# UNITED STATES
# FEDERAL DEPOSIT INSURANCE CORPORATION
**WASHINGTON, D.C. 20429**

# FORM 10-Q

**(Mark One)**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2026**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from _____ to _____.**

**FDIC Certificate No. 110**

# BANK OZK

**(Exact name of registrant as specified in its charter)**

| **ARKANSAS** | **71-0130170** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification Number)** |
| **18000 CANTRELL ROAD, LITTLE ROCK, ARKANSAS** | **72223** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (501) 978-2265**

**N/A**

**(Former name, former address and former fiscal year, if changed since last report)**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value per share | OZK | Nasdaq Global Select Market |
| 4.625% Series A Non-Cumulative Perpetual Preferred Stock, $0.01 par value per share | OZKAP | Nasdaq Global Select Market |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Emerging growth company | ☐ |
| Smaller reporting company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

| Class | Outstanding at October 31, 2026 |
|---|---|
| Common Stock, $0.01 par value per share | 107,778,115 |

**BANK OZK**
**FORM 10-Q**
**September 30, 2026**

INDEX


| | | |
|---|---|---|
| **PART I.** | **Financial Information** | |
| Item 1. | Financial Statements | |
| | Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025 (Unaudited) | 3 |
| | Consolidated Statements of Income for the Three and Nine Months Ended September 30, 2026 and 2025 (Unaudited) | 4 |
| | Consolidated Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2026 and 2025 (Unaudited) | 5 |
| | Consolidated Statements of Stockholders' Equity for the Three and Nine Months Ended September 30, 2026 and 2025 (Unaudited) | 6 |
| | Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2026 and 2025 (Unaudited) | 8 |
| | Notes to Consolidated Financial Statements | 9 |
| Item 2. | Management's Discussion and Analysis of Financial Condition and Results of Operations | 28 |
| Item 3. | Quantitative and Qualitative Disclosures About Market Risk | 63 |
| Item 4. | Controls and Procedures | 63 |
| **PART II** | **Other Information** | 63 |
| Item 1. | Legal Proceedings | 63 |
| Item 1A. | Risk Factors | 63 |
| Item 2. | Unregistered Sales of Equity Securities and Use of Proceeds | 64 |
| Item 3. | Defaults Upon Senior Securities | 64 |
| Item 4. | Mine Safety Disclosures | 64 |
| Item 5. | Other Information | 64 |
| Item 6. | Exhibits | 64 |
| **Signatures** | | 65 |
| **Exhibit Index** | | 66 |

**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**BANK OZK**
**CONSOLIDATED BALANCE SHEETS**
Unaudited

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | (Dollars in thousands, except per share amounts) | |
| **ASSETS** | | |
| Cash and cash equivalents | $ 1,150,795 | $ 2,833,821 |
| Investment securities – available for sale ("AFS") | 4,355,290 | 2,610,143 |
| Federal Home Loan Bank of Dallas ("FHLB") and other bankers' bank stocks | 36,034 | 14,292 |
| Loans | 34,134,666 | 32,317,785 |
| Allowance for loan losses | (469,859) | (475,721) |
| Net Loans | 33,664,807 | 31,842,064 |
| Premises and equipment, net | 984,445 | 921,998 |
| Foreclosed assets | 420,408 | 61,076 |
| Accrued interest receivable | 192,582 | 171,583 |
| Bank owned life insurance | 869,226 | 851,632 |
| Goodwill | 660,789 | 660,789 |
| Other assets | 854,973 | 818,442 |
| Total assets | $ 43,189,349 | $ 40,785,840 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Deposits: | | |
| Demand non-interest bearing | $ 3,943,886 | $ 3,832,875 |
| Savings and interest bearing transaction | 12,023,512 | 11,268,506 |
| Time | 18,860,541 | 18,283,584 |
| Total deposits | 34,827,939 | 33,384,965 |
| Other borrowings | 750,000 | 537 |
| Subordinated notes | 349,998 | 349,389 |
| Subordinated debentures | 113,404 | 113,652 |
| Reserve for losses on unfunded loan commitments | 151,257 | 156,130 |
| Accrued interest payable and other liabilities | 848,354 | 651,316 |
| Total liabilities | 37,040,952 | 34,655,989 |
| | | |
| Commitments and contingencies | | |
| | | |
| Stockholders' equity: | | |
| Preferred stock, $0.01 par value; 100,000,000 shares authorized; 14,000,000 shares issued and outstanding at September 30, 2026 and December 31, 2025 | 338,980 | 338,980 |
| Common stock, $0.01 par value; 300,000,000 shares authorized; 108,397,557 and 110,382,626 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively | 1,084 | 1,104 |
| Additional paid-in capital | 1,400,852 | 1,497,334 |
| Retained earnings | 4,648,875 | 4,317,292 |
| Accumulated other comprehensive loss | (241,394) | (24,859) |
| Total stockholders' equity | 6,148,397 | 6,129,851 |
| Total liabilities and stockholders' equity | $ 43,189,349 | $ 40,785,840 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**CONSOLIDATED STATEMENTS OF INCOME**
Unaudited

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands, except per share amounts) | | | |
| Interest income: | | | | |
| Loans | $ 604,968 | $ 643,218 | $ 1,770,335 | $ 1,851,165 |
| Investment securities: | | | | |
| Taxable | 20,151 | 12,262 | 54,202 | 38,436 |
| Tax-exempt | 25,747 | 13,968 | 62,555 | 41,493 |
| Deposits with banks | 7,264 | 25,584 | 35,073 | 68,016 |
| Total interest income | 658,130 | 695,032 | 1,922,165 | 1,999,110 |
| | | | | |
| Interest expense: | | | | |
| Deposits | 247,799 | 271,010 | 723,866 | 789,379 |
| Other borrowings | 2,870 | 5,525 | 4,334 | 10,817 |
| Subordinated notes | 2,631 | 2,631 | 7,808 | 7,808 |
| Subordinated debentures | 1,843 | 2,007 | 5,456 | 5,992 |
| Total interest expense | 255,143 | 281,173 | 741,464 | 813,996 |
| | | | | |
| Net interest income | 402,987 | 413,859 | 1,180,701 | 1,185,114 |
| Provision for credit losses | 47,762 | 48,314 | 135,310 | 121,945 |
| Net interest income after provision for credit losses | 355,225 | 365,545 | 1,045,391 | 1,063,169 |
| | | | | |
| Non-interest income: | | | | |
| Deposit-related fees | 11,703 | 11,398 | 34,159 | 32,931 |
| Loan-related fees | 11,225 | 9,181 | 32,522 | 26,090 |
| Other | 13,326 | 15,498 | 39,979 | 43,072 |
| Total non-interest income | 36,254 | 36,077 | 106,660 | 102,093 |
| | | | | |
| Non-interest expense: | | | | |
| Salaries and employee benefits | 94,155 | 89,954 | 280,927 | 258,378 |
| Net occupancy and equipment | 23,708 | 21,111 | 69,931 | 58,233 |
| Other operating expenses | 59,951 | 48,243 | 162,144 | 142,814 |
| Total non-interest expense | 177,814 | 159,308 | 513,002 | 459,425 |
| | | | | |
| Income before taxes | 213,665 | 242,314 | 639,049 | 705,837 |
| Provision for income taxes | 45,303 | 57,740 | 139,951 | 166,288 |
| Net income | 168,362 | 184,574 | 499,098 | 539,549 |
| Earnings attributable to noncontrolling interest | — | 6 | — | (31) |
| Preferred stock dividends | 4,047 | 4,047 | 12,141 | 12,141 |
| Net income available to common stockholders | $ 164,315 | $ 180,533 | $ 486,957 | $ 527,377 |
| | | | | |
| Basic earnings per common share | $ 1.50 | $ 1.60 | $ 4.44 | $ 4.66 |
| | | | | |
| Diluted earnings per common share | $ 1.50 | $ 1.59 | $ 4.43 | $ 4.64 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
Unaudited

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Net income | $ 168,362 | $ 184,574 | $ 499,098 | $ 539,549 |
| Other comprehensive (loss) income: | | | | |
| Unrealized (losses) and gains on investment securities - AFS | (281,788) | 41,861 | (284,070) | 51,749 |
| Tax effect of unrealized losses and gains on investment securities - AFS | 67,157 | (9,650) | 67,535 | (11,624) |
| Total other comprehensive (loss) income | (214,631) | 32,211 | (216,535) | 40,125 |
| Total comprehensive (loss) income | $ (46,269) | $ 216,785 | $ 282,563 | $ 579,674 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
Unaudited

| | Preferred Stock | Common Stock | Additional Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive (Loss) Income | Non Controlling Interest | Total |
|---|---|---|---|---|---|---|---|
| | (Dollars in thousands, except per share amounts) | | | | | | |
| **Three Months Ended September 30, 2026** | | | | | | | |
| Balances – June 30, 2026 | $ 338,980 | $ 1,090 | $1,427,636 | $4,537,125 | $ (26,763) | $ — | $ 6,278,068 |
| Net income | — | — | — | 168,362 | — | — | 168,362 |
| Total other comprehensive loss | — | — | — | — | (214,631) | — | (214,631) |
| Preferred stock dividends, $0.28906 per share | — | — | — | (4,047) | — | — | (4,047) |
| Common stock dividends, $0.48 per share | — | — | — | (52,565) | — | — | (52,565) |
| Repurchase and cancellation of 650,626 shares of common stock under share repurchase program, including excise tax | — | (6) | (31,350) | — | — | — | (31,356) |
| Common stock activity pursuant to stock-based compensation plans | — | — | (569) | — | — | — | (569) |
| Stock-based compensation expense | — | — | 5,135 | — | — | — | 5,135 |
| Balances – September 30, 2026 | $ 338,980 | $ 1,084 | $1,400,852 | $4,648,875 | $ (241,394) | $ — | $ 6,148,397 |
| | | | | | | | |
| **Nine Months Ended September 30, 2026** | | | | | | | |
| Balances – December 31, 2025 | $ 338,980 | $ 1,104 | $1,497,334 | $4,317,292 | $ (24,859) | $ — | $ 6,129,851 |
| Net income | — | — | — | 499,098 | — | — | 499,098 |
| Total other comprehensive loss | — | — | — | — | (216,535) | — | (216,535) |
| Preferred stock dividends, $0.86718 per share | — | — | — | (12,141) | — | — | (12,141) |
| Common stock dividends, $1.41 per share | — | — | — | (155,374) | — | — | (155,374) |
| Repurchase and cancellation of 2,297,540 shares of common stock under share repurchase program, including excise tax | — | (23) | (106,783) | — | — | — | (106,806) |
| Common stock activity pursuant to stock-based compensation plans | — | 3 | (5,340) | — | — | — | (5,337) |
| Stock-based compensation expense | — | | 15,641 | — | — | — | 15,641 |
| Balances – September 30, 2026 | $ 338,980 | $ 1,084 | $1,400,852 | $4,648,875 | $ (241,394) | $ — | $ 6,148,397 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
Unaudited

| | Preferred Stock | Common Stock | Additional Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive (Loss) Income | Non Controlling Interest | Total |
|---|---|---|---|---|---|---|---|
| | (Dollars in thousands, except per share amounts) | | | | | | |
| **Three Months Ended September 30, 2025** | | | | | | | |
| Balances – June 30, 2025 | $ 338,980 | $ 1,126 | $1,587,061 | $4,065,930 | $ (68,222) | $ 208 | $ 5,925,083 |
| Net income | — | — | — | 184,574 | — | — | 184,574 |
| Earnings attributable to noncontrolling interest | — | — | — | 6 | — | (6) | — |
| Total other comprehensive income | — | — | — | — | 32,211 | — | 32,211 |
| Preferred stock dividends, $0.28906 per share | — | — | — | (4,047) | — | — | (4,047) |
| Common stock dividends, $0.44 per share | — | — | — | (49,962) | — | — | (49,962) |
| Common stock activity pursuant to stock-based compensation plans | — | — | 108 | — | — | — | 108 |
| Stock-based compensation expense | — | — | 5,641 | — | — | — | 5,641 |
| Balances – September 30, 2025 | $ 338,980 | $ 1,126 | $1,592,810 | $4,196,501 | $ (36,011) | $ 202 | $ 6,093,608 |
| | | | | | | | |
| **Nine months ended September 30, 2025** | | | | | | | |
| Balances – December 31, 2024 | $ 338,980 | $ 1,135 | $1,625,506 | $3,816,138 | $ (76,136) | $ 571 | $ 5,706,194 |
| Net income | — | — | — | 539,549 | — | — | 539,549 |
| Earnings attributable to noncontrolling interest | — | — | — | (31) | — | 31 | — |
| Total other comprehensive income | — | — | — | — | 40,125 | — | 40,125 |
| Preferred stock dividends, $0.86718 per share | — | — | — | (12,141) | — | — | (12,141) |
| Common stock dividends, $1.29 per share | — | — | — | (147,014) | — | — | (147,014) |
| Return of capital to noncontrolling interest | — | — | — | — | — | (400) | (400) |
| Repurchase and cancellation of 1,117,000 shares of common stock under share repurchase program, including excise taxes | — | (11) | (43,517) | — | — | — | (43,528) |
| Common stock activity pursuant to stock-based compensation plans | — | 2 | (6,997) | — | — | — | (6,995) |
| Stock-based compensation expense | — | — | 17,818 | — | — | — | 17,818 |
| Balances – September 30, 2025 | $ 338,980 | $ 1,126 | $1,592,810 | $4,196,501 | $ (36,011) | $ 202 | $ 6,093,608 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
Unaudited

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2026** | **2025** |
| | (Dollars in thousands) | |
| Cash flows from operating activities: | | |
| Net income | $ 499,098 | $ 539,549 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 23,844 | 21,542 |
| Amortization, net of accretion | 102,665 | 69,161 |
| Earnings attributable to noncontrolling interest | — | (31) |
| Provision for credit losses | 135,310 | 121,945 |
| Writedown of foreclosed assets | 7,426 | 2,675 |
| Originations of residential mortgage loans | (57,220) | (57,536) |
| Proceeds from sales of residential mortgage loans | 58,411 | 57,018 |
| Net gains on sales of other assets | (2,169) | (3,250) |
| Deferred income tax expense (benefit) | 20,118 | (10,679) |
| BOLI income | (18,466) | (17,944) |
| Stock-based compensation expense | 15,641 | 17,818 |
| Changes in assets and liabilities: | | |
| Accrued interest receivable | (20,999) | (4,288) |
| Other assets, net | 50,770 | (11,080) |
| Accrued interest payable and other liabilities | (124,690) | (93,603) |
| Net cash provided by operating activities | 689,739 | 631,297 |
| Cash flows from investing activities: | | |
| Proceeds from sales of FHLB and other bankers' bank stock | 24,948 | 43,718 |
| Purchases of FHLB and other bankers' bank stock | (46,691) | (32,954) |
| Proceeds from maturities/calls/paydowns of investment securities - AFS | 505,763 | 601,699 |
| Proceeds from sales of investment securities - AFS | — | 220,130 |
| Purchases of investment securities - AFS | (2,363,447) | (701,649) |
| Proceeds from sale of loans | 22,829 | 37,553 |
| Net increase in loans | (2,364,138) | (3,083,042) |
| Purchases of premises and equipment | (56,025) | (74,890) |
| Proceeds from BOLI death benefits | 872 | 1,779 |
| Proceeds from sales of other assets | 12,866 | 101,413 |
| Net cash invested in unconsolidated investments | (23,098) | (17,739) |
| Net cash used by investing activities | (4,286,121) | (2,903,982) |
| Cash flows from financing activities: | | |
| Net increase in deposits | 1,442,975 | 2,941,853 |
| Net proceeds (repayments) of other borrowings | 749,462 | (120,259) |
| Common stock activity pursuant to stock-based compensation plans | (5,337) | (6,995) |
| Return of capital to noncontrolling interest | — | (400) |
| Cash dividends paid on common stock | (154,797) | (146,016) |
| Cash dividends paid on preferred stock | (12,141) | (12,141) |
| Repurchase and cancellation of shares of common stock – share repurchase program | (106,806) | (43,528) |
| Net cash provided by financing activities | 1,913,356 | 2,612,514 |
| Net (decrease) increase in cash and cash equivalents | (1,683,026) | 339,829 |
| Cash and cash equivalents – beginning of period | 2,833,821 | 2,781,101 |
| Cash and cash equivalents – end of period | $ 1,150,795 | $ 3,120,930 |

See accompanying notes to the consolidated financial statements.

**BANK OZK**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
Unaudited

## 1. Organization and Principles of Consolidation

Bank OZK ("the Bank") is headquartered in Little Rock, Arkansas and provides a wide range of retail and commercial banking services. The Bank conducts operations in 268 offices in nine states, including offices in Arkansas, Georgia, Florida, Texas, North Carolina, Tennessee, New York, California and Mississippi. In addition, the Bank owns a subsidiary that holds its investment securities, a subsidiary that holds an ownership interest in a private aircraft, a subsidiary that owns two renewable energy facilities and various other entities that hold foreclosed assets or tax credits or engage in other activities.

The Bank is an Arkansas state-chartered bank and is subject to regulation by the Arkansas State Bank Department ("ASBD"). The Bank's primary federal regulator is the Federal Deposit Insurance Corporation ("FDIC") and it is not a member bank of the Federal Reserve System.

## 2. Basis of Presentation and Significant Accounting Policy Changes

The accompanying interim consolidated financial statements have been prepared by the Bank, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") in Article 10 of Regulation S-X and in accordance with the instructions to Form 10-Q and accounting principles generally accepted in the United States ("GAAP") for interim financial information. Certain information, accounting policies and footnote disclosures normally included in complete financial statements prepared in accordance with GAAP have been condensed or omitted in accordance with such rules and regulations. These consolidated financial statements include the accounts of the Bank, the investment subsidiary, the aircraft subsidiary, the renewable energy subsidiary and various other entities in accordance with GAAP. These consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Bank's Annual Report on Form 10-K filed with the FDIC for the year ended December 31, 2025.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could materially differ from those estimates. In the opinion of management, all adjustments considered necessary, consisting of normal recurring items, have been included for a fair statement of the accompanying consolidated financial statements. Operating results for the three and nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the full year or future periods. Certain reclassifications of prior year amounts have been made to conform to the 2026 financial statements presentation. These reclassifications had no impact on prior year net income, as previously reported.

The Bank has one operating segment and consequently, one reportable segment. The Bank's Chairman of the Board and Chief Executive Officer serves as the chief operating decision maker ("CODM") for the Bank. The Bank's CODM evaluates the Bank's consolidated net income and net interest income, among other consolidated metrics, in managing the Bank's resources and assessing performance. The Bank's consolidated net income and net interest income are disclosed on the face of the Consolidated Statements of Income on page 4.

## 3. Earnings Per Common Share ("EPS")

Basic EPS is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding during the applicable period. Diluted EPS is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding after consideration of the dilutive effect, if any, using the treasury stock method, of the Bank's common stock options and the non-vested performance stock units ("PSUs") under its long-term incentive agreements. The impact of anti-dilutive options and PSUs were immaterial for the three and nine months ended September 30, 2026 and 2025.

The following table presents the computation of basic and diluted EPS for the periods indicated.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (In thousands, except per share amounts) | | | |
| Numerator: | | | | |
| Net income available to common stockholders | $ 164,315 | $ 180,533 | $ 486,957 | $ 527,377 |
| | | | | |
| Denominator: | | | | |
| Denominator for basic EPS – weighted-average common shares | 109,220 | 112,795 | 109,710 | 113,171 |
| Effect of dilutive securities – stock options and PSUs | 354 | 506 | 304 | 450 |
| Denominator for diluted EPS – weighted-average common shares and assumed conversions | 109,574 | 113,301 | 110,014 | 113,621 |
| Basic EPS | $ 1.50 | $ 1.60 | $ 4.44 | $ 4.66 |
| Diluted EPS | $ 1.50 | $ 1.59 | $ 4.43 | $ 4.64 |

## 4. Investment Securities

The Bank's investment securities, all of which are categorized as AFS, are stated at estimated fair value in the consolidated financial statements with unrealized gains and losses, that do not include a credit component, reported net of related income tax as a separate component of stockholders' equity and included in accumulated other comprehensive income. Unrealized losses that include a credit component are considered in determining the Bank's allowance for credit losses ("ACL"). The Bank believes that the vast majority of unrealized losses on individual investment securities at September 30, 2026 and December 31, 2025 are the result of fluctuations in interest rates.

The following table presents the amortized cost and estimated fair value of investment securities as of the dates indicated.

| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Estimated Fair Value |
|---|---|---|---|---|
| | | (Dollars in thousands) | | |
| **September 30, 2026:** | | | | |
| U.S. Government agency mortgage-backed securities | $ 1,911,559 | $ 6 | $ (93,895) | $ 1,817,670 |
| Obligations of state and political subdivisions | 2,740,482 | 824 | (222,513) | 2,518,793 |
| Corporate obligations | 20,205 | — | (1,378) | 18,827 |
| Total investment securities - AFS | $ 4,672,246 | $ 830 | $ (317,786) | $ 4,355,290 |
| | | | | |
| **December 31, 2025:** | | | | |
| U.S. Government agency mortgage-backed securities | $ 1,132,537 | $ 8,612 | $ (34,792) | $ 1,106,357 |
| Obligations of state and political subdivisions | 1,488,301 | 15,742 | (20,820) | 1,483,223 |
| Corporate obligations | 22,191 | 21 | (1,649) | 20,563 |
| Total investment securities - AFS | $ 2,643,029 | $ 24,375 | $ (57,261) | $ 2,610,143 |

The following table shows the estimated fair value of investment securities having gross unrealized losses and the amount of such unrealized losses, aggregated by investment category and length of time that individual investment securities have been in a continuous unrealized loss position, as of the dates indicated.

| | Less than 12 Months | | 12 Months or More | | Total | |
|---|---|---|---|---|---|---|
| | Estimated Fair Value | Unrealized Losses | Estimated Fair Value | Unrealized Losses | Estimated Fair Value | Unrealized Losses |
| | (Dollars in thousands) | | | | | |
| **September 30, 2026:** | | | | | | |
| U.S. Government agency mortgage-backed securities | $1,384,798 | $ 56,862 | $ 432,593 | $ 37,033 | $1,817,391 | $ 93,895 |
| Obligations of state and political subdivisions | 2,229,160 | 190,146 | 179,105 | 32,367 | 2,408,265 | 222,513 |
| Corporate obligations | 1,452 | 19 | 17,375 | 1,359 | 18,827 | 1,378 |
| Total investment securities - AFS | $3,615,410 | $ 247,027 | $ 629,073 | $ 70,759 | $4,244,483 | $ 317,786 |
| **December 31, 2025:** | | | | | | |
| U.S. Government agency mortgage-backed securities | $ 330 | $ — | $ 598,863 | $ 34,792 | $ 599,193 | $ 34,792 |
| Obligations of state and political subdivisions | 275,591 | 2,731 | 409,085 | 18,089 | 684,676 | 20,820 |
| Corporate obligations | — | — | 19,058 | 1,649 | 19,058 | 1,649 |
| Total investment securities - AFS | $ 275,921 | $ 2,731 | $1,027,006 | $ 54,530 | $1,302,927 | $ 57,261 |

In evaluating the Bank's unrealized loss positions for credit losses of its investment securities portfolio, management considers the credit quality, financial condition and near term prospects of the issuer, the nature and cause of the unrealized loss and other factors. While the Bank periodically evaluates its investment strategy relative to current economic and business conditions, at the present time, the Bank does not have the intent to sell these investment securities with unrealized losses and, more likely than not, will not sell these investment securities before fair value recovers to amortized cost. In addition, for the vast majority of investment securities in an unrealized loss position, the Bank does not believe the unrealized losses are the result of issues with credit quality.

The following table shows the amortized cost and estimated fair value of investment securities by maturity or estimated date of repayment as of September 30, 2026.

| Maturity or Estimated Repayment | Amortized Costs | Estimated Fair Value |
|---|---|---|
| | (Dollars in thousands) | |
| One year or less | $ 386,621 | $ 368,837 |
| After one year to five years | 1,005,486 | 954,294 |
| After five years to ten years | 731,667 | 693,621 |
| After ten years | 2,548,472 | 2,338,538 |
| Total | $ 4,672,246 | $ 4,355,290 |

For purposes of this maturity or estimated repayment distribution, all investment securities are shown based on their contractual maturity date or estimated date of repayment, except (i) U.S. Government agency mortgage-backed securities are allocated among various maturities or repayment categories based on an estimated repayment schedule utilizing third-party median prepayment speeds or other estimates of prepayment speeds and interest rate levels at the measurement date and (ii) callable investment securities for which the Bank has received notification of call are included in the maturity or repayment category in which the call occurs or is expected to occur. Expected maturities may differ from contractual maturities because issuers have the right to call or prepay obligations with or without call or prepayment penalties.

Investment securities with carrying values of $0.8 billion at September 30, 2026 and $0.9 billion at December 31, 2025, were pledged to secure public funds and trust deposits and for other purposes required or permitted by law.

At September 30, 2026 and December 31, 2025, mortgage-backed securities issued by the Federal National Mortgage Association were the only holdings of investment securities in an amount greater than 10% of stockholders' equity.

## 5. Loans and Allowance for Credit Losses

The following table is a summary of the Bank's loan portfolio by principal category as of the dates indicated.

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Real estate: | | | | |
| Other commercial real estate | $ 8,708,148 | 25.5% | $ 8,417,455 | 26.0% |
| Construction/land development | 6,819,656 | 20.0 | 7,778,411 | 24.1 |
| Multifamily | 2,669,960 | 7.8 | 3,680,059 | 11.4 |
| Residential 1-4 family | 1,683,556 | 4.9 | 1,635,745 | 5.1 |
| Agricultural | 358,405 | 1.0 | 321,254 | 1.0 |
| Total real estate | 20,239,725 | 59.3 | 21,832,924 | 67.6 |
| Commercial and industrial | 5,685,679 | 16.7 | 3,431,585 | 10.6 |
| Consumer | 4,582,548 | 13.4 | 4,269,994 | 13.2 |
| Other | 3,626,714 | 10.6 | 2,783,282 | 8.6 |
| Total loans | $ 34,134,666 | 100.0% | $ 32,317,785 | 100.0% |

At September 30, 2026, the Bank's loan portfolio consisted of 59.3% real estate loans, 16.7% commercial and industrial loans, 13.4% consumer loans and 10.6% other loans. Real estate loans, the largest category of loans, include loans secured by real estate as evidenced by mortgages or other liens, including loans made to finance the development of real property construction projects.

***Credit Quality Indicators***

The following table provides the credit quality indicators for the Bank's loans by loan segment and period of origination as of the date indicated. At September 30, 2026, the Bank had no loans with an outstanding balance that were risk rated as doubtful or loss. Loans are presented on an amortized cost basis which includes unamortized fees and costs but excludes accrued interest.

| | Period of Origination | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Nine Months Ended September 30, 2026 | Year Ended December 31, | | | | Prior to January 1, 2022 | Revolving Loans Amortized Cost Basis | Total |
| | | 2025 | 2024 | 2023 | 2022 | | | |
| | (Dollars in thousands) | | | | | | | |
| **September 30, 2026:** | | | | | | | | |
| Other commercial real estate | | | | | | | | |
| Pass | $ 587,044 | $ 441,876 | $1,050,087 | $ 865,079 | $2,986,221 | $2,470,311 | $ 179,114 | $ 8,579,732 |
| Special Mention | — | — | 772 | 17,916 | 99,532 | 3,177 | — | 121,397 |
| Substandard[1] | — | — | — | — | 5,041 | 1,978 | — | 7,019 |
| Total other commercial real estate | 587,044 | 441,876 | 1,050,859 | 882,995 | 3,090,794 | 2,475,466 | 179,114 | 8,708,148 |
| Construction/land development | | | | | | | | |
| Pass | 623,807 | 1,802,651 | 1,746,148 | 1,235,503 | 623,154 | 408,258 | 76,325 | 6,515,846 |
| Special Mention | — | — | 819 | — | 3,801 | 125,269 | — | 129,889 |
| Substandard[1] | — | — | — | 262 | 108,135 | 41,926 | 23,598 | 173,921 |
| Total construction/land development | 623,807 | 1,802,651 | 1,746,967 | 1,235,765 | 735,090 | 575,453 | 99,923 | 6,819,656 |
| Multifamily | | | | | | | | |
| Pass | 30,833 | 12,677 | 397,490 | 477,504 | 974,035 | 769,201 | 1,790 | 2,663,530 |
| Special Mention | — | — | — | 3,476 | — | 2,930 | — | 6,406 |
| Substandard[1] | — | — | — | — | — | 24 | — | 24 |
| Total multifamily | 30,833 | 12,677 | 397,490 | 480,980 | 974,035 | 772,155 | 1,790 | 2,669,960 |
| Residential 1-4 family | | | | | | | | |
| Pass | 164,774 | 412,987 | 252,288 | 38,843 | 163,771 | 290,858 | 301,805 | 1,625,326 |
| Special Mention | 299 | 582 | 193 | 783 | 9,281 | 14,235 | 1,104 | 26,477 |
| Substandard[1] | — | 778 | 761 | 2,133 | 1,404 | 26,573 | 104 | 31,753 |
| Total residential 1-4 family | 165,073 | 414,347 | 253,242 | 41,759 | 174,456 | 331,666 | 303,013 | 1,683,556 |
| Agricultural | | | | | | | | |
| Pass | 69,774 | 62,895 | 34,455 | 39,175 | 41,340 | 104,626 | 3,610 | 355,875 |
| Special Mention | — | — | — | 617 | 1,379 | — | — | 1,996 |
| Substandard[1] | — | — | — | — | — | 534 | — | 534 |
| Total agricultural | 69,774 | 62,895 | 34,455 | 39,792 | 42,719 | 105,160 | 3,610 | 358,405 |
| Commercial and industrial | | | | | | | | |
| Pass | 1,215,195 | 901,773 | 178,422 | 14,053 | 28,973 | 34,651 | 3,258,083 | 5,631,150 |
| Special Mention | — | 264 | 2,487 | 2,056 | 2 | 640 | 918 | 6,367 |
| Substandard[1] | — | 1,847 | 1,177 | — | — | 147 | 44,991 | 48,162 |
| Total commercial and industrial | 1,215,195 | 903,884 | 182,086 | 16,109 | 28,975 | 35,438 | 3,303,992 | 5,685,679 |
| Consumer | | | | | | | | |
| Pass | 1,040,697 | 1,123,671 | 770,282 | 499,767 | 374,962 | 745,564 | 7,416 | 4,562,359 |
| Special Mention | 374 | 824 | 1,632 | 2,419 | 1,917 | 3,747 | 6 | 10,919 |
| Substandard[1] | 298 | 654 | 918 | 1,434 | 1,329 | 4,637 | — | 9,270 |
| Total consumer | 1,041,369 | 1,125,149 | 772,832 | 503,620 | 378,208 | 753,948 | 7,422 | 4,582,548 |
| Other | | | | | | | | |
| Pass | 146,661 | 105,332 | 192,356 | 1,037 | 161,296 | 8,599 | 3,011,433 | 3,626,714 |
| Total other | 146,661 | 105,332 | 192,356 | 1,037 | 161,296 | 8,599 | 3,011,433 | 3,626,714 |
| Total | $3,879,756 | $4,868,811 | $4,630,287 | $3,202,057 | $5,585,573 | $5,057,885 | $6,910,297 | $34,134,666 |
| Gross charge-offs[2] | $ 2,385 | $ 1,951 | $ 4,176 | $ 2,666 | $ 86,967 | $ 50,205 | $ 1,008 | $ 149,358 |

(1) Includes both substandard accrual loans and substandard nonaccrual loans.

(2) Gross charge-offs for the nine months ended September 30, 2026.

The following table is a summary of credit quality indicators for the Bank's total loans as of the dates indicated.

| | Pass | Special Mention | Substandard Accrual | Substandard Nonaccrual | Total |
|---|---|---|---|---|---|
| | | | (Dollars in thousands) | | |
| **September 30, 2026:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 8,579,732 | $ 121,397 | $ 6,611 | $ 408 | $ 8,708,148 |
| Construction/land development | 6,515,846 | 129,889 | 129,484 | 44,437 | 6,819,656 |
| Multifamily | 2,663,530 | 6,406 | — | 24 | 2,669,960 |
| Residential 1-4 family | 1,625,326 | 26,477 | — | 31,753 | 1,683,556 |
| Agricultural | 355,875 | 1,996 | — | 534 | 358,405 |
| Total real estate | 19,740,309 | 286,165 | 136,095 | 77,156 | 20,239,725 |
| Commercial and industrial | 5,631,150 | 6,367 | 45,471 | 2,691 | 5,685,679 |
| Consumer | 4,562,359 | 10,919 | — | 9,270 | 4,582,548 |
| Other | 3,626,714 | — | — | — | 3,626,714 |
| Total | $ 33,560,532 | $ 303,451 | $ 181,566 | $ 89,117 | $ 34,134,666 |
| | | | | | |
| **December 31, 2025:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 7,877,614 | $ 248,541 | $ 32,452 | $ 258,848 | $ 8,417,455 |
| Construction/land development | 7,564,193 | 136,318 | 37,347 | 40,553 | 7,778,411 |
| Multifamily | 3,679,483 | — | — | 576 | 3,680,059 |
| Residential 1-4 family | 1,591,238 | 14,289 | 165 | 30,053 | 1,635,745 |
| Agricultural | 316,749 | 1,389 | 2,505 | 611 | 321,254 |
| Total real estate | 21,029,277 | 400,537 | 72,469 | 330,641 | 21,832,924 |
| Commercial and industrial | 3,386,986 | 9,714 | 32,182 | 2,703 | 3,431,585 |
| Consumer | 4,251,048 | 11,067 | — | 7,879 | 4,269,994 |
| Other | 2,727,146 | 8 | 56,128 | — | 2,783,282 |
| Total | $ 31,394,457 | $ 421,326 | $ 160,779 | $ 341,223 | $ 32,317,785 |

At September 30, 2026, the Bank's loans categorized as special mention totaled $303.5 million and, primarily consisted of two credits with a combined balance of $209.9 million originated by the Bank's Real Estate Specialties Group ("RESG"). One of these credits is collateralized by a condo property and the other credit is collateralized by an office property.

At September 30, 2026, the Bank's loans categorized as substandard accrual totaled $181.6 million and, primarily consisted of two credits originated by RESG with a combined balance of $129.5 million that were collateralized by land and single-family lots and homes. These loans were on accrual status and therefore were not designated as nonperforming.

At September 30, 2026, the Bank's loans categorized as substandard nonaccrual totaled $89.1 million, the largest of which was one credit originated by RESG with a balance of $40.0 million that is collateralized by land.

The following categories of credit quality indicators are utilized by the Bank for its internal loan grading purposes.

Pass – Loans in this category exhibit minimal or moderate levels of risk and are not expected to result in loss.

Special Mention – Loans in this category have potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or in the Bank's credit position at some future date.

Substandard – Loans in this category are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Substandard loans are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

Doubtful – Loans in this category have all the weaknesses inherent in those classified as substandard with the added characteristics that weaknesses make collection in full, on the basis of currently known facts, conditions, and values, highly questionable and improbable.

Loss – Loans in this category are considered uncollectible. Loans classified as loss do not mean the loan has absolutely no recovery or salvage value but rather it is not practical or desirable to delay charging off.

The Bank considers its residential 1-4 family loans (including consumer construction loans and 1-4 family properties), consumer loans, and certain small business loans to be (i) pass – if they are performing and less than 30 days past due, (ii) special mention – if they are performing and 30 to 89 days past due or (iii) substandard – if they are nonperforming or 90 days or more past due.

The following table is an aging analysis of past due loans as of the dates indicated.

| | 30-59 Days Past Due[1] | 60-89 Days Past Due[2] | 90 Days or More[3] | Total Past Due | Current[4] | Total |
|---|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | | |
| **September 30, 2026:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | $ 2,877 | $ — | $ 114 | $ 2,991 | $ 8,705,157 | $ 8,708,148 |
| Construction/land development | 250 | 45 | 44,208 | 44,503 | 6,775,153 | 6,819,656 |
| Multifamily | — | — | — | — | 2,669,960 | 2,669,960 |
| Residential 1-4 family | 6,995 | 8,287 | 5,997 | 21,279 | 1,662,277 | 1,683,556 |
| Agricultural | — | — | 452 | 452 | 357,953 | 358,405 |
| Total real estate | 10,122 | 8,332 | 50,771 | 69,225 | 20,170,500 | 20,239,725 |
| Commercial and industrial | 3,563 | 2,008 | — | 5,571 | 5,680,108 | 5,685,679 |
| Consumer | 10,347 | 2,732 | 288 | 13,367 | 4,569,181 | 4,582,548 |
| Other | — | — | — | — | 3,626,714 | 3,626,714 |
| Total | $ 24,032 | $ 13,072 | $ 51,059 | $ 88,163 | $ 34,046,503 | $ 34,134,666 |
| | | | | | | |
| **December 31, 2025:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | $ 54,430 | $ — | $ 51,845 | $ 106,275 | $ 8,311,180 | $ 8,417,455 |
| Construction/land development | 41,305 | 3,378 | 164 | 44,847 | 7,733,564 | 7,778,411 |
| Multifamily | — | — | 549 | 549 | 3,679,510 | 3,680,059 |
| Residential 1-4 family | 13,798 | 7,511 | 7,140 | 28,449 | 1,607,296 | 1,635,745 |
| Agricultural | 10 | — | 503 | 513 | 320,741 | 321,254 |
| Total real estate | 109,543 | 10,889 | 60,201 | 180,633 | 21,652,291 | 21,832,924 |
| Commercial and industrial | 542 | 9,921 | 1,944 | 12,407 | 3,419,178 | 3,431,585 |
| Consumer | 10,180 | 2,616 | 666 | 13,462 | 4,256,532 | 4,269,994 |
| Other | — | — | — | — | 2,783,282 | 2,783,282 |
| Total | $ 120,265 | $ 23,426 | $ 62,811 | $ 206,502 | $ 32,111,283 | $ 32,317,785 |

[1] Includes $3.7 million and $96.4 million of loans on nonaccrual status at September 30, 2026 and December 31, 2025, respectively.
[2] Includes $9.1 million and $5.6 million of loans on nonaccrual status at September 30, 2026 and December 31, 2025, respectively.
[3] All loans 90 days or more past due were on nonaccrual status at September 30, 2026 and December 31, 2025.
[4] Includes $25.2 million and $176.4 million of loans on nonaccrual status at September 30, 2026 and December 31, 2025, respectively.

***Allowance for Credit Losses ("ACL")***

The following table is a summary of activity within the ACL for the periods indicated.

| | Allowance for Loan Losses ("ALL") | Reserve for Losses on Unfunded Loan Commitments | Total Allowance for Credit Losses |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **Three months ended September 30, 2026:** | | | |
| Balances – June 30, 2026 | $ 461,534 | $ 156,274 | $ 617,808 |
| Net charge-offs | (44,454) | — | (44,454) |
| Provision for credit losses | 52,779 | (5,017) | 47,762 |
| Balances – September 30, 2026 | $ 469,859 | $ 151,257 | $ 621,116 |
| | | | |
| **Nine months ended September 30, 2026:** | | | |
| Balances – December 31, 2025 | $ 475,721 | $ 156,130 | $ 631,851 |
| Net charge-offs | (146,045) | — | (146,045) |
| Provision for credit losses | 140,183 | (4,873) | 135,310 |
| Balances – September 30, 2026 | $ 469,859 | $ 151,257 | $ 621,116 |
| | | | |
| **Three months ended September 30, 2025:** | | | |
| Balances – June 30, 2025 | $ 518,634 | $ 147,132 | $ 665,766 |
| Net charge-offs | (34,480) | — | (34,480) |
| Provision for credit losses | 48,187 | 127 | 48,314 |
| Balances – September 30, 2025 | $ 532,341 | $ 147,259 | $ 679,600 |
| | | | |
| **Nine months ended September 30, 2025:** | | | |
| Balances – December 31, 2024 | $ 465,547 | $ 153,813 | $ 619,360 |
| Net charge-offs | (61,705) | — | (61,705) |
| Provision for credit losses | 128,499 | (6,554) | 121,945 |
| Balances – September 30, 2025 | $ 532,341 | $ 147,259 | $ 679,600 |

The calculations of the Bank's provision for credit losses for the third quarter and first nine months of 2026 and its total ACL at September 30, 2026 were based on a number of key estimates, assumptions and economic forecasts. The Bank utilized recent Moody's economic forecasts, including their Baseline, S4 (Alternative Adverse Downside) and S6 (Stagflation) scenarios and their updates released in September 2026. Management also utilized certain qualitative adjustments, primarily related to specific property types, to capture items not included in the Bank's model results or other assumptions.

The following table is a summary of the Bank's ACL for the periods indicated.

| | Beginning Balance | Charge-offs | Recoveries | Provision | Ending Balance |
|---|---|---|---|---|---|
| | | | (Dollars in thousands) | | |
| **Three months ended September 30, 2026:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 130,467 | $ (37,264) | $ 78 | $ 50,736 | $ 144,017 |
| Construction/land development | 85,277 | (287) | 11 | 700 | 85,701 |
| Multifamily | 22,041 | — | — | (333) | 21,708 |
| Residential 1-4 family | 32,498 | (1,027) | 204 | (1,227) | 30,448 |
| Agricultural | 8,416 | — | — | (81) | 8,335 |
| Total real estate | 278,699 | (38,578) | 293 | 49,795 | 290,209 |
| Commercial and industrial | 52,101 | (769) | 48 | 1,392 | 52,772 |
| Consumer | 102,977 | (5,779) | 940 | (1,988) | 96,150 |
| Other | 27,757 | (720) | 111 | 3,580 | 30,728 |
| Total ALL for funded loans | 461,534 | (45,846) | 1,392 | 52,779 | 469,859 |
| Reserve for losses on unfunded loan commitments | 156,274 | — | — | (5,017) | 151,257 |
| Total ACL | $ 617,808 | $ (45,846) | $ 1,392 | $ 47,762 | $ 621,116 |
| | | | | | |
| **Nine months ended September 30, 2026:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 138,387 | $ (83,686) | $ 418 | $ 88,898 | $ 144,017 |
| Construction/land development | 78,086 | (1,314) | 69 | 8,860 | 85,701 |
| Multifamily | 30,414 | (115) | — | (8,591) | 21,708 |
| Residential 1-4 family | 31,130 | (1,194) | 348 | 164 | 30,448 |
| Agricultural | 8,220 | — | — | 115 | 8,335 |
| Total real estate | 286,237 | (86,309) | 835 | 89,446 | 290,209 |
| Commercial and industrial | 30,720 | (1,797) | 115 | 23,734 | 52,772 |
| Consumer | 112,857 | (16,719) | 1,990 | (1,978) | 96,150 |
| Other | 45,907 | (44,533) | 373 | 28,981 | 30,728 |
| Total ALL for funded loans | 475,721 | (149,358) | 3,313 | 140,183 | 469,859 |
| Reserve for losses on unfunded loan commitments | 156,130 | — | — | (4,873) | 151,257 |
| Total ACL | $ 631,851 | $ (149,358) | $ 3,313 | $ 135,310 | $ 621,116 |

The following table is a summary of the Bank's ACL for the periods indicated.

| | Beginning Balance | Charge-offs | Recoveries | Provision | Ending Balance |
|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | |
| **Three months ended September 30, 2025:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 116,437 | $ (8,310) | $ 318 | $ 78,423 | $ 186,868 |
| Construction/land development | 118,309 | (21,191) | 48 | (18,494) | 78,672 |
| Multifamily | 66,783 | — | — | (20,978) | 45,805 |
| Residential 1-4 family | 33,403 | (264) | 133 | 1,783 | 35,055 |
| Agricultural | 7,528 | — | — | 585 | 8,113 |
| Total real estate | 342,460 | (29,765) | 499 | 41,319 | 354,513 |
| Commercial and industrial | 23,907 | (1,616) | 24 | 3,719 | 26,034 |
| Consumer | 106,873 | (3,719) | 630 | 7,350 | 111,134 |
| Other | 45,394 | (677) | 144 | (4,201) | 40,660 |
| Total ALL for funded loans | 518,634 | (35,777) | 1,297 | 48,187 | 532,341 |
| Reserve for losses on unfunded loan commitments | 147,132 | — | — | 127 | 147,259 |
| Total ACL | $ 665,766 | $ (35,777) | $ 1,297 | $ 48,314 | $ 679,600 |
| | | | | | |
| **Nine months ended September 30, 2025:** | | | | | |
| Real estate: | | | | | |
| Other commercial real estate | $ 124,339 | $ (18,681) | $ 376 | $ 80,834 | $ 186,868 |
| Construction/land development | 85,183 | (25,975) | 111 | 19,353 | 78,672 |
| Multifamily | 58,262 | (2,611) | — | (9,846) | 45,805 |
| Residential 1-4 family | 31,107 | (861) | 355 | 4,454 | 35,055 |
| Agricultural | 6,860 | (23) | — | 1,276 | 8,113 |
| Total real estate | 305,751 | (48,151) | 842 | 96,071 | 354,513 |
| Commercial and industrial | 7,157 | (2,206) | 87 | 20,996 | 26,034 |
| Consumer | 119,551 | (11,593) | 2,188 | 988 | 111,134 |
| Other | 33,088 | (3,284) | 412 | 10,444 | 40,660 |
| Total ALL for funded loans | 465,547 | (65,234) | 3,529 | 128,499 | 532,341 |
| Reserve for losses on unfunded loan commitments | 153,813 | — | — | (6,554) | 147,259 |
| Total ACL | $ 619,360 | $ (65,234) | $ 3,529 | $ 121,945 | $ 679,600 |

The following table presents a summary of the Bank's loans on nonaccrual status with ALL and loans on nonaccrual status with no ALL as of the dates indicated.

| | Nonaccrual Loans with ALL | Nonaccrual Loans with no ALL | Total Nonaccrual Loans |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **September 30, 2026:** | | | |
| Real estate: | | | |
| Other commercial real estate | $ 408 | $ — | $ 408 |
| Construction/land development | 518 | 43,919 | 44,437 |
| Multifamily | 24 | — | 24 |
| Residential 1-4 family | 31,753 | — | 31,753 |
| Agricultural | 534 | — | 534 |
| Total real estate | 33,237 | 43,919 | 77,156 |
| Commercial and industrial | 1,211 | 1,480 | 2,691 |
| Consumer | 9,268 | 2 | 9,270 |
| Total | $ 43,716 | $ 45,401 | $ 89,117 |
| | | | |
| **December 31, 2025:** | | | |
| Real estate: | | | |
| Other commercial real estate | $ 2,380 | $ 256,468 | $ 258,848 |
| Construction/land development | 557 | 39,996 | 40,553 |
| Multifamily | 576 | — | 576 |
| Residential 1-4 family | 29,827 | 226 | 30,053 |
| Agricultural | 611 | — | 611 |
| Total real estate | 33,951 | 296,690 | 330,641 |
| Commercial and industrial | 2,703 | — | 2,703 |
| Consumer | 7,879 | — | 7,879 |
| Total | $ 44,533 | $ 296,690 | $ 341,223 |

Interest income on nonperforming loans as of September 30, 2026 and December 31, 2025 is recognized on a cash basis when and if actually collected. Total interest income recognized on nonperforming loans for the three and nine months ended September 30, 2026 and 2025 was not material.

The following tables provide the number and balance of loans that were modified to borrowers experiencing financial difficulty for the three and nine months ended September 30, 2026 and 2025, disaggregated by loan type and modification type.

| | Number of Loans | Term Extension | Term Extension and Interest Rate Reduction | Term Extension and Payment Deferral | Total | Percentage of Total by Loan Type |
|---|---|---|---|---|---|---|
| | | | (Dollars in thousands) | | | |
| **Three months ended September 30, 2026:** | | | | | | |
| Real estate: | | | | | | |
| Residential 1-4 family | 4 | $ 315 | $ — | $ — | $ 315 | 0.02% |
| Total real estate | 4 | 315 | — | — | 315 | — |
| Commercial and industrial | 1 | 44,941 | — | — | 44,941 | 0.79 |
| Total loans | 5 | $ 45,256 | $ — | $ — | $ 45,256 | 0.13% |
| | | | | | | |
| **Nine months ended September 30, 2026** | | | | | | |
| Real estate: | | | | | | |
| Residential 1-4 family | 7 | $ 572 | $ — | $ — | $ 572 | 0.03% |
| Total real estate | 7 | 572 | — | — | 572 | — |
| Commercial and industrial | 1 | 44,941 | — | — | 44,941 | 0.79 |
| Total loans | 8 | $ 45,513 | $ — | $ — | $ 45,513 | 0.13% |
| | | | | | | |
| **Three months ended September 30, 2025:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | — | $ — | $ — | $ — | $ — | —% |
| Construction/land development | 1 | 45,236 | — | — | 45,236 | 0.53 |
| Residential 1-4 family | 5 | 710 | — | — | 710 | 0.04 |
| Total real estate | 6 | 45,946 | — | — | 45,946 | 0.20 |
| Commercial and industrial | 1 | 31,122 | — | — | 31,122 | 1.08 |
| Total loans | 7 | $ 77,068 | $ — | $ — | $ 77,068 | 0.23% |
| | | | | | | |
| **Nine months ended September 30, 2025:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | 1 | $ 400 | $ — | $ — | $ 400 | —% |
| Construction/land development | 1 | — | 45,236 | — | 45,236 | 0.53 |
| Residential 1-4 family | 11 | 1,369 | — | 169 | 1,538 | 0.11 |
| Total real estate | 13 | 1,769 | 45,236 | 169 | 47,174 | 0.20 |
| Commercial and industrial | 1 | 31,122 | — | — | 31,122 | 1.08 |
| Total loans | 14 | $ 32,891 | $ 45,236 | $ 169 | $ 78,296 | 0.24% |

The following tables provide an aging analysis of loans as of September 30, 2026 and 2025 made to borrowers experiencing financial difficulty that were modified during the prior twelve months.

| | Nonaccrual | Current | Total |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **September 30, 2026:** | | | |
| Real estate: | | | |
| Other commercial real estate | $ — | $ — | $ — |
| Construction/land development | 39,996 | — | 39,996 |
| Residential 1-4 family | 919 | — | 919 |
| Agricultural | 62 | — | 62 |
| Total real estate | 40,977 | — | 40,977 |
| Commercial and industrial | — | 44,941 | 44,941 |
| Consumer | — | — | — |
| Total loans | $ 40,977 | $ 44,941 | $ 85,918 |
| | | | |
| **September 30, 2025:** | | | |
| Real estate: | | | |
| Other commercial real estate | $ — | $ 400 | $ 400 |
| Construction/land development | 45,236 | — | 45,236 |
| Residential 1-4 family | 1,071 | 469 | 1,540 |
| Agricultural | — | — | — |
| Total real estate | 46,307 | 869 | 47,176 |
| Commercial and industrial | — | 31,122 | 31,122 |
| Consumer | 6 | — | 6 |
| Total loans | $ 46,313 | $ 31,991 | $ 78,304 |

The Bank considers a loan to be in payment default when it is placed on nonaccrual status or the payment is 90 days or more past due. During the third quarter and first nine months of 2026, loans that experienced a payment default that were granted a modification within the previous 12 months preceding the payment default were immaterial. During the third quarter of 2025, the Bank experienced a payment default on a construction/land development loan that had a modification within the previous 12 months. During the third quarter of 2025, this loan was placed on nonaccrual status and the Bank recognized a $20.9 million charge-off which reduced the carrying value of this loan to $45.2 million. During the third quarter and first nine months of 2025, all other loans that experienced a payment default that were granted a modification within the previous 12 months preceding the payment default were immaterial.

## 6. Foreclosed Assets

The following table is a summary of the amount and type of foreclosed assets as of the dates indicated.

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | (Dollars in thousands) | |
| Real estate: | | |
| Construction/land development | $ 54,447 | $ 54,447 |
| Other commercial real estate | 361,450 | — |
| Residential 1-4 family | 127 | 96 |
| Total real estate | 416,024 | 54,543 |
| Commercial and industrial | 2,463 | 5,130 |
| Consumer | 1,921 | 1,403 |
| Total foreclosed assets | $ 420,408 | $ 61,076 |

At September 30, 2026, foreclosed assets totaled $420.4 million and primarily consisted of three life science buildings totaling $228.0 million, three office buildings totaling $133.4 million and one parcel of land totaling $54.4 million.

The following table is a summary of activity within foreclosed assets during the periods indicated.

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2026 | 2025 |
| | (Dollars in thousands) | |
| Balance – beginning | $ 61,076 | $ 69,381 |
| Loans and other assets transferred into foreclosed assets | 377,315 | 109,489 |
| Sales of foreclosed assets | (10,557) | (97,615) |
| Writedowns of foreclosed assets | (7,426) | (2,675) |
| Balance – ending | $ 420,408 | $ 78,580 |

## 7. Supplemental Cash Flow Information

The following table provides supplemental cash flow information for the periods indicated.

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2026 | 2025 |
| | (Dollars in thousands) | |
| Cash (received) paid during the period for: | | |
| Interest | $ 745,298 | $ 810,434 |
| Income taxes (received) paid | (10,484) | 112,802 |
| Supplemental schedule of non-cash activities: | | |
| Net change in unrealized (losses) and gains on investment securities - AFS | (284,070) | 51,749 |
| Loans and other assets transferred to foreclosed assets | 377,315 | 109,489 |
| Increase in lease right-of-use assets and lease liabilities | 35,182 | 102,433 |
| Increase in tax credit investments | 155,391 | 131,272 |
| Unsettled purchases of investment securities - AFS | 176,490 | — |

## 8. Commitments and Contingencies

The Bank is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments primarily include standby letters of credit and commitments to extend credit.

Outstanding standby letters of credit are contingent commitments by the Bank generally to guarantee the performance of a customer in third party arrangements. The maximum amount of future payments the Bank could be required to make under these guarantees at September 30, 2026 is $121.5 million. The Bank holds collateral to support guarantees when deemed necessary. Standby letters of credit that were collateralized totaled $120.8 million at September 30, 2026.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses, may require payment of a fee and may expire without being drawn upon. The Bank evaluates each customer's creditworthiness on a case-by-case basis.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. The Bank has the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

The amount of collateral obtained, if deemed necessary by the Bank upon extension of credit, is based on management's credit evaluation of the counterparty. The type of collateral held varies but may include accounts receivable, inventory, property, plant and equipment, and other real or personal property.

At September 30, 2026 and December 31, 2025, the Bank had outstanding commitments totaling $18.0 billion to extend credit, consisting primarily of loans closed but not yet funded. These commitments may or may not fund in whole or part prior to maturity and the extent of such funding is subject to a number of factors, including, among others, economic conditions, real estate market conditions and competitive factors.

The following table shows the contractual maturities of such outstanding loan commitments as of the date indicated.

| Contractual Maturities at September 30, 2026 | |
|---|---|
| **Year of Maturity** | **Amount** |
| | (Dollars in thousands) |
| Remainder of 2026 | $ 1,318,315 |
| 2027 | 2,936,693 |
| 2028 | 4,272,463 |
| 2029 | 5,042,023 |
| 2030 | 2,938,881 |
| Thereafter | 1,503,549 |
| Total | $ 18,011,924 |

The Bank's right-of-use asset (net of accumulated depreciation), which totaled $194.5 million at September 30, 2026 and $165.1 million at December 31, 2025, is included in premises and equipment, and the Bank's lease liability, which totaled $203.8 million at September 30, 2026 and $172.7 million at December 31, 2025, is included in accrued interest payable and other liabilities on the Bank's consolidated balance sheet. The Bank's leases are comprised primarily of building and ground leases associated with certain branch locations or loan production offices. These lease agreements include future minimum lease payments on non-cancelable leases in excess of one year. For the remainder of 2026 the Bank's minimum lease payments are expected to be approximately $4 million. For 2027 through 2030 the Bank's annual minimum lease payments are expected to be in the range of $16 million to $17 million. Beyond 2030, the Bank's lease payments are expected to total approximately $298 million in the aggregate.

The Bank is a party to various legal and regulatory proceedings, investigations, and claims arising in the ordinary course of business, including matters involving employment and wage-and-hour laws, consumer protection and privacy, lender liability, breach of contract, and other lending-related matters. Certain of these matters are asserted as putative class or representative actions. The ultimate outcomes of these matters are inherently uncertain. Based on information currently available, management does not believe that the ultimate resolution of these matters, individually or in the aggregate, is expected to have a material adverse effect on the Bank's financial condition or results of operations.

## 9. Tax Credit and Other Investments

The Bank invests in certain tax credit investments and partnerships, including low income housing tax credits ("LIHTC"), renewable energy tax credits and other investments. The Bank also has investments in Small Business Investment Companies ("SBIC") that provide funds to qualifying small businesses.

The following table shows the balance and unfunded commitments of the Bank's LIHTCs, renewable energy tax credits, SBICs and other investments as of September 30, 2026.

| | | Unfunded Commitments | |
|---|---|---|---|
| | **Amount Included in Other Assets** | **Amount Included in Other Liabilities** | **Off Balance Sheet** |
| | | (Dollars in thousands) | |
| LIHTC | $ 589,689 | $ 245,089 | $ — |
| Renewable energy tax credits | 29,456 | 36,133 | — |
| SBICs | 82,220 | — | 106,807 |
| Other | 39,348 | 3,134 | 20,433 |
| Total | $ 740,713 | $ 284,356 | $ 127,240 |

The following table shows the expected payments for unfunded tax credits, SBICs and other investments as of September 30, 2026.

| | Expected Payments at September 30, 2026 | | |
|---|---|---|---|
| | LIHTC, Renewable Energy and Other Tax Credits | SBICs and Other | Total |
| | | (Dollars in thousands) | |
| Remainder of 2026 | $ 78,448 | $ 65,909 | $ 144,357 |
| 2027 | 119,880 | 26,870 | 146,750 |
| 2028 | 64,442 | 19,009 | 83,451 |
| 2029 | 8,857 | 10,681 | 19,538 |
| 2030 | 5,368 | 4,771 | 10,139 |
| Thereafter | 7,361 | — | 7,361 |
| Total | $ 284,356 | $ 127,240 | $ 411,596 |

For the three and nine months ended September 30, 2026, the Bank's provision for income taxes included the recognition of amortization expense on tax credit investments of $41.9 million and $91.1 million and tax credits and other benefits of $49.5 million and $111.6 million.

## 10. Stock-Based Compensation

The Bank maintains a stock-based compensation plan ("Omnibus Plan") which allows the Bank to award stock options, stock appreciation rights, restricted stock, restricted stock units, or other stock-based awards to directors, executives and employees that are eligible to participate in the Omnibus Plan. The Bank has granted restricted stock and PSUs as its primary stock-based incentive awards.

Stock-based compensation expense for restricted stock awards and PSUs included in non-interest expense was $5.1 million and $5.6 million for the three months ended September 30, 2026 and 2025, respectively, and $15.6 million and $17.8 million for the nine months ended September 30, 2026 and 2025, respectively. Unrecognized compensation expense for non-vested restricted stock awards and PSUs was $31.3 million at September 30, 2026 and is expected to be recognized over a weighted-average period of approximately 1.9 years.

## 11. Fair Value Measurements

The Bank measures certain of its assets and liabilities on a fair value basis using various valuation techniques and assumptions, depending on the nature of the asset or liability. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, fair value is used either on a periodic basis, typically at least quarterly, or on a non-recurring basis to evaluate certain assets and liabilities for impairment or for disclosure purposes. At September 30, 2026 and December 31, 2025, the Bank had no material liabilities that were accounted for at fair value.

The Bank applies the following fair value hierarchy.

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations whose inputs are observable.

Level 3 – Instruments whose inputs are unobservable.

The following table sets forth the Bank's assets that are accounted for at fair value as of the dates indicated.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | | (Dollars in thousands) | | |
| **September 30, 2026:** | | | | |
| Investment securities: | | | | |
| U.S. Government agency mortgage-backed securities | $ — | $ 1,817,670 | $ — | $ 1,817,670 |
| Obligations of state and political subdivisions | — | 2,513,810 | 4,983 | 2,518,793 |
| Corporate obligations | — | 18,827 | — | 18,827 |
| Total investment securities | — | 4,350,307 | 4,983 | 4,355,290 |
| Nonaccrual loans[1] | — | — | 73,964 | 73,964 |
| Foreclosed assets | — | — | 420,408 | 420,408 |
| Total | $ — | $ 4,350,307 | $ 499,355 | $ 4,849,662 |
| **December 31, 2025:** | | | | |
| Investment securities: | | | | |
| U.S. Government agency mortgage-backed securities | $ — | $ 1,106,357 | $ — | $ 1,106,357 |
| Obligations of state and political subdivisions | — | 1,477,428 | 5,795 | 1,483,223 |
| Corporate obligations | — | 20,563 | — | 20,563 |
| Total investment securities | — | 2,604,348 | 5,795 | 2,610,143 |
| Nonaccrual loans[1] | — | — | 327,215 | 327,215 |
| Foreclosed assets | — | — | 61,076 | 61,076 |
| Total | $ — | $ 2,604,348 | $ 394,086 | $ 2,998,434 |

[1] At September 30, 2026 and December 31, 2025, the Bank had reduced the carrying value of its nonaccrual loans to the estimated fair value of $74.0 million and $327.2 million, respectively. The adjustment to reduce the carrying value of such nonaccrual loans to the estimated fair value included $15.1 million and $14.0 million of ALL allocations at September 30, 2026 and December 31, 2025, respectively.

The following table presents information on Level 3 non-recurring fair value measurements as of the date indicated.

| Description | Fair Value at September 30, 2026 | Technique | Unobservable Inputs |
|---|---|---|---|
| | (Dollars in thousands) | | |
| Nonaccrual Loans | $ 73,964 | Third-party appraisal [1] or discounted cash flows | Management discount (ranging from 0% to 35% with a weighted average of 31%) based on underlying collateral characteristics and market conditions [2] |
| Foreclosed Assets | $ 420,408 | Third-party appraisal, [1] broker price opinions and/or discounted cash flows | Management discount (ranging from 0% to 20% with a weighted average of 10%) based on underlying collateral characteristics and market conditions [2] |

[1] The Bank utilizes valuation techniques consistent with the market, cost, and income approaches, or a combination thereof in determining fair value. These valuation techniques may contain assumptions related to discount rates and holding periods.

[2] The management discount represents the aggregate adjustment applied to the underlying collateral valuation and includes estimated costs to sell, as applicable, and other adjustments considered in determining fair value. The weighted-average management discount is calculated based on the relative collateral values to which the discounts are applied.

The following table presents the carrying amounts, estimated fair values and the fair value hierarchy of the Bank's financial instruments as of the dates indicated.

| | Fair Value Hierarchy | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|---|
| | | Carrying Amount | Estimated Fair Value | Carrying Amount | Estimated Fair Value |
| | | (Dollars in thousands) | | | |
| Financial assets: | | | | | |
| Cash and cash equivalents | Level 1 | $ 1,150,795 | $ 1,150,795 | $ 2,833,821 | $ 2,833,821 |
| Investment securities | Levels 2 and 3 | 4,355,290 | 4,355,290 | 2,610,143 | 2,610,143 |
| Loans, net of ALL | Level 3 | 33,664,807 | 33,284,811 | 31,842,064 | 31,669,936 |
| Financial liabilities: | | | | | |
| Demand, savings and interest bearing transaction deposits | Level 1 | $ 15,967,398 | $ 15,967,398 | $ 15,101,381 | $ 15,101,381 |
| Time deposits | Level 2 | 18,860,541 | 18,814,022 | 18,283,584 | 18,289,955 |
| Other borrowings | Level 2 | 750,000 | 750,000 | 537 | 537 |
| Subordinated notes | Level 2 | 349,998 | 349,998 | 349,389 | 321,903 |
| Subordinated debentures | Level 2 | 113,404 | 108,974 | 113,652 | 107,998 |

The following methods and assumptions were used to estimate the fair value of the Bank's assets, liabilities and financial instruments.

Cash and cash equivalents – For these short-term instruments, the carrying amount of cash and cash equivalents, including interest earning deposits and due from banks, is a reasonable estimate of fair value.

Investment securities – The Bank utilizes independent third parties as its principal pricing sources for determining fair value of investment securities which are measured on a recurring basis. As a result, the Bank receives estimates of fair value from at least two independent pricing sources for the majority of its individual securities within its investment portfolio. For investment securities traded in an active market, fair values are based on quoted market prices if available. If quoted market prices are not available, fair values are based on quoted market prices of comparable securities, broker quotes, comprehensive interest rate tables, pricing matrices or a combination thereof. For investment securities traded in a market that is not active, fair value is determined using unobservable inputs. All fair value estimates of the Bank's investment securities are reviewed on a quarterly basis.

Loans – The fair value of loans is estimated by discounting the expected future cash flows using the current rate at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Deposit liabilities – The fair value of demand deposits, savings accounts, money market deposits and other transaction accounts is the amount payable on demand at the reporting date. The fair value of fixed maturity time deposits is estimated discounting the expected future cash flows using the current rates available for deposits of similar remaining maturities.

Other borrowed funds – For these short-term instruments, the carrying amount is a reasonable estimate of fair value.

Subordinated notes – Beginning October 1, 2026, and at the quarterly interest payment dates thereafter, these instruments are callable; therefore the carrying amount is a reasonable estimate of fair value.

Subordinated debentures – The fair values of these instruments are based primarily upon discounted cash flows using rates for securities with similar terms and remaining maturities.

Off-balance sheet instruments – The fair values of letters of credit are based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements. The fair values of outstanding letters of credit were not material at September 30, 2026 or December 31, 2025.

The fair values of certain of these instruments were calculated by discounting expected cash flows, which contain numerous uncertainties and involve significant judgments by management. Fair value is the estimated amount at which financial assets or liabilities could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Because no market exists for certain of these financial instruments, the Bank does not know whether these fair values represent values at which the respective financial instruments could be sold individually or in the aggregate.

## 12. Changes In and Reclassifications From Accumulated Other Comprehensive Income ("AOCI")

The following table presents changes in AOCI for the periods indicated.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Beginning balance of AOCI – unrealized losses on investment securities - AFS | $ (26,763) | $ (68,222) | $ (24,859) | $ (76,136) |
| Other comprehensive income: | | | | |
| Unrealized (losses) and gains on investment securities - AFS | (281,788) | 41,861 | (284,070) | 51,749 |
| Tax effect of unrealized losses and gains on investment securities - AFS | 67,157 | (9,650) | 67,535 | (11,624) |
| Total other comprehensive (loss) income | (214,631) | 32,211 | (216,535) | 40,125 |
| Ending balance of AOCI – unrealized losses on investment securities - AFS | $ (241,394) | $ (36,011) | $ (241,394) | $ (36,011) |

## 13. Other Operating Expenses

The following table is a summary of other operating expenses for the periods indicated.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Software and data processing | $ 12,430 | $ 10,591 | $ 35,670 | $ 31,692 |
| Expenses on nonperforming assets: | | | | |
| Insurance, taxes and other | 9,799 | 1,286 | 18,486 | 5,059 |
| Foreclosed assets writedowns | 4,443 | 502 | 7,426 | 2,675 |
| Deposit insurance and assessments | 7,691 | 7,581 | 23,296 | 20,961 |
| Professional and outside services | 6,039 | 7,360 | 18,913 | 19,925 |
| Advertising and public relations | 4,388 | 6,351 | 13,376 | 14,974 |
| Other | 15,161 | 14,572 | 44,977 | 47,528 |
| Total other operating expenses | $ 59,951 | $ 48,243 | $ 162,144 | $ 142,814 |

## 14. Recent Accounting Pronouncements

On November 4, 2024, the FASB issued ASU 2024-03, *Income Statement: Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)* ("ASU 2024-03"). ASU 2024-03 will require public business entities to disclose disaggregated information about certain expense categories in the notes to the financial statements at interim and annual reporting periods. For public business entities, ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The Bank is currently assessing the potential impact of ASU 2024-03 but does not expect it to have a significant impact on the Bank's financial statement disclosures.

On September 18, 2025, the FASB issued ASU 2025-06, *Intangibles: Goodwill and Other – Internal-Use Software (Subtopic 350-40)* ("ASU 2025-06"). ASU 2025-06 removes all references to prescriptive and sequential software development stages and establishes two requirements needed before software costs can begin capitalization. Additionally, ASU 2025-06 establishes two factors to consider when determining whether there is significant development uncertainty. For public business entities, ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period. The Bank is currently assessing the potential impact of ASU 2025-06 but does not expect it to have a significant impact on the Bank's financial position or results of operations.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*Unless the context otherwise requires, references in this quarterly report on Form 10-Q to terms such as "Bank," "we," "us," and "our" refer to Bank OZK (the "Bank") and its consolidated subsidiaries.*

**FORWARD-LOOKING INFORMATION**

This quarterly report on Form 10-Q, including Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), other public filings made by us and other oral and written statements or reports by us and our management include certain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "intends," "plans," "goals," "believes," "feels," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." Forward-looking statements represent the Bank's current expectations, plans or forecasts of its future results, revenues, liquidity, net interest income, provision for credit losses, expenses, efficiency ratio, capital measures, strategy, deposits, assets, and future business and economic conditions more generally, and other future matters. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems in implementing the Bank's growth and expansion strategies, including obtaining regulatory or other approvals, acquiring satisfactory sites, obtaining permits and designing, constructing and opening new offices or relocating, selling or closing existing offices; the availability of and access to capital; the competition for and costs of recruiting and retaining qualified personnel; possible downgrades in the Bank's credit ratings or outlook which could increase the costs of or decrease the availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; competitive factors and pricing pressures, including their effect on the Bank's net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; the potential impact of continuing inflationary pressures; conditions within the banking industry; recently enacted and potential new federal or state laws and regulatory requirements or changes to existing federal or state laws and regulatory requirements, including changes affecting oversight of the financial services industry, changes intended to manage or mitigate climate and related environmental risks, changes in the interpretation and enforcement of such laws and requirements, changes as a result of U.S. presidential, congressional, state and local elections, and the costs and expenses to comply with new and/or existing legislation and regulatory requirements; the impact of potential changes in U.S. tax, tariff and immigration laws, regulations and policies and changes in state and local tax laws, regulations and policies; uncertainty regarding changes in U.S. government monetary and fiscal policy; the impact of any U.S. federal government shutdown or budgetary crisis; Federal Deposit Insurance Corporation ("FDIC") special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding artificial intelligence and maintaining cybersecurity; the impact of any failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business or others, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or our customers or others; natural disasters; acts of war or terrorism; national or international political instability or military conflicts, including the current conflicts in Ukraine and the Middle East; the potential impact of supply chain disruptions; impairment of our goodwill; adoption of new accounting standards, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings "Forward-Looking Information" and "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K for the year ended December 31, 2025 and in our Quarterly Report(s) on Form 10-Q filed after the Annual Report. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

**FINANCIAL HIGHLIGHTS**

The selected financial highlights are derived from our unaudited consolidated financial data as of and for the three and nine months ended September 30, 2026 and 2025. These highlights are qualified in their entirety by our consolidated financial statements and related notes presented in Part I, Item 1 – Financial Statements in this quarterly report on Form 10-Q.

**SELECTED FINANCIAL HIGHLIGHTS**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands, except per share amounts) | | | |
| **Income statement data:** | | | | |
| Net interest income | $ 402,987 | $ 413,859 | $ 1,180,701 | $ 1,185,114 |
| Provision for credit losses | 47,762 | 48,314 | 135,310 | 121,945 |
| Non-interest income | 36,254 | 36,077 | 106,660 | 102,093 |
| Non-interest expense | 177,814 | 159,308 | 513,002 | 459,425 |
| Net income available to common stockholders | 164,315 | 180,533 | 486,957 | 527,377 |
| Pre-tax pre-provision net revenue[(1)] | 261,427 | 290,628 | 774,359 | 827,782 |
| **Common share and per common share data:** | | | | |
| Diluted earnings per common share | $ 1.50 | $ 1.59 | $ 4.43 | $ 4.64 |
| Book value per common share | 53.59 | 51.09 | 53.59 | 51.09 |
| Tangible book value per common share[(1)] | 47.50 | 45.23 | 47.50 | 45.23 |
| Common stock dividends per share | 0.48 | 0.44 | 1.41 | 1.29 |
| Weighted-average diluted shares outstanding (thousands) | 109,574 | 113,301 | 110,014 | 113,621 |
| End of period shares outstanding (thousands) | 108,398 | 112,628 | 108,398 | 112,628 |
| **Balance sheet data at period end:** | | | | |
| Total assets | $ 43,189,349 | $ 41,606,548 | $ 43,189,349 | $ 41,606,548 |
| Loans | 34,134,666 | 32,846,115 | 34,134,666 | 32,846,115 |
| Allowance for loan losses | 469,859 | 532,341 | 469,859 | 532,341 |
| Foreclosed assets | 420,408 | 78,580 | 420,408 | 78,580 |
| Investment Securities - AFS | 4,355,290 | 2,759,722 | 4,355,290 | 2,759,722 |
| Deposits | 34,827,939 | 33,984,925 | 34,827,939 | 33,984,925 |
| Other borrowings | 750,000 | 300,554 | 750,000 | 300,554 |
| Unfunded loan commitments | 18,011,924 | 17,897,812 | 18,011,924 | 17,897,812 |
| Reserve for losses on unfunded loan commitments | 151,257 | 147,259 | 151,257 | 147,259 |
| Total common stockholders' equity[(1)] | 5,809,417 | 5,754,426 | 5,809,417 | 5,754,426 |
| Total tangible common stockholders' equity ("TCE")[(1)] | 5,148,628 | 5,093,637 | 5,148,628 | 5,093,637 |
| **Average balance sheet data:** | | | | |
| Total average earning assets | $ 38,379,738 | $ 38,095,963 | $ 37,883,818 | $ 36,855,415 |
| Total average assets | 41,937,998 | 41,119,770 | 41,273,632 | 39,747,790 |
| Total average common stockholders' equity | 5,959,384 | 5,658,454 | 5,894,472 | 5,542,706 |
| **Performance ratios:** | | | | |
| Return on average assets[(2)] | 1.55% | 1.74% | 1.58% | 1.77% |
| Return on average common stockholders' equity[(1)(2)] | 10.94 | 12.66 | 11.05 | 12.72 |
| Return on average tangible common stockholders' equity[(1)(2)] | 12.30 | 14.33 | 12.44 | 14.44 |
| Loan to deposit ratio | 98.01 | 96.65 | 98.01 | 96.65 |
| TCE to total tangible assets[(1)] | 12.11 | 12.44 | 12.11 | 12.44 |
| Net interest margin - FTE[(2)] | 4.24 | 4.35 | 4.23 | 4.34 |
| Efficiency Ratio | 39.85 | 35.11 | 39.33 | 35.38 |
| **Asset quality ratios:** | | | | |
| Net charge-offs to average loans[(2)] | 0.53% | 0.41% | 0.59% | 0.26% |
| Nonperforming loans to loans | 0.26 | 0.46 | 0.26 | 0.46 |
| Nonperforming assets to total assets | 1.18 | 0.55 | 1.18 | 0.55 |
| Allowance for loan losses to loans | 1.38 | 1.62 | 1.38 | 1.62 |
| Allowance for credit losses to loans and unfunded loan commitments | 1.19 | 1.34 | 1.19 | 1.34 |
| **Capital ratios at period end:** | | | | |
| Common equity tier 1 | 11.45% | 11.55% | 11.45% | 11.55% |
| Tier 1 risk based capital | 12.18 | 12.32 | 12.18 | 12.32 |
| Total risk based capital | 14.42 | 14.61 | 14.42 | 14.61 |
| Tier 1 leverage | 13.76 | 13.47 | 13.76 | 13.47 |

[(1)] Reconciliation and calculations of non-GAAP financial measures are included within this MD&A.

[(2)] Ratios for interim periods annualized based on actual days.

**CURRENT MACROECONOMIC CONDITIONS**

The ongoing elevated macroeconomic risks and uncertainties around geopolitical matters, hostilities in the Middle East and elsewhere, changes in the Federal Reserve ("Fed") funds target rate and Fed balance sheet, U.S. fiscal policy, trade, tariffs, immigration, among other factors, have contributed to significant volatility in U.S. financial markets. The ultimate impact of this elevated uncertainty and market volatility on the U.S. economy, our customers and our business is not yet clear, but possible impacts include recession, inflationary pressures and various other outcomes. Our customers could be adversely impacted by these factors, which could affect the volume and profitability of the business they do with us, their willingness or ability to repay their loans, and the value of collateral securing their loans, among other things. This could have a material adverse effect on our business, financial condition and results of operations. We expect the macroeconomic environment to remain dynamic in the near-term.

**GENERAL**

The following discussion explains our financial condition and results of operations as of and for the three and nine months ended September 30, 2026. The purpose of this discussion is to focus on information about our financial condition and results of operations which is not otherwise apparent from the consolidated financial statements and related notes. The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes presented in Part 1, Item 1 – Financial Statements in this quarterly report on Form 10-Q and in our annual report on Form 10-K for the year ended December 31, 2025. Annualized results for these interim periods may not be indicative of results for the full year or future periods.

We provide a wide range of retail and commercial banking services through 268 offices in Arkansas, Georgia, Florida, Texas, North Carolina, Tennessee, New York, California and Mississippi. Our results of operations depend primarily on net interest income, which is the difference between the interest income from earning assets, such as loans and investments, and the interest expense incurred on interest bearing liabilities, such as deposits, borrowings, subordinated notes and subordinated debentures. We also generate non-interest income, including, among others, deposit-related fees, loan-related fees, BOLI income, trust income, and gains on sales of other assets. Our non-interest expense consists primarily of employee compensation and benefits, net occupancy and equipment and other operating expenses. Our results of operations are significantly affected by our provision for credit losses and our provision for income taxes.

**CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with GAAP requires management to make estimates, assumptions and judgments that affect the amounts reported in the consolidated financial statements. Our determination of (i) the provision for and the adequacy of our allowance for credit losses ("ACL"), (ii) the fair value of our investment securities portfolio, and (iii) accounting for our income taxes all involve a higher degree of judgment and complexity than our other significant accounting policies. Accordingly, we consider each of these to be critical accounting estimates. A detailed discussion of our critical accounting estimates is included in our annual report on Form 10-K for the year ended December 31, 2025. There has been no change in our critical accounting estimates and no material change in the application of critical accounting estimates as presented in our annual report on Form 10-K for the year ended December 31, 2025.

**ANALYSIS OF RESULTS OF OPERATIONS**

**General**

Net income available to our common stockholders was $164.3 million for the third quarter and $487.0 million for the first nine months of 2026 compared to $180.5 million for the third quarter and $527.4 million for the first nine months of 2025. Diluted earnings per common share were $1.50 for the third quarter and $4.43 for the first nine months of 2026, compared to $1.59 for the third quarter and $4.64 for the first nine months of 2025.

Our annualized return on average assets was 1.55% for the third quarter and 1.58% for the first nine months of 2026 compared to 1.74% for the third quarter and 1.77% for the first nine months of 2025. Our annualized return on average common stockholders' equity was 10.94% for the third quarter and 11.05% for the first nine months of 2026 compared to 12.66% for the third quarter and 12.72% for the first nine months of 2025. Our annualized return on average tangible common stockholders' equity was 12.30% for the third quarter and 12.44% for the first nine months of 2026 compared to 14.33% for the third quarter and 14.44% for the first nine months of 2025. The calculations of our average common stockholders' equity, average tangible common stockholders' equity, return on average common stockholders' equity and return on average tangible common stockholders' equity and the reconciliations to GAAP are included under the heading "Capital Management" in this MD&A.

Total assets were $43.19 billion at September 30, 2026 compared to $40.79 billion at December 31, 2025. Total loans were $34.13 billion at September 30, 2026 compared to $32.32 billion at December 31, 2025. Deposits were $34.83 billion at September 30, 2026 compared to $33.38 billion at December 31, 2025.

Common stockholders' equity was $5.81 billion at September 30, 2026 compared to $5.79 billion at December 31, 2025. Tangible common stockholders' equity was $5.15 billion at September 30, 2026 compared to $5.13 billion at December 31, 2025. Total common stockholders' equity to total assets was 13.45% at September 30, 2026 compared to 14.20% at December 31, 2025. Total tangible common stockholders' equity to total tangible assets was 12.11% at September 30, 2026 compared to 12.79% at December 31, 2025. Book value per common share was $53.59 at September 30, 2026 compared to $52.46 at December 31, 2025. Tangible book value per common share was $47.50 at September 30, 2026 compared to $46.48 at December 31, 2025. The calculations of our common stockholders' equity, tangible common stockholders' equity, ratio of total common stockholders' equity to total assets, ratio of total tangible common stockholders' equity to total tangible assets and tangible book value per common share and the reconciliations to GAAP are included under the heading "Capital Management" in this MD&A.

**Net Interest Income**

Net interest income is our largest source of revenue and represents the amount by which interest income from interest earning assets exceeds the interest expense incurred on interest bearing liabilities. Net interest income is affected by many factors, including our volume and mix of average earning assets; our volume and mix of deposits and other interest bearing liabilities; our net interest margin; and other factors.

Net interest income and net interest margin are analyzed in this discussion on a fully taxable equivalent ("FTE") basis. The adjustment to convert net interest income to an FTE basis consists of dividing tax-exempt interest income by one minus the statutory federal income tax rate of 21%. The FTE adjustments to net interest income were $7.0 million and $3.8 million for the three months ended September 30, 2026 and 2025, respectively, and $17.0 million and $11.3 million for the nine months ended September 30, 2026 and 2025, respectively. No adjustments have been made in this analysis for income exempt from state income taxes or for interest expense deductions disallowed under the provisions of the Internal Revenue Code as a result of investments in certain tax-exempt securities.

Net interest income for the third quarter of 2026 decreased 1.8% to $410.0 million compared to $417.7 million for the third quarter of 2025. Net interest income for the first nine months of 2026 and 2025 was $1.20 billion. The decrease in net interest income for the third quarter of 2026 was primarily due to the decrease in our net interest margin being partially offset by the growth in our average earning assets compared to the same period in 2025. Net interest income for the nine months ended September 30, 2026 was approximately the same as net interest income for the nine months ended September 30, 2025 as the increase in our average earning assets offset the decrease in our net interest margin.

Our net interest margin was 4.24% for the third quarter of 2026 compared to 4.35% for the third quarter of 2025 and 4.23% for the first nine months of 2026 compared to 4.34% for the first nine months of 2025. The decrease in our net interest margin for the third quarter and first nine months of 2026 was primarily due to the decrease in the yield on our total interest earning assets, partially offset by the decrease in rate paid on our total interest bearing liabilities. Future changes in our net interest margin are primarily dependent on the movement, if any, in the federal funds target rate. Following any reduction in the federal funds rate, we anticipate our loan yields would decrease faster than our deposit costs, likely resulting in some decrease in our net interest margin, at least until time deposits reprice, typically over several quarters, and/or floor rates are reached on our variable rate loans. Following any increase in the federal funds rate, we anticipate our loan yields would increase faster than our deposit costs, likely resulting in some increase in our net interest margin until time deposits reprice, typically over several quarters.

The yield on our total earning assets was 6.88% for the third quarter and 6.84% for the first nine months of 2026 compared to 7.28% for the third quarter and 7.29% for the first nine months of 2025. The decrease in the yield on earning assets for the third quarter and first nine months of 2026 was primarily attributable to the decreases in the yield on our loans, and, to a lesser extent, interest earning deposits, partially offset by an increase in the yield on investment securities compared to the same periods in 2025.

The yield on our loan portfolio decreased 53 basis points ("bps") and 56 bps to 7.21% for the third quarter and first nine months of 2026 compared to 7.74% for the third quarter and 7.77% for the first nine months of 2025. The decrease in the yield on our loan portfolio for the third quarter and first nine months of 2026 compared to the same periods in 2025, was due to the impact on our predominately variable-rate loan portfolio of the 75 basis point reduction in the federal funds rate during the last four months of 2025 offset slightly by the impact of the 25 basis point increase in the federal funds rate in the third quarter of 2026 and various other factors.

The yield on our interest earning deposits decreased 75 bps to 3.59% for the third quarter and 60 bps to 3.74% for the first nine months of 2026 compared to 4.34% for the third quarter and first nine months of 2025. The decrease in the yield on our interest earning deposits during the third quarter and first nine months of 2026 compared to the same periods of 2025 was due to the impact of the changes in the federal funds rate over that time period.

The yield on our investment securities increased 63 bps to 4.88% for the third quarter and 53 bps to 4.71% for the first nine months of 2026 compared to 4.25% for the third quarter and 4.18% for the first nine months of 2025. During the first nine months of 2026, the Bank purchased $2.54 billion of investment securities, including $176.5 million of purchases that had not settled as of September 30, 2026, with favorable yields. These purchases resulted in the growth of our investment securities portfolio and, along with the roll-off of lower-yielding securities, contributed to the increase in the yield on our investment securities. We expect further improvement in our portfolio yield in the fourth quarter of 2026.

The rates paid on our total interest bearing liabilities decreased 37 bps to 3.28% for the third quarter and 44 bps to 3.27% for the first nine months of 2026 compared to 3.65% for the third quarter and 3.71% for the first nine months of 2025. The decrease in rates on interest bearing liabilities for the third quarter and first nine months of 2026 compared to the same periods in 2025 was primarily due to a decrease in cost on our interest bearing deposits ("COIBD"), the largest component of our interest bearing liabilities, which decreased 37 bps to 3.27% for the third quarter and 44 bps to 3.26% for the first nine months of 2026 compared to 3.64% for the third quarter and 3.70% for the first nine months of 2025. The decrease in our COIBD was primarily due to the rates paid on our time deposits and, to a lesser extent, savings and interest bearing transaction deposits. The decrease in our COIBD reflects the cumulative impact of the 75 basis point reduction in the federal funds rate during the last four months of 2025, offset slightly by the impact of the 25 basis point increase in the federal funds rate in the third quarter of 2026 among other factors. Future increases or decreases in the rates paid on our interest bearing deposits will depend on changes in the federal funds rate and other interest rates, funding needs to support growth in our earning assets, the level of on-balance sheet liquidity, competitive conditions and other factors. Additionally, the rates paid on our interest bearing liabilities are impacted by capitalized interest related to the construction of new bank facilities, which is presented as a reduction in our interest expense. Capitalized interest totaled $0.5 million in the third quarter and $1.6 million in the first nine months of 2026 compared to $0.7 million in the third quarter and $2.6 million during the first nine months of 2025.

Our other interest bearing liabilities include (i) other borrowings, comprised primarily of FHLB advances and federal funds purchased, (ii) subordinated notes and (iii) subordinated debentures. The rates on our other borrowings decreased 9 bps to 3.84% during the third quarter compared to 3.93% for the third quarter of 2025 and increased 20 bps to 3.80% for the first nine months of 2026 compared to 3.60% for the first nine months of 2025 reflecting the impact of the changes in the federal funds rate during those periods. The rates paid on our subordinated debentures decreased 55 bps to 6.45% for the third quarter and 63 bps to 6.42% for the first nine months of 2026 compared to 7.00% for the third quarter and 7.05% for the first nine months of 2025 due to a decrease in the three-month term Secured Overnight Financing Rate ("SOFR") rate compared to those same periods in 2025.

The increase in the average balance of total earning assets for the third quarter and first nine months of 2026 compared to the same periods in 2025 was primarily due to the increase in loans and investment securities, partially offset by a decrease in average interest bearing deposits. The increase in the average balance of total interest bearing liabilities for the third quarter and first nine months of 2026 compared to the same period in 2025 was primarily due to an increase in the average balance of total interest bearing deposits, partially offset by a decrease in average other borrowings. We increased the average balance of total interest bearing deposits during the third quarter and first nine months of 2026 to fund the increase in our average total earning assets.

The following table sets forth certain information relating to our average balances of assets and liabilities and our net interest income for the periods indicated.

**Average Consolidated Balance Sheets and Net Interest Analysis – FTE**

| | Three Months Ended September 30, | | | | | | Nine Months Ended September 30, | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | | | 2025 | | | 2026 | | | 2025 | | |
| | Average Balance | Income/ Expense | Yield/ Rate | Average Balance | Income/ Expense | Yield/ Rate | Average Balance | Income/ Expense | Yield/ Rate | Average Balance | Income/ Expense | Yield/ Rate |
| | (Dollars in thousands) | | | | | | | | | | | |
| **ASSETS** | | | | | | | | | | | | |
| Interest earning assets: | | | | | | | | | | | | |
| Interest earning deposits | $ 802,807 | $ 7,264 | 3.59% | $ 2,338,838 | $ 25,584 | 4.34% | $ 1,252,843 | $ 35,073 | 3.74% | $ 2,094,779 | $ 68,016 | 4.34% |
| Investment securities: | | | | | | | | | | | | |
| Taxable | 1,988,202 | 20,151 | 4.02 | 1,459,936 | 12,262 | 3.33 | 1,860,187 | 54,202 | 3.90 | 1,564,136 | 38,436 | 3.29 |
| Tax-exempt – FTE | 2,295,732 | 32,591 | 5.63 | 1,333,013 | 17,682 | 5.26 | 1,922,443 | 79,182 | 5.51 | 1,343,662 | 52,524 | 5.23 |
| Total Loans – FTE | 33,292,997 | 605,128 | 7.21 | 32,964,176 | 643,311 | 7.74 | 32,848,345 | 1,770,731 | 7.21 | 31,852,838 | 1,851,459 | 7.77 |
| Total earning assets – FTE | 38,379,738 | 665,134 | 6.88 | 38,095,963 | 698,839 | 7.28 | 37,883,818 | 1,939,188 | 6.84 | 36,855,415 | 2,010,435 | 7.29 |
| Non-interest earning assets | 3,558,260 | | | 3,023,807 | | | 3,389,814 | | | 2,892,375 | | |
| Total assets | $ 41,937,998 | | | $ 41,119,770 | | | $41,273,632 | | | $39,747,790 | | |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | | | | | | | | | |
| Interest bearing liabilities: | | | | | | | | | | | | |
| Deposits: | | | | | | | | | | | | |
| Savings and interest bearing transactions | $ 11,432,634 | $ 72,263 | 2.51% | $ 10,849,322 | $ 76,307 | 2.79% | $11,445,743 | $ 211,418 | 2.47% | $10,465,234 | $ 213,349 | 2.73% |
| Time deposits | 18,671,722 | 175,536 | 3.73 | 18,655,710 | 194,703 | 4.14 | 18,208,724 | 512,448 | 3.76 | 18,030,322 | 576,030 | 4.27 |
| Total interest bearing deposits | 30,104,356 | 247,799 | 3.27 | 29,505,032 | 271,010 | 3.64 | 29,654,467 | 723,866 | 3.26 | 28,495,556 | 789,379 | 3.70 |
| Other borrowings | 296,842 | 2,870 | 3.84 | 557,673 | 5,525 | 3.93 | 152,509 | 4,334 | 3.80 | 402,720 | 10,817 | 3.60 |
| Subordinated notes | 349,898 | 2,631 | 2.98 | 349,084 | 2,631 | 2.99 | 349,696 | 7,808 | 2.99 | 348,882 | 7,808 | 2.99 |
| Subordinated debentures | 113,404 | 1,843 | 6.45 | 113,652 | 2,007 | 7.00 | 113,540 | 5,456 | 6.42 | 113,652 | 5,992 | 7.05 |
| Total interest bearing liabilities[(1)] | 30,864,500 | 255,143 | 3.28 | 30,525,441 | 281,173 | 3.65 | 30,270,212 | 741,464 | 3.27 | 29,360,810 | 813,996 | 3.71 |
| Non-interest bearing liabilities: | | | | | | | | | | | | |
| Non-interest bearing deposits | 3,858,809 | | | 3,838,461 | | | 3,863,436 | | | 3,815,158 | | |
| Other non-interest bearing liabilities | 916,325 | | | 758,229 | | | 906,532 | | | 689,764 | | |
| Total liabilities | 35,639,634 | | | 35,122,131 | | | 35,040,180 | | | 33,865,732 | | |
| Total stockholders' equity before noncontrolling interest | 6,298,364 | | | 5,997,434 | | | 6,233,452 | | | 5,881,686 | | |
| Noncontrolling interest | — | | | 205 | | | — | | | 372 | | |
| Total liabilities and stockholders' equity | $ 41,937,998 | | | $ 41,119,770 | | | $41,273,632 | | | $39,747,790 | | |
| Net interest income – FTE | | $ 409,991 | | | $417,666 | | | $1,197,724 | | | $1,196,439 | |
| Net interest margin – FTE | | | 4.24% | | | 4.35% | | | 4.23% | | | 4.34% |

(1) The interest expense and the rates paid related to "total interest bearing liabilities" include capitalized interest which totaled $0.5 million for the third quarter and $1.6 million for the first nine months of 2026 compared to $0.7 million for the third quarter and $2.6 million for the first nine months of 2025.

Average balances in the previous table are derived from daily average balances for such assets and liabilities. The yields and rates are derived by dividing interest income or interest expense by the average balance of the related assets or liabilities, respectively. The average balances of investment securities are computed based on amortized cost adjusted for unrealized gains and losses on investment securities. The yields on investment securities include amortization of premiums and accretion of discounts. The average balance of loans includes loans on which we have discontinued accruing interest. The yields on loans include late fees, any prepayment penalties, yield maintenance or minimum interest provisions on loan repayments and amortization or accretion of certain deferred fees, origination costs, and dealer fees (for indirect loans). Interest expense and the rates on our total interest bearing liabilities are presented net of interest capitalized on construction projects and include amortization of debt issuance costs.

The following table reflects how changes in the volume of interest earning assets and interest bearing liabilities and changes in interest rates have affected our interest income – FTE, interest expense and net interest income – FTE for the periods indicated. Information is provided in each category with respect to changes attributable to (1) changes in volume (changes in volume multiplied by prior yield/rate); (2) changes in yield/rate (changes in yield/rate multiplied by prior volume); and (3) changes in both yield/rate and volume (changes in yield/rate multiplied by changes in volume). The changes attributable to the combined impact of yield/rate and volume have all been allocated to the changes due to volume.

**Analysis of Changes in Net Interest Income – FTE**

| | Three Months Ended September 30, 2026 Over Three Months Ended September 30, 2025 | | | Nine Months Ended September 30, 2026 Over Nine Months Ended September 30, 2025 | | |
|---|---|---|---|---|---|---|
| | Volume | Yield/Rate | Net Change | Volume | Yield/Rate | Net Change |
| | (Dollars in thousands) | | | | | |
| Increase (decrease) in: | | | | | | |
| Interest income – FTE: | | | | | | |
| Interest earning deposits | $ (13,898) | $ (4,422) | $ (18,320) | $ (23,570) | $ (9,373) | $ (32,943) |
| Investment securities: | | | | | | |
| Taxable | 5,354 | 2,535 | 7,889 | 8,626 | 7,140 | 15,766 |
| Tax-exempt – FTE | 13,667 | 1,242 | 14,909 | 23,838 | 2,820 | 26,658 |
| Loans – FTE | 5,977 | (44,160) | (38,183) | 53,664 | (134,392) | (80,728) |
| Total interest income – FTE | 11,100 | (44,805) | (33,705) | 62,558 | (133,805) | (71,247) |
| | | | | | | |
| Interest expense: | | | | | | |
| Savings and interest bearing transaction | 3,687 | (7,731) | (4,044) | 18,112 | (20,043) | (1,931) |
| Time deposits | 151 | (19,318) | (19,167) | 5,019 | (68,601) | (63,582) |
| Other borrowings | (2,522) | (133) | (2,655) | (7,115) | 632 | (6,483) |
| Subordinated notes | (7) | 7 | — | 18 | (18) | — |
| Subordinated debentures | 332 | (496) | (164) | (5) | (531) | (536) |
| Total interest expense | 1,641 | (27,671) | (26,030) | 16,029 | (88,561) | (72,532) |
| Increase (decrease) in net interest income – FTE | $ 9,459 | $ (17,134) | $ (7,675) | $ 46,529 | $ (45,244) | $ 1,285 |

**Non-Interest Income**

Our non-interest income consists primarily of deposit-related fees, loan-related fees, and other non-interest income. Non-interest income for the third quarter and first nine months of 2026 was $36.3 million and $106.7 million compared to $36.1 million and $102.1 million for the third quarter and first nine months of 2025.

Deposit-related fees increased 2.7% to $11.7 million for the third quarter and 3.7% to $34.2 million for the first nine months of 2026 compared to $11.4 million for the third quarter and $32.9 million for the first nine months of 2025. The increase in deposit-related fees is primarily due to the increase in the volume of our deposits for the third quarter and first nine months of 2026 compared to the same periods in 2025.

Loan-related fees, which include fees that are not considered yield adjustments, increased 22.3% to $11.2 million for the third quarter and increased 24.7% to $32.5 million during the first nine months of 2026 compared to $9.2 million for the third quarter and $26.1 million during the first nine months of 2025. The increase in loan-related fees for the third quarter and first nine months of 2026 was primarily due to the growth in business from our Corporate and Institutional Banking ("CIB") teams contributing to an increase in unused line fees, letter of credit fees and other loan-related fees, partially offset by a decrease in asset management fees compared to the same periods in 2025. We expect our loan-related fees to increase in 2027 compared to 2026, but may vary from quarter to quarter.

Other non-interest income decreased 14.0% to $13.3 million for the third quarter and decreased 7.2% to $40.0 million for the first nine months of 2026 compared to $15.5 million for the third quarter and $43.1 million for the first nine months of 2025. The decrease in other non-interest income for the third quarter and first nine months of 2026 was primarily due to a decrease in net gains on sales of assets, as well as, fees collected in the first and third quarters of 2025 related to a previous prospective purchase of a foreclosed asset.

The following table presents non-interest income for the periods indicated.

**Non-Interest Income**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Deposit-related fees: | | | | |
| Overdraft fees | $ 3,766 | $ 3,588 | $ 10,616 | $ 10,180 |
| Debit card/ATM/interchange fees | 5,735 | 5,691 | 16,911 | 16,622 |
| All other service charges | 2,202 | 2,119 | 6,632 | 6,129 |
| Loan-related fees: | | | | |
| Unused line fees | 5,985 | 4,392 | 16,163 | 12,060 |
| Asset management fees | 1,558 | 2,036 | 5,193 | 6,146 |
| Letter of credit fees | 2,402 | 1,753 | 5,553 | 4,880 |
| Other loan related fees | 1,280 | 1,000 | 5,613 | 3,004 |
| Other: | | | | |
| BOLI income | 6,274 | 6,346 | 18,466 | 17,944 |
| Trust income | 3,322 | 2,971 | 9,404 | 8,431 |
| Net gains on sales of assets | 427 | 1,968 | 2,200 | 3,250 |
| Other | 3,303 | 4,213 | 9,909 | 13,447 |
| Total non-interest income | $ 36,254 | $ 36,077 | $ 106,660 | $ 102,093 |

**Non-Interest Expense**

Our non-interest expense consists of salaries and employee benefits, net occupancy and equipment and other operating expenses. Non-interest expense increased 11.6% to $177.8 million for the third quarter and 11.7% to $513.0 million for the first nine months of 2026 compared to $159.3 million for the third quarter and $459.4 million for the first nine months of 2025. These increases are primarily attributable to the recent significant investments we have made to enhance our future capabilities, including growth and expansion of our CIB team, branch network, technology, private banking and wealth management, treasury management and community bank lending (mortgage, consumer and small business lending). In recent quarters, our non-interest expense included higher than expected expenses on nonperforming assets, including foreclosed asset write downs. We expect our non-interest expense to continue to increase in 2027 as compared to 2026 consistent with continued implementation of our strategies for growth and diversification.

Salaries and employee benefits, our largest component of non-interest expense, increased 4.7% to $94.2 million in the third quarter and increased 8.7% to $280.9 million in the first nine months of 2026 compared to $90.0 million in the third quarter and $258.4 million in the first nine months of 2025. Over the last four quarters, our headcount increased by 11 full-time equivalent employees to 3,257 full-time equivalent employees at September 30, 2026.

Net occupancy and equipment expenses increased 12.3% to $23.7 million for the third quarter and increased 20.1% to $69.9 million for the first nine months of 2026 compared to $21.1 million for the third quarter and $58.2 million for the first nine months

of 2025. The increase in net occupancy and equipment expense is due to the expansion of our banking facilities in which we added five new branches, relocated two branches and closed one branch during the first nine months of 2026. We expect to add three more branches in 2026, which would bring our total net branch additions to 27 in the last two years. We expect to continue to add branches in 2027 and thereafter to further enhance our deposit franchise.

Our other operating expenses increased 24.3% to $60.0 million for the third quarter and increased 13.5% to $162.1 million for the first nine months of 2026 compared to $48.2 million for the third quarter and $142.8 million for the first nine months of 2025. The increase in our aggregate other operating expenses for the third quarter and first nine months of 2026 compared to the same periods in 2025 was primarily due to increases in expenses on nonperforming assets and software and data processing.

Our efficiency ratio (non-interest expense divided by the sum of net interest income – FTE and non-interest income) was 39.85% for the third quarter and 39.33% for the first nine months of 2026 compared to 35.11% for the third quarter and 35.38% for the first nine months of 2025.

The following table presents non-interest expense for the periods indicated.

**Non-Interest Expense**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Salaries and employee benefits | $ 94,155 | $ 89,954 | $ 280,927 | $ 258,378 |
| Net occupancy and equipment | 23,708 | 21,111 | 69,931 | 58,233 |
| Other operating expenses: | | | | |
| Software and data processing | 12,430 | 10,591 | 35,670 | 31,692 |
| Expenses on nonperforming assets: | | | | |
| Insurance, taxes and other | 9,799 | 1,286 | 18,486 | 5,059 |
| Foreclosed assets writedowns | 4,443 | 502 | 7,426 | 2,675 |
| Deposit insurance and assessments | 7,691 | 7,581 | 23,296 | 20,961 |
| Professional and outside services | 6,039 | 7,360 | 18,913 | 19,925 |
| Advertising and public relations | 4,388 | 6,351 | 13,376 | 14,974 |
| Other | 15,161 | 14,572 | 44,977 | 47,528 |
| Total non-interest expense | $ 177,814 | $ 159,308 | $ 513,002 | $ 459,425 |

**Pre-Tax Pre-Provision Net Revenue (“PPNR”)**

PPNR is a measure of earnings before provision for credit losses and income tax expense. We use PPNR, which is a non-GAAP financial measure, to measure our core earnings and trends. PPNR decreased 10.0% to $261.4 million for the third quarter and decreased 6.5% to $774.4 million for the first nine months of 2026 compared to $290.6 million for the third quarter and $827.8 million for the first nine months of 2025.

**Calculation of Pre-Tax Pre-Provision Net Revenue**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Net income available to common stockholders | $ 164,315 | $ 180,533 | $ 486,957 | $ 527,377 |
| Preferred stock dividends | 4,047 | 4,047 | 12,141 | 12,141 |
| Earnings attributable to noncontrolling interest | — | (6) | — | 31 |
| Provision for income taxes | 45,303 | 57,740 | 139,951 | 166,288 |
| Provision for credit losses | 47,762 | 48,314 | 135,310 | 121,945 |
| Pre-tax pre-provision net revenue | $ 261,427 | $ 290,628 | $ 774,359 | $ 827,782 |

The decrease in PPNR for the three months and nine months ended September 30, 2026 compared to the same periods in 2025 was primarily attributable to an increase in non-interest expense and lower net interest income, partially offset by higher non-interest income as shown in the table below:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | (Dollars in thousands) | | | |
| Net interest income | $ 402,987 | $ 413,859 | $ 1,180,701 | $ 1,185,114 |
| Non-interest income | 36,254 | 36,077 | 106,660 | 102,093 |
| Less: Non-interest expense | 177,814 | 159,308 | 513,002 | 459,425 |
| Pre-tax pre-provision net revenue | $ 261,427 | $ 290,628 | $ 774,359 | $ 827,782 |

This non-GAAP financial measure should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP financial measures that may be presented by other companies. The reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure is included in the above tables for the periods indicated.

**Income Taxes**

The provision for income taxes was $45.3 million for the third quarter and $140.0 million for the first nine months of 2026 compared to $57.7 million for the third quarter and $166.3 million for the first nine months of 2025. The effective income tax rate was 21.2% for the third quarter and 21.9% for the first nine months of 2026 compared to 23.8% for the third quarter and 23.6% for the first nine months of 2025. During the third quarter and first nine months of 2026, our effective income tax rate primarily benefited from the increase in income from the higher level and yield of our tax-exempt investment securities.

## ANALYSIS OF FINANCIAL CONDITION

### RISK ELEMENTS

Risk is inherent in substantially all of the Bank's operations, and our business exposes us to strategic, credit, market (including interest rate), liquidity, operational, model and data, information security (including data privacy and third-party), reputational, compliance, regulatory and financial crimes (including BSA/AML and fraud) risks. We use an enterprise-wide risk management framework to identify, measure, monitor, manage and report risks that affect or could affect the achievement of our strategic, financial and other goals and objectives. Accordingly, risk management is an essential element in managing our operations and is a key determinant of our overall performance. Our Board of Directors (the "Board") is responsible for approving our overall risk management framework, including our risk appetite for the aforementioned risk categories and risk tolerances for each of our key risks. The Board Risk Committee ("BRC"), which is a board-level committee, has been assigned oversight responsibility for our risk management processes. The BRC, which meets at least quarterly, monitors and reviews our various enterprise risk management policies and activities, reviews and approves our overall risk posture, and performs such other actions as detailed in its charter document. The BRC has appointed the Executive Risk Council ("ERC"), which is comprised of senior executives of the Bank and is chaired by our Chief Risk Officer ("CRO"), to assist BRC in the oversight of our enterprise risk management activities. The ERC, pursuant to its charter, has responsibility for reviewing and approving detailed risk management processes and procedures, monitoring the Bank's risk profile through each of our key performance and key risk indicators against our Board-approved risk

thresholds and overall risk appetite, assessing current and emerging risks, monitoring our risk culture, overseeing compliance with regulatory expectations and requirements, and various other risk management functions and activities.

Our most significant risk exposure has traditionally been, and continues to be, credit risk from the extension of credit to our customers. In addition to credit risk, we are also exposed to risk from various other areas including liquidity risk, market and interest rate risks, strategic risk, reputational risk, model and data, information security (including data privacy and third-party risk), operational risk (including, among others, information technology risk, business resilience risk and legal risk) and regulatory and financial crimes (including BSA/AML and fraud) risks. Our BRC and/or our ERC review the framework, policies, procedures and processes employed by us to manage and monitor each of these risks, including strategies for reducing such risks to appropriate levels consistent with our Board-approved risk appetite. Additionally, we use various other committees and management councils to monitor these risk categories.

Clearly defined roles and responsibilities are critical to the effective management of risk. We utilize the three lines of defense concept to clearly designate risk management activities throughout the Bank.

- First line of defense activities provide for the identification, acceptance and ownership of risks. These defense activities are typically executed by various lines of business personnel and owners.
- Second line of defense activities provide for objective oversight of our risk-taking activities and assessment of our aggregate risk levels. These defense activities are executed under the leadership and guidance of our Corporate Risk Management Group ("CRMG") and our CRO, who reports directly to our BRC.
- Third line of defense activities provide for independent reviews and assessments of first and second line of defense processes across the Bank, including those activities of our CRMG. These defense activities are executed by our Internal Audit department, which is led by our Chief Audit Executive, who reports directly to our Audit Committee.

While these various risk management activities help us to identify, measure, monitor, manage and report risks, such activities are not intended to, nor can they, eliminate all risk. Additionally, there is no assurance that such activities will identify or have identified all risks to which we are or might be exposed.

**Credit Risk Management**

*Overview*. Credit risk is defined as the risk that arises from the potential that a borrower or counterparty will fail to perform its financial or contractual obligations. Credit risk arises primarily from our lending activities, including our unfunded loan commitments comprised primarily of the unfunded balance of construction loans that have closed but have not yet funded. The Board is responsible for approving overall credit policies relating to the management of credit risk and the Bank's overall credit risk appetite, along with overseeing and monitoring credit risk. Our lending policies also contain various measures to monitor concentration exposures, including customer, commercial and industrial ("C&I"), commercial real estate ("CRE"), construction CRE, property type, geographic and industrial segments exposures for both funded balances and total commitment balances (comprised of both funded and unfunded balance).

*Credit Management*. The daily administration of our lending function is the responsibility of our lenders and lending support personnel, our credit administration group, our underwriters and various other officers and personnel that have credit management responsibilities. We maintain a tiered loan limit authorization system that grants lending authority commensurate with the officer's skill level and knowledge.

Oversight of credit risk is provided through loan policy and various other credit-related policies, clearly defined processes and detailed procedures in conjunction with our credit risk appetite. These policies, processes and procedures place emphasis on strong underwriting standards and detection of potential credit problems in order to develop and implement any necessary action plan(s) on a timely basis to mitigate potential losses and are carried out by our lenders and lending support personnel, our credit administration group, our underwriters and various other officers and personnel in the Bank that have credit management responsibilities. Additionally, our policies, processes and procedures are subject to review by our second line councils, our BRC and periodic audits by our Internal Audit group (third line oversight). Our Board approved credit risk appetite is monitored at least on a quarterly basis through our credit risk profile which is further categorized into default risk (risk of loss arising from a debtor being unlikely to pay its loan obligations in full) and concentration risk (risk associated with any single exposure or group of exposures with the potential to produce large enough losses to threaten the Bank's core operations).

Our Credit Risk Management ("CRM") function provides second line oversight and is independent of our lending function and reports to our CRO. CRM is also responsible for providing an independent evaluation of credit risk in new lending products and for our loan portfolio. This responsibility includes detailed credit reviews performed for the purpose of reviewing the adequacy of

documentation, compliance with loan policy and other credit policies, reviewing individual loan ratings, evaluating asset quality, performing and reporting to Credit Risk Management Council ("CRMC") and Criticized Asset Review Council ("CARC"), ERC and BRC. CRM leverages enterprise risk analytics (which includes assessing the trend of credit risk metrics which inform our credit risk profile, assessing any trends or material transitions or migrations of our internal risk ratings or credit classifications of individual loan portfolios, and various other risk analytics), and reviews the effectiveness of credit administration, among other items. CRM prepares reports that document their credit risk oversight activities, including identification of underwriting or other deficiencies in the loan approval or credit monitoring process, establishing recommendations for improvement and outlining management's proposed action plan(s) and timeline(s) for curing any identified deficiencies, among other findings and recommendations. The reports provided by CRM are provided to and reviewed by CRMC. Additionally, key trends or significant issues identified in such reports that might impact credit risk are reported to ERC, BRC and the Board.

As part of our underwriting and ongoing monitoring policies and processes for real estate loans, the Bank requires a valuation of real estate collateral (which may include third-party appraisals), be performed at the time of origination and renewal in accordance with regulatory requirements and the Bank's loan policy and on an as-needed basis when market conditions justify. The Bank maintains an independent Appraisal Services team within the CRM function. The Appraisal Services team is responsible for ordering appraisals from qualified independent, external appraisers, and, reviewing and approving such appraisals to ensure compliance with Bank policy, regulatory standards and the Uniform Standards of Professional Appraisal Practice.

Our Internal Audit group performs periodic audits of various lending and credit-related activities, including underwriting, closing and funding procedures, credit and asset administration and CRM activities, among others. Internal Audit prepares reports documenting such audits, including recommendations for improvement and management's proposed action plan(s) and timeline(s) for remediating such recommendations. These reports are provided to and reviewed by our Audit Committee.

*Loan Portfolio.* At September 30, 2026, the funded balance of our total loan portfolio was $34.13 billion, an increase of 5.6% from $32.32 billion at December 31, 2025. At September 30, 2026, our total loan portfolio consisted of 59.3% real estate loans, 16.7% commercial and industrial loans, 13.4% consumer loans and 10.6% other loans. Real estate loans, the largest category of loans, include loans secured by real estate as evidenced by mortgages or other liens, including loans made to finance the development of real property construction projects.

The amount and type of loans outstanding, as of the dates indicated, are reflected in the following table.

**Loan Portfolio**

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Real estate: | | | | |
| Other commercial real estate | $ 8,708,148 | 25.5% | $ 8,417,455 | 26.0% |
| Construction/land development | 6,819,656 | 20.0 | 7,778,411 | 24.1 |
| Multifamily | 2,669,960 | 7.8 | 3,680,059 | 11.4 |
| Residential 1-4 family | 1,683,556 | 4.9 | 1,635,745 | 5.1 |
| Agricultural | 358,405 | 1.0 | 321,254 | 1.0 |
| Total real estate | 20,239,725 | 59.3 | 21,832,924 | 67.6 |
| Commercial and industrial | 5,685,679 | 16.7 | 3,431,585 | 10.6 |
| Consumer | 4,582,548 | 13.4 | 4,269,994 | 13.2 |
| Other | 3,626,714 | 10.6 | 2,783,282 | 8.6 |
| Total loans | $ 34,134,666 | 100.0% | $ 32,317,785 | 100.0% |

Included in “other” loans are loans to nondepository financial institutions (“NDFIs”), which increased $0.83 billion, or 30.3%, during the first nine months of 2026 to $3.57 billion at September 30, 2026, compared to $2.74 billion at December 31, 2025. The increase in NDFI loans was primarily attributable to growth in loans originated by our CIB teams, consistent with our strategy to further diversify our loan portfolio. The amounts and types of NDFI loans outstanding at the dates indicated are presented in the following table.

**Loans to Nondepository Financial Institutions**

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | (Dollars in thousands) | |
| Business credit intermediaries | $ 2,060,390 | $ 1,287,824 |
| Private equity funds | 1,023,441 | 684,859 |
| Consumer credit intermediaries | 43,274 | 48,285 |
| Other | 441,743 | 721,546 |
| Total loans to nondepository financial institutions | $ 3,568,848 | $ 2,742,514 |

Other loans in the table above include certain loans totaling approximately $0.44 billion that were originated by the Real Estate Specialties Group (“RESG”) and are typically collateralized by an assignment of a promissory note and all related note documents including mortgages, deeds of trust, or other documents (“debt-on-debt” loans). While such loans are considered “other” loans in accordance with FDIC instructions for the Federal Financial Institutions Examination Council 041 Consolidated Reports of Condition and Income (“Call Report”), we underwrite these lending transactions based on the fundamentals of the underlying collateral, repayment sources and guarantors, among other factors, consistent with other similar lending transactions.

Our credit risk management strategies include efforts to avoid risk of undue concentrations of credit in a particular collateral type, geography or with an individual customer. While we do have concentrations in CRE lending, our CRE loan portfolio is diversified by geography and collateral type. Our Board has adopted, and we adhere to various concentration limits on CRE lending, including limits on CRE lending in particular collateral types and in various geographies. Additionally, our credit risk management strategies also actively monitor and manage industry related concentrations which are originated through our non-CRE lending programs, establish internal concentration thresholds, perform ongoing portfolio analysis, and maintain risk management practices designed to identify and mitigate such non-CRE related concentration risks. All of these limits are monitored and revised as necessary based on the results of our stress testing activities and other factors.

The amount of both the funded and unfunded balances of our top ten largest geographies and Metropolitan Statistical Areas ("MSAs") for real estate loans, as of the dates indicated, are included in the following table.

**Top Ten Geographies and MSAs for Real Estate Loans**

| Geography or MSA | Funded Balance | Unfunded Balance | Total Commitment |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **September 30, 2026:** | | | |
| Miami–Fort Lauderdale–West Palm Beach, FL MSA | $ 1,953,058 | $ 2,393,708 | $ 4,346,766 |
| Atlanta–Sandy Springs–Roswell, GA MSA | 1,635,662 | 322,758 | 1,958,420 |
| San Diego–Chula Vista–Carlsbad, CA MSA | 1,268,604 | 559,583 | 1,828,187 |
| Dallas–Fort Worth–Arlington, TX MSA | 1,276,380 | 503,743 | 1,780,123 |
| New York–Newark–Jersey City, NY–NJ–PA MSA | 1,190,463 | 565,344 | 1,755,807 |
| Los Angeles–Long Beach–Anaheim, CA MSA | 960,590 | 523,101 | 1,483,691 |
| San Francisco–Oakland–Fremont, CA MSA | 916,457 | 366,922 | 1,283,379 |
| Denver–Aurora–Centennial, CO MSA | 526,022 | 515,679 | 1,041,701 |
| Nashville–Davidson–Murfreesboro–Franklin, TN MSA | 689,994 | 237,470 | 927,464 |
| Phoenix–Mesa–Chandler, AZ MSA | 526,068 | 390,238 | 916,306 |
| All other geographies | 9,296,427 | 4,374,789 | 13,671,216 |
| Total real estate loans | $ 20,239,725 | $ 10,753,335 | $ 30,993,060 |
| **December 31, 2025:** | | | |
| Miami–Fort Lauderdale–West Palm Beach, FL MSA | $ 1,934,169 | $ 2,805,747 | $ 4,739,916 |
| New York–Newark–Jersey City, NY–NJ–PA MSA | 1,703,491 | 643,316 | 2,346,807 |
| Atlanta–Sandy Springs–Roswell, GA MSA | 1,644,393 | 457,281 | 2,101,674 |
| San Diego–Chula Vista–Carlsbad, CA MSA | 1,195,309 | 759,441 | 1,954,750 |
| Dallas–Fort Worth–Arlington, TX MSA | 1,089,736 | 471,132 | 1,560,868 |
| San Francisco–Oakland–Fremont, CA MSA | 935,255 | 393,299 | 1,328,554 |
| Los Angeles–Long Beach–Anaheim, CA MSA | 983,641 | 294,512 | 1,278,153 |
| Boston–Cambridge–Newton, MA MSA | 706,690 | 368,530 | 1,075,220 |
| Denver–Aurora–Centennial, CO MSA | 439,643 | 601,352 | 1,040,995 |
| Nashville–Davidson–Murfreesboro–Franklin, TN MSA | 713,220 | 285,811 | 999,031 |
| All other geographies | 10,487,377 | 4,945,592 | 15,432,969 |
| Total real estate loans | $ 21,832,924 | $ 12,026,013 | $ 33,858,937 |

"Debt-on-debt" loans are reported as "other" loans in accordance with Call Report instructions and are excluded from the above table.

In addition to the top ten geographies and MSAs shown above, as of September 30, 2026 and December 31, 2025, we had 80 and 86 additional geographies and MSAs, respectively, that contain total committed balances (both funded and unfunded) of $10 million or more.

The following tables present further detail of our real estate loans by property type, as of the dates indicated.

**Real Estate Loans by Property Type**

| | September 30, 2026 | | | | | |
|---|---|---|---|---|---|---|
| Property Type | Other CRE | Construction/ Land Development | Multifamily | Residential 1-4 Family | Agriculture | Total Real Estate |
| | (Dollars in thousands) | | | | | |
| Multifamily | $ — | $ 1,888,842 | $ 2,669,960 | $ — | $ — | $ 4,558,802 |
| Industrial | 2,165,020 | 440,725 | — | — | — | 2,605,745 |
| Office | 2,443,207 | 75,117 | — | — | — | 2,518,324 |
| Residential 1-4 family | — | 372,397 | — | 1,683,556 | — | 2,055,953 |
| Residential condos | | 1,845,617 | — | — | — | 1,845,617 |
| Life science | 1,528,988 | 271,047 | — | — | — | 1,800,035 |
| Mixed use | 1,121,305 | 615,654 | — | — | — | 1,736,959 |
| Land and land development | — | 1,140,278 | — | — | — | 1,140,278 |
| Hotels | 200,950 | 33,566 | — | — | — | 234,516 |
| Other | 1,248,678 | 136,413 | — | — | 358,405 | 1,743,496 |
| Total | $ 8,708,148 | $ 6,819,656 | $ 2,669,960 | $ 1,683,556 | $ 358,405 | $20,239,725 |

| | December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| Property Type | Other CRE | Construction/ Land Development | Multifamily | Residential 1-4 Family | Agriculture | Total Real Estate |
| | (Dollars in thousands) | | | | | |
| Multifamily | $ — | $ 1,536,592 | $ 3,680,059 | $ — | $ — | $ 5,216,651 |
| Industrial | 1,958,892 | 773,648 | — | — | — | 2,732,540 |
| Office | 2,570,671 | 135,024 | — | — | — | 2,705,695 |
| Residential 1-4 family | — | 407,727 | — | 1,635,745 | — | 2,043,472 |
| Residential condos | | 1,930,548 | — | — | — | 1,930,548 |
| Life science | 1,134,350 | 923,887 | — | — | — | 2,058,237 |
| Mixed use | 1,330,546 | 579,652 | — | — | — | 1,910,198 |
| Land and land development | — | 1,318,747 | — | — | — | 1,318,747 |
| Hotels | 243,970 | 32,909 | — | — | — | 276,879 |
| Other | 1,179,026 | 139,677 | — | — | 321,254 | 1,639,957 |
| Total | $ 8,417,455 | $ 7,778,411 | $ 3,680,059 | $ 1,635,745 | $ 321,254 | $21,832,924 |

“Debt-on-debt” loans are reported as “other” loans in accordance with Call Report instructions and are excluded from the above table.

Many of our construction/land development loans provide for the use of interest reserves. When we underwrite construction and development loans, we consider the expected total project costs, including hard costs such as land, site work and construction costs and soft costs such as architectural and engineering fees, closing costs, leasing commissions and construction period interest, among others. Based on the total project costs and other factors, we determine the required borrower cash equity contribution and the maximum amount we are willing to lend. In most cases, we require that all of the borrower’s equity and all other required subordinated elements of the capital structure be fully funded prior to any significant loan advance. As a result of this practice, the borrower’s cash equity typically goes toward the purchase of the land and early stage hard costs and soft costs. This results in our funding the loan later as the project progresses, and accordingly, we typically fund the majority of the construction period interest through loan advances.

Generally, capital sources other than our loans total an amount sufficient to cover all soft costs, including construction period interest and a portion of the hard costs. While we advance interest reserves as part of the funding process, this has been considered in determining the borrower’s initial equity contribution. During the nine months ended September 30, 2026 and 2025, there were no situations where interest reserves were advanced outside of the terms of the contractual loan agreement to avoid such loan from becoming nonperforming.

During the third quarter and first nine months of 2026, we recognized interest income of approximately $86 million and $253 million, respectively, on construction and development loans from the advance of interest reserves, compared to approximately $113 million and $348 million, respectively, during the comparable periods in 2025. We advanced construction period interest on construction and development loans totaling approximately $87 million and $260 million, respectively, in the third quarter and first nine months of 2026 compared to approximately $116 million and $355 million, respectively, in the third quarter and first nine months of 2025.

The maximum committed balance of all construction/land development loans which provide for the use of interest reserves at September 30, 2026 was approximately $14.26 billion, of which approximately $6.05 billion was outstanding at September 30, 2026 and approximately $8.21 billion remained to be advanced. The weighted-average loan-to-cost ("LTC") on such loans, assuming such loans are ultimately fully advanced, was approximately 50%, which means that the weighted-average cash equity contributed on such loans, assuming such loans are ultimately fully advanced, was approximately 50%. The weighted-average loan-to-value ("LTV") on such loans, based on the most recent appraisals and assuming such loans are ultimately fully advanced, was approximately 44%.

*Nonperforming Assets.* Our nonperforming assets consist of (1) nonperforming/nonaccrual loans, (2) accruing loans 90 days or more past due and (3) real estate or other assets that have been acquired in partial or full satisfaction of loan obligations or upon foreclosure or former bank facilities which are no longer being utilized for banking purposes.

The accrual of interest on loans is discontinued when, in management's opinion, the borrower may be unable to meet payments as they become due. We generally place a loan on nonaccrual status when such loan is (i) deemed nonperforming or (ii) 90 days or more past due, or earlier when doubt exists as to the ultimate collection of payments. We may continue to accrue interest on certain loans contractually past due 90 days or more if such loans are both well secured and in the process of collection. At the time a loan is placed on nonaccrual status, interest previously accrued but uncollected is reversed and charged against interest income. Nonaccrual loans are generally returned to accrual status when payments are no longer past due, the loan has performed in accordance with its contractual terms for a reasonable period of time (generally at least six months) and is expected to continue to perform in accordance with its contractual terms. If a loan is determined to be uncollectible, the portion of the principal determined to be uncollectible is charged against the ACL.

The following table presents information concerning nonperforming assets as of the dates indicated.

**Nonperforming Assets**

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | (Dollars in thousands) | |
| Nonperforming/nonaccrual loans | $ 89,117 | $ 341,223 |
| Foreclosed assets | 420,408 | 61,076 |
| Total nonperforming assets | $ 509,525 | $ 402,299 |
| Nonperforming/nonaccrual loans to total loans | 0.26% | 1.06% |
| Nonperforming assets to total assets | 1.18% | 0.99% |

The increase in nonperforming assets at September 30, 2026 compared to December 31, 2025, was primarily related to a $359.3 million increase in foreclosed assets. This increase in foreclosed assets was primarily related to three life science buildings with a total outstanding balance of $228.0 million and three office properties with a total outstanding balance of $133.4 million that were transferred to foreclosed assets from nonperforming loans during the first nine months of 2026.

The following table presents information concerning the geographic location of nonperforming assets at September 30, 2026. Nonperforming loans are reported in the physical location of the principal collateral. Foreclosed assets are reported in the physical location of the asset. Repossessions are reported at the physical location where the borrower resided or had its principal place of business at the time of repossession.

**Geographic Location of Nonperforming Assets**

| | Nonperforming Loans | Foreclosed Assets and Repossessions | Total Nonperforming Assets |
|---|---|---|---|
| | | (Dollars in thousands) | |
| Massachusetts | $ — | $ 132,012 | $ 132,012 |
| Washington | 54 | 104,595 | 104,649 |
| California | 1,865 | 95,428 | 97,293 |
| Georgia | 14,225 | 36,828 | 51,053 |
| Illinois | 88 | 47,500 | 47,588 |
| Maryland | 40,018 | — | 40,018 |
| Arkansas | 12,376 | 127 | 12,503 |
| Texas | 8,881 | 127 | 9,008 |
| Florida | 4,675 | 411 | 5,086 |
| All other | 6,935 | 3,380 | 10,315 |
| Total | $ 89,117 | $ 420,408 | $ 509,525 |

*Allowance for Credit Losses*. Our ACL at September 30, 2026 was $621.1 million, a decrease of $10.8 million or 1.7%, not annualized, compared to $631.9 million at December 31, 2025.

Our provision for credit losses for the third quarter of 2026 was $47.8 million, including a provision expense of $52.8 million related to our allowance for loan losses (“ALL”) for outstanding loans and a negative provision of $5.0 million related to our reserve for losses on unfunded loan commitments. Our provision for credit losses for the nine months ended September 30, 2026 was $135.3 million, including a provision expense of $140.2 million related to our ALL for outstanding loans and a negative provision of $4.9 million related to our reserve for losses on unfunded loan commitments. Our provision for credit losses for the third quarter of 2025 was $48.3 million, including a provision expense of $48.2 million related to our ALL for outstanding loans and a provision of $0.1 million related to our reserve for losses on unfunded loan commitments. Our provision for credit losses for the nine months ended September 30, 2025 was $121.9 million, including a provision expense of $128.5 million related to our ALL for outstanding loans and a negative provision of $6.6 million related to our reserve for losses on unfunded loan commitments.

The calculations of our provision for credit losses for the third quarter and first nine months of 2026 and our total ACL at September 30, 2026 were based on a number of key estimates, assumptions and economic forecasts. We utilized recent Moody’s economic forecasts, including their Baseline, S4 (Alternative Adverse Downside) and S6 (Stagflation) scenarios and their updates released in September 2026. Our ACL calculations include certain qualitative adjustments, primarily related to specific property types, to capture items not included in our model results or other assumptions.

The following table is a summary of activity within our ACL for the periods indicated.

**Allowance for Credit Losses**

| | Allowance for Loan Losses | Reserve for Losses on Unfunded Loan Commitments | Total Allowance for Credit Losses |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **Three months ended September 30, 2026:** | | | |
| Balances – June 30, 2026 | $ 461,534 | $ 156,274 | $ 617,808 |
| Net charge-offs | (44,454) | — | (44,454) |
| Provision for credit losses | 52,779 | (5,017) | 47,762 |
| Balances – September 30, 2026 | $ 469,859 | $ 151,257 | $ 621,116 |
| | | | |
| **Nine months ended September 30, 2026:** | | | |
| Balances – December 31, 2025 | $ 475,721 | $ 156,130 | $ 631,851 |
| Net charge-offs | (146,045) | — | (146,045) |
| Provision for credit losses | 140,183 | (4,873) | 135,310 |
| Balances – September 30, 2026 | $ 469,859 | $ 151,257 | $ 621,116 |
| | | | |
| **Three months ended September 30, 2025:** | | | |
| Balances – June 30, 2025 | $ 518,634 | $ 147,132 | $ 665,766 |
| Net charge-offs | (34,480) | — | (34,480) |
| Provision for credit losses | 48,187 | 127 | 48,314 |
| Balances – September 30, 2025 | $ 532,341 | $ 147,259 | $ 679,600 |
| | | | |
| **Nine months ended September 30, 2025:** | | | |
| Balances – December 31, 2024 | $ 465,547 | $ 153,813 | $ 619,360 |
| Net charge-offs | (61,705) | — | (61,705) |
| Provision for credit losses | 128,499 | (6,554) | 121,945 |
| Balances – September 30, 2025 | $ 532,341 | $ 147,259 | $ 679,600 |

The amount of our provision for credit losses is based on our analysis of the adequacy of the ACL utilizing the criteria discussed in the Critical Accounting Estimates section of our annual report on Form 10-K for the year ended December 31, 2025.

Additional information regarding net charge-offs for the periods indicated is presented in the tables below.

| | Net Charge-Offs | Annualized Net Charge-Off Ratio [1] |
|---|---|---|
| | (Dollars in thousands) | |
| **Three months ended September 30, 2026:** | | |
| Real estate: | | |
| Other commercial real estate | $ 37,186 | 1.72% |
| Construction/land development | 276 | 0.02 |
| Multifamily | — | — |
| Residential 1-4 family | 823 | 0.20 |
| Agricultural | — | — |
| Total real estate | 38,285 | 0.72 |
| Commercial and industrial | 721 | 0.06 |
| Consumer | 4,839 | 0.43 |
| Other | 609 | 0.08 |
| Total | $ 44,454 | 0.53% |
| **Nine months ended September 30, 2026:** | | |
| Real estate: | | |
| Other commercial real estate | $ 83,268 | 1.30% |
| Construction/land development | 1,245 | 0.02 |
| Multifamily | 115 | 0.01 |
| Residential 1-4 family | 846 | 0.07 |
| Agricultural | — | — |
| Total real estate | 85,474 | 0.54 |
| Commercial and industrial | 1,682 | 0.05 |
| Consumer | 14,729 | 0.44 |
| Other | 44,160 | 1.84 |
| Total | $ 146,045 | 0.59% |
| **Three months ended September 30, 2025:** | | |
| Real estate: | | |
| Other commercial real estate | $ 7,992 | 0.36% |
| Construction/land development | 21,143 | 0.98 |
| Multifamily | — | — |
| Residential 1-4 family | 131 | 0.03 |
| Agricultural | — | — |
| Total real estate | 29,266 | 0.50 |
| Commercial and industrial | 1,592 | 0.24 |
| Consumer | 3,089 | 0.30 |
| Other | 533 | 0.07 |
| Total | $ 34,480 | 0.41% |
| **Nine months ended September 30, 2025:** | | |
| Real estate: | | |
| Other commercial real estate | $ 18,305 | 0.29% |
| Construction/land development | 25,864 | 0.38 |
| Multifamily | 2,611 | 0.10 |
| Residential 1-4 family | 506 | 0.05 |
| Agricultural | 23 | 0.01 |
| Total real estate | 47,309 | 0.28 |
| Commercial and industrial | 2,119 | 0.12 |
| Consumer | 9,405 | 0.32 |
| Other | 2,872 | 0.16 |
| Total | $ 61,705 | 0.26% |

[1] Ratios for interim periods annualized based on actual days.

A summary of our net charge-off ratios and certain other ALL and ACL ratios, as of and for the periods indicated, is presented in the following table.

**Net Charge-Offs, and ALL/ACL Ratios**

| | As of and for the Three Months Ended September 30, | | As of and for the Nine Months Ended September 30, | | As of and for the Year Ended December 31, |
|---|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 | 2025 |
| Net charge-offs to average total loans[(1)] | 0.53% | 0.41% | 0.59% | 0.26% | 0.50% |
| ALL to total loans | 1.38% | 1.62% | 1.38% | 1.62% | 1.47% |
| Reserve for losses on unfunded loan commitments to total unfunded loan commitments | 0.84% | 0.82% | 0.84% | 0.82% | 0.87% |
| ACL to total loans | 1.82% | 2.07% | 1.82% | 2.07% | 1.96% |
| ACL to total loans and unfunded loan commitments (“ACL ratio”) | 1.19% | 1.34% | 1.19% | 1.34% | 1.26% |
| ALL to nonperforming/nonaccrual loans | 527% | 356% | 527% | 356% | 139% |
| ACL to nonperforming/nonaccrual loans | 697% | 454% | 697% | 454% | 185% |

[(1)] Ratios for interim periods annualized based on actual days.

The following table sets forth the sum of the amounts of the ALL and the percentage of loans to total loans as of the dates indicated. The amounts shown in the following table are not necessarily indicative of the actual future losses that may occur within particular categories or in the aggregate.

**Allocation of the ALL**

| | September 30, 2026 | | | | December 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | ALL | % of ALL to Loans | Total Loans | % of loans to Total Loans | ALL | % of ALL to Loans | Total Loans | % of loans to Total Loans |
| | (Dollars in thousands) | | | | | | | |
| ALL for loans: | | | | | | | | |
| Real estate: | | | | | | | | |
| Other commercial real estate | $ 144,017 | 1.65% | $ 8,708,148 | 25.5% | $ 138,387 | 1.64% | $ 8,417,455 | 26.0% |
| Construction/land development | 85,701 | 1.26 | 6,819,656 | 20.0 | 78,086 | 1.00 | 7,778,411 | 24.1 |
| Multifamily | 21,708 | 0.81 | 2,669,960 | 7.8 | 30,414 | 0.83 | 3,680,059 | 11.4 |
| Residential 1-4 family | 30,448 | 1.81 | 1,683,556 | 4.9 | 31,130 | 1.90 | 1,635,745 | 5.1 |
| Agricultural | 8,335 | 2.33 | 358,405 | 1.0 | 8,220 | 2.56 | 321,254 | 1.0 |
| Total real estate | 290,209 | 1.43 | 20,239,725 | 59.3 | 286,237 | 1.31 | 21,832,924 | 67.6 |
| Commercial and industrial | 52,772 | 0.93 | 5,685,679 | 16.7 | 30,720 | 0.90 | 3,431,585 | 10.6 |
| Consumer | 96,150 | 2.10 | 4,582,548 | 13.4 | 112,857 | 2.64 | 4,269,994 | 13.2 |
| Other | 30,728 | 0.85 | 3,626,714 | 10.6 | 45,907 | 1.65 | 2,783,282 | 8.6 |
| Total ALL | $ 469,859 | 1.38% | $34,134,666 | 100.0% | $ 475,721 | 1.47% | $32,317,785 | 100.0% |

The following table presents the amounts of the ACL, including our ALL ratio and our reserve for losses on unfunded loan commitments ("unfunded ratio"), as of the dates indicated. The amounts shown in this table are not necessarily indicative of the actual future losses that may occur within particular categories or in the aggregate.

**Allocation of ACL**

| | ALL | ALL Ratio | Reserve for Losses on Unfunded Loan Commitments | Unfunded Ratio | Total ACL | ACL Ratio |
|---|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | | |
| **September 30, 2026:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | $ 144,017 | 1.65% | $ 25,936 | 1.56% | $ 169,953 | 1.64% |
| Construction/land development | 85,701 | 1.26 | 35,651 | 0.42 | 121,352 | 0.79 |
| Multifamily | 21,708 | 0.81 | 1,439 | 0.71 | 23,147 | 0.81 |
| Residential 1-4 family | 30,448 | 1.81 | 11,657 | 3.84 | 42,105 | 2.12 |
| Agricultural | 8,335 | 2.33 | 27 | 1.87 | 8,362 | 2.32 |
| Total real estate | 290,209 | 1.43 | 74,710 | 0.69 | 364,919 | 1.18 |
| Commercial and industrial | 52,772 | 0.93 | 49,098 | 1.25 | 101,870 | 1.06 |
| Consumer | 96,150 | 2.10 | 129 | 1.86 | 96,279 | 2.10 |
| Other | 30,728 | 0.85 | 27,320 | 0.82 | 58,048 | 0.83 |
| Total | $ 469,859 | 1.38% | $ 151,257 | 0.84% | $ 621,116 | 1.19% |
| | | | | | | |
| **December 31, 2025:** | | | | | | |
| Real estate: | | | | | | |
| Other commercial real estate | $ 138,387 | 1.64% | $ 20,441 | 0.96% | $ 158,828 | 1.51% |
| Construction/land development | 78,086 | 1.00 | 45,797 | 0.49 | 123,883 | 0.72 |
| Multifamily | 30,414 | 0.83 | 3,414 | 1.19 | 33,828 | 0.85 |
| Residential 1-4 family | 31,130 | 1.90 | 11,036 | 3.92 | 42,166 | 2.20 |
| Agricultural | 8,220 | 2.56 | 23 | 1.14 | 8,243 | 2.55 |
| Total real estate | 286,237 | 1.31 | 80,711 | 0.67 | 366,948 | 1.08 |
| Commercial and industrial | 30,720 | 0.90 | 43,142 | 1.59 | 73,862 | 1.20 |
| Consumer | 112,857 | 2.64 | 147 | 2.03 | 113,004 | 2.64 |
| Other | 45,907 | 1.65 | 32,130 | 0.99 | 78,037 | 1.29 |
| Total | $ 475,721 | 1.47% | $ 156,130 | 0.87% | $ 631,851 | 1.26% |

**Liquidity Risk Management**

*Overview.* Liquidity risk is the potential that we will be unable to meet our obligations as they come due because of an inability to obtain adequate funding or liquidate assets (referred to as "funding liquidity risk") or that we cannot easily unwind or offset specific exposures without significantly lowering market prices because of inadequate market depth or market disruptions (referred to as "market liquidity risk"). Our Board-approved liquidity risk appetite, which is monitored through our liquidity risk profile, is further categorized into the following risks: liquid asset management risk (risk of acute funding stress related to insufficient levels of liquid assets), funding diversity and stability risk (risk of loss of a single large funding source that may lead to an inability to fund our business strategy and require us to sell assets or curtail growth) and funding capacity/contingency planning risk (risk of unanticipated growth from lending businesses or unexpected customer activity may lead to unexpected increases in demands on liquidity). Our Asset and Liability Committee ("ALCO") has primary responsibility for oversight of, among other responsibilities, our liquidity, funds management, asset/liability (interest rate risk) position, capital and our investment portfolio functions. Additionally, liquidity risk is also monitored through an independent Liquidity Risk team which reports to the CRO. This team provides oversight and effective challenge of the Bank's liquidity risk management practices.

The objective of managing liquidity risk is to ensure the cash flow requirements resulting from depositor, borrower (including our ability to fund our significant balance of closed but unfunded loans) and other creditor demands are met, as well as our operating cash needs, and the cost of funding such requirements and needs is reasonable. We maintain a liquidity and funds management policy, including a contingency funding plan that, among other things, includes policies and procedures for managing and monitoring liquidity risk. On a quarterly basis, we perform a comprehensive liquidity stress test. This stress test is intended to identify and quantify sources of potential liquidity strain and vulnerabilities related to liquidity and to analyze possible impacts on the Bank for a variety of institution-specific and market-wide events across multiple time horizons. Also, pursuant to our liquidity and funds management policy, we maintain a buffer of highly liquid assets to protect against cash outflows in the event of a liquidity crisis.

*Liquidity Management*. Generally, we rely on deposits, repayments of loans, and cash flows from our investment securities as our primary sources of funds. Our principal deposit sources include consumer and commercial customers in our markets. We have used these funds, together with public funds customers, brokered deposits, FHLB advances, federal funds purchased and other sources of short-term borrowings to make loans, acquire investment securities and other assets and to fund continuing operations.

*Deposits*. Most of our deposits are generated through our network of over 256 retail branches in Arkansas, Georgia, Florida, Texas, North Carolina and Tennessee and are primarily used to fund our growth in earning assets. Our total deposits increased $1.4 billion, or 4.3%, not annualized, to $34.8 billion at September 30, 2026 compared to $33.4 billion at December 31, 2025. Our loan-to-deposit ratio at September 30, 2026 was 98.01% compared to 96.80% at December 31, 2025.

The amount of deposits by account type, as of the dates indicated, and their respective percentage of total deposits are reflected in the following table.

**Deposits – By Account Type**

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Non-interest bearing | $ 3,943,886 | 11.3% | $ 3,832,875 | 11.5% |
| Interest bearing: | | | | |
| Transaction (NOW) | 5,078,131 | 14.6 | 4,431,954 | 13.3 |
| Savings and money market | 6,945,381 | 19.9 | 6,836,552 | 20.5 |
| Time | 18,860,541 | 54.2 | 18,283,584 | 54.7 |
| Total deposits | $ 34,827,939 | 100.0% | $ 33,384,965 | 100.0% |

The amount of deposits by customer type, as of the dates indicated, and their respective percentage of total deposits are reflected in the following table.

**Deposits – By Customer Type**

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Non-interest bearing | $ 3,943,886 | 11.3% | $ 3,832,875 | 11.5% |
| Interest bearing: | | | | |
| Consumer and commercial: | | | | |
| Consumer – Non-Time | 3,514,504 | 10.1 | 3,275,599 | 9.8 |
| Consumer – Time | 15,742,424 | 45.2 | 15,168,219 | 45.4 |
| Commercial – Non-Time | 3,029,099 | 8.7 | 2,984,451 | 8.9 |
| Commercial – Time | 1,024,079 | 2.9 | 978,387 | 2.9 |
| Public funds | 4,098,782 | 11.8 | 4,247,526 | 12.7 |
| Brokered | 3,017,791 | 8.7 | 2,507,544 | 7.5 |
| Reciprocal | 457,374 | 1.3 | 390,364 | 1.3 |
| Total deposits | $ 34,827,939 | 100.0% | $ 33,384,965 | 100.0% |

At September 30, 2026, brokered deposits totaled $3.02 billion, compared to $2.51 billion at December 31, 2025. Brokered deposits totaled 8.7% of total deposits as of September 30, 2026 and 7.5% as of December 31, 2025. We use brokered deposits, subject to certain limitations and requirements, as a source of funding to augment deposits generated from our branch network, which are our primary source of funding. Our Board has established policies and procedures with respect to the use of brokered deposits. Such policies and procedures require, among other things, that (i) we limit the amount of brokered deposits as a percentage of total deposits and (ii) ALCO monitor our use of brokered deposits on a regular basis, including interest rates and the volume of such deposits in relation to our total deposits.

The amount and percentage of our deposits by state, as of the dates indicated, are reflected in the following table.

**Deposits by State**

| Deposits Attributable to Offices In | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Arkansas | $ 12,126,683 | 34.8% | $ 10,848,622 | 32.5% |
| Georgia | 9,572,977 | 27.5 | 9,248,760 | 27.7 |
| Florida | 5,883,700 | 16.9 | 5,724,307 | 17.1 |
| Texas | 4,365,134 | 12.5 | 4,869,687 | 14.6 |
| North Carolina | 2,403,082 | 6.8 | 2,238,138 | 6.6 |
| Tennessee | 476,363 | 1.5 | 455,451 | 1.5 |
| Total | $ 34,827,939 | 100.0% | $ 33,384,965 | 100.0% |

The following table reflects the average balance and average rate paid for each deposit category shown for the periods indicated.

**Average Deposit Balances and Rates**

| | Three Months Ended September 30, | | | | Nine Months Ended September 30, | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 | | 2025 | | 2026 | | 2025 | |
| | Average Balance | Average Rate Paid | Average Balance | Average Rate Paid | Average Balance | Average Rate Paid | Average Balance | Average Rate Paid |
| | (Dollars in thousands) | | | | | | | |
| Interest bearing: | | | | | | | | |
| Transaction (NOW) | $ 5,029,717 | 2.35% | $ 4,939,934 | 2.68% | $ 4,789,770 | 2.22% | $ 4,994,909 | 2.66% |
| Savings and money market | 6,402,917 | 2.63 | 5,909,388 | 2.89 | 6,655,973 | 2.65 | 5,470,325 | 2.78 |
| Time | 18,671,722 | 3.73 | 18,655,710 | 4.14 | 18,208,724 | 3.76 | 18,030,322 | 4.27 |
| Total interest bearing deposits | 30,104,356 | 3.27 | 29,505,032 | 3.64 | 29,654,467 | 3.26 | 28,495,556 | 3.70 |
| Non-interest bearing | 3,858,809 | — | 3,838,461 | — | 3,863,436 | — | 3,815,158 | — |
| Total deposits | $33,963,165 | 2.89% | $33,343,493 | 3.22% | $33,517,903 | 2.89% | $32,310,714 | 3.27% |

The calculation of the average rate paid on total interest bearing deposits of 3.27% for the three months and 3.26% for the nine months ended September 30, 2026 and 3.64% for the three months and 3.70% for the nine months ended September 30, 2025, includes interest paid and average balances of all categories of interest bearing deposits. The average rate paid for all deposits, including both interest bearing and non-interest bearing deposits, was 2.89% for the three months and 2.89% for the nine months ended September 30, 2026 and 3.22% for the three months and 3.27% for the nine months ended September 30, 2025. Future increases or decreases in the rates paid on our interest bearing deposits will depend on changes in the federal funds rate and other interest rates, funding needs to support growth in our earning assets, the level of on-balance sheet liquidity, competitive conditions and other factors.

Because of the substantial “retail” nature of our deposit base, as of September 30, 2026, approximately 81% of our deposits are either insured (68% at September 30, 2026) or, in the case of public funds and certain other deposits, collateralized (13% at September 30, 2026). As of September 30, 2026, our average deposit account balance was approximately $52,000. The diversity of our deposit base is an important factor in the demonstrated stability of our deposits. The estimated amount of uninsured deposits at September 30, 2026 was $11.24 billion. Estimated uninsured deposits exclude intercompany deposits that are eliminated in financial consolidation. Estimated uninsured deposits do not necessarily reflect an evaluation of all scenarios that potentially would determine the availability of deposit insurance to individual accounts or customers based on FDIC regulations.

The following table presents the maturity distribution of time deposits as of September 30, 2026.

| | Less than or Equal to $250,000 | Greater than $250,000 | Total |
|---|---|---|---|
| | (Dollars in thousands) | | |
| **September 30, 2026:** | | | |
| 3 months or less | $ 4,881,579 | $ 2,475,796 | $ 7,357,375 |
| Over 3 to 6 months | 3,988,791 | 1,918,834 | 5,907,625 |
| Over 6 to 12 months | 3,814,496 | 1,602,494 | 5,416,990 |
| Over 12 months | 134,949 | 43,602 | 178,551 |
| Total | $ 12,819,815 | $ 6,040,726 | $ 18,860,541 |

*Loan Portfolio.* In addition to customer deposits, cash flows from our loan portfolio provide us with a significant source of liquidity. The following table reflects total loans grouped by contractual maturity date at September 30, 2026 and does not reflect amortizations, projected paydowns or the earliest repricing for floating rate loans. Many loans have principal paydowns scheduled in periods prior to the period in which they mature. In addition, many floating rate loans are subject to repricing in periods prior to the period in which they mature.

**Loan Maturities**

| | 1 Year or Less | Over 1 Through 5 Years | Over 5 Through 15 Years | Over 15 Years | Total |
|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | |
| Real estate | $ 10,472,234 | $ 7,761,394 | $ 694,966 | $ 1,311,131 | $ 20,239,725 |
| Commercial and industrial | 2,760,639 | 2,757,533 | 151,375 | 16,132 | 5,685,679 |
| Consumer | 11,410 | 29,817 | 1,094,062 | 3,447,259 | 4,582,548 |
| Other | 1,458,314 | 2,160,255 | 2,935 | 5,210 | 3,626,714 |
| Total | $ 14,702,597 | $ 12,708,999 | $ 1,943,338 | $ 4,779,732 | $ 34,134,666 |

The following table reflects loans by type and by fixed or floating interest rates with maturities one year or less and after one year. This table reflects loans grouped by contractual maturity date and does not reflect amortizations, projected paydowns or the earliest repricing for floor rate loans.

| | Loans Maturing One Year or Less | | Loans Maturing After One Year | | |
|---|---|---|---|---|---|
| | Fixed Interest Rate | Floating Interest Rate | Fixed Interest Rate | Floating Interest Rate | Total |
| | | | (Dollars in thousands) | | |
| Real estate | $ 498,195 | $ 9,974,039 | $ 2,097,074 | $ 7,670,417 | $ 20,239,725 |
| Commercial and industrial | 50,181 | 2,710,458 | 369,581 | 2,555,459 | 5,685,679 |
| Consumer | 11,401 | 9 | 4,564,242 | 6,896 | 4,582,548 |
| Other | 140,259 | 1,318,055 | 122,143 | 2,046,257 | 3,626,714 |
| Total | $ 700,036 | $ 14,002,561 | $ 7,153,040 | $ 12,279,029 | $ 34,134,666 |

Loan repayments are generally a relatively stable source of funds but are subject to the borrowers' ability to repay the loans, which can be adversely affected by a number of factors including changes in general economic and market conditions, adverse trends or events affecting business industry groups or specific businesses, declines in real estate values or markets, business closings or lay-offs, inclement weather, natural disasters and other factors. Furthermore, loans generally are not readily convertible to cash.

At September 30, 2026, we had $18.0 billion in unfunded balances on loans already closed, the majority of which is attributable to construction and development loans. In most cases the borrower's equity and all or most other required subordinated elements of the capital structure must be fully funded before we advance funds. In many cases we do not advance funds on construction and development loans for many months after closing because the borrower's equity and a majority of other funding sources must fund first. This conservative practice for handling construction loans has led to the large unfunded balance of closed loans. As a result, we maintain a detailed 36-month forward funding forecast projecting loan fundings and loan repayments. Our ability to project periodic net portfolio growth with a reasonable degree of accuracy is an important part of our liquidity management process.

*Investment Securities - AFS.* As of September 30, 2026, we classified all of our securities as available for sale. Cash flows from our investment securities portfolio also provide us with an additional source of liquidity. The following table reflects the expected maturity distribution of our investment securities - AFS, at estimated fair value, at September 30, 2026 and weighted average yields (for tax exempt obligations on an FTE basis) of such securities.

**Expected Maturity Distribution of Investment Securities - AFS**

| | 1 Year Or Less | Weighted Average Yield- FTE | Over 1 Through 5 Years | Weighted Average Yield- FTE | Over 5 Through 10 Years | Weighted Average Yield- FTE | Over 10 Years | Weighted Average Yield- FTE | Total | Weighted Average Yield- FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | | | | | | |
| U.S. Government agency mortgage-backed securities | $325,606 | 3.15% | $894,524 | 3.64% | $463,742 | 4.65% | $ 133,798 | 4.68% | $1,817,670 | 3.88% |
| Obligations of state and political subdivisions | 36,287 | 6.15 | 54,111 | 4.40 | 228,721 | 4.74 | 2,199,674 | 5.88 | 2,518,793 | 5.74 |
| Corporate obligations | 6,944 | 3.87 | 5,659 | 5.21 | 1,158 | 5.38 | 5,066 | 4.93 | 18,827 | 4.68 |
| Total | $368,837 | 3.44% | $954,294 | 3.69% | $693,621 | 4.68% | $2,338,538 | 5.81% | $4,355,290 | 4.95% |
| Percentage of total | 8.5% | | 21.9% | | 15.9% | | 53.7% | | 100.0% | |
| Cumulative percentage of total | 8.5% | | 30.4% | | 46.3% | | 100.0% | | | |

The maturity for all investment securities is shown based on each security's contractual maturity date, except (1) mortgage-backed securities, which are allocated among various maturities based on an estimated repayment schedule utilizing third party median prepayment speeds or other estimates of prepayment speeds and interest rate levels at September 30, 2026 and (2) callable investment securities for which we have received notification of call, which are included in the maturity category in which the call occurs or is expected to occur. Actual maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties. The weighted-average yields-FTE are calculated based on the coupon rate and amortized cost for such securities and includes any projected discount accretion or premium amortization.

*Other Interest Bearing Liabilities.* Given that deposit levels, loan repayments and cash flow from our investment securities portfolio may be affected by a number of factors, we may be required from time to time to rely on other sources of liquidity to meet growth in loans and deposit withdrawal demands or otherwise fund operations. Such other sources include FHLB advances, federal funds purchased, secured and unsecured federal funds lines of credit from correspondent banks, Federal Reserve System ("FRB") borrowings, subordinated notes, subordinated debentures and/or accessing the capital markets.

The following table reflects the average balance and average rate paid for each category of other interest bearing liabilities for the periods indicated.

**Average Balances and Rates of Other Interest Bearing Liabilities**

| | Three Months Ended September 30, | | | | Nine Months Ended September 30, | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 | | 2025 | | 2026 | | 2025 | |
| | Average Balance | Rate Paid | Average Balance | Rate Paid | Average Balance | Rate Paid | Average Balance | Rate Paid |
| | (Dollars in thousands) | | | | | | | |
| Other borrowings | $ 296,842 | 3.84% | $ 557,673 | 3.93% | $ 152,509 | 3.80% | $ 402,720 | 3.60% |
| Subordinated notes | 349,898 | 2.98 | 349,084 | 2.99 | 349,696 | 2.99 | 348,882 | 2.99 |
| Subordinated debentures | 113,404 | 6.45 | 113,652 | 7.00 | 113,540 | 6.42 | 113,652 | 7.05 |
| Total other interest bearing liabilities | $ 760,144 | 3.83% | $ 1,020,409 | 3.95% | $ 615,745 | 3.82% | $ 865,254 | 3.80% |

We maintain substantial and diverse sources of available primary and secondary liquidity as disclosed in the table below.

**Available Primary and Secondary Liquidity Sources**

| | September 30, 2026 | | |
|---|---|---|---|
| | Total Capacity | Outstanding | Available Liquidity |
| | (Dollars in thousands) | | |
| Cash & cash equivalents | $ 1,150,795 | $ — | $ 1,150,795 |
| Unpledged investment securities | 3,406,132 | — | 3,406,132 |
| FHLB [1] | 11,332,144 | 4,586,600 | 6,745,544 |
| Fed discount window | 5,214,980 | — | 5,214,980 |
| Unsecured lines of credit | 1,245,000 | 150,000 | 1,095,000 |
| Total | $ 22,349,051 | $ 4,736,600 | $ 17,612,451 |

[1] FHLB outstanding balance included $4.0 billion of outstanding letters of credit and $0.6 billion of settled advances at September 30, 2026.

We anticipate we will continue to rely primarily on deposits, repayments of loans and cash flows from our investment securities to provide liquidity, as well as other funding sources as appropriate. Additionally, where necessary, the other funding sources described above, including the use of federal funds purchased and FHLB advances, will be used to augment our primary funding sources and the level of such other funding sources may vary quarter to quarter.

**Sources and Uses of Funds**

The following table provides condensed cash flow information for the periods indicated.

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2026 | 2025 |
| | (Dollars in thousands) | |
| Cash at the beginning of the period | $ 2,833,821 | $ 2,781,101 |
| Net cash provided by operating activities | 689,739 | 631,297 |
| Net cash used in investing activities | (4,286,121) | (2,903,982) |
| Net cash provided by financing activities | 1,913,356 | 2,612,514 |
| Cash at the end of the period | $ 1,150,795 | $ 3,120,930 |

Operating activities provided net cash of $0.69 billion for the first nine months of 2026 compared to $0.63 billion for the first nine months of 2025. Net cash provided by operating activities is comprised primarily of net income, adjusted for certain non-cash items and for changes in various operating assets and liabilities.

Investing activities used net cash of $4.29 billion in the first nine months of 2026 compared to $2.90 billion in the first nine months of 2025. The increase in net cash used by investing activities was primarily due to the increase in the cash used for investment purchases of $2.4 billion in the first nine months of 2026 compared to $0.7 billion in the first nine months of 2025, partially offset by a smaller increase in loans which used $2.4 billion in the first nine months of 2026 compared to $3.1 billion in the first nine months of 2025.

Financing activities provided net cash of $1.91 billion in the first nine months of 2026 compared to $2.61 billion in the first nine months of 2025. The decrease in net cash provided by financing activities was primarily due to the decrease in deposit growth which provided $1.44 billion in the first nine months of 2026 compared to $2.94 billion in the first nine months of 2025.

**Market and Interest Rate Risk Management**

*Overview.* Market risk is the risk to a financial institution's condition resulting from adverse movements in market rates or prices, including, but not limited to, interest rates, foreign exchange rates, commodity prices, or security prices. We are exposed to both interest rate risk and price risk. Interest rate risk is the risk that arises from increased volatility in net interest income due to a change of interest rates. There are different types of risk exposures that can arise when there is a change of interest rates, such as basis risk, options risk, term structure and repricing risk. Price risk is the risk that arises from security price volatility – the risk of a decline in the value of a security or a portfolio. Price risk can be either systemic or non-systemic risk. Non-systemic risk can be

mitigated through diversification, whereas systemic risk cannot. In a global economic crisis, price risk is systemic because it affects multiple asset classes.

*Interest Rate Risk Management*. Our Board is responsible for approving the overall policies related to the management of market risks, including interest rate risk and price risk. The Board has delegated to ALCO, which is chaired by our Chief Financial Officer, the responsibility of managing interest rate and price risk consistent with Board-approved policies and limits.

ALCO regularly reviews our exposure to changes in interest rates. Among the factors considered are changes in the mix of interest earning assets and interest bearing liabilities, interest rate spreads and repricing periods. ALCO uses an earnings simulation model, which analyzes the expected change in near term (one year) net interest income in response to changes in interest rates, and economic value of equity ("EVE"), which measures the expected change in the fair value of equity in response to changes in interest rates, to analyze our interest rate risk and interest rate sensitivity. Additionally, market and interest rate risk is also monitored through an independent market risk team which reports to the CRO. This team provides oversight and effective challenge of the Bank's market and interest rate risk management practices.

*Earnings Simulation Model.* Our earnings simulation modeling process projects a baseline net interest income, which uses a dynamic balance sheet and assumes no changes in interest rate levels. We estimate changes to that baseline net interest income resulting from changes in interest rate levels. We rely primarily on the results of this model in evaluating our interest rate risk.

This model incorporates a number of additional factors including: (1) the expected growth in various interest earning assets and interest bearing liabilities and the expected interest rates on new assets and liabilities, (2) the expected rates at which various rate sensitive assets and rate sensitive liabilities will reprice, (3) the expected exercise of call features on various assets and liabilities, (4) the expected relative movements in different interest rate indices which are used as the basis for pricing or repricing various assets and liabilities, (5) existing and expected contractual ceiling and floor rates on various assets and liabilities, (6) expected changes in administered rates on interest bearing transaction, savings, money market and time deposit accounts and the expected impact of competition on the pricing or repricing of such accounts, (7) the timing and amount of cash flows expected to be received on investment securities, (8) the timing and amount of repayments that are anticipated from our loan portfolio, (9) the need, if any, for additional capital and/or debt to support continued growth and (10) other relevant factors. Inclusion of these factors in the model is intended to more accurately project our expected changes in net interest income resulting from interest rate changes.

We model our change in net interest income in various interest rate scenarios, including scenarios where interest rates go up 100 bps, up 200 bps, up 300 bps, down 100 bps, down 200 bps, and down 300 bps. For purposes of these scenarios, we have assumed that the change in interest rates phases in over a 12-month period. While we believe this model provides a reasonably accurate projection of our interest rate risk, the model includes a number of assumptions and predictions which may or may not be correct and may impact the model results. These assumptions and predictions include inputs to compute baseline net interest income, growth rates, prepayment assumptions, expected changes in rates on interest bearing deposit accounts, competition and a variety of other factors that are difficult to accurately predict. Accordingly, there can be no assurance the earnings simulation model will accurately reflect future results. Our earnings simulation model is governed by our model risk framework.

The following table presents the earnings simulation model's projected impact of a change in interest rates on the projected baseline net interest income for the 12-month period commencing October 1, 2026. This change in interest rates is assumed to occur ratably over that 12-month period. This change in interest rates also assumes parallel shifts in the yield curve and does not take into account changes in the slope of the yield curve.

**Earnings Simulation Model Results**

| Change in Interest Rates (in bps) | % Change in Projected Baseline Net Interest Income |
|---|---|
| +300 | 14.4% |
| +200 | 9.5 |
| +100 | 4.6 |
| -100 | (3.7) |
| -200 | (5.8) |
| -300 | (7.4) |

In the event of a shift in interest rates, we may take certain actions intended to mitigate the negative impact to net interest income or to maximize the positive impact to net interest income. These actions may include, but are not limited to, restructuring of interest earning assets and interest bearing liabilities, seeking alternative funding sources or investment opportunities and modifying the pricing or terms of loans and deposits.

*EVE Model.* EVE is calculated as the fair value of all assets minus the fair value of liabilities and incorporates a number of assumptions including (1) the timing and amount of cash flows expected to be received or paid on various assets and liabilities, (2) the expected exercise of call features on various assets and liabilities, (3) estimated discount rates, and (4) other relevant factors. We measure changes in the dollar amount of EVE for parallel shifts in interest rates. Due to embedded optionality and asymmetric rate risk, changes in EVE can be useful in quantifying risks not apparent for small rate changes.

The following table presents our EVE results as of September 30, 2026.

**EVE Model Results**

| Change in Interest Rates (in bps) | % Change in Projected Baseline EVE |
|---|---|
| +300 | (10.9)% |
| +200 | (7.8) |
| +100 | (4.2) |
| -100 | 4.6 |
| -200 | 8.9 |
| -300 | 12.6 |

*Variable Rate Loans and Loan Repricing.* At September 30, 2026, approximately 84% of our total commitment of total loans had variable rates, of which approximately 77% were tied to one-month term SOFR, 17% to WSJ Prime and 6% to other indexes. Additionally, approximately 77% of our total commitment of variable rate loans had floor rates and 22% were at their floor rate.

The following table reflects total loans as of September 30, 2026 grouped by expected amortizations, expected paydowns or the earliest repricing opportunity for floating rate loans. This cash flow or repricing schedule approximates our ability to reprice the outstanding principal of loans either by adjusting rates on existing loans or reinvesting principal cash flow into new loans.

**Loan Cash Flows or Repricing**

| | 1 Year Or Less | Over 1 Through 2 Years | Over 2 Through 3 Years | Over 3 Through 5 Years | Over 5 Years | Total |
|---|---|---|---|---|---|---|
| | (Dollars in thousands) | | | | | |
| Fixed rate | $ 967,229 | $ 504,239 | $ 519,367 | $1,460,416 | $ 4,401,825 | $ 7,853,076 |
| Floating rate (not at a floor or ceiling rate) [1] | 18,395,850 | 58,318 | 48,110 | 348,110 | 7,769 | 18,858,157 |
| Floating rate (at floor rate)[1] | 7,025,284 | 67,338 | 82,926 | 163,910 | 3,900 | 7,343,358 |
| Floating rate (at ceiling rate) | 52,723 | 3,954 | 4,234 | 19,164 | — | 80,075 |
| Total | $26,441,086 | $ 633,849 | $ 654,637 | $1,991,600 | $ 4,413,494 | $34,134,666 |
| Percentage of total | 77.5% | 1.9% | 1.9% | 5.8% | 12.9% | 100.0% |
| Cumulative percentage of total | 77.5% | 79.4% | 81.3% | 87.1% | 100.0% | |

[1] We have included a floor rate in 77% of our total commitment of floating rate loans. At September 30, 2026, the majority of our floating rate loans were above their floor rate. In a declining rate environment, such loans will reprice at their next reset date until they reach their floor rate. In a rising rate environment, such loans will reprice at their next reset date.

The following table is a summary of our floating rate loan portfolio and contractual interest rate indices at September 30, 2026.

**Contractual Indices of Floating Rate Loans**

| Contractual Interest Rate Index | Floating Rate (at floor rate) | Floating Rate (not at a floor or ceiling rate) | Floating Rate (at ceiling rate) | Total Floating Rate |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| 1-month term SOFR | $ 6,368,132 | $ 14,886,372 | $ — | $ 21,254,504 |
| Wall Street Journal Prime | 964,013 | 1,817,959 | 80,075 | 2,862,047 |
| Other contractual interest rate indices | 11,213 | 2,153,826 | — | 2,165,039 |
| Total | $ 7,343,358 | $ 18,858,157 | $ 80,075 | $ 26,281,590 |

*Market Risk Management.* We are exposed to market risk primarily through changes in fair value of our fixed income investment securities portfolio. Investment portfolio strategies are set by senior management and are subject to the oversight and direction of ALCO. At September 30, 2026 and December 31, 2025, all of our investment securities were classified as AFS. Our investment securities are reported at estimated fair value with the unrealized gains and losses, net of related income tax, reported as a separate component of stockholders' equity and included in other comprehensive income.

The following table presents the amortized cost and estimated fair value of investment securities as of the dates indicated.

**Investment Securities**

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| | (Dollars in thousands) | | | |
| U.S. Government agency mortgage-backed securities | $ 1,911,559 | $ 1,817,670 | $ 1,132,537 | $ 1,106,357 |
| Obligations of state and political subdivisions | 2,740,482 | 2,518,793 | 1,488,301 | 1,483,223 |
| Corporate obligations | 20,205 | 18,827 | 22,191 | 20,563 |
| Total | $ 4,672,246 | $ 4,355,290 | $ 2,643,029 | $ 2,610,143 |

Our investment securities portfolio is reported at estimated fair value, which included gross unrealized gains of $0.8 million and gross unrealized losses of $317.8 million at September 30, 2026 and gross unrealized gains of $24.4 million and gross unrealized losses of $57.3 million at December 31, 2025. We believe that the vast majority of unrealized losses on individual investment securities at September 30, 2026 and December 31, 2025 are the result of fluctuations in interest rates.

The following table presents the unaccreted discount and unamortized premium of our investment securities as of the dates indicated.

**Unaccreted Discount and Unamortized Premium**

| | Amortized Cost | Unaccreted Discount | Unamortized Premium | Par Value |
|---|---|---|---|---|
| | | (Dollars in thousands) | | |
| **September 30, 2026:** | | | | |
| U.S. Government agency mortgage-backed securities | $ 1,911,559 | $ 7,105 | $ (9,306) | $ 1,909,358 |
| Obligations of state and political subdivisions | 2,740,482 | 24,421 | (10,458) | 2,754,445 |
| Corporate obligations | 20,205 | 114 | (766) | 19,553 |
| Total | $ 4,672,246 | $ 31,640 | $ (20,530) | $ 4,683,356 |
| | | | | |
| **December 31, 2025:** | | | | |
| U.S. Government agency mortgage-backed securities | $ 1,132,537 | $ 2,542 | $ (12,508) | $ 1,122,571 |
| Obligations of state and political subdivisions | 1,488,301 | 25,458 | (13,330) | 1,500,429 |
| Corporate obligations | 22,191 | 135 | (940) | 21,386 |
| Total | $ 2,643,029 | $ 28,135 | $ (26,778) | $ 2,644,386 |

We recognized premium amortization, net of discount accretion, of $1.6 million during the third quarter and $5.0 million during the first nine months of 2026 compared to $1.4 million during the third quarter and $3.4 million during the first nine months of 2025. Any premium amortization or discount accretion is considered an adjustment to the yield of our investment securities.

During the third quarter and first nine months of 2026, investment securities - AFS totaling $158.7 million and $505.8 million matured, were called or were otherwise paid down by the issuer compared to $150.5 million and $601.5 million during the third quarter and first nine months of 2025. We purchased $0.56 billion and $2.54 billion of investment securities - AFS during the third quarter and first nine months of 2026, compared to $0.05 billion and $0.70 billion of investment securities - AFS during the third quarter and first nine months of 2025. Investment securities purchased during the first nine months of 2026 included $176.5 million of purchases that had not settled as of September 30, 2026. Accordingly, cash paid for purchases of investment securities - AFS during the first nine months of 2026 was $2.36 billion, as reflected in our Consolidated Statements of Cash Flows.

We invest in securities we believe offer good relative value at the time of purchase. In making decisions to sell or purchase securities, we consider credit quality, call features, maturity dates, relative yields, corporate tax rates, current market factors, interest rate risk and interest rate environment, current and projected liquidity needs and other relevant factors.

At September 30, 2026, approximately 98% of our investment securities had an investment grade credit rating and approximately 2% of our investment securities were not rated. For those securities that were not rated, we have performed our own evaluation of the security and/or the underlying issuer and believe that such security or its issuer has credit characteristics equivalent to those which would warrant an investment grade credit rating.

**Capital Management**

*Overview.* The primary function of capital is to support our operations, including growth expectations, and act as a cushion to absorb unanticipated losses. Accordingly, our management has developed and our Board has approved a detailed capital policy that addresses, among other things, capital adequacy, considers capital planning strategies for expected future growth, provides plans and actions for capital contingency needs, provides a capital distribution strategy and includes provisions and procedures for developing, reviewing and modifying our capital strategy and our internal capital guidelines and limits based on the results of budgeting and forecasting activities, capital stress testing results, and other factors. Oversight of our capital management plan and capital monitoring activities has been delegated to our ALCO.

*Capital Management.* We primarily rely on our total stockholders' equity, comprised of preferred and common stock, additional paid-in capital, our retained earnings and our accumulated other comprehensive income (loss) to support our operations and act as a cushion to absorb unanticipated losses. Our common stockholders' equity totaled $5.81 billion at September 30, 2026 compared to $5.79 billion at December 31, 2025. Included below in this Capital Management section of our MD&A is the calculation and reconciliation of our common stockholders' equity to the most directly comparable GAAP measure. Additionally, our common stockholders' equity is augmented by our preferred stock, our subordinated notes, our subordinated debentures and our ACL.

*Common Stock Repurchase Program.* In June 2025, our Board authorized a stock repurchase program for up to $200 million of our outstanding stock, which expired on July 1, 2026. Effective July 1, 2026, our Board authorized a new stock repurchase program for up to $200 million of our outstanding common stock, which will remain in effect through July 1, 2027, unless extended, shortened or suspended by the Board. During the quarter just ended, we repurchased 0.65 million shares of common stock for $31.4 million for an average price of $48.21 per share, including excise tax. During the month of October, we purchased an additional 0.60 million shares of common stock for $27.8 million for an average price of $45.62 per share, including excise tax. In establishing our parameters for repurchase price and share volume, management considers a variety of factors including our stock price, expected growth, capital position, alternative uses of capital, liquidity, financial performance, the current and expected macroeconomic environment, regulatory requirements and other factors.

*Preferred Stock.* At September 30, 2026, we had 14,000,000 shares issued and outstanding of 4.625% Series A Non-Cumulative Perpetual Preferred Stock, par value $0.01 per share, with a liquidation preference of $25 per share (the "Preferred Stock"), totaling $339.0 million net of the initial purchaser discount and estimated offering expenses. We pay cash dividends on our Preferred Stock, when, as, and if declared by our Board. Subject to declaration by our Board, cash dividends accrue and are payable from the original date of issuance at a rate of 4.625% per annum, payable quarterly, in arrears, on February 15, May 15, August 15, and November 15 (or the next business day) of each year. Dividends on our Preferred Stock are not cumulative or mandatory. The Preferred Stock is treated as additional Tier 1 regulatory capital.

*Subordinated Notes.* At September 30, 2026, we had $350 million in aggregate principal amount of our 2.75% Fixed-to-Floating rate subordinated notes due October 1, 2031 (the "2.75% Notes"). The 2.75% Notes are unsecured, subordinated debt obligations and bore interest at a fixed rate of 2.75% per annum through September 30, 2026. As of September 30, 2026, the 2.75% Notes had a carrying value of $350.0 million, net of an immaterial amount of unamortized discounts and offering expenses.

Effective October 1, 2026, the 2.75% Notes repriced from a fixed rate of 2.75% to a floating rate equal to three-month term SOFR plus 209 basis points, reset quarterly. The Notes also became redeemable at par, at our election, on any quarterly interest payment date and became subject to a 20% reduction in tier 2 capital treatment for the next 12 months. The interest rate on the Notes is 6.14% per annum for the fourth quarter of 2026.

*Subordinated Debentures.* We own eight 100%-owned finance subsidiary business trusts – Ozark Capital Statutory Trust II ("Ozark II"), Ozark Capital Statutory Trust III ("Ozark III"), Ozark Capital Statutory Trust IV ("Ozark IV"), Ozark Capital Statutory Trust V ("Ozark V"), Intervest Statutory Trust II ("Intervest II"), Intervest Statutory Trust III ("Intervest III"), Intervest Statutory Trust IV ("Intervest IV") and Intervest Statutory Trust V ("Intervest V"), (collectively, the "Trusts"). At September 30, 2026, we had a total of $113.4 million of trust preferred securities and subordinated debentures owed to the Trusts, with contractual interest rates ranging from 5.76% to 7.19%.

*Other Sources of Capital.* We may need to raise additional capital in the future to provide us with sufficient capital resources and liquidity to meet our commitments and business needs. As a publicly traded bank, a likely source of additional funds is the capital markets, which can provide us with funds through the public issuance of equity, both common and preferred stock, and the issuance of senior debt and/or subordinated debentures. Our ability to raise additional capital, if needed, will depend on, among other things, conditions in the capital markets at that time, which are outside of our control, and our financial performance. Other than common stock, any issuance of equity or debt by the Bank will require the prior approval of the Arkansas State Bank Department and may be accompanied by time delays associated with obtaining such approval. If market conditions change during any time delays associated with obtaining regulatory approval, we may not be able to issue equity or debt on as favorable terms as were contemplated at the time of commencement of the process, or at all.

*Common Stockholders' Equity and Reconciliation of Non-GAAP Financial Measures.* We use non-GAAP financial measures, specifically total common stockholders' equity, tangible common stockholders' equity, ratio of tangible common stockholders' equity to total tangible assets, tangible book value per common share, return on average common stockholders' equity and return on average tangible common stockholders' equity as important measures of the strength of our capital and our ability to generate earnings on tangible common equity invested by our shareholders. We believe presentation of these non-GAAP financial measures provides useful supplemental information that contributes to a proper understanding of our financial results and capital levels. These non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the following tables.

**Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and the Ratio of Total Tangible Common Stockholders' Equity to Total Tangible Assets**

| | September 30, | | December 31, |
|---|---|---|---|
| | 2026 | 2025 | 2025 |
| | (Dollars in thousands) | | |
| Total stockholders' equity | $ 6,148,397 | $ 6,093,406 | $ 6,129,851 |
| Less preferred stock | (338,980) | (338,980) | (338,980) |
| Total common stockholders' equity | $ 5,809,417 | $ 5,754,426 | $ 5,790,871 |
| Less goodwill | (660,789) | (660,789) | (660,789) |
| Total tangible common stockholders' equity | $ 5,148,628 | $ 5,093,637 | $ 5,130,082 |
| Total assets | $ 43,189,349 | $ 41,606,548 | $ 40,785,840 |
| Less goodwill | (660,789) | (660,789) | (660,789) |
| Total tangible assets | $ 42,528,560 | $ 40,945,759 | $ 40,125,051 |
| Ratio of total common stockholders' equity to total assets | 13.45% | 13.83% | 14.20% |
| Ratio of total tangible common stockholders' equity to total tangible assets | 12.11% | 12.44% | 12.79% |

**Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and Tangible Book Value Per Common Share**

| | September 30, 2026 | September 30, 2025 | December 31, 2025 |
|---|---|---|---|
| | (In thousands, except per share amounts) | | |
| Total stockholders' equity | $ 6,148,397 | $ 6,093,406 | $ 6,129,851 |
| Less preferred stock | (338,980) | (338,980) | (338,980) |
| Total common stockholders' equity | $ 5,809,417 | $ 5,754,426 | $ 5,790,871 |
| Less goodwill | (660,789) | (660,789) | (660,789) |
| Total tangible common stockholders' equity | $ 5,148,628 | $ 5,093,637 | $ 5,130,082 |
| Shares of common stock outstanding | 108,398 | 112,628 | 110,383 |
| Book value per common share | $ 53.59 | $ 51.09 | $ 52.46 |
| Tangible book value per common share | $ 47.50 | $ 45.23 | $ 46.48 |

**Calculation of Average Common Stockholders' Equity, Average Tangible Common Stockholders' Equity, Return on Average Common Stockholders' Equity, and Return on Average Tangible Common Stockholders' Equity**

| | Three Months Ended September 30, 2026 | Three Months Ended September 30, 2025 | Nine Months Ended September 30, 2026 | Nine Months Ended September 30, 2025 |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| Net income available to common stockholders | $ 164,315 | $ 180,533 | $ 486,957 | $ 527,377 |
| Average stockholders' equity before noncontrolling interest | $ 6,298,364 | $ 5,997,434 | $ 6,233,452 | $ 5,881,686 |
| Less average preferred stock | (338,980) | (338,980) | (338,980) | (338,980) |
| Total average common stockholders' equity | $ 5,959,384 | $ 5,658,454 | $ 5,894,472 | $ 5,542,706 |
| Less goodwill | (660,789) | (660,789) | (660,789) | (660,789) |
| Average tangible common stockholders' equity | $ 5,298,595 | $ 4,997,665 | $ 5,233,683 | $ 4,881,917 |
| Return on average common stockholders' equity[(1)] | 10.94% | 12.66% | 11.05% | 12.72% |
| Return on average tangible common stockholders' equity[(1)] | 12.30% | 14.33% | 12.44% | 14.44% |

(1) Ratios annualized based on actual days.

*Goodwill.* Between 2010 and 2016, we made fifteen acquisitions, including seven FDIC-assisted transactions and eight traditional merger and acquisition ("M&A") transactions. In conjunction with several of the traditional M&A transactions, our purchase price exceeded the fair value of the net assets acquired, resulting in the recording of goodwill. At September 30, 2026 and December 31, 2025, we had goodwill totaling $661 million. We review goodwill annually, or more frequently if events or changes in circumstances indicate the carrying value might be impaired. This impairment analysis compares the estimated fair value of our operations (the reporting unit) with net book value. We performed our annual impairment test of goodwill as of September 30, 2026 which indicated no potential impairment of our goodwill.

*Common Stock Dividend Policy.* During the third quarter of 2026, we paid cash dividends of $0.48 per common share. On October 1, 2026, our Board approved a cash dividend of $0.49 per common share that was paid on October 20, 2026. The determination of future dividends on our common stock will depend on conditions existing at that time and approval of our Board. In addition, our ability to pay common stock dividends to our shareholders is subject to the restrictions set forth in Arkansas law, by our federal regulator, the relative powers, preferences and other rights of the holders of our preferred stock and by certain covenants contained in the indentures governing the trust preferred securities, the subordinated debentures and the 2.75% Notes.

*Preferred Stock Dividend Policy.* As previously disclosed in the Capital Management section, we have 14,000,000 shares issued and outstanding of 4.625% non-cumulative preferred stock totaling $339.0 million, net of the initial purchaser discount and offering expenses. During the third quarter of 2026, we paid cash dividends of $4.0 million on our Preferred Stock. On October 1, 2026, our Board declared a quarterly cash dividend of $0.28906 per share that is payable on November 16, 2026 for the period covering August 15, 2026 through, but excluding November 15, 2026. Future quarterly dividends, if declared, are expected to be approximately $4.0 million per quarter. The determination of future dividends on our Preferred Stock will depend on conditions at

that time and approval by our Board. In addition, our ability to pay dividends on our preferred shares is subject to the restrictions set forth in Arkansas law and by our federal regulator.

*Regulatory Capital.* We are subject to various regulatory capital requirements administered by federal and state banking agencies. These capital requirements are consistent with agreements reached by the Basel Committee on Banking Supervision ("Basel III") and certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Basel III Rules"). The Basel III Rules require the maintenance of minimum amounts and ratios of common equity tier 1 capital, tier 1 capital and total capital to risk-weighted assets, and of tier 1 capital to adjusted quarterly average assets. Failure to meet minimum capital requirements can initiate certain mandatory and discretionary actions by regulators that, if undertaken, could have a direct material effect on our financial condition and results of operations. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, we must meet specific capital guidelines that involve quantitative measures of our assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. Our capital amounts and classification are also subject to qualitative judgments and adjustments by the regulators about component risk weightings and other factors.

Under the Basel III Rules, common equity tier 1 capital consists of common stock and paid-in capital (net of treasury stock) and retained earnings. Common equity tier 1 capital is reduced by goodwill, certain intangible assets, net of associated deferred tax liabilities, deferred tax assets that arise from tax credit and net operating loss carryforwards, net of any valuation allowance, and certain other items as specified by the Basel III Rules.

Tier 1 capital includes common equity tier 1 capital and certain additional tier 1 items as provided under the Basel III Rules. Our tier 1 capital at September 30, 2026 and December 31, 2025 includes both our common equity tier 1 capital and our preferred stock.

Total capital includes tier 1 capital and tier 2 capital. Tier 2 capital includes, among other things, the allowable portion of the ACL, the trust preferred securities and the 2.75% Notes. Effective October 1, 2026, only 80% of our 2.75% Notes will be allowed for inclusion in tier 2 capital.

The common equity tier 1 capital, tier 1 capital and total capital ratios are calculated by dividing the respective capital amounts by risk-weighted assets. The leverage ratio is calculated by dividing tier 1 capital by adjusted quarterly average total assets.

Basel III Rules allowed for insured depository institutions to make a one-time election not to include most elements of accumulated other comprehensive income in regulatory capital. We made this opt-out election to avoid significant variations in the level of capital depending upon the impact of interest rate fluctuations on the fair value of our investment securities portfolio.

The Basel III Rules limit capital distributions and certain discretionary bonus payments if the banking organization does not hold a "capital conservation buffer" in addition to the amount necessary to meet minimum risk-based capital requirements for common equity tier 1 capital, tier 1 capital and total capital to risk-weighted assets. At September 30, 2026 and December 31, 2025 Basel III Rules required us to maintain (i) a minimum ratio of common equity tier 1 capital to risk-weighted assets of at least 4.5%, plus a 2.5% capital conservation buffer, which effectively results in a minimum ratio of 7.0%, (ii) a minimum ratio of tier 1 capital to risk-weighted assets of at least 6.0%, plus a 2.5% capital conservation buffer, which effectively results in a minimum ratio of 8.5%, (iii) a minimum ratio of total capital to risk-weighted assets of at least 8.0%, plus a 2.5% capital conservation buffer, which effectively results in a minimum ratio of 10.5% and (iv) a minimum leverage ratio of 4.0%. Additionally, in order to be considered well-capitalized under the Basel III Rules, we must maintain (i) a ratio of common equity tier 1 capital to risk-weighted assets of at least 6.5%, (ii) a ratio of tier 1 capital to risk-weighted assets of at least 8.0%, (iii) a ratio of total capital to risk-weighted assets of at least 10.0% and (iv) a leverage ratio of at least 5.0%.

The following table presents actual and required capital ratios as of the dates indicated under the Basel III Rules. The minimum required capital amounts presented include the minimum required capital levels, plus the capital conservation buffer. Capital levels required to be considered well capitalized are based upon prompt corrective action regulations, as amended to reflect the changes under the Basel III Rules. At September 30, 2026 and December 31, 2025, our capital levels exceeded all minimum capital requirements and requirements to be considered well capitalized under the Basel III Rules. Additionally, our capital levels at September 30, 2026 and December 31, 2025 exceeded all capital requirements to be considered well capitalized based upon prompt corrective action regulations, as amended by the Basel III rules.

**Regulatory Capital Ratios**

| | Actual | | Minimum Capital Required - Basel III | | Required to be Considered Well Capitalized | |
|---|---|---|---|---|---|---|
| | Capital Amount | Ratio | Capital Amount | Ratio | Capital Amount | Ratio |
| | (Dollars in thousands) | | | | | |
| **September 30, 2026:** | | | | | | |
| Common equity tier 1 to risk-weighted assets | $ 5,345,297 | 11.45% | $ 3,266,811 | 7.00% | $ 3,033,467 | 6.50% |
| Tier 1 capital to risk-weighted assets | 5,684,277 | 12.18 | 3,966,841 | 8.50 | 3,733,498 | 8.00 |
| Total capital to risk-weighted assets | 6,728,098 | 14.42 | 4,900,216 | 10.50 | 4,666,872 | 10.00 |
| Tier 1 leverage to average assets | 5,684,277 | 13.76 | 1,653,012 | 4.00 | 2,066,265 | 5.00 |
| **December 31, 2025:** | | | | | | |
| Common equity tier 1 to risk-weighted assets | $ 5,149,775 | 11.72% | $ 3,074,657 | 7.00% | $ 2,855,038 | 6.50% |
| Tier 1 capital to risk-weighted assets | 5,488,755 | 12.50 | 3,733,512 | 8.50 | 3,513,893 | 8.00 |
| Total capital to risk-weighted assets | 6,498,818 | 14.80 | 4,611,985 | 10.50 | 4,392,367 | 10.00 |
| Tier 1 leverage to average assets | 5,488,755 | 13.64 | 1,610,016 | 4.00 | 2,012,520 | 5.00 |

*Capital Stress Testing*. We completed our most recent capital stress tests during the second quarter of 2026 utilizing multiple economic scenarios, including an adverse idiosyncratic scenario unique to our Bank. The results of our stress tests reflected that we would maintain well-capitalized status for all capital ratios over the stress test time horizon.

Our historically strong earnings and earnings retention rate, among other factors, have contributed to our maintaining capital ratios well above the minimum to be considered “well capitalized.” Our strong capital position and strong earnings give us significant optionality and are expected to support organic loan growth, adding additional new business lines, increases in our quarterly cash dividend, and, if appropriate, stock repurchases and acquisitions.

*Growth and Branching.* During the first nine months of 2026, we added five new branches, relocated two branches and closed one branch. We expect to add three more branches in 2026, which would bring our total net branch additions to 27 in the last two years. We expect to continue to add branches in 2027 and thereafter to further enhance our deposit franchise. Additionally, as we have done in recent years, we may relocate offices, sell offices and/or close certain offices and consolidate the business of such offices into other offices. Opening new offices is subject to local banking market conditions, availability of satisfactory sites, hiring qualified personnel, obtaining regulatory and other approvals and many other conditions and contingencies that we cannot predict with certainty. We may increase or decrease our expected number of new office openings or relocate, sell or close current offices as a result of a variety of factors including our financial results, changes in economic or competitive conditions, strategic opportunities, individual office profitability metrics or other factors.

*Capital Expenditures.* During the third quarter of 2026, we spent approximately $13.1 million on capital expenditures for premises and equipment. Our capital expenditures for the remainder of 2026 are expected to be in the range of $10 million to $20 million, including progress payments on construction projects expected to be completed in 2026 or 2027, furniture and equipment costs, network equipment and other information technology costs and acquisition of sites for future development. Actual expenditures may vary significantly from those expected, depending on the number and cost of additional branch offices acquired or constructed and sites acquired for future development, progress or delays encountered on ongoing and new construction projects, delays in obtaining or inability to obtain required approvals, potential premises and equipment expenditures associated with acquisitions, if any, and other factors.

**Operational Risk Management**

Operational risk is the risk to current or anticipated earnings or capital arising from inadequate or failed internal processes or systems, human errors or misconduct, or adverse external events. Operational risk is inherent in all of our businesses. To assist in

our operational risk management, in addition to monitoring our operational risk profile against our Board-approved risk appetite using key performance and risk metrics, we utilize risk control self-assessments across the Bank to identify key operational risks and associated key internal controls. We have in place a number of controls that assist in the management of operational risk including, but not limited to, transactional documentation requirements; systems and procedures to monitor transactions; systems and procedures to detect and mitigate attempts to commit fraud, penetrate our systems, access customer data, and/or deny access to our systems by legitimate customers; regulatory compliance reviews; and periodic reviews by various components of our CRMG and our Internal Audit function. Reconciliation procedures have also been established to ensure that data processing systems accurately capture data and transactions. Further, we have programs and procedures to maintain contingency and business continuity plans for operational support in the event of disruptions to our business. We also mitigate certain operational risks through the purchase of insurance. Our Operational Risk Management group, which reports to our CRO, has responsibilities for assisting the business units in identifying, managing and monitoring operational risks including risks resulting from the use of technology, cybersecurity risk, third-party vendor management risk, and risks associated with the introduction of new products and services, and various other operational risks.

As part of our operational risk management program, we also actively monitor our legal risk exposure. Legal risk arises from the potential that unenforceable contracts, lawsuits or adverse judgments can disrupt or otherwise negatively affect our operations or condition. These risks are inherent in all of our businesses. Legal risk exposures are actively and primarily managed by our business units in conjunction with our legal department.

**Model and Data Risk**

*Model Risk.* Model risk is the risk that the various models utilized throughout the Bank do not provide accurate results, particularly in times of market stress or other unforeseen circumstances or prove to be inadequate or inaccurate because of flaws in their design or implementation. We have an internal Model Risk Management group (second line oversight), which reports to our CRO, that has developed and implemented a model framework, in compliance with regulatory guidance, whereby all models used throughout the Bank are inventoried, assessed, and validated in accordance with this framework. Ownership of our internal models resides with our quantitative modeling team (first line oversight), who, along with our business units, manages the use of such models in accordance with our model framework.

*Data Risk.* Data risk is the exposure to loss of value or reputation caused by issues or limitations to an organization's ability to acquire, store, transform, move, and use its data assets in an accurate and timely fashion. The Data Risk Management group works closely with the Bank's key data stakeholders to monitor and execute on the Bank's data governance and data quality mandate.

**Strategic Risk Management**

Strategic risk is the risk to current or anticipated earnings or capital, or franchise or enterprise value arising from, among other items, adverse business decisions, poor implementation of business decisions, and adverse competitive business and macroeconomic environment affecting the Bank's business model. The assessment of strategic risk includes more than an analysis of our written strategic plan. It focuses on opportunity costs and how plans, systems, and implementation affect, or could affect, our franchise or enterprise value. It also incorporates how management analyzes external factors, such as economic, technological, competitive, regulatory, and other environmental changes that affect our strategic direction. Our strategic risk profile is measured against our Board-approved strategic risk appetite by our CRMG, which monitors our performance against our strategic objectives in addition to measuring our financial performance against our peer group. Also, as part of our strategic risk monitoring process, the current and expected systemic macroeconomic environment is monitored using a combination of metrics, models and various other tools.

**Compliance and BSA/AML Risk Management**

Compliance risk is the risk of legal or regulatory sanctions, financial loss or damage to reputation resulting from failure to comply with laws, regulations, rules, other regulatory requirements, or codes of conduct and other standards of self-regulatory organizations applicable to us. Risks related to compliance matters are heightened by the heavily regulated environment in which we operate. We have designed our processes and systems and provided education of applicable regulatory standards to our employees in an effort to comply with these requirements. Compliance risk exposures are managed primarily by our business units with oversight and support from our Corporate Compliance and Financial Crimes Risk Management group (manages BSA/AML and Fraud Risk) and our legal department. These activities are conducted under our compliance and BSA/AML frameworks and the related programs. Our ERC and BRC oversee our compliance programs.

**RECENTLY ISSUED ACCOUNTING STANDARDS**

See Note 14 to the Consolidated Financial Statements for a discussion of certain recently issued and recently adopted accounting pronouncements.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Information required by this Item is included in "Market and Interest Rate Risk Management" in the MD&A beginning on page 53 and is hereby incorporated by reference.

**Item 4. Controls and Procedures**

(a) Evaluation of Disclosure Controls and Procedures.

As of the end of the period covered by this report, our management carried out an evaluation, under the supervision and with the participation of the Bank's Chairman and Chief Executive Officer (principal executive officer) and its Chief Financial Officer (principal financial officer), of the effectiveness of the design and operation of our disclosure controls and procedures as defined in SEC Rule 13a-15(e) under the Exchange Act. Disclosure controls and procedures are controls and other procedures designed to ensure that the information required to be disclosed in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms applicable to the Bank pursuant to the Exchange Act, and that such information is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate, to allow for timely decisions regarding required disclosure. Based on that evaluation, the principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, the Bank's disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting.

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings**

We are or may be involved in various legal or regulatory proceedings, investigations, and claims arising in the ordinary course of business, including matters involving employment and wage-and-hour laws, consumer protection and privacy, lender liability, breach of contract, and other lending-related matters. Certain of these matters are asserted as putative class or representative actions. While the ultimate resolution of these claims and proceedings cannot be determined at this time, management believes that such claims and proceedings, individually or in the aggregate, will not have a material adverse effect on the Bank's financial condition or results of operations.

**Item 1A. Risk Factors**

There are no material changes from the risk factors disclosed under Item 1A. of our annual report on Form 10-K for the year ended December 31, 2025.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

*Recent Sales of Unregistered Securities*

During the third quarter of 2026, the Bank issued an aggregate of 1,232 shares of restricted common stock to certain officers pursuant to the Bank's 2019 Omnibus Equity Incentive Plan. In addition, during the third quarter of 2026, the Bank issued 29,181 shares of common stock in connection with the settlement of vested performance-based restricted stock units ("PSUs") granted in previous periods. The Bank did not receive any cash consideration in connection with these grants. These grants were exempt from registration pursuant to Section (3)(a)(2) of the Securities Act of 1933 because the grants involved securities issued by a bank.

*Repurchases of Equity Securities by Issuer*

During the third quarter of 2026, the Bank repurchased shares of its common stock as indicated in the following table.

| Period | Total Number of Shares Purchased [1][2] | Average Price Paid per Share | Total Number of Shares Purchased as Part of a Publicly Announced Program [1] | Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Program [1] |
|---|---|---|---|---|
| | | (Dollars in thousands, except per share amounts) | | |
| July 1-31, 2026 | — | $ — | — | $ 200,000 |
| August 1-31, 2026 | 85,800 | $ 49.66 | 85,800 | $ 195,739 |
| September 1-30, 2026 | 576,705 | $ 47.99 | 564,826 | $ 168,636 |
| Total | 662,505 | $ 48.21 | 650,626 | |

[1] Effective July 1, 2026, our Board authorized a new stock repurchase program for up to $200 million of our outstanding common stock, which will remain in effect through July 1, 2027, unless extended, shortened or suspended by the Board. Under this program, repurchases may be made from time to time in open market transactions, through privately negotiated transactions or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Exchange Act. The timing and amount of repurchases will be determined by management based on a variety of factors including the Bank's stock price, expected growth, capital position, alternative uses of capital, liquidity, financial performance, current and expected macroeconomic environment, regulatory requirements and other factors.

[2] The Bank withheld 11,879 shares of common stock in September 2026 to satisfy federal and state tax withholding requirements related to the settlement of PSUs.

## Item 3. Defaults Upon Senior Securities

Not applicable.

## Item 4. Mine Safety Disclosures

Not applicable.

## Item 5. Other Information

*Securities Trading Plans of Directors and Executive Officers*

During the quarter ended September 30, 2026, no director or Section 16 officer of the Bank adopted or terminated any Rule 10b5-1 trading arrangement (as defined in Item 408(a) of Regulation S-K) or non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

## Item 6. Exhibits

Reference is made to the Exhibit Index set forth immediately following the signature page of this report.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Bank OZK

DATE: November 6, 2026

/s/Tim Hicks

Tim Hicks
Chief Financial Officer
(Principal Financial Officer and Authorized Officer)

**Bank OZK**

**Exhibit Index**

| Exhibit Number | |
|---|---|
| 3.1 | Amended and Restated Articles of Incorporation of Bank of the Ozarks (previously filed as Exhibit 3.1 to the Bank's Current Report on Form 8-K filed with the FDIC on June 26, 2017, and incorporated herein by reference). |
| 3.2 | Articles of Amendment to the Amended and Restated Articles of Incorporation of Bank OZK (previously filed as Exhibit 3.1 to the Bank's Current Report on Form 8-K filed with the FDIC on July 16, 2018, and incorporated herein by reference). |
| 3.3 | Articles of Amendment to the Amended and Restated Articles of Incorporation of Bank OZK (previously filed as Exhibit 3.3 to the Bank's Registration Statement on Form 8-A filed with the FDIC on November 4, 2021, and incorporated herein by reference). |
| 3.4 | Second Amended and Restated Bylaws of Bank OZK (previously filed as Exhibit 3.1 to the Bank's Current Report on Form 8-K filed with the FDIC on August 10, 2018, and incorporated herein by reference). |
| 4.1 | Instruments defining the rights of security holders, including indentures. The Bank hereby agrees to furnish to the FDIC upon request copies of instruments defining the rights of holders of long-term debt of the Bank and its consolidated subsidiaries; no issuance of debt exceeds ten percent of the assets of the Bank and its subsidiaries on a consolidated basis. |
| 4.2 | Form of Common Stock Certificate (previously filed as Exhibit 4.2 to the Bank's Current Report on Form 8-K filed with the FDIC on July 16, 2018, and incorporated herein by reference). |
| 4.3 | Form of Certificate Representing Series A Preferred Stock (previously filed as Exhibit 4.1 to the Bank's Registration Statement on Form 8-A filed with the FDIC on November 4, 2021, and incorporated herein by reference). |
| 10.1* | Bank OZK Amended and Restated 2019 Omnibus Equity Incentive Plan dated May 18, 2026 (previously filed as Exhibit 10.1 to the Bank's Current Report on Form 8-K filed with the FDIC on May 19, 2026 and incorporated herein by reference) |
| 10.2* | Form of Restricted Stock Award Agreement for Non-Employee Directors under the Bank OZK Amended and Restated 2019 Omnibus Equity Incentive Plan (previously filed as Exhibit 10.2 to the Bank's Current Report on Form 8-K filed with the FDIC on May 19, 2026 and incorporated herein by reference) |
| 31.1 | Certification of Chairman and Chief Executive Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002, filed herewith. |
| 31.2 | Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002, filed herewith. |
| 32.1 | Certification of Chairman and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith. |
| 32.2 | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith. |

* Management contract or a compensatory plan or arrangement.

**Exhibit 31.1**

**CERTIFICATION PURSUANT TO**
**SECTION 302 OF THE SARBANES-OXLEY**
**ACT OF 2002**

I, George Gleason, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bank OZK;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2026

/s/George Gleason
George Gleason
Chairman and Chief Executive Officer

**Exhibit 31.2**

**CERTIFICATION PURSUANT TO**
**SECTION 302 OF THE SARBANES-OXLEY**
**ACT OF 2002**

I, Tim Hicks, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bank OZK;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2026

/s/Tim Hicks
Tim Hicks
Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report of Bank OZK (the Bank) on Form 10-Q for the period ended September 30, 2026, as filed with the Federal Deposit Insurance Corporation on the date hereof (the Report), I, George Gleason, Chairman and Chief Executive Officer of the Bank, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

Date: November 6, 2026

/s/George Gleason

George Gleason
Chairman and Chief Executive Officer

**Exhibit 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report of Bank OZK (the Bank) on Form 10-Q for the period ended September 30, 2026, as filed with the Federal Deposit Insurance Corporation on the date hereof (the Report), I, Tim Hicks, Chief Financial Officer of the Bank, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

Date: November 6, 2026

/s/ Tim Hicks
Tim Hicks
Chief Financial Officer