

2024

# Corporate Social Responsibility Report

SouthState



 SouthState

# Welcome



For 90 years, SouthState's focus on serving and strengthening the communities in which we live and do business has afforded us the opportunity to build meaningful and lasting relationships with many non-profit and community-based organizations across our six-state footprint. Through volunteerism, engagement, and philanthropy, we have impacted the lives of our customers, communities, and our 5,000+ team members.

We are equally focused on the growth of each team member by providing both opportunities for personal and professional development and the tools and resources each team member needs to achieve goals and to pursue a greater purpose. This is achieved through access to educational programs, opportunities to obtain various certifications offered by our company, and additional paid time off to volunteer and share talents in a meaningful way. We also understand the importance of developing the next generation of leaders, which we accomplish through thoughtfully developed management associate programs designed to attract talent from colleges and universities throughout our footprint.

I'm humbled by the contributions and engagement from our team members. Whether it's supporting diversity and inclusion through recruiting and lending opportunities, collecting and donating denim for recycling to help our housing partners create sustainable housing, or supporting our SouthState family members who are experiencing a hardship, all are examples of what it means to be a good corporate citizen.

Sincerely,

**LeDon Jones**

Executive Vice President  
Director of Corporate Stewardship



# Contents

Who We Are .....	04
Our Vision, Guiding Principles and Core Values .....	05
Foundation of Our Corporate Social Responsibility .....	06
Our Commitment to Our Community .....	07
Our Commitment to Our Colleagues .....	17
Our Commitment to Effective Governance .....	26
Our Commitment to Environmental Resourcefulness .....	30
Appendix .....	35



# Who We Are

- 5,070 Employees committed to providing SouthState's customers with the financial products and services they need to meet their goals
- 251 Branches in our community-focused, six-state footprint, along with an expansive network of ATMs and best-in-class online and mobile banking platforms
- \$45 Billion Total assets as of December 31, 2023
- \$32 Billion Total loans as of December 31, 2023

Since inception in 1934, SouthState Bank ("SouthState") has been committed to serving the needs of the community by putting customers first and providing a suite of banking services and products in the areas of consumer, small business and commercial banking, wealth management, and mortgage banking. We are committed to investing in state-of-the-art technology to protect our customers from fraud and providing a suite of cash management and treasury solutions to better serve their business and personal needs. In addition to online and mobile banking capabilities, SouthState Bank provides banking access at more than 250 branches and ATMs across our footprint.

As one of the leading regional banks in the Southeast, SouthState operates branches in Alabama, Florida, Georgia, the Carolinas, and Virginia. Our correspondent banking and capital markets division, including our registered broker-dealer subsidiary, SouthState|Duncan Williams Securities Corp., supports over 1,200 small- and medium-sized community banks and other business customers in 48 states. Additionally, through Corporate Billing, a division of SouthState, we extend factoring, invoicing, collection and accounts receivable management services to transportation companies and automotive parts and service providers nationwide. We believe in inspiring a greater purpose and empowering our team members through local leadership closest to the customers with decision-making authority. Since SouthState's inception, we have been committed to creating remarkable experiences for our customers and the communities we serve, and we will continue to embrace an entrepreneurial spirit and build intentional and lasting relationships to make our customers' lives better. When we provide the tools, access and resources, we help them achieve their dreams and create strong and vibrant communities.

SouthState is proud to be recognized another year as an employer of choice, earning "Best Banks to Work For" by American Banker and Best Places to Work Alabama in 2023. In 2023, SouthState was named in the top 35 of Forbes' America's 100 Best Banks listing and received five Greenwich Excellence and Best Brand awards for small business banking from Coalition Greenwich. SouthState has also earned Forbes' "Best in State Banks" designation in South Carolina, and S&P Global ranked SouthState #2 on the list of Top 50 Public Banks.

<b>\$45</b> Billion in assets	<b>\$32</b> Billion in loans	<b>BEST-IN-STATE BANKS</b> Forbes 2023 POWERED BY STATISTA	<b>AMERICAN BANKER</b> 2023 Best Banks to Work For
<b>\$37</b> Billion in deposits	<b>\$6.3</b> Billion market cap	<b>Top 50 Public Banks</b> S&P Global Market Intelligence	<b>Top 35</b> Forbes 100 Best Banks in America 2023 <b>Ranked #2</b> by S&P Global <b>5</b> Greenwich Excellence & Best Brand Awards for Small Business Banking from Coalition Greenwich

Statistics and metrics included in this report are as of 12/31/23 and may contain statements based on hypothetical scenarios and assumptions as well as estimates that are subject to a level of uncertainty that the Bank believed to be reasonable at the time of preparation.

# Our Vision, Guiding Principles and Core Values

Our vision is to invest in the entrepreneurial spirit, pursue excellence, and inspire a greater purpose. The guiding principles supporting this vision are soundness, profitability and growth, and we expect our teams to lead with integrity and accountability. The Company's core values reflect how we intend to fulfill our vision and meet our guiding principles through our interactions with each other, our customers and the communities we serve.

## Guiding Principles



## Core Values

- **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, their service to the community.

SouthState's culture is an important foundation on which to build lasting relationships for our customers and team members alike. What we call the SouthState Way aligns with our vision and core values. Our Culture Council consists of senior leadership and a member of our board of directors who serves the Culture Council on an advisory basis. In 2023, SouthState leaders from across our branch footprint and in all divisions of the company selected team members of various levels of leadership to serve as culture ambassadors. These culture ambassadors embody the culture SouthState wants to encourage for all our team members, regardless of position or tenure. Together, the Culture Council and culture ambassadors collaborate on team member engagement, corporate social responsibility, talent recruitment and retention, leadership development, diversity and inclusion, and creating opportunities for team members to contribute to the betterment of the organization. We are proud of the accomplishments that we have made thus far, creating a thriving environment to empower and motivate team members to build upon the SouthState Way.

# Foundation of Our Corporate Social Responsibility



## Community

Through community leadership, financial support and volunteerism, we are committed to building strong and vibrant communities where we operate in order to make a positive difference where we work and live.



## Colleagues

We foster building a strong culture, based on our core values of remarkable experiences, local market leadership, and meaningful and lasting relationships, where employees feel respected, included and heard. Our most valuable asset is our workforce, and our success is a direct reflection of the talent and tireless efforts of our people.



## Corporate Stewardship

We believe effective corporate governance, which includes being good stewards and promoting the highest ethical standards, is the bedrock on which to build our corporate culture and communicate our core values



## Environment

We believe climate change could potentially impact the Bank. The Bank's resiliency to various weather events, as well as the Bank's impact on the environment are a focus, as we seek to reduce that impact by adopting sustainable practices and reducing waste.



## Our Commitment to Our Community

## PURSuing A GREATER PURPOSE – 2023 IMPACTS



Commitment to Our Community	Commitment to Environmental Resourcefulness <sup>1</sup>	Promoting Diversity and Inclusion	Commitment to Our Team Members
<p><b>15,352</b> volunteer service hours to <b>905</b> organizations <i>(up 28% from 2022)</i></p> <p><b>\$5.8MM</b> in contributions and grants to <b>1,839</b> organizations</p> <p><b>\$245MM</b> in community development loans</p> <p><b>\$89MM</b> in investments to foster economic development and affordable housing projects</p> <p><b>\$4.6MM</b> in Down Payment Assistance to 353 homeowners</p> <p><b>\$1.397B</b> in CRA-eligible loans</p> <p><b>\$567MM</b> in affordable lending mortgage programs</p>	<p><b>48%</b> of all statements are eStatements</p> <p><b>1.02MM lbs</b> of CO<sub>2</sub> emissions saved</p> <p><b>21.2 acres</b> of forest saved</p> <p><b>1.2MM</b> gallons of water saved</p> <p><b>67,000 lbs</b> of solid waste reduction</p>	<p>Adopted <b>3</b>-year D&amp;I strategic plan</p> <p><b>600</b> leaders completed Unconscious Bias Training</p> <p><b>71%</b> of workforce comprised of women</p> <p><b>18%</b> board diversity</p>	<p><b>1,600+</b> ABA certificates completed by team members</p> <p><b>\$229,000</b> in financial assistance provided to team members through the Sunshine Fund <i>Up 45.8% from 2022</i></p> <p>Up to <b>12</b> weeks of Critical Care Time offered</p> <p>Up to <b>6</b> weeks of parental leave offered</p> <p>Employee Assistance Program that offers wellness, financial, health, counseling, and social assistance.</p>

## Volunteerism and Community Outreach

SouthState fosters a culture of living out a greater purpose by providing each team member with 32 hours of paid volunteer time per year. Team members are encouraged to serve the needs of the communities in which we operate through volunteerism and philanthropy. We thank our nonprofit organizations and local companies for allowing us to partner with them in areas of mentoring youth, financial literacy and stability programs, economic development, homeownership workshops, and small business. SouthState has over 50 Community Development Advocates who assisted with spearheading volunteer opportunities for team members across the bank. In 2023, team members volunteered with over 905 organizations providing 15,352 hours of service. Some of our top highlights are as follows:

### Our Community Development Advocates Lead the Way



Community Development Advocates are leadership-selected individuals considered to be standouts in their department or region. They not only lead their teams, they are also considered to be centers of influence in their local community. They seek to better their communities by encouraging participation in community service activities; organizing volunteer events for SouthState teammates; finding creative ways to meet community needs; participating in literacy efforts at public schools; sitting on nonprofit boards of directors; and facilitating financial education classes.

### Boys and Girls Club

**100 volunteer hours**

SouthState supports 18 Boys and Girls Club locations in our footprint. Donations supported initiatives including scholarships for youth, after-school and summer programs, mentoring, financial literacy, transportation, health and wellness, workforce readiness, and providing healthy and nutritious snacks. SouthState also participated in a series of financial literacy training courses at the Boys and Girls Clubs.

### Give Kids the World

**290 volunteer hours**

Forty bankers in the Kissimmee, Florida region volunteered during three service projects with Give Kids the World, an 89-acre nonprofit "storybook" resort in Central Florida. The resort offers free vacations to children with critical illnesses and their families.

<sup>1</sup> Calculations are based on two sheets of paper per eStatement (5,691,469), totaling 11,382,938 sheets of paper saved. (Environmental impact estimates were calculated using the Environmental Paper Network Paper Calculator Version 4.0. For more information visit [www.papercalculator.org](http://www.papercalculator.org).) These numbers are approximate values.

## Junior Achievement

610 volunteer hours

More than 100 SouthState volunteers contributed a total of 610 hours with 7 different Junior Achievement locations, covering most of the bank's footprint in four states from South Florida to Virginia. Junior Achievement of Georgia in Savannah led all locations with 367 volunteer hours. Bankers serve as mentors at JA BizTown, an immersive municipal environment with various industries represented. When volunteering at BizTown, bankers work with middle and high school students to conduct real world scenarios such as setting up payroll, holding an election, creating a marketing plan and selling products. SouthState's mascot, Stash, even makes an appearance to cheer on the students working the SouthState Bank storefront.



## United Way

423 volunteer hours

Thirty-two United Way affiliates received funding from SouthState to support the continuation of their mission of mobilizing communities to close gaps and create opportunities for all. Each year, United Way affiliates raise funds and disburse them to organizations supporting education, health and wellness, financial stability, small businesses, homelessness, and youth-based initiatives to provide large-scale solutions to pervasive community problems. Our bankers volunteered with initiatives including Reading Pals and Strong Families.



## LIFT Orlando

SouthState will provide grant funding to invest in the Entrepreneur pillar of Lift Orlando's strategy to achieve economic viability in West Lakes surrounding Camping World Stadium. The focus of this Entrepreneur pillar is to create opportunities for locally owned small businesses by providing entrepreneur training and support, developing a community business network to promote the sharing of ideas and opportunities, and by seeking to increase awareness of and access to various private and public bidding opportunities within the local and regional economy. SouthState's investment primarily supported the Lunch and Learn programming, which is designed to foster connection, collaboration and discussion, and provide vital education facilitated by SouthState team members.



## Economic Development Organizations

1,000 volunteer hours

Ninety-two team members volunteered with economic development organizations, such as Access to Capital for Entrepreneurs Local Initiatives Support Corporation (LISC) of Atlanta, Jacksonville, and Upstate South Carolina; Catapult Lakeland; Building Alabama Reinvestment; and Starter Studio. These organizations work to improve the community's well-being through job creation, job retention, tax enhancements and quality of life.

## Greenville Bankers Offer 'Hope' Through Nonprofit Banking Partnership

SouthState proudly partners with local nonprofit organizations making lasting change in the lives of the vulnerable. SouthState serves as the bank for Homes of Hope, a multi-prong organization offering affordable housing, sobriety support and job training for men, which prepares them with the necessary skills to re-enter the workforce, thus providing an economic impact. "SouthState has been such a great partner for us in so many ways, not just in sponsoring what we do, but really understanding what we do. They're willing to invest time, effort and advice," says Don Oglesby, president and CEO of Homes of Hope. Greenville bankers not only support Homes of Hope's financial needs, but they also volunteer around the organization's rental community.



## ELEVATE Orlando

ELEVATE Orlando focuses on building long-term, life-changing relationships with urban youth, equipping them to thrive and contribute to their community. ELEVATE Orlando's students are prepared for college, connected to other workforce community partners, learn the value and rewards of giving back, and receive valuable mentorship. The students in this program have a 98% success rate of placement in college, vocational school or the military. SouthState provided financial resources that allowed students to experience college visits and job shadows. Additionally, SouthState team members provided financial literacy and insight into their own career paths to middle and high school students. The East Central Florida Division President serves on the ELEVATE Orlando board, pursuing his passion for service and the mission of the organization. These efforts have contributed to the impact ELEVATE Orlando is having on these students in minority communities.

*"ELEVATE Orlando is so grateful to have SouthState Bank as a champion and community partner to the urban youth we serve. SouthState's support allows urban youth to dream beyond their capabilities and change their community."*

Jonas Cayo,  
CEO Elevate Orlando

## Brewing Up Opportunities in Birmingham

SouthState provided financing for the newly constructed Bitty & Beau's Coffee in Birmingham, redeveloping a former dry-cleaning business and providing job opportunities to individuals with disabilities. With more than 80% of people with intellectual and developmental disabilities unemployed nationwide, Bitty & Beau's franchise provides a space for the disabled community to enter the workforce and contribute to economic development. The company employs more than 400 individuals with disabilities nationwide.



# Denim Drive, Building Event Support Habitat for Humanity

500 volunteer hours

SouthState built homes at 23 different Habitat for Humanity sites throughout our footprint. Donations directly supported home builds, financial literacy education for perspective homeowners and their children, and repair initiatives for veterans, elderly, and income restricted families.

Additionally, Pensacola, Florida's Habitat for Humanity received funding to build two homes through the State of Florida's CCTCP (Community Contribution Tax Credit Program). SouthState's donations also supported financial literacy education for homeowners and their children, and repair initiatives for veterans, elderly, and income-restricted families.

SouthState hosted its first Blue Jeans Go Green drive last fall, resulting in donations from across its six-state footprint. Blue Jeans Go Green is a program that collects denim to be recycled back to its original fiber state and given a second life as insulation and other materials. In total, SouthState collected approximately 6 tons of denim.

The denim drive coincided with SouthState's sponsorship of Habitat for Humanity's Jimmy and Rosalynn Carter Work Project, held in Charlotte, North Carolina. Dozens of team members volunteered in Charlotte, building 27 homes for deserving families.

[CLICK FOR VIDEO](#)



# Living Out Our Greater Purpose

Our bankers truly look forward to volunteer days, whether they are working behind the scenes packing food boxes, leading a financial education class, or reading to a first-grade class. Their community spirit touches every corner of our footprint. You can find them using their time and energy delivering food to senior citizens, putting up Christmas lights, or planting flowers next to a newly built Habitat home.

[CLICK FOR VIDEO](#)



# 'Hungry' to Serve the Lowcountry

610 volunteer hours

Lowcountry Food Bank is one of the most successful food banks in America, and it is continuing to expand its footprint. It currently operates three food centers in South Carolina, regionally located in Charleston, Myrtle Beach, and Yemassee; however, its vision goes further. It is building a new facility in Hampton County, a significant investment in the southernmost counties it serves. Our bankers regularly volunteer with the food bank, preparing bulk food for distribution and creating meal packs for clients.



“SouthState has been a positive supporter of our work for a number of years, and we rely on them for fulfilling critical volunteer work that enables us to operate in the best interests of our community.”

~Nick Osborne, President & CEO of Lowcountry Food Bank





## Investing in Our Communities

SouthState strongly believes in supporting affordable housing, revitalization, and economic development. Affordable housing investments in 2023 include:

- \$11.5 million to develop an 88-unit housing complex in Winter Haven, Florida, using Low-Income Housing Tax Credit; 91% of the units are income or rent restricted;
- \$8 million to build 112 units in Gainesville, Georgia; all units are reserved for individuals ranging from 50% to 60% of the median income within its assessment area;
- A \$5.5 million project, in which SouthState participated, to construct 126 apartments to help meet affordable housing needs in Aiken, South Carolina;
- \$5 million in funding to construct 144 affordable housing units in Savannah, Georgia;
- A \$4.5 million project, with SouthState's support, to construct 98 housing units in Charlotte, North Carolina; 93% of the units are reserved for individuals or families with income levels under 80% of area median income; and
- \$4.5 million to develop 109 units in Atlanta; all reserved for low-to-moderate income (LMI) residents.

## Supporting Minority Depository Institutions

SouthState supports initiatives to strengthen Minority Depository Institutions (MDI) throughout the six-state footprint. We participate in the Project REACH initiative, which is spearheaded by the Office of the Controller of Currency. Project REACH emphasizes the importance of financial inclusion for the underbanked, underserved, and historically underserved places. We are committed to ensuring that all people have access to resources by creating innovative products and investing in MDIs to help individuals build credit and gain access to capital. SouthState has maintained relationships with 11 MDIs and in 2023 maintained a \$500,000 equity investment in Optus Bank.

In addition to the collaboration and support to MDIs above, SouthState provided the following investments and services to Anchor Bank:

- Made a \$100,000 equity investment in Anchor Bank
- Placed a deposit with the bank in the form of a Certificate of Deposit
- Provided its customers with access to SouthState's entire ATM network at no additional cost, thus eliminating foreign ATM fees

## Affordable Housing

SouthState seeks to address the needs of housing affordability by creating innovative and flexible mortgage products to help customers achieve their dream of home ownership. SouthState offers Community Advantage, Home Possible, Buyer's Advantage, and additional products as viable options for first-time homebuyers. In May 2023, we introduced Opportunity Advantage DPA, a down payment assistance program, and successfully assisted 260 homeowners by providing financial assistance for down payments totaling \$3,243,500. Customers may qualify for down payment assistance funding up to \$12,500, with the loan forgiven after five years with many of the qualifying innovative products. The down payment assistance program is designed to help overcome barriers associated with purchasing a home such as down payment, closing costs, and other fees associated with homeownership. More than 25% of SouthState branches are in LMI geographies,



creating access to financial services for everyone. Our Mortgage division worked closely with community partners such as Florida Housing Finance Corporation, Alabama Housing Finance Agency, and North Carolina Housing Finance Agency to provide down payment assistance to clients and achieved the following:

- Provided 353 customers with down payment assistance exceeding \$4.6 million
- Partnered with 50 agencies in down payment assistance totaling \$688,8666
- Across our 6-state footprint, extended:
  - 389 Community Advantage loans totaling \$96 million
  - 988 Buyer's Advantage loans exceeding \$273 million
  - 24 FHA loans totaling \$94 million

*Bryan Robles was great to work with. He worked really hard to get me a grant of \$12,500 towards down payment and closing costs. He worked and searched for what was best for me and my family. I would recommend Mr. Robles to anyone in search of a lender.*

Loretta M., Jacksonville, FL

## Community Development

SouthState focuses on four areas of lending to impact community development: affordable housing; community service; economic development; and revitalization. In 2023, our company originated 131 loans totaling approximately \$245 million to organizations and not-for profit entities that focus their efforts on these impact areas. Of the four community development areas, economic development was our largest area of focus, where we were able to provide funding that also supported job creation and stabilization. Some of our successes include:

- Provided funding to Osceola County Council on Aging in Kissimmee, Florida, whose mission is to provide social services to the elderly, disabled adults, and disadvantage families experiencing poverty. The agency was able to expand their services in Salisbury North Carolina, with plans to convert a former Ford dealership structure from the 1940's into a 64-unit multi-generational affordable housing complex for seniors. SouthState provided a "sponsorship" loan for this project. FHLB requires that a member bank "sponsor" the applicant by providing a line of credit equal to 5% of the total project

cost. When considering the expansion into Salisbury North Carolina, Wendy Ford, the Executive Director of Osceola County Council on Aging, stated there is a need for senior housing everywhere and we know that, affordable senior housing, HUD housing, assisted housing like that. "We are so excited to have an adaptive reuse and a new building and to be able to really house 64 apartments," said Ford. In addition to funding and investment, SouthState also provided support to address food insecurity. More than 190,000 meals are delivered to over 1,000 seniors on an ongoing basis.



## Community Development

- Providing participation loan funding for the development of more affordable housing across the state of Florida by partnering with Neighborhood Lending Partners, a certified Community Development Financial Institution (CDFI) and lending consortium of banking institutions that facilitate private investment for community revitalization. The mission of Neighborhood Lending Partners (NLP) is to provide flexible, innovative, and solution-oriented financing and services that renew and rebuild inclusive and sustainable neighborhoods. Since its inception, NLP has created over 15,000 affordable single family and multi-family homes, provided \$500 million in loans for affordable housing and community investment, and facilitated over \$1 billion of investment into underserved communities. SouthState provided participation loan funding for the development of more affordable housing across the state of Florida. The projects are comprised of a 90-unit low-income senior multifamily housing apartment complex, a 36-unit rent- and income restricted multifamily housing apartment complex, and an 84-unit low-income housing complex, which will be rehabilitated and set aside for farmworker/fishworker families as well as units that meet the needs of mobility-impaired tenants. Some of the projects will also include sustainability improvements, such as energy efficient appliances, energy efficient windows and doors, new HVAC equipment, new roofs, and attic insulation. Organizations such as Neighborhood Lending Partners, are making a difference in the communities by providing innovative solutions to address affordable housing.
- Provided financing of \$7.4 million to support a community in Chatham County, Georgia, which resulted in an emergency medical system, fire watch department, and fire protection. The non-profit operates with a team of roughly 450 personnel and volunteers. The fire protection department covers 245 square miles with over 120,000 people, and emergency medical response covers 630 square miles with a population of 276,000 people.

Community Dev. Category	Community Dev. Loan Funding	Community Dev. Funding Amount
Affordable Housing	\$30,000,000	25
Community Service	\$72,000,000	53
Economic Development	\$124,000,000	50
Revitalization	\$19,000,000	3
<b>TOTAL</b>	<b>\$245,000,000</b>	<b>131</b>

- Funded \$8 million to an organization to revitalize the Unity Park area in Greenville, South Carolina. The construction project, which will impact 533,000 people within the vicinity and surrounding areas, will be the first of its kind and will help improve fitness accessibility and reduce inequalities in the community by providing a variety of programs and services, including nutrition education, "exercise is medicine" programming, and cancer prevention education, all of which will help create a better quality of life and length of life for Greenville County citizens.
- Provided a \$19.5 million construction loan to develop 88 affordable housing units with restricted, maximum rental rates for qualified, low-income residents in Blue Sky Communities in Polk County, Florida. The energy-efficient, garden-style residential buildings will include amenities such as a clubhouse with management offices, resident social areas, computer room, laundry facility, and a swimming pool. On-site resident services will include adult literacy, employment assistance and financial management programs. SouthState remains committed to meeting the needs of the community in providing expertise and financing to combat affordable housing shortage.

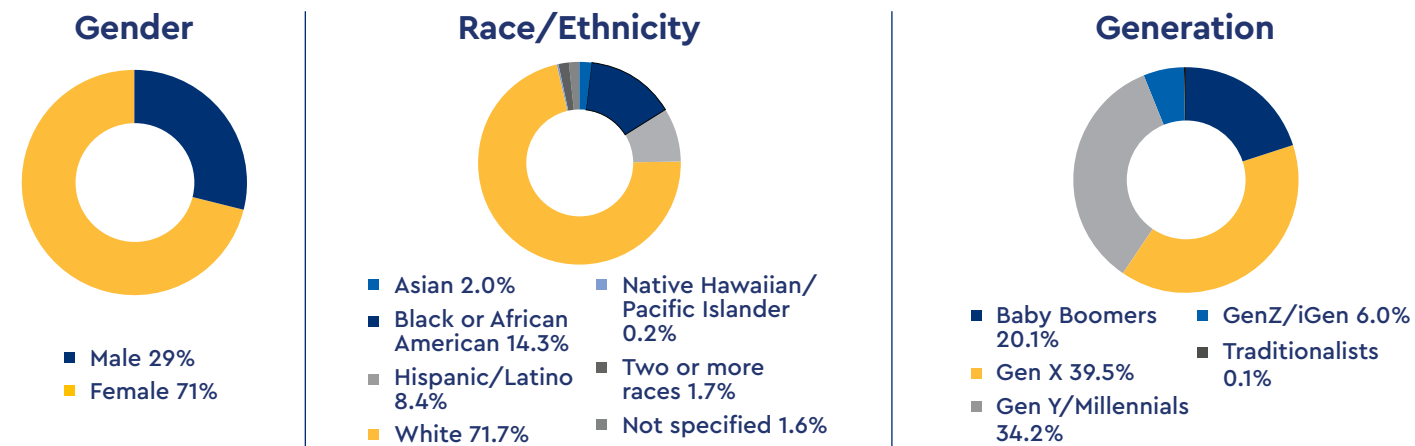


**Our Commitment  
to Our Colleagues**

# Diversity and Inclusion

We strive to build powerful and diverse team members, knowing we are better with our combined wisdom and intellect. With a commitment to equality, inclusion and workplace diversity, we focus on understanding, accepting and valuing the differences between people. Our Director of Corporate Stewardship reports to our CEO and bears primary responsibility for overseeing and directing strategic initiatives related to enterprise diversity, social responsibility, community development, management development, and the Team Member Sunshine Fund.

As of December 31, 2023, we had 5,070 full-time employees (compared to 4,921 as of the same date in 2022) and 214 part-time team members. Over 96% of our team members are located in the Bank's six-state branch footprint of South Carolina (33%), Florida (33%), Georgia (16%), North Carolina (7%), Alabama (6%) and Virginia (2%). 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 2023, we hired 820 team members, and our voluntary turnover rate was 9.5% for all team members and 0.95% for management-level team members in 2023. Additional workforce demographics by gender, race or ethnicity and generation are reflected in the graphics below.



In 2021, the Company adopted a three-year diversity and inclusion plan built around three goals:

<b>Workplace Diversity</b>	Recruit diverse, qualified talent representing all areas of society to add to the overall performance of the Company.
<b>Workplace Inclusion</b>	Champion a culture of collaboration and acceptance that creates a comfort level for team members to be themselves and supports diverse retention.
<b>Sustainability and Accountability</b>	Establish strategies that are sustainable and provide leaders throughout the Company with the proper tools and resources to manage and measure diversity within their respective lines of business.

In addition, the Company formed the Diversity and Inclusion Council to provide oversight to its diversity and inclusion strategy, support the implementation of diversity and inclusion initiatives that align with its vision and core values, and promote a diverse and inclusive workplace that represents the communities in which the Bank does business. The Diversity and Inclusion Council is responsible for identifying and addressing barriers that impact recruitment, retention and advancement of diverse candidates, defining benchmarks and metrics for

diverse talent acquisition and retention, and identifying and implementing diversity and inclusion training for all Company team members and directors.

In 2022, we focused primarily on our implementation strategy for the three-year diversity and inclusion plan, which included discussing the diversity and inclusion plan with leadership throughout the Company to develop a mutual understanding and level of trust with local market leadership that would result in meaningful conversations

## Diversity and Inclusion

and assist all stakeholders in viewing diversity from a number of perspectives. In addition, we established a small diversity and inclusion working group to help develop programs and initiatives in support of the action items outlined in the strategic plan. In collaboration with our Corporate Learning Department, in the fourth quarter of 2022, the Company engaged a third party to implement unconscious bias training throughout the Company. The unconscious bias training was first launched to the Board in late 2022, and as of December 31, 2023, it has been completed by over 600 leaders with plans to roll out the training to all team members through 2024.

As part of Corporate Stewardship's strategic plan, we announced several initiatives in 2023, including initiatives

that continue to support the Company's Diversity & Inclusion plan. In the third quarter of 2023, the Director of Corporate Stewardship established several diversity metrics that would allow the Company to monitor its progress with recruitment, development, and retention of diverse talent, identify gaps, and allow us to focus our efforts accordingly. Beginning in 2024, SouthState's Diversity Metric Dashboard will track (i) representation, (ii) internal talent mobility, (iii) voluntary versus involuntary turnover, and (iv) recruiting metrics. In addition to these metrics, to further support diversity and inclusion efforts within the Company, SouthState announced the addition of its first Corporate Social Responsibility Officer, who reports directly to the Director of Corporate Stewardship.

## "I Rise": SouthState team members reflect on visits to International African American Museum

[CLICK FOR VIDEO](#)



The doors of the International African American Museum open onto a rich history of tragedy and triumph, joy and sorrow, perseverance and poetry. SouthState Bank honored this legacy with a \$125,000 donation and an invitation to its employees to visit the museum free of charge. Many of our bankers visited the museum in 2023, some to educate themselves on stories left out of history books and others to reflect on traditions passed down from great-grandparents.

No matter their personal history, each departed with a wealth of insight and a challenge to continue learning about the African American experience.

Located at historic Gadsden's Wharf in Charleston, South Carolina, where many African Americans first arrived in this country, the IAAM shines a well-deserved spotlight on artistic contributions, cultural traditions and groundbreaking research given to us by African Americans. It uses large-scale digital media to show the beauty of the African American story, offering a modern take on centuries of tragedy and triumph.

As they walked through the exhibits, team members found themselves moved to tears by the personal stories shared. Several shared their reflections on what they gained by visiting this historic place of remembrance. [Click video link above to watch these reflections.](#)



To attract and retain the high-performing, talented team member base we need, we invest in our team members, providing them with necessary opportunities to develop and further their careers.

## Talent Acquisition

Recruitment is an essential part of managing our human capital resources. We seek to hire well-qualified team members 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 Historically 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.

### Talent Acquisition

## Commercial Banking Early Career Programs

### Infoship Program

At SouthState, we believe it is essential to invest in future leaders through internal development programs for team members while also creating a robust intern program to attract new talent. In 2023, we introduced a new program, SouthState Infoship, an 11-week virtual program that exposes college students to diverse banking careers. Senior leaders facilitate weekly sessions, providing expertise and open dialogue for students to ask questions about their respective departments. SouthState's Infoship Program also creates a pipeline for candidates to participate in our flagship Commercial Banking Internship and Commercial Associate Programs. More than 80 students registered for the Infoship Program in 2023.

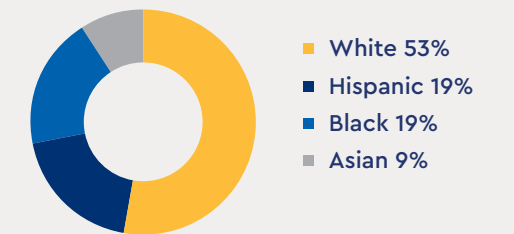
### Commercial Banking Internship & Commercial Associate Programs

The Commercial Banking Internship program creates opportunities for rising college seniors to learn about the foundations of commercial banking through a series of rotations in treasury management, credit and underwriting, and other commercial lines of business. Interns receive unique experience interacting with clients and senior management and learning the importance of relationship building. In 2023, SouthState received more than 500 applications for this dynamic and growth-oriented program, and after a competitive and robust interview process, we welcomed 32 interns, a 39% increase from the previous year. In 2023, more than half of the commercial banking interns were ultimately invited to participate in SouthState's commercial associate program. This 6-month program provides comprehensive credit training and creates future commercial bankers.

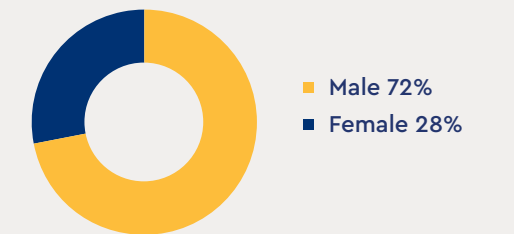
### Credit Associate Program

To compliment the Commercial Banking Internship and Associate Programs, SouthState has implemented a Credit Associate Program designed to provide in-depth credit training and hands-on experience for 6 – 24 months to associates that successfully complete the Commercial Associate Program.

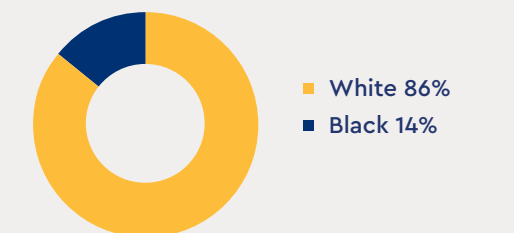
### Summer 2023 Commercial Banking Intern Diversity Race/Ethnicity



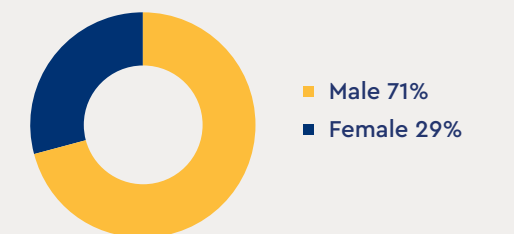
### Summer 2023 Commercial Banking Intern Diversity Gender



### 2023 Commercial Associates Diversity Race/Ethnicity



### 2023 Commercial Associates Diversity Gender



“ I am so grateful to have been able to go through this journey. I've learned that being pushed way out of my comfort zone is so important for my own growth and development. Learning about different areas of the bank and meeting other amazing leaders was invaluable. ”

ReMARKable Leader Alumni



## Development

We support the growth and development of our team members and, when possible, seek to fill positions by promotion and transfer from within the organization. We invest in the development of our team members by providing continuing education courses that are relevant to their job function within the Company. In 2023, we continued our ReMARKable Leader Program, a 9-month immersion program designed to equip exceptional, high-performing leaders to take the next step in their professional development journey. To date, 41 of our team members have graduated from the program, and they continue to contribute in new and unique ways to our Company. In addition, our internal Corporate University 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 addressing culture, communication styles and mentoring. Team members have access to over 12,000 training opportunities in our training catalog.

Based on team members' feedback in 2022, SouthState provided additional funding to enhance learning opportunities for our team members in 2023 to support their career growth goals. As a result, we added additional learning resources through the industry-recognized American Bankers Association (ABA) eLearning content, and all team members have unlimited access to ABA online learning, including certifications and professional development courses. The ABA offers opportunities to earn certificates in various banking programs and recertification credits. Our bankers have achieved over 1,600 ABA Certificates in ABA eLearning content, including certificates and professional development courses.

In addition, the increased funding allowed us to launch a new partnership with LinkedIn Learning, which we further expanded in May 2023. Through LinkedIn Learning, we provide all team members with the opportunity to refine or develop professional skills and learn new software. LinkedIn Learning is an award-winning industry leader in online training, with a digital library of over 16,000 courses covering a wide range of technical, business, software, and creative topics. Using this platform, our team members can develop or refine professional skills, learn new software, and explore other areas to enhance career growth opportunities. Over 9,000 English-versions of the new LinkedIn Learning courses are already available to team members.

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 2023, employees completed on average 30 hours of Company-provided training.

## Engagement and Retention

In our experience, engaged employees tend to remain with the Company. We strive to offer a team-oriented environment centered on professional service and open communication amongst employees. We believe that gauging our employees' satisfaction is crucial to understanding the needs of our employees and developing a cohesive engagement and retention plan. In 2023, our employees participated in our annual anonymous employee engagement survey. 81% of our employee population responded, up from 73% in 2022, and the results of the survey show that 83% of our employees are engaged, up from 74% in 2022, as compared to 74% of engagement in the financial services industry generally, placing SouthState in the upper quartile for the industry. While the survey highlights what we do well, it also provides insight into ways we can better engage our employees in the future and helps guide our focus in this regard.

In response to some of the insight we received through the engagement survey, we launched two programs, the High Five Reward and Recognition platform and the Culture Council. The High Five Recognition platform allows our team members to recognize colleagues for birthdays, anniversaries, and exceptional service to our internal and external customers, and to post and celebrate community involvement. We are pleased to see enthusiastic participation in High Five from our leaders and team members.

We believe that we 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 many of our employees with a comprehensive employee benefit program that includes: group life, health, dental and vision insurance; prescription benefits; flexible spending accounts; 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 sponsors a broad leave plan that may be used for vacation, personal use, and illness of employees and their immediate family members, and it awards paid leave based on tenure of service and title. The Company-sponsored Employee Stock Purchase Plan encourages our employees to invest in the Company by offering shares at a discounted price to participants.



The safety and health of our employees is a top priority. While the COVID-19 pandemic has receded, allowing many of our employees that had worked remotely during that time to return to work locations, we value flexibility, and approximately 26% of our employees continue to work effectively from remote locations. We also offer:

- A robust wellness program that provides extensive wellness resources, including on-site biometric screenings and a health risk assessment program;
- A Critical Care Time (CCT) benefit, up to a maximum of 12 weeks, which an employee can use in the case of an employee's or a family member's severe illness;
- Parental leave, allowing an employee to take up to 6 weeks of paid leave following the birth of a child or the placement of a child in the home through adoption or foster care;
- The Sunshine Fund, a 501(c)(3) organization funded by Company contribution and employee donations, which provides financial assistance to employees to pay for food, lodging, utilities, necessary home repairs (i.e., a new roof) and similar expenses. In 2023, SouthState assisted 101 team members by providing approximately \$229,000 in financial assistance. Over a two-year time period, approximately 190 team members received assistance in excess of \$380,000 all because we value our colleagues, understand that we all face financial struggles at some point, and want to help; and
- An Employee Assistance Program that offers assistance and counseling to, among other things, encourage emotional well-being, address stress and anxiety, and provide referrals to resources related to important needs (i.e., education, daily living and caring for children or elderly loved ones).

1. Murphy, Andrea. "America's Best Banks", *Forbes*, February 14, 2023, by Andrea Murphy, [www.forbes.com/lists/americas-best-banks/?sh=4228bf6ac0de](http://www.forbes.com/lists/americas-best-banks/?sh=4228bf6ac0de); Peachman, "America's Best Banks in Each State", *Forbes*, June 20, 2023, [www.forbes.com/lists/best-in-state-banks/?sh=7a1050bc709e](http://www.forbes.com/lists/best-in-state-banks/?sh=7a1050bc709e); Stewart, "Best Banks to Work For 2023", *American Banker*, November 19, 2023, [www.americanbanker.com/list/best-banks-to-work-for](http://www.americanbanker.com/list/best-banks-to-work-for)



[CLICK FOR VIDEO](#)

## Celebrating Female Leadership, Advancement at SouthState – Jani Lowdell

Jani Lowdell, Director of IT Service Delivery-Enterprise Platforms, began her career as head teller before company expansion brought an opportunity to move to Information Technology. With her background in a customer-facing environment, Jani offers a unique perspective, viewing processes through the lens of the customer and banker. A Certified ITIL Strategic Leader, she speaks highly of the investment SouthState has made in her technical and leadership skills over the course of her career. Jani also advocates for equity in pay and opportunities, intentionally having a diverse candidate pool when hiring. She is encouraged by the expanding roles for women in information technology, and she is proud to be a woman in a traditionally male-dominated field.

## Miracle' Volunteer Raises \$500k for Breast Cancer Detection



Terri Jenks holds two titles when it comes to her volunteerism in the Augusta, Georgia community. Twenty years as a champion volunteer for the Piedmont Augusta Foundation Miracle Mile Walk, and one year as a survivor of the disease for which the walk raises funds and awareness.

Jenks, manager at SouthState's North Augusta branch, always saw breast cancer awareness as a worthy mission to support, believing a diagnosis will affect nearly every person through their mother, sister, spouse or friend. Since April 2023, she is among those affected by breast cancer.

"Now my husband's wife is a survivor, my children's mother is a survivor, my brothers' sister is a survivor and my mother's daughter is a survivor," Jenks says. "Because I am now a survivor."

Donations raised at the Miracle Mile keep the Piedmont Augusta's Women's Wellness on Wheels on the road, providing screenings for under-insured or uninsured women. Jenks knows firsthand the lifesaving value of mammograms, as this annual checkup allowed doctors to find her cancer early.

Fittingly enough for a banker, Jenks first years as a Miracle Mile volunteer were spent counting donated money along

with others from SouthState. Organizers later asked her to coordinate volunteers, a role she's held each walk since. Under her guidance, the volunteer numbers have steadily increased. On top of the growing community involvement, the 2023 walk raised nearly \$520,000 that will remain in Augusta.

Jenks and her husband have received accolades, including Outstanding Volunteers of the Year by the Association of Fundraising Professionals, but they know the true reward is the lives saved by early detection.

"Because 100% of the proceeds stay in our community, we are able to provide screenings for women we know and love," Jenks says. "As a result of these screenings, they received timely detection and treatment. They became survivors!"

SouthState believes all team members should be able to achieve their greater purpose through volunteerism and community engagement. The bank offers paid volunteer teams to enable them to organize fundraisers, provide financial education and volunteer with their departments at non-profits of their choosing.





# Our Commitment to Effective Governance

## Board of Directors

Our directors are a diverse group who bring a strong combination of qualifications, skills and experiences that align with SouthState's business and strategy. In 2023, our Board of Directors (the "Board") consisted of 11 directors, 10 of whom were independent. Our directors stand for election annually, and, to promote independent oversight, our Board is led by our Independent Lead Chair, who is appointed annually.

## An Ethical Workplace

All SouthState directors, officers and employees are responsible for maintaining the highest ethical standards in conducting business, including avoiding conflicts of interest and self-dealing, through adherence to the Company's Code of Ethics. While the tone at the top is set by our Board and embodied by our senior management, we reinforce this focus throughout our organization. We require all employees to complete annual training on their ethical obligations, business standards and culture, so they understand we all have a role in serving our customers and managing our company responsibly. In addition, on an annual basis, we require each employee to complete a comprehensive suite of training courses selected to align with the daily job responsibilities of each such employee, including compliance courses designed to remind and educate our employees about their responsibilities to comply with applicable laws and regulations, including those designed to protect consumers, and classes designed to raise awareness of data privacy-related issues and best practices to mitigate the risk of exposing confidential consumer information.

The Company believes that each employee is entitled to work in an atmosphere and environment free of discrimination and unlawful harassment. The Company has established and communicated to all employees a structure for reporting incidents of harassment or discrimination, and our employees are required to complete annual training on sexual harassment.

The Company's Whistleblower Policy provides employees, customers, vendors and others with a confidential formal 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. A person may submit concerns anonymously through a third-party portal, and each report will be routed automatically to the Chief Audit Executive, Chief Risk Officer, Deputy Chief Audit Executive, and the Chairman

## Key Director Statistics

as of December 31, 2023

**3.9** years average tenure, below the 7.8 year S&P 500 average

**10 of 11 or 91%** are independent

**2 of 11 or 18%** are ethnically diverse

**2 of 11 or 18%** are gender diverse

**55%** have CEO-level experience

**36%** have senior executive experience at financial institutions

of the Audit Committee. In the event an employee or any other interested party has a concern or complaint that he or she believes would be inappropriate to deliver to the Chief Audit Executive, Chief Risk Officer, and/or Deputy Chief Audit Executive, he or she may report the concern or complaint directly to the Chairman of the Audit Committee. Other complaints or concerns, such as those relating to human resources matters, may also be submitted confidentially through the whistleblower process, and any such matters will be routed to the appropriate person or department for investigation and resolution.

We have a Conduct Risk Oversight Team that oversees the investigation of employee conduct complaints and concerns on an enterprise-wide basis, providing structure and support for resolving these matters. In addition, we have a formal complaint management program where customer complaints are formally logged, investigated and resolved, and root causes and trends are analyzed. The findings of each of these committees are reported to the Board Risk Committee periodically to better inform the Risk Committee and the Board of Directors as to employee conduct or complaints that may result in increased risk to the Company.

## Board Oversight of Cybersecurity Risk

For more information about our Board's oversight of cybersecurity risk, see the discussion beginning on page 53 of our Annual Report on Form 10-K and the discussion beginning on page 22 of our 2024 Proxy Statement.

## Board Oversight of Risks Related to Financial Crimes and Fraud

Our Board recognizes the importance of complying with laws and regulations, including those applicable to financial crimes and fraud. As a regulated and publicly traded institution, the Company has adopted policies, procedures and internal controls as required by law and regulation, including the requirements imposed by the Sarbanes Oxley Act, the Bank Secrecy Act ("BSA"), and others. The Bank's Financial Intelligence Unit monitors its compliance with BSA and Anti-Money Laundering ("AML") laws and regulations, as well as the requirements of the Office of Foreign Assets Control ("OFAC") relating to, among others, sanctions compliance, and oversees our anti-fraud programs, including investigations, reporting, trend and root cause analyses and mitigation efforts. Our training program requires directors, officers and employees to receive annual training on BSA, AML and OFAC policies and procedures in place to comply with these laws and regulations. As part of the Risk Committee's responsibility for monitoring key business and regulatory risks, the Risk Committee reviews presentations and reports at each meeting on the Company's BSA, AML and OFAC exposure, and its mitigation efforts. The Risk Committee also annually approves the Company's BSA, AML, and OFAC Programs and the Company's BSA/AML and OFAC Risk Assessment, setting forth the Company's assessment of the risk of its operations, products, services and footprint for BSA, AML and OFAC compliance.

## Cybersecurity Risk and Data Security

SouthState's enterprise security strategy revolves around people, processes and technology. SouthState uses a "defense in depth" strategy that combines physical control measures with logical control measures, and a layered security model to provide end-to-end security of client information. To meet SouthState's objective of protecting the confidentiality, integrity and availability of all information assets in our environment, we have established four foundational control areas:

- 1. Program Oversight.** The program oversight area provides assurance that the overall structure of the information security program is effective by:
  - reading and updating as necessary information security policies and standards in alignment with minimum mandatory frameworks security practices for the organization;

- tracking and managing exceptions to information security policies and standards;
- offering regular security awareness training to employees;
- performing penetration testing on the systems within the SouthState environment on a periodic basis;
- performing cybersecurity and customer privacy risk assessments on a periodic basis; and
- maintaining centralized tracking and management for security controls, vulnerability management, change management, as well as incident management; and
- deploying malware defense software on systems throughout the environment, managing the malware defense software through a central console that provides details on system definition compliance, and generating malware alerts which are sent to appropriate personnel for remediation.

**2. Change and Vulnerability Management.** The change and vulnerability management program is designed to identify and remediate vulnerabilities and mitigate the risk that SouthState's information security posture is compromised by:

- detecting and patching system vulnerabilities according to a risk-based methodology;
- requiring formal security reviews by information security subject matter experts for all high-risk projects;
- requiring that changes to enterprise production systems go through a formal change control process;
- considering application security requirements throughout the software development lifecycle (SDLC) by using, as applicable, developer-secure code training, security requirements in software projects, static code analysis for high-risk products, and web application scanning; and
- establishing and overseeing processes and practices to protect against the risk of compromise or loss of non-public information, including due to third-party relationships.

**3. Access Management.** The access management program is intended to mitigate the risk that users have access to protected assets to which they should not have access by:

- using logical and physical controls to create network barriers to protect sensitive data;



- implementing appropriate physical defenses, based on physical security requirements for each facility to protect sensitive information;
- configuring user access according to the principle of least privilege and based on user role when possible; and
- restricting internet access to malicious internet websites by using logical and administrative controls.

We engage in access management reviews as part of key controls, including reviews of adherence to the process, and periodic user entitlement reviews.

**4. Incident Management.** The incident management program is intended to position SouthState to respond to and remediate incidents efficiently, effectively and in a timely manner through:

- the business continuity program that assigns (i) corporate facilities, assets, and key processes a criticality rating based on their risk profiles, and (ii) each function an associated recovery time objective;
- the incident response program, providing detailed workflows, roles, and responsibilities for the execution of security incident handling inclusive of forensic support and third-party reporting;

- implementing controls to reduce both the likelihood and impact of DOS attacks; and
- securing assets and information through physical, logical, and administrative controls.

SouthState has established key performance indicators ("KPIs") for each key control identified within its information security program, and these KPIs are regularly tracked and communicated to senior management and the board of directors. The information security program also is subject to periodic audits by both internal and external auditors and the results of those audits provided to senior management and the board of directors.

SouthState provides consumers with an explanation of how we safeguard and use personal information entrusted to us. We seek to provide clear, user-friendly explanations of our privacy policies that explain how we collect, share, use and protect personal information, and outline steps they can take to limit the sharing of personal information.



## Our Commitment to Environmental Resourcefulness

### Financing Environmental Impact

SouthState is committed to assisting our clients and the communities in which we operate achieve their energy reduction and operational costs goals. SouthState participates in Honeywell Building Technologies' Energy Savings Performance Contract program (ESPC) by providing financing to governmental agencies and colleges/universities for infrastructure projects that improve energy efficiency, thus reducing utility consumption such as energy and water. ESPC projects are designed to provide the most beneficial number of improvements that could be paid for utilizing energy and operational savings with minimal financial risk.

SouthState supports and invests in projects that deliver environmental benefits and sustainability by purchasing green and sustainable bonds. As of year-end 2023, SouthState's investment portfolio includes ~\$136 million<sup>2</sup> in green and sustainable bonds, representing ~41.5% of documented environmental social governance (ESG) investments.

### Digital Banking and Technology

SouthState has implemented a range of initiatives targeted toward sustainability and reducing operating expenses, which in turn, benefits our stakeholders and the greater community. In this regard, we have implemented many day-to-day energy-efficient practices, including various power-saving capabilities, a host of paperless solutions and certain recycling programs.

Technology and digital enhancements remain a strategic priority for SouthState. Our ongoing investment in technology means our customers have access to digital products that contribute to a reduction in paper usage and the need for travel to banking offices for routine needs.

In 2023, 36% of all deposits made, less automated clearing house (ACH) transactions, were utilized through our digital channels. In addition, customers may opt into receiving their personal and business statements digitally for most of our products and service offerings. In 2023, approximately 68% of consumer customers at SouthState used mobile banking.

2. Based on current par value.

At year-end 2023:

**E-Statements:** 5,691,469 statements provided electronically.

- 14% increase YOY
- 48% of all statements are eStatements

**Digital Deposits:** 3,928,136 digital deposits made.

- 4% increase YOY
- 36% of all deposits (less ACH)

**Booked Consumer Loans:** Approximately \$152,671,000 in consumer loans were approved through the online channel.

**Online Deposit Accounts:**

- 25,948 consumer accounts opened
- 18,038 checking accounts

**Online Banking:** 79% of consumer checking account customers use online banking and 68% use mobile banking.

SouthState will continue to evaluate opportunities to use technology solutions that decrease the environmental effects of employee travel and commutes and assist it in moving toward operating a paperless institution.

### Climate Change Impacts on Business Resiliency (Physical Risks)

SouthState recognizes that the effects of climate change could result in a wide variety of business and customer impacts. Climate change has the potential to produce more frequent and stronger storms, hurricanes or other severe weather patterns including heatwaves, floods, wildfires, and tornadoes. Gradual shifts in weather patterns are likely to increase the risk of these threats occurring throughout our footprint. Some potential results of the impacts on SouthState Information Technology (IT) infrastructure include:

- Utilities and/or Telecommunications outages resulting in no connectivity or degraded system performance.
- Facility damage, such as flooding or other impacts resulting in the destruction of data center capabilities and/or equipment.
- Strain on technology systems, people, and support processes due to prolonged or widespread outages resulting in disrupted service to our customers.



## Climate Change Impacts on Business Resiliency (Physical Risks)

SouthState IT and our Business Continuity department within Risk Management work together with line of business stakeholders to ensure that our people, processes and technology are prepared to maintain service to our customers in the event of such impacts.

Our Data Center strategy and Business Continuity/Disaster Recovery programs evaluate risks to performance, stability, security and availability of applications and data in a variety of ways. The following are five specific ways we provide technology and application services to the company:

### 1. Data Centers (OnPrem or Co-location Facilities)

- a. SouthState employs a combination of on premise and co-location hosted data centers within our geographical footprint.
- b. SouthState evaluates risks and opportunities with respect to data center capabilities and has staff dedicated to the operations and placement of data center functions.

### 2. Third-Party Hosted

- a. SouthState leverages a variety of third-party Technology Service Providers (TSPs) to host applications and data services for our company. Partnering with TSPs offers SouthState cost-effective, scalable, and highly available technology services.
- b. SouthState works closely with these TSP vendors to ensure they deliver resilient, reliable and secure infrastructure, and that they have thoroughly tested Business Continuity Programs.

### 3. Cloud Providers

- a. Cloud-based service providers offer greater flexibility, scalability, and resiliency. Cloud services typically employ primary and secondary operational zones. Zones typically correspond to regions of the United States. Workloads and applications can be shifted from one zone to another seamlessly. This ensures business continuity planning (BCP) and disaster recovery (DR) capabilities that have virtually no adverse impact on end-users and can result in almost no downtime from an application availability perspective.
- b. SouthState works closely with cloud providers to ensure they offer resilient, reliable, and secure services and capabilities, and we have thoroughly tested our Business Continuity Program.

- c. SouthState employs staff focused on operational oversight functions to ensure proper controls are in place to account for climate change risks.
  - Architectural Review Board to review and vet technology solutions
  - Third Party Risk Management Due Diligence, including vendor documentation, SOC report reviews, risk assessments
  - Vendor Risk Assessments including IT, BCP/DR and Information Security
  - DR Tests for specific services in conjunction with IT and Risk Management

### 4. Overview of BCP Program

The Bank has an active Business Continuity/Disaster Recovery Program designed to ensure the Bank's capability to provide services for customers and to maintain viability before, during and after a business disruption.

- a. On an annual basis, our BCP team conducts a corporate-wide Business Impact Assessment to identify all processes and determine a business continuity criticality rating to include the Recovery Time Objective and Recovery Point Objective. This assessment is used as the basis of the program to develop strategies to ensure the bank is prepared to respond to a business interruption.
- b. Our BCP team also conducts an annual risk assessment for locations that includes flood, hurricanes, and other natural threats, which serves as a cornerstone of the Business Continuity/Disaster Recovery Program by helping SouthState determine its highest risks for planning purposes.
- c. Disaster recovery testing is conducted multiple times each year with schedules varying by division.

### 5. Impacts of Cyber risk when natural disasters occur

- a. Defense-in-depth controls are replicated between primary and secondary sites to ensure coverage.
- b. Security Incident Response plan to safeguard SouthState Bank when cyber risk increases – including as part of BCP/DR response to natural disaster process.

## Loan Portfolio Sensitivity to Climate Change

To determine the impact of transition risks on our loan portfolio, we assessed what exposure, if any, the portfolio would have to climate-related changes. Based on an assessment of the Commercial & Industrial (C&I) and Commercial Real Estate (CRE) portfolios as of December 31, 2023, we estimate approximately 4% of SouthState's loan portfolio is susceptible to high transition risk.



## Commercial & Industrial (C&I)

C&I Sector as of 12/31/2023	Outstanding Loan Balance	% to Total Balance	Total Exposure	% to Total Exposure	Sensitivity of Transition Risk
Utilities	0.03	0.08%	0.13	0.32%	Low
Information	0.03	0.08%	0.04	0.10%	Low
Agriculture	0.04	0.13%	0.07	0.17%	Low
Management of Companies and Enterprises	0.06	0.18%	0.13	0.32%	Low
Religious, Leisure, Personal and Non-Profit Services	0.07	0.21%	0.16	0.38%	Low
No NAICs	0.12	0.36%	0.01	0.02%	Low
PCFS - SBA	0.15	0.45%	0.15	0.35%	Low
Professional, Scientific and Technical Services	0.16	0.50%	0.36	0.86%	Low
Administrative, Support, Waste and Repair	0.17	0.54%	0.26	0.63%	Low
Wholesale Goods	0.21	0.65%	0.44	1.07%	Low
Retail Trade	0.22	0.69%	0.32	0.78%	Low
Healthcare	0.23	0.71%	0.38	0.92%	Low
Restaurant, Accommodation and Lodging	0.23	0.72%	0.26	0.63%	Low
Educational Services	0.24	0.74%	0.32	0.76%	Low
Transportation and Warehousing	0.37	1.13%	0.48	1.15%	Low
Manufacturing	0.40	1.23%	0.71	1.72%	Low
Other Services (except Public Administration)	0.41	1.26%	0.80	1.94%	Low
Financial Services	0.42	1.30%	1.12	2.70%	Low
Real Estate, Rental and Leasing	0.42	1.31%	0.73	1.75%	Low
Construction	0.51	1.57%	0.93	2.25%	Low
Governmental and Public Sector	0.74	2.28%	0.81	1.96%	Low
<b>Total C&amp;I</b>	<b>5.22</b>	<b>16.13%</b>	<b>8.62</b>	<b>20.77%</b>	

Figures in \$ billions (000's)

## Commercial Real Estate (CRE)

CRE Sector as of 12/31/2023	Outstanding Loan Balance	% to Total Balance	Total Exposure	% to Total Exposure	Sensitivity of Transition Risk
Utilities	—	0.00%	0.00	0.00%	Low
Agriculture, Forestry, Fishing and Hunting	0.00	0.00%	0.00	0.00%	Low
Wholesale Trade	0.01	0.02%	0.01	0.03%	Low
Manufacturing	0.01	0.03%	0.02	0.05%	Low
Administrative, Support, Waste Management and Remediation Services	0.02	0.06%	0.02	0.05%	Low
Public Administration	0.03	0.10%	0.03	0.08%	Low
Call Report/SBA A/E	0.04	0.11%	0.04	0.09%	Low
Professional, Scientific and Technical Services	0.04	0.12%	0.04	0.10%	Low
Finance and Insurance	0.05	0.16%	0.09	0.21%	Low
Transportation and Warehousing	0.05	0.17%	0.06	0.15%	Low
Retail Trade	0.07	0.20%	0.08	0.18%	Low
Education Services	0.07	0.21%	0.11	0.27%	Low
Arts, Entertainment and Recreation	0.08	0.25%	0.09	0.22%	Low
Other Services (except Public Administration)	0.09	0.28%	0.15	0.36%	Low
All Other Under \$5M	0.13	0.40%	0.13	0.31%	Low
Management of Companies and Enterprises	0.18	0.57%	0.23	0.56%	Low
Health Care and Social Assistance	0.38	1.17%	0.44	1.07%	Low
Construction	0.62	1.92%	1.20	2.90%	Low
No NAICs	0.78	2.41%	1.19	2.87%	Low
Accommodation and Food Services	0.99	3.06%	1.03	2.47%	Low
Real Estate, Rental and Leasing	7.84	24.19%	9.32	22.46%	Low
<b>Total CRE</b>	<b>11.47</b>	<b>35.42%</b>	<b>14.28</b>	<b>34.42%</b>	

Figures in \$ billions (000's)

## Sensitivity to Transition Risks Legend

No expectation of negative risk rating migration	Low
Moderate expectation of negative risk rating migration	Medium
Expectation of negative risk rating migration in more than 25% of the portfolio sector	High

# Appendix

## SEC Filings & Regulatory Disclosures

- [2023 Annual Report on Form 10-K](#)
- [2024 Proxy Statement](#)

## Corporate Governance Documents

- [Corporate Governance Guidelines](#)
- **Board Committee Charters:**
  - [Governance and Nominating Committee](#)
  - [Risk Committee](#)
  - [Audit Committee](#)
  - [Compensation Committee](#)
- [Code of Ethics](#)
- [Insider Trading Policy](#)



## Contact Information

### SouthState Corporation

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### Corporate Stewardship

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### Investor Relations Contact

For additional information, please visit SouthState's Investor Relations page, linked at [www.SouthStateBank.com](http://www.SouthStateBank.com) or by emailing [InvestorRelations@SouthStateBank.com](mailto:InvestorRelations@SouthStateBank.com).



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