,413	\$ 5,905,426	
Special mention	2,103	2,467	16,120	1,217	628	2,468	22,764	47,767	
Substandard	42,308	43,207	37,526	26,080	2,796	18,180	99,460	269,557	
Doubtful	—	12	42	57	1	9	5	126	
Total commercial and industrial	\$ 1,925,531	\$ 729,597	\$ 993,617	\$ 490,009	\$ 295,678	\$ 439,802	\$ 1,348,642	\$ 6,222,876	
Commercial and industrial									
Current-period gross charge-offs	\$ 2,971	\$ 2,752	\$ 5,946	\$ 666	\$ 100	\$ 4,587	\$ 3,859	\$ 20,881	
Other income producing property									
Risk rating:									
Pass	\$ 63,518	\$ 51,585	\$ 105,505	\$ 84,679	\$ 45,600	\$ 95,969	\$ 37,166	\$ 484,022	
Special mention	612	493	5,947	27	837	2,145	1,269	11,330	
Substandard	1,029	712	2,333	2,081	327	5,043	436	11,961	
Doubtful	—	—	—	—	—	—	—	—	
Total other income producing property	\$ 65,159	\$ 52,790	\$ 113,785	\$ 86,787	\$ 46,764	\$ 103,157	\$ 38,871	\$ 507,313	
Other income producing property									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Consumer owner-occupied									
Risk rating:									
Pass	\$ 4,035	\$ 17,776	\$ 5,557	\$ 3,259	\$ 594	\$ 257	\$ 31,610	\$ 63,088	
Special mention	19	222	—	—	14	35	231	521	
Substandard	1,131	—	—	—	3	205	1,961	3,300	
Doubtful	—	—	—	—	—	1	—	1	
Total Consumer owner-occupied	\$ 5,185	\$ 17,998	\$ 5,557	\$ 3,259	\$ 611	\$ 498	\$ 33,802	\$ 66,910	
Consumer owner-occupied									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Other loans									
Risk rating:									
Pass	\$ 10,298	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 10,298	
Special mention	—	—	—	—	—	—	—	—	
Substandard	—	—	—	—	—	—	—	—	
Doubtful	—	—	—	—	—	—	—	—	
Total other loans	\$ 10,298	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 10,298	
Other loans									
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Total Commercial Loans									
Risk rating:									
Pass	\$ 3,705,599	\$ 2,597,761	\$ 5,579,212	\$ 3,368,356	\$ 1,495,561	\$ 3,693,861	\$ 1,528,246	\$ 21,968,596	
Special mention	14,886	84,524	215,961	147,860	10,079	34,001	24,671	531,982	
Substandard	169,352	127,708	298,861	188,680	107,076	200,597	112,605	1,204,879	
Doubtful	4	15	42	58	2	18	5	144	
Total Commercial Loans	\$ 3,889,841	\$ 2,810,008	\$ 6,094,076	\$ 3,704,954	\$ 1,612,718	\$ 3,928,477	\$ 1,665,527	\$ 23,705,601	
Commercial Loans									
Current-period gross charge-offs	\$ 2,971	\$ 3,050	\$ 5,946	\$ 933	\$ 401	\$ 7,612	\$ 3,859	\$ 24,772	

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For the consumer segment, delinquency of a loan is determined by past due status. Consumer loans are automatically placed on nonaccrual status once the loan is 90 days past due. Construction and land development loans are on 1-4 properties and lots.

The following table presents the credit risk profile by past due status of consumer loans by origination year as of and for the period ending December 31, 2025:

(Dollars in thousands) As of December 31, 2025	Term Loans Amortized Cost Basis by Origination Year							
	2025	2024	2023	2022	2021	Prior	Revolving	Total
Consumer owner-occupied								
Days past due:								
Current	\$ 1,182,075	\$ 647,315	\$ 1,014,555	\$ 2,407,217	\$ 1,639,720	\$ 1,543,231	\$ —	\$ 8,434,113
30 days past due	2,060	3,805	5,472	3,232	3,926	3,369	—	21,864
60 days past due	685	2,557	2,670	620	559	1,626	—	8,717
90 days past due	1,156	9,661	8,967	6,584	1,524	4,454	—	32,346
Total Consumer owner-occupied	\$ 1,185,976	\$ 663,338	\$ 1,031,664	\$ 2,417,653	\$ 1,645,729	\$ 1,552,680	\$ —	\$ 8,497,040
Consumer owner-occupied								
Current-period gross charge-offs	\$ 122	\$ 926	\$ 981	\$ 458	\$ 53	\$ 107	\$ —	\$ 2,647
Home equity loans								
Days past due:								
Current	\$ 1,627	\$ 5,549	\$ 2,618	\$ 3,463	\$ 1,308	\$ 13,961	\$ 1,794,239	\$ 1,822,765
30 days past due	50	26	160	199	—	502	2,752	3,689
60 days past due	—	50	212	74	—	108	1,615	2,059
90 days past due	—	218	577	886	138	610	847	3,276
Total Home equity loans	\$ 1,677	\$ 5,843	\$ 3,567	\$ 4,622	\$ 1,446	\$ 15,181	\$ 1,799,453	\$ 1,831,789
Home equity loans								
Current-period gross charge-offs	\$ —	\$ 66	\$ —	\$ 70	\$ —	\$ 415	\$ —	\$ 551
Consumer								
Days past due:								
Current	\$ 193,165	\$ 134,608	\$ 156,266	\$ 154,801	\$ 62,652	\$ 156,314	\$ 91,731	\$ 949,537
30 days past due	55	117	304	271	205	1,295	75	2,322
60 days past due	41	70	427	50	—	268	65	921
90 days past due	67	177	532	365	47	1,288	10	2,486
Total consumer	\$ 193,328	\$ 134,972	\$ 157,529	\$ 155,487	\$ 62,904	\$ 159,165	\$ 91,881	\$ 955,266
Consumer								
Current-period gross charge-offs	\$ 390	\$ 912	\$ 910	\$ 776	\$ 114	\$ 2,655	\$ 6,007	\$ 11,764
Construction and land development								
Days past due:								
Current	\$ 129,749	\$ 80,514	\$ 27,590	\$ 53,698	\$ 26,284	\$ 24,390	\$ —	\$ 342,225
30 days past due	—	—	—	—	—	—	—	—
60 days past due	—	—	154	463	—	—	—	617
90 days past due	—	—	—	—	—	—	—	—
Total Construction and land development	\$ 129,749	\$ 80,514	\$ 27,744	\$ 54,161	\$ 26,284	\$ 24,390	\$ —	\$ 342,842
Construction and land development								
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other income producing property								
Days past due:								
Current	\$ 3,638	\$ 2,037	\$ 7,756	\$ 50,859	\$ 16,477	\$ 31,521	\$ 86	\$ 112,374
30 days past due	—	—	—	—	—	—	—	—
60 days past due	—	—	—	—	—	16	—	16
90 days past due	—	3	—	258	—	128	—	389
Total other income producing property	\$ 3,638	\$ 2,040	\$ 7,756	\$ 51,117	\$ 16,477	\$ 31,665	\$ 86	\$ 112,779
Other income producing property								
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total Consumer Loans								
Days past due:								
Current	\$ 1,510,254	\$ 870,023	\$ 1,208,785	\$ 2,670,038	\$ 1,746,441	\$ 1,769,417	\$ 1,886,056	\$ 11,661,014
30 days past due	2,165	3,948	5,936	3,702	4,131	5,166	2,827	27,875
60 days past due	726	2,677	3,309	744	559	2,018	1,680	11,713
90 days past due	1,223	10,059	10,230	8,556	1,709	6,480	857	39,114
Total Consumer Loans	\$ 1,514,368	\$ 886,707	\$ 1,228,260	\$ 2,683,040	\$ 1,752,840	\$ 1,783,081	\$ 1,891,420	\$ 11,739,716
Consumer Loans								
Current-period gross charge-offs	\$ 512	\$ 1,904	\$ 1,891	\$ 1,304	\$ 167	\$ 3,177	\$ 6,007	\$ 14,962

The following table presents total loans by origination year as of and for the period ending December 31, 2025:

(Dollars in thousands) As of December 31, 2025	Term Loans Amortized Cost Basis by Origination Year							
	2025	2024	2023	2022	2021	Prior	Revolving	Total
Total Loans	\$ 9,243,653	\$ 4,722,088	\$ 4,528,671	\$ 10,162,437	\$ 6,426,402	\$ 8,550,891	\$ 4,964,385	\$ 48,598,527
Current-period gross charge-offs	\$ 24,847	\$ 4,851	\$ 11,681	\$ 13,326	\$ 31,080	\$ 26,138	\$ 16,064	\$ 127,987

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The following table presents the credit risk profile by past due status of consumer loans by origination year as of and for the period ending December 31, 2024:

(Dollars in thousands)		Term Loans Amortized Cost Basis by Origination Year						
As of December 31, 2024	2024	2023	2022	2021	2020	Prior	Revolving	Total
Consumer owner-occupied								
Days past due:								
Current	\$ 623,572	\$ 1,052,852	\$ 2,303,614	\$ 1,578,097	\$ 577,381	\$ 908,983	\$ —	\$ 7,044,499
30 days past due	1,362	1,847	1,302	614	897	3,045	—	9,067
60 days past due	685	453	2,281	354	251	757	—	4,781
90 days past due	2,283	4,336	6,314	1,730	1,034	3,931	—	19,628
Total Consumer owner-occupied	\$ 627,902	\$ 1,059,488	\$ 2,313,511	\$ 1,580,795	\$ 579,563	\$ 916,716	\$ —	\$ 7,077,975
Consumer owner-occupied								
Current-period gross charge-offs	\$ 35	\$ 328	\$ 284	\$ 16	\$ 21	\$ 44	\$ —	\$ 728
Home equity loans								
Days past due:								
Current	\$ 7,309	\$ 6,553	\$ 3,701	\$ 1,515	\$ 1,739	\$ 10,600	\$ 1,527,504	\$ 1,558,921
30 days past due	57	75	74	—	64	788	5,019	6,077
60 days past due	—	73	69	—	—	120	2,044	2,306
90 days past due	52	137	388	76	341	467	1,319	2,780
Total Home equity loans	\$ 7,418	\$ 6,838	\$ 4,232	\$ 1,591	\$ 2,144	\$ 11,975	\$ 1,535,886	\$ 1,570,084
Home equity loans								
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 110	\$ —	\$ 110
Consumer								
Days past due:								
Current	\$ 194,192	\$ 218,440	\$ 218,097	\$ 95,017	\$ 50,337	\$ 155,109	\$ 116,590	\$ 1,047,782
30 days past due	103	269	309	261	199	1,426	4,926	7,493
60 days past due	40	64	86	97	95	319	2,994	3,695
90 days past due	20	442	393	147	15	1,128	1,484	3,629
Total consumer	\$ 194,355	\$ 219,215	\$ 218,885	\$ 95,522	\$ 50,646	\$ 157,982	\$ 125,994	\$ 1,062,599
Consumer								
Current-period gross charge-offs	\$ 194	\$ 1,610	\$ 1,377	\$ 197	\$ 80	\$ 451	\$ 5,247	\$ 9,156
Construction and land development								
Days past due:								
Current	\$ 75,490	\$ 81,995	\$ 152,974	\$ 46,873	\$ 13,253	\$ 15,309	\$ —	\$ 385,894
30 days past due	—	—	—	—	—	16	—	16
60 days past due	—	—	—	—	—	—	—	—
90 days past due	—	—	320	—	1	—	—	321
Total Construction and land development	\$ 75,490	\$ 81,995	\$ 153,294	\$ 46,873	\$ 13,254	\$ 15,325	\$ —	\$ 386,231
Construction and land development								
Current-period gross charge-offs	\$ —	\$ —	\$ 304	\$ —	\$ —	\$ —	\$ —	\$ 304
Other income producing property								
Days past due:								
Current	\$ 3,041	\$ 6,066	\$ 39,445	\$ 16,556	\$ 3,511	\$ 31,549	\$ 128	\$ 100,296
30 days past due	—	—	—	—	—	24	—	24
60 days past due	—	—	—	—	—	—	—	—
90 days past due	—	—	—	—	—	117	—	117
Total other income producing property	\$ 3,041	\$ 6,066	\$ 39,445	\$ 16,556	\$ 3,511	\$ 31,690	\$ 128	\$ 100,437
Other income producing property								
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total Consumer Loans								
Days past due:								
Current	\$ 903,604	\$ 1,365,906	\$ 2,717,831	\$ 1,738,058	\$ 646,221	\$ 1,121,550	\$ 1,644,222	\$ 10,137,392
30 days past due	1,522	2,191	1,685	875	1,160	5,299	9,945	22,677
60 days past due	725	590	2,436	451	346	1,196	5,038	10,782
90 days past due	2,355	4,915	7,415	1,953	1,391	5,643	2,803	26,475
Total Consumer Loans	\$ 908,206	\$ 1,373,602	\$ 2,729,367	\$ 1,741,337	\$ 649,118	\$ 1,133,688	\$ 1,662,008	\$ 10,197,326
Consumer Loans								
Current-period gross charge-offs	\$ 229	\$ 1,938	\$ 1,965	\$ 213	\$ 101	\$ 605	\$ 5,247	\$ 10,298

The following table presents total loans by origination year as of and for the period ending December 31, 2024:

(Dollars in thousands)		Term Loans Amortized Cost Basis by Origination Year						
As of December 31, 2024	2024	2023	2022	2021	2020	Prior	Revolving	Total
Total Loans	\$ 4,798,047	\$ 4,183,610	\$ 8,823,443	\$ 5,446,291	\$ 2,261,836	\$ 5,062,165	\$ 3,327,535	\$ 33,902,927
Current-period gross charge-offs	\$ 3,200	\$ 4,988	\$ 7,911	\$ 1,146	\$ 502	\$ 8,217	\$ 9,106	\$ 35,070

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The following table presents an aging analysis of past due accruing loans, segregated by class:

(Dollars in thousands)	30 - 59 Days Past Due	60 - 89 Days Past Due	90+ Days Past Due	Total Past Due	Current	Non- Accruing	Total Loans
December 31, 2025							
Construction and land development	\$ 3,018	\$ 472	\$ 139	\$ 3,629	\$ 2,537,171	\$ 7,560	\$ 2,548,360
Commercial non-owner-occupied	8,457	304	408	9,169	16,575,180	67,411	16,651,760
Commercial owner-occupied	14,821	4,651	865	20,337	7,516,697	39,957	7,576,991
Consumer owner-occupied	16,301	901	—	17,202	8,527,681	73,551	8,618,434
Home equity loans	2,739	1,226	1	3,966	1,819,479	8,344	1,831,789
Commercial and industrial	24,890	5,860	2,913	33,663	9,052,979	94,766	9,181,408
Other income producing property	1,582	827	615	3,024	1,227,020	2,109	1,232,153
Consumer	2,002	793	—	2,795	949,014	3,457	955,266
Other loans	—	—	—	—	2,366	—	2,366
	<u>\$ 73,810</u>	<u>\$ 15,034</u>	<u>\$ 4,941</u>	<u>\$ 93,785</u>	<u>\$ 48,207,587</u>	<u>\$ 297,155</u>	<u>\$ 48,598,527</u>
December 31, 2024							
Construction and land development	\$ 16	\$ —	\$ —	\$ 16	\$ 2,182,853	\$ 1,458	\$ 2,184,327
Commercial non-owner-occupied	2,253	748	—	3,001	9,363,226	17,505	9,383,732
Commercial owner-occupied	7,208	2,844	92	10,144	5,670,550	35,682	5,716,376
Consumer owner-occupied	6,536	444	—	6,980	7,094,851	43,054	7,144,885
Home equity loans	4,717	1,511	1	6,229	1,553,832	10,023	1,570,084
Commercial and industrial	28,427	7,700	3,163	39,290	6,091,566	92,020	6,222,876
Other income producing property	237	116	37	390	605,162	2,198	607,750
Consumer	7,023	3,444	—	10,467	1,046,776	5,356	1,062,599
Other loans	—	—	—	—	10,298	—	10,298
	<u>\$ 56,417</u>	<u>\$ 16,807</u>	<u>\$ 3,293</u>	<u>\$ 76,517</u>	<u>\$ 33,619,114</u>	<u>\$ 207,296</u>	<u>\$ 33,902,927</u>

The following table is a summary of information pertaining to nonaccrual loans by class, including loans modified for borrowers with financial difficulty as of December 31, 2025 and December 31, 2024:

(Dollars in thousands)	December 31, 2025	Greater than 90 Days Accruing ⁽¹⁾	Non-accrual with no allowance ⁽¹⁾	December 31, 2024
Construction and land development	\$ 7,560	\$ 139	\$ 5,778	\$ 1,458
Commercial non-owner-occupied	67,411	408	61,811	17,505
Commercial owner-occupied real estate	39,957	865	9,472	35,682
Consumer owner-occupied	73,551	—	1,484	43,054
Home equity loans	8,344	1	—	10,023
Commercial and industrial	94,766	2,913	14,583	92,020
Other income producing property	2,109	615	717	2,198
Consumer	3,457	—	—	5,356
Total loans on nonaccrual status	<u>\$ 297,155</u>	<u>\$ 4,941</u>	<u>\$ 93,845</u>	<u>\$ 207,296</u>

(1) Greater than 90 days accruing and non-accrual with no allowance loans at December 31, 2025.

There is no interest income recognized during the period on nonaccrual loans. The Company follows its nonaccrual policy by reversing contractual interest income in the income statement when the Company places a loan on nonaccrual status. Loans on nonaccrual status in which there is no allowance assigned are individually evaluated loans that do not carry a specific reserve. See Note 1—Summary of Significant Accounting Policies for further detailed on individually evaluated loans.

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The following is a summary of collateral dependent loans, by type of collateral, and the extent to which they are collateralized during the period:

(Dollars in thousands)	December 31, 2025	Collateral Coverage	%	December 31, 2024	Collateral Coverage	%
Construction and land development						
Other	\$ 5,778	\$ 7,725	134%	\$ —	\$ —	—
Commercial owner-occupied real estate						
Church	3,315	6,075	183%	—	—	—
Industrial	—	—	—	2,835	6,831	241%
Other	6,157	9,549	155%	11,087	20,683	187%
Commercial non-owner-occupied real estate						
Retail	3,451	5,251	152%	—	—	—
Other	1,250	1,512	121%	—	—	—
Office	12,250	22,015	180%	14,223	15,594	110%
Multifamily	44,860	50,894	113%	—	—	—
Commercial and industrial						
Other	49,491	46,539	94%	59,171	74,549	126%
Other income producing property						
1-4 family investment property	717	545	76%	1,265	3,286	260%
Consumer owner-occupied						
1st Mtg Residential	1,484	2,250	152%	963	954	99%
Home equity loans						
Residential 1-4 family dwelling	—	—	—	1,173	2,250	192%
Total collateral dependent loans	<u>\$ 128,753</u>	<u>\$ 152,355</u>		<u>\$ 90,717</u>	<u>\$ 124,147</u>	

The Bank designates individually evaluated loans on non-accrual with a net book balance exceeding the designated threshold as collateral dependent loans. Collateral dependent loans are loans for which the repayment is expected to be provided substantially through the operation or sale of the collateral and the borrower is experiencing financial difficulty. These loans do not share common risk characteristics and are not included within the collectively evaluated loans for determining the ACL. Under ASC 326-20-35-6, the Bank has adopted the collateral-dependent practical expedient to measure the ACL based on the fair value of collateral. The ACL is calculated on an individual loan basis based on the shortfall between the fair value of the loan's collateral, which is adjusted for selling costs, and amortized cost. If the fair value of the collateral exceeds the amortized cost, no allowance is required. The Bank's threshold for individually evaluated loans is \$1.0 million. The changes above in collateral percentage are due to appraisal value updates or changes in the number of loans within the asset class and collateral type. As a result of the acquisition of Independent on January 1, 2025, collateral dependent loans increased \$65.1 million from the date of acquisition. Overall collateral dependent loans increased by \$38.0 million from December 31, 2024 compared to the balance at December 31, 2025.

Loans on nonaccrual status at the date of modification are initially classified as nonaccrual. Loans on accruing status at the date of modification are initially classified as accruing if the note is reasonably assured of repayment and performance is expected in accordance with its modified terms. Such loans may be designated as nonaccrual loans subsequent to the modification date if reasonable doubt exists as to the collection of interest or principal under the modification agreement. Nonaccrual loans are returned to accruing status when there is economic substance to the modification, there is documented credit evaluation of the borrower's financial condition, the remaining balance is reasonably assured of repayment in accordance with its modified terms, and the borrower has demonstrated sustained repayment performance in accordance with the modified terms for a reasonable period of time (generally a minimum of six months). See Note 1—Summary of Significant Accounting Policies for how such modifications are factored into the determination of the ACL for the periods presented above.

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The following tables present loans designated as modifications made to borrowers experiencing financial difficulty during the year ended December 31, 2025, 2024 and 2023, respectively. The loans are segregated by type of modification and asset class, indicating the financial effect of the modifications.

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Amortized Cost	% of Total Asset Class	Reduction in Weighted Average Contractual Interest Rate	Amortized Cost	% of Total Asset Class	Reduction in Weighted Average Contractual Interest Rate	Amortized Cost	% of Total Asset Class	Reduction in Weighted Average Contractual Interest Rate
Interest rate reduction									
Commercial non-owner occupied	\$ 14,913	0.09%	1.54%	\$ —	—	—	\$ —	—	—
Commercial owner-occupied real estate	735	0.01%	1.20%	—	—	—	839	0.02%	9.50% to 6.00%
Consumer owner-occupied	—	—	—	889	0.01%	2.03%	—	—	—
Commercial and industrial	355	0.00%	1.75%	—	—	—	—	—	—
Total interest rate reductions	\$ 16,003			\$ 889			\$ 839		

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan
Term extension									
Construction and land development	\$ 7,583	0.30%	8 months	\$ —	—	—	\$ 251	0.01%	12 months
Commercial non-owner-occupied	59,347	0.36%	5 months	2,250	0.02%	8 months	1,246	0.01%	24 months
Commercial owner-occupied real estate	1,057	0.01%	9 months	10,500	0.18%	19 months	7,511	0.14%	23 months
Consumer owner-occupied	5,025	0.06%	6 months	1,672	0.02%	5 months	—	—	—
Commercial and industrial	380	0.00%	4 months	16,590	0.27%	42 months	1,674	0.03%	6 months
Other income producing property	215	0.02%	3 months	—	—	—	339	0.05%	60 months
Total term extensions	\$ 73,607			\$ 31,012			\$ 11,021		

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Amortized Cost	% of Total Asset Class	Weighted Average of Months Payments Were Deferred	Amortized Cost	% of Total Asset Class	Weighted Average of Months Payments Were Deferred	Amortized Cost	% of Total Asset Class	Weighted Average of Months Payments Were Deferred
Other-than-insignificant payment delay									
Commercial non-owner-occupied	\$ 51,870	0.31%	7 months	\$ —	—	—	\$ —	—	—
Commercial owner-occupied real estate	2,098	0.03%	8 months	—	—	—	—	—	—
Total payment delays	\$ 53,968			\$ —			\$ —		

(Dollars in thousands)	Year Ended December 31,								
	2025			2024			2023		
	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan	Amortized Cost	% of Total Asset Class	Increase in Weighted Average Life of Loan
Combination- Term Extension and Interest Rate Reduction									
Consumer owner-occupied	\$ 2,020	2.51%	8 months	\$ 367	6.25% to 3.00%	7 months	\$ 259	3.63% to 3.00%	20 months
Total	\$ 2,020			\$ 367			\$ 259		

(Dollars in thousands)	Year Ended December 31,						
	2025		2024		2023		
	Amortized Cost	Increase in Weighted Average Amortization Term	Amortized Cost	Increase in Weighted Average Amortization Term	Amortized Cost	Increase in Weighted Average Amortization Term	Increase in Weighted Average Amortization Term
Combination- Term Extension and Payment Delay							
Construction and land development	\$ 2,760	3 months	\$ —	—	\$ —	—	—
Commercial non-owner occupied	2,440	3 months	—	—	—	—	—
Commercial and industrial	10,354	5 months	251	15 months	—	—	—
Total	\$ 15,554		\$ 251		\$ —		

(Dollars in thousands)	Year Ended December 31,						
	2025		2024		2023		
	Amortized Cost	Reduction in Weighted Average Contractual Interest Rate	Amortized Cost	Reduction in Weighted Average Contractual Interest Rate	Amortized Cost	Reduction in Weighted Average Contractual Interest Rate	Increase in Weighted Average Amortization Term
Combination- Interest Rate Reduction and Payment Delay							
Commercial non-owner occupied	\$ 29,802	0.63%	8 months	\$ —	—	—	—
Commercial and industrial	1,160	0.75%	12 months	—	—	—	—
Total	\$ 30,962			\$ —			

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The Bank on occasion will enter into modification agreements which extend the maturity payoff on a loan, reduce the interest rate, or extended the payment amortization significantly, for borrowers willing to continue to pay, to minimize losses for the Bank. At December 31, 2025, 2024, and 2023, the Company had \$2.4 million, \$0, and \$1.9 million, respectively, in remaining commitments to lend additional funds on loans to borrowers experiencing financial difficulty and modified during the current reporting period.

The following table presents the changes in status of loans modified within the previous twelve months to borrowers experiencing financial difficulty, as of December 31, 2025, 2024, and 2023 by type of modification. The subsequent defaults were all due to past due status greater than 60 days or 90 days, with loss mitigation efforts.

(Dollars in thousands)	December 31,								
	2025			2024			2023		
	Paying Under Restructured Terms	Converted to Nonaccrual	Foreclosures and Defaults	Paying Under Restructured Terms	Converted to Nonaccrual	Foreclosures and Defaults	Paying Under Restructured Terms	Converted to Nonaccrual	Foreclosures and Defaults
	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost
Interest rate reduction									
Commercial non-owner-occupied	\$ 14,913	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial owner-occupied real estate	735	—	—	—	—	—	839	—	—
Commercial and industrial	355	—	—	—	—	—	—	—	—
Consumer owner-occupied	—	—	—	889	—	—	—	—	—
Total interest rate reductions	\$ 16,003	\$ —	\$ —	\$ 889	\$ —	\$ —	\$ 839	\$ —	\$ —
Term extension									
Construction and land development	\$ 7,301	\$ —	\$ 282	\$ —	\$ —	\$ —	\$ 251	\$ —	\$ —
Commercial non-owner-occupied	59,347	—	—	2,250	—	—	1,246	—	—
Commercial owner-occupied real estate	1,058	—	—	10,500	—	—	7,511	—	—
Commercial and industrial	1,691	—	—	16,590	—	—	1,674	—	—
Other income producing property	215	—	—	—	—	—	339	—	—
Consumer owner-occupied	8,322	—	308	1,672	—	—	—	—	—
Total term extensions	\$ 77,934	\$ —	\$ 590	\$ 31,012	\$ —	\$ —	\$ 11,021	\$ —	\$ —
Other-than-insignificant payment delay									
Commercial non-owner-occupied	\$ 51,870	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial owner-occupied real estate	4,642	—	363	—	—	—	—	—	—
Commercial and industrial	1,587	—	—	—	—	—	—	—	—
Total payment delays	\$ 58,099	\$ —	\$ 363	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Term Extension and Interest Rate Reduction									
Consumer owner-occupied	\$ 1,685	\$ —	\$ 335	\$ 367	\$ —	\$ —	\$ 259	\$ —	\$ —
Total term extension and interest rate combinations	\$ 1,685	\$ —	\$ 335	\$ 367	\$ —	\$ —	\$ 259	\$ —	\$ —
Term Extension and Payment Delay									
Construction and land development	\$ 2,760	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial non-owner-occupied	2,440	—	—	—	—	—	—	—	—
Commercial and industrial	10,354	—	—	251	—	—	—	—	—
Total term extension and payment delay combinations	\$ 15,554	\$ —	\$ —	\$ 251	\$ —	\$ —	\$ —	\$ —	\$ —
Interest Rate Reduction and Payment Delay									
Commercial non-owner-occupied	\$ 29,802	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial and industrial	1,160	—	—	—	—	—	—	—	—
Total interest rate reduction and payment delay combinations	\$ 30,962	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	\$ 200,237	\$ —	\$ 1,288	\$ 32,519	\$ —	\$ —	\$ 12,119	\$ —	\$ —

The following table depicts the performance of loans modified to borrowers experiencing financial difficulty within the previous twelve months, as of December 31, 2025, 2024, and 2023:

(Dollars in thousands)	December 31, 2025			December 31, 2024			December 31, 2023		
	Payment Status (Amortized Cost Basis)			Payment Status (Amortized Cost Basis)			Payment Status (Amortized Cost Basis)		
	Current	30-89 Days Past Due	90+ Days Past Due	Current	30-89 Days Past Due	90+ Days Past Due	Current	30-89 Days Past Due	90+ Days Past Due
Construction and land development	\$ 10,061	\$ —	\$ 282	\$ —	\$ —	\$ —	\$ 251	\$ —	\$ —
Commercial non-owner-occupied	156,348	2,025	—	2,250	—	—	—	1,246	—
Commercial owner-occupied real estate	4,633	2,165	—	10,500	—	—	8,350	—	—
Commercial and industrial	14,766	380	—	11,431	5,410	—	1,275	399	—
Other income producing property	215	—	—	—	—	—	—	339	—
Consumer owner-occupied	9,718	289	643	1,772	1,156	—	—	259	—
Total	\$ 195,741	\$ 4,859	\$ 925	\$ 25,953	\$ 6,566	\$ —	\$ 9,876	\$ 2,243	\$ —

Note 5—Allowance for Credit Losses (ACL)

See Note 1—Summary of Significant Accounting Policies for further detailed descriptions of our estimation process and methodology related to the allowance for credit losses.

The following table presents a disaggregated analysis of activity in the allowance for credit losses as follows:

(Dollars in thousands)	Residential Mortgage	Residential Sr. Mortgage	Residential Jr. HELOC	Residential Construction	Comm & Dev.	Constr. Consumer	Multifamily	Municipal	CRE Occupied	Owner-Occupied	Non-Owner-Occupied	C & I	Total
Year Ended December 31, 2025													
Allowance for credit losses:													
Balance at end of period December 31, 2024	\$ 42,687	\$ 432	\$14,845	\$ 9,298	\$ 65,553	\$ 17,484	\$ 22,279	\$ 1,197	\$ 78,753	\$ 111,538	\$101,214	\$465,280	
Allowance Adjustment - FMV for Independent merger	1,852	—	—	—	6,448	114	20,359	—	8,075	93,820	4,773	135,441	
Initial Allowance for Non-PCD loans acquired during period	8,910	85	91	4,700	11,751	254	3,805	1,947	3,186	31,557	13,685	79,971	
Independent Day 1 Loan Net Charge-offs PCD ⁽¹⁾	(61)	—	—	—	—	(2,323)	(18,065)	—	(1,016)	(13,036)	(22,187)	(56,688)	
Charge-offs	(2,572)	(14)	(551)	—	(16)	(9,441)	(802)	—	(4,132)	(1,732)	(52,039)	(71,299)	
Recoveries	581	377	804	150	1,177	2,770	—	—	219	2,570	8,350	16,998	
Net (charge-offs) recoveries	(2,052)	363	253	150	1,161	(8,994)	(18,867)	—	(4,929)	(12,198)	(65,876)	(110,989)	
Provision (recovery) ⁽²⁾	4,550	476	(1,039)	(5,416)	(31,419)	10,422	31,102	(1,345)	(11,214)	(49,920)	69,297	15,494	
Balance at end of period December 31, 2025	\$ 55,947	\$ 1,356	\$14,150	\$ 8,732	\$ 53,494	\$ 19,280	\$ 58,678	\$ 1,799	\$ 73,871	\$ 174,797	\$123,093	\$585,197	
Year Ended December 31, 2024													
Allowance for credit losses:													
Balance at end of period December 31, 2023	\$ 78,052	\$ 745	\$10,942	\$ 5,024	\$ 65,772	\$ 23,331	\$ 13,766	\$ 900	\$ 71,580	\$ 137,055	\$ 49,406	\$456,573	
Charge-offs	(728)	—	(110)	(304)	(2,162)	(9,156)	—	—	(1,199)	(530)	(20,881)	(35,070)	
Recoveries	349	222	1,059	41	1,294	3,492	66	—	819	1,714	7,770	16,826	
Net recoveries (charge-offs)	(379)	222	949	(263)	(868)	(5,664)	66	—	(380)	1,184	(13,111)	(18,244)	
Provision (recovery) ⁽²⁾	(34,986)	(535)	2,954	4,537	649	(183)	8,447	297	7,553	(26,701)	64,919	26,951	
Balance at end of period December 31, 2024	\$ 42,687	\$ 432	\$14,845	\$ 9,298	\$ 65,553	\$ 17,484	\$ 22,279	\$ 1,197	\$ 78,753	\$ 111,538	\$101,214	\$465,280	
Year Ended December 31, 2023													
Allowance for credit losses:													
Balance at end of period December 31, 2022	\$ 72,188	\$ 405	\$14,886	\$ 8,974	\$ 45,410	\$ 22,767	\$ 3,684	\$ 849	\$ 58,083	\$ 78,485	\$ 50,713	\$356,444	
Charge-offs	(187)	—	(177)	—	(225)	(12,042)	—	—	(126)	(304)	(27,587)	(40,648)	
Recoveries	922	108	1,250	128	687	2,247	41	—	938	962	8,499	15,782	
Net recoveries (charge offs)	735	108	1,073	128	462	(9,795)	41	—	812	658	(19,088)	(24,866)	
Provision (recovery) ⁽²⁾	5,129	232	(5,017)	(4,078)	19,900	10,359	10,041	51	12,685	57,912	17,781	124,995	
Balance at end of period December 31, 2023	\$ 78,052	\$ 745	\$10,942	\$ 5,024	\$ 65,772	\$ 23,331	\$ 13,766	\$ 900	\$ 71,580	\$ 137,055	\$ 49,406	\$456,573	

(1) Day 1 loan net charge-offs for Independent loans, inclusive of measurement period adjustments, recorded to conform with the Company's charge-off policies and practices.

(2) A negative provision (recovery) for credit losses of \$24.3 million was recorded during 2025, including \$12.1 million for the initial provision for credit losses recorded for unfunded commitments acquired from Independent during the first quarter of 2025. This compares to a negative provision (recovery) for credit losses of \$11.0 million recorded during 2024 and a negative provision (recovery) for credit losses of \$10.9 million during 2023 for the release for unfunded commitments, which is not included in the table above.

Note 6—Premises and Equipment

Premises and equipment consisted of the following:

(Dollars in thousands)	Useful Life	December 31,	
		2025	2024
Land		\$ 121,048	\$ 132,703
Buildings and leasehold improvements	15 - 40 years	360,499	418,010
Equipment and furnishings	3 - 10 years	228,236	177,697
Aircraft	10 years	8,861	—
Lease right of use assets		507,138	95,835
Construction in process		22,567	12,529
Total before accumulated depreciation		1,248,349	836,774
Less accumulated depreciation		(254,173)	(334,215)
Total		\$ 994,176	\$ 502,559

Depreciation expense charged to operations was \$34.0 million, \$28.9 million, and \$28.2 million for the years ended December 31, 2025, 2024, and 2023, respectively.

At December 31, 2025 and 2024, computer software with an original cost of \$48.4 million and \$43.4 million, respectively, were being amortized using the straight-line method over 36 months. The unamortized balance remaining of the original computer software cost was \$16.6 million and \$18.4 million, respectively, at December 31, 2025 and 2024. Amortization expense totaled \$6.9 million, \$4.6 million, and \$4.9 million for the years ended December 31, 2025, 2024, and 2023, respectively. There were no capitalized implementation costs in 2025 related to internal use software.

In the fourth quarter of 2025, the Company recorded an impairment charge of approximately \$4.4 million related to a ROU lease asset associated with a facility relocation. The impairment was measured using a discounted cash flow approach based on estimated sublease income expected to be received. The Company also recorded approximately \$1.1 million of impairment charges related mostly to leasehold improvements at the same location.

See Note 19—Leases for further details on lease right of use assets.

Note 7—Goodwill and Other Intangible Assets

The carrying amount of goodwill was \$3.1 billion and \$1.9 billion, respectively, at December 31, 2025 and December 31, 2024. The Company added a total of \$1.2 billion in goodwill related to the Independent acquisition during the year ended December 31, 2025. The Company also added \$412.1 million in core deposit intangibles and a client list intangible of \$2.5 million related to the Independent acquisition. The goodwill was calculated based on the final fair values of the assets acquired and liabilities assumed as of the acquisition date. The Company's other intangible assets, consisting of core deposit intangibles, noncompete intangibles, and client list intangibles are included on the face of the balance sheet.

The Company last completed its annual valuation of the carrying value of its goodwill as of October 31, 2025, and determined there was more likely than not that no impairment of the Company's goodwill. Management continues to monitor the impact of market conditions on the Company's business, operating results, cash flows and/or financial condition.

The Company's other intangible assets, consisting of core deposit intangibles, noncompete intangibles, client list intangibles, and SBA servicing assets are included on the face of the balance sheet. The following is a summary of gross carrying amounts and accumulated amortization of other intangible assets:

(Dollars in thousands)	December 31,	
	2025	2024
Gross carrying amount	\$ 689,419	\$ 274,829
Accumulated amortization	(303,093)	(208,371)
	\$ 386,326	\$ 66,458

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Amortization expense totaled \$94.7 million, \$22.4 million and \$27.6 million for the years ended December 31, 2025, 2024, and 2023, respectively. Other intangibles, which includes core deposit intangibles, noncompete intangibles, and client list intangibles are amortized using either the straight-line method or an accelerated basis over their estimated useful lives, with lives generally between two and 15 years. The SBA servicing assets are carried at fair value and along with goodwill, are not amortized.

Estimated amortization expense for amortizing other intangibles for each of the next five years is as follows:

(Dollars in thousands)

Year ended December 31:

2026	\$ 83,601
2027	72,259
2028	60,796
2029	49,628
2030	39,182
Thereafter	75,348
	<u>\$ 380,814</u>

Note 8—Deposits

The Company's total deposits are comprised of the following:

(Dollars in thousands)	December 31,	
	2025	2024
Noninterest-bearing checking	\$ 13,375,697	\$ 10,192,116
Interest-bearing checking	13,838,558	8,232,322
Savings	2,820,621	2,414,172
Money market	17,751,688	13,056,534
Time deposits	7,359,233	4,165,722
Total deposits	<u>\$ 55,145,797</u>	<u>\$ 38,060,866</u>

At December 31, 2025 and 2024, the Company had \$2.1 billion and \$1.1 billion in certificates of deposits greater than \$250,000, respectively.

At December 31, 2025, the scheduled maturities of time deposits of all denominations are as follow:

(Dollars in thousands)

Year ended December 31:

2026	\$ 7,181,095
2027	96,976
2028	37,873
2029	15,520
2030	26,161
Thereafter	1,608
	<u>\$ 7,359,233</u>

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Note 9—Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

Federal funds purchased and securities sold under agreements to repurchase generally mature within one to three days from the transaction date, but may have maturities as long as nine months per our policies. Certain of the borrowings have no defined maturity date.

Federal Funds Purchased

Information concerning federal funds purchased is summarized below:

Federal Funds Purchased (Dollars in thousands)	December 31,			
	2025		2024	
	Amount	Rate	Amount	Rate
At period-end:				
Federal funds purchased	\$ 306,841	3.58%	\$ 260,191	4.32%
Average for the year:				
Federal funds purchased	\$ 337,538	4.25%	\$ 281,031	5.21%
Maximum month-end balance:				
Federal funds purchased	\$ 398,679		\$ 340,276	

Securities Sold Under Agreements to Repurchase

Securities sold under agreements to repurchase (“repurchase agreements”) represent funds received from customers, generally on an overnight or continuous basis, which are collateralized by investment securities owned or, at times, borrowed and re-hypothecated by the Company. Repurchase agreements are subject to terms and conditions of the master repurchase agreements between the Company and the client and are accounted for as secured borrowings. The Company monitors the fair value of the underlying securities on a daily basis. Some securities underlying these agreements include arrangements to resell securities from broker-dealers approved by the Company. Repurchase agreements are reflected at the amount of cash received in connection with the transaction and included in federal funds purchased and securities sold under agreements to repurchase on the consolidated balance sheets.

At December 31, 2025 and December 31, 2024, the Company’s repurchase agreements totaled \$311.4 million and \$254.7 million, respectively. All of the Company’s repurchase agreements were overnight or continuous (until-further-notice) agreements at December 31, 2025 and December 31, 2024. These borrowings were collateralized with government, government-sponsored enterprise, or state and political subdivision-issued securities with a carrying value of \$331.5 million and \$370.4 million at December 31, 2025 and December 31, 2024, respectively. Declines in the value of the collateral would require the Company to increase the amounts of securities pledged. Information concerning securities sold under agreements to repurchase is summarized below:

Securities Sold Under Repurchase Agreements (Dollars in thousands)	December 31,			
	2025		2024	
	Amount	Rate	Amount	Rate
At period-end:				
Securities sold under repurchase agreements	\$ 311,374	2.00%	\$ 254,721	2.11%
Average for the year:				
Securities sold under repurchase agreements	\$ 290,290	2.03%	\$ 267,713	2.10%
Maximum month-end balance:				
Securities sold under repurchase agreements	\$ 325,909		\$ 289,795	

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Note 10—Other Borrowings

The Company's other borrowings were as follows:

(Dollars in thousands)	Maturity	Interest Rate at December 31, 2025	December 31, 2025			Interest Rate at December 31, 2024	December 31, 2024		
			Balance	Average Balance	Weighted Average Interest Rate ⁽⁷⁾		Balance	Average Balance	Weighted Average Interest Rate ⁽⁷⁾
Short-term borrowings:									
FHLB Advances	Various	— %	\$ —	—	—	— %	\$ —	—	—
FRB Borrowings	Various	— %	—	—	—	— %	—	—	—
AFX Borrowings	Various	— %	—	—	—	— %	—	—	—
US Bank Line of Credit	Daily	— %	—	—	—	— %	—	—	—
Total short-term borrowings		— %	\$ —	\$ 14,728	4.40 %	— %	\$ —	\$ 179,235	5.55 %
Long-term borrowings									
SCBT Capital Trust I junior subordinated debt ⁽¹⁾	6/15/2035	5.77 %	\$ 12,372	—	—	6.41 %	\$ 12,372	—	—
SCBT Capital Trust II junior subordinated debt ⁽¹⁾	6/15/2035	5.77 %	8,248	—	—	6.41 %	8,248	—	—
SCBT Capital Trust III junior subordinated debt ⁽¹⁾	7/18/2035	5.57 %	20,619	—	—	6.21 %	20,619	—	—
SAVB Capital Trust I junior subordinated debt ⁽¹⁾	10/7/2033	7.02 %	6,186	—	—	7.77 %	6,186	—	—
SAVB Capital Trust II junior subordinated debt ⁽¹⁾	12/15/2034	6.18 %	4,124	—	—	6.82 %	4,124	—	—
TSB Statutory Trust I junior subordinated debt ⁽¹⁾	3/14/2037	5.70 %	3,093	—	—	6.34 %	3,093	—	—
Southeastern Bank Financial Statutory Trust I junior subordinated debt ⁽¹⁾	12/15/2035	5.38 %	10,310	—	—	6.02 %	10,310	—	—
Southeastern Bank Financial Statutory Trust II junior subordinated debt ⁽¹⁾	6/15/2036	5.38 %	10,310	—	—	6.02 %	10,310	—	—
CSBC Statutory Trust I junior subordinated debt ⁽¹⁾	12/15/2035	5.55 %	15,464	—	—	6.19 %	15,464	—	—
Community Capital Statutory Trust I junior subordinated debt ⁽¹⁾	6/15/2036	5.53 %	10,310	—	—	6.17 %	10,310	—	—
FCRV Statutory Trust I junior subordinated debt ⁽¹⁾	12/15/2036	5.68 %	5,155	—	—	6.32 %	5,155	—	—
Provident Community Bancshares Capital Trust I junior subordinated debt ⁽¹⁾	3/1/2037	5.99 %	4,124	—	—	6.59 %	4,124	—	—
Provident Community Bancshares Capital Trust II junior subordinated debt ⁽¹⁾	10/1/2036	5.79 %	8,248	—	—	6.50 %	8,248	—	—
IB Trust I junior subordinated debt ⁽¹⁾	3/1/2033	7.37 %	5,155	—	—	—	—	—	—
IB Trust II junior subordinated debt ⁽¹⁾	3/1/2034	7.02 %	3,093	—	—	—	—	—	—
IB Trust III junior subordinated debt ⁽¹⁾	12/1/2035	6.54 %	3,712	—	—	—	—	—	—
IB Center Trust I junior subordinated debt ⁽¹⁾	2/1/2035	7.39 %	2,578	—	—	—	—	—	—
NorthStar Statutory Trust II junior subordinated debt ⁽¹⁾	6/15/2037	5.65 %	5,155	—	—	—	—	—	—
NorthStar Statutory Trust III junior subordinated debt ⁽¹⁾	9/15/2037	5.65 %	8,248	—	—	—	—	—	—
Community Group Statutory Trust I junior subordinated debt ⁽¹⁾	6/21/2037	5.58 %	3,609	—	—	—	—	—	—
Cenbank Statutory Trust III junior subordinated debt ⁽¹⁾	4/15/2034	6.82 %	15,464	—	—	—	—	—	—
Guaranty Capital Trust III junior subordinated debt ⁽¹⁾	7/7/2033	7.27 %	10,310	—	—	—	—	—	—
Fair Market Value Discount Trust Preferred Debt Acquired			(4,180)	—	—		(689)	—	—
Total Junior Subordinated Debt		6.00 %	\$ 171,707	\$ 171,373	6.56 %	6.35 %	\$ 117,874	\$ 117,748	7.27 %
CenterState Bank Corporation subordinated debt ⁽²⁾	6/1/2030		—	—	—	5.75 %	200,000	—	—
Atlantic Capital Bancshares, Inc. subordinated debt ⁽³⁾	9/1/2030		—	—	—	5.50 %	75,000	—	—
Independent Bank Group, Inc. subordinated debt ⁽⁴⁾	9/15/2030		—	—	—	—	—	—	—
SouthState Corporation, Inc. subordinated debt ⁽⁵⁾	6/13/2035	7.00 %	350,000	—	—	—	—	—	—
Independent Bank Group, Inc. subordinated debt ⁽⁶⁾	8/15/2034	8.38 %	175,000	—	—	—	—	—	—
Fair Market Value Premium subordinated debt acquired			(4,309)	—	—		651	—	—
Long-term subordinated debt costs			4,138	—	—		(1,991)	—	—
Total Subordinated Debt		7.46 %	\$ 524,829	\$ 640,279	6.94 %	5.68 %	\$ 273,660	\$ 273,981	5.68 %
Total long-term borrowings		7.10 %	\$ 696,536	\$ 811,652	6.86 %	5.88 %	\$ 391,534	\$ 391,729	6.16 %
Total borrowings		7.10 %	\$ 696,536	\$ 826,380	6.81 %	5.88 %	\$ 391,534	\$ 570,964	5.97 %

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- (1) All of the junior subordinated debt above is adjustable rate based on three-month CME SOFR plus a spread adjustment ranging from 140 basis points to 325 basis points.
 - (2) The \$200 million in Notes bear interest at a fixed rate of 5.75% per year, to, but excluding, June 1, 2025. On June 1, 2025, the Notes convert to a floating rate equal to SOFR plus 562 basis points. The Notes may be redeemed by the Company after June 1, 2025. The balance in the table above was net of debt issuance costs. These notes were redeemed by the Company on September 1, 2025.
 - (3) The Notes bear interest at a fixed rate of 5.50% per year, to, and excluding, September 1, 2025. On September 1, 2025, the Notes convert to a floating rate equal to three-month LIBOR plus 536 basis points. The Notes may be redeemed by the Company on or after September 1, 2025. These notes were acquired in the Atlantic Capital Bancshares, Inc. ("ACBI") acquisition on March 1, 2022 and were net of the fair value discount noted in the table above. These notes were redeemed on September 1, 2025.
 - (4) The Notes bear interest at a fixed rate of 4.00% per year, to, and excluding, September 15, 2025. On September 15, 2025, the Notes convert to a floating rate equal to three-month LIBOR plus 388.5 basis points. The Notes may be redeemed by the Company on or after September 15, 2025. These notes were acquired in the Independent acquisition on January 1, 2025 and were redeemed on September 15, 2025.
 - (5) The Notes bear interest at a fixed rate of 7.00% per year, to, but excluding, June 13, 2030. On June 13, 2030, the Notes convert to a floating rate equal to SOFR plus 319 basis points. The Notes may be redeemed by the Company after June 13, 2030. The balance in the table above is net of debt issuance costs.
 - (6) The Notes bear interest at a fixed rate of 8.375% per year, from, and excluding, August 15, 2029. On August 15, 2029, the Notes convert to a floating rate equal to three-month LIBOR plus 460.5 basis points. The Notes may be redeemed by the Company on or after August 15, 2029. These notes were acquired in the Independent acquisition on January 1, 2025 and are net of the fair value discount noted in the table above.
 - (7) The weighted average interest rate calculation does not include the effects of fair value marks and debt issuance costs.

FHLB, FRB and AFX Borrowings

The Company has from time-to-time entered into borrowing agreements with the FHLB and FRB. Borrowings under these agreements are collateralized by stock in the FHLB, qualifying first and second mortgage residential loans, investment securities, and commercial real estate loans under a blanket-floating lien.

As of December 31, 2025 and 2024, there were no outstanding short-term borrowings. For the years ended December 31, 2025 and 2024, the average balance for short-term borrowings were \$14.7 million and \$179.2 million, respectively, and consisted of borrowing from the FHLB, FRB Discount Window, AFX and US Bank line of credit. The year-to-date weighted average cost for the years ended December 31, 2025 and 2024 was 4.40% and 5.55%, respectively. Net eligible loans of the Company pledged via a blanket lien to the FHLB for advances and letters of credit at December 31, 2025, were approximately \$8.7 billion (collateral value of \$5.6 billion) and investment securities and cash pledged were approximately \$216.7 million (collateral value of \$155.0 million). This allows the Company a total borrowing capacity at the FHLB of approximately \$5.7 billion. After accounting for the secured collateral required totaling \$17.8 million, the Company had unused net credit available with the FHLB in the amount of approximately \$5.7 billion at December 31, 2025. The Company also has a total borrowing capacity at the FRB of \$11.1 billion at December 31, 2025 secured by a blanket lien on \$14.7 billion (collateral value of \$11.1 billion) in net eligible loans of the Company. The Company had no outstanding borrowings with the FRB at December 31, 2025 or December 31, 2024.

Junior Subordinated Debt

The obligations of the Company with respect to the issuance of the capital securities constitute a full and unconditional guarantee by the Company of the trusts' obligations with respect to the capital securities. Subject to certain exceptions and limitations, the Company may elect from time to time to defer interest payments on the junior subordinated debt securities, which would result in a deferral of distribution payments on the related capital securities.

All of the Company's junior subordinated debt is callable after five years from issuance. Therefore, all of the junior subordinated debt is callable at December 31, 2025.

As of December 31, 2025, the sole assets of the trusts were an aggregate of \$175.9 million of the Company's junior subordinated debt securities with like maturities and like interest rates to the trust preferred securities.

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As of December 31, 2025 and 2024, the Company had a \$171.7 million (net of a \$4.2 million discount) and \$117.9 million (net of a \$0.7 million discount), respectively in liability for the junior subordinated debt securities. These discounts amounts were recorded on junior subordinated debt acquired in the Atlantic Capital acquisition in 2022 and the Independent acquisition in 2025. The Company acquired \$53.2 million (net of a \$4.1 million discount) in junior subordinated debt in the Independent acquisition on January 1, 2025. The Company, as issuer, can call any of these subordinated debt securities without penalty. If the Company were to call the securities, the amount paid to the holders would be \$175.9 million and the Company would fully amortize any remaining discount into interest expense. The remaining discount is being amortized over a four-year period.

The weighted average cost of the junior subordinated debt at period end December 31, 2025 was 6.00% and the weighted average cost year-to-date for the year ended December 31, 2025 was 6.56%. This does not take into account the unamortized discount at period end or the discount amortization recorded during the year. If the discount were taken into account, the weighted average cost year-to-date for the period ending December 31, 2025 would be 7.09%. The weighted average cost of the junior subordinated debt at period end December 31, 2024 was 6.35% and the weighted average cost year to date for the year ended December 31, 2024 was 7.27%. If the discount were taken into account, the weighted average cost year-to-date would be 7.52% for the period ending December 31, 2024.

The Company's trust preferred securities are included in Tier 2 capital for regulatory capital purposes.

Subordinated Debt and Notes

As of December 31, 2025 and 2024, the Company had a liability of \$524.8 million and \$273.7 million, respectively, for subordinated debt. The Company acquired \$305.0 million in subordinated debt in the Independent acquisition on January 1, 2025. On June 13, 2025, the Company issued \$350.0 million aggregate principal amount of fixed-to-floating rate subordinated notes due 2035. The subordinated notes initially bear interest at an initial rate of 7.00% per annum, commencing on June 13, 2025, until June 13, 2030, after which interest will be payable at a floating rate equal to SOFR plus 319 basis points. Interest is payable semi-annually during the fixed rate period and quarterly during the floating rate period, in arrears. The Company may redeem the notes at such times and at the redemption prices as provided for in the indenture governing the notes. The notes are unsecured, subordinated obligations. The Company received net proceeds of \$346.5 million, which the Company used to redeem \$405.0 million of the Company's outstanding subordinated debentures in the third quarter of 2025. Of the redemptions, \$200.0 million was redeemed as of September 1, 2025 at a rate of 9.94% (floating rate after fixed rate ended in second quarter of 2025), \$130.0 million was redeemed as of September 15, 2025 at a rate of 4.00% and \$75.0 million was redeemed as of September 15, 2025 at a rate of 5.50%.

The weighted average cost of the subordinated debt at period end December 31, 2025 was 7.46% and the weighted average cost year to date for the year ended December 31, 2025 was 6.94%. The weighted average cost of the subordinated debt at period end December 31, 2024 was 5.68% and the weighted average cost year to date for the year ended December 31, 2024 was 5.68%. This does not take into account unamortized debt issuance costs and the unaccreted premium and the amortization of the debt issuance costs and the premium accretion recorded during the year. If the debt issuance costs and premium accretion were taken into account, the weighted average cost year to date for the year ended December 31, 2025 and 2024 would be 7.52% and 5.48%, respectively.

Qualifying subordinated debt can be included in Tier 2 capital for regulatory capital purposes. At December 31, 2025, all of the Company's subordinated debentures totaling \$525.0 million qualified for Tier 2 capital treatment.

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Line of Credit

On November 10, 2025, the Company entered into an amendment and restatement to its Credit Agreement (the “Agreement”) with U.S. Bank National Association (the “Lender”). The Agreement provides for a \$100 million unsecured line of credit by the Lender to the Company. The maturity date of the Agreement is November 9, 2026, provided that the Agreement may be extended subject to the approval of the Lender. Borrowings by the Company under the Agreement will bear interest at a rate per annum equal to 1.35% plus monthly reset term SOFR Rate. As of December 31, 2025 and 2024, there was no outstanding balance associated with the line of credit. The average balance outstanding during 2025 was less than \$1,000 for the U.S. Bank line of credit.

Principal maturities of other borrowings, net of unamortized discount or debt issuance costs, are summarized below:

(Dollars in thousands)	Junior Subordinated Debt	FHLB Advances	Subordinated Debt	Total
Year Ended December 31,				
2026	\$ —	\$ —	\$ —	\$ —
2027	—	—	—	—
2028	—	—	—	—
2029	—	—	—	—
2030	—	—	—	—
Thereafter	171,707	—	524,829	696,536
	<u>\$ 171,707</u>	<u>\$ —</u>	<u>\$ 524,829</u>	<u>\$ 696,536</u>

Note 11—Income Taxes

The provision for income taxes consists of the following:

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ 121,834	\$ 143,507	\$ 111,433
State	14,430	31,979	23,157
Total current tax expense	136,264	175,486	134,590
Deferred:			
Federal	88,379	(10,150)	738
State	16,900	129	1,216
Total deferred tax expense (income)	105,279	(10,021)	1,954
Provision for income taxes	\$ 241,543	\$ 165,465	\$ 136,544

The provision for income taxes differs from that computed by applying the federal statutory income tax rate of 21% in 2025, 2024 and 2023 to income before provision for income taxes, as indicated in the following analysis:

(Dollars in thousands)	Year Ended December 31,					
	2025		2024		2023	
Income taxes at federal statutory rate	\$ 218,444	21.00 %	\$ 147,052	21.00 %	\$ 132,479	21.00 %
Increase (reduction) of taxes resulting from:						
State income taxes, net of federal tax benefit	26,011	2.50 %	24,951	3.56 %	19,122	3.03 %
Non-taxable or non-deductible items						
Non-deductible merger expenses	1,281	0.12 %	544	0.08 %	—	— %
Increase in cash surrender value of BOLI policies	(8,312)	(0.80) %	(6,402)	(0.91) %	(5,605)	(0.89) %
Tax-exempt interest income	(9,918)	(0.95) %	(8,090)	(1.16) %	(7,016)	(1.11) %
Non-deductible FDIC premiums	7,741	0.74 %	5,189	0.74 %	5,330	0.85 %
Non-deductible executive compensation	10,779	1.04 %	3,455	0.49 %	4,745	0.75 %
Income tax credits, net of related amortization						
Low income housing tax credits	(1,116)	(0.11) %	(1,094)	(0.15) %	(14,253)	(2.26) %
Changes in unrecognized tax benefits	(1,260)	(0.12) %	1,260	0.18 %	—	— %
Other, net	(2,107)	(0.20) %	(1,400)	(0.20) %	1,742	0.28 %
	\$ 241,543	23.22 %	\$ 165,465	23.63 %	\$ 136,544	21.65 %

The Company adopted the disclosure requirements in ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, on a retrospective basis as of January 1, 2025. The adoption primarily impacted the presentation and disaggregation of the Company's income tax disclosures and did not affect the Company's consolidated financial position, results of operations, or cash flows. Comparative income tax disclosures have been updated to conform to the new standard.

For the year-ended December 31, 2025, state income taxes in Florida comprise the majority of the state income tax expense (benefit), net of federal category. Income taxes paid for the years ended December 31, 2025, 2024, and 2023 were as follows:

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Federal	\$ 139,956	\$ 78,777	\$ 56,456
Florida	12,200	16,403	5,544
South Carolina	—	—	4,306
Other States	17,106	15,877	6,781
	\$ 169,262	\$ 111,057	\$ 73,087

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The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are reflected at income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

The components of the net deferred tax asset are as follows:

(Dollars in thousands)	December 31,	
	2025	2024
Allowance for credit losses	\$ 153,289	\$ 123,147
Share-based compensation	10,202	9,719
Pension plan and post-retirement benefits	359	377
Deferred compensation	13,988	13,926
Purchase accounting adjustments	58,299	—
Capitalized research and development costs	—	7,715
Accrued expenses	16,504	7,974
Other real estate owned	1,292	—
FDIC special assessment	880	4,802
Net operating loss and tax credit carryforwards	18,678	16,573
Nonaccrual interest	6,583	3,383
Lease liability	122,955	25,028
Unrealized losses on investment securities available for sale	65,634	146,995
Other	142	1,197
Total deferred tax assets	<u>468,805</u>	<u>360,836</u>
Depreciation	51,604	12,613
Intangible assets	86,032	13,091
Net deferred loan costs	22,006	19,913
Right of use assets	118,709	23,093
Prepaid expense	197	193
Mark to market liabilities	32,525	68,027
Tax deductible goodwill	18,160	15,613
Mortgage servicing rights	19,648	21,777
Other real estate owned	—	130
Purchase accounting adjustments	—	143
Other	3,556	3,294
Total deferred tax liabilities	<u>352,437</u>	<u>177,887</u>
Net deferred tax assets before valuation allowance	<u>116,368</u>	<u>182,949</u>
Less, valuation allowance	<u>(3,790)</u>	<u>(3,065)</u>
Net deferred tax assets	<u>\$ 112,578</u>	<u>\$ 179,884</u>

The Company had federal net operating loss (“NOL”) & realized built-in loss (“RBIL”) carryforwards of \$45.2 million and \$48.9 million for the years ended December 31, 2025 and 2024, respectively, which expire in varying amounts between 2026 to 2036. All of the Company's loss carryforwards are subject to Section 382 of the Internal Revenue Code, which places an annual limitation on the amount of federal net operating loss carryforwards which the Company may utilize after a change in control, and also limits the Company's ability to utilize certain tax deductions (realized built-in losses or RBIL) due to the existence of a Net Unrealized Built-in Loss (“NUBIL”) at the time of the change in control. The Company is allowed to carry forward any such limited RBIL under terms similar to those related to NOLs. The Company also has an immaterial amount of credit carryforwards, which it expects to fully utilize within the carryforward period.

The Company acquired federal net operating loss carryforwards of \$41.6 million in the January 1, 2025 acquisition of Independent. These acquired NOLs are subject to a combined annual limitation of \$34.2 million. In total, the combined allowable deduction for all loss carryforwards on an annual basis is \$45.3 million. Of the \$45.3 million of combined allowable deduction for all loss carryforwards, \$31.4 million relates to Independent's 2024 and short period 2025 loss, which is expected to be utilized in full in 2025. The remaining deductions subject to various Section 382 limitations is approximately \$13.9 million.

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An immaterial amount of the Section 382 NOLs acquired from Independent will expire unused and the carrying value of those loss carryforwards were reduced in purchase accounting. The company expects all remaining Section 382 limited carryforwards and state credit carryforwards to be realized within the applicable carryforward period.

The Company has acquired state net operating losses in various states. These are also subject to annual limitations under Section 382, similar to the federal NOLs. An immaterial amount of the Section 382 state NOLs acquired from Independent will expire unused and the carrying value of those loss carryforwards were reduced in purchase accounting. The Company has immaterial state credit carryforwards. The Company expects all remaining state Section 382 limited carryforwards and state credit carryforwards to be realized within the applicable carryforward period.

The Company had state net operating loss carryforwards of \$114.7 million and \$110.9 million for the years ended December 31, 2025 and 2024, respectively, most of which expire in varying amounts through 2040. There is a valuation allowance of \$3.8 million on \$96.2 million of state operating loss carryforwards at the parent company for which realizability is uncertain.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, taxable income in carryback years, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deferred tax assets, net of the valuation allowance at December 31, 2025.

A reconciliation of the beginning balance and ending amount of unrecognized tax benefits is as follows:

(Dollars in thousands)	Year Ended December 31,	
	2025	2024
Balance at beginning of year	\$ 1,260	\$ 13,045
Increases related to prior year tax positions	—	1,260
Decreases related to prior year tax positions	(1,260)	(13,045)
Balance at end of year	\$ —	\$ 1,260

Accrued interest and penalties on unrecognized tax benefits totaled \$0 and \$309,000 as of December 31, 2025 and 2024, respectively. Interest and penalties related to unrecognized tax benefits are recorded in interest expense and penalties. Unrecognized tax benefits as of December 31, 2025 and 2024, that, if recognized, would impact the effective tax rate totaled \$0 and \$1.3 million for each period, respectively.

The Company's unrecognized tax benefit as of December 31, 2024 related to income tax exposure on an ongoing state tax examination which was concluded during the period ended December 31, 2025. Upon conclusion of the examination the Company expects the above amounts to reverse in their entirety.

Generally, the Company's federal and state income tax returns are no longer subject to examination by taxing authorities for years prior to 2022.

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Note 12—Other Expense

The following is a summary of the components of other noninterest expense:

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Business development and staff related	\$ 36,085	\$ 23,782	\$ 25,055
Bankcard expense	3,242	2,570	2,789
Other loan expense	7,985	6,105	7,838
Director and shareholder expense	5,234	4,633	4,753
Armored carrier and courier expense	3,830	2,356	2,366
Property and sales tax	4,807	4,355	4,173
Bank service charge expense	3,619	3,195	3,002
Fraud and operational charge-off expense	9,477	6,791	4,965
Low income housing tax credit partnership amortization	—	117	9,629
Donations	6,917	4,298	3,975
Deposit earnings credit expense	34,470	27,377	14,619
Correspondent bank service and processing expense	4,912	4,547	5,663
Other	12,539	3,878	9,392
	<u>\$ 133,117</u>	<u>\$ 94,004</u>	<u>\$ 98,219</u>

Note 13—Earnings Per Common Share

The following table sets forth the computation of basic and diluted earnings per common share:

(Dollars and shares in thousands, except for per share amounts)	Year Ended December 31,		
	2025	2024	2023
Basic earnings per common share:			
Net income	\$ 798,667	\$ 534,783	\$ 494,308
Weighted-average basic common shares	101,043	76,303	76,051
Basic earnings per common share	<u>\$ 7.90</u>	<u>\$ 7.01</u>	<u>\$ 6.50</u>
Diluted earnings per common share:			
Net income	\$ 798,667	\$ 534,783	\$ 494,308
Weighted-average basic common shares	101,043	76,303	76,051
Effect of dilutive securities	456	459	429
Weighted-average dilutive shares	101,499	76,762	76,480
Diluted earnings per common share	<u>\$ 7.87</u>	<u>\$ 6.97</u>	<u>\$ 6.46</u>

The calculation of diluted earnings per common share excludes outstanding stock options for which the results would have been antidilutive under the treasury stock method as follows:

	Year Ended December 31,		
	2025	2024	2023
Number of shares	—	56,206	57,169
Range of exercise prices	\$ — to \$ —	\$ 91.05 to \$ 91.35	\$ 87.30 to \$ 91.35

Note 14—Accumulated Other Comprehensive Loss

The changes in each component of accumulated other comprehensive loss, net of tax, were as follows:

(Dollars in thousands)	Benefit Plans	Unrealized Gains and (Losses) on Securities Available for Sale	Total
Balance at December 31, 2022	\$ (673)	\$ (676,415)	\$ (677,088)
Other comprehensive income before reclassifications	1,086	93,285	94,371
Amounts reclassified from accumulated other comprehensive loss	214	(33)	181
Net comprehensive income	1,300	93,252	94,552
Balance at December 31, 2023	627	(583,163)	(582,536)
Other comprehensive loss before reclassifications	(83)	(24,374)	(24,457)
Amounts reclassified from accumulated other comprehensive loss	34	38	72
Net comprehensive loss	(49)	(24,336)	(24,385)
Balance at December 31, 2024	578	(607,499)	(606,921)
Other comprehensive income (loss) before reclassifications	(57)	149,885	149,828
Amounts reclassified from accumulated other comprehensive loss	44	173,668	173,712
Net comprehensive (loss) income	(13)	323,553	323,540
Balance at December 31, 2025	<u>\$ 565</u>	<u>\$ (283,946)</u>	<u>\$ (283,381)</u>

The table below presents the reclassifications out of accumulated other comprehensive loss, net of tax:

(Dollars in thousands)	Amount Reclassified from Accumulated Other Comprehensive Loss For the Years Ended December 31,			Income Statement Line Item Affected
Accumulated Other Comprehensive Loss Component	2025	2024	2023	
(Gain) loss on sale of available for sale securities:				
	\$ 228,811	\$ 50	\$ (43)	Securities (gain) loss, net
	(55,143)	(12)	10	Provision for income taxes
	<u>173,668</u>	<u>38</u>	<u>(33)</u>	Net income
Losses and amortization of defined benefit pension:				
Actuarial losses	\$ 58	\$ 45	\$ 285	Salaries and employee benefits
	(14)	(11)	(71)	Provision for income taxes
	<u>44</u>	<u>34</u>	<u>214</u>	Net income
Total reclassifications for the period	<u>\$ 173,712</u>	<u>\$ 72</u>	<u>\$ 181</u>	

Note 15—Restrictions on Subsidiary Dividends, Loans, or Advances

The Company pays cash dividends to shareholders from its assets, which are mainly provided by dividends from its banking subsidiary. However, certain restrictions exist regarding the ability of its banking subsidiary to transfer funds to the Company in form of cash dividends, loans or advances. The approval of the OCC is required if the total of all dividends declared by the Bank in any calendar year exceeds the total of its net profits for that year combined with its retained net profits for the preceding two years, less any required transfers to surplus. The federal banking agencies have issued policy statements which provide that bank holding companies and insured banks should generally pay dividends only out of current earnings.

During 2025, the Bank paid dividends to the Company of \$485.0 million. These funds were mainly used to pay dividends to shareholders of approximately \$230.2 million and buyback shares of common stock on the open market of \$224.1 million during 2025.

Under Federal Reserve regulations, the Bank is also limited as to the amount it may lend to the Company. The maximum amount available for transfer from the Bank to the Company in the form of loans or advances was approximately \$967.0 million and \$616.1 million at December 31, 2025 and 2024, respectively. There were no outstanding loans or advances at December 31, 2025 and 2024.

Note 16—Retirement Plans

The Company has an Employee saving plan/401(k), supplemental executive retirement plans and post-retirement benefits plans. The effect to income from operations with regard to all of the Company's retirement plans were as follows:

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Employee savings plan/401(k)	\$ 21,989	\$ 17,178	\$ 16,528
Supplemental executive retirement plan	1,556	1,141	(3,252)
Split dollar plan	(117)	(210)	(753)
Post-retirement benefits	18	13	312
	<u>\$ 23,446</u>	<u>\$ 18,122</u>	<u>\$ 12,835</u>

The Company and its subsidiaries have a Safe Harbor plan. Under the plan, electing employees are eligible to participate after attaining age 18. Plan participants elect to contribute portions of their annual base compensation, or commissions, in any combination of pre-tax deferrals or Roth post-tax deferrals subject to the annual IRS limit. Employer contributions may be made from current or accumulated net profits. Participants may elect to contribute 1% to 85% of eligible compensation as a before or after tax contribution. Employees participating in the plan receive matching contributions from the Company in an amount equal to 100% of the first 4% of eligible compensation, contributed to the plan as deferral contributions.

Employees can enter the savings plan on or after the first day of each month. The employee may enter into a salary deferral agreement at any time to select an alternative deferral amount or to elect not to defer in the Plan. If the employee does not elect an investment allocation, the plan administrator will select a retirement-based portfolio according to the employee's number of years until normal retirement age. The plan's investment valuations are generally provided on a daily basis.

Note 17—Share-Based Compensation

Compensation cost is recognized for stock options, restricted stock awards and restricted stock units ("RSUs") issued to employees. Compensation cost is measured as the fair value of these awards on their date of grant. A Black-Scholes model is utilized to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used as the fair value of restricted stock awards and RSUs. Compensation cost is recognized over the required service period, generally defined as the vesting period for stock option awards and RSUs, and as the restriction period for restricted stock awards. For awards with graded vesting, compensation cost is recognized on a straight-line basis over the requisite service period for the entire award.

Our 2012 and 2020 share-based compensation plans are long-term retention plans intended to attract, retain, and provide incentives for key employees and non-employee directors in the form of incentive and non-qualified stock options, restricted stock, and RSUs. Our 2020 plan was adopted by our shareholders at our annual meeting on October 29, 2020. The 2020 plan was subsequently amended and restated ("Amended and Restated 2020 Omnibus Incentive Plan") during our annual meeting on April 24, 2024 to increase the number of shares of common stock available for future grants. The Company also assumed the obligations of Atlantic Capital under various equity incentive plans pursuant to the acquisition of Atlantic Capital on March 1, 2022 and the obligations of CenterState Bank Corporation ("CenterState") under various equity incentive plans pursuant to the merger with CenterState on June 7, 2020. The Amended and Restated 2020 Omnibus Incentive Plan is the only plan from which new share-based compensation grants may be issued. It is the Company's policy to grant awards out of the 2,451,634 shares registered under the Amended and Restated 2020 Omnibus Incentive Plan.

Stock Options

With the exception of non-qualified stock options granted to directors under the 2012 plans, which in some cases may be exercised at any time prior to expiration and in some other cases may be exercised at intervals less than a year following the grant date, incentive stock options granted under our 2012 plan may not be exercised in whole or in part within a year following the date of the grant, as these incentive stock options become exercisable in 25% increments pro ratably over the four-year period following the grant date. The options are granted at an exercise price at least equal to the fair value of the common stock at the date of grant and expire ten years from the date of grant. No options were granted under the 2012 plan after February 1, 2019, and the plan is closed other than for any options still unexercised and outstanding.

Activity in the Company's stock option plans is summarized in the following table. All information has been retroactively adjusted for stock dividends and stock splits.

	Year Ended December 31,					
	2025		2024		2023	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at January 1, 2025	38,799	\$ 57.50	107,592	\$ 72.60	161,832	\$ 66.20
Exercised	(9,949)	47.44	(68,793)	81.12	(48,749)	55.88
Expired	(35)	39.85	—	—	(5,491)	32.25
Outstanding at December 31, 2025	28,815	61.00	38,799	57.50	107,592	72.60
Exercisable at December 31, 2025	28,815	61.00	38,799	57.50	107,592	72.60

The aggregate intrinsic value of 28,815, 38,799, and 107,592 stock options outstanding and exercisable at December 31, 2025, 2024, and 2023 was \$954,000, \$1.6 million, and \$1.7 million, respectively. The aggregate intrinsic value of 9,949, 68,793, and 48,749 stock options exercised for the years ended December 31, 2025, 2024, and 2023 was \$525,000, \$1.1 million, and \$1.1 million, respectively.

Information pertaining to options outstanding at December 31, 2025 is as follows:

Range of Exercise Prices	Options Outstanding and Exercisable		
	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
\$ 40.01 - \$ 55.00	17,268	1.1 years	\$ 44.76
\$ 55.01 - \$ 70.00	2,462	0.1 years	\$ 63.54
\$ 85.01 - \$ 91.35	9,085	1.6 years	\$ 91.18
	28,815	1.2 years	\$ 61.00

The fair value of options is estimated at the date of grant using the Black-Scholes option pricing model and expensed over the options' vesting periods. We have not granted any stock options for the years ended December 31, 2025, 2024 and 2023, and therefore, we have not used the Black-Scholes option pricing model to fair value options.

As of December 31, 2025, 2024 and 2023, there were no unrecognized compensation costs related to non-vested stock option grants under the plans. There was no fair value of shares vesting during the years ended December 31, 2025, 2024 and 2023 and no compensation expense was recorded in 2025, 2024, and 2023.

Restricted Stock

From time to time, we grant shares of restricted stock to key employees. These awards help align the interests of these employees with the interests of our shareholders by providing economic value directly related to increases in the value of our stock. The value of the stock awarded is established as the fair market value of the stock at the time of the grant. We recognize expenses equal to the total value of such awards, ratably over the vesting period of the stock grants. Restricted stock grants to employees generally vest ratably over a two to four-year vesting period.

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All restricted stock agreements are conditioned upon continued employment. Termination of employment prior to a vesting date, as described below, would terminate any interest in non-vested shares. Prior to vesting of the shares, as long as employed by the Company, the employees will have the right to vote such shares and to receive dividends paid with respect to such shares. All restricted shares will fully vest in the event of change in control of the Company or upon the death of the recipient.

Non-vested restricted stock for the year ended December 31, 2025 is summarized in the following table.

Restricted Stock	Shares	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2025	4,543	\$ 90.00
Vested	(4,543)	90.00
Nonvested at December 31, 2025	—	\$ —

The Company granted no restricted stock shares for the years ended December 31, 2025, 2024, and 2023. Compensation expense of \$35,000, \$532,000, and \$1.8 million was recorded in 2025, 2024, and 2023, respectively.

As of December 31, 2025, all restricted stock outstanding has vested. There was no unrecognized compensation cost related to nonvested restricted stock granted under the plans. The total fair value of shares vested during the years ended December 31, 2025, 2024 and 2023 was approximately \$479,000, \$999,000, and \$2.4 million, respectively.

Restricted Stock Units (“RSU”)

From time-to-time, we also grant performance RSUs and time-vested RSUs to key employees, and time-vested RSUs to non-employee directors. These awards help align the interests of these employees with the interests of our shareholders by providing economic value directly related to our performance. Some performance RSU grants contain a three-year performance period while others contain a one to two-year performance period and a time-vested requirement (generally two to four years from the grant date). The performance-based awards for our long-term incentive plans are dependent on the achievement of tangible book value growth and return on average tangible common equity relative to the Company’s peer group during each three-year performance period. We communicate threshold, target, and maximum performance RSU awards and performance targets to the applicable key employees at the beginning of a performance period. Due to the merger with CenterState on June 7, 2020, all legacy and assumed performance-based restricted stock units converted to a time-vesting requirement. With respect to some long-term incentive awards, dividend equivalents are accrued at the same rate as cash dividends paid for each share of the Company’s common stock during the performance or time-vested period, and subsequently paid when the shares are issued on the vesting or settlement date. Grants to non-employee directors typically vest within a 12-month period. The value of the RSUs awarded is established as the fair market value of the stock at the time of the grant. We recognize expense on a straight-line basis typically over the performance or time-vesting periods based upon the probable performance target, as applicable, that will be met. For the year ended December 31, 2025, we accrued for 100% of the RSUs granted.

Nonvested RSUs at target for the year ended December 31, 2025 is summarized in the following table.

Restricted Stock Units	Shares	Weighted-Average Grant-Date Fair Value
Outstanding at January 1, 2025	835,308	\$ 76.70
Granted	456,234	93.54
Vested	(446,440)	75.35
Forfeited	(24,224)	88.89
Outstanding at December 31, 2025	820,878	\$ 86.43

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The nonvested shares of 820,878 at December 31, 2025 includes 131,996 shares that have fully vested but have not been released. Of the 131,996 that have fully vested but not yet released, 131,903 are related to the 2023 Annual Incentive Deferral grants. These shares will be released in the first quarter of 2026 with the finalization of 2025 results. Based on actual achievement in the 2023 LTI performance-based RSU grants, an additional 40,586 shares that are not included in the RSUs outstanding at December 31, 2025 may be issued in the first quarter of 2026 if maximum performance achievements are met. If maximum performance is achieved pursuant to the 2024 and 2025 LTI performance-based RSU grants, an additional 81,602 shares in total may be issued by the Company at the end of their respective three-year performance periods. The Company granted 456,234, 374,207 and 398,655 shares, including the performance factor adjustments for performance RSUs, for the year ended December 31, 2025, 2024, and 2023, respectively. The weighted-average grant-date fair value of restricted stock units granted in 2025 was \$93.54. Compensation expense of \$36.7 million, \$27.3 million and \$34.0 million was recorded in 2025, 2024, and 2023, respectively.

As of December 31, 2025, there was \$29.1 million of total unrecognized compensation cost related to nonvested RSUs granted at target under the plan. This cost is expected to be recognized over a weighted-average period of 1.03 years as of December 31, 2025. The total fair value of RSUs that vested and were issued during the years ended December 31, 2025, 2024, and 2023 was approximately \$45.2 million, \$33.1 million and \$32.6 million, respectively.

Employee Stock Purchase Plan

The Company sponsors an Employee Stock Option Plan that authorizes the issuance of up to 1,400,000 shares of the Company's common stock. The plan is available to all employees who have attained age 21 and completed six months of service. The Company currently has approximately 1.2 million shares available for issuances under the plan. The price at which common stock may be purchased for each quarterly option period is the lesser of 95% of the common stock's fair value on either the first or last day of the quarter. Employees purchased 51,114, 38,026 and 43,356 shares in 2025, 2024 and 2023, respectively, through the Employee Stock Purchase Plan. The Company recognized \$256,000, \$172,000 and \$163,000 in share-based compensation expense for the years ended December 31, 2025, 2024 and 2023, respectively.

Note 18—Stock Repurchase Program

The 2025 Repurchase Program authorized the Company to repurchase up to 3,000,000 shares, or up to approximately three percent, of the Company's outstanding shares of common stock as of January 2, 2025. During 2025, the Company repurchased a total of 2,440,000 shares at a weighted average price of \$91.85 per share pursuant to the 2025 Stock Repurchase Program. Based on the shares repurchased through the 2025 Repurchase Program in 2025, the Company accrued an excise tax of approximately \$1.8 million during 2025 to be paid in 2026. This excise tax of 1% on the fair market value of corporate stock repurchased was enacted under the Inflation Reduction Act of 2022 for stock repurchases. During 2024, the Company repurchased a total of 100,000 shares at a weighted average price of \$79.85 per share pursuant to the 2022 Stock Repurchase Program. Refer to Note 31—Subsequent Events for an update on the Company's stock repurchase program.

The Company repurchased 115,359, 104,867, and 131,827 shares at a cost of \$11.7 million, \$8.8 million, and \$9.3 million in 2025, 2024, and 2023, respectively, under other arrangements whereby directors or officers surrender currently owned shares to the Company to cover the option cost for stock option exercises or tax liabilities resulting from the vesting of restricted stock awards or restricted stock units.

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Note 19—Leases

Our outstanding lease agreements are for real estate properties, including retail branch locations, operations and administration locations and stand-alone ATM locations. We have determined the number and dollar amount of our equipment leases is not material.

As of December 31, 2025 and 2024, we had operating ROU assets of \$507.1 million and \$95.8 million, respectively, and operating lease liabilities of \$525.3 million and \$103.9 million, respectively. We maintain operating leases on land and buildings for some of our operating centers, branch facilities and ATM locations. Most leases include one or more options to renew, with renewal terms extending up to 25 years. The exercise of renewal options is based on the sole judgment of management and what they consider to be reasonably certain given the environment today. Factors in determining whether an option is reasonably certain of exercise include, but are not limited to, the value of leasehold improvements, the value of renewal rate compared to market rates, and the presence of factors that would cause a significant economic penalty to us if the option is not exercised. Leases with an initial term of 12 months or less are not recorded on the balance sheet and instead are recognized in lease expense on a straight-line basis over the lease term.

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Lease Cost Components:			
Amortization of ROU assets – finance leases	\$ 465	\$ 468	\$ 466
Interest on lease liabilities – finance leases	25	33	41
Operating lease cost (cost resulting from lease payments)	57,522	16,940	17,123
Short-term lease cost	1,612	621	429
Variable lease cost (cost excluded from lease payments)	4,205	3,242	3,196
Total lease cost	\$ 63,829	\$ 21,304	\$ 21,255
Supplemental Cash Flow and Other Information Related to Leases:			
Finance lease – operating cash flows	\$ 25	\$ 33	\$ 41
Finance lease – financing cash flows	485	477	449
Operating lease – operating cash flows (fixed payments)	50,961	17,221	16,710
Operating lease – operating cash flows (net change asset/liability)	(23,619)	(13,124)	(13,414)
New ROU assets – operating leases	439,576	11,134	1,160
Weighted – average remaining lease term (years) – finance leases	2.47	3.44	4.43
Weighted – average remaining lease term (years) – operating leases	12.66	8.46	9.29
Weighted – average discount rate - finance leases	1.8%	1.7%	1.7%
Weighted – average discount rate - operating leases	6.3%	3.4%	3.1%
Operating lease payments due:			
2026	\$ 57,805		
2027	58,701		
2028	60,050		
2029	59,561		
2030	58,052		
Thereafter	507,435		
Total undiscounted cash flows	801,604		
Discount on cash flows	(276,327)		
Total operating lease liabilities	\$ 525,277		

As of December 31, 2025, the Company held a small number of finance leases assumed in connection to the CenterState merger completed in 2020. These leases are all real estate leases. Terms and conditions are similar to those real estate operating leases described above. Lease classifications from the acquired institutions were retained. At December 31, 2025, we did not maintain any leases with related parties, and determined that the number and dollar amount of our equipment leases was immaterial. As of December 31, 2025, we had one additional operating leases that has not yet commenced for approximately \$17.3 million.

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Sale-leaseback Transaction

On February 28, 2025, the Bank completed a sale-leaseback transaction for the purchase and sale of real property (the “Sale Agreement”) with entities affiliated with Blue Owl Real Estate Capital LLC (“Blue Owl”), providing for the sale to entities affiliated with Blue Owl of 165 bank branch properties owned and operated by the Bank (collectively, the “Branches”). The Branches are located in Florida, South Carolina, Georgia, North Carolina, Alabama, and Virginia. The sales price for the Branches was \$467.2 million, and the Company recorded a gain on sale of the Branches of \$229.3 million (net of transaction costs). Pursuant to the Sale Agreement, the Bank, concurrently with the closing of the sale of the Branches, entered into triple net lease agreements (the “Lease Agreements”) with entities affiliated with Blue Owl, pursuant to which the Bank will lease each of the Branches (the “Sale-leaseback Transaction”). Each of the Lease Agreements has initial terms of 15 years and provides the Bank with three consecutive renewal options of five years each. The Lease Agreements also include a 2% annual rent escalation during the initial term and the renewal terms. With the Sale-leaseback Transaction, the Company recorded additional lease right of use assets of \$361.1 million.

Equipment Lessor

SouthState has an Equipment Finance Group which goes to market through intermediaries. The Equipment Finance Group primarily focuses on serving the construction, manufacturing, transportation, and utility segments. Leases are direct financing leases and have terms typically range from 24 months to 120 months. At the end of the lease term, the lessee has the option to renew the lease, return the equipment, or purchase the equipment. In certain cases where remarketing agreements are in place for specific indirectly purchases leases, there is a remarketing agreement with the intermediary to sell the equipment. The Equipment Finance Group offers the following lease products: TRAC Leases, Split-TRAC Leases, and FMV Leases. Direct finance equipment leases are included in commercial and industrial loans on the Consolidated Balance Sheets.

The estimated residual values for direct finance leases are established by an approved intermediary who utilizes internally developed analyses, external studies, and/or third-party appraisals to establish a residual position. FMV and Split-TRAC leases have residual risk due to their unguaranteed residual value whereas TRAC leases have a guaranteed residual value. Expected credit losses on direct financing leases and the related estimated residual values are included in the Commercial and Industrial loan segment for the ACL.

The following table summarizes lease receivables and investment in operating leases and their corresponding balance sheet location at December 31, 2025, and December 31, 2024:

(Dollars in thousands)	Year Ended December 31,	
	2025	2024
Direct financing leases:		
Lease receivables	\$ 92,927	\$ 24,584
Guaranteed residual values	4,212	1,057
Unguaranteed residual values	11,335	5,245
Initial direct costs	3,502	2,640
Less: Unearned income	(17,690)	(7,362)
Total net investment in direct financing leases	\$ 94,286	\$ 26,164

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The following table summarizes direct financing lease income recorded for the years ended December 31, 2025, 2024, and 2023, and remaining lease payment receivable for each of the next five years:

(Dollars in thousands)	Year Ended		
	December 31,		
	2025	2024	2023
Direct financing lease income			
Interest income	\$ 4,052	\$ 1,226	\$ 30
Remaining lease payments receivable:			
2026	\$ 19,913		
2027	20,864		
2028	20,332		
2029	18,295		
2030	14,340		
Thereafter	3,395		
Total undiscounted lease receivable	97,139		
Less: unearned interest income	(17,690)		
Net lease receivables	\$ 79,449		

See further discussion in Note 1—Summary of Significant Accounting Policies on page F-20 on accounting for leases.

Note 20—Contingent Liabilities

The Company has been named as defendant in various legal actions, arising from its normal business activities, in which damages in various amounts are claimed. The Company is also exposed to litigation risk related to the prior business activities of banks acquired through whole bank acquisitions. Although the amount of any ultimate liability with respect to such matters cannot be determined, in the opinion of management any such liability will not have a material effect on the Company's consolidated financial statements.

Cyber Incident Litigation. On April 3, 2024, a putative class action lawsuit was filed against the Bank in the U.S. District Court for the Middle District of Florida, Tampa Division (the "Original Suit"). The plaintiff, who purports to represent the class of individuals harmed by alleged actions and/or omissions by the Bank in connection with the cybersecurity incident that was detected on February 6, 2024 (the "Cyber Incident", as previously reported in the Form 8-K filed with the SEC on February 9, 2024), asserts a variety of common law and statutory claims seeking monetary damages, injunctive relief and other related relief related to the potential unauthorized access by third parties to personal identifiable information. While the Original Suit has been voluntarily dismissed, the same plaintiffs as well as additional plaintiffs initiated litigation that names the Bank as a defendant. As of December 31, 2025, these cases have been consolidated into one putative class action, which remains pending against the Bank in the Circuit Court for Polk County, Florida (the "Cyber Incident Suit").

At this time, neither the Bank nor the Company is able to reasonably estimate the amount or range of reasonably possible loss, if any, that might result from the Cyber Incident Suit. However, the Bank believes that it has defenses to the claims and intends to vigorously defend against the Cyber Incident Suit. Accordingly, no amounts have been recorded in the consolidated financial statements for the Cyber Incident Suit. The Company will continue to evaluate information as it becomes known and will record an estimate for losses at the time or times when it is both probable that a loss has been incurred and the amount of the loss is reasonably estimable. Additional lawsuits and claims related to the Cyber Incident may be asserted by or on behalf of customers, shareholders, or others seeking damages or other related relief and additional inquiries from governmental agencies may be received or investigations by governmental agencies commenced.

Note 21—Related Party Transactions

During 2025 and 2024, the Company’s banking subsidiary had loan and deposit relationships with certain related parties, principally directors and executive officers, their immediate families and their business interests. All of these relationships were in the ordinary course of business at rates and terms substantially consistent with similar transactions with unrelated parties. Loans outstanding to this group (including immediate families and business interests) totaled \$18.8 million and \$12.3 million at December 31, 2025 and 2024, respectively. During 2025, \$9.6 million of new loans were made to this group while repayments of \$7.9 million were received during the year. There were also additions to related party loans of \$4.9 million due to the addition of new related parties, and reductions to related party loans of \$39,000 due to removal of related parties in 2025. During 2024, \$7.6 million of new loans were made to this group while repayments of \$4.7 million were received during the year. There were no additions or reductions in loans in 2024 related to changes in related parties. Related party deposits totaled approximately \$44.2 million and \$29.5 million at December 31, 2025 and 2024, respectively.

Note 22—Financial Instruments with Off-Balance Sheet Risk

The Bank is a party to credit related financial instruments with off-balance sheet risks, which are carried out in the normal course of business to meet the financing needs of the Bank’s customers. These financial instruments include commitments to extend credit, standby letters of credit and financial guarantees. Such commitments involve, to varying degrees, elements of credit, interest rate, or liquidity risk in excess of the amounts recognized in the consolidated balance sheets. The contract amounts of these instruments express the extent of involvement the banking subsidiary has in particular classes of financial instruments.

The Bank’s exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, standby letters of credit, and financial guarantees is represented by the contractual amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments. At December 31, 2025 and 2024, the following financial instruments, whose contract amounts represent credit risk, were outstanding:

(Dollars in thousands)	Year Ended December 31,	
	2025	2024
Commitments to extend credit	\$ 13,050,711	\$ 8,885,423
Standby letters of credit and financial guarantees	158,680	100,971
	<u>\$ 13,209,391</u>	<u>\$ 8,986,394</u>

As of December 31, 2025 and December 31, 2024, the Bank had recorded a liability for expected credit losses on unfunded commitments, excluding unconditionally cancellable exposures and letters of credit, of \$69.6 million and \$45.3 million, respectively, which was recorded in Other Liabilities on the Consolidated Balance Sheets. See Note 1—Summary of Significant Accounting Policies for discussion related to reserve for unfunded commitments.

Commitments to Extend Credit

Commitments to extend credit are agreements to lend to a customer as long as there is no violation 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 many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future liquidity requirements. The Bank evaluates each customer’s credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the bank upon extension of credit, is based on management’s credit evaluation of the customer. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment, and personal guarantees. Unfunded commitments under commercial lines-of-credit, revolving credit lines and overdraft protection agreements are commitments for possible future extensions of credit to existing customers. These lines-of-credit are uncollateralized and usually do not contain a specified maturity date and may not be drawn to the extent to which the banking subsidiary is committed.

Standby Letters of Credit and Financial Guarantees

Standby letters of credit and financial guarantees are conditional commitments issued by the banking subsidiary to guarantee the performance of a customer to a third-party. Those letters of credit and guarantees are primarily issued to support public and private borrowing arrangements. Essentially, all standby letters of credit have expiration dates within one year. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The amount of collateral obtained, if deemed necessary, is based on management's credit evaluation of the customer.

Note 23—Fair Value

GAAP defines fair value and establishes a framework for measuring and disclosing fair value. Fair value should be based on the assumptions market participants would use when pricing an asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions.

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Available for sale and trading securities, derivative contracts, mortgage loans held for sale, SBA servicing rights, and mortgage servicing rights ("MSRs") are recorded at fair value on a recurring basis. Additionally, from time to time, we may be required to record at fair value other assets on a nonrecurring basis, such as impaired loans, OREO, bank properties held for sale, and certain other assets. These nonrecurring fair value adjustments typically involve application of lower of cost or market accounting or write-downs of individual assets.

FASB ASC 820 establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

- Level 1 Observable inputs such as quoted prices in active markets;
- Level 2 Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The following is a description of valuation methodologies used for assets recorded at fair value.

Trading Securities

The fair values of trading securities are determined as follows: (1) for those securities that have traded prior to the date of the Consolidated Balance Sheets but have not settled (date of sale) until after such date, the sales price is used as the fair value; and, (2) for those securities which have not traded as of the date of the Consolidated Balance Sheets, the fair value was determined by broker price indications of similar or same securities.

Investment Securities

Securities available for sale are valued on a recurring basis at quoted market prices where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable securities. Level 1 securities include those traded on an active exchange, such as the New York Stock Exchange and the NASDAQ Stock Market. Level 2 securities include mortgage-backed securities and debentures issued by government agencies or sponsored entities, municipal bonds and corporate debt securities, or U.S. Treasury securities that are traded by dealers or brokers in active over-the-counter markets and money market funds. Securities held to maturity are valued at quoted market prices or dealer quotes similar to securities available for sale. The carrying value of FHLB and FRB stock approximates fair value based on the redemption provisions.

Mortgage Loans Held for Sale

Mortgage loans held for sale are carried at fair value with changes in fair value recognized in current period earnings. The fair values of mortgage loans held for sale are based on commitments on hand from investors within the secondary market for loans with similar characteristics. As such, the fair value adjustments for mortgage loans held for sale are recurring Level 2.

Loans

We do not record loans at fair value on a recurring basis. However, from time to time, a loan may be individually evaluated for expected credit losses if it no longer shares similar risk characteristics with other pooled loans. Once a loan is identified as an individually evaluated loan, management measures expected credit losses using estimated fair value methodologies. The fair value of the individually evaluated loans is estimated using one of several methods, including collateral value, market value of similar debt, enterprise value, liquidation value and discounted cash flows. Those individually evaluated loans not requiring an ACL represent loans for which the fair value of the expected repayments or collateral exceed the recorded investments in such loans. Individually evaluated loans, where an allowance is established based on the fair value of collateral, requires classification in the fair value hierarchy. When the fair value of the collateral is based on an observable market price or a current appraised value, we consider the impaired loan as nonrecurring Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, we consider the individually evaluated loan as nonrecurring Level 3.

Other Real Estate Owned (“OREO”)

OREO, consisting of properties obtained through foreclosure or in satisfaction of loans, is typically reported at fair value, determined on the basis of current appraisals, comparable sales, and other estimates of value obtained principally from independent sources, and adjusted for estimated selling costs (Level 2). However, OREO is considered Level 3 in the fair value hierarchy because management has qualitatively applied a discount due to the size, supply of inventory, and the incremental discounts applied to the appraisals. Management also considers other factors, including changes in absorption rates, length of time the property has been on the market and anticipated sales values, which have resulted in adjustments to the collateral value estimates indicated in certain appraisals. At the time of foreclosure, any excess of the loan balance over the fair value of the real estate held as collateral is treated as a charge against the ACL. Gains or losses on sale and generally any subsequent adjustments to the value are recorded as a component of OREO Expense and Loan Related Expense in the Consolidated Statements of Income.

Bank Property Held for Sale

Bank property held for sale consists of locations that management has identified as no longer needed and reclassified from bank premises as part of its monitoring process of bank premises or as a result of branch consolidation related to mergers and acquisitions. These properties are typically reported at fair value, determined on the basis of current appraisals, comparable sales, and other estimates of value obtained principally from independent sources, and adjusted for estimated selling costs (Level 2). However, bank property held for sale is considered Level 3 in the fair value hierarchy because management has qualitatively applied a discount due to the size, supply of inventory, restrictions and the incremental discounts applied to the appraisals. Management also considers other factors, including changes in absorption rates, length of time the property has been on the market and anticipated sales values, which have resulted in adjustments to the collateral value estimates indicated in certain appraisals. At the time a property is identified as held for sale, any excess of the book balance over the fair value of the real estate is treated as a charge against earnings. Gains or losses on sale of bank property held for sale resulting from branch consolidations due to mergers and acquisitions, and generally any subsequent write-downs to the value, are recorded as a component in Other Expense in the Consolidated Statements of Income. Gains or losses of properties resulting from other transfers of bank premises to bank property held for sale are recorded as net gains on sale of assets, a component of Other Income in the Consolidated Statements of Income.

Derivative Financial Instruments

Fair value is estimated using pricing models of derivatives with similar characteristics or discounted cash flow models where future floating cash flows are projected and discounted back; and accordingly, these derivatives are classified within Level 2 of the fair value hierarchy. See Note 26—Derivative Financial Instruments for additional information.

Mortgage servicing rights (“MSRs”) and SBA Servicing Asset

The estimated fair value of MSRs and SBA servicing asset is determined by estimating the present value of the asset’s future cash flows utilizing market-based prepayment rates, discount rates and other assumptions validated through industry surveys, third-party vendor analyses, and market sales data. The valuations for the servicing asset use assumptions market participants would use in determining fair value including market discount rates, prepayment speeds, servicing income, servicing costs, default rates and other market driven data, as well as the market’s perception of future interest rate movements. MSRs and SBA servicing asset are classified as Level 3.

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Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The tables below present the recorded amount of assets and liabilities measured at fair value on a recurring basis.

(Dollars in thousands)	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025:				
Assets				
Derivative financial instruments	\$ 222,886	\$ —	\$ 222,886	\$ —
Mortgage loans held for sale	61,400	—	61,400	—
Trading securities	110,183	—	110,183	—
Securities available for sale:				
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,698,108	—	1,698,108	—
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	2,185,584	—	2,185,584	—
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	832,449	—	832,449	—
State and municipal obligations	1,007,412	—	1,007,412	—
Small Business Administration loan-backed securities	568,433	—	568,433	—
Corporate securities	21,770	—	21,770	—
Total securities available for sale	6,313,756	—	6,313,756	—
Mortgage servicing rights	84,032	—	—	84,032
SBA servicing asset	5,512	—	—	5,512
	<u>\$ 6,797,769</u>	<u>\$ —</u>	<u>\$ 6,708,225</u>	<u>\$ 89,544</u>
Liabilities				
Derivative financial instruments	\$ 554,748	\$ —	\$ 554,748	\$ —
December 31, 2024:				
Assets				
Derivative financial instruments	\$ 161,490	\$ —	\$ 161,490	\$ —
Mortgage loans held for sale	98,115	—	98,115	—
Trading securities	102,932	—	102,932	—
Securities available for sale:				
U.S. Treasuries	10,656	—	10,656	—
U.S. Government agencies	150,418	—	150,418	—
Residential mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,377,525	—	1,377,525	—
Residential collateralized mortgage-obligations issued by U.S. government agencies or sponsored enterprises	459,095	—	459,095	—
Commercial mortgage-backed securities issued by U.S. government agencies or sponsored enterprises	1,040,555	—	1,040,555	—
State and municipal obligations	945,723	—	945,723	—
Small Business Administration loan-backed securities	310,112	—	310,112	—
Corporate securities	26,509	—	26,509	—
Total securities available for sale	4,320,593	—	4,320,593	—
Mortgage servicing rights	89,795	—	—	89,795
SBA servicing asset	6,028	—	—	6,028
	<u>\$ 4,778,953</u>	<u>\$ —</u>	<u>\$ 4,683,130</u>	<u>\$ 95,823</u>
Liabilities				
Derivative financial instruments	\$ 879,855	\$ —	\$ 879,855	\$ —

Fair Value Option

The Company has elected the fair value option for mortgage loans held for sale primarily to ease the operational burden required to maintain hedge accounting for these loans. The Company also has opted for the fair value option for the SBA servicing asset, as it is the industry-preferred method for valuing such assets.

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The following table summarizes the difference between the fair value and the unpaid principal balance of mortgage loans held for sale and the changes in fair value of these loans:

(Dollars in thousands)	December 31, 2025	December 31, 2024
Fair value	\$ 61,400	\$ 98,115
Unpaid principal balance	59,371	95,612
Fair value less aggregated unpaid principal balance	<u>\$ 2,029</u>	<u>\$ 2,503</u>

(Dollars in thousands)	Year Ended December 31,			Income Statement Location
	2025	2024	2023	
Mortgage loans held for sale	\$ (667)	\$ 640	\$ 833	Mortgage banking income

Changes in Level 3 Fair Value Measurements

When a determination is made to classify a financial instrument within Level 3 of the valuation hierarchy, the determination is based upon the significance of the unobservable factors to the overall fair value measurement. However, since Level 3 financial instruments typically include, in addition to the unobservable or Level 3 components, observable components (that is, components that are actively quoted and can be validated to external sources), the gains and losses below include changes in fair value due in part to observable factors that are part of the valuation methodology.

There were no changes in hierarchy classifications of Level 3 assets or liabilities for the year ended December 31, 2025. A reconciliation of the beginning and ending balances of the MSR recorded at fair value on a recurring basis for the years ended December 31, 2025 and 2024 is as follows. The changes in fair value of the MSR are recorded in Mortgage Banking Income on the Consolidated Statements of Income.

(Dollars in thousands)	MSRs
Fair value, January 1, 2025	\$ 89,795
Servicing assets that resulted from transfers of financial assets	7,831
Changes in fair value due to valuation inputs or assumptions	(4,845)
Changes in fair value due to decay	(8,749)
Fair value, December 31, 2025	<u>\$ 84,032</u>
Fair value, January 1, 2024	\$ 85,164
Servicing assets that resulted from transfers of financial assets	9,431
Changes in fair value due to valuation inputs or assumptions	4,126
Changes in fair value due to decay	(8,926)
Fair value, December 31, 2024	<u>\$ 89,795</u>

The Company applies fair value accounting to the Company's SBA servicing asset, which is considered a Level 3 asset. A reconciliation of the beginning and ending balances of the SBA servicing asset recorded at fair value on a recurring basis for the periods ending December 31, 2025 and 2024 is as follows. The changes in fair value of the SBA servicing asset are recorded in SBA Income on the Consolidated Statements of Income.

(Dollars in thousands)	SBA Servicing Asset
Fair value, January 1, 2025	\$ 6,028
Servicing assets that resulted from transfers of financial assets	1,315
Changes in fair value due to decay	(2,026)
Changes in fair value due to valuation inputs or assumptions	195
Fair value, December 31, 2025	<u>\$ 5,512</u>
Fair value, January 1, 2024	\$ 5,952
Servicing assets that resulted from transfers of financial assets	2,064
Changes in fair value due to decay	(2,207)
Changes in fair value due to valuation inputs or assumptions	219
Fair value, December 31, 2024	<u>\$ 6,028</u>

There were no unrealized losses included in accumulated other comprehensive (losses) income related to Level 3 financial assets and liabilities at December 31, 2025 or 2024.

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See Note 27—Mortgage Loan Servicing, Obligation, and Loans Held for Sale for information about recurring Level 3 fair value measurements of mortgage servicing rights.

Assets and Liabilities Recorded at Fair Value on a Nonrecurring Basis

The tables below present the recorded amount of assets and liabilities measured at fair value on a nonrecurring basis:

(Dollars in thousands)	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025:				
OREO	\$ 8,771	\$ —	\$ —	\$ 8,771
Individually evaluated loans	328,452	—	—	328,452
December 31, 2024:				
OREO	\$ 2,154	\$ —	\$ —	\$ 2,154
Bank properties held for sale	3,268	—	—	3,268
Individually evaluated loans	71,112	—	—	71,112

For an individually evaluated loan, the fair value of collateral is measured based on appraisal or third-party valuation when the loan is placed on nonaccrual. For OREO and bank properties held for sale, the fair value is initially recorded based on external appraisals at the time of transfer. These assets recorded at fair value on a nonrecurring basis are updated on at least an annual basis.

Quantitative Information about Level 3 Fair Value Measurements

	Valuation Technique	Unobservable Input	Weighted Average Discount	
			December 31, 2025	December 31, 2024
Nonrecurring measurements:				
Individually evaluated loans	Discounted appraisals and discounted cash flows	Collateral discounts	19 %	28 %
OREO and Bank properties held for sale	Discounted appraisals	Collateral discounts and estimated costs to sell	2 %	10 %

Fair Value of Financial Instruments

We used the following methods and assumptions in estimating our fair value disclosures for financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those models are significantly affected by the assumptions used, including the discount rates and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, could not be realized in immediate settlement of the instrument. The use of different methodologies may have a material effect on the estimated fair value amounts. The fair value estimates presented in the table below are based on pertinent information available to management as of December 31, 2025 and 2024. Such amounts have not been revalued for purposes of these consolidated financial statements since those dates and, therefore, current estimates of fair value may differ significantly from the amounts presented herein.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents—The carrying amount is a reasonable estimate of fair value. Cash and Cash Equivalents is considered Level 1.

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Trading Securities—The fair values of trading securities are determined as follows: (1) for those securities that have traded prior to the date of the Consolidated Balance Sheets but have not settled (date of sale) until after such date, the sales price is used as the fair value; and, (2) for those securities which have not traded as of the date of the consolidated balance sheet, the fair value was determined by broker price indications of similar or same securities. The valuation of trading securities is considered Level 2.

Investment Securities—Securities available for sale are valued at quoted market prices or dealer quotes. Securities held to maturity are valued at quoted market prices or dealer quotes similar to securities available for sale. The carrying value of FHLB and FRB stock approximates fair value based on the redemption provisions and the carrying value of our investment in unconsolidated subsidiaries approximates fair value resulting in a Level 1 classification. Other investments with a non-readily determinable fair value are in a Level 3 classification. See Note 3—Securities for additional information, as well as page F-66 regarding fair value.

Loans held for sale—The fair values disclosed for mortgage loans held for sale are based on commitments from investors for loans with similar characteristics and/or actual observable market prices provided by market participants. The fair value of the purchased guaranteed portion of the SBA loans is determined based upon their committed sales price, and actual observable market prices provided to secondary market participants from the originating banks who are selling their guaranteed portions of loans. As such, the fair value adjustments for mortgage and SBA loans held for sale in a Level 2 classification.

Loans—The fair value of loans is based on an exit price. To estimate an exit price, all loans (fixed and variable) are being valued with a discounted cash flow analyses for loans that includes our estimate of future credit losses expected to be incurred over the life of the loans. Fair values for certain mortgage loans (e.g., one-to-four family residential) and other consumer loans are estimated using discounted cash flow analyses based on our current rates offered for new loans of the same type, structure and credit quality. Fair values for other loans (e.g., commercial real estate and investment property mortgage loans, commercial and industrial loans) are estimated using discounted cash flow analyses using interest rates we currently offer for loans with similar terms to borrowers of similar credit quality. Fair values for non-performing loans are estimated using a discounted cash flow analysis. Loans are considered Level 3 classification.

Deposit Liabilities—The fair values disclosed for demand deposits (e.g., interest and noninterest-bearing checking, passbook savings, and certain types of money market accounts) are, by definition, equal to the amount payable on demand at the reporting date (i.e., their carrying amounts). The carrying amounts of variable-rate, fixed-term money market accounts, and certificates of deposit approximate their fair values at the reporting date. Fair values for fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected monthly maturities on time deposits. The methodology used for deposit liabilities results in a Level 2 classification.

Federal Funds Purchased and Securities Sold Under Agreements to Repurchase—The carrying amount of federal funds purchased, borrowings under repurchase agreements, and other short-term borrowings maturing within ninety days approximate their fair values and are considered Level 2 classification.

Other Borrowings—The fair value of other borrowings is estimated using discounted cash flow analysis on our current incremental borrowing rates for similar types of instruments. Other borrowings are considered Level 3.

Accrued Interest—The carrying amounts of accrued interest approximate fair value. The accrued interest receivable for trading securities, available for sale and held to maturity securities, and other investment securities and accrued interest payable for deposits and other borrowings are considered Level 2. The accrued interest receivable for loans is considered Level 3.

Derivative Financial Instruments—The fair value of derivative financial instruments (including interest rate swaps) is estimated using pricing models of derivatives with similar characteristics or discounted cash flow models where future floating cash flows are projected and discounted back. Derivative financial instruments are considered Level 2.

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The estimated fair value, and related carrying amount, of the Company's financial instruments are as follows:

(Dollars in thousands)	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
December 31, 2025					
Financial assets:					
Cash and cash equivalents	\$ 3,172,483	\$ 3,172,483	\$ 3,172,483	\$ —	\$ —
Trading securities	110,183	110,183	—	110,183	—
Investment securities	8,715,214	8,400,034	274,730	8,046,606	78,698
Loans held for sale	345,343	348,381	—	348,381	—
Loans, net of allowance for credit losses	48,013,330	47,378,022	—	—	47,378,022
Accrued interest receivable	233,265	233,265	—	35,302	197,963
Mortgage servicing rights	84,032	84,032	—	—	84,032
SBA servicing asset	5,512	5,512	—	—	5,512
Interest rate swap – non-designated hedge	221,835	221,835	—	221,835	—
Other derivative financial instruments (mortgage banking related)	1,051	1,051	—	1,051	—
Financial liabilities:					
Deposits					
Noninterest-bearing	13,375,697	13,375,697	—	13,375,697	—
Interest-bearing other than time deposits	34,410,867	34,410,867	—	34,410,867	—
Time deposits	7,359,233	7,347,648	—	7,347,648	—
Federal funds purchased and securities sold under agreements to repurchase	618,215	618,215	—	618,215	—
Corporate and subordinated debentures	696,536	683,772	—	683,772	—
Accrued interest payable	48,972	48,972	—	48,972	—
Interest rate swap – non-designated hedge	554,433	554,433	—	554,433	—
Other derivative financial instruments (mortgage banking related)	315	315	—	315	—
December 31, 2024					
Financial assets:					
Cash and cash equivalents	\$ 1,392,067	\$ 1,392,067	\$ 1,392,067	\$ —	\$ —
Trading securities	102,932	102,932	—	102,932	—
Investment securities	6,798,876	6,378,734	187,266	6,155,120	36,348
Loans held for sale	279,426	281,662	—	281,662	—
Loans, net of allowance for credit losses	33,437,647	32,448,618	—	—	32,448,618
Accrued interest receivable	163,402	163,402	—	25,035	138,367
Mortgage servicing rights	89,795	89,795	—	—	89,795
SBA servicing asset	6,028	6,028	—	—	6,028
Interest rate swap – non-designated hedge	160,407	160,407	—	160,407	—
Other derivative financial instruments (mortgage banking related)	1,083	1,083	—	1,083	—
Financial liabilities:					
Deposits					
Noninterest-bearing	10,192,117	10,192,117	—	10,192,117	—
Interest-bearing other than time deposits	23,703,027	23,703,027	—	23,703,027	—
Time deposits	4,165,722	4,145,687	—	4,145,687	—
Federal funds purchased and securities sold under agreements to repurchase	514,912	514,912	—	514,912	—
Corporate and subordinated debentures	391,534	377,616	—	377,616	—
Accrued interest payable	40,739	40,739	—	40,739	—
Interest rate swap – non-designated hedge	878,046	878,046	—	878,046	—
Other derivative financial instruments (mortgage banking related)	1,809	1,809	—	1,809	—

Note 24—Regulatory Matters

The Company is subject to regulations with respect to certain risk-based capital ratios. These risk-based capital ratios measure the relationship of capital to a combination of balance sheet and off-balance sheet risks. The values of both balance sheet and off-balance sheet items are adjusted based on the rules to reflect categorical credit risk. In addition to the risk-based capital ratios, the regulatory agencies have also established a leverage ratio for assessing capital adequacy. The leverage ratio is equal to Tier 1 capital divided by total consolidated on-balance sheet assets (minus amounts deducted from Tier 1 capital). The leverage ratio does not involve assigning risk weights to assets.

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Under current regulations, the Company and the Bank are subject to a minimum required ratio of common equity Tier 1 capital (“CET1”) to risk-weighted assets of 4.5% and a minimum required ratio of Tier 1 capital to risk-weighted assets of 6%. The minimum required leverage ratio is 4%. The minimum required total capital to risk-weighted assets ratio is 8%.

In order to avoid restrictions on capital distributions and discretionary bonus payments to executives, a covered banking organization is also required to maintain a “capital conservation buffer” in addition to its minimum risk-based capital requirements. This buffer is required to consist solely of CET1, and the buffer applies to all three risk-based measurements (CET1, Tier 1 capital and total capital). The capital conservation buffer consists of an additional amount of Tier 1 common equity equal to 2.5% of risk-weighted assets.

The Bank is also subject to the regulatory framework for prompt corrective action, which identifies five capital categories for insured depository institutions (well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized) and is based on specified thresholds for each of the three risk-based regulatory capital ratios (CET1, Tier 1 capital and total capital) and for the leverage ratio.

The following table presents actual and required capital ratios as of December 31, 2025 and December 31, 2024, for the Company and the Bank under the current capital rules. Capital levels required to be considered well capitalized are based upon prompt corrective action regulations.

(Dollars in thousands)	Actual		Minimum Capital Required – Basel III		Required to be Considered Well Capitalized	
	Amount	Ratio	Capital Amount	Ratio	Capital Amount	Ratio
December 31, 2025:						
Common equity Tier 1 to risk-weighted assets:						
Consolidated	\$ 5,885,568	11.36 %	\$ 3,625,944	7.00 %	\$ 3,366,948	6.50 %
SouthState Bank (the Bank)	6,496,379	12.54 %	3,625,076	7.00 %	3,366,142	6.50 %
Tier 1 capital to risk-weighted assets:						
Consolidated	5,885,568	11.36 %	4,402,932	8.50 %	4,143,936	8.00 %
SouthState Bank (the Bank)	6,496,379	12.54 %	4,401,878	8.50 %	4,142,944	8.00 %
Total capital to risk-weighted assets:						
Consolidated	7,166,829	13.84 %	5,438,915	10.50 %	5,179,920	10.00 %
SouthState Bank (the Bank)	7,082,039	13.68 %	5,437,614	10.50 %	5,178,680	10.00 %
Tier 1 capital to average assets (leverage ratio):						
Consolidated	5,885,568	9.26 %	2,543,294	4.00 %	3,179,117	5.00 %
SouthState Bank (the Bank)	6,496,379	10.22 %	2,542,489	4.00 %	3,178,111	5.00 %
December 31, 2024:						
Common equity Tier 1 to risk-weighted assets:						
Consolidated	\$ 4,547,314	12.62 %	\$ 2,522,926	7.00 %	\$ 2,342,717	6.50 %
SouthState Bank (the Bank)	4,817,945	13.38 %	2,520,065	7.00 %	2,340,060	6.50 %
Tier 1 capital to risk-weighted assets:						
Consolidated	4,547,314	12.62 %	3,063,552	8.50 %	2,883,343	8.00 %
SouthState Bank (the Bank)	4,817,945	13.38 %	3,060,079	8.50 %	2,880,074	8.00 %
Total capital to risk-weighted assets:						
Consolidated	5,391,194	14.96 %	3,784,388	10.50 %	3,604,179	10.00 %
SouthState Bank (the Bank)	5,271,725	14.64 %	3,780,097	10.50 %	3,600,093	10.00 %
Tier 1 capital to average assets (leverage ratio):						
Consolidated	4,547,314	10.04 %	1,810,985	4.00 %	2,263,732	5.00 %
SouthState Bank (the Bank)	4,817,945	10.64 %	1,810,497	4.00 %	2,263,121	5.00 %

As of December 31, 2025 and 2024, the capital ratios of the Company and the Bank were in excess of the minimum regulatory requirements and exceeded the thresholds for the “well capitalized” regulatory classification.

In addition, the Company must adhere to various U.S. Department of Housing and Urban Development (“HUD”) regulatory guidelines including required minimum capital to maintain their HUD approved status. Failure to comply with the HUD guidelines could result in withdrawal of this certification. As of December 31, 2025, the Company was in compliance with HUD guidelines. The Company is also subject to various capital requirements by secondary market investors.

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Note 25—Condensed Financial Statements of Parent Company

Financial information pertaining only to SouthState Bank Corporation is as follows:

Condensed Balance Sheets

(Dollars in thousands)	December 31,	
	2025	2024
ASSETS		
Cash	\$ 73,130	\$ 104,868
Investment in subsidiaries	9,681,425	6,170,892
Other assets	14,187	11,415
Total assets	<u>\$ 9,768,742</u>	<u>\$ 6,287,175</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Corporate and subordinated debentures	\$ 696,536	\$ 391,534
Other Liabilities	13,098	5,226
Shareholders' equity	9,059,108	5,890,415
Total liabilities and shareholders' equity	<u>\$ 9,768,742</u>	<u>\$ 6,287,175</u>

Condensed Statements of Income

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Income:			
Dividends from subsidiaries	\$ 485,367	\$ 168,259	\$ 180,251
Operating income (loss)	(157)	(10)	1
Total income	485,210	168,249	180,252
Operating expenses	86,010	39,933	39,151
Income before income tax benefit and equity in undistributed earnings of subsidiaries	399,200	128,316	141,101
Applicable income tax benefit	17,982	9,051	8,177
Equity in undistributed earnings of subsidiaries	381,485	397,416	345,030
Net income available to common shareholders	<u>\$ 798,667</u>	<u>\$ 534,783</u>	<u>\$ 494,308</u>

Condensed Statements of Cash Flows

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	\$ 798,667	\$ 534,783	\$ 494,308
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	4,358	(371)	(371)
Share-based compensation	37,005	28,000	35,861
Decrease (increase) in other assets	(3,855)	(1,398)	2,539
Increase in other liabilities	264	2,104	175
Undistributed earnings of subsidiaries	(381,485)	(397,416)	(345,030)
Net cash provided by operating activities	<u>454,954</u>	<u>165,702</u>	<u>187,482</u>
Cash flows from investing activities:			
Net cash inflow from acquisitions	36,652	—	—
Net cash provided by investing activities	<u>36,652</u>	<u>—</u>	<u>—</u>
Cash flows from financing activities:			
Proceeds of other borrowings	345,122	100	100
Repayment of other borrowings	(405,000)	(100)	(100)
Common stock issuance	5,017	3,237	2,772
Common stock repurchased (including excise tax of \$1.8 million)	(237,652)	(16,758)	(16,064)
Dividends paid on common stock	(231,303)	(162,894)	(156,184)
Stock options exercised	472	5,580	2,926
Net cash used in financing activities	<u>(523,344)</u>	<u>(170,835)</u>	<u>(166,550)</u>
Net (decrease) increase in cash and cash equivalents	<u>(31,738)</u>	<u>(5,133)</u>	<u>20,932</u>
Cash and cash equivalents at beginning of period	104,868	110,001	89,069
Cash and cash equivalents at end of period	<u>\$ 73,130</u>	<u>\$ 104,868</u>	<u>\$ 110,001</u>

Note 26—Derivative Financial Instruments

The Company uses certain derivative instruments to meet the needs of customers as well as to manage the interest rate risk associated with certain transactions. The following table summarizes the derivative financial instruments used by the Company:

(Dollars in thousands)	Balance Sheet Location	Notional Amount	December 31, 2025		Notional Amount	December 31, 2024	
			Estimated Fair Value Gain	Loss		Estimated Fair Value Gain	Loss
Fair value hedge of interest rate risk:							
Pay fixed rate swap with counterparty	Other Assets	\$ 2,615	\$ 44	\$ —	\$ 3,945	\$ 107	\$ —
Not designated hedges of interest rate risk:							
Customer related interest rate contracts:							
Matched interest rate swaps with borrowers	Other Assets and Other Liabilities	14,912,622	143,879	554,433	12,649,905	36,232	878,046
Matched interest rate swaps with counterparty ⁽¹⁾	Other Assets	14,719,305	77,799	—	12,559,707	124,032	—
Economic hedges of interest rate risk:							
Pay floating rate swap with counterparty	Other Assets	2,519,000	113	—	3,083,000	36	—
Not designated hedges of interest rate risk – mortgage banking activities:							
Contracts used to hedge mortgage servicing rights	Other Assets and Other Liabilities	192,000	69	—	129,000	—	1,809
Contracts used to hedge mortgage pipeline	Other Assets and Other Liabilities	81,000	982	315	88,000	1,083	—
Total derivatives		\$ 32,426,542	\$ 222,886	\$ 554,748	\$ 28,513,557	\$ 161,490	\$ 879,855

(1) The fair value of the interest rate swap derivative assets was reduced by \$333.7 million and \$719.4 million at December 31, 2025 and 2024, respectively, in variation margin payments applicable to swaps centrally cleared through LCH and CME.

The following table summarizes the derivative assets and derivative liabilities related to the counterparties on our interest rate swaps subject to master netting agreements where the Company has elected to net the fair values. The Company has elected to not offset cash collateral against the netted derivative assets and liabilities subject to master netting agreements.

(Dollars in thousands)	Notional Amount	December 31, 2025		Notional Amount	December 31, 2024	
		Estimated Fair Value Gain	Loss		Estimated Fair Value Gain	Loss
Interest rate contracts subject to master netting agreements included in table above						
Total gross derivative instruments, before netting	\$ 1,844,842	\$ 81,240	\$ 3,781	\$ 1,858,693	\$ 133,304	\$ 708
Less: Netting adjustment	221,941	(3,781)	(3,781)	49,000	(708)	(708)
Total gross derivative instruments, after netting	1,844,842	\$ 77,459	\$ —	1,858,693	\$ 132,596	\$ —

* As of December 31, 2025 and 2024, counterparties provided \$25.9 million and \$53.9 million, respectively, of cash collateral to the Company to secure swap asset positions that were not centrally cleared, which is included in Interest-bearing Deposits within Total Liabilities on the Consolidated Balance Sheets. Counterparties also pledged \$28.1 million and \$30.4 million, respectively, as of December 31, 2025 and 2024 in investment securities to secure swap asset positions that were not centrally cleared. The Company provided \$1.7 million and \$1.9 million, respectively, to counterparties to secure swap positions that were not centrally cleared as of December 31, 2025 and 2024.

Balance Sheet Fair Value Hedge

As of December 31, 2025 and 2024, the Company maintained loan swaps, with an aggregate notional amount of \$2.6 million and \$3.9 million, respectively, accounted for as a fair value hedge. The amortized cost basis of the loans being hedged were \$2.6 million and \$3.8 million, respectively, as of December 31, 2025 and 2024. This derivative protects us from interest rate risk caused by changes in the SOFR curve in relation to a certain designated fixed rate loan. The derivative converts the fixed rate loan to a floating rate. Settlement occurs in any given period where there is a difference in the stated fixed rate and variable rate and the difference is recorded in net interest income. The fair value of this hedge is recorded in either other assets or in other liabilities depending on the position of the hedge with the offset recorded in loans.

Non-designated Hedges of Interest Rate Risk

Customer Swap

The Company maintains interest rate swap contracts with loan customers of respondent bank customers of the Correspondent Banking Division, in addition to loan customers of the Bank, that are classified as non-designated hedges and are not speculative in nature. These agreements are designed to convert customers' variable rate loans with the Company and respondent bank customers to fixed rate. These interest rate swaps are executed with loan customers to facilitate a respective risk management strategy and allow the customer to pay a fixed rate of interest to the Company. These interest rate swaps are simultaneously hedged by executing offsetting interest rate swaps with unrelated market counterparties to minimize the net risk exposure to the Company resulting from the transactions and allow the Company to receive a variable rate of interest. The interest rate swaps pay and receive interest based on a one-month SOFR floating rate plus a credit spread, with payments being calculated on the notional amount. The interest rate swaps are settled monthly with varying maturities.

The variation margin settlement payment and the related derivative instruments fair value are considered a single unit of account for accounting and financial reporting purposes. Depending on the net position of the swaps with LCH and CME, the fair value, net of the variation margin, is reported in Derivative Assets or Derivative Liabilities on the Consolidated Balance Sheets. In addition, the expense or income attributable to the variation margin for the centrally cleared swaps with LCH and CME is reported in Noninterest Income, specifically within Correspondent and Capital Markets Income. The daily settlement of the derivative exposure does not change or reset the contractual terms of the instrument.

As the interest rate swaps associated with this program do not meet the hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings. As of December 31, 2025 and 2024, the interest rate swaps had an aggregate notional amount of approximately \$29.6 billion and \$25.2 billion, respectively. At December 31, 2025, the fair value of the interest rate swap derivatives is recorded in Other Assets at \$221.7 million in Other Liabilities at \$554.4 million. The fair value of derivative assets at December 31, 2025 was reduced by \$333.7 million in variation margin payments applicable to swaps centrally cleared through LCH and CME. At December 31, 2024, the fair value of the interest rate swap derivatives was recorded in Other Assets at \$160.3 million and Other Liabilities at \$878.0 million. The fair value of derivative liabilities at December 31, 2024 was reduced by \$719.4 million in variation margin payments applicable to swaps centrally cleared through LCH and CME. All changes in fair value are recorded through earnings within Correspondent and Capital Markets Income, a component of Noninterest Income on the Consolidated Statements of Net Income. There was a net loss of \$301,000 and a net gain of \$645,000 recorded on these derivatives for the years ended December 31, 2025 and 2024, respectively. These derivative transactions have collateral requirements, both at the inception of the trade and as the value of each derivative position changes. As of December 31, 2025 and 2024, we provided \$301.7 million and \$272.3 million of cash collateral to the counterparty which the Company has the right to reclaim and is included in Cash and Cash Equivalents on the Consolidated Balance Sheets as Deposits in Other Financial Institutions (Restricted Cash). The Company also provided \$75.6 million and \$90.4 million in investment securities at market value as collateral on the counterparty, which is included in Investment Securities – Available for Sale. As of December 31, 2025 and 2024, counterparties provided \$25.9 million and \$53.9 million of cash collateral to the Company to secure swap asset positions that were not centrally cleared which the Company has the obligation to return and is included in Interest-bearing Deposits within Total Liabilities on the Consolidated Balance Sheets.

Balance Sheet Economic Hedge

During the third quarter of 2023, management began executing a series of short-term interest rate hedges to address monthly accrual mismatches related to the Company's Assumable Rate Conversion ("ARC") program and its transition from LIBOR to SOFR after June 30, 2023. The Company is required to execute the correspondent side of its back-to-back swaps with customers with the central clearinghouses (CME or LCH). Term SOFR was not available to execute through CME and LCH, and therefore, management elected to convert to the CME-eligible daily SOFR. Because many of the respondent bank customers converted to Term SOFR, this created interest rate basis risk. To address this risk, monthly interest rate hedges were executed to minimize the impact of accrual mismatches between the monthly Term SOFR used by the customer and the daily SOFR rates used by the central clearinghouses.

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As of December 31, 2025 and 2024, the Company maintained an aggregate notional amount of \$2.5 billion and \$3.1 billion, respectively, in short-term interest rate hedges that were accounted for as economic hedges. As noted above, the derivatives protect the Company from interest rate risk caused by changes in the term and daily SOFR accrual mismatches. The fair value of these hedges is recorded in either Other Assets or in Other Liabilities depending on the position of the hedge with the offset recorded in Correspondent Banking and Capital Market Income, a component of Noninterest Income on the Consolidated Statements of Income. There was a net gain of \$113,000 and \$36,000 for these derivatives for the year ended December 31, 2025 and December 31, 2024, respectively.

Foreign Exchange

The Company may enter into foreign exchange contracts with customers to accommodate their need to convert certain foreign currencies into U.S. Dollars. To offset the foreign exchange risk, the Company may enter into substantially identical agreements with an unrelated market counterparty to hedge these foreign exchange contracts. At December 31, 2025 and 2024, there were no outstanding contracts or agreements related to foreign currency. There was no gain or loss recorded related to the foreign exchange derivative for the years ended December 31, 2025 or 2024.

Mortgage Banking

The Company also has derivatives contracts that are not classified as accounting hedges to mitigate risks related to the Company's mortgage banking activities. These instruments may include financial forwards, futures contracts, and options written and purchased, which are used to hedge MSR's; while forward sales commitments are typically used to hedge the mortgage pipeline. Such instruments derive their cash flows, and therefore their values, by reference to an underlying instrument, index or referenced interest rate. The Company does not elect hedge accounting treatment for any of these derivative instruments and as a result, changes in fair value of the instruments (both gains and losses) are recorded in the Company's Consolidated Statements of Income in Mortgage Banking Income.

Mortgage Servicing Rights ("MSRs")

Derivatives contracts related to MSR's are used to help offset changes in fair value and are written in amounts referred to as notional amounts. Notional amounts provide a basis for calculating payments between counterparties but do not represent amounts to be exchanged between the parties and are not a measure of financial risk. On December 31, 2025, the Company had derivative financial instruments outstanding with notional amounts totaling \$192.0 million related to MSR's, compared to \$129.0 million on December 31, 2024. The estimated net fair value of the open contracts related to the MSR's was recorded as a gain of \$69,000 at December 31, 2025, compared to a loss of \$1.8 million at December 31, 2024.

The following table presents the Company's notional value of forward sale commitments and the fair value of those obligations along with the fair value of the mortgage loan pipeline.

(Dollars in thousands)	December 31, 2025	December 31, 2024
Mortgage loan pipeline	\$ 55,318	\$ 59,291
Expected closures	48,106	53,177
Fair value of mortgage loan pipeline commitments	982	751
Forward sales commitments	81,000	88,000
Fair value of forward commitments	(315)	333

Note 27—Mortgage Loan Servicing, Origination, and Loans Held for Sale

The portfolio of residential mortgages serviced for others, which is not included in the accompanying Consolidated Balance Sheets, was \$6.6 billion and \$6.7 billion at December 31, 2025 and 2024, respectively. Servicing loans for others generally consists of collecting mortgage payments, maintaining escrow accounts and disbursing payments to investors. The amounts of contractually specified servicing fees earned by the Company during the years ended December 31, 2025 and 2024 were \$16.8 million and \$16.8 million, respectively. Servicing fees are recorded in Mortgage Banking Income in the Company's Consolidated Statements of Income.

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At December 31, 2025 and 2024, MSRs were \$84.0 million and \$89.8 million, respectively, on the Company's Consolidated Balance Sheets. MSRs are recorded at fair value with changes in fair value recorded as a component of Mortgage Banking Income in the Consolidated Statements of Net Income. The market value adjustments related to MSRs recorded in Mortgage Banking Income for the years ended December 31, 2025 and 2024 were loss of \$4.8 million and gain of \$4.1 million, respectively. The Company has used various free standing derivative instruments to mitigate the income statement effect of changes in fair value resulting from changes in market value adjustments, in addition to changes in valuation inputs and assumptions related to MSRs.

The following table presents the changes in the fair value of MSRs and its offsetting hedge.

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
(Decrease)/increase in fair value of MSRs	\$ (4,845)	\$ 4,127	\$ (1,350)
Decay of MSRs	(8,749)	(8,926)	(8,540)
Gain (loss) related to derivatives	3,480	(6,748)	(1,420)
Net effect on Consolidated Statements of Income	\$ (10,114)	\$ (11,547)	\$ (11,310)

The fair value of MSRs is highly sensitive to changes in assumptions and is determined by estimating the present value of the asset's future cash flows utilizing market-based prepayment rates, discount rates and other assumptions validated through industry surveys, third-party vendor analyses, and market sales data. Changes in prepayment speed assumptions have the most significant impact on the fair value of MSRs. Generally, as interest rates decline, mortgage loan prepayments accelerate due to increased refinance activity, which results in a decrease in the fair value of the MSR. Measurement of fair value is limited to the conditions existing and the assumptions utilized as of a particular point in time, and those assumptions may not be appropriate if applied at a different time. See Note 23—Fair Value for additional information regarding fair value.

The characteristics and sensitivity analysis of the MSRs are included in the following table.

(Dollars in thousands)	December 31,	
	2025	2024
Composition of residential loans serviced for others		
Fixed-rate mortgage loans	100.0 %	100.0 %
Adjustable-rate mortgage loans	— %	— %
Total	100.0 %	100.0 %
Weighted average life	7.51 years	7.97 years
Constant Prepayment rate (CPR)	7.9 %	7.0 %
Estimated impact on fair value of a 10% increase	\$ (1,082)	\$ (658)
Estimated impact on fair value of a 20% increase	(2,101)	(1,298)
Estimated impact on fair value of a 10% decrease	1,142	666
Estimated impact on fair value of a 20% decrease	2,333	1,328
Weighted average discount rate	10.7 %	10.9 %
Estimated impact on fair value of a 10% increase	\$ (3,140)	\$ (3,166)
Estimated impact on fair value of a 20% increase	(6,208)	(6,339)
Estimated impact on fair value of a 10% decrease	3,105	3,022
Estimated impact on fair value of a 20% decrease	5,982	5,738
Effect on fair value due to change in interest rates		
25 basis point increase	\$ 2,505	\$ 1,761
50 basis point increase	4,822	3,296
25 basis point decrease	(2,599)	(1,952)
50 basis point decrease	(5,128)	(4,052)

The sensitivity calculations above are hypothetical and should not be considered to be predictive of future performance. Changes in fair value based on changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value of the residential MSRs is calculated without changing any other assumption, while in reality changes in one factor may result in changes in another, which may either magnify or counteract the effect of the change. The derivative instruments utilized by the Company would serve to reduce the estimated impacts to fair value included in the table above.

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Whole mortgage loan sales were \$968.7 million and \$1.1 billion, respectively, for the years ended December 31, 2025 and 2024, of which \$644.2 million and \$776.7 million, respectively, or 66.5% and 72.6%, respectively, were sold with servicing rights retained by the Company.

The Company retains no beneficial interests in these sales but may retain the servicing rights for the loans sold. The risks related to the sold loans with the retained servicing rights due to a representation or warranty violation such as noncompliance with eligibility or servicing requirements, or customer fraud, that should have been identified in a loan file review are disclosed in Note 1—Summary of Significant Accounting Policies, under the “Loans Held for Sale” section. The Company is obligated to subsequently repurchase a loan if such representation or warranty violation is identified by the purchaser. The aggregated principal balances of loans repurchased for the years ended December 31, 2025 and 2024 were approximately \$3.2 million and \$1.9 million, respectively. There were approximately \$144,000 and \$28,000 in loss reimbursement and settlement claims paid during the years ended December 31, 2025 and 2024, respectively.

Mortgage loans held for sale have historically been comprised of residential mortgage loans awaiting sale in the secondary market, which generally settle in 15 to 45 days. At December 31, 2025, mortgage loans held for sale were \$61.4 million, compared to \$98.1 million at December 31, 2024. Please see Note 23—Fair Value, under the “Fair Value Option”, section in this Form 10-K for summary of the fair value and the unpaid principal balance of loans held for sale and the changes in fair value of these loans.

Note 28— Small Business Administration (“SBA”) Loans Held for Sale

During the third quarter of 2024, the Bank began purchasing the guaranteed portions of SBA loans from third-party originators. The guaranteed portions of SBA loans purchased by the Company are aggregated into pools with similar characteristics to create a security representing an interest in those pools through the SBA’s fiscal transfer agent (“FTA”). The individual guaranteed portions of the SBA loans may also be sold prior to pooling into a security. Once the guaranteed portion of the SBA loans are pooled and securities representing interests in that pool are issued, the Company intends to sell those securities into the secondary market. These securities are carried at fair value and classified as trading instruments. Gains or losses on the sale of the securities and individual guaranteed portions of loans are both recorded in Correspondent Banking and Capital Markets Income in Noninterest Income on the Consolidated Statements of Income. The Company does not retain any interest in the securities once sold. The guaranteed portion of the SBA loans that have not been pooled or sold, are reported as Loans Held for Sale on the Consolidated Balance Sheet and recorded at the lower of cost or estimated fair value. The fair value of the purchased guaranteed portion of the SBA loans is determined based upon their committed sales price, and actual observable market color provided to secondary market participants from the originating banks who are selling their guaranteed portions of loans. These fair value measurements for purchased guaranteed portion of SBA loans are classified within Level 2 of the fair value hierarchy.

During 2025, the Company purchased approximately \$1.1 billion in guaranteed portions of SBA loans. During 2025, the Company pooled approximately \$812.9 million of the guaranteed portions of SBA loans into securities selling approximately \$787.9 million into the secondary market. The Company also sold approximately \$113.0 million in individual loans during 2025. The Company held approximately \$283.9 million in the guaranteed portion of SBA loans for sale at December 31, 2025. During 2024, the Company purchased approximately \$591.0 million in guaranteed portions of SBA loans. During 2024, the Company pooled approximately \$353.5 million of the guaranteed portions of SBA loans into securities selling approximately \$329.3 million into the secondary market. The Company also sold approximately \$41.7 million in individual loans during 2024. The Company held approximately \$181.3 million in the guaranteed portion of SBA loans for sale at December 31, 2024.

The Company also separately originates SBA loans and sells the guaranteed portions of these loans into the secondary market. During 2025, 2024 and 2023, the Company sold approximately \$64.8 million, \$118.1 million, and \$109.3 million, respectively, in guaranteed portions of SBA loans originated at the Bank and recognized gains of \$5.5 million, \$11.8 million, and \$9.5 million, respectively.

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Note 29—Segment Reporting

The Company, through the Bank, provides a broad range of financial services to individuals and companies primarily in Florida, South Carolina, Texas, Georgia, Colorado, North Carolina, Alabama, and Virginia. These services include, but not limited to, demand, time and savings deposits; lending and credit card servicing; ATM processing; mortgage banking services; correspondent banking services and wealth management and trust services. The Company's operations are managed and financial performance is evaluated on an organization-wide basis. Accordingly, the Company's banking and finance operations are not considered by management to constitute more than one reportable operating segment. This single segment is the General Banking Unit.

The Company's chief operating decision maker ("CODM") is the Executive Committee. The CODM generally meets monthly and membership includes the senior executive management team including the Chief Executive Officer, Chief Strategy Officer, President, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer, Chief Credit Officer and other executives.

The CODM assesses performance of the General Banking Unit using a variety of figures, metrics and key performance indicators. However, the CODM primarily utilizes net income and Net Interest Margin ("NIM") to make business decisions. The CODM monitors these profitability measures at each meeting, and is regularly featured in various investor presentations, earnings releases, and other internal management reports. These performance and profitability measures influence business decisions and allocation of resources within the General Banking Unit.

The table below provides information about the General Banking Unit. The most significant expenses to the General Banking Unit are deposit and other borrowing interest expense as well as employee compensation.

(Dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Net Income (GAAP)			
Interest income	\$ 3,379,498	\$ 2,141,362	\$ 1,944,406
Interest expense	<u>1,076,191</u>	<u>725,908</u>	<u>491,798</u>
Net interest income (a)	<u>2,303,307</u>	<u>1,415,454</u>	<u>1,452,608</u>
Provision for credit losses	<u>119,757</u>	<u>15,975</u>	<u>114,082</u>
Net interest income after provision for credit losses	<u>2,183,550</u>	<u>1,399,479</u>	<u>1,338,526</u>
Total noninterest income			
Securities (losses) gain, net	(228,811)	(50)	43
Gain on sale-leaseback, net of transaction costs	<u>229,279</u>	<u>—</u>	<u>—</u>
Other operating noninterest income	<u>377,276</u>	<u>302,312</u>	<u>286,863</u>
Total noninterest income	<u>377,744</u>	<u>302,262</u>	<u>286,906</u>
Total noninterest expense			
Employee salaries	547,211	423,769	404,327
Employee commissions	60,291	46,176	53,175
Employee incentives	130,276	97,951	90,369
Other salaries and benefits	140,410	100,166	89,520
Deferred loan costs	(80,353)	(61,193)	(53,993)
Salaries and employee benefits	797,835	606,869	583,398
Occupancy expense	160,441	90,103	88,695
Information services expense	120,948	92,193	84,472
Professional fees	21,771	16,404	18,547
Amortization of intangibles	94,722	22,395	27,558
Business development and staff related	36,085	23,782	25,055
FDIC assessment and other regulatory charges	40,985	31,152	33,070
Merger and branch consolidation related expense	117,768	20,133	13,162
FDIC special assessment	(3,835)	3,852	25,691
Other operating expense	134,364	94,610	94,932
Total noninterest expense	<u>1,521,084</u>	<u>1,001,493</u>	<u>994,580</u>
Income before income tax provision	<u>1,040,210</u>	<u>700,248</u>	<u>630,852</u>
Income tax provision	<u>241,543</u>	<u>165,465</u>	<u>136,544</u>
Net income (GAAP)	<u>\$ 798,667</u>	<u>\$ 534,783</u>	<u>\$ 494,308</u>
Net Interest Margin, Non-Tax Equivalent ("Non-TE") (GAAP)			
Average interest earning assets (b)	\$ 58,458,930	\$ 41,299,577	\$ 40,098,398
Net interest margin, non-TE ((a)/(b)) (GAAP)	3.94%	3.43%	3.62%

Note 30—Investments in Qualified Affordable Housing Projects

The Company has investments in qualified affordable housing projects (“QAHPs”) that provide federal low-income housing tax credits (“LIHTC”) and operating loss benefits over an extended period. Effective January 1, 2024, the Company adopted ASU No. 2023-02 and began to apply the proportional amortization method of accounting for its QAHPs. Prior to the adoption of ASU No. 2023-02, the Company applied the equity method of accounting for its QAHPs. For the year ended December 31, 2025, the Company recorded \$15.8 million in federal tax credits and other tax benefits and \$14.7 million of amortization attributable to the QAHPs within Provision for Income Taxes on its Consolidated Statement of Income. For the year ended December 31, 2024, the Company recorded \$15.5 million in federal tax credits and other tax benefits and amortization of \$14.4 million attributable to the QAHPs within Provision for Income Taxes on its Consolidated Statement of Income.

At December 31, 2025 and 2024, the Company’s carrying value of QAHPs was \$148.0 million and \$78.0 million, respectively, recorded in Other Assets on the Consolidated Balance Sheet. The Company had \$76.3 million and \$9.8 million in remaining funding obligations related to these QAHPs recorded in Other Liabilities on the Consolidated Balance Sheets at December 31, 2025 and 2024, respectively. For the remaining funding obligations at December 31, 2025, approximately 29% are expected to be funded by 2026. For more information on the adoption of ASU 2023-02, refer to Recent Accounting and Regulatory Pronouncements under Note 1—Summary of Significant Accounting Policies.

Note 31—Subsequent Events

2026 Stock Repurchase Plan

On January 21, 2026, the Board of Directors of the Company approved a stock repurchase plan for the repurchase of up to 5,560,000 shares of the Company’s common stock (the “2026 Repurchase Plan”). The 2026 Repurchase Plan replaces the Company’s 2025 Repurchase Plan, under which 560,000 shares remained available for repurchase. The 2025 Repurchase Plan was cancelled in connection with the Board’s approval of the 2026 Repurchase Plan.

Repurchases under the 2026 Stock Repurchase Plan will be made from time to time by the Company as conditions allow. The 2026 Stock Repurchase Plan will be made available until December 31, 2027, unless shortened or extended by the Company’s Board of Directors.

Subsequent to December 31, 2025, the Company repurchased 1,250,000 shares of the Company’s common stock pursuant to the 2026 Repurchase Plan at a weighted average price of \$102.96 per share. As of February 19, 2026, the Company may repurchase up to an additional 4,310,000 shares of common stock under the 2026 Repurchase Plan.

First Quarter 2026 Quarterly Cash Dividend Declaration

On January 22, 2026, the Company announced the declaration of a quarterly cash dividend on its common stock at \$0.60 per share. The dividend was paid on February 13, 2026 to shareholders of record as of February 6, 2026.

FIRST AMENDMENT
TO
BYLAWS
OF
SOUTHSTATE BANK CORPORATION (the “Corporation”)

THIS FIRST AMENDMENT TO BYLAWS (the “Bylaws”) of the Corporation shall be effective as of the 19th day of February, 2026.

WHEREAS, the Board of Directors of the Corporation (the “Board”) adopted the Bylaws effective July 31, 2025; and

WHEREAS, the Board desires to amend the Bylaws to provide flexibility for setting the date for the annual meeting of the Board.

NOW, THEREFORE, in accordance with Article IX of the Bylaws, Article II, Section 4 of the Bylaws is hereby deleted and the following is inserted in lieu thereof:

4. Meetings. The annual meeting of the Board of Directors shall be held after the adjournment of the annual meeting of the shareholders at a date, time, and location, either within or without the State of Florida, as set by the Chair of the Board. At this meeting, the Board shall appoint the officers of the Corporation. The Board of Directors may also designate more frequent intervals for regular meetings. Special meetings may be called at any time by any one director or any two officers of the Corporation in addition to those parties entitled to call such meetings under Florida law.

* * *

The undersigned Corporate Secretary of SouthState hereby certifies that the First Amendment to the Bylaws was duly adopted by the Board as of February 19, 2026.

SOUTHSTATE BANK CORPORATION

By: /s/ Beth S. DeSimone
Beth S. DeSimone, Corporate Secretary

AMENDMENT NO. 4

Dated as of November 10, 2025

to and under

Credit Agreement

Dated as of November 15, 2021

Each of SOUTHSTATE BANK CORPORATION, a Florida corporation (as successor by merger to SOUTHSTATE CORPORATION, the “Company”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association (the “Lender”) agree as follows:

1. Credit Agreement.

Reference is made to the Credit Agreement, dated as of November 15, 2021, between the Company and the Lender (the “Credit Agreement”). Terms used but not defined in this Amendment No. 4 (this “Amendment”) shall have the meanings ascribed to them in the Credit Agreement.

2. Amendments. On and after the Effective Date (as defined in Section 5 below), the Credit Agreement shall be amended as hereinafter set forth.

a) The following definitions in Section 1.1(a) of the Credit Agreement shall be amended in their entirety to read as follows:

“Applicable Margin” means 1.35%.

“Termination Date” shall mean November 9, 2026, or, in any case, such earlier date on which the Obligations shall terminate as provided in this Agreement.

b) The first sentence of Section 3.1 of the Credit Agreement shall be amended and restated in its entirety to read as follows:

“The Company is lawfully existing and in good standing as a Florida corporation.”

3. Continuing Effect of Credit Agreement. The provisions of the Credit Agreement, as amended by the amendments in Section 2 hereof, are and shall remain in full force and effect and are hereby in all respects confirmed, approved and ratified.

4. Representations and Warranties. In order to induce the Lender to agree to the amendment contained herein, the Company hereby represents and warrants as follows:

(a) The Company has the power, and has taken all necessary action to authorize it, to execute, deliver and perform in accordance with their respective terms, this Amendment and the Credit Agreement as amended by this Amendment. This Amendment has been

duly executed and delivered by the duly authorized officers of the Company and is, and the Credit Agreement as amended by this Amendment is, the legal, valid and binding obligation of the Company enforceable in accordance with its terms.

(b) Each of the representations and warranties set forth in Section 3 of the Credit Agreement, after giving effect to this Amendment, shall be made at and as of the Effective Date, except to the extent that any such representations or warranties are made as of a specified date or with respect to a specified period of time, in which case such representations and warranties shall be made as of such specified date or with respect to such specified period.

5. Conditions to Effectiveness. This Amendment shall be effective as of November 10, 2025 (the “Effective Date”), but only after the Lender, in its sole discretion, shall have determined that each of the following conditions has been satisfied by the Company or waived by the Lender:

(a) The Lender shall have received each of the following in form and substance satisfactory to it:

- (i) this Amendment duly executed by the Company and the Lender.
- (ii) an incumbency certificate, dated the Effective Date, executed by the secretary or assistant secretary of the Company, which shall identify by name and title, and bear the signature of, each officer of the Company authorized to sign this Amendment and the documents delivered by the Company hereunder and to effect the amendments contemplated hereby (each such officer, an “Authorized Officer”);
- (iii) either a copy of the by-laws of the Company, certified on the Effective Date by the secretary or assistant secretary of the Company, or a certificate, dated the Effective Date, of the secretary or assistant secretary of the Company certifying that the by-laws of the Company, as delivered to the Lender under Section 4.1 of the Credit Agreement, remain in full force and effect without amendment or modification of any kind;
- (iv) either a copy of the by-laws of SouthState Bank, N.A. certified on the Effective Date by the secretary or assistant secretary of SouthState Bank, or a certificate, dated the Effective Date, of the secretary or assistant secretary of SouthState Bank certifying that the by-laws of SouthState Bank, as delivered to the Lender under Section 4.1 of the Credit Agreement, remain in full force and effect without amendment or modification of any kind;
- (v) a Certificate of Status for the Company, issued by the Office of the Secretary of State of Florida, and certified copies of the Articles of Incorporation of the Company, issued by the Office of the Secretary of State of Florida;

- (vi) a Certificate of Existence for SouthState Bank, N.A., issued by the Office of the Comptroller of the Currency, and either certified copies of the Articles of Incorporation of SouthState Bank, issued by the Office of the Comptroller of the Currency, or a certificate, dated the Effective Date, of the secretary or assistant secretary of SouthState Bank, N.A. certifying that the Articles of Incorporation of SouthState Bank, N.A., as delivered to the Lender under Section 4.1 of the Credit Agreement, remain in full force and effect without amendment or modification of any kind;
- (vii) copies, certified on the Effective Date by the secretary or assistant secretary of the Company, of resolutions of the Company authorizing the execution and delivery of this Amendment;
- (viii) a certificate, dated the Effective Date, of an Authorized Officer certifying that (i) each representation made or deemed made under Section 4 of this Amendment is true and correct on and as of such date or, in the case of any such representation or warranty that is made as of a specified date or with respect to a specified period of time, as of such specified date or with respect to such specified period, and that (ii) all conditions precedent to the Effective Date have been satisfied by the Company; and
- (ix) such other information, documents or materials as the Lender may have reasonably requested.

6. Governing Law. This Amendment shall, pursuant to New York General Obligations Law 5-1401, be construed in accordance with and governed by the law of the State of New York.

7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto were upon the same instrument.

8. Headings. Section headings in this Amendment are included herein for convenience and reference only and shall not constitute a part of this Amendment for any other purpose.

[Signature page follows.]

AMENDMENT NO. 5

Dated as of December 29, 2025 to

and under

Credit Agreement

Dated as of November 15, 2021

Each of SOUTHSTATE BANK CORPORATION, a Florida corporation (as successor by merger to SOUTHSTATE CORPORATION, the "Company"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association (the "Lender") agree as follows:

1. Credit Agreement.

Reference is made to the Credit Agreement, dated as of November 15, 2021, between the Company and the Lender (the "Credit Agreement"). Terms used but not defined in this Amendment No. 5 (this "Amendment") shall have the meanings ascribed to them in the Credit Agreement.

2. Amendments. On and after the Effective Date (as defined in Section 5 below), the Credit Agreement shall be amended as hereinafter set forth.

(a) The following definition in Section 1.1(a) of the Credit Agreement shall be added or amended and restated in its entirety, as appropriate, to read as follows:

"Checking Account Balance" shall mean the average aggregate balance in a non-interest bearing checking account held by the Company and each Bank Subsidiary with Lender during such Fiscal Quarter (or portion thereof).

"Commitment Fee Percentage" shall mean, for any Fiscal Quarter (or portion thereof), (a) 0.42%, if the Funds on Deposit for such Fiscal Quarter is less than \$50,000,000, (b) 0.20%, if the Funds on Deposit for such Fiscal Quarter is equal to or greater than \$50,000,000 but less than \$100,000,000, and (c) 0.00%, if the Funds on Deposit for such Fiscal Quarter is equal to or greater than \$100,000,000.

"Funds on Deposit" shall mean the sum of the Investment Balance and Checking Account Balance for any Fiscal Quarter (or portion thereof).

3. Continuing Effect of Credit Agreement. The provisions of the Credit Agreement, as amended by the amendments in Section 2 hereof, are and shall remain in full force and effect and are hereby in all respects confirmed, approved and ratified.

4. Representations and Warranties. In order to induce the Lender to agree to the amendment contained herein, the Company hereby represents and warrants as follows:

(a) The Company has the power, and has taken all necessary action to authorize it, to execute, deliver and perform in accordance with their respective terms, this Amendment and the Credit Agreement as amended by this Amendment. This Amendment has been duly executed and delivered by the duly authorized officers of the Company and is, and the Credit Agreement as amended by this Amendment is, the legal, valid and binding obligation of the Company enforceable in accordance with its terms.

(b) Each of the representations and warranties set forth in Section 3 of the Credit Agreement, after giving effect to this Amendment, shall be made at and as of the Effective Date, except to the extent that any such representations or warranties are made as of a specified date or with respect to a specified period of time, in which case such representations and warranties shall be made as of such specified date or with respect to such specified period.

5. Conditions to Effectiveness. This Amendment shall be effective as of December 29, 2025 (the "Effective Date"), but after the Lender shall have received this Amendment duly executed by the Company and the Lender, and such other information, documents or materials as the Lender may have reasonably requested.

6. Governing Law. This Amendment shall, pursuant to New York General Obligations Law 5-1401, be construed in accordance with and governed by the law of the State of New York.

7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto were upon the same instrument.

8. Headings. Section headings in this Amendment are included herein for convenience and reference only and shall not constitute a part of this Amendment for any other purpose.

[Signature page follows.]



**SouthState Bank Corporation
SouthState Bank, National Association**

Insider Trading Policy

Purpose

This Insider Trading Policy provides guidelines with respect to transactions in the securities of SouthState Bank Corporation (the “Company”). The Company’s Board of Directors has adopted this Policy to promote compliance with federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about the Company from: (i) trading in securities of the Company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information.

Persons Subject to the Policy

This Policy applies to all executive officers of the Company and its subsidiaries, all members of the Company’s Board of Directors and all employees of the Company and its subsidiaries. The Company may also determine that other persons should be subject to this Policy, such as consultants, who have access to material nonpublic information. This Policy also applies to family members, other members of a person’s household and entities controlled by a person covered by this Policy, as described below.

Transactions Subject to the Policy

This Policy applies to transactions in the Company’s securities (collectively referred to in this Policy as “Company Securities”), including the Company’s common stock, options to purchase common stock, or any other type of securities that the Company may issue, including (but not limited to) preferred stock, convertible debentures and warrants, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to the Company Securities.

Individual Responsibility

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of material nonpublic information. Each individual is responsible for making sure that he or she complies with this Policy and that any family member, household member or entity, whose transactions are subject to this Policy, as discussed below, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual and any action on the part of the Company, the CFO or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading “Consequences of Violations.”

Administration of the Policy

The Company's Chief Financial Officer ("CFO") and the General Counsel shall be responsible for administration of this Policy. All determinations and interpretations by either of those officers shall be final and not subject to further review.

Statement of Policy

It is the policy of the Company that no director, executive officer or other employee of the Company or its subsidiaries (or any other person designated by this Policy or by the CFO as subject to this Policy) who is aware of material nonpublic information relating to the Company may, directly, or indirectly through family members or other persons or entities:

- Engage in transactions in Company Securities, except as otherwise specified in this Policy under the headings "Transactions Under Company Plans," "Transactions Not Involving a Purchase or Sale" and "Rule 10b5-1 Plans";
- Recommend the purchase or sale of any Company Securities;
- Disclose material nonpublic information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company; or
- Assist anyone engaged in the above activities.

In addition, it is the policy of the Company that no director, executive officer or other employee of the Company (or any other person designated as subject to this Policy) who, in the course of working for the Company, learns of material nonpublic information about a Company with which the Company does business, including a customer or supplier of the Company, may trade in that Company's securities until the information becomes public or is no longer material.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

Definitions

a. Officer

For purposes of this Policy, the term "officer" shall mean our president, principal financial officer, principal accounting officer, any vice-president in charge of a principal business unit, division or function, or any other officer or employee who performs a policy-making function for the Company. Officers of SouthState Bank, N.A., SouthState|DuncanWilliams Securities Corp., SouthState Advisory, Inc., and any other direct or indirect subsidiary of the Company are deemed officers of the Company if they perform such policy-making functions for the Company. The term "policy-making function" is not intended to include policy-making functions that are not significant. If the Company identifies a

person as an “executive officer,” it is presumed that the Board of Directors has made that judgment and that the persons so identified are Officers as defined above.

b. Material Information

Information is considered “material” if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. Any information that could be expected to affect the Company’s stock price, whether it is positive or negative, should be considered material. No bright-line standard exists for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances and is often evaluated by enforcement authorities with the benefit of hindsight.

While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- A pending or proposed merger, acquisition or tender offer;
- A Company restructuring;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- The establishment of a repurchase program for Company Securities;
- Significant changes in federal or state regulations affecting the Company’s business;
- A change in management;
- A change in auditors or notification that the auditor’s reports may no longer be relied upon;
- Pending or threatened significant litigation or regulatory proceeding, or the resolution of such litigation or regulatory proceeding;
- Impending bankruptcy or the existence of severe liquidity problems; or
- The imposition of a ban on trading in Company Securities or the securities of another Company.

The above list provides examples only. If you have a question on whether information that you possess is material and you plan to purchase or sell Company Securities, please consult with the CFO or General Counsel with any questions.

c. When Information is Considered Public

Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated.

Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones “broad tape”, newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the Securities and Exchange Commission (the “SEC”) that are available on the SEC’s website. By contrast, information would likely not be considered widely disseminated if it is

available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors.

Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, you should not trade in Company Securities until Wednesday.

Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific material nonpublic information.

Prohibited Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. As a result, it is the Company's policy that any persons covered by this Policy may not engage in any of the following transactions, or should otherwise consider the Company's preferences as described below:

- **Short Sales.** Short sales of Company Securities (*i.e.*, the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore, have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, short sales of Company Securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales.
- **Publicly-Traded Options.** Given the relatively short term of publicly-traded options, transactions in options may create the appearance that a director, officer or employee is trading based on material nonpublic information and focus a director's, officer's or other employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the next paragraph below.)
- **Hedging Transactions.** Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including, but not limited to, through the use of financial instruments such as prepaid variable forwards, equity swaps, collars, exchange funds and other similar mechanisms. Such hedging or monetizing transactions may permit a director, executive officer or employee to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company's other shareholders. Therefore, directors, officers and employees are prohibited from engaging in any such hedging, monetizing or similar transactions that are designed to hedge or offset a decrease in the market value of any securities of the Company.
- **Margin Accounts and Pledged Securities.** Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in Company Securities, directors, officers and other employees are prohibited from holding Company

Securities in a margin account or otherwise pledging Company Securities as collateral for a loan.

An exception to this prohibition may be granted where a person wishes to pledge Company Securities as collateral for a loan and clearly demonstrates the financial capacity to repay the loan without resort to the pledged Company Securities. Any person who wishes to pledge Company Securities as collateral for a loan must submit a request for approval to the CFO.

- ***Standing and Limit Orders.*** Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Plans, as described below) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and, as a result, the broker could execute a transaction when a director, officer or other employee is in possession of material, nonpublic information. The Company therefore discourages placing standing or limit orders on Company Securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be limited to short duration and should otherwise comply with the restrictions and procedures outlined below under the heading “Procedures for Certain Designated Persons.” Any such order should be disclosed to the CFO.

Procedures for Certain Designated Persons

The Company has established procedures in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information and to avoid the appearance of any impropriety. These procedures are applicable only to those individuals described below.

a. Pre-Clearance Procedures

The persons designated by the Board of Directors as being subject to the following pre-clearance procedures, as well as (i) immediate and extended family members of such person (the “Family Members”) and (ii) those entities over which such person has the power to govern, directly or indirectly, decision making in relation to financial and operating policies of such persons (“Controlled Entities;”), may not engage in any transaction in Company Securities without first obtaining preclearance of the transaction from the General Counsel or in her absence, the Deputy General Counsel. A request for pre-clearance should be submitted to the General Counsel, in writing or by email, at least one business day in advance of the proposed transaction. The General Counsel is under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company Securities and should not inform any other person of the restriction. The approved trade should be effected within five business days of receipt of the pre-clearance, unless an exception is granted and transactions not effected during such time are required to be pre-cleared again before proceeding.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any material nonpublic information about the Company and should describe fully those circumstances to the General Counsel. The requestor should also indicate whether he or she has effected any non-exempt “opposite-way” transactions within the past six months and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5. The requestor should also be prepared to comply with SEC Rule 144 and file Form 144, if necessary, at the time of any sale.

b. Quarterly Trading Restrictions – Black-out periods and Trading Windows

The persons designated by the Board of Directors as subject to this restriction, as well as their Family Members or Controlled Entities, may not conduct any transactions involving the Company Securities (other than as specified by this Policy), during a “Blackout Period” beginning 10 days prior to the end of each fiscal quarter and ending on the second business day following the date of the public release of the Company’s earnings results for that quarter. In other words, these persons may conduct transactions in Company Securities only during the “Window Period” beginning after the second business day following the public release of the Company’s quarterly earnings and ending the close of business 11 days prior to the close of the next fiscal quarter.

c. Event-Specific Trading Restriction Periods

From time to time, an event may occur, such as an acquisition, significant transaction or events relating to the Company’s results of operations, that is material to the Company and is known by only a few directors, executive officers and/or employees. So long as the event remains material and nonpublic, the persons designated by the CFO and General Counsel may not trade Company Securities, even if a Window Period is in effect. In addition, the Company’s financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the CFO and General Counsel, designated persons should refrain from trading in Company Securities even sooner than the typical Blackout Period described above. In that situation, the CFO or General Counsel may notify these persons that they should not trade in the Company Securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a Blackout Period will not be announced to the Company as a whole and should not be communicated to any other person. Even if the Compliance Officer has not designated you as a person who should not trade due to an event-specific restriction, you should not trade while aware of material nonpublic information. Exceptions will not be granted during an event-specific trading restriction period.

d. Exceptions

The quarterly trading restrictions and event-driven trading restrictions do not apply to those transactions to which this Policy does not apply, as described above under the headings “Transactions Under Company Plans” and “Transactions Not Involving a Purchase or Sale.”

Further, the requirement for pre-clearance, the quarterly trading restrictions and event-driven trading restrictions do not apply to transactions conducted pursuant to approved Rule 10b5-1 plans, described under the heading “Rule 10b5-1 Plans.”

Rule 10b5-1 Plans

Rule 10b5-1(c) under the Exchange Act provides a defense from insider trading liability under Rule 10b5. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in the Rule (a “Rule 10b5-1 Plan”). If the plan meets the requirements of Rule 10b5-1, Company Securities may be purchased or sold without regard to certain insider trading restrictions.

To comply with the Policy, the CFO and General Counsel must approve a Rule 10b5-1 Plan prior to its adoption. A person may enter into a Rule 10b5-1 Plan only at a time when the person entering into the plan is not aware of material nonpublic information. The Rule 10b5-1 Plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. Further, any Rule 10b5-1 Plan entered into by an officer or director must include a representation

certifying that such officer or director is (i) not aware of material nonpublic information, and (ii) acting in good faith in respect of the Rule 10b5-1 Plan and not as part of a plan to evade the prohibition on illegal insider trading. Once a Rule 10b5-1 Plan is adopted or modified, the person must not exercise any influence over the amount of Company Securities to be traded, the price at which they are to be traded, or the date of the trade.

Any new or amended/modified Rule 10b5-1 Plan must be submitted to the CFO and General Counsel for approval five days prior to entering into a new or modified Rule 10b5-1 Plan or terminating a Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required.

a. Cooling Off Period

- ***Trades by a Director, Officer or Shareholder that Owns 10% or more of the Company's Outstanding Equity Securities.*** A director, officer, or shareholder that owns 10% or more of the Company Securities (each, an "Insider") may not execute trades under a Rule 10b5-1 Plan until the later of (i) 90 days after the date of the adoption or, in some instances modification, of such Rule 10b5-1 Plan and (ii) two business days following the filing of Form 10-Q or 10-K covering the financial reporting period in which the Rule 10b5-1 Plan is adopted or modified as applicable (the "Cooling Off Period"). If a trading plan is modified, and such modification changes the amount of securities subject to the trading plan, the price of securities, or the timing of trades, the modified Rule 10b5-1 Plan is treated as the cancellation of an existing Rule 10b5-1 Plan and the adoption of a replacement Rule 10b5-1 Plan which requires the Insider to wait until the Cooling Off Period expires before making a trade. Modifications that do not change the pricing, amount of securities or timing of trades will not trigger a Cooling Off Period before making a trade.
- ***Trades by Employees other than Insiders.*** Non-Insider employees may not make any trades under a Rule 10b5-1 Plan until 30 days after the date of the adoption or, if applicable, the modification, such Rule 10b5-1 Plan.
- ***Termination of a Rule 10b5-1 Plan.*** If a trading plan is terminated, Insiders and other employees may not trade in Company Securities until five days after the termination of such Rule 10b5-1 Plan.
- ***Subject to Trading Windows and Black-Out Periods.*** Notwithstanding the foregoing, if a Blackout Period or any other trading restriction is in effect (in each case as set forth under clauses (b) and (c), respectively, of the section captioned "Procedures for Certain Designated Persons") such that a Window Period is not open at the time a "cooling off period" discussed in this Section (a) expires, no trades may be executed until such time as the Blackout Period or other applicable trading restriction expires.

b. Reporting Trades

An Insider must report on Form 4 no later than the end of the second business day following the date on which the transaction was effected: (i) a gift or donation of Company equity securities and (ii) all exercises and conversions of derivative securities. This obligation applies regardless of the recipients of such gifts or donations (i.e., family members, trusts and other estate planning vehicles, or Section 501(c)(3) charitable organizations). Further, such Insider must check the relevant box on Form 4 or Form 5 to indicate whether a reported transaction is intended to satisfy the affirmative defense conditions pursuant to a Rule 10b5-1 Plan. An Insider is not required to report the receipt of equity securities, either as a gift or a donation.

c. Company Disclosure

SouthState will disclose in its Form 10-K and 10-Q whether any trading plan was adopted, terminated, or in certain circumstances, modified, by an officer or director in the reporting period for such Form 10-K or 10-Q, even if such trading plan is not adopted under Rule 10b5-1. This disclosure will include: (i) the identification of any contract, instruction or written plan for the purchase or sale of Company Securities intended satisfy the affirmative defense conditions of Rule 10b5-1(c); (ii) whether the trading plan is a Rule 10b5-1 arrangement; (iii) what qualifies as a non-Rule 10b5-1 trading plan; (iv) whether the trading plan is intended to satisfy the affirmative defense of Rule 10b5-1(c); and (v) the material terms of the trading plan, including (A) the name and title of the office or director, (B) the date of such trading plan's adoption, modification, or termination, (C) the duration of such trading plan, and (D) the aggregate amount of securities to be sold or purchased under such trading plan. The Company is not required to disclose pricing terms. The Company is not required to disclose the use of trading arrangements by the Company, and this disclosure obligation does not extend to traders other than officers or directors.

In addition, on an annual basis, the Company will report in its Form 10-K and proxy statement whether it has adopted policies and procedures governing the sale, purchase, and/or other dispositions of Company Securities by directors, officers, employees and the Company itself that are reasonably designed to promote compliance with insider trading laws, rules, and regulations and listing standards applicable to the Company. If not, the Company will explain the rationale for that decision. Copies of such policies and procedures will be filed as exhibits to these documents. Such disclosures will be subject to the certifications required by the Sarbanes-Oxley Act of 2002, requiring principal executive and financial officers to attest to the accuracy of the statements in Forms 10-K and 10-Q.

Transactions Under Company Plans

This Policy does not apply in the case of the following transactions, except as specifically noted:

- **Stock Option Exercises.** This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.
- **Restricted Stock Awards.** This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.
- **401(k) Plan.** This Policy does not apply to purchases of Company Securities in the Company's 401(k) plan resulting from a participant's periodic contribution of money to the plan pursuant to a payroll deduction election, if such purchases are permitted by the 401(k) plan.

This Policy does apply, however, to certain elections that may be available under the 401(k) plan, including: (a) an election to increase or decrease the percentage of a participant's periodic contributions that will be allocated to the Company stock fund; (b) an election to make an intra-plan transfer of an existing account balance into or out of the Company stock fund; (c) a participant's election to borrow money against its 401(k) plan account if the loan will result in a liquidation of some or all of the

Company stock fund balance; and (d) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund. At this time, the purchase of Company Securities, subject to a specified ceiling, are permitted under the Company's 401(k) Plan.

- **Dividend Reinvestment Plan.** This Policy does not apply to purchases of Company Securities under the Company's dividend reinvestment plan resulting from a reinvestment of dividends paid on Company Securities. This Policy does apply, however, to voluntary purchases of Company Securities resulting from additional contributions a person chooses to make to the dividend reinvestment plan and to such person's election to participate in the plan or increase his/her level of participation in the plan. This Policy also applies to a person's sale of any Company Securities purchased pursuant to the plan.
- **Other Similar Transactions.** Any other purchase of Company Securities from the Company or sales of Company Securities to the Company are not subject to this Policy.

Transactions Not Involving a Purchase or Sale

Bona fide gifts are not transactions subject to this Policy, unless the person making the gift has reason to believe that the recipient intends to sell the Company Securities while the officer, employee or director is aware of material, nonpublic information, or the person making the gift is subject to the trading restrictions specified below under the heading "Procedures for Certain Designated Persons" and the sales by the recipient of the Company Securities occur during a Blackout Period. For example, gifts to charities, churches and nonprofit organizations would not be deemed to be transactions subject to the timing restrictions of this Policy; however, gifts to dependent children or a family foundation followed by a sale of the "gifted securities" in close proximity to the time of the gift may imply some economic benefit to the donor and, therefore, may be deemed not to be a "bona fide gift."

Further, transactions in mutual funds that are invested in Company Securities are not transactions subject to this Policy.

Post-Termination Transactions

This Policy continues to apply to transactions in Company Securities even after termination of service to the Company. If an individual is in possession of material nonpublic information when his or her service terminates, that individual may not trade in Company Securities until that information has become public or is no longer material. The pre-clearance procedures specified under the heading "Procedures for Certain Designated Persons" above, however, will cease to apply to transactions in Company Securities upon the expiration of any Blackout Period or other Company-imposed trading restrictions applicable at the time of the termination of service.

Prohibition on Commenting on the Company on Electronic Bulletin Boards, Internet Chat Rooms or Websites

While the Company encourages its shareholders and potential investors to obtain information about the Company, the Company believes that information should originate from its publicly-filed SEC reports, press releases, external website or from designated Company spokespersons, rather than from speculation or unauthorized disclosures by directors, officers or employees of the Company. For this reason, the Company has designated certain members of management (i.e., the CEO, CFO and Chief Strategy Officer) to respond to inquiries regarding the Company's business and prospects. This centralization of communication is designed to ensure that the information the Company discloses is accurate and considered in light of previous disclosures. Formal announcements are generally reviewed by management and legal counsel before they are made public. Any communications that do not go through this review process create an increased risk of liability to the Company, as well as to the individual responsible for the communication.

In addition, the emergence of electronic bulletin boards, chat rooms, and electronic discussions about companies and their business prospects on the Internet have become common. Inappropriate communications disseminated on the Internet may pose an inherently greater risk due to the size of the audience they reach. These forums have the potential to move a stock price significantly and very rapidly, yet the information disseminated through electronic bulletin boards and chat rooms often is unreliable and, in some cases, may be deliberately false. You may encounter information about the Company on the Internet that you believe is harmful or inaccurate or other information that you believe is true or beneficial to the Company. Although you may be tempted to deny or confirm such information on an electronic bulletin board or in a chat room, any sort of response, even if it presents accurate information, could be considered improper disclosure and could result in legal liability to you and to the Company.

The Company is committed to preventing inadvertent disclosures of material, nonpublic information, preventing unwitting participation in Internet-based securities fraud and avoiding the appearance of impropriety by persons associated with the Company.

Accordingly, this Policy prohibits any covered person, except as otherwise specifically authorized as set forth above, from making any comments or postings about the Company on any Internet bulletin boards, chat rooms or websites, or responding to comments or postings about the Company's business made by others. This restriction applies whether or not you identify yourself as associated with the Company.

Consequences of Violations

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company Securities, is prohibited by the federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities. Punishment for insider trading violations is severe and could include significant fines and imprisonment.

While the regulatory authorities concentrate their efforts on the individuals who trade or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by Company personnel.

Given the likely ramifications for violation of law or this Policy, the Company will strictly enforce this Policy and take appropriate action against any person that violates it. In particular, an individual's failure

to comply with this Policy may subject the individual to Company-imposed sanctions, including if an employee, dismissal for cause.

Company Assistance

Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the CFO or the General Counsel.

Certification

All persons subject to this Policy must certify their understanding of, and intent to comply with, this Policy.

Exceptions

Except as otherwise provided in this policy, the General Counsel shall not permit or approve any exceptions to this Policy.

Approved: April 22, 2025, by Governance and Nominating Committee

SUBSIDIARIES OF THE REGISTRANT

SouthState Bank, National Association, organized under the laws of the United States

SSB Insurance Corp.

SCBT Capital Trust I

SCBT Capital Trust II

SCBT Capital Trust III

TSB Statutory Trust I

SAVB Capital Trust I

SAVB Capital Trust II

Southeastern Bank Financial Statutory Trust I

Southeastern Bank Financial Statutory Trust II

Community Capital Statutory Trust I

CSBC Statutory Trust I

FCRV Statutory Trust I

Provident Community Bancshares Capital Trust I

Provident Community Bancshares Capital Trust II

IB Trust I

IB Trust II

IB Trust III

IB Center Trust I

NorthStar Statutory Trust II

NorthStar Statutory Trust III

Community Group Statutory Trust I

Cenbank Statutory Trust III

Guaranty Captial Trust III

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- Form S-3 No. 333-287893 pertaining to the Shelf Registration Statement
- Form S-8 No. 333-231176 pertaining to SouthState Corporation 2019 Omnibus Incentive Plan
- Form S-8 No. 333-251017 pertaining to SouthState Corporation Amended and Restated 2002 Employee Stock Purchase Plan
- Form S-8 No. 333-249759 pertaining to SouthState Corporation 2020 Omnibus Incentive Plans
- Form S-8 No. 333-249167 pertaining to SouthState Corporation Non-Employee Directors Deferred Income Plan
- Form S-8 No. 333-240317 pertaining to SouthState Corporation Deferred Income Plan
- Form S-8 No. 333-239028 pertaining to various Incentive Plans assumed by SouthState Corporation during the merger with CenterState Bank Corporation on June 7, 2020
- Form S-8 No. 333-279205 pertaining to SouthState Corporation Amended and Restated 2020 Omnibus Incentive Plan

of our reports dated February 20, 2026, with respect to the consolidated financial statements of SouthState Bank Corporation and the effectiveness of internal control over financial reporting of SouthState Bank Corporation included in this Annual Report (Form 10-K) of SouthState Bank Corporation for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Birmingham, Alabama

February 20, 2026

RULE 13A-14(A) CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, John C. Corbett, Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-K of SouthState Bank Corporation;
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(s) 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 subsidiary, is made known to us by others within those entities, particularly during the period in which this annual 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;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter 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(s) 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 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 controls 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 controls over financial reporting.

/s/ JOHN C. CORBETT

John C. Corbett
Chief Executive Officer
(Principal Executive Officer)

Date: February 20, 2026

RULE 13A-14(A) CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, William E. Matthews, V, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-K of SouthState Bank Corporation;
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(s) 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 subsidiary, is made known to us by others within those entities, particularly during the period in which this annual 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;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter 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(s) 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 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 controls 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 controls over financial reporting.

/s/ WILLIAM E. MATTHEWS, V

William E. Matthews, V
Senior Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: February 20, 2026

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

In connection with the Annual Report of SouthState Bank Corporation (“the Company”) on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John C. Corbett, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all materials respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ JOHN C. CORBETT

John C. Corbett
Chief Executive Officer
(Principal Executive Officer)

February 20, 2026

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

In connection with the Annual Report of SouthState Bank Corporation (the “Company”) on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, William E. Matthews, V, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ WILLIAM E. MATTHEWS, V

William E. Matthews, V
Senior Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

February 20, 2026
