



## **SOUTH STATE CORPORATION**

# **WHISTLEBLOWER POLICY AND PROCEDURES**

### **PURPOSE**

South State Corporation (together with South State Bank, N.A. and its other subsidiaries, the “Company”) is committed to achieving compliance with all applicable securities laws and regulations, accounting standards and audit practices. The Audit Committee of the Board of Directors of the Company (the “Audit Committee”) has established this Whistleblower Policy and Procedures (this “Policy”) for:

- the receipt, retention and treatment of concerns or complaints regarding accounting, internal accounting controls, auditing matters, securities law compliance, and any provision of federal law relating to fraud against shareholders (“Accounting/Auditing/Securities Matters”), and
- the confidential, anonymous submission by employees, customers, vendors, and other interested parties of concerns or complaints regarding questionable Accounting/Auditing/Securities Matters.

The purpose of this program is to provide employees of the Company, customers, vendors, and other interested parties with a way to express concerns or complaints regarding Accounting/Auditing/Securities Matters. The Company is committed to accountability, responsibility and corporate citizenship and to providing a workplace that is conducive to open discussions about our business practices.

Any employee, customer, vendor, or other interested party who has concerns or complaints about Accounting/Auditing/Securities Matters is encouraged to use one of the reporting procedures discussed below to report those concerns or complaints. In addition, any such person who receives a report regarding Accounting/Auditing/Securities Matters from a third party or has concerns or complaints about a third party, should report the concern or complaint using the procedures set forth below.

Any employee, customer, vendor, or other interested party may submit a good faith concern or complaint regarding Accounting/Auditing/Securities Matters without fear of dismissal (with respect to employees) or retaliation of any kind (with respect to anyone who submits such a good faith concern or complaint). The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate or retaliate against an employee in the terms and conditions of employment because of any lawful actions of that employee with respect to good faith reporting of concerns or complaints regarding Accounting/Auditing/Securities Matters, or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002, or otherwise regarding potential violations of securities laws.

### **COMMUNICATION**

The Company will publish this Policy for reference by employees on South State Bank’s internal intranet site, under the “Audit” department heading, and will periodically proactively contact employees to communicate the availability of this reporting channel. In addition, the Company’s Corporate Communications division will initiate notification to customers of the Company’s whistleblower protocols on a periodic basis. Similarly, the Company’s Vendor Management division will periodically notify vendors of the Company’s whistleblower protocols.



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#### REPORTING PROCEDURES

Employees, customers, vendors or other interested parties with concerns or complaints regarding Accounting/Auditing/Securities Matters may report their concerns or complaints to the Company through any of the following reporting mechanisms:

1. Accessing the website [www.southstatebank.ethicspoint.com](http://www.southstatebank.ethicspoint.com) and selecting the “**Make a Report**” link at the top of the web page.
2. Calling the Whistleblower hotline at 800.441.9771.

**Such concerns or complaints may be submitted by employees, customers, vendors or other interested parties either anonymously or non-anonymously. The Company will hold reported concerns and complaints, whether submitted anonymously or not, in strict confidence to the extent possible and consistent with the Company’s need to conduct a review and potential investigation.**

Such reports will be automatically routed to the Chief Audit Executive, Chief Risk Officer, Deputy Chief Audit Executive, and the Chairman of the Audit Committee.

However, if an employee or any other interested party has a concern or complaint regarding Accounting/Auditing/Securities Matters 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 should report his or her concern or complaint directly to the Chairman of the Audit Committee.

Kevin Walker is currently the Chairman of the Audit Committee, and his contact information is set forth below. You may e-mail or call Mr. Walker’s work or cell phone number below to speak with him directly. You may also call Mr. Walker’s work number below after hours and leave a voice mail message if you desire to submit a concern or complaint anonymously.

Kevin Walker  
GreerWalker LLP  
227 West Trade Street  
Suite 1100  
Charlotte, North Carolina 28202  
E-mail: [kevin.walker@greerwalker.com](mailto:kevin.walker@greerwalker.com)  
Work Phone: 704.353.8229  
Cell Phone: 704.526.5669

#### TREATMENT OF REPORTED CONCERNS AND COMPLAINTS

Upon receipt of a report of a concern or complaint, the Chief Audit Executive will confirm that it pertains to Accounting/Auditing/Securities Matters. Concerns and complaints relating to Accounting/Auditing/Securities Matters will be reviewed and, if the Chief Audit Executive and the Audit Committee believe that it is appropriate, investigated by the Chief Audit Executive under the direction and oversight of the Audit Committee. Prompt and appropriate corrective action will be taken when and as

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warranted in the judgment of the Chief Audit Executive under the direction and supervision of the Audit Committee. The Audit Committee will monitor the investigation of reported concerns and complaints through its periodic meetings and discussions with the Chief Audit Executive. If and when the Audit Committee believes that it is appropriate, the Audit Committee may become directly involved in the investigation of reported concerns or complaints and the implementation of any corrective action taken in response thereto. **The Chief Audit Executive and the Audit Committee will hold reported concerns and complaints, whether submitted anonymously or not, in strict confidence to the extent possible and consistent with the Company's need to conduct a review and potential investigation. An employee or other interested party who reports a non-anonymous concern or complaint may be contacted if needed or to inform them of the status of the Company's review or investigation of the reported concern or complaint. The Company's policy is to handle any such contact in a discreet, professional manner.**

**Concerns or complaints relating to non-Accounting/Auditing/Securities Matters will be reviewed and, as and to the extent that the Chief Audit Executive or the Audit Committee believe that it is appropriate, communicated to the person or persons that the Chief Audit Executive or the Audit Committee believe is the appropriate person or persons to address the concern or complaint.**

**NO PROHIBITION**

Nothing in this Policy shall be construed as prohibiting an employee of the Company from (i) testifying in any lawsuit, (ii) reporting conduct to, providing truthful information to, or participating in any investigation or proceeding conducted by any federal or state government agency or self-regulatory organization in accordance with the Securities Exchange Act of 1934 or the Sarbanes-Oxley Act of 2002, or any other provisions of state or federal law or regulation, or (iii) requiring notification or prior approval by the Company of any activity described in clauses (i) or (ii).

**RETENTION OF REPORTED CONCERNS AND COMPLAINTS**

The Company uses the EthicsPoint application from NAVEX Global to track all reported concerns and complaints. The application tracks their receipt, investigation and resolution, and will be used to prepare a periodic summary of activity for the Audit Committee. Records will be maintained in accordance with the Company's document retention policy.

**EXAMPLES OF REPORTABLE MATTERS OR TRANSACTIONS**

The following are some examples of matters or transactions that the Company encourages employees or other interested parties to report under this Policy, but the following are not meant to limit the types of issues that could be communicated:

- Fraud or deliberate error in preparing, evaluating, reviewing or auditing any financial statement;
- Fraud or deliberate error in recording or maintaining financial records;
- Deficiencies in or lack of compliance with internal accounting controls;

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- Misrepresentation or false statement regarding a matter contained in or affecting any financial record, financial report or audit report; or
- Any deviation from full and fair reporting of the Company's financial condition or results.

Additional examples include:

- Accounting Entry Irregularities

Examples: An employee makes a G/L debit/credit to "force" balance an account.

An employee makes a one-sided entry to make an account balance.

An employee is told to make or pressured to make significant adjustments to entries inconsistent with previous accounting practices.

An employee is told to not report actual G/L numbers in internal or external reports.

- Knowingly Disregarding Internal Controls

Examples: Cash counts not performed but documented on BICR as being performed.

Signing off on reconcilements, inventory counts etc. when count was not actually performed.

Loan made without obtaining proper approval.

Loan proceeds disbursed prior to signing all loan documents.

Loan notes/applications not signed in presence of bank officials.

- Theft (i.e., cash, Company property and equipment, etc.)

Examples: A teller takes money from their cash drawer.

An FSR debits a general ledger account and deposits the funds into his personal account.

- Misuse of Assets

Example: An employee orders equipment, charges it to the bank, and uses it in a side business or for personal use.

- Inappropriate Use of Customer Accounts

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Example: An employee transfers funds from a customer's account (deposit or loan) and deposits it into his own account.

➤ **Fraudulent Disbursements**

Examples: An employee submits expense reports for non-bank related expenses such as personal mileage, meals, or lodging.

An employee issues a cashier's check to him/herself, signs and cashes it.

➤ **Confidential Information**

Examples: Employees are not storing confidential information in a secured location after hours, exposing the bank to potential customer identity theft issues

A lender makes a fictitious loan using customer's confidential information

➤ An employee is receiving significant preferential treatment in relation to peers.

➤ **Customer transactions**

Example: Customers making unusual transactions or repeated identical transactions.