



2020 Annual Review

RISING *to the* CHALLENGE





Rising to the Challenge

2020 was a year of unprecedented challenges and change in the world. But Cadence Bancorporation rose to the occasion, entering the pandemic from a position of strength and becoming even stronger in 2020. Our three financial pillars—solid core earnings, very strong capital base and ample loan loss reserves—were stable or bolstered throughout the year. We pivoted quickly as the pandemic began and served our clients well by originating \$1.1 billion of Paycheck Protection Program (PPP) loans. At the same time, we leveraged our existing investments in technology to help our customers interact with us in broader ways. Our focus has always been on meeting the needs of our customers.

Never has that been demonstrated more than during this past year.

\$18.7B

TOTAL ASSETS

\$542.5M⁽¹⁾

ADJUSTED PRE-TAX,
PRE-PROVISION NET REVENUE

10.9%

Tier 1 Leverage

CAPITAL RATIOS

14.0%

Tier 1 Risk-Based
Capital

16.7%

Total Risk-Based
Capital

⁽¹⁾ Non-GAAP financial measure. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2020 for additional information and a reconciliation of these metrics to the comparable GAAP financial measure.

LETTER *from the* CHAIRMAN & CEO

To Our Shareholders, Clients and Community:

This was a year like no other we have experienced in our lifetimes, presenting challenges of a nature and on a scale that were unimaginable at the end of 2019. Yet I am proud to say that throughout the uncertainty, volatility and disturbance that characterized 2020, Cadence Bancorporation rose to the occasion. By living our values, we have emerged from this crisis a more unified, capable institution.

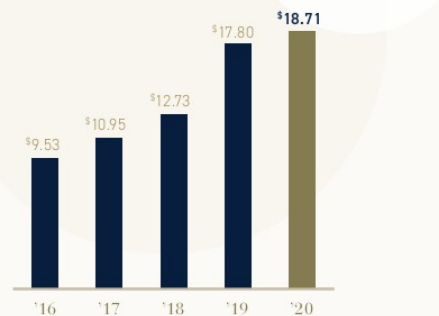
“Cadence bankers’ ability to rise to the challenge in 2020 allowed us to address our customers’ immediate challenges in terms of their long-term prospects.”

PAUL B. MURPHY, JR.
Chairman and Chief Executive Officer

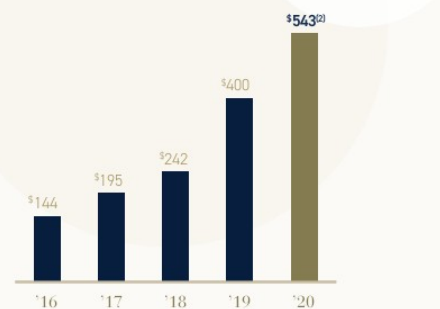


P. 1

TOTAL ASSETS (Dollars in billions)



ADJUSTED PRE-TAX PRE-PROVISION REVENUE⁽¹⁾ (Dollars in millions)



Demonstrating Resiliency in Extraordinary Times

Last spring, the shutdown of the economy in the wake of the COVID-19 pandemic made unprecedented demands on our associates. They responded with grace and determination. Although the emergency was unforeseen, Cadence was well-prepared. We activated our business continuity plan and within days, we seamlessly transitioned more than half our employees to working from home.

For this smooth response, we are indebted to our Technology team, who worked closely with our lines of business to ensure that associates had the resources they needed to remain productive. But recognizing that even staying at home would not completely protect our employees and their loved ones from exposure to COVID-19, we created an emergency sick leave policy that provides additional paid time off for COVID-19-related illness, quarantine, childcare and senior care.

At the same time, we published detailed healthy workplace guidelines to safeguard those working in our branches and staffing our offices. For instance, in our branches, we enforced mask-wearing and social distancing and installed protective acrylic screens to ensure our bankers could safely interact with each other as well as customers who requested in-person appointments.

By the end of March, in less than two weeks, we had fundamentally reconfigured our operations and had done so without materially impacting the services we provide. We then confronted our next challenge—processing thousands of Paycheck Protection Program (PPP) loan applications authorized under the Coronavirus Aid, Relief and Economic Security (CARES) Act and administered by the Small Business Administration (SBA).

We began processing applications on April 2, and we very quickly mobilized almost 25% of our workforce—more than 400 employees—to support this effort. Many of our bankers worked late into the evening and over weekends, doing everything possible to ensure our clients received the funding to which they were entitled.

To manage the sudden onslaught of applications, we partnered with our SBA loan processing vendor to modify an existing portal to accept PPP applications online. At the same time, our Technology team built a second portal to serve our more complex clients as well as those like nonprofits that normally would not qualify for SBA loans.

The ride may have been bumpy at times, but we landed successfully. Through two rounds of PPP funding, we secured \$1.1 billion in loans for approximately 4,350 customers. That is the equivalent of 14 years of normal Cadence SBA volume in less than two months. Nearly two-thirds of these loans were for \$150,000 or less, ensuring funding to the most at-risk businesses and helping boost local economies.

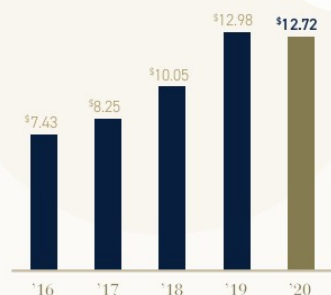
Becoming More Diverse, Equitable and Inclusive

This spring, the deaths of Breonna Taylor and George Floyd led to protests that galvanized organizations across the nation to reconsider their efforts to promote diversity, equity and inclusion (DEI). At Cadence, we had already made a substantial commitment to these principles — there are currently three women, two of whom are African American, on our board, and three women on our 10-member executive management team. We also established a DEI Advisory Council. We recognized, however, that realizing these ideals means more than putting in place a series of programs.

⁽¹⁾ Non-GAAP financial measure. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2020 for additional information and a reconciliation of these metrics to the comparable GAAP financial measure.

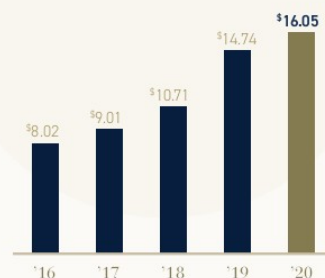
⁽²⁾ 4Q20 includes \$169.2 million in hedge gain acceleration in noninterest revenue as a result of a partial hedge ineffectiveness determination.

TOTAL LOANS (Dollars in billions)



-2%
Change year-over-year
2019–2020

TOTAL DEPOSITS (Dollars in billions)



9%
Growth year-over-year
2019–2020

We created the position of chief diversity officer — and recruited veteran banker Myra Caldwell from within Cadence to accelerate our DEI initiatives. To provide a framework for change, she has embarked on a thorough stakeholder and organizational assessment with the goal of introducing a comprehensive DEI strategy in 2021. In the meantime, the DEI Advisory Council, composed of deeply committed volunteer associates, has identified a series of steps that Cadence can act on immediately to move us forward.

These steps include building closer relationships with the historically Black colleges and universities (HBCUs) to secure and expand our pipeline of diverse talent; doubling our spending with diverse vendors by the end of 2021; creating a vibrant DEI intranet site that includes an eclectic variety of resources to help associates deepen their understanding of DEI; and issuing a new extended sick leave policy that, among other features, provides new mothers with up to eight weeks of paid leave.

The DEI Advisory Council also explored ways Cadence can promote change by supporting economic and social justice initiatives. At its recommendation, Cadence has made substantial donations to the Alabama-based Equal Justice Initiative and to the Houston Area Urban League to fund its Center for Social Justice and Education.

Navigating Successfully Through Uncertainty

In short, 2020 was a year in which responding to external events occupied—and rightly so—a more than usual portion of our time and attention. But it was also a year in which our focus on our financial performance never wavered. Indeed, our results validate our long-standing commitment to prudent financial management and confirm the wisdom of many steps taken in recent years that have steadily strengthened our balance sheet.

In the face of considerable uncertainty, we managed our capital position carefully throughout 2020. For instance, we reduced our dividend in the second quarter but gradually increased it over the year as the economy improved. We also set aside meaningful reserves for loan losses, equivalent to nearly 3% of total loans. Notwithstanding, our capital ratios are excellent and place us in the top quartile among our peers.

At the same time, we have steadily derisked our loan portfolio. For instance, we have significantly decreased the percentage of energy lending in our portfolio and focused the majority of our holdings in midstream businesses. We have taken a similar approach to our restaurant holdings, reducing their size and placing our emphasis on the quick-serve segment, which has held up well during the pandemic. Although loan growth overall has been muted this year, we have seen a resurgence in commercial real estate, especially in segments like industrial warehouse space.

Another high point this year has been our liquidity. We have seen strong deposit growth, as small businesses deposited their PPP checks and larger companies delayed capital expenditures. Simultaneously, we have lowered the cost of these deposits dramatically, in line with the decline in Federal Funds rates. Our interest income was boosted by our decision to terminate our \$4.0 billion notional interest rate collar, realizing a total gain of \$261.2 million, amortized into revenue primarily in 2020.

Our adjusted net income this year was \$206.7⁽¹⁾ million, or \$1.64⁽¹⁾ per adjusted diluted earnings per share, compared to \$223.1⁽¹⁾ million and \$1.72⁽¹⁾ per adjusted diluted earnings per share in 2019. Our adjusted pre-tax pre-provision net revenue, reflecting our company's core fundamental financial performance, continued to be resilient. It totaled \$542.5⁽¹⁾ million, up 36%⁽²⁾ from the prior year. As the economy improves, Cadence will be well-positioned for growth in some of the most attractive markets in the United States.

⁽¹⁾ Non-GAAP financial measure. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2020 for additional information and a reconciliation of these metrics to the comparable GAAP financial measure.

⁽²⁾ 4Q20 includes \$169.2 million in hedge gain acceleration in noninterest revenue as a result of a partial hedge ineffectiveness determination.



“We are also fortunate in the quality of our associates, who went above and beyond to ensure the integration to doing business amid COVID-19 progressed as smoothly as possible and that the bank rests on a stable, secure financial foundation.”

\$18.7B

TOTAL ASSETS

Continuing to Innovate and Improve

Another sign of Cadence's strength was our ability this year to continue introducing new products for our clients while streamlining our operations and adjusting to new accounting standards. Many of our innovations this year proved especially valuable to retail customers who were reluctant to come to our branches amid the pandemic. These include digital client advisors, reachable by text, email, phone or videoconference, who can help customers with such issues as applying for a loan or setting up a new account. We are also expanding our network of Cadence LIVE Teller Interactive Teller Machines, which provide a digital connection to a teller in our Operations Center along with extended banking hours. We completed the year by adding Zelle®, the standard for person-to-person payments, to our suite of digital services.

For our commercial customers, we introduced a more comprehensive digital payments module allowing them greater control over their ACH and wire payments. We also introduced electronic invoice presentment and payment (EIPP), which enables clients to present invoices to their customers and trading partners electronically through a secure web portal.

Our resilience in the face of this year's events underscores the value of our longstanding commitment to continuous improvement. In 2020, we identified new ways to pursue forward-looking change. For instance, we launched the Cadence Leadership Development Program, which will ensure that we have reserves of leadership skill at every level of the organization. We also implemented the Current Expected Credit Loss (CECL) standard, perhaps the most far-reaching accounting change in decades. And we realigned our middle-market asset-based lending group with the regional focus of the bank and reintroduced it to the market as Cadence Business Finance.

We Give Thanks to Our Cadence Community

Cadence Bank's performance this year reaffirms the old adage: Tough times don't last; tough people do. In fact, the events of this year have drawn us even closer together and made us even tougher. We enter 2021 as a stronger, more unified institution with an expanded product base and a more cohesive culture. Cadence has truly risen to the challenge.

For this we have many groups to thank. We are fortunate in our Board of Directors, who exerted a steady hand throughout the year while ensuring we always kept the long-term prospects of the bank firmly in mind. We would also like to thank our shareholders, who continued to believe in us, and our customers, who readily adapted to the COVID-19-related changes in our services.

But most of all, I would like to thank our associates, who exemplified grace under pressure and who went to extraordinary lengths to ensure our customers always had the products, services and solutions they needed. Together, we navigated uncharted territory in 2020 and safely reached our destination, ready and eager for 2021.

PAUL B. MURPHY, JR.

Chairman and Chief Executive Officer
Cadence Bancorporation

2020 Financial Performance

As of and for the Year Ended December 31,

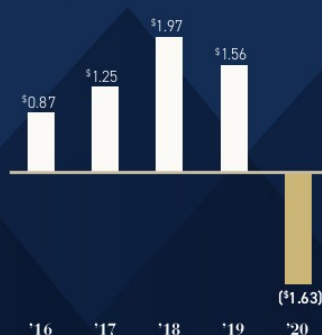
(In thousands, except per share data)	2020	2019	2018	2017	2016
STATEMENT OF OPERATIONS DATA:					
Net [loss] income	\$ [205,527]	\$ 201,958	\$ 166,261	\$ 102,353	\$ 65,774
Net interest income	618,966	651,173	387,741	326,216	279,439
Noninterest income ⁽²⁾	307,355	130,925	87,008	90,052	81,976
Noninterest expense ⁽³⁾	826,464	408,770	258,301	233,356	220,180
Provision for credit losses	278,048	111,027	12,700	9,735	49,348
Adjusted efficiency ratio ⁽¹⁾	41.04%	48.64%	49.56%	54.12%	60.41%
PER SHARE DATA:					
Earnings (loss)					
Basic	\$ (1.63)	\$ 1.56	\$ 1.99	\$ 1.26	\$ 0.88
Diluted	(1.63)	1.56	1.97	1.25	0.87
Book value per common share	16.84	19.29	17.43	16.25	14.41
Tangible book value ⁽¹⁾	15.83	14.65	13.62	12.33	9.97
Cash dividends declared	0.350	0.700	0.550	—	—
Dividend payout ratio	(21.47%)	44.87%	27.64%	—%	—%
PERFORMANCE RATIOS:					
Return on average common equity	(9.46%)	8.51%	12.07%	8.16%	6.01%
Return on average tangible common equity ⁽¹⁾	11.63	12.40	15.93	11.40	9.23
Return on average assets	(1.13)	1.14	1.45	1.02	0.71
PERIOD-END BALANCE SHEET DATA:					
Investment securities, available-for-sale	\$ 3,332,168	\$ 2,368,592	\$ 1,187,252	\$ 1,257,063	\$ 1,133,780
Total loans, net of unearned income	12,719,129	12,983,655	10,053,923	8,253,427	7,432,711
Allowance for credit losses ("ACL")	367,160	119,643	94,378	87,576	82,268
Total assets	18,712,567	17,800,229	12,730,285	10,948,926	9,530,888
Total deposits	16,052,245	14,742,794	10,708,689	9,011,515	8,016,749
Total shareholders' equity	2,121,102	2,460,846	1,438,274	1,359,056	1,080,498
CAPITAL RATIOS:					
Total shareholders' equity to assets	11.3%	13.8%	11.3%	12.4%	11.3%
Tangible common equity to tangible assets ⁽¹⁾	10.7	10.9	9.1	9.7	8.1
Common equity tier 1 (CET1)	14.0	11.5	9.8	10.6	8.8
Tier 1 leverage capital	10.9	10.3	10.1	10.7	8.9
Tier 1 risk-based capital	14.0	11.5	10.1	10.9	9.2
Total risk-based capital	16.7	13.7	11.8	12.8	11.2
Adjusted net income ⁽¹⁾	\$ 206,707	\$ 223,129	\$ 174,848	\$ 123,318	\$ 63,570
Adjusted diluted earnings per share ⁽¹⁾	1.64	1.72	2.07	1.51	0.84
Adjusted pre-tax, pre-provision net revenue ⁽¹⁾	542,541	400,255	241,813	195,053	144,164

⁽¹⁾ Considered a non-GAAP financial measure. See "Non-GAAP Financial Measures" for a reconciliation of our non-GAAP measures to the most directly comparable GAAP financial measure. Adjustments to adjusted net income in 2020 including Goodwill impairment of \$412.9 million and other net non-routine items (primarily securities gains and merger and COVID-19-related costs) totaling \$0.7 million. The fourth quarter 2020 accelerated hedge revenue is not included as an adjustment from GAAP earnings to arrive at the non-GAAP adjusted performance metrics presented herein due to the historical and continuing nature of hedge revenue in our earnings, and the revenue resulting from the partial ineffectiveness designation merely representing an acceleration of a portion of the fixed collar gain into earnings as compared to the original amortization expectation.

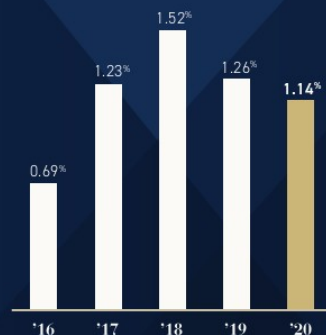
⁽²⁾ Includes accelerated hedge revenue of \$169.2 million, \$129.5 million after tax that was recognized in the fourth quarter of 2020.

⁽³⁾ Includes the non-cash goodwill impairment charge of \$443.7 million in noninterest expense, \$412.9 million after-tax that was recognized in the first quarter of 2020.

EARNINGS PER SHARE—DILUTED (Dollars)



ADJUSTED RETURN ON AVERAGE ASSETS⁽¹⁾



ADJUSTED EARNINGS PER SHARE—DILUTED⁽¹⁾ (Dollars)





PROVIDING A FINANCIAL LIFELINE to CUSTOMERS *and* COMMUNITIES

On March 27, 2020, Congress passed the Coronavirus Aid, Relief and Economic Security (CARES) Act to address the potentially catastrophic economic impacts of COVID-19. A critical component of the act was the Paycheck Protection Program (PPP), which set aside \$349 billion in financial assistance for small companies that were affected by the pandemic, their employees and, by extension, the communities in which they did business. It chose the Small Business Administration to oversee the program, which would rely on a voluntary network of banks and private lenders to process loan applications.

Millions of businesses across the country, struggling to survive as the economy shuttered, turned to the PPP in desperation, flooding banks nationwide with a rush of applications. At Cadence, we rose to the challenge.

Building New Teams and Technology on the Fly

The elements of that challenge soon became clear. Our goal was to start processing applications as soon as the U.S. Treasury and SBA provided final guidance on April 2. We knew that our 22-person SBA team would be dwarfed by the demand. In a matter of days,

we diverted hundreds of bankers from around the organization to process SBA loans, creating the procedures and organizational structures that enabled them to work closely together. At the peak of the crisis, almost 25% of our workforce—more than 400 employees—were processing PPP loans or supporting that effort.

We also realized that collecting and tracking the documentation required to complete the thousands of applications crossing our desks was going to be a daunting task. As a stop-gap, we worked with our SBA loan processing vendor to modify its platform to accept PPP applications. At the same time, our

Technology team built a second portal, launched in little more than a week, to serve our more complex clients as well as organizations like nonprofits that normally would not qualify for SBA loans.

Even with the additional resources and new technology, underwriters, branch managers and commercial bankers worked late nights, early mornings and weekends, doing everything possible to ensure our clients had the funding they needed to keep their doors open and pay their employees.

Through two rounds of PPP funding, we secured \$1.1 billion in loans for approximately 4,350 customers. Nearly two-thirds of these



“Thanks to Cadence, we got in early and were one of the first in Starkville to receive funding. There is no way we could have made it and kept all our employees without Cadence.”

ROBBIE COBLENTZ

Proof Bakery, Starkville, Mississippi

25%

OF CADENCE WORKFORCE
DEDICATED TO PPP

\$1.1B

OF PPP LOANS FUNDED

~4,350

TOTAL LOAN VOLUME

loans were for \$150,000 or less, ensuring funding to the most at-risk businesses and helping boost local economies. Altogether, we processed the equivalent of 14 years of normal Cadence SBA volume in less than two months. We are currently helping many of these same customers apply for PPP loan forgiveness.

Providing Breathing Room

The PPP loan program, though far-reaching, was not the only way Cadence helped lessen the financial burden of the pandemic on our customers. With the approval of our regulators, we granted \$1.9 billion in loan deferrals to retail, mortgage and commercial customers in the first round, helping them through the early days of the pandemic. We also carefully evaluated and initiated second-round requests as necessary. Currently, less than 1% of our total loans are in continuing deferral. We also waived late fees on credit cards and overdraft fees for our retail customers, suspended charge-offs of overdrawn accounts, and, on request, provided 90-day deferrals on small business and consumer loans and lines of credit.

At Cadence, one of our core company values is Do Right. The COVID-19 pandemic is just another instance of our taking this value to heart.

CADENCE PPP SUPPORT HELPS STARKVILLE BAKER WEATHER THE WORST OF THE CRISIS

In August 2019, when Robbie Coblentz opened Proof: A Bakery in Starkville, Mississippi, with the help of a Cadence loan, he could never have imagined the challenges he would face just six months later. “We were really hitting our stride coming into the first quarter of 2020,” Coblentz said. “Then COVID-19 happened.”

Coblentz was able to pivot quickly to an online ordering system that allowed for contactless carryout and curbside delivery, but the bakery still lost 35% of its sales. When Congress began negotiating the CARES Act, Coblentz reached out to his Cadence banker, who helped him apply for a PPP loan as soon as the program went live.

“Thanks to Cadence, we got in early and were one of the first in Starkville to receive funding,” Coblentz said. “There is no way we could have made it and kept all our employees without Cadence.”

MAINTAINING *the* PACE *of* INNOVATION

During the most tumultuous year in our history—while adjusting to working from home and mounting an extraordinary effort to provide PPP funds to all who needed it—Cadence associates continued to deploy a steady stream of innovative products and services for our customers and to make existing ones more readily available. Many of these new initiatives, although not specifically developed in response to the pandemic, proved particularly valuable this year because they take advantage of the digital technology.

Blending the Digital and the Personal

In 2020, we continued to develop our digital options for our retail customers. Our goal is to enable them to bank with us with the same ease and convenience whether they connect online through their computer or smartphone, in their cars at our drive-thrus, by phone to our Contact Center, or face-to-face in our branches.

A perfect example of our approach is the introduction this year of live digital client advisors (DCAs) as part of our Cadence Direct retail digital banking business. In essence, we are blending the physical and virtual by making it possible for customers to interact with a knowledgeable associate by text, email, phone or videoconference, however they choose. DCAs can help customers set up new accounts, apply for a loan and more. In the midst of a pandemic, this new service gained instant acceptance.

The need to reach a knowledgeable associate when access to branches was limited also underscored the value of our Cadence Live Teller Interactive Teller Machines (ITMs). They provide a video connection to a teller in our Operations Center, who can conduct more complex transactions than can be accomplished with a traditional ATM as well as assist with deposits, withdrawals, check cashing and account transfers. Another advantage of the ITMs is their extended hours: tellers are available 12 hours a day during the week and four hours on Saturday morning.

When the year began, ITMs could be found at a handful of locations. After the pandemic struck, ITM usage grew fourfold. As a result, Cadence has already begun expanding its network of ITMs to 59 by the end of 2021, increasing our coverage to approximately half of our branches.

There are situations, however, where customers would prefer a face-to-face conversation with a banker. In this case, the pandemic inspired a digital innovation—online appointment setting—a service that we will retain going forward. Customers can now request an appointment at a branch through our Cadence mobile banking app and from our online banking site. The service is also open to noncustomers, who can make their request through cadencebank.com. By the end of the year, we had accommodated more than 1,200 appointment requests.

We were also excited to add Zelle®, the standard for person-to-person payments, to our suite of digital services. The Zelle network connects financial institutions serving 140 million consumers, making it a fast, safe and easy replacement for cash or checks for such informal transactions as splitting a check or paying a babysitter.

Digitizing Payments and Receivables

This year, Cadence also took important steps in digitizing our treasury management services for our commercial customers, adding new levels of convenience, transparency and control to payables and receivables. Although planning for these projects began in 2019, they proved, like our retail initiatives, to be especially valuable during the pandemic.

In 2020, we introduced a new, more comprehensive digital payments module for our clients, enabling them to initiate, transfer, manage and monitor their ACH and wire payments more efficiently through a centralized platform. In addition to offering clients an integrated view of their online payment activity, the module allows them to initiate and approve payments through their mobile devices.

We also launched electronic invoice presentation and payment (EIPP), which enables our customers to present invoices to their clients and trading partners electronically through a secure web portal. Their clients can pay electronically via ACH or credit card, or pay by mail, making EIPP a great companion to traditional lockbox. Because electronic bills arrive instantaneously, EIPP shortens payment collection time, improving cash flow.



1,200+

BANKING APPOINTMENT
REQUESTS ACCOMMODATED
ONLINE



Our goal is to enable customers to bank with us with the same ease and convenience whether they connect online through their computer or smartphone, in their cars at our drive-thrus, by phone to our Contact Center, or face-to-face in our branches.

EIPP DEMONSTRATES ITS VALUE DURING THE PANDEMIC

Over the last few years, digital invoicing and payments have gained steadily in acceptance. The COVID-19 pandemic, however, greatly accelerated the process. With more and more people working from home, using the mail to send invoices and payments became increasingly difficult. Cadence Bank's new EIPP system proved to be the right product for this moment. Thanks to its substantial benefits—efficiency, control and ease of use—customers who adopt EIPP are not likely to return to traditional methods.

During the pandemic, however, EIPP has been adapted to some novel uses. For instance, when the COVID-19 cases in the Houston area spiked last spring, a large public health system serving a low-income

population received a flood of donor support. To make the process of accepting these donations safer and more manageable, Cadence helped the health system launch its own EIPP portal in just two weeks, shifting the flow of donations from paper to digital payments. We created a second EIPP portal to enable health system employees working remotely to make their health insurance payments online.

We also designed an EIPP system to help a Texas county better manage the emergency loan program it established for cash-strapped businesses. The issue was not processing applications and approving loans, as with the PPP program it was accepting and tracking payments. With its new EIPP system, county employees could stay on top of customer accounts even as they worked from home.

ENSURING *the* WELL-BEING of OUR ASSOCIATES

When the pandemic struck, safeguarding our employees' health was Cadence Bank's paramount concern. Thanks to our business continuity plan, we already had the systems and infrastructure in place to help our employees make a seamless transition from office to home. Our Technology group had stress-tested our virtual private network and had laptops at ready, configured for remote work. The Technology team followed up with each line of business to ensure their employees were outfitted with the equipment they needed.

Cadence has over 1,800 associates. By March 20, 2020, more than 50% were working at home and doing so efficiently. Shortly thereafter, we published extensive healthy workplace guidelines, based on the latest updates from the Centers for Disease Control, specifying precautions for those associates who continued to work from our offices and other facilities.

For instance, although we limited most customer access at our branches to drive-thrus, we installed protective acrylic screens, enforced mask wearing and social distancing, and implemented enhanced cleaning so that our bankers could safely interact with each other as well as customers who requested in-person appointments. Thanks to these precautions, Cadence Bank continued to deliver the banking services that are so vital to our customers without missing a beat.

Providing Peace of Mind

At the same time, we understood that working from home during a pandemic posed its own challenges. We created a COVID-19 emergency paid sick leave policy, providing up to 80 hours of additional emergency paid sick time for associates that could be used for COVID-19-related illness, quarantine, childcare and senior care.

We had also made a number of upgrades to our benefits plan that proved particularly valuable during the pandemic. We introduced telemedicine consultations, enabling employees and their families to secure routine healthcare without leaving home. As the pandemic continued, our improved employee assistance program was crucial in helping employees manage the stresses of balancing home, school and work. Finally, we had introduced a program to help employees with Type 2 diabetes gain better control of their blood sugar levels. In 2021, we are expanding the program to those who are prediabetic or obese, as defined by the CDC.

With a large percentage of our associates working remotely, frequent, transparent communication became more important than ever. We increased the frequency of our all-hands calls to ensure our employees felt connected and informed. Repurposing software created for our exit surveys, we repeatedly polled associates on such issues as whether they felt adequately supported working at home or whether workplace health guidelines were being followed. We also developed training for managers on leading a distributed team and formulated an official work from home policy, articulating expectations and responsibilities.

Sustaining Our Leadership

Our ability to rethink our working environment and rapidly redeploy our associates in the face of an immediate crisis speaks well of our flexibility as an organization and of the commitment and adaptability of our associates. Going forward, it is likely that such adaptations as work from home and video conferencing will play a more prominent role in our work arrangements.

At the same time, even in the midst of the pandemic, we pursued long-term goals. Last year, we began putting in place the elements to introduce the Cadence Leadership Development Program, selecting a learning management system and a three-part curriculum using the *MIT Sloan Management Review* model. With input from sponsors across the organization, we selected our first cohort for this 12-month program, which launched in mid-summer. Our goal is to ensure that Cadence has the skilled leaders it needs to sustain its growth far into the future.



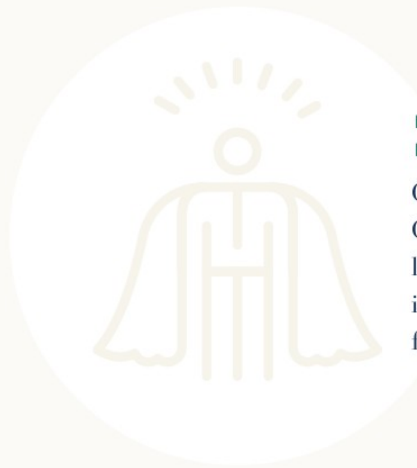
Cadence Bank continued to deliver the banking services that are so vital to our customers without missing a beat.

>50%

Were Successfully Working from Home by March 20

1,800+

CADENCE ASSOCIATES



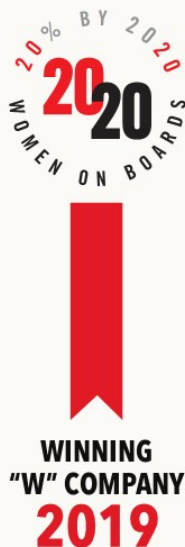
LEADERSHIP DEVELOPMENT PROGRAM

Our goal is to ensure that Cadence has the skilled leaders it needs to sustain its growth far into the future.



BECOMING *the* CHANGE WE SEEK

Cadence has long been an advocate for diversity, equity and inclusion. We have focused on increasing the representation of women and minorities in our company starting with our board—there are currently three women, two of whom are African American—and this spring established a Diversity, Equity and Inclusion (DEI) Advisory Council.



Cadence Bank is also a strong supporter of such organizations as the Houston Area Urban League and the Houston Hispanic Chamber of Commerce, where Paul Murphy, our chairman and CEO, will serve as the organization's first non-Hispanic board chairman. As further acknowledgement of our efforts, Cadence was named a 2020 Winning "W" company by the 2020 Women on Boards advocacy campaign for having women form at least 20% of our board of directors. We were cited as a "shining example of enlightened business leadership."

The outcry to the shocking murders of George Floyd, Breonna Taylor and others, however, motivated us to set our sights higher. We have embarked on a process that we believe will lead to transformational change and enable us to better realize our full potential as an organization.

One way we signaled this commitment was to create the position of chief diversity officer. Veteran banker Myra Caldwell, an executive in the bank's treasury management and deposit operations department, accepted this challenge and is leading our DEI efforts. To provide a framework for change, she has embarked on a thorough stakeholder and organizational assessment. These findings will form the basis of a comprehensive DEI strategic plan Cadence will announce in 2021, designed to help us realize our aspirations.

Moving Forward a Step at a Time

In the meantime, the 50-person DEI Advisory Council, composed of committed associate volunteers, has focused on three areas where Cadence can act immediately. The Visible Value Subcommittee is exploring ways Cadence can support economic and social justice efforts that strengthen



We are inspired by the thought that each step we take will bring us closer to our goal of becoming the change we all seek.

\$20,000

Donated to the
Alabama-Based Equal
Justice Initiative

\$50,000

CONTRIBUTED TO
THE HOUSTON AREA
URBAN LEAGUE



Diversity
Equity & Inclusion
LIFT EVERY VOICE

historically marginalized communities. At its recommendation, Cadence donated \$20,000 to the Alabama-based Equal Justice Initiative to further its work of redressing the destructive economic impact of over-policing and mass incarceration. Cadence also made a \$50,000 contribution to the Houston Area Urban League to help fund its Center for Social Justice and Education.

The subcommittee also determined that Cadence could improve its processes for identifying vendors from diverse groups and recommended that it double its spending with these vendors by the end of 2021. To oversee this effort, Cadence hired a director of supplier diversity.

A second council group, the Thriving Talent Subcommittee, is concentrating on steps Cadence can take to recruit, retain, cultivate and sustain a diverse workforce, one that mirrors the communities Cadence serves. Thanks to its efforts, Cadence has added DEI-related questions to our exit interviews and has built closer relationships with historically Black colleges and

universities (HBCUs) in our footprint, securing and expanding our pipeline of diverse talent. And as a prelude to launching a more comprehensive diversity education program, the subcommittee helped organize a diversity training session for senior leadership.

The Thriving Talent Subcommittee also reached out to the benefits team to investigate ways Cadence could improve its leave policies to better support women in the workforce. This led to a significant breakthrough. After examining competitive data, Cadence issued a new extended sick leave policy that, among other features, provides new mothers with up to eight weeks of paid leave.

The third council group, the Embrace We Subcommittee, is focusing on embedding the principles of diversity, equity and inclusion in our culture. This year, it launched a comprehensive DEI intranet site designed to help associates gain a more nuanced understanding of DEI. The site includes an eclectic variety of resources, including

books, movies and documentaries, research reports, and TED talks. The subcommittee has also taken steps to explore a DEI curriculum for Cadence's company-wide learning management system and is helping the company launch a series of employee resource groups and a storytelling initiative in 2021.

At Cadence, we see all these efforts as the next step in an extensive and multidimensional effort that will involve every member of the Cadence community in accomplishing our vision. We are inspired by the thought that each step we take will bring us closer to our goal of becoming the change we all seek.



STRENGTHENING COMMUNITIES *through* PARTNERSHIPS

Access to opportunity. At Cadence, that is the common thread that drives our commitment to ensuring that all people in the communities we serve have the resources and the information to build better lives. As a financial institution, Cadence has a responsibility under the Community Reinvestment Act (CRA) to meet the credit needs of low- and moderate-income neighborhoods, a responsibility that we embrace. Our determination to strengthen communities—an idea expressed in our core values as Do Right—is a deeply engrained part of our culture that can be found at every level of our organization.

Eighty percent of our senior executives hold leadership positions in charitable organizations in their communities, and over 30% lead civic organizations. Their influence can be felt across our footprint. A broad spectrum of local organizations as varied as AIDS Alabama, Big Brothers Big Sisters, Girl Scouts, Lemonade Day, HomeAid Atlanta and the Augusta Sports Council, among others benefit from their experience and guidance.

And Cadence associates are generous with their time and skills. For instance, after serving for 12 years on the selection committee for the Macon Area Habitat for Humanity, one of our local branch managers created a follow-up program for new homeowners to help them better manage their finances—and keep their homes. In Houston, one of our investment analysts is a regular volunteer with SBP, a non-profit organization that rebuilds homes of Houston-area residents displaced by hurricanes. Even in the face of lockdowns and social distancing requirements, Cadence volunteers contributed 11,547 hours in 2020.

Investing for Change

In 2019, after consulting with scores of stakeholders including member organizations of the National Community Investment Coalition (NCRC), Cadence formalized a five-year Community Benefits Plan. We committed to lend or invest more than \$2.5 billion by the end of 2024 in underserved communities in our six-state footprint. This includes mortgages, small business credits, and community development loans and investments as well as grants and donations to charitable organizations serving a community development purpose. In 2020, we are proud to report that we have



exceeded our annual targets in all areas. During the pandemic, when people are working at home and small businesses are struggling, our infusion of support was more important than ever.

Much credit for our success goes to our newly formed CRA Advisory Board, composed of veteran community leaders from business, government and nonprofits. The board's insight and guidance has increased the effectiveness of the bank's CRA efforts while its network of contacts has led to partnerships with local organizations that have increased our visibility and established our creditability, making more homeowners and businesses aware of the services we provide.

Our commitment to small businesses in underserved areas has been recognized. In 2020, the Houston Minority Business Development Agency recognized Cadence Bank as its Corporate Advocate of the Year, celebrating our four-year relationship supporting minority-owned small businesses.

Greenwich Associates, the leading global provider of data, analytics and insights for financial services, also recognized Cadence Bank with a Greenwich Excellence Award for "Overall Satisfaction" in Small Business Banking in the South. The award acknowledges distinctive service to small businesses and excellence in the marketplace.

Among the more than 600 banks evaluated by Greenwich, only 36 had the distinctive quality required to win a Greenwich Excellence Award.

Sharing Expertise and Resources

As part of these relationships, Cadence often contributes expertise and funding to expand our nonprofit partners' capacity to serve more people or build new programs. To cite a few examples, in 2020, our contribution enabled Solita's House, a nonprofit serving low- and moderate-income residents in Tampa and St. Petersburg, to expand its financial crisis counseling services, particularly important during the pandemic. We also donated to Project 180, which helps former prisoners gain the skills and information needed to successfully re-enter society. In Georgia, we supported the Atlanta Police Foundation, making it possible for officers to purchase homes in the communities they serve.

We also work with community groups that provide microloans which can have an outsized impact on small businesses and homeowners. In Alabama, for instance, we collaborated with BhamStrong, a public-private partnership that strengthens small businesses through its BhamStrong loan program and by connecting them to technical assistance to secure federal aid.

Above: (Right) Alan Thomes, Managing Director, SBA Banking, Cadence Bank (Left) Jovita Carranza, 26th Administrator of U.S. Small Business Administration

In Tennessee, we invested \$150,000 in United Housing, Inc., a nonprofit that will lend homebuyers up to \$5,000 to help cover their down payment and closing costs when they take out a mortgage with Cadence Bank.

In addition, we partner with government agencies. Cadence's contribution to the Columbus Mississippi Housing Authority enabled it to modernize its computer labs so that young residents could attend school remotely.

We also are taking part in the Houston Complete Communities Initiative, Mayor Sylvester Turner's collaborative effort to address needs and improve access to services for residents and businesses in Houston's most under-resourced neighborhoods, thereby creating a more equitable and prosperous city for all Houstonians.

These partnerships, among others, underscore Cadence's view that the first step in building better communities is establishing closer ties between people and organizations.



Board of Directors

Joseph W. Evans, Precious W. Owodunni, J. Thomas Wiley, J. Richard Fredericks, Kathy N. Waller, Marc J. Shapiro, Paul B. Murphy, Jr., William B. Harrison, Jr., Virginia A. Hepner



Executive Management

Valerie C. Toalson, R.H. "Hank" Holmes IV, Paul B. Murphy, Jr., Samuel M. Tortorici, Sheila E. Ray



Cadence Bancorporation

CORPORATE INFORMATION

Board of Directors

Paul B. Murphy, Jr. (Chairman)

Chairman and Chief Executive Officer
Cadence Bancorporation

Joseph W. Evans (Vice Chairman)

Vice Chairman
Cadence Bancorporation
Former Chairman and
Chief Executive Officer
State Bank Financial Corporation
and its subsidiary

William B. Harrison, Jr. (Lead Director)

Former Chairman and
Chief Executive Officer
JPMorgan Chase & Co.

J. Richard Fredericks (Director)

Founding Partner and Managing Director
Main Management, LLC

Virginia A. Hepner (Director)

Former Director
State Bank Financial Corporation

Precious W. Owodunni (Director)

Chief Executive Officer
Mountaintop Consulting

Marc J. Shapiro (Director)

Former Non-Executive Chairman—
Texas Operations
JPMorgan Chase & Co.

Kathy N. Waller (Director)

Former Chief Financial Officer
and President
Enabling Services
Coca-Cola Company

J. Thomas Wiley, Jr. (Director)

Former Chief Executive Officer,
Director and President
State Bank Financial Corporation
and its subsidiary

Executive Management

Paul B. Murphy, Jr.

Chairman and Chief Executive Officer
Cadence Bancorporation

Samuel M. Tortorici

President and Chief Operating Officer
Cadence Bancorporation
Chief Executive Officer
Cadence Bank, N.A.

Valerie C. Toalson

Chief Financial Officer
Cadence Bancorporation,
Cadence Bank, N.A.

R.H. "Hank" Holmes IV

Executive Vice President
Cadence Bancorporation
President
Cadence Bank, N.A.

Sheila E. Ray

Executive Vice President
Cadence Bancorporation
Chief Talent Officer
Cadence Bank, N.A.

Edward H. "Billy" Braddock

Executive Vice President
Cadence Bancorporation
Chief Credit Officer
Cadence Bank, N.A.

Tom Clark

Executive Vice President
Cadence Bancorporation
Chief Information Officer
Cadence Bank, N.A.

Aimee Hamilton

Executive Vice President
Cadence Bancorporation
Chief Risk Officer
Cadence Bank, N.A.

Jerry W. Powell

General Counsel and Secretary
Cadence Bancorporation,
Cadence Bank, N.A.

J. Randall Schultz

Executive Vice President
Cadence Bancorporation
Managing Director, Specialized Industries
Cadence Bank, N.A.

Corporate Information

For additional corporate information and copies of Cadence Bancorporation's 2020 Annual Review and Form 10-K, please contact Valerie Toalson in Investor Relations at (713) 871-4103 or (800) 698-7878, email: vtoalson@cadencebancorporation.com, 2800 Post Oak Blvd., Suite 3800, Houston, Texas 77056 USA, or visit www.cadencebancorporation.com.

Transfer Agent and Registrar

Inquiries about dividends, shareholder records, share transfers, changes in ownership and address changes should be directed to:

Continental Stock Transfer & Trust Company
One State Street Plaza, 30th Floor
New York, New York 10004
(212) 509-4000
cstmail@continentalstock.com
www.continentalstock.com

Independent Registered Public Accounting Firm

Ernst & Young LLP

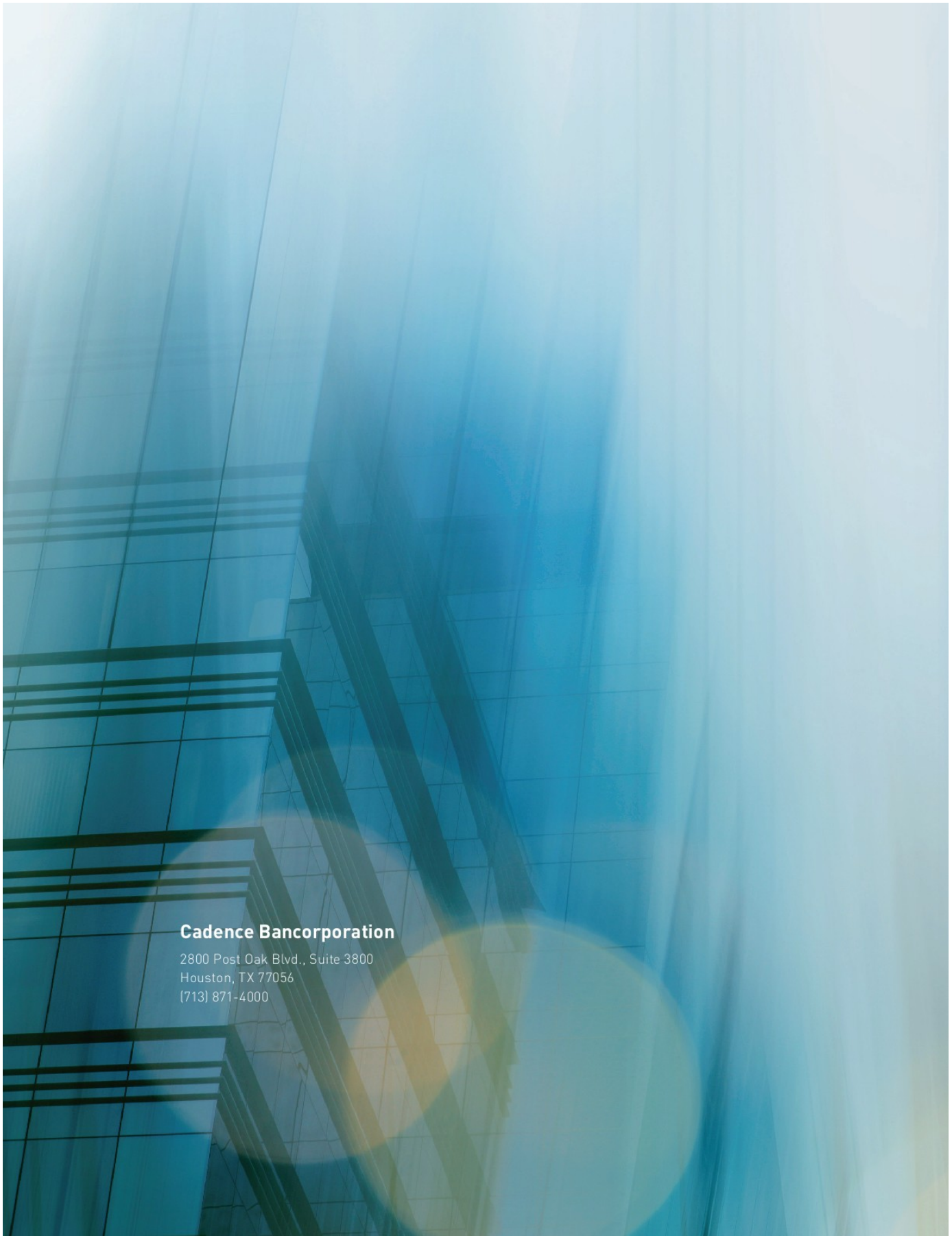
Stock Information

The Company's stock is traded on the New York Stock Exchange ("NYSE") under the symbol CADE.

Form 10-K

For more information, please refer to our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission (our "10-K"). Please note that our 2020 Annual Review does not include, and is not intended as a substitute for, the information contained in our 10-K. For complete financial statements, including notes thereto and management's discussion and analysis of financial condition and results of operations, please refer to our 10-K, which can be found at www.cadencebancorporation.com.





Cadence Bancorporation

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