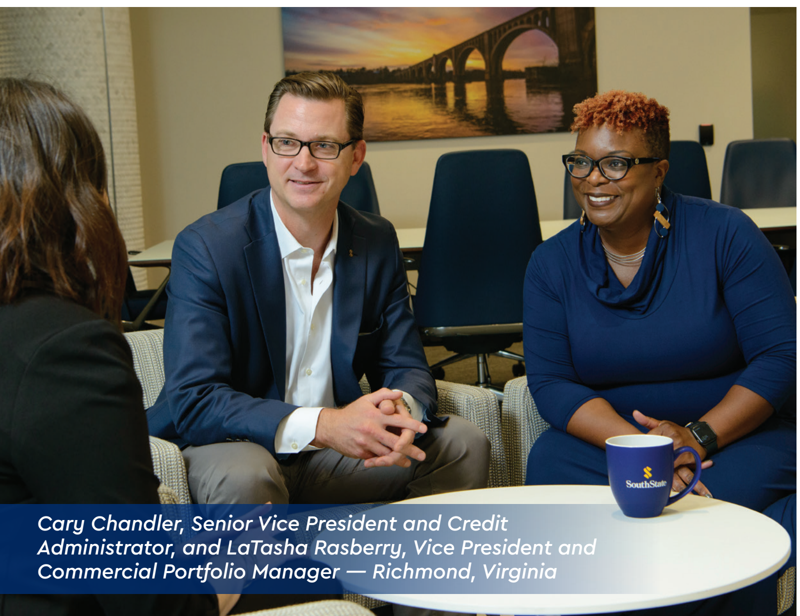
2023 Letter to Shareholders

SouthState Corporation

Dear fellow SouthState shareholders:

We will look back on 2023 as the "end of an era" of extreme monetary policy dating back to the global financial crisis. It was the culmination of a prolonged period of zero percent interest rates that penalized savers and distorted incentives. And because money was free and plentiful, the banking industry prioritized loan generation over stable and granular deposit funding. It is easy to see why — the global financial crisis occurred 15 years ago. Many felt that zero percent interest rates and quantitative easing were structural and permanent. However, in hindsight, the final layer of COVID stimulus acted as a temporary drug that was still working its way through the financial system. When the Federal Reserve removed the punch bowl in 2022 and swiftly increased interest rates, a handful of banks were caught off guard. A run on the banking system ensued in March, which culminated in the second, third, and fourth largest bank failures in United States history. Unlike the Great Recession of 2008, when banks failed because of speculative loan concentrations, the isolated failures of 2023 were the result of business models characterized by unstable deposit funding.

As an investor in SouthState, you understand the long-term value of a bank is on the right side of the balance sheet. During the tumultuous spring, SouthState served as a safe haven and a port in the storm. Banking analysts pivoted their focus to the stability of deposits and adequacy of capital at mid-size banks. With a focus on the long-term horizon and a conservative bias, SouthState proved to have one of the country's most granular and stable deposit franchises with an average account size of only $24,000 and a fortress capital base.



Cary Chandler, Senior Vice President and Credit Administrator, and LaTasha Rasberry, Vice President and Commercial Portfolio Manager — Richmond, Virginia

The stability of SouthState's deposits translated to a more resilient net interest margin. And that relative earnings advantage resulted in an increase in SouthState's share price of 11% in 2023, which outperformed the regional bank index by 15%.

Asset quality remained solid with only 8 basis points of net charge offs. Provision for credit losses, including reserve for unfunded commitments, resulted in a reserve build to 1.58%, up 18 basis points during the year. Most economists remain optimistic that this rate tightening cycle will end in a soft landing, but many risks remain. We have never experienced a sustained period of quantitative tightening following a rapid rise in rates. It is prudent to assume the lag affects are still working their way through the economy. With this uncertainty, the reserve build in 2023 should mitigate the impact to future earnings if the soft-landing narrative does not materialize.

Very few industries have experienced disruption comparable to the banking industry in the last 20 years. From the global financial crisis, zero percent interest rate policy, increased regulation, consolidation, and the rise of digital banking, turmoil has been the norm. It has been said if the rate of change inside an organization is less than the rate of change outside the organization, the end is near. As the SouthState team thinks about the change necessary to thrive in coming years, we envision a future built on three pillars.

1. First, we will be a high-growth company in high-growth markets. It is a "shoot where the ducks are flying" strategy. Similar to the real estate business where it is all about "location, location, location," geography matters in the banking business.

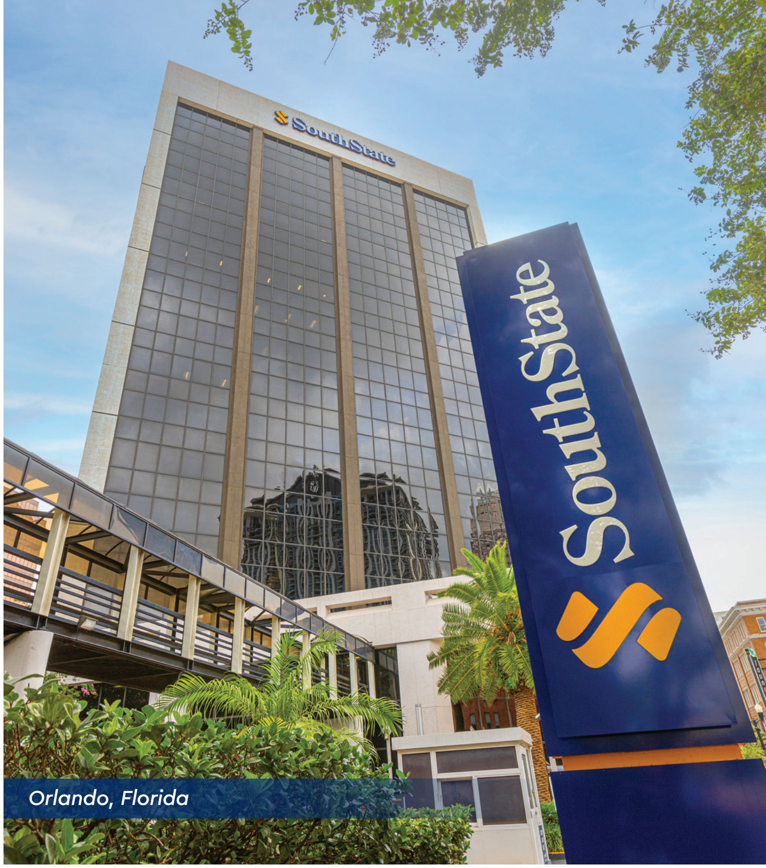
   Since COVID, domestic migration has accelerated to the South. According to the Census Bureau, 87% of the nation's population growth last year occurred in the southern states. Within SouthState's footprint, Florida, North Carolina, Georgia, and South Carolina ranked in the top five fastest growing states. Since the pandemic, Florida experienced the highest population growth in the nation. Our aspiration is to organically grow everything good in the bank by a compounded annual rate of 10% through a cycle, and that task is easier with the population growth in our markets.

In addition to organic growth, we continue to be presented with attractive acquisition opportunities. With a new regulatory line-in-the-sand of $100 billion in assets, SouthState finds itself in the sweet spot. We have room to grow both organically and inorganically for several years without the extra regulatory burden required of larger regional banks.

2 Second, we will cultivate a business model that is different from the largest banks. I have often heard SouthState bankers refer to themselves as "Big Bank Refugees." They were trained at a big bank, grew a book of business at a big bank, but eventually became disenchanted with the bureaucracy at the big banks. At SouthState, they found a home that prioritizes the entrepreneurial spirit where the best ideas come from the bankers who are closest to the customer. Our regional presidents manage their own balance sheets and income statements. Incentives are based on their regions' pre-provision net revenue (PPNR) less charge offs, the same as the executive team. This creates alignment and fosters a "freedom within a framework" mentality. Each regional president can customize their "go-to-market" strategy based on the unique characteristics of their particular market. We recognize that the needs of our clients in Okeechobee, Florida are different than the needs of our clients in Charlotte, North Carolina.

This structure and incentive system allows decision making, such as deposit exception authority, to be made by the banker that is closest to the client. It also results in higher employee engagement. In 2023, SouthState employee engagement scores ranked in the top quartile of the banking industry.

3 The third pillar is for SouthState to be a "leadership academy masquerading as a bank." Too many companies are built around the charismatic personality of a founder and never take the time to cultivate a sustainable and talented pipeline of succession. At SouthState, it is a priority. We have invested in leadership development programs, including summer internships, management associate programs, and senior management development programs. It is a long-term investment that provides career progression



Orlando, Florida

and management succession. Over my career, I have been blessed to work alongside smart, talented, passionate, hardworking, and ethical men and women. Their dedication, competitive drive, and personal development are the key to the continued outperformance of our stock in the years ahead.

As challenging as the COVID-era has been, we believe the foundation is now in place for sustainable outperformance for the banking sector and particularly for SouthState. A more normal yield curve, the reversal of interest rate marks driving tangible book value higher, high-growth markets, and an engaged team are the ingredients for a bright and prosperous future ahead.

As always, we continue to be grateful for the support of our owners. We thank you for your trust, for your confidence, and for your investment in SouthState.

John C. Corbett
Chief Executive Officer

SouthState Corporation

Please read the following disclosure along with the annual shareholder letter.

SouthStateBank.com

Forward Looking Statement: This Report contains certain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements may address issues that involve significant risks and uncertainties. Although we believe that the expectations reflected in this discussion are reasonable, actual results may be materially different. Please refer to the Company's Annual Report on Form 10-K for the year-ended December 31, 2023 ("Form 10-K"), for a thorough description of the types of risks and uncertainties that may affect management's forward-looking statements.