



# 2026 CORPORATE IMPACT

*Impacting Lives & Enabling Dreams*



# A Letter From Our CEO

Dear Fellow Shareholders:

When dreams have a foundation of impacting lives, amazing things happen. For 26 years, we have been one of the fastest growing banks in the Southeast because we focus on clients, not acquiring other banks. We believe service, consistency, culture, and great bankers are critical to our success. This has allowed us to become a \$4.4 billion bank, serving eight fabulous markets in the Southeast.

I am incredibly proud of our team for their performance in 2025. We remain focused on creating a unique relationship-based client experience and the results speak volumes. We had strong growth in new clients, deposits and loans as well as record performance in helping families with home ownership and significant growth in our earnings and valuation.

We are intentional about cultivating an environment where talented professionals who have an entrepreneurial spirit and share in our values can thrive. Our culture is grounded in caring, serving, and loving well. We encourage team members to pursue new professional challenges and to bring their best, authentic selves to work and to their communities.

Our commitment to our mission of impacting lives extends far beyond banking. In 2025, our team contributed more than 2,650 volunteer hours to nonprofit organizations and we invested over \$651K in philanthropic and community initiatives. We are also proud to support our nonprofit partners by opening our doors and providing use of our meeting spaces, representing over 227 hours or \$50K in additional in-kind contributions.



We continue to prioritize sustainability through our use of digital banking services, purchasing standards, and recycling efforts in both client and team member experiences.

It is a true honor when individuals, families, and businesses choose Southern First. We are passionate about building lasting relationships that create meaningful value and look forward to caring for and serving more clients in 2026 and beyond.

**R. Arthur Seaver, Jr.**  
Chief Executive Officer

## By The Numbers

**\$30.4MM** NET INCOME

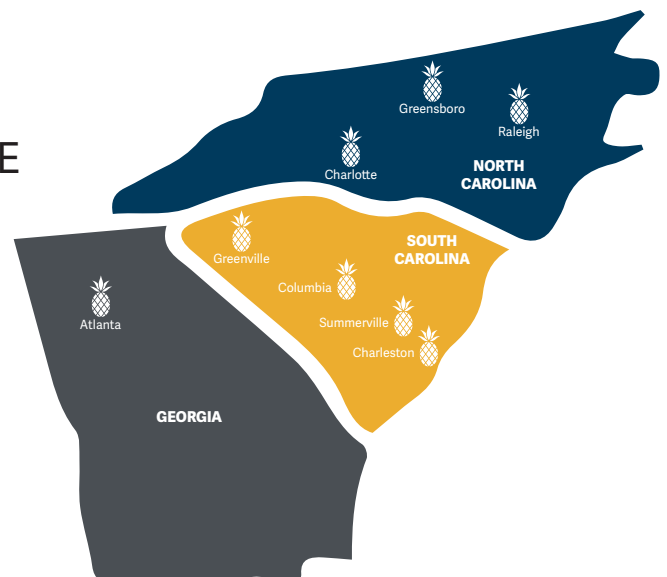
**\$44.89** BOOK VALUE PER SHARE

**\$213MM** YOY LOAN GROWTH

**318** ASSOCIATES

**13** LOCATIONS

**8** MARKETS





# Governance

## Our Philosophy



### Our Mission

Our mission is to impact lives in the communities we serve.



### Our Purpose

We exist to enable dreams, earn trust, and exceed expectations.



### Our Culture

We focus on what matters most: family, community, and teamwork.

## Strategy and Principled Governance

Southern First’s mission, purpose, and culture are the foundation of the Company’s strategy and decision-making. Our corporate philosophy is essential in our ability to serve our clients, communities, employees, and shareholders. Our Board of Directors plays an active role in the oversight and guidance of the executive management team and our strategy.

## Board Level - Governing Bodies

### Board of Directors

We believe governance of the Company and our corporate sustainability strategies start at the top with our Board of Directors. The Board is committed to long-term sustainability and value creation for our clients and shareholders while promoting responsible business practices and adherence to Southern First policies and standards.

### Board Member Highlights

- 13% are ethnically diverse
- 25% are female
- 16 year average tenure
- 94% are independent
- 99% attendance at meetings

### Audit Committee

The Audit Committee of the Board is responsible for oversight of the audit function, financial reporting, and management succession planning. In addition, the Audit committee reviews the audit plans and results, including those focused on cyber security and client privacy.

### Risk Committee

The Risk Committee of the Board is responsible for overseeing the Company’s risk management function, consistent with its strategy and risk appetite, including oversight of its policies and infrastructure for monitoring various risk categories, including Corporate Sustainability related risks.

### Compensation Committee

The Compensation Committee of the Board is responsible for ensuring that compensation programs are designed to reward executive officers for the achievement of strategic and operational goals and the achievement of increased shareholder value, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking. Toward that end, the Committee is responsible for reviewing and approving all compensation to executive officers.

### Nominating & Corporate Governance Committee

The Nominating & Corporate Governance Committee of the Board is responsible for direct oversight of Corporate Sustainability. Our committee charter underscores the committee’s leadership role in Corporate Sustainability related initiatives, policies, and strategy.

## Management Level - Governing Bodies

### Asset Liability Committee (“ALCO”)

ALCO is responsible for managing the Company’s assets and liabilities to ensure financial stability, liquidity, and risk management. The Committee meets quarterly to monitor and review exposure to interest rate fluctuations, asset and liability components, and capital adequacy. The committee is comprised of members of executive management and shares insights with the Risk Committee of the Board.

### Credit Approval and Support Team (“CAST”)

CAST is responsible for oversight of the Company’s credit function, including setting overall credit policy and processes. CAST meets weekly to discuss items related to the credit portfolio of the Company and decision loans to borrowers with large credit exposures. The committee is comprised of members of executive and credit management.

### Executive Project Technology and Risk Committee (“EPTRC”)

EPTRC is responsible for oversight of the Company’s Enterprise Risk Management. The Committee meets monthly to monitor and review emerging and current risks to the Company, including those related to Corporate Sustainability. The committee is comprised of executive and business line management and shares insights with the Risk Committee of the Board.

### Fair Lending and Community Reinvestment Act Strategy Committee (“FLCRA”)

FLCRA is responsible for setting and overseeing the effective execution of the Company’s Fair Lending and Community Reinvestment strategies. The Committee meets quarterly to review lending performance, donations, services, and investments, and deploys strategies to ensure we are serving the needs of everyone in our community. The committee is comprised of executive management, risk management, and business line management and shares insights with the Audit Committee of the Board.

## Stakeholder Engagement

With a commitment to transparency, we engage our stakeholders through an open communication process to seek out viewpoints on strategies and opportunities. Below are methods we use to engage our stakeholders:

<b>Shareholders</b> <ul style="list-style-type: none"><li>• Board presentations from shareholders</li><li>• Sell-side sponsored conferences</li><li>• Roadshows</li><li>• Annual shareholder meeting</li><li>• Virtual and in-person meetings</li><li>• Outreach calls</li></ul>	<b>Clients</b> <ul style="list-style-type: none"><li>• Personal banking relationships</li><li>• Digital banking channel</li><li>• Social media</li><li>• Meetings with Board off-site</li><li>• Selected quarterly client events</li><li>• Open and inclusive environment</li></ul>
<b>Employees</b> <ul style="list-style-type: none"><li>• Intranet Site</li><li>• Internal Social Media Site</li><li>• Monthly open discussion meetings with managers and team members</li><li>• Company-wide meetings led by our CEO</li><li>• Charitable giving campaigns</li><li>• Meetings with Board off-site</li></ul>	<b>Regulators and Related Agencies</b> <ul style="list-style-type: none"><li>• Management meetings and briefings</li><li>• Management and committee reports</li><li>• Targeted exams</li><li>• Responding to proposed rules through the comment making process</li><li>• Participation in events hosted or led by regulators</li></ul>

## Ethical Behavior

We have designed rules to provide a safe, equitable, and productive environment for all concerned. Southern First has established written conduct guidelines to alleviate misunderstandings of conduct expectations, including the following:

- Ethics Policy
- Anti-Competitive Behavior Policy
- No Retaliation Policy
- Whistleblower Policy
- Anti-Bribery and Anti-Corruption Policy
- Compliance Management Policy and Program
- Fair Lending Policy and Program
- Community Reinvestment Act Policy and Program
- Privacy and Information Security Policy and Program



# People

## Our Culture

We believe that when we create an exceptional experience for our team members, they are, in turn, better equipped to serve our clients and help their communities thrive. We encourage our team to bring their authentic selves to work and treat others with respect, fostering an environment where individuals feel comfortable sharing openly, innovating boldly, and trusting one another. We intentionally create opportunities for fellowship and connection, grounded in our belief that relationships come first. Our core values of care, service, and love provide the foundation of support that drives our continued success.

## Our Values



**We care.**



**We serve.**



**We love.**

## Recruitment and Career Development

Southern First strives to recruit dedicated individuals with a competitive spirit who share our mission and values. We are able to identify these professionals through a mixture of online applications, team member referrals, community involvement, and engagement with local colleges, universities and HBCUs through attending career fairs and leading professional development workshops.

Orientation starts with a warm welcome featuring the authentic hospitality our bank is known for. Every new hire meets with the Executive team on their first day and is cared for throughout their onboarding and career journey, ensuring they feel supported, valued, and equipped to thrive from day one.



Once on board, we support those eager to excel through internal training, career coaching, and mentorship, as well as external opportunities including banker school, industry conferences, and local leadership programs. We pride ourselves on fostering individual career growth. As team members develop, we recognize their strengths and provide new challenges that encourage continued advancement. In 2025, 11% of our team members transitioned into new roles and/or received promotions.

Our strong family culture and focus on professional development contributed to a record-low turnover rate of 11% in 2025. We leave a lasting impression on those who have the opportunity to work with us and are especially proud that 17% of our 2025 hires were returning team members, including four alumni of our College Internship Program.

## College Internship Program

Each summer, Southern First welcomes a group of talented college students, providing them with meaningful professional experience and the opportunity to make a real impact.



In 2025, our 14 interns represented 10 different colleges and universities. Students served as Teller Interns across multiple markets, assisting clients with retail banking needs. At our Greenville HQ, interns also supported key departments including Accounting, Audit, BSA, Credit, Deposit Operations, HR, IT, Loan Operations, and Mortgage. Each intern has the unique opportunity to present a new initiative or process improvement idea to the Executive Team at the conclusion of the summer.

Beyond offering impactful experiences for future leaders, the program has also cultivated a strong talent pipeline, with a successful history of interns returning to Southern First in full-time roles after completing their education.

## Health & Well-Being

People are the essence of our organization, and we keep their individual health, safety, mental, physical, and social well-being in mind in all we do. We continue to evaluate and enhance health and well-being initiatives offered to our team members including:

- Employee Assistance Program (EAP) including 12 free counseling sessions per year available to all team members; 17% usage in 2025
- Promoting and enabling adequate rest through generous paid time off and paid holidays
- Paid leave available for births and caretakers
- Maintaining stable medical premium costs with minimum increases for team members
- \$750 contribution to team members with a Health Savings Account
- Security and emergency action training for all team members

Our team member-led Wellness Committee helps promote a healthy lifestyle amongst our team. Throughout the year, the committee organizes engaging initiatives such as step and hydration challenges that encourage healthy habits and friendly competition.



## Human Rights Statement

At Southern First, honoring and affirming protections for human rights is consistent with our mission of *impacting lives in the communities we serve* and core values of *care, service, and love*. This serves as our internal compass in ethical decision making and policies related to human rights, labor, environment, and anti-corruption efforts. We believe that all human beings are born free and equal in dignity and rights. As such, we have developed a Human Rights Statement outlining our commitment to human rights initiatives.

# Environment

## Our Approach

We are committed to building a better environment through sustainability initiatives and strive to be positive environmental stewards by practicing responsible consumption and production.

## Energy and Emissions

Our standards for construction and renovation of our offices focus on energy efficiency, water conservation, and adoption of other sustainable and green building practices. We use LED lighting and automatic shut off settings in our office locations.

## Use of Digital Offerings

To further reduce our energy and emissions impact on the environment, we prioritize educating our clients on digital banking services to ensure a seamless online experience for clients, while also reducing paper usage, emissions, and our carbon footprint. As a result of using e-signature technology and eliminating the creation of paper documents, Southern First's environmental savings included:



**51,131**

**pounds carbon emissions**



**243,075**

**gallons of water**



**21,783**

**pounds of wood**



**3,539**

**pounds of waste**

The promotion of technology, in lieu of paper, extends to our associates. We have eliminated the majority of desktop printers and deployed a shared printer approach. If paper is produced in our daily operations, we use shredding and recycling for disposal, resulting in the saving of 594 trees in 2025.

## Responsible Consumption & Production

To lesson our impact on the environment, we encourage the use of re-usable items and routinely evaluate our purchasing standards, aiming to buy sustainable products. Examples of our sustainable product purchases in 2025 include:

- Compostable coffee pods produced using 100% green energy and packaged in recyclable material
- Compostable paper plates and bowls sourced from a certified managed forest
- Paper cups made from plant-based material
- Silverware made from 70% renewable resources

In an effort to reduce waste, each of our locations include filtered water devices to discourage bottled water usage. At our headquarters alone, use of the devices resulted in the reduction of 38,118 water bottles from landfills in 2025.

We also reuse and recycle equipment and furniture through various means. On an annual basis, we recycle e-waste including workstation computers, laptops, monitors, shredders, printers, and other appliances that require electricity to operate. In 2025, Southern First recycled 2,283 pounds of e-waste.



# Community

WE JUST HELPED BUILD A HOUSE!

## Our Approach

We encourage our associates to actively support our community by volunteering their time, contributing monetarily, and utilizing our banking services and financial expertise to empower our community members. We also vow to keep our client's information safe and secure through proper privacy measures and safeguards.

## Investments in the Community

To support our mission of impacting lives, we invest in the community through various means, including monetary donations and sponsorships, direct investments, community outreach, and volunteer efforts.

## Monetary Donations & Sponsorship Highlights

- \$651K** Philanthropic & Community Gifts
- \$323K** Donations & Sponsorships to Support Low to Moderate Income Individuals
- \$104K** Events & Sponsorships within Minority Communities

## Investment Highlights

- \$17MM** Affordable Housing Initiatives
- \$2MM** Economic Development Initiatives
- \$275K** Community Service Initiatives
- \$7MM** Revitalization Initiatives within Low to Moderate Income, Distressed, or Underserved Areas

Investments have been made in Community Development Corporations, Small Business Investment Companies, Community Development Financial Institutions, minority-owned financial institutions and affordable housing funds within our local communities. In addition to direct investments, the bank originated \$148MM in loans with a purpose of Community Development in 2025. This includes loans to create affordable housing, loans to organizations serving the low-to-moderate income community, loans with a purpose of attracting or retaining businesses in low-to-moderate income areas, and loans used to revitalize and redevelop underserved geographies or opportunity zones.



## Community Outreach

We have a purpose-led initiative to invest additional resources into minority communities in an effort to promote economic empowerment and home ownership. Our Director of Community Partnerships leads outreach initiatives including building relationships with people of influence in minority communities and realtors who serve these areas, participating in and sponsoring events in these communities, and working with partner nonprofits to provide financial and home ownership education. In 2025, our associates recorded the completion of 359 outreach activities within the minority communities we serve. The Company also donates the use of meeting space to nonprofits, totaling over 227 hours or over \$50K of in-kind donations. Additionally, we run strategic advertising campaigns throughout the year targeting potential home buyers with placements across digital and print mediums to promote our lending products.



## Volunteer Efforts

Our Board members and employees conducted over 2,650 hours of volunteering with nonprofits throughout 2025. They provided financial expertise in a Board or Advisory Committee capacity for 68 different nonprofits within our markets and taught 323 hours of financial literacy courses to educate individuals from elementary school age to adults. Additionally, the Company allocated “paid time off” hours for associates to volunteer during typical work hours. Associates give freely of their time and energy, and paid time off to complete these efforts is a small way to make it easier for team members to give back and to show it is noticed and appreciated.



## Products

Our core values center around relationship banking, “client first” service, and impacting lives. We are committed to offering products that positively impact our clients and our communities. In addition to our traditional banking products, we offer loan programs to meet all community needs, including:

### Government Loans

#### Federal Housing Administration Loans (“FHA”)

FHA loans provide affordable home ownership opportunities to low and moderate income families.

#### Veterans Administration Loans (“VA”)

VA loans provide affordable home ownership opportunities to low and moderate income veterans.

#### United States Department of Agriculture (“USDA”)

USDA loans provide affordable home ownership opportunities to low and moderate income borrowers, offering 100% financing with reduced mortgage insurance premiums and below market rates.

### **Habitat for Humanity Loan Program**

In partnership with Habitat for Humanity, we offer a low interest loan to borrowers who qualify for the Habitat program. The program includes sweat equity, education classes, budgeting, and personal finance education.

### **Down Payment Assistance Programs**

We participate with various partners and local non-profits to offer affordable housing assistance to first time and non-first time homebuyers, including down payment and closing costs assistance.

### **SBA 504 Loan Program**

The Company participates in the SBA 504 Loan Program to provide long-term, fixed rate financing up to \$5 million for major fixed assets that promote business growth and job creation within our communities.

### **NC Rural Center Program**

We participate in the North Carolina Rural Center Loan Program, a uniquely tailored small-business lending program that provides access to capital and promotes small business growth.

### **State Small Business Credit Initiative (SSBCI)**

The SSBCI loan participation program enables small businesses in SC to obtain short and long-term financing to help them grow and expand, ultimately creating and retaining jobs in SC. By partnering with financial institutions, the Business Development Corporation ("BDC") is able to provide small business loans at competitive terms while reducing the risk for the lender and allowing borrowers to receive financing with terms that otherwise may not have been available.

### **Special Purpose Credit Program - Dream Mortgage**

The Company offers a special purpose credit program called the Dream Mortgage Program. The Program is designed to expand access to credit for residents of high minority, majority minority, majority Black, and low-and moderate-income census tracts. The product provides the opportunity for 100% financing, allows for a higher debt-to-income ratio, lower credit score, and allows applicants to use rental history in lieu of trade lines from a credit report. In 2025, we impacted 64 families with Dream Mortgage loans for a total of \$23MM.

### **Digital Innovations**

We believe innovation and technology improvements make it easier for all Americans to access financial services. As such, our Chief Innovation Officer manages the innovation process within the Company. The Chief Innovation Officer is responsible for identifying strategies, business opportunities and new technologies, and for the development of new architectures to serve those opportunities.

### **Protecting Client Information**

To protect the personal information of our clients from unauthorized access and use, we use security measures that comply with Federal and state laws. Southern First has a designated Information Security Officer to oversee the privacy of client information through the execution of our Information Security Program. The Company undergoes extensive third-party audits and internal monitoring to evaluate the design and operating effectiveness of our information security practices, including oversight functions, the management and controlling of IT related risks, and protecting client privacy. To stay abreast of privacy industry topics and trends the Company receives publications, e-newsletters, resources, and educational materials through its membership with the International Association of Privacy Professionals.