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DELTA REPORT

10-K

RNST - RENASANT CORP

10-K - DECEMBER 31, 2023 COMPARED TO 10-K - DECEMBER 31, 2022

The following comparison report has been automatically generated

TOTAL DELTAS 2554

■ CHANGES	572
■ DELETIONS	957
■ ADDITIONS	1025

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended **December 31, 2022** **December 31, 2023**

or

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

For the transition period from _____ to _____

Commission file number 001-13253

RENASANT CORPORATION

(Exact name of registrant as specified in its charter)

Mississippi

64-0676974

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

209 Troy Street, Tupelo, Mississippi
(Address of principal executive offices)

38804-4827
(Zip Code)

(662) 680-1001

(Registrant's telephone number, including area code)

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, \$5.00 par value per share	RNST	The NASDAQ New York Stock Market LLC Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 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	<input checked="" type="checkbox"/> Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> Smaller reporting company	<input type="checkbox"/>
	<input type="checkbox"/> Emerging growth company	<input type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

As of **June 30, 2022** **June 30, 2023**, the aggregate market value of the registrant's common stock, \$5.00 par value per share, held by non-affiliates of the registrant, computed by reference to the last sale price as reported on The NASDAQ Global Select Market for such date, was **\$1,566,298,894**, **\$1,429,562,972**.

As of **February 17, 2023** **February 16, 2024**, **56,018,496** **56,216,702** shares of the registrant's common stock, \$5.00 par value per share, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the **2023** **2024** Annual Meeting of Shareholders of Renasant Corporation are incorporated by reference into Part III of this Form 10-K.

Renaissance Corporation and Subsidiaries

Form 10-K

For the Year Ended **December 31, 2022** **December 31, 2023**

CONTENTS

	Page
PART I	
Item 1. Business	2
Item 1A. Risk Factors	15 16
Item 1B. Unresolved Staff Comments	26 28
Item 1C. Cybersecurity	28
Item 2. Properties	26 32
Item 3. Legal Proceedings	26 32
Item 4. Mine Safety Disclosures	26 32
PART II	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	27 33
Item 6. [Reserved]	28 34
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	29 35
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	58 62
Item 8. Financial Statements and Supplementary Data	59 63
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	132 135
Item 9A. Controls and Procedures	132 135
Item 9B. Other Information	132 135
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	132 135
PART III	
Item 10. Directors, Executive Officers and Corporate Governance	132 135
Item 11. Executive Compensation	133 136
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	133 136
Item 13. Certain Relationships and Related Transactions, and Director Independence	134 136
Item 14. Principal Accountant Fees and Services	134 136
PART IV	
Item 15. Exhibits and Financial Statement Schedules	135 137
Item 16. Form 10-K Summary	139 141
SIGNATURES	S-1

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K may contain or incorporate by reference statements regarding Renasant Corporation (referred to herein as the "Company", "we", "our", or "us") that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements preceded by, followed by or that otherwise include the words "believes," "expects," "projects," "anticipates," "intends," "estimates," "plans," "potential," "focus," "possible," "may increase," "may fluctuate," "will likely result," and similar expressions, or future or conditional verbs such as "will," "should," "would" and "could," are generally forward-looking in nature and not historical facts. Forward-looking statements include information about the Company's future financial performance, business strategy, projected plans and objectives and are based on the current beliefs and expectations of management. The Company's management believes these forward-looking statements are reasonable, but they are all inherently subject to significant business, economic and competitive risks and uncertainties, many of which are beyond the Company's control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ from those indicated or implied in the forward-looking statements, and such differences may be material.

Important factors currently known to management that could cause our actual results to differ materially from those in forward-looking statements include the following:

- the Company's ability to efficiently integrate acquisitions into its operations, retain the customers of these businesses, grow the acquired operations and realize the cost savings expected from an acquisition to the extent and in the timeframe anticipated by management;
- the effect of economic conditions and interest rates on a national, regional or international basis;
- timing and success of the implementation of changes in operations to achieve enhanced earnings or effect cost savings;
- competitive pressures in the consumer finance, commercial finance, insurance, financial services, asset management, retail banking, factoring, **mortgage lending** and **mortgage auto** lending industries;
- the financial resources of, and products available from, competitors;
- changes in laws and regulations as well as changes in accounting standards;
- changes in policy by regulatory agencies;
- changes in the securities and foreign exchange markets;
- the Company's potential growth, including its entrance or expansion into new markets, and the need for sufficient capital to support that growth;
- changes in the quality or composition of the Company's loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual **borrowers**; **borrowers or issuers of investment securities**, or the impact of interest rates on the value of our investment securities portfolio;
- an insufficient allowance for credit losses as a result of inaccurate assumptions;
- changes in the **pricing sources** and **competition costs** of the capital we used to make loans and otherwise fund our **access** operations due to **retail, wholesale deposit outflows**, changes in the mix of deposits and **other funding sources**; the cost and availability of borrowings;
- general economic, market or business conditions, including the impact of inflation;
- changes in demand for loan products and financial services;
- **concentration** concentrations of deposit or credit exposure;
- changes or the lack of changes in interest rates, yield curves and interest rate spread relationships;
- increased cybersecurity risk, including potential network breaches, business disruptions or financial losses;
- civil unrest, natural disasters, epidemics (**including the re-emergence of the COVID-19 pandemic**) and other catastrophic events in the Company's geographic area;
- the impact, extent and timing of technological changes; and
- other circumstances, many of which are beyond management's control.

The Company believes that the assumptions underlying its forward-looking statements are reasonable, but any of the assumptions could prove to be inaccurate. Investors are urged to carefully consider the risks described elsewhere in this report and in the Company's other filings with the Securities and Exchange Commission (the "SEC") from time to time, including its Quarterly Reports on Form 10-Q, which are available at www.renasant.com and the SEC's website at www.sec.gov.

The Company undertakes no obligation, and specifically disclaims any obligation, to update or revise forward-looking statements, whether as a result of new information or to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, except as required by federal securities laws.

The information set forth in this Annual Report on Form 10-K is as of **February 17, 2023** **February 16, 2024** unless otherwise indicated herein.

PART I

ITEM 1. BUSINESS

General

Renaissance Corporation, a Mississippi corporation incorporated in 1982, owns and operates Renaissance Bank, a Mississippi banking corporation with operations throughout the Southeast as well as offering factoring and asset-based lending on a nationwide basis. Renaissance Bank, in turn, owns and operates Renaissance Insurance, Inc., a Mississippi corporation with operations in Mississippi, Park Place Capital Corporation, a Tennessee corporation with operations across our footprint, and Continental Republic Capital, LLC (doing business as "Republic Business Credit"), a Louisiana limited liability company with nationwide operations. In this Annual Report, Renaissance Bank is sometimes referred to as the "Bank," while Renaissance Insurance, Inc. is referred to as "Renaissance Insurance," Park Place Capital Corporation is referred to as "Park Place Capital," and Continental Republic Capital, LLC is referred to as "Republic Business Credit."

Our vision is to be the financial services advisor and provider of choice in each community we serve. With this vision in mind, management has organized the branch banks into community banks using a franchise concept. The franchise approach empowers community bank presidents to execute their own business plans in order to achieve our vision. Specific performance measurement tools are available to assist these presidents in determining the success of their plan implementation. A few of the ratios used in measuring the success of their business plan include:

- return on average assets
- the efficiency ratio
- loan and deposit growth
- net charge-offs to average loans
- net interest margin and spread
- fee income shown as a percentage of loans and deposits
- the volume and **pricing** cost of deposits
- the percentage of loans past due and nonaccruing

While we have preserved decision-making at a local level, we have centralized our legal, accounting, investment, risk management, loan review, human resources, audit and data processing/operations functions. The centralization of these functions enables us to maintain consistent quality and achieve certain economies of scale.

Our vision is further validated through our core values which include: (1) employees are our greatest assets, (2) quality is not negotiable and (3) clients' trust is foremost. Centered on these values was the development of our strategic plan, which focuses on attracting high quality, organic loan growth and increasing our noninterest income, improving our operating efficiency and enhancing our technological capabilities, remaining opportunistic, and achieving financial performance targets. We believe that the successful implementation of our strategic plan will promote the satisfaction and development of our employees, clients and shareholders.

Members of our Board of Directors also serve as members of the Board of Directors of the Bank (which has a broader membership than the Company board). Responsibility for the management of the Bank remains with the Board of Directors and officers of the Bank; however, management services rendered by the Company to the Bank are intended to supplement internal management and expand the scope of banking services normally offered by the Bank.

Operations

The Company has three reportable segments: a Community Banks segment, an Insurance segment and a Wealth Management segment. We do not have any foreign operations.

Operations of Community Banks

Substantially all of our business activities are conducted through, and substantially all of our assets and revenues are derived from, the operations of our community banks, which offer a complete range of banking and financial services to individuals and to businesses of all sizes. As described in more detail below, these services include business and personal loans, interim construction loans, specialty commercial lending, factoring and asset-based lending, treasury management services and checking and savings accounts, as well as safe deposit boxes and night depository facilities. Automated teller machines are located throughout our market area, and we have interactive teller machines in many of our urban markets. Our Online and Mobile Banking products and our call center also provide 24-hour banking services.

As of December 31, 2022 December 31, 2023, we had 188 181 banking, lending and mortgage offices located throughout our markets in the Southeast, and while our subsidiary Republic Business Credit operates had four stand-alone offices in California, Illinois, Louisiana and Texas. Customers may also conduct many banking transactions, such as opening deposit accounts and applying for certain types of loans, through our Online and Mobile Banking Products.

Lending Activities. Income generated by our lending activities, in the form of interest income, loan-related fees, and income from the sale and servicing of mortgage loans, comprises a substantial portion of our revenue, accounting for approximately 75.14% 82.8%, 78.66% 75.1% and 84.01% 78.7% of our total gross revenues in 2023, 2022 and 2021, and 2020, respectively. Total (Total gross revenues consist of interest income on a fully taxable equivalent basis and noninterest income.) Our lending philosophy is to minimize credit losses by following strict credit approval standards, diversifying our loan portfolio by both type and geography and conducting ongoing review and management of the loan portfolio. Loans are originated through either our commercial lending groups or personal bankers depending on the relationship and type of service or product desired. Our commercial lending group provides banking services to corporations or other business customers and originates loans for general corporate purposes, such as financing for commercial and industrial projects or income producing commercial real estate. Also included in our commercial lending group are experienced lenders within our specialty lines of business, which consist of our asset-based lending, Small Business Administration lending, healthcare, factoring, and equipment lease financing banking groups. Our personal banking group provides small consumer installment loans, residential real estate loans, lines of credit and construction financing and originates conventional first and second mortgages.

The following is a general description of each of the principal types of loans in our loan portfolio, the relative credit risk of each type of loan and the steps we take to reduce such risk. Our loans are primarily generated within the market areas where our offices are located.

— **Commercial, Financial and Agricultural Loans.** Commercial, financial and agricultural loans (referred to as "C&I loans"), which accounted for approximately 14.46% 15.15% of our total loans at December 31, 2022 December 31, 2023, are customarily granted to established local business customers in our market area on a fully collateralized basis to meet their credit needs. The terms and loan structure are dependent on the collateral and strength of the borrower. Loan-to-value ratios typically range from 50% to 85%, depending on the type of collateral. Terms are typically short term in nature and are commensurate with the secondary source of repayment that serves as our collateral.

Although C&I loans may be collateralized by equipment or other business assets, including receivables, the repayment of this type of loan depends primarily on the creditworthiness and projected cash flow of the borrower (and any guarantors). Thus, the chief considerations when assessing the risk of a C&I loan are the local business borrower's ability to sell its

products/services, thereby generating sufficient operating revenue to repay us under the agreed upon terms and conditions, and the general business conditions of the local economy or other market that the business serves. The liquidation of collateral is considered a secondary source of repayment. Another source of repayment are guarantors of the loan, if any. To manage these risks, the Bank's policy is to secure its C&I loans with both the assets of the borrowing business and any other collateral and guarantees that may be available. In addition, we actively monitor certain financial measures of the borrower, including advance rate, cash flow, collateral value and other appropriate credit factors. We use C&I loan credit scoring models for smaller-size loans.

The Company's factoring receivables are categorized as C&I loans. In assessing the risk associated with this type of loan, management considers the ability of the client's account customer, rather than the client itself, to repay the Company.

— **Real Estate – 1-4 Family Mortgage.** We are active in the real estate – 1-4 family mortgage area (referred to as "residential real estate loans"), with approximately **27.78%** **27.85%** of our total loans at **December 31, 2022** **December 31, 2023**, being residential real estate loans. In addition, in **2022**, **2023**, we originated for sale on the secondary market approximately **\$3.11 billion** **\$2.1 billion** in residential real estate loans

through our Mortgage division. We offer both first and second mortgages on residential real estate. Loans secured by residential real estate in which the property is the principal residence of the borrower are referred to as "primary" 1-4 family mortgages. Loans secured by residential real estate in which the property is rented to tenants or is not otherwise the principal residence of the borrower are referred to as "rental/investment" 1-4 family mortgages. We also offer loans for the preparation of residential real property prior to construction (referred to as "residential land development loans"). In addition, we offer home equity loans or lines of credit and term loans secured by first and second mortgages on the residences of borrowers who elect to use the accumulated equity in their homes for purchases, refinances, home improvements, education and other personal expenditures. Both fixed and variable rate loans are offered with competitive terms and fees. Originations of residential real estate loans are

generated through retail efforts in our branches or originations by or referrals from our Mortgage division **and or** online **through by** our **Renasant Consumer Direct channel**, **retail mortgage originators**. We attempt to minimize the risk associated with residential real estate loans by strictly scrutinizing the financial condition of the borrower; typically, we also limit the maximum loan-to-value ratio. With respect to second lien home equity loans or lines of credit, which inherently carry a higher risk of loss upon default, we limit our exposure by limiting these types of loans to borrowers with higher credit scores.

We retain residential real estate loans in our portfolio when the Bank has sufficient liquidity to fund the needs of established customers and when rates are favorable to retain the loans. Retained portfolio loans are made primarily through the Bank's variable-rate mortgage product offerings.

As noted above, we also originate residential real estate loans with the intention of selling them in the secondary market to third party private investors or directly to government sponsored entities. In addition to the origination channels mentioned above, mortgage loans held for sale are also originated through wholesale relationships where we purchase loans from smaller banks, credit unions and brokerage shops. When these loans are sold, we either release or retain the related servicing rights, depending on a number of factors, such as the pricing of such loans in the secondary market, fluctuations in interest rates that would impact the profitability of the loans and other market-related conditions. Residential real estate originations to be sold are sold either on a "best efforts" basis or under a "mandatory delivery" sales agreement. Under a "best efforts" sales agreement, residential real estate originations are locked in at a contractual rate with third party private investors or directly with government sponsored agencies, and we are obligated to sell the mortgages to such investors only if the mortgages are closed and funded. The risk we assume is conditioned upon loan underwriting and market conditions in the national mortgage market. Under a "mandatory delivery" sales agreement, the Company commits to deliver a certain principal amount of mortgage loans to an investor at a specified price and delivery date. Penalties are paid to the investor if we fail to satisfy the contract. The Company does not actively market or originate subprime mortgage loans.

— **Real Estate – Commercial Mortgage.** Our real estate – commercial mortgage loans ("commercial real estate loans") represented approximately **44.20%** **44.43%** of our total loans at **December 31, 2022** **December 31, 2023**. Included in this portfolio are loans in which the owner develops a property with the intention of locating its business there. These loans are referred to as "owner-occupied" commercial real estate loans. Payments on these loans are dependent on the successful development and management of the business as well as the borrower's ability to generate sufficient operating revenue to repay the loan. The Bank mitigates the risk that our estimate of value will prove to be inaccurate by having sufficient sources of secondary repayment as well as guarantor support. In some instances, in addition to our mortgage on the underlying real estate of the business, our commercial real estate loans are secured by other non-real estate collateral, such as equipment or other assets used in the business.

In addition to owner-occupied commercial real estate loans, we offer loans in which the owner develops a property where the source of repayment of the loan will come from the sale or lease of the developed property, for example, retail shopping centers, hotels and storage facilities. These loans are referred to as "non-owner occupied" commercial real estate loans. We also offer commercial real estate loans to developers of commercial properties for purposes of site acquisition and preparation and other development prior to actual construction (referred to **in this Annual Report** as "commercial land development loans"). Non-owner occupied commercial real estate loans and commercial land development loans are dependent on the successful completion of the project and may be affected by adverse conditions in the real estate market or the economy as a whole.

We seek to minimize risks relating to all commercial real estate loans by limiting the maximum loan-to-value ratio and strictly scrutinizing the financial condition of the borrower, the quality of the collateral, the management of the property securing the loan and, where applicable, the financial strength of the tenant occupying the property. Loans are usually structured either to fully amortize over the term of the loan or to balloon after the third year or fifth year of the loan, typically with an amortization period not to exceed 20 years. We also actively monitor such financial measures as advance rate, cash flow, collateral value and other appropriate credit factors. We generally obtain loan guarantees from financially capable parties to the transaction based on a review of the guarantor's financial statements.

— **Real Estate – Construction.** Our real estate – construction loans ("construction loans") represented approximately **11.49%** **10.79%** of our total loans at **December 31, 2022** **December 31, 2023**. Our construction loan portfolio consists of loans for the construction of single family residential properties, multi-family properties and commercial projects. Maturities for construction loans generally range from

six to 12 months for residential property and from 24 to 36 months for non-residential and multi-family properties. Similar to non-owner occupied commercial real estate loans, the source of repayment of a construction loan comes from the sale or lease of newly-constructed property, although often construction loans are repaid with the proceeds of a commercial real estate loan that we make to the owner or lessor of the newly-constructed property.

Construction lending entails significant additional risks compared to residential real estate or commercial real estate lending, including the risk that loan funds are advanced upon the security of the property under construction, which is of uncertain value prior to the completion of construction. The risk is to evaluate accurately the total loan funds required to complete a project and to ensure proper loan-to-value ratios during the construction phase. We address the risks associated with construction lending in a number of ways. As a

threshold matter, we generally limit loan-to-value and loan-to-cost ratios to regulatory guidance of 85% of when-completed appraised values for owner-occupied and investor-owned residential or commercial properties, with the exception of those loans with clearly definable **risk** mitigants. We monitor draw requests either internally or with the assistance of a third party, creating an additional safeguard that ensures advances are in line with project budgets.

— *Installment Loans to Individuals.* Installment loans to individuals (or "consumer loans"), which represented approximately **1.08%** **0.84%** of our total loans at **December 31, 2022** **December 31, 2023**, are granted to individuals for the purchase of personal goods. Loss or decline of income by the borrower due to unplanned occurrences represents the primary risk of default to us. In the event of default, a shortfall in the value of the collateral may pose a loss to us in this loan category. Before **granting** **making** a consumer loan, we assess the applicant's credit history and ability to meet existing and proposed debt obligations. Although the applicant's creditworthiness is the primary consideration, the underwriting process also includes a comparison of the value of the collateral, if any, to the proposed loan amount. We obtain a lien against the collateral securing the loan and hold title until the loan is repaid in full.

— *Equipment Financing and Leasing.* Equipment financing loans (or "lease financing loans"), which represented approximately **0.99%** **0.94%** of our total loans at **December 31, 2022** **December 31, 2023**, are granted to provide capital to businesses for commercial equipment needs. These loans are generally granted for periods ranging between two and five years at fixed rates of interest. Loss or decline of income by the borrower due to unplanned occurrences represents the primary risk of default to us. In the event of default, a shortfall in the value of the collateral may pose a loss to us in this loan category. We obtain a lien against the collateral securing the loan and hold title (if applicable) until the loan is repaid in full. Transportation, manufacturing, healthcare, material handling, printing and construction are the industries that typically obtain lease financing. In addition, we offer a product tailored to qualified not-for-profit customers that provides real estate financing at tax-exempt rates.

Addressing Aggregate Lending Risks. In addition to the steps described above to mitigate the risks posed by any individual loan relationship, management has implemented a structure that proactively monitors the risk to the Company presented by the Bank's loan portfolio as a whole. First, we purposefully manage the loan portfolio to avoid excessive concentrations in any particular loan **category**, **industry or geographic region**. Our goal is to structure the loan portfolio so that it is well balanced among C&I loans, **and** owner-occupied commercial real estate loans, non-owner occupied commercial real estate loans, **and** residential real estate loans and consumer loans **and other lending categories** while taking into account current market risks and lending opportunities. Construction and land development loans are allocated between the commercial real estate and residential real estate categories based on the property securing the loan. With respect to construction and land development loans in particular, management monitors whether the allocation of these loans across geography and asset type heightens the general risk associated with these types of loans. We also monitor concentrations in our construction and land development loans based on regulatory guidelines promulgated by banking regulators, which involves evaluating the aggregate value of these loans as a percentage of our risk-based capital (this is referred to as the "100/300 Test" and is discussed in more detail under the "Supervision and Regulation" heading below) as well as monitoring loans considered to be high volatility commercial real estate. A further discussion of the risk reduction policies and procedures applicable to our lending activities can be found in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, under the heading "Risk Management – Credit Risk and Allowance for Credit Losses on Loans and Unfunded Commitments."

Investment Activities. We acquire investment securities to provide a source for meeting our liquidity needs, **as well as** **to generate investment returns and** to supply securities to be used in collateralizing certain deposits and other types of borrowings. **During 2022, we also deployed a portion of our excess liquidity into the securities portfolio.** We primarily acquire **mortgage backed** **mortgage-backed** securities and collateralized mortgage obligations issued by government-sponsored entities such as FNMA, FHLMC and GNMA (colloquially known as "Fannie Mae," "Freddie Mac" and "Ginnie Mae," respectively) as well as municipal securities. Generally, cash flows from maturities and calls of our investment securities that are not used to fund loan growth or repay debt are reinvested in investment securities. We also hold investments in corporate debt and pooled trust preferred securities. At **December 31, 2022** **December 31, 2023**, the Company's investment securities included both available for sale and held to maturity classifications.

Investment income generated by our investment activities, both taxable and tax-exempt, accounted for approximately **7.92%** **1.1%**, **5.13%** **7.9%** and **4.46%** **5.1%** of our total gross revenues in **2023, 2022 and 2021, and 2020**, respectively.

Deposit Services. We offer a broad range of deposit services and products to our consumer and commercial clients. Through our community branch networks, we offer consumer checking accounts with free online and mobile banking, which includes bill pay and transfer features, **remote deposit capture**, peer-to-peer payment, interest bearing checking, money market accounts, savings accounts, certificates of deposit, individual retirement accounts and health savings accounts.

For our commercial clients, we offer competitive checking and savings services **as well as** **and** a suite of treasury management products, **which include** **including** **remote deposit capture**, account reconciliation, electronic statements, fraud protection via positive pay.

ACH origination and wire transfer, lockbox services, overnight investment sweep options, enhanced business Internet banking and mobile banking.

Fees generated through the deposit services we offer accounted for approximately **7.64%** **5.7%**, **7.15%** **7.6%** and **5.88%** **7.2%** of our total gross revenues in **2023, 2022 and 2021, and 2020**, respectively. **The Excluding brokered deposits, the** deposits held by the Bank have been primarily generated within the market areas where our branches are located.

Operations of Wealth Management

Our Wealth Management segment operates through two divisions: Trust and Financial Services. The Trust division, which is housed in the Bank's trust department, offers a wide variety of fiduciary and custodial services, including investment advisory, accounting and administrative services (acting as trustee or in other capacities) for qualified retirement and other employee benefit plans, IRAs, personal trusts and estates. Our fees for managing these accounts are based on changes in market values of the assets under management in the account, with the amount of the fee depending on services we provide and the type of account.

The Financial Services division, which primarily operates through Park Place Capital (although the Bank's trust department maintains some legacy financial service operations), offers specialized products and services to our customers. These products and services include fixed and variable annuities, mutual funds and stocks, some of which are offered through a third party provider. Park Place Capital also provides administrative and compliance services for certain mutual funds.

For **2022, 2023**, the Wealth Management segment generated total revenue of **\$27.6 million** **\$25.3 million**, or **3.95%** **2.8%** of the Company's total gross revenues. Wealth Management operations are headquartered in Tupelo, Mississippi, and Birmingham, Alabama, but our products and services are available to customers in all of our markets through

our community banks.

Operations of Insurance

Renaissance Insurance is a full-service insurance agency offering all lines of commercial and personal insurance through major carriers. For 2022, 2023, Renaissance Insurance generated total revenue of \$12.4 million \$14.2 million, or 1.78% 1.5% of the Company's total gross revenues, and operated eight offices throughout north and north central Mississippi.

Competition

Community Banks

Vigorous competition exists in all major product and geographic areas in which we conduct banking business. We compete through the Bank for available loans and deposits and the provision of other financial services (such as treasury management) with state, regional and national banks as well as savings and loan associations, credit unions, finance companies, mortgage companies, insurance companies, brokerage firms and investment companies in all of our service areas. All of these numerous institutions compete in the delivery of products and services through availability, quality and pricing, and many of our competitors are larger and have substantially greater resources than we do, including higher total assets and capitalization, larger technology and marketing budgets and a broader offering of financial services.

Wealth Management

Our Wealth Management segment competes with other banks, brokerage firms, financial advisers and trust companies, which provide one or more of the services and products that we offer. Our wealth management operations compete on the basis of available product lines, rates and fees, as well as reputation and professional expertise. No particular company or group of companies dominates this industry in our markets.

Insurance

We encounter strong competition in the markets in which we conduct insurance operations. Through our insurance subsidiary, we compete with independent insurance agencies and agencies affiliated with other banks and/or other insurance carriers. All of these agencies compete in the delivery of personal and commercial product lines. There is no dominant insurance agency in our markets.

Supervision and Regulation

General

The U.S. banking industry is highly regulated under federal and state law. We are a bank holding company registered under the Bank Holding Company Act of 1956, as amended (the "BHC Act"). As a result, we are subject to supervision, regulation and

examination by the Board of Governors of the Federal Reserve System (the "Federal Reserve"). The Bank is a commercial bank chartered under the laws of the State of Mississippi; it is not a member of the Federal Reserve System. As a Mississippi non-member bank, the Bank is subject to supervision, regulation and examination by the Mississippi Department of Banking and Consumer Finance (the "DBCF"), as the chartering entity of the Bank, and by the FDIC, as the insurer of the Bank's deposits. As an institution with more than \$10 billion in assets, we are subject to examination by the Consumer Financial Protection Bureau (the "CFPB") for compliance with federal consumer protection laws. Finally, as a publicly-traded company, the Company must comply with federal securities laws administered by the SEC as well as the listing rules of the New York Stock Exchange (the "NYSE"). As a result of this extensive system of supervision and regulation, the growth and earnings performance of the Company and the Bank are affected not only by management decisions and general and local economic conditions, but also by the statutes, rules, regulations and policies administered by the Federal Reserve, the FDIC, the DBCF, the CFPB, the SEC and other federal and state regulatory authorities with jurisdiction over our operations.

The bank regulatory scheme has two primary goals: to maintain a safe and sound banking system and to facilitate the conduct of sound monetary policy. This scheme, including the laws and regulations administered by the CFPB, also seeks to ensure broad, non-discriminatory access to financial services on fair and reasonable terms. This comprehensive system of supervision and regulation is intended primarily for the protection of the FDIC's deposit insurance fund, bank depositors, consumers and the public in general, rather than our shareholders or creditors. To this end, federal and state banking laws and regulations govern, among other things, the types of activities in which we and the Bank may engage, the terms and conditions of our products and services and the manner in which we offer our products and services, permissible investments, the level of reserves that the Bank must maintain against deposits, minimum equity capital levels, the nature and amount of collateral required for loans, maximum interest rates that can be charged, the manner and amount of the dividends that may be paid, and corporate activities regarding mergers, acquisitions and the establishment of branch offices. The federal securities laws are designed to protect investors, maintain the integrity and efficiency of the securities trading markets and facilitate capital formation. These goals are accomplished through rules that restrict the type of activities we can engage in with respect to our publicly-traded securities and through a disclosure regime requiring us to disclose a significant amount of information on an annual, quarterly and current basis.

The description below summarizes certain elements of the regulatory framework applicable to us and the Bank. This summary is not, however, intended to describe all laws, regulations and policies applicable to us and the Bank, and the description is qualified in its entirety by reference to the full text of the statutes, regulations, policies, interpretative letters and other written guidance that are described below. Further, the following discussion addresses the regulatory framework as in effect as of the date of this Annual Report on Form 10-K. Legislation and regulatory action to implement new laws and regulations and to revise existing federal and Mississippi banking, consumer protection, securities and other applicable laws and regulations, sometimes in a substantial manner, are continually under consideration by the U.S. Congress, state legislatures and federal and state regulatory agencies. Accordingly, the following discussion must be read in light of the enactment of any new federal or state banking laws or regulations or any amendment or repeal of existing laws or regulations, or any change in the policies of the regulatory agencies with jurisdiction over the Company's operations, after the date of this Annual Report on Form 10-K.

Supervision and Regulation of Renaissance Corporation

General. As a bank holding company registered under the BHC Act, we are subject to the regulation and supervision applicable to bank holding companies by the Federal Reserve. The BHC Act and other federal laws subject bank holding companies to particular restrictions on the types of activities in which they may engage and to a range of supervisory requirements and activities, including regulatory enforcement actions for violations of laws and regulations or engaging in unsafe and unsound banking practices. The Federal

Reserve's jurisdiction also extends to any company that we directly or indirectly control, such as any non-bank subsidiaries and other companies in which we own a controlling investment.

Scope of Permissible Activities. Under the BHC Act, we are prohibited from engaging directly or indirectly in activities other than those of banking, managing or controlling banks or furnishing services to or performing services for the Bank and from acquiring a direct or indirect interest in or control of more than 5% of the voting shares of any company that is not a bank or financial holding company. The principal exception to this prohibition is that we may engage, directly or indirectly (including through the ownership of shares of another company), in certain activities that the Federal Reserve has found to be so closely

related to banking or managing and controlling banks as to be a proper incident thereto. In making determinations whether activities are closely related to banking or managing banks, the Federal Reserve must consider whether the performance of such activities by a bank holding company or its subsidiaries can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition or gains in efficiency of resources, and whether such public benefits outweigh the risks of possible adverse effects, such as decreased or unfair competition, conflicts of interest or unsound banking practices. Currently-permitted activities include, among others, operating a mortgage, finance, credit card or factoring company; providing certain data processing, storage and transmission services; acting as an investment or financial advisor; acting as an insurance agent for certain types of credit-related insurance; leasing personal or real property on a non-operating basis; and providing certain stock brokerage services.

Pursuant to the amendment to the BHC Act effected by the Financial Services Modernization Act of 1999 (commonly referred to as the Gramm-Leach Bliley Act, or the "GLB Act" "GLBA"), a bank holding company whose subsidiary deposit institutions are "well capitalized" and "well managed" may elect to become a "financial holding company" ("FHC") and thereby engage without prior Federal Reserve approval in certain banking and non-banking activities that are deemed to be financial in nature or incidental to financial activity. These "financial in nature" activities include securities underwriting, dealing and market making; organizing, sponsoring and managing mutual funds; insurance underwriting and agency activities; merchant banking activities; and other activities that the Federal Reserve has determined to be closely related to banking. No regulatory approval is required for a financial holding company to acquire a company, other than a bank or savings association, engaged in activities that are financial in nature or incidental to activities that are financial in nature, as determined by the Federal Reserve. We have not elected to become an FHC, a financial holding company.

A dominant theme of the GLB Act GLBA is functional regulation of financial services, with the primary regulator of the Company or its subsidiaries being the agency that traditionally regulates the activity in which the Company or its subsidiaries wish to engage. For example, the SEC regulates bank holding company securities transactions, and the various banking regulators oversee our banking activities.

Capital Adequacy Guidelines. The Federal Reserve has adopted risk-based capital guidelines for bank holding companies. The risk-based capital guidelines are designed to make regulatory capital requirements more sensitive to differences in risk profiles among banks and bank holding companies, to factor off-balance sheet exposure into the assessment of capital adequacy, to minimize disincentives for holding liquid, low-risk assets and to achieve greater consistency in the evaluation of the capital adequacy of major banking organizations worldwide. Under these guidelines, assets and off-balance sheet items are assigned to broad risk categories, each with appropriate weights. The resulting capital ratios represent capital as a percentage of total risk-weighted assets and off-balance sheet items. In addition to the risk-based capital guidelines, the Federal Reserve has adopted a minimum Tier 1 capital (leverage) ratio, under which a bank holding company must maintain a minimum level of Tier 1 capital to average total consolidated assets of at least 4%.

The capital requirements applicable to the Company are substantially similar to those imposed on the Bank under FDIC regulations, described below under the heading "Supervision and Regulation of Renasant Bank - Capital Adequacy Guidelines."

Payment of Dividends; Source of Strength. Under Federal Reserve policy, in general a bank holding company should pay dividends only when (1) its net income available to shareholders over the last four quarters (net of dividends paid) has been sufficient to fully fund the dividends, (2) the prospective rate of earnings retention appears to be consistent with the capital needs and overall current and prospective financial condition of the bank holding company and its subsidiaries and (3) the bank holding company will continue to meet minimum regulatory capital adequacy ratios after giving effect to the dividend.

The Federal Reserve provided guidance on the criteria it uses to evaluate a bank holding company's request to pay dividends in an aggregate amount that will exceed the company's earnings for the period in which the dividends will be paid. For purposes of this analysis, "dividend" includes not only dividends on preferred and common equity but also dividends on debt underlying trust preferred securities and other Tier 1 capital instruments. The criteria evaluates whether the holding company (1) has net income over the past four quarters sufficient to fully fund the proposed dividend (taking into account prior dividends paid during this period), (2) is considering stock repurchases or redemptions in the quarter, (3) does not have a concentration in commercial real estate and (4) is in good supervisory condition, based on its overall condition and its asset quality risk. A holding company not meeting these criteria will require more in-depth consultations with the Federal Reserve.

In addition, a bank holding company is required to serve as a source of financial strength to its subsidiary bank(s). This means that we are expected to use available resources to provide adequate financial resources to the Bank, including during periods of financial stress or adversity, and to maintain the financial flexibility and capital-raising capacity to obtain additional resources for assisting the Bank where necessary. In addition, any capital loans that we make to the Bank are subordinate in right of payment to deposits and to certain other indebtedness of the Bank. In the event of our bankruptcy, any commitment by us to a federal bank regulatory agency to maintain the capital of the Bank will be assumed by the bankruptcy trustee and entitled to a priority of payment.

Acquisitions by Bank Holding Companies. The BHC Act requires every bank holding company to obtain the prior approval of the Federal Reserve (subject to waiver under certain circumstances) before it acquires all or substantially all of the assets of any bank, merges or consolidates with another bank holding company or acquires ownership or control of any voting shares of any bank if after such acquisition it would own or control, directly or indirectly, more than 5% of the voting shares of such bank. The Federal Reserve will not approve any acquisition, merger or consolidation that would have a substantially anti-competitive effect, unless the anti-competitive impact of the proposed transaction is clearly outweighed by a greater public interest in meeting the convenience and needs of the community to be served. The Federal Reserve also considers capital adequacy and other financial and managerial resources and future prospects of the companies and the banks concerned, together with the convenience and needs of the community to be served and the record of the bank holding company and its subsidiary bank(s) in combating money laundering activities. Finally, in order to acquire a bank located outside its home state, a bank holding company and its subsidiary institutions must be

"well capitalized" and "well managed." In addition, as detailed under the heading "Scope of Permissible Activities" above, we cannot acquire direct or indirect control of more than 5% of the voting shares of a company engaged in non-banking activities.

Control Acquisitions. Federal and state laws, including the BHC Act and the Change in Bank Control Act, also impose prior notice or approval requirements and ongoing regulatory requirements on any investor that seeks to acquire direct or indirect "control" of an FDIC-insured depository institution or bank holding company. "Control" of a depository institution is a facts and circumstances analysis, but generally an investor is deemed to control a depository institution or other company if the investor owns or controls 25% or more of any class of voting securities. For ownership or control at less than the 25% level, there are multiple factors that contribute to whether "control" will be presumed to exist, which depend on the ownership level of the depository institution or bank holding company's voting securities. These presumptions are rebuttable.

Anti-Tying Restrictions. Bank holding companies and their affiliates are prohibited from tying the provision of certain services, such as extensions of credit, to other nonbanking services offered by a bank holding company or its affiliates.

Status as a Public Company. As a publicly-traded company, Renasant Corporation is also subject to laws, rules and regulations, as well as the standards of self-regulatory organizations, relating to corporate governance, financial reporting and public disclosure, and auditor independence, including the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), SEC rules and regulations and Nasdaq NYSE listing rules. We incur significant expense in, and devote substantial management time and attention to, complying with these laws, regulations and standards, which are subject to varying interpretations, amendment or outright repeal. We are committed to maintaining high standards of corporate governance, financial reporting and public disclosure, and management continually monitors changes in laws, rules and regulations, as well as best practices, in this area to ensure that we fulfill this commitment.

Supervision and Regulation of Renasant Bank

General. As a Mississippi-chartered bank, the Bank is subject to the regulation and supervision of the DBCF. As an FDIC-insured institution that is not a member of the Federal Reserve, the Bank is subject to the regulation and supervision of the FDIC. The regulations of the FDIC and the DBCF affect virtually all of the Bank's activities, including the minimum levels of capital required, the ability to pay dividends, mergers and acquisitions, borrowing and the ability to expand through new branches or acquisitions and various other matters. Finally, having more than \$10 billion in assets, our compliance with federal consumer protection laws is subject to examination by the CFPB.

Insurance of Deposits. The deposits of the Bank are insured through the Deposit Insurance Fund (the "DIF") up to \$250,000 for most accounts. The FDIC administers the DIF, and the FDIC must by law maintain the DIF at an amount equal to a specified percentage of the estimated annual insured deposits or assessment base. The minimum designated reserve ratio of the DIF is 1.35% of total insured deposits, but the FDIC is authorized to designate a reserve ratio above the statutory minimum. The FDIC must offset the effect of this increase for banks with assets less than \$10 billion, meaning that banks above such asset threshold, such as the Bank, will bear the cost of the increase.

To fund the DIF, FDIC-insured banks are required to pay deposit insurance assessments to the FDIC on a quarterly basis. The amount of an institution's assessment is based on its average consolidated total assets less its average tangible equity during the assessment period. As to For banks like Renasant Bank, with assets in excess of \$10 billion, the assessment rate is based on both our risk classification, classification and certain forward-looking measures. An institution's risk classification is assigned based on its capital levels and the level of supervisory concern that the institution poses to the regulators. The higher an institution's risk classification, the higher its assessment rate (on the assumption that such institutions pose a greater risk of loss to the DIF). In addition, the FDIC can impose special assessments in certain instances. As we have assets in excess of \$10 billion, our assessment rate is based not only on our risk classification but also incorporates forward-looking measures. Also, we are subject to a surcharge designed to increase the DIF to specified levels.

The FDIC may terminate the deposit insurance of any insured depository institution, including the Bank, if it determines after a hearing that the institution has engaged or is engaging in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, order or any condition imposed by an agreement with the FDIC. For an institution with no tangible capital, deposit insurance may be temporarily suspended during the hearing process for the permanent termination of insurance. If the FDIC terminates an institution's deposit insurance, accounts insured at the time of the termination, less withdrawals, will continue to be insured for a period of six months to two years, as determined by the FDIC. We are not aware of any existing circumstances that would result in termination of the Bank's deposit insurance.

Interstate Banking and Branching. Under federal and Mississippi law, the Bank may establish additional branch offices within Mississippi, subject to the approval of the DBCF, and the Bank can also establish additional branch offices outside Mississippi, subject to prior regulatory approval, so long as the laws of the state where the branch is to will be located would permit a state bank chartered in that state to establish a branch. Finally, the Bank may also establish offices in other states by merging with banks or by purchasing branches and related assets of banks in other states, subject to certain restrictions.

Dividends. The restrictions and guidelines with respect to the Company's payment of dividends are described above. As a practical matter, for so long as our operations chiefly consist of ownership the operation of the Bank, the Bank will remain our source of dividend payments. Accordingly, our ability to pay dividends depends upon the Bank's earnings and financial condition, as well as upon general economic conditions and other factors, and will be subject to any restrictions applicable to the Bank condition.

The ability of the Bank to pay dividends is restricted by federal and state laws, regulations and policies. Under Mississippi law, a Mississippi bank may not pay dividends unless its earned surplus is in excess of three times capital stock. A Mississippi bank with earned surplus in excess of three times capital stock may pay a dividend, subject to the approval of the DBCF. In addition, the FDIC also has the authority to prohibit the Bank from engaging in business practices that the FDIC considers to be unsafe or unsound, which, depending on the financial condition of the Bank, could include the payment of dividends. Federal Reserve regulations also limit the amount the Bank may loan to the Company unless such loans are collateralized by specific obligations. Accordingly, the approval of the DBCF is required prior to the Bank paying dividends to the Company, and under certain circumstances the approval of the FDIC may be required.

Capital Adequacy Guidelines. The FDIC has promulgated risk-based capital guidelines similar to, and with the same underlying purposes as, those established by the Federal Reserve with respect to bank holding companies. Under those guidelines, assets and off-balance sheet items are assigned to broad risk categories, each with appropriate weights. The resulting capital ratios represent capital as a percentage of total risk-weighted assets and off-balance sheet items.

Capital requirements for insured depository institutions are countercyclical, such that capital requirements increase in times of economic expansion and decrease in times of economic contraction.

- **Current Guidelines.** Under the current risk-based capital adequacy guidelines, we are required to maintain (1) a ratio of common equity Tier 1 capital ("CET1") to total risk-weighted assets of not less than 4.5%; (2) a minimum leverage capital ratio of 4%; (3) a minimum Tier 1 risk-based capital ratio of 6%; and (4) a minimum total risk-based capital ratio of 8%. CET1 generally consists of common stock, retained earnings, accumulated other comprehensive income and certain minority interests, less certain adjustments and deductions. In addition, we must maintain a "capital conservation buffer," which is a specified amount of CET1 capital in addition to the amount necessary to meet minimum risk-based capital requirements. The capital conservation buffer is designed to absorb losses during periods of economic stress. If our ratio of CET1 to risk-weighted capital is below the capital conservation buffer, we will face restrictions on our ability to pay dividends, repurchase our outstanding stock and make certain discretionary bonus payments. The required capital conservation buffer is 2.5% of CET1 to risk-weighted assets in addition to the amount necessary to meet minimum risk-based capital requirements.

In addition, the Federal Reserve, the FDIC and the Office of the Comptroller of the Currency rules for calculating risk-weighted assets have been revised in recent years to enhance risk sensitivity and to incorporate certain international capital standards of the Basel Committee on Banking Supervision. These revisions affect the calculation of the denominator of a banking organization's risk-based capital ratios to reflect the higher-risk nature of certain types of loans.

For example, residential mortgages are risk-weighted between 35% and 200%, depending on the mortgage's loan-to-value ratio and whether the mortgage falls into one of two categories based on eight criteria that include the term, use of negative amortization and balloon payments, certain rate increases and documented and verified borrower income, while a 150% risk weight applies to both certain high volatility commercial real estate acquisition, development and construction loans as well as non-residential mortgage loans 90 days past due or on nonaccrual **status (in both cases, as opposed to the former 100% risk weight)** **status**. Also, "hybrid" capital items like trust preferred securities no longer enjoy Tier 1 capital treatment, subject to various grandfathering and **transition** rules. We and the Bank meet all minimum capital requirements as currently in effect, and our grandfathered trust preferred securities qualify for Tier 1 capital treatment.

For a detailed discussion of the Company's capital ratios, see Note 20, "Regulatory Matters," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

- **Prompt Corrective Action.** Under Section 38 of the Federal Deposit Insurance Act (the "FDIA"), each federal banking agency is required to implement a system of prompt corrective action for institutions that it regulates. The federal banking agencies (including the FDIC) have adopted substantially similar regulations to implement this mandate. Under current regulations, a bank is (1) "well capitalized" if it has total risk-based capital of 10% or more, has a Tier 1 risk-based ratio of 8% or more, has a common equity Tier 1 capital ratio of 6.5%, has a Tier 1 leverage capital ratio of 5% or more and is not subject to any order or final capital directive to meet and maintain a specific capital level for any capital measure, (2) "adequately capitalized" if it has a total risk-based capital ratio of 8% or more, a Tier 1 risk-based capital ratio of 6% or more, a common equity Tier 1 capital ratio of 4.5% and a Tier 1 leverage capital ratio of 4% or more (3% under certain circumstances) and does not meet the definition of "well capitalized," (3) "undercapitalized" if it has a total risk-based capital ratio that is less than 8%, a Tier 1 risk-based capital ratio that is less than 6%, a common equity Tier 1 capital ratio that is less than 4.5% or a Tier 1 leverage capital ratio that is less than 4%, (4) "significantly undercapitalized" if it has a total risk-based ratio that is less than

6%, a Tier 1 risk-based capital ratio that is less than 4%, a common equity Tier 1 capital ratio of less than 3% or a Tier 1 leverage capital ratio that is less than 3%, and (5) "critically undercapitalized" if it has a ratio of tangible equity to total assets that is equal to or less than 2%.

The capital classification of a bank affects the frequency of regulatory examinations, the bank's ability to engage in certain activities and the deposit insurance premiums paid by the bank. In addition, federal banking regulators must take various mandatory supervisory actions, and may take other discretionary actions, with respect to institutions in the three undercapitalized categories. The severity of the action depends upon the capital category in which the institution is placed. An institution that is categorized as undercapitalized, significantly undercapitalized or critically undercapitalized is required to submit an acceptable capital restoration plan to its appropriate federal banking agency. An undercapitalized institution also is generally prohibited from increasing its average total assets, making acquisitions, establishing any branches or engaging in any new line of business, except under an accepted capital restoration plan or with FDIC approval. Generally, banking regulators must appoint a receiver or conservator for an institution that is critically undercapitalized.

Section 38 of the FDIA and related regulations also specify circumstances under which the FDIC may reclassify a well-capitalized bank as adequately capitalized and may require an adequately capitalized bank or an undercapitalized bank to comply with supervisory actions as if it were in the next lower category (except that the FDIC may not reclassify a significantly undercapitalized bank as critically undercapitalized).

The provisions discussed above, as well as any other aspects of current or proposed regulatory or legislative changes to laws applicable to the financial industry, may impact the profitability of our business activities and may change certain of our business practices, including the ability to offer new products, obtain financing, attract deposits, make loans, and achieve satisfactory interest spreads, and could expose us to additional costs, including increased compliance costs. These changes also may require us to invest significant management attention and resources to make any necessary changes to operations in order to comply, and could therefore also materially and adversely affect our business, financial condition and results of operations.

Interchange Fees. Under Section 1075 of the Dodd-Frank Act (often referred to as the "Durbin Amendment"), the Federal Reserve established standards for assessing whether the interchange fees, or "swipe" fees, that banks charge for processing electronic payment transactions are "reasonable and proportional" to the costs incurred by issuers for processing such transactions. Under the Federal Reserve's **current** rules, the maximum permissible interchange fee is no more than 21 cents plus 5 basis points of the transaction value for many types of debit interchange transactions. A debit card issuer may also recover one cent per transaction for fraud prevention purposes if the issuer develops and implements policies and procedures reasonably designed to achieve certain fraud-prevention standards. The Federal Reserve also has rules governing routing and exclusivity that require issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product.

Activities and Investments of Insured State-Chartered Banks. Section 24 of the FDIA generally limits the activities and equity investments of FDIC-insured, state-chartered banks to those that are permissible for national banks. Under regulations dealing with equity investments, an insured state bank generally may not directly or indirectly acquire or retain any equity investment of a type, or in an amount, that is not permissible for a national bank. An insured state bank is not prohibited from, among other things, taking the following actions:

- acquiring or retaining a majority interest in a subsidiary;
- investing as a limited partner in a partnership the sole purpose of which is direct or indirect investment in the acquisition, rehabilitation or new construction of a qualified housing project, provided that such limited partnership investments may not exceed 2% of the bank's total assets;
- acquiring up to 10% of the voting stock of a company that solely provides or reinsures directors', trustees' and officers' liability insurance coverage or bankers' blanket bond group insurance coverage for insured depository institutions; and
- acquiring or retaining the voting shares of a depository institution if certain requirements are met.

Under FDIC regulations, insured banks engaging in impermissible activities, or banks that wish to engage in otherwise impermissible activities, may seek approval from the FDIC to continue or commence such activities, as the case may be. The FDIC will not approve such an application if the bank does not meet its minimum capital requirements or the proposed activities present a significant risk to the deposit insurance fund.

100/300 Test. In response to rapid growth in commercial real estate ("CRE") loan concentrations and observed weaknesses in risk management practices at some financial institutions, the FDIC, the Federal Reserve, and the Office of the Comptroller of the Currency published Joint Guidance on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices (which we refer to as the "CRE guidance"). The CRE guidance is intended to promote sound risk management practices and appropriate levels of capital to enable institutions to engage in CRE lending in a safe and sound manner. Federal

banking regulators use certain criteria to identify financial institutions that are potentially exposed to significant CRE concentration risk. Among other things, an institution will be deemed to potentially have significant CRE concentration risk exposure if, based on its call report, either (1) total loans classified as acquisition, development and construction ("ADC") loans represent 100% or more of the institution's total capital or (2) total CRE loans, which consists of ADC and non-owner occupied CRE loans as defined in the CRE guidance, represent 300% or more the institution's total capital, where the balance of the institution's CRE loan portfolio has increased by 50% or more during the prior 36 months. The foregoing criteria are commonly referred to as the 100/300 Test. As of **December 31, 2022** December 31, 2023, our ADC loans represented **91%** **83%** of our total bank level capital, and our total CRE loans represented **284%** **281%** of our **bank** **Bank** level capital.

Safety and Soundness. The federal banking agencies, including the FDIC, have implemented rules and guidelines concerning standards for safety and soundness required pursuant to Section 39 of the FDIA. In general, the standards relate to operational and managerial matters, asset quality and earnings and compensation. The operational and managerial standards cover (1) internal controls and information systems, (2) internal audit systems, (3) loan documentation, (4) credit underwriting, (5) interest rate exposure, (6) asset growth and (7) compensation, fees and benefits. Under the asset quality and earnings standards, the Bank must establish and maintain systems to identify problem assets and prevent deterioration in those assets and to evaluate and monitor earnings and ensure that earnings are sufficient to maintain adequate capital reserves. The compensation standard states that compensation will be considered excessive if it is unreasonable or disproportionate to the services actually performed by the individual being compensated.

If an insured state-chartered bank fails to meet any of the standards promulgated by regulation, then such institution will be required to submit a plan to the FDIC specifying the steps it will take to correct the deficiency. In the event that an insured state-chartered bank fails to submit or fails in any material respect to implement a compliance plan within the time allowed by the federal banking agency, Section 39 of the FDIA provides that the FDIC must order the institution to correct the deficiency. The FDIC may also (1) restrict asset growth; (2) require the bank to increase its ratio of tangible equity to assets; (3) restrict the rates of interest that the bank may pay; or (4) take any other action that would better carry out the purpose of prompt corrective action. We believe that the Bank has been and will continue to be in compliance with each of these standards.

Consumer Financial Products and Services Protection. We are subject to a broad array of federal and state laws designed to ensure that we offer our products and services in a non-discriminatory manner and to protect consumers in connection with our lending activities, including and deposit-taking activities. These statutes include the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Truth in Lending Act, the Truth in Savings Act, the Home Mortgage Disclosure Act, the Real Estate Settlement Procedures Act, the Electronic Funds Transfer Act, and, in some cases, their respective state law counterparts. The CFPB which is an independent bureau within the Federal Reserve, has broad regulatory, supervisory and enforcement authority over our offering and provision of consumer financial products and services under these laws. Among other things, the CFPB is responsible for enforcing the Dodd-Frank Act's prohibition on unfair, deceptive, or abusive acts or practices in connection with any transaction with a consumer for a consumer financial products or services, or the offering of a consumer financial product or service.

Relating to mortgage lending in particular, the CFPB issued regulations governing the ability to repay, qualified mortgages, mortgage servicing, appraisals and compensation of mortgage lenders. These regulations limit the type of mortgage products that the Bank can offer; they also affect our ability to enforce delinquent mortgage loans. The CFPB has also issued complex rules integrating the required disclosures under the Truth in Lending Act, the Truth in Savings Act and the Real Estate Settlement Procedures Act (the "TRID rules"). The TRID rules combine the prior good faith estimate and truth in lending disclosure form into a new "loan estimate" form and combine the HUD-1 and final truth in lending disclosure forms into a new "closing disclosure" form. Act.

We have established numerous controls and procedures designed to ensure that we fully comply with the TRID rules and all other consumer protection laws, both federal and state, as they are currently interpreted (which interpretations are subject to change by the CFPB). These controls and procedures are tested regularly to ensure they are accurate and are working properly. In addition, our employees undergo at least annual training to ensure that they remain aware of consumer protection laws and the activities mandated, or prohibited, thereunder.

Community Reinvestment Act. Under the Community Reinvestment Act (the "CRA"), the FDIC assesses the Bank's record in meeting the credit needs of its entire community, including low- and moderate-income neighborhoods. The FDIC's assessment is taken into account when evaluating any application we submit for, among other things, approval of the acquisition or establishment of a branch or other deposit facility, an office relocation, a merger or the acquisition of shares of capital stock of another financial institution. Under the CRA, institutions are assigned a rating of "outstanding," "satisfactory," "needs to improve," or "unsatisfactory." The Bank has undertaken significant actions to comply with the CRA, and it received a "satisfactory" rating by the FDIC with respect to its CRA compliance in its most recent assessment.

Financial and State Privacy Requirements. Federal law and regulations limit a financial institution's ability to share a customer's financial information with unaffiliated third parties and otherwise contain extensive protections for a customer's private information. Specifically, these provisions require all financial institutions offering financial products or services to retail customers to provide such customers with the financial institution's privacy policy at the beginning of the relationship and annually thereafter. Further, such customers must be given the opportunity to "opt out" of the sharing of personal financial

information with unaffiliated third parties. The sharing of information for marketing purposes is also subject to limitations. In addition to law and regulation at the federal level, a number of states - some of which we have loan or deposit customers in - have enacted broad statutes governing the use of an individual's personal information. These statutes typically encompass a broader scope of personal information than the financial information covered by federal privacy laws and regulations, and the statutes generally place more stringent restrictions on the ability of a third party to disclose, share or otherwise use an individual's personal information than exist under federal law and regulations. Many of these states' privacy laws and regulations impose severe penalties for violations.

The Bank has adopted a privacy policy and implemented procedures governing the use and disclosure of personal financial information for both customers and non-customers. We believe our policy and procedures currently comply with all applicable laws and regulations, and we continually monitor federal and state laws, as well as changes in the nature and scope of our operations, so that any necessary changes in our privacy policy and procedures can be enacted in a timely manner.

Anti-Money Laundering. Federal anti-money laundering rules impose various requirements on financial institutions intended to prevent the use of the U.S. financial system to fund terrorist **activities, activities or other criminal activity.** These provisions include a requirement that financial institutions operating in the United States have anti-money laundering compliance programs, due diligence policies and controls to ensure the detection and reporting of money laundering. Such compliance programs supplement existing compliance requirements, also applicable to financial institutions, under the Bank Secrecy Act and the Office of Foreign Assets Control regulations. The Bank has established policies and procedures to ensure compliance with federal anti-money laundering laws and regulations.

The Volcker Rule. The Federal Reserve and the other federal banking regulators as well as the SEC each adopted a rule, commonly referred to as the "Volcker Rule," implementing Section 619 of the Dodd-Frank Act. Generally speaking, the Volcker rule prohibits a bank and its affiliates from engaging in proprietary trading and from acquiring or retaining ownership interests in, sponsoring, or having relationships with certain "covered funds," including certain hedge funds and private equity funds. The Volcker Rule does not impact any of our current activities, but it does limit the scope of permissible activities in which we might engage in the future.

Supervision and Regulation of our Wealth Management and Insurance Operations

Our Wealth Management and Insurance operations are subject to licensing requirements and regulation under the laws of the United States and the states in which they operate. The laws and regulations are primarily for the benefit of clients. In all jurisdictions, the applicable laws and regulations are subject to amendment by regulatory authorities. Generally, such authorities are vested with relatively broad discretion to grant, renew and revoke licenses and approvals and to implement regulations. Licenses may be denied or revoked for various reasons, including the violation of such regulations, conviction of crimes and the like. Other possible sanctions which may be imposed for violation of regulations include suspension of individual employees, limitations on engaging in a particular business for a specified period of time, censures and fines.

Monetary Policy and Economic Controls

We and the Bank are affected by the policies of regulatory authorities, including the Federal Reserve. An important function of the Federal Reserve is to regulate the national supply of bank credit in order to stabilize prices. Among the instruments of monetary policy used by the Federal Reserve to implement these objectives are open market operations in U.S. Government securities and changes in the discount rate on bank borrowings. These instruments are used in varying degrees to influence overall growth of bank loans, investments and deposits and may also affect interest rates charged on loans or paid for deposits.

The monetary policies of the Federal Reserve have had a significant effect on the operating results of commercial banks in the past and are expected to do so in the future. In view of changing conditions in the national economy and in the various money markets, as well as the effect of actions by monetary and fiscal authorities including the Federal Reserve, the effect on our, and the Bank's, future business and earnings cannot be predicted with accuracy.

Sources and Availability of Funds

The funds essential to our, and the Bank's, business consist primarily of funds derived from customer deposits, loan repayments, cash flows from our investment securities, securities sold under repurchase agreements, Federal Home Loan Bank advances and subordinated notes. The availability of such funds is primarily dependent upon the economic policies of the federal government, the economy in general and the general credit market for loans. Additional information about our funding sources can be found under the heading "Liquidity and Capital Resources" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in this report.

Human Capital Resources

The Company's employees are the key to its success and represent our greatest asset. The Company's strategic approach to human capital includes (1) attracting, developing and retaining a diverse and talented workforce, (2) providing opportunities for learning, development and advancement within the Company, (3) offering a competitive suite of compensation and benefits, (4) investing in the financial health of our employees, and (5) obtaining employee feedback. As of **December 31, 2022** December 31, 2023, we employed **2,334** more than **2,300** people throughout all of our segments on a full-time equivalent basis. Of this total, basis primarily within the Bank accounted for **2,269** employees (inclusive of employees in our Community Banks and Wealth Management segments, including such as employees of Bank subsidiaries Park Place Capital and Republic Business Credit), and Renasant Insurance employed **65** **63** individuals. The Company has no additional employees. At **December 31, 2022** December 31, 2023, 14 employees of the Bank served as officers of the Company in addition to their positions with the Bank.

In 2022, as the COVID-19 pandemic abated, the Company returned to a pre-pandemic operating environment while at the same time continuing some of the policies implemented at the outset of the pandemic to minimize **To measure our** employees' exposure to COVID-19. For example, the Company gave business unit leaders the discretion to continue remote work arrangements, if such arrangement did not impair impacted employees' ability to fulfill the responsibilities of their position. As a result, although many employees returned to in-office work, a substantial number of our employees continue to work from home or otherwise work remotely. In addition, we have continued our protocols, modified to reflect updated guidance from the federal Centers for Disease Control, for employee quarantine as a result exposure to COVID-19. The Company surveyed its employees at the end of 2022 to gauge how employees adjusted to changes during the pandemic, as well as learning about employees' overall satisfaction with their job and their experience working for the Company. Company, we surveyed employees at the end of 2023. The participation rate was over **69%** **90%**, and the survey results generally affirmed that our employees were satisfied with overall working conditions at the Company.

The Company's Social Responsibility Diversity and Inclusion Committee (referred to as the "SRDI Committee"), consisting of four permanent members and four rotating members, and one ex-officio member, continued its momentum **during 2021. During 2021, the** in 2023. The SRDI Committee implemented and communicated key initiatives of the Company's

long-range equality, diversity and inclusion ("EDI") strategic plan, which plan has five key areas of focus: (1) education and communication, (2) diversity in the workforce, (3) inclusion in the workplace, (4) vendor/supplier diversity and (5) a commitment to ongoing evaluation of each of the previous components. **In 2021, the The Company has** launched an EDI education series and developed an internal resource page to reinforce education and to provide a platform for employees to learn about one another. The Company is committed to advancing its EDI strategic plan through ongoing internal and external initiatives.

The Company, through Through its Organizational Development department **led by our Chief Experience Officer, the Company** provides opportunities for employees to engage in personalized learning and development experiences, including **but not limited to**, new employee orientation, role-based training programs, technical and enterprise-wide systems trainings, mentoring programs, and leadership development **with the development**. The intent **underlying** these programs is to build individual capabilities while supporting the career aspirations of **its** employees and meeting business objectives. These experiences are delivered through various learning channels including classroom, virtual, on-the-job, and online training. The Company also supports its employees through external continuing education relevant to the operations of the Company and encourages participation in professional organizations. In alignment with the Company's vision, mission, values, and behaviors and in an effort to retain high performing employees, the Company conducts employee feedback surveys regularly and seeks to engage, reward, and recognize employees through strategic programming and initiatives.

In addition to professional development, the Company provides bank-paid and voluntary benefits to eligible employees. Several of the benefits include wellness benefits to encourage healthier lifestyles and promote self-care. **In addition to health, dental and vision benefits, the Company provides paid parental leave for the birth, adoption or placement of a child through foster care. We also pay employees for community service work (subject to a cap on the number of paid hours). We also have an employee assistance program, which is a Bank-paid benefit available to all employees and immediate family members for mental health, behavioral, stress management, and other personal care needs.**

Available Information

We file **and furnish** annual, quarterly and current reports, proxy statements and other information with the **SEC under the Securities Exchange Act of 1934, as amended. SEC**. Our SEC filings are available to the public at the SEC's website at www.sec.gov. Our Internet address is www.renasant.com, and the Bank's Internet address is www.renasantbank.com. We make available on the Company's website, at the "SEC Filings" link, free of charge, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

ITEM 1A. RISK FACTORS

In addition to the other information contained in or incorporated by reference into this Form 10-K and the exhibits hereto, the following risk factors should be considered carefully in evaluating our business. The risks disclosed below, either alone or in combination, could materially adversely affect the business, financial condition or results of operations of the Company.

Risks Related to Our Industry

We are subject to lending risk.

There are inherent risks associated with our lending activities. These risks include, among other things, the impact of changes in interest rates and changes in the economic conditions in the markets where we operate as well as those across the United States. Increases in interest rates on loans and/or weakening economic conditions could adversely impact the ability of borrowers to repay outstanding loans or the value of the collateral securing these loans.

As of **December 31, 2022 December 31, 2023**, approximately **70.15% 70.37%** of our loan portfolio consisted of C&I, construction and commercial real estate loans. These types of loans are generally viewed as having more risk to our financial condition than other types of loans due primarily to the large amounts loaned to individual borrowers. Because the loan portfolio contains a significant number of C&I, construction and commercial real estate loans with relatively large balances, the deterioration of one or a few of these loans could cause a significant increase in nonperforming loans. An increase in nonperforming loans could result in a net loss of earnings from these loans, an increase in the provision for credit losses and an increase in loan charge-offs, all of which could have a material adverse effect on our financial condition and results of operations.

Our C&I, construction and commercial real estate loan portfolios are discussed in more detail under the heading "Operations – Operations of Community Banks" in Item 1, Business, in this report.

Our allowance for credit losses may be insufficient, and we may be required to further increase our provision for credit losses.

Although we try to maintain diversification within our loan portfolio **in order** to minimize the effect of economic conditions within a particular industry, management also maintains an allowance for credit losses, which is a reserve established through a provision for credit losses on loans charged to expense, to absorb credit losses inherent in the entire loan portfolio. The credit loss estimation process involves procedures to appropriately consider the unique characteristics of the Company's loan portfolio segments. Credit quality is assessed and monitored by evaluating various attributes, and the results of those evaluations are utilized in underwriting new loans and in the Company's process for the estimation of expected credit losses. Credit quality monitoring procedures and indicators can include an assessment of problem loans, the types of loans, historical loss experience, new lending products, emerging credit trends, changes in the size and character of loan categories and other factors, including the Company's risk rating system, regulatory guidance and economic conditions, such as the unemployment rate and GDP growth, as well as trends in the market values of underlying collateral securing loans, all as determined based on input from management, loan review staff and other sources. This evaluation is complex and inherently subjective, as it requires estimates by management that are inherently uncertain and therefore susceptible to significant revision as more information becomes available. **In addition, our credit quality monitoring procedures may fail to detect credit risk issues within the loan portfolio if important factors contributing to credit risk are not identified by management or given sufficient weight.** There may be significant changes in the allowance and provision for credit losses in future periods as the estimates used by management, and assumptions underlying such estimates, are **supplemented and adjusted** in light of then-prevailing factors and forecasts.

Any deterioration of current and future economic conditions could cause us to experience higher than normal delinquencies and credit losses. As a result, we may be required to make further increases in our provision for credit losses and to charge off additional loans in the future, which could materially adversely affect our financial condition and results of operations.

In addition, bank regulatory agencies periodically review the allowance for credit losses and may require an increase in the provision for credit losses or the recognition of further loan charge-offs, based on judgments different than those of management. In addition, if charge-offs in future periods exceed the allowance for credit losses, we will incur additional provision expense to increase the allowance for credit losses. Any increase in our provision for credit losses will result in a decrease in net income and, possibly, capital and may have a material adverse effect on our financial condition and results of operations. A discussion of the policies and procedures related to management's process for determining the

appropriate level of the allowance for credit losses is set forth under the headings "Critical Accounting Policies and Estimates" and "Risk Management – Credit Risk and Allowance for Credit Losses on Loans and Unfunded Commitments" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in this report.

We are subject to interest rate risk.

Our earnings and cash flows are largely dependent upon our net interest income. Net interest income is the difference between interest earned on assets, such as loans and securities, and the cost of interest-bearing liabilities, such as deposits and borrowed funds. Interest rates are highly sensitive to many factors that are beyond our control, including general economic conditions and policies of various governmental and regulatory agencies and, in particular, the Federal Reserve. Over the course of 2022 and into 2023, the Federal Reserve significantly raised interest rates in order to combat inflationary conditions. Changes conditions, and interest rates remain at these elevated levels. Further changes in monetary policy, including changes in interest rates, could influence not only the interest we receive on loans and securities and the interest we pay on deposits and borrowings, but such changes could also affect (1) our ability to originate loans and generate deposits or access other sources of liquidity, which could reduce the amount of fee income generated, and (2) the fair value of our financial assets and liabilities. Any substantial unexpected or prolonged change in interest rates could have a material adverse effect on our businesses, financial conditions and results of operations.

Our financial results are constantly exposed to market risk.

Market risk refers to the probability of variations in net interest income or the fair value of our assets and liabilities due to changes in interest rates, among other things. The primary source of market risk to us is the impact of changes in interest rates on net interest income. We are subject to market risk because of the following factors:

- Assets and liabilities may mature or reprice at different times. For example, if assets reprice more slowly than liabilities and interest rates are generally rising, earnings may decline.
- Assets and liabilities may reprice at the same time but by different amounts. For example, when interest rates are generally rising, we may increase rates charged on loans by an amount that is less than the general increase in market interest rates because of intense pricing competition, while similarly intense pricing competition for deposits dictates that we raise our deposit rates in line with the general increase in market rates. Also, risk occurs when assets and liabilities have similar repricing frequencies but are tied to different market interest rate indices that may not move in tandem.
- Short-term and long-term market interest rates may change by different amounts, i.e., the shape of the yield curve may affect new loan yields and funding costs differently.
- The remaining maturity of various assets and liabilities may shorten or lengthen as interest rates change. For example, if long-term mortgage interest rates decline sharply, mortgage backed securities held in our securities portfolio may prepay significantly earlier than anticipated, which could reduce portfolio income. If prepayment rates on our loans increase, we would be required to amortize net premiums into income over a shorter period of time, thereby reducing the corresponding asset yield and net interest income.
- Interest rates may have an indirect impact on loan demand, credit losses, loan origination volume, the value of financial assets and financial liabilities, gains and losses on sales of securities and loans, the value of mortgage servicing rights and other sources of earnings.

Although management believes it has implemented effective asset and liability management strategies to reduce market risk on the results of our operations, these strategies are based on assumptions that may be incorrect, incorrect or not comprehensive. Any substantial, unexpected, prolonged change in market interest rates could have a material adverse effect on our financial condition and results of operations.

Volatility in interest rates may also result in disintermediation, which is the flow of funds away from financial institutions into direct investments, such as U.S. Government and Agency securities and other investment vehicles, including mutual funds, which generally pay higher rates of return than financial institutions because of the absence of federal deposit insurance premiums and reserve requirements. The interest rate increases in 2022 and 2023 were followed by significant outflows of funds from financial institutions (including the Company) into mutual funds and other investment vehicles, increasing the competition for, and cost of, deposits. Disintermediation could also result in material adverse effects on our financial condition and results of operations.

A discussion of our policies and procedures used to identify, assess and manage certain interest rate risk is set forth under the heading "Risk Management – Interest Rate Risk" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in this report.

Inflation can have an impact on our business and our customers.

Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As noted above, over the course of 2022 and 2023 the Federal Reserve raised interest rates in an effort to fight inflationary conditions. If inflation persists, the value of our investment securities, particularly those with longer maturities, would decrease, although this effect can be less pronounced for floating rate instruments. Additionally, inflation increases the cost of goods and services we use in our daily operations which increases our maintenance expenses, noninterest expense. Furthermore, our customers are impacted by inflation and the rising costs of goods and services used in their households and businesses, which could have a negative impact on the deposits they maintain with us or their ability to repay their loans from us.

The discontinuation of the London Interbank Offered Rate ("LIBOR") as a financial benchmark may adversely affect our business and financial results.

The discontinuation of LIBOR as a financial benchmark presents risks to the financial instruments originated or held by the Company. Prior to January 1, 2022, LIBOR was the reference rate used for many of our transactions, including a substantial portion of our variable rate loans as well as our borrowings and securities; in addition, the derivatives that we used to manage risk related to the foregoing transactions were tied to LIBOR prior to January 1, 2022. Although some LIBOR tenors were discontinued at the end of 2021, the LIBOR tenors impacting the Company's financial instruments will continue to be quoted until June 30, 2023.

When one-month LIBOR, which is the LIBOR tenor that the Company most frequently uses, is fully discontinued after June 30, 2023, there may be uncertainty or differences in the calculation of the applicable interest rate or payment amount depending on the terms of the governing instruments. Our significant efforts to amend these governing instruments and transition to a new reference rate remain ongoing. Nevertheless, any such uncertainty may increase operational and other risks to the Company and the industry.

While there is no consensus yet on what rate or rates may become accepted alternatives to LIBOR, a steering committee comprised of large U.S. financial institutions, the Alternative Reference Rate Committee ("ARRC"), selected the Secured Overnight Finance Rate ("SOFR") as an alternative to LIBOR. SOFR has been published by the Federal Reserve Bank of New York ("FRBNY") since May 2018, and it is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities.

ARRC has proposed a paced market transition plan to SOFR from LIBOR and organizations are currently considering industry wide and company-specific transition plans as it relates to derivatives and cash markets exposed to LIBOR.

The Company's 4.50% fixed-to-floating rate subordinated notes due 2035 and its 3.00% fixed-to-floating rate subordinated notes due 2031 are linked to SOFR, and the Company has adopted daily simple SOFR in lieu of LIBOR as the primary reference rate for its lending transactions with other reference rates used on a case-by-case basis. There can be no assurances, however, that, regardless of the Company's decision, SOFR will be widely adopted as the replacement reference rate for LIBOR. Accordingly, the Company may need to select a different reference rate, or multiple rates in order to maintain its competitive position. In addition, because SOFR is published by the FRBNY based on data received from other sources, we have no control over its determination, calculation or publication. Finally, there can be no assurance that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the parties that utilize SOFR as the reference rate for transactions.

The market transition away from LIBOR to an alternative reference rate, including SOFR, is complex and could have a range of adverse effects on our business, financial condition, and results of operations. In particular, any such transition could:

- adversely affect the interest rates paid or received on, and the revenue and expenses associated with, our floating rate obligations, loans, deposits, derivatives and other financial instruments tied to LIBOR rates, or other securities or financial arrangements given LIBOR's role in determining market interest rates globally;
- adversely affect the value of our floating rate obligations, loans, deposits, derivatives and other financial instruments tied to LIBOR rates, or other securities or financial arrangements;
- result in disputes, litigation or other actions with counterparties regarding the interpretation and enforceability of certain fallback language in LIBOR-based notes, securities and other instruments; and
- require the transition to or development of appropriate systems and analytics to effectively transition our risk management processes from LIBOR-based products to those based on the applicable alternative pricing benchmark.

Finally, the implementation of LIBOR reform proposals may result in increased compliance costs and operational costs including costs related to the transition to a replacement reference rate or rates, which could adversely affect our financial condition and results of operations.

Liquidity needs could adversely affect our results of operations and financial condition.

Maintaining adequate liquidity is crucial to the operation of our business. We need sufficient liquidity to meet customer loan requests, deposit maturities and withdrawals and other cash commitments arising in both the ordinary course of business and in other unpredictable circumstances. We rely on dividends from the Bank as our primary source of funds. The primary source of the Bank's funds are customer deposits, loan repayments, proceeds from our investment securities and borrowings. While scheduled loan repayments are a relatively stable source of funds, they are subject to the ability of borrowers to repay the loans. The ability of borrowers to repay loans can be adversely affected by a number of factors, including changes in economic conditions, adverse trends or events affecting business industry groups, reductions in real estate values or markets, business closings or layoffs, pandemics, inclement weather, natural disasters and international instability.

Additionally, deposit levels may be affected by a number of factors, including interest rates paid by competitors, general interest rate levels, returns available to customers on alternative investments and general economic conditions. For example, following the March 2023 bank failures, many depositors became concerned about the soundness of other financial institutions and moved deposits to larger financial institutions or to other investment vehicles. Accordingly, we may be required from time to time to rely on secondary sources of liquidity to meet withdrawal demands or otherwise fund operations or to support growth. Such These secondary sources, which generally have a higher cost than deposits, include Federal Home Loan Bank advances and federal funds lines of credit from correspondent banks.

If the aforementioned sources of liquidity are not adequate for our needs, we may attempt to raise additional capital in the equity or debt markets. Our ability to raise additional capital, if needed, will depend on conditions in such markets at that time, which are outside our control, and on our financial performance.

If we are unable to meet our liquidity needs through any of the aforementioned sources, whether at all or at the time or the cost that we anticipate, we may be required to slow or discontinue loan growth, capital expenditures or other investments or liquidate assets.

We depend on the accuracy and completeness of information furnished by others about customers and counterparties.

In deciding whether to extend credit or enter into other transactions, we often rely on information furnished by or on behalf of customers and counterparties, including financial statements, credit reports, other financial information and appraisals of the value of collateral. We may also rely on representations of those customers, counterparties or other third parties, such as independent auditors, as to the accuracy and completeness of that information. Reliance on inaccurate or misleading financial statements, credit reports, other financial information or appraisals could have a material adverse effect on our business and, in turn, our financial condition and results of operations.

Competition in our industry is intense and may adversely affect our profitability.

We face substantial competition in all areas of our operations from a variety of different competitors, many of which are larger and have substantially greater resources than we have, including higher total assets and capitalization, greater access to capital markets and a broader offering of financial services. Such competitors primarily include national, regional and community banks within the various markets in which we operate. We also face competition from many other types of financial institutions (including savings and loans and credit unions), finance companies, brokerage firms, insurance companies, factoring companies, fintech companies and other financial intermediaries. Many of these competitors have fewer regulatory constraints and may have lower cost structures than the Company. The information under the heading "Competition" in Item 1, Business, in this report provides more information regarding the competitive conditions in our growth markets.

Our industry could become even more competitive as a result of legislative, regulatory and technological changes. We also expect continued consolidation in the banking industry as a result of, among other things, elevated regulatory compliance and other legal costs and the benefits of scale when making investments in new technology. Banks, securities firms and insurance companies can merge under the umbrella of a financial holding company, which can offer virtually any type of financial service, including banking, securities underwriting, insurance (both agency and underwriting) and merchant banking. Also, legislative and regulatory changes on both the federal and state level may materially affect competitive conditions in our industry. Finally, technology has lowered barriers to entry and made it possible for non-banks to offer products and services traditionally provided by banks, such as loans and automatic transfer and payment systems.

Our ability to compete successfully depends on a number of factors, including, among other things:

- the ability to develop, maintain and build upon long-term customer relationships based on top quality service, high ethical standards and safe and sound assets;
- the ability to expand our market position;
- the scope, relevance and pricing of products and services offered to meet customer needs and demands;
- the rate at which we introduce new products and services relative to our competitors;
- customer satisfaction with our level of service; and
- industry and general economic trends.

Failure to perform in any of these areas could significantly weaken our competitive position, which could adversely affect our growth and profitability, which, in turn, could have a material adverse effect on our financial condition and results of operations.

Our business, financial condition and results of operations could be materially affected by adverse developments impacting the financial services industry, such as recent bank failures or concerns involving liquidity and the increased competition for and cost of deposits.

The bank failures in March 2023 resulted in general uncertainty regarding the adequacy of liquidity of the banking sector generally and caused significant volatility in the stock prices of publicly-traded bank holding companies. These developments appear to have negatively impacted some customers' confidence in banks, prompting some customers to maintain their deposits with larger financial institutions. Additional bank failures or sales of distressed banks in anticipation of failure could prolong these concerns despite the extensive measures taken by federal banking regulators to restore confidence in the banking system. In addition, competition for deposits has increased in recent periods, and the cost of funding, both for deposits and other sources of liquidity, has increased. If the concerns surrounding the banking sector persist, our businesses, financial condition and results of operations could be materially adversely impacted.

We may be adversely affected by the soundness of other financial institutions and other third parties.

In addition to the general negative impact on us that could result from the failure of other financial institutions, the failure or financial distress of a financial institution with which we have a relationship could have a material adverse impact on us. Entities within the financial services industry are interrelated as a result of trading, clearing, counterparty and other relationships. We have exposure to many different industries and counterparties and from time to time execute transactions with counterparties in the financial services industry, including commercial banks, brokers and dealers, investment banks and other institutional clients. Many of these transactions expose us to credit risk in the event of a default by a counterparty or client. In addition, our credit risk may be exacerbated when the collateral we hold cannot be realized upon or is liquidated at prices not sufficient to recover the full amount of the credit due to us. Any such losses could have a material adverse effect on our financial condition and results of operations.

We are subject to extensive government regulation, and such regulation could limit or restrict our activities and adversely affect our earnings.

We As a publicly-traded bank holding company and a state nonmember bank with assets in excess of \$10 billion, we and the Bank, respectively, are subject to extensive federal and state regulation and **supervision**, supervision, and we are committed to maintaining high standards of legal and regulatory compliance. Banking regulations are primarily intended to protect depositors' funds, federal deposit insurance funds and the banking system as a whole, while consumer protection statutes are primarily focused on the fair treatment and protection of the users of our lending and deposit services. The federal securities laws and regulations that we are subject to are designed to protect the investing public and the integrity and efficiency of the securities markets. These regulations affect our lending practices, corporate governance, dividend policy, capital structure, lending and deposit practices, investment practices, dividend policy public disclosures and, growth, among other things. In addition, ultimately, our financial performance and growth.

New regulations, as well as significant changes to such existing regulations, relating to every facet of our operations, have been proposed or may be proposed. Changes proposed in the future. New laws and regulations, and changes to statutes, (or repeal of) existing laws, regulations or regulatory policies, including as well as changes in interpretation, implementation or enforcement of the foregoing, could affect us and/or the Bank in substantial and unpredictable ways. Such changes Among other impacts, new or revised laws and regulations could subject us to additional costs, limit the types of financial services and products we may offer or fees we may charge, and/or require extensive new disclosures in our public filings, increase the ability of non-banks to offer competing financial services and products among other things, and/or otherwise result in continuing uncertainty regarding legal and regulatory compliance matters. Any of the foregoing may, in turn, necessitate that we hire additional employees, acquire or develop new software, implement new processes and procedures and otherwise incur substantial additional costs as part of our efforts to comply with our legal and regulatory obligations. In addition, these efforts may divert management time and attention from initiatives designed to grow the Company and the Bank and enhance our earnings and profitability.

Under regulatory capital adequacy guidelines and other regulatory requirements, we and the Bank must meet guidelines that include quantitative measures of assets, liabilities and certain off-balance sheet items, subject to qualitative judgments by regulators about components, risk weightings and other factors. If we fail to meet these minimum capital guidelines and other regulatory requirements, our financial condition would be materially and adversely affected. Our failure to maintain the status of "well capitalized" under our regulatory framework could affect the confidence of our customers in us, thus compromising our competitive position. In addition, failure to maintain the status of "well capitalized" under our regulatory framework, "well managed" under regulatory examination procedures or "satisfactory" under the CRA could compromise our status as a bank holding company and related eligibility for a streamlined review process for merger or acquisition proposals and would result in higher deposit insurance premiums assessed by the FDIC.

We are also subject to various privacy, data protection and information security laws. Under the **GLB Act**, GLBA, we are subject to limitations on our ability to share our customers' nonpublic personal information with unaffiliated parties, and we are required to provide certain disclosures to our customers about our data collection and security practices. Customers have the right to opt out of our disclosure of their personal financial information to unaffiliated parties. We are also subject to state laws regulating the privacy of individual's private information, many of which are more restrictive, and have more severe sanctions for noncompliance, than the **GLB Act**, GLBA. Finally, the **GLB Act**, GLBA requires us to develop, implement and maintain a written comprehensive information security program containing appropriate safeguards for our customers' nonpublic personal information. Our failure to comply with privacy, data protection and information security laws and regulations could result in regulatory or governmental investigations and/or fines, sanctions and other expenses which could have a material adverse effect on our financial condition and results of operations.

As a public company, In addition to the costs we are also subject incur in complying with our various legal and regulatory obligations, we may be found to laws, regulations and standards relating have failed to corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002, the Dodd-Frank Act and SEC regulations. These laws, regulations and standards are subject to varying interpretations, amendment or outright repeal. As a result, the amendment or repeal of any such fully comply with applicable laws,

regulations or standards, or the issuance of new guidance for complying therewith by regulatory and governing bodies, policies. Any such failure could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We are committed to maintaining high standards of corporate governance and public disclosure. As a result, our efforts to comply with evolving laws, regulations and standards have resulted in, and are likely to continue to result in, increased expenses and a diversion of management time and attention.

Failure to comply with laws, regulations or policies could also result in sanctions by regulatory agencies and/or civil money penalties, which could have a material adverse effect on our business, financial condition and results of operations. Although we have not yet been subject to any sanctions or penalties that have had a material impact on our business, financial condition or results of operations, such material violations could occur, even though we have policies and procedures designed to prevent such violations. The information under the heading "Supervision and Regulation" in Item 1, Business, and Note 20, "Regulatory Matters," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report provides more information regarding the regulatory environment in which we and the Bank operate.

Higher FDIC deposit insurance premiums and assessments could adversely affect our financial condition.

The FDIC is required under the Dodd-Frank Act to maintain the Deposit Insurance Fund at a minimum reserve ratio of 1.35%. The FDIC's announced long-term goal is to maintain the reserve ratio at 2.00%. In October 2022, the FDIC raised the assessment rate by two basis points, effective in the first quarter of 2023, which increase is intended to remain in effect until the

2.00% goals goal is reached. This increase, The FDIC reaffirmed this goal in November 2023. The FDIC may also charge special assessments, such as the special assessment the FDIC charged certain financial institutions, including the Bank, in December 2023 based on their size and any future increases, amount of uninsured deposits. Increases in FDIC deposit insurance premiums assessment rates as well as any special assessments that the FDIC may charge us in the future may adversely affect our financial condition and results of operations.

The Company's financial condition and results of operations contain estimates and assumptions made by management that could be inaccurate.

Accounting estimates and processes are fundamental to how we record and report our financial condition and results of operations. Accounting principles generally accepted in the United States ("GAAP") require our management to make estimates about future events that are inherently uncertain. We use models and other forecasting processes to make these estimates. In doing so, management must choose between many alternatives, all of which may be reasonable under prevailing circumstances. As a result, these models and other forecasting processes may reflect assumptions that ultimately prove to be inaccurate, particularly in times of market stress or other unforeseen circumstances. Even if these assumptions are adequate, the models may include flaws in their design or their implementation, including flaws caused by failures in controls, data management, human error or from the reliance on technology. Because of the uncertainty and subjectivity surrounding management's judgments and the estimates pertaining to these matters, the Company cannot guarantee that it will not be required to adjust accounting policies or restate prior period financial statements. Any such failure in our analytical or forecasting models could have a material adverse effect on our business, financial condition and results of operations. See "Critical Accounting Policies

and Estimates" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Note 1, "Significant Accounting Policies," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Changes in accounting standards issued by FASB or other standard-setting bodies may adversely affect our financial statements.

Our financial statements are subject to the application of GAAP, which are periodically revised and/or expanded. From time to time, FASB or other accounting standard setting bodies adopt new accounting standards or amend existing standards. In addition, market conditions often prompt these bodies to promulgate new guidance that further interprets or seeks to revise accounting pronouncements related to financial instruments, structures or transactions as well as to issue new standards expanding disclosures. Our estimate of the impact of accounting developments that have been issued but not yet implemented is disclosed in our annual reports on Form 10-K and our quarterly reports on Form 10-Q, but the impact of these changes often is difficult to precisely assess. In some cases, we could be required to apply a new or revised standard retroactively, resulting in changes to previously reported financial results, or a cumulative charge to retained earnings. It is possible that future accounting standards that we are required to adopt could change the current accounting treatment that we apply to our consolidated financial statements and that such changes could have a material effect on our financial condition and results of operations.

We are subject to environmental liability risk associated with lending activities.

A significant portion of our loan portfolio is secured by real property. During the ordinary course of business, we may foreclose on and take title to properties securing certain loans. In doing so, there is a risk that hazardous or toxic substances could be found on these properties. If hazardous or toxic substances are found, we may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws may require us to incur substantial expenses and may materially reduce the affected property's value or limit our ability to use or sell the affected property. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on our financial condition and results of operations. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. Although management has policies and procedures to perform an environmental review before the loan is recorded and before initiating any foreclosure action on real property, these reviews may not be sufficient to detect all potential environmental hazards.

The discontinuation of the London Interbank Offered Rate ("LIBOR") as a financial benchmark may adversely affect our business and financial results.

Prior to January 1, 2022, LIBOR was the reference rate used for many of our transactions, including a substantial portion of our variable rate loans as well as our borrowings and securities; in addition, the derivatives that we used to manage risk related to the foregoing transactions were tied to LIBOR. All LIBOR tenors were discontinued by June 30, 2023. As an alternate benchmark to LIBOR, the Company adopted the Secured Overnight Finance Rate ("SOFR"), published by the Federal Reserve Bank of New York, as the primary reference rate for its lending transactions with other reference rates used on a case-by-case basis.

There can be no assurances, however, that regardless of the Company's decision, SOFR will be widely adopted as the replacement reference rate for LIBOR. Accordingly, the Company may need to select a different reference rate, or multiple rates in order to maintain its competitive position. In addition, we could be involved in disputes, litigation or other actions with counterparties regarding the interpretation and enforceability of certain fallback language in LIBOR-based notes, securities and other instruments. Although the transition from LIBOR has not adversely affected our business, financial condition and results of operations to date, such adverse effects could arise in the future.

Risks Related to Our Business

Our business may be adversely affected by current economic conditions in general and specifically in the markets in which we operate.

General business and economic conditions in the United States and abroad can materially affect our business and operations and the businesses and operations of our customers. A weak U.S. economy is likely to cause uncertainty about the federal fiscal policymaking process, the medium and long-term fiscal outlook of the federal government and future tax rates. In addition, economic and other conditions in foreign countries could affect the stability of global financial markets and adversely impact global supply chains, which could hinder U.S. economic growth.

Weak economic conditions are characterized by deflation, fluctuations in debt and equity capital markets, a lack of liquidity and/or depressed prices in the secondary market for mortgage loans, increased delinquencies on mortgage, consumer and C&I

loans, residential and commercial real estate price declines and lower home sales and commercial activity. All of these factors are detrimental to our business, and the interplay between these factors can be complex and unpredictable. Our business is also significantly affected by monetary and related policies of the U.S. federal government and its agencies. Changes in any of these policies are influenced by macroeconomic conditions and other factors that are beyond our control. Adverse economic conditions and government policy responses to such conditions could have a material adverse effect on the businesses and operations of our customers and in turn on our business, financial condition, results of operations and growth prospects.

More particularly, much of our business development and marketing strategy is directed toward fulfilling the banking and financial services needs of small to medium size businesses. Such businesses generally have fewer financial resources in terms of capital or borrowing capacity than larger entities. If general economic conditions negatively impact the markets in which we operate and these businesses are adversely affected, our financial condition and results of operations may be negatively affected.

We have a high concentration of loans secured by real estate.

At December 31, 2022 December 31, 2023, approximately 83.47% 83.07% of our loan portfolio had real estate as a primary or secondary component of the collateral securing the loan. The real estate provides an alternate source of repayment in the event of a default by the borrower. Any adverse change in real estate values in our markets could significantly impair the value of the particular collateral securing our loans and our ability to sell the collateral upon foreclosure for an amount necessary to satisfy the borrower's obligations to us. Furthermore, in a declining real estate market, we often will need to further increase our allowance for credit losses to address the deterioration in the value of the real estate securing our loans. Any of the foregoing could have a material adverse effect on our financial condition and results of operations.

We have a concentration of credit exposure in commercial real estate.

In addition to the general risks associated with our lending activities described above, including the effects of declines in real estate values, **commercial real estate ("CRE")** CRE loans are subject to additional risks. These loans depend on cash flows from the property to service the debt. Cash flows, either in the form of rental income or the proceeds from sales of commercial real estate, may be affected significantly by general economic conditions. A general downturn in the local economy where the property is located, or a decline in occupancy rates in particular, could increase the likelihood of default. An increase in defaults in our CRE loan portfolio could have a material adverse effect on our financial condition and results of operations. At December 31, 2022 December 31, 2023, we had approximately \$6.4 billion \$6.8 billion in commercial real estate loans, representing approximately 55.69% 55.22% of our loans outstanding on that date, as follows:

(thousands)	December 31, 2022 2023	
		Commercial Real Estate
Owner-occupied	\$ 1,539,296	1,648,961
Non-owner occupied	3,452,910	3,733,174
Construction	1,330,337	1,333,397
Land Development:		
Commercial mortgage	125,857	104,415
Total Commercial real estate loans	\$ 6,448,400	6,819,947

As discussed under the heading "Supervision and Regulation" in Item 1, Business, above, the federal banking agencies promulgated guidance regarding when an institution will be deemed to potentially have significant CRE concentration risk exposure, as indicated by the results of the 100/300 Test. Although the 100/300 Test is not a limit on our lending activity, if any future results of a 100/300 Test evaluation show us to have a potential CRE concentration risk, we may elect, or be required by our regulators, to adopt additional risk management practices or other limits on our activities, which could have a material adverse effect on our financial condition and results of operations.

We rely extensively on a number of vendors.

We rely on numerous vendors and other third party service providers (which we refer to collectively as "vendors") to assist us in providing our lending, deposit and other financial services as well as the back-office functions that support our day-to-day operations. We are therefore subject to the risks associated with a vendor's failure to provide the agreed-upon products or services, or its delivery of products or services at a level or in a manner that does not meet expectations. Deficient performance may result from the vendor's failure to meet its service standards under the contract (due to, among other reasons, insufficient support for its existing products and services or a change in its strategic focus) or simply because the vendor's products or services do not include the functionality, convenience or adaptability necessary to compete effectively or efficiently with other providers of the financial services we offer. Although we rigorously evaluate vendors before entering into contracts, we do not control a vendor's performance of its contractual obligations or its actions with respect thereto. A vendor's failure to meet its contractual obligations or otherwise perform as expected could be disruptive to our operations, which could have a material adverse impact on our business, financial condition and results of operations. Further, replacing service providers often entails significant delay and expense.

Additionally, some external vendors require access to the Company's information systems to provide their services. We have identified these vendors as a source of information security risk, and, accordingly, our information security team monitors such vendors in accordance with Company policies. While the Company has implemented an active program to oversee the information security risk posed by vendors, there can be no assurance that the Company will not experience material security breaches associated with vendors (or service providers to our vendors). The Company's policies related to the monitoring of vendors and other third parties are discussed in detail below in Item 1C, Cybersecurity, under the heading "Risk Management and Strategy - Diligence of Vendors and Other Third Parties."

A failure or breach of our or a service provider's operational or communications and information security systems, or those of our vendors and customers, including as a result of cyber-attacks, could disrupt our business, result in the disclosure or misuse of confidential or proprietary information, damage our reputation and create significant financial and legal exposure for us.

As a financial institution, we The Company, our vendors (inclusive of vendors to our vendors) and our customers rely heavily on our ability, communications and the ability of our third party service providers, information security systems to securely and reliably process, record, transmit and monitor confidential and other information through our and our third party service provider's their computer systems and networks. Our operational systems, including, among other things, deposit and loan servicing, online and mobile banking, wealth management, accounting and data processing, could be materially adversely impacted by a failure, interruption or breach in the security or integrity of any of these systems, whether including systems under the control of vendors. As a financial institution, the Company is subject to ongoing threats to its systems, software, networks and other technology that originate from various sources, including our own employees, cyber-criminals, hacktivists, groups linked to terrorist organizations or one of our hostile countries, and third party service provider's. Threats parties aiming to these systems come from a variety of sources, including disrupt financial institutions more generally. Information security threats include computer hacking involving the introduction of computer viruses or malware, malicious code known as "malware" into the Company's systems, cyber-attacks, identity theft, electronic fraudulent activity and attempted theft of financial assets. These threats, which are very designed to obtain unauthorized access to confidential information belonging to the Company or its customers, manipulate or destroy data or systems, disrupt service on the Company's systems, or steal money through the use of "ransomware," are increasingly sophisticated and constantly evolving. In addition, our systems are threatened by unpredictable events such as terrorist attacks, power outages or tornadoes or other natural disasters. The Company may not be able to effectively implement, develop and manage critical systems and information technology infrastructure to facilitate strategic business initiatives, which could impair our ability to achieve financial, operational, compliance and strategic objectives and negatively affect our business, financial condition or results of operations.

We have invested a significant amount of time and expense in security infrastructure investments and the development of policies and procedures governing our operations as well as in employee training and the monitoring of our third party service providers, vendors, in our efforts to preserve the security, integrity and continuity of our operations from the aforementioned threats. Despite these efforts, beginning As described in May 2022 the next paragraph, however, we learned have experienced security breaches and cyber-attacks, none of a data breach experienced by a third-party service provider that provides property insurance validation services for which have materially impacted the Company. This data breach, as it related Importantly, though, due to the Company, involved a third party obtaining names, addresses difficulty in anticipating, detecting and loan numbers of certain of our customers via unauthorized access recognizing threats to our service provider's servers (the data breach did the Company's systems, coupled with the fact that we do not involve Renasant Bank customer Social Security numbers or information related to any accounts maintained at Renasant Bank). The Company caused notices of have control over the data breach to be delivered to impacted clients, and we notified federal and state regulatory authorities about the incident. The service provider also offered complementary credit monitoring services to consumer customers. The Company has also heightened its monitoring of the service provider's efforts to strengthen its information security infrastructure systems of customers, vendors and prevent any further unauthorized access to its systems. As of the date of this report, the costs and expenses incurred by the Company in connection with this incident have been immaterial.

In light of the above-described incident and the ongoing threats to our and our third party provider's information security, parties, we can provide no assurances that our systems, or our provider's vendor's or customer's systems, will not experience in the future any material failures, interruptions or security breaches of our communications and information securities systems or that, if any such failures, interruptions or breaches occur, they will be addressed in a timely and adequate manner. If the security and integrity A successful penetration or circumvention of our security systems or the systems of one other significant disruption of our providers, are compromised, information systems or those of customers, vendors or other third parties, including as a result of cyber-attacks, could (i) significantly and adversely impact our operations could be significantly disrupted and our or those of our customers by disrupting our networks and systems; (ii) result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of confidential, sensitive or otherwise valuable information and the use of such information to process fraudulent transactions; (iii) result in a violation of applicable privacy, data breach and other laws, subjecting the Company to additional regulatory scrutiny and exposure to civil litigation, criminal penalties, governmental fines or sanctions or financial liability; (iv) require significant management attention and resources to respond, remediate or remedy the damages that result; and/or (v) harm the reputation of or cause a loss of confidence in, the Company, in turn resulting in a decrease in the number of customers that choose to do business with the Company. Further, the extent of a particular failure, interruption or security breach of our communications and information securities systems, and the steps that the Company may need to take to investigate and remedy the matter, may not be immediately clear, and it may take a significant amount of time before such an investigation or determination, judicial or otherwise, can be completed. The occurrence of any of the foregoing could be misappropriated, among other things, have a material adverse effect on our business, financial condition, results of operations or profitability. This in turn could result in financial losses to us or our customers, lasting damage to our reputation, the violation of privacy or other laws and significant litigation risk, all of which could have a material adverse effect on our financial condition and results of operations.

We rely extensively on

The Company has experienced security breaches and cyber-attacks in the past. In May 2022, the Company learned of a data breach experienced by a vendor that provides property insurance validation services for the Company. This data breach, as it related to the Company, involved a third party obtaining names, addresses and loan numbers of certain customers via unauthorized access to our service provider's servers (the data breach did not involve Renasant Bank customer Social Security numbers or information related to any accounts maintained at Renasant Bank). Beginning in May 2023, the Company began receiving notices from a number of third party service providers.

Third-party service providers provide certain products and services necessary to maintain our day-to-day operations. In addition its vendors regarding the data breach related to the MOVEit Transfer software suffered by the vendor or a vendor to such vendor (the Company itself did not use the software). The data breach experienced by these vendors involved the names, account numbers, Social Security numbers and other nonpublic personal information of a relatively small number of our customers. For each incident, the Company caused notices of the data breach to be delivered to impacted clients, and we notified federal and state regulatory authorities about the incident. The relevant vendors also offered complementary credit monitoring services to consumer customers. The Company has also heightened its monitoring of the vendors' efforts to strengthen their information security risks discussed immediately above, we are subject infrastructure and prevent any further unauthorized access to risks associated with a service provider's failure its systems. Nonetheless, it is inevitable that additional breaches and attacks will occur in the future. While such breaches and attacks have not materially impacted the Company to provide date, future security breaches and cyber-attacks could result in serious and harmful consequences for the agreed-upon products or services for reasons not related to information security Company or its delivery of a product or provision of services at a level or in a manner that does not satisfy our expectations. Such poor performance may be due to the service provider's failure to meet its contractual service level standards (due to, among other reasons, insufficient support for its existing products clients and services or a change in its strategic focus) or simply because the service provider's products or services do not include the functionality, convenience or other aspects necessary to compete effectively in the marketplace. Although we rigorously evaluate potential third party service providers before entering into a business arrangement, we ultimately do not control the service provider's performance of its contractual obligations or its actions with respect thereto. A service provider's failure to meet its contractual obligations or otherwise perform as expected could be disruptive to our operations, which could have a material adverse impact on our business, financial condition and results of operations. Further, replacing service providers often entails significant delay and expense. customers.

Our risk management framework may not be effective in mitigating risk and loss to us.

We are subject to numerous risks, including lending risk, interest rate risk, liquidity risk, market risk, information security risk and model risk, among other risks encountered in the ordinary course of our operations. We have implemented processes and procedures designed to identify, measure, monitor and mitigate these risks. However, all risk management frameworks are inherently limited, for a number of reasons. First, we may not have identified all material risks affecting our operations. Next, our current procedures may not anticipate future development of currently unanticipated or unknown risks. Also, we may have underestimated the impact of known risks or overestimated the effectiveness of the policies and procedures we have implemented to mitigate these risks. Increases in the scope and complexity of our operations and our reliance, among other things, have increased the level of risk that we must manage. Accordingly, we could suffer losses as a result of our failure to properly anticipate and manage these risks.

Our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth effectively.

We have grown our business through the acquisition of entire financial institutions and non-bank commercial finance companies (such as Republic Business Credit and Southeastern Commercial Finance, LLC, both of which we acquired in 2022) and through de novo branching. We intend to continue pursuing this growth strategy for the foreseeable future. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies when expanding their franchise, including the following:

Management of Growth. We may be unable to successfully:

- maintain loan quality in the context of significant loan growth;
- maintain adequate management personnel and systems to oversee such growth;
- maintain adequate internal audit, loan review and compliance functions; and
- implement additional policies, procedures and operating systems required to support such growth.

Operating Results. Existing offices or future offices may not maintain or achieve deposit levels, loan balances or other operating results necessary to avoid losses or produce profits in an efficient manner. Our growth strategy necessarily entails growth in overhead expenses as we add new offices and staff. Our historical results may not be indicative of future results or results that may be achieved if we increase the number of our branch offices. Should any new location be unprofitable or marginally profitable, or should existing locations experience a decline in profitability or incur losses, the adverse effect on our results of operations and financial condition could be more significant than would be the case for a larger company.

Expansion into New Markets. Much of our recent growth has been focused in the highly-competitive metropolitan areas within our footprint. In these growth markets we face competition from a wide array of financial institutions and commercial finance companies, including much larger, well-established companies.

Regulatory and Economic Factors. Our growth and expansion plans may be adversely affected by a number of regulatory and economic developments or other events. Failure to obtain, or a delay in obtaining, required regulatory approvals, changes in laws and regulations or other regulatory developments and changes in prevailing economic conditions or other unanticipated events may prevent or adversely affect our continued growth and expansion. Such factors may cause us to alter our growth and

expansion plans or slow or halt the growth and expansion process, which may prevent us from entering certain target markets or allow competitors to gain or retain market share in our existing or expected markets.

Failure to successfully address these issues could have a material adverse effect on our financial condition and results of operations and could adversely affect our ability to successfully implement our business strategy. Also, if our growth occurs more slowly than anticipated or declines, our operating results could be materially adversely affected.

We may fail to realize the anticipated benefits of our acquisitions.

The success of our acquisitions including our two acquisitions in 2022, will depend depends on, among other things, our ability to realize anticipated cost savings and to integrate the acquired assets and operations in a manner that permits growth opportunities and does not materially disrupt our existing customer relationships or result in decreased revenues resulting from any loss of customers. If we are not able to successfully achieve these objectives, the anticipated benefits of the acquisition may not be realized fully or at all or may take longer to realize than expected. Additionally, we make fair value estimates of certain assets and liabilities in recording each acquisition. Actual values of these assets and liabilities could differ from our estimates, which could result in our not achieving the anticipated benefits of the particular acquisition.

We cannot assure investors that our acquisitions will have positive results, including results relating to: correctly assessing the asset quality of the assets acquired; the total cost of integration, including management attention and resources; the time required to complete the integration successfully; the amount of longer-term cost savings; being able to profitably deploy funds acquired in the transaction; retaining the existing client relationships; or the overall performance of the combined business.

Our future growth and profitability depends, depend, in part, on our ability to successfully manage the combined operations. Integration of an acquired business can be complex and costly, and we may encounter a number of difficulties, such as:

- deposit attrition, customer loss and revenue loss;
- the loss of key employees;
- the disruption of our operations and business;
- our inability to maintain and increase competitive presence;
- possible inconsistencies in standards, control procedures and policies; and/or
- unexpected problems with costs, operations, personnel, technology and credit.

Additionally, general market and economic conditions or governmental actions affecting the financial industry generally may inhibit our successful integration of the operations acquired.

We may continue to experience increased credit costs or need to take additional markdowns and make additional provisions to the allowance for credit losses on loans. Any of these actions could adversely affect our financial condition and results of operations in the future. In addition, the attention and effort devoted to the integration of an acquired business

may divert management's attention from other important issues and could harm our business.

We may face risks with respect to future acquisitions.

When we attempt to expand our business through mergers and acquisitions (including FDIC-assisted transactions), we seek targets that are culturally similar to us, have experienced management and possess either significant market presence or have potential for improved profitability through economies of scale or expanded services or, in the case of FDIC-assisted transactions, on account of the loss share arrangements with the FDIC associated with such transactions. In addition to the general risks associated with our growth plans and the particular risks associated with FDIC-assisted transactions, both of which are highlighted above, in general acquiring other banks, businesses or branches involves various risks commonly associated with acquisitions, including, among other things:

- the time and costs associated with identifying and evaluating potential acquisition and merger targets;
- inaccuracies in the estimates and judgments used to evaluate credit, operations, management and market risks with respect to the target institution;
- the time and costs of evaluating new markets, hiring experienced local management and opening new bank locations, and the time lags between these activities and the generation of sufficient assets and deposits to support the costs of the expansion;
- our ability to finance an acquisition and possible dilution to our existing shareholders;
- the diversion of our management's attention to the negotiation of a transaction;
- the incurrence of an impairment of goodwill associated with an acquisition and adverse effects on our results of operations;
- entry into new markets where we lack experience; and
- risks associated with integrating the operations and personnel of acquired businesses.

We expect to continue to evaluate merger and acquisition opportunities (including FDIC-assisted transactions) that are presented to us and conduct due diligence activities related to possible transactions with other financial institutions and other companies. As a result, merger or acquisition discussions and, in some cases, negotiations may take place and future mergers or acquisitions involving cash, debt or equity securities may occur at any time. Historically, acquisitions of non-failed financial institutions and other companies involve the payment of a premium over book and market values, and, therefore, some dilution of our book value and net income per common share may occur in connection with any future transaction. Failure to realize the expected revenue increases, cost savings, increases in geographic or product presence and/or other projected benefits from an acquisition could have a material adverse effect on our financial condition and results of operations.

Risks Associated With Our Common Stock

Our ability to declare and pay dividends is limited by law, and we may be unable to pay future dividends.

We are a separate and distinct legal entity from the Bank, and we receive substantially all of our revenue from dividends from the Bank. These dividends are the principal source of funds to pay dividends on our common stock and interest and principal on our debt. Various federal and/or state laws and regulations limit the amount of dividends that the Bank may pay to us. In the event the Bank is unable to pay dividends to us, we may not be able to service our debt, pay our obligations or pay dividends on our common stock. The inability to receive dividends from the Bank could have a material adverse effect on our business, financial condition and results of operations. The information under Note 19, "Restrictions on Cash, Securities, Bank Dividends, Loans or Advances," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report provides a detailed discussion about the restrictions governing the Bank's ability to transfer funds to us.

The trading volume in our common stock is less than that of other bank holding companies.

Although our common stock is listed for trading on **The NASDAQ Global Select Market**, **the New York Stock Exchange**, the average daily trading volume in our common stock is generally less than that of many of our competitors and other bank holding companies that are publicly-traded companies. For the 60 days ended **February 17, 2023** **February 16, 2024**, the average daily trading volume for Renasant common stock was **215,713** **242,165** shares per day. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of willing buyers and sellers of our common stock at any given time. This presence depends on the individual decisions of investors and general economic and market conditions over which we have no control. Significant sales of our common stock, or the expectation of these sales, could cause volatility in the price of our common stock.

Holders of our junior subordinated debentures have rights that are senior to those of our common shareholders.

We have supported a portion of our growth through the issuance of trust preferred securities from special purpose trusts and accompanying junior subordinated debentures. Also, in connection with our acquisitions of other financial institutions, we have assumed junior subordinated debentures. Payments of the principal and interest on the trust preferred securities of these trusts are conditionally guaranteed by us. Further, the junior subordinated debentures we issued to the trusts are senior to our shares of common stock. As a result, we must make payments on the junior subordinated debentures before any dividends can be paid on our common stock and, in the event of our bankruptcy, dissolution or liquidation, the holders of the junior subordinated debentures must be satisfied before any distributions can be made on our common stock (such dividend restrictions do not apply to our outstanding subordinated notes). We have the right to defer distributions on our junior subordinated debentures (and the related trust preferred securities) for up to five years, during which time no dividends may be paid on our common stock.

An investment in our common stock is not an insured deposit.

Our common stock is not a bank deposit and, therefore, is not insured against loss by the FDIC, any deposit insurance fund or by any other public or private entity. Investment in our common stock is inherently risky for the reasons described in this "Risk Factors" section and elsewhere in this Annual Report on Form 10-K and is subject to the same market forces that affect the price of common stock in any company. As a result, an investor may lose some or all of its investment in our common stock.

Our Articles of Incorporation and Bylaws, as well as certain banking laws, could decrease our chances of being acquired even if our acquisition is in our shareholders' best interests.

Provisions of our Articles of Incorporation and Bylaws and federal banking laws, including regulatory approval requirements, could make it more difficult for a third party to acquire us, even if doing so would be perceived to be beneficial to our shareholders. The combination of these provisions impedes a non-negotiated merger or other business combination,

which, in turn, could adversely affect the market price of our common stock.

Our issuance of preferred stock could adversely affect holders of our common stock and discourage a takeover.

Our shareholders authorized the Board of Directors to issue up to 5,000,000 shares of preferred stock without any further action on the part of our shareholders. Our Board of Directors also has the power, without shareholder approval, to set the terms of any series of preferred stock that may be issued, including voting rights, dividend rights, preferences over our common stock with respect to dividends or in the event of a dissolution, liquidation or winding up and other terms. In the event that we issue preferred stock in the future that has preference over our common stock with respect to payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of the holders of our common stock or the market price of our common stock could be materially and adversely affected. In addition, the ability of our Board of Directors to issue shares of preferred stock without any action on the part of our shareholders may impede a takeover of us and prevent a transaction perceived to be favorable to our shareholders.

Shares eligible for future sale could have a dilutive effect.

Shares of our common stock eligible for future sale, including those that may be issued in any other private or public offering of our common stock for cash or as incentives under equity incentive plans, could have a dilutive effect on the market for our common stock and could adversely affect market prices. As of **February 17, 2023** **February 16, 2024**, there were 150,000,000 shares of our common stock authorized, of which **56,018,496** **56,216,702** shares were outstanding.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

General. The Company's information security program, including its processes with respect to cybersecurity, is focused on protecting our systems, networks and data from unauthorized access by a third party. Concerns about cybersecurity risks impact, at some level, every facet of the Company's operations, from the way we structure the services we offer, to how we communicate with our customers, to our interactions with and training of employees, and to the expenditures we make when expanding and enhancing our technological infrastructure. We expect this continue to be the case as cybersecurity threats, and the means to respond to those threats, continue to evolve.

The Company has adopted a defense-in-depth philosophy that relies on multiple systems and processes to reasonably provide for the confidentiality, integrity and availability of our systems, networks and data. Features of our information security include:

- Documentation: We have written policies and procedures that delineate the roles and responsibilities of the Company's Board of Directors, executive management and other employees, as well as outside parties, with respect to the various aspects of the information security program. This documentation helps to align the entire information security program with our efforts to maintain the integrity of the Company's cybersecurity. These policies and procedures are reviewed and updated at least annually.
- Separation of duties: Separation of duties means that, where appropriate, a task is designed to ensure that more than one person or group is responsible for its completion. We believe that separation of duties helps to prevent fraud, misuse or other security compromise, and we apply this concept when we delegate administrative and oversight responsibilities to multiple groups for certain aspects of the information security program, including identity and access management, network management, system administration, policy oversight, monitoring and alerting.
- The principle of least privilege: Access approval for the Company's employees is coordinated between an employee's manager, the Company's human resources department and the information systems administrator. The goal is to give an employee access rights to our data, applications and other information resources only to the extent necessary for the employee to perform the functions of the particular job. Any change in employment responsibilities that requires access changes is implemented using the same access approval procedures. Finally, all remote access into the Company's networks must include approval by the Chief Information Security Officer (which we refer to as the "CISO").
- Vulnerability and patch management: The Company's vulnerability management program includes internal and external scanning using third-party tools and services. Software patches are deployed based on criticality of vulnerability. Further, we track our performance in implementing patches, and if implementation timing falls below performance expectations, management will take steps to identify and remediate the root causes of implementation delays.
- Risk assessments: At least annually, management conducts risk assessments to assess the existence, severity and trends of cybersecurity risks and other risks that the Company's information security program faces. The scope of an individual risk assessment can be the whole organization, parts of the organization, an individual information system, specific system components, or services.
- Log management: System security logs are consolidated by the Company's Security Incident and Event Management system and are reviewed via both automatic and manual processes for anomalous behavior.
- Incident response: The incident response process is designed to, among other things, promptly elevate a cybersecurity threat or incident to the parties responsible for leading our efforts to identify, contain and mitigate the threat or incident, notify impacted customers or other third parties and comply with applicable law, regulations and regulatory expectations.
- Employee training: Information security is an integral component of our employee training program. Training includes efforts to maintain security awareness among employees at all times by means of company-wide communications of cybersecurity risks or incidents affecting third parties, internal testing and similar efforts.

The information security program applies to all of the Company's business lines and employees as well as to vendors and other third parties with access to the Company's information systems or its confidential and proprietary information. Whenever we consider a new product or service to offer to its clients, or a new means of offering or providing an

existing product or service, or a new back-office process or procedure, the implications to the Company's information security are required to be considered.

Our CISO, a Certified Information Systems Security Professional, leads the Company's information security team, which has over 50 years' combined experience in providing solutions to manage information security, compliance, privacy and technology management. The Board of Directors' Technology Committee and its Enterprise Risk Management Committee oversee our information security team, receiving regular updates related to the material features of the information security program, our success and failures in maintaining information security and emerging threats and management's proposed response thereto.

Strategy and Testing. As mentioned above, the Company employs a layered, defense-in-depth approach that leverages people, processes and technology to manage and maintain cybersecurity controls. We also employ a variety of preventative and detective tools to monitor, block and provide alerts regarding suspicious activity and to report on any suspected threats. These controls include appropriate access controls based on least privilege, multifactor authentication for remote and privilege access, and encryption to protect data. The information security program is designed to comply with applicable laws and regulations and is driven by industry standards for financial institutions, including the Federal Financial Institutions Examination Council ("FFIEC") Cybersecurity Assessment Tool, as well as by the guidance promulgated by the National Institute of Standards and Technology ("NIST"). We work closely with government and industry associations to stay abreast of developments and share best practices with respect to cybersecurity. The following paragraphs describe how we test, or otherwise obtain feedback about, the Company's cybersecurity and other information security. The feedback we develop through testing and assessment, in addition to information about cybersecurity threats or incidents impacting other entities, is incorporated into the Company's information security program to enhance our cybersecurity; in certain circumstances a new or emerging cybersecurity threat may require modifications to how we conduct business.

The Company's information security team utilizes the Financial Services Sector Coordinating Council for Critical Infrastructure Protection and Homeland Security version of the FFIEC Cybersecurity Assessment Tool to perform an annual assessment of our information security program. The assessment provides a repeatable and measurable process for institutions to measure their cybersecurity preparedness over time. The assessment incorporates cybersecurity-related principles from the FFIEC Information Technology Examination Handbook and regulatory guidance, and concepts from other industry standards, including the NIST Cybersecurity Framework.

The assessment consists of two parts: Inherent Risk Profile and Cybersecurity Maturity. The Cybersecurity Maturity aspect of the assessment is designed to help management measure the institution's level of risk and corresponding controls. The levels range from baseline to innovative. Cybersecurity Maturity includes tests to determine whether an institution's behaviors, practices and processes can support cybersecurity preparedness within the following five domains:

- Cyber risk management and oversight
- Threat intelligence and collaboration
- Cybersecurity controls
- External dependency management
- Cyber incident management and resilience

We also retain third parties to test the effectiveness of our cybersecurity efforts. Annually, we obtain independent third party audits of the information security program, including program maturity and overall control effectiveness. In addition, multiple times over the course of each year we engage third party security firms to conduct both external and internal penetration tests. The goal of these assessments is to discover vulnerabilities in the Company's in-scope corporate networks. When testing reveals potential vulnerabilities in the Company's security, management works to develop appropriate mitigation plans to resolve any outstanding issues; we also consider other recommendations to enhance our cybersecurity that these security firms may offer, implementing those that management concludes are appropriate within the context of the Company's information security program and processes.

In addition to audits and testing by third party security firms, our information security program and infrastructure is subject to continuous supervision by the FDIC and the DBCF, including an annual in-depth examination by subject-matter experts from the FDIC and DBCF. The laws and regulations that these regulators administer impose very high expectations on the Company with respect to its information security policies, procedures, processes and controls. In particular, the Interagency Guidelines

Establishing Information Security Standards (the "Guidelines") require us to implement a comprehensive written information security program that includes administrative, technical and physical safeguards designed to (1) ensure the security and confidentiality of customer information; (2) protect against any anticipated threats or hazards to the security or integrity of such information; (3) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer; and (4) ensure the proper disposal of customer information and consumer information. We also must comply with the information sharing requirements and restrictions enacted pursuant to the GLBA. The regulators' continuous supervision of the Company is designed to ensure, among other things, that our information security program meets all the standards set forth in the Guidelines and that we operate in compliance with the GLBA and all other applicable information security laws and regulations. Finally, in addition to external scrutiny, our internal audit department reviews our compliance with the Guidelines, the GLBA and other laws and regulations, including those related to information security. If any of these examinations identify deficiencies or areas for improvement, the Company's information security team works with management to act as promptly as reasonably possible to address the action item resulting from any such examination or review.

Diligence of Vendors and Other Third Parties. As noted above, the Company's information security program applies to our vendors and other third parties (referred to collectively as "vendors") with access to our information systems and networks and/or confidential and proprietary information. Before we grant access to the Company's systems or a vendor otherwise obtains access to the Company's confidential and proprietary information, our information security team assesses the vendor's information security program. We review the vendor's information security policy (to the extent the third party is willing to provide a copy of such policy), information security audits, service organization reports and similar information as well as examination reports of the vendor if available from the banking regulators or other governmental entities; the team will also investigate the background, reputation and history of prior cybersecurity incidents of such vendor or other third party. If the information security team is not satisfied that the vendor's information security infrastructure is adequate to reasonably protect the Company's systems and confidential and proprietary information from unauthorized access, and there are no suitable solution to address the information security team's concerns, then we will not engage such vendor.

The vendors we retain are also categorized by the level of risk that the vendor presents to us, of which information security risk is a component. The information security team annually reviews those vendors in the "high risk" category and periodically reviews other vendors. This review includes obtaining updated information security audits and service organization reports, where available, and otherwise analyzing whether the vendor's cybersecurity risk profile has materially changed.

The information security team's review process does not, and cannot, guarantee that a Company vendor will not suffer a cybersecurity incident that impacts us. Due to the possibility that a vendor's information security may be breached, we also negotiate provisions in vendor contracts that address cybersecurity incidents. In addition to including provisions that address the parties' relative responsibility for damages resulting from a cybersecurity incident at a vendor, these contracts also typically include provisions to ensure that the Company receives timely and complete notification of a cybersecurity incident and cooperation in responding thereto so that we can assess the extent of the incident's impact on the Company's systems or information, mitigate any adverse effects arising therefrom and comply with any customer or regulation notification requirements and other legal, regulator or contractual obligations.

Incident Response. For those situations where a cybersecurity threat or incident arises, whether internal to the Company or relating to one of its vendors, we have also organized an incident response team. The incident response team includes representatives from the information technology, operations, risk management, legal (including securities law counsel), privacy and finance departments, among others. In addition to meeting quarterly, the incident response team (or a subset of the team) gathers whenever there is a threatened or actual breach of the Company's information security (whether involving an external actor or an internal party) to determine the nature and extent of the threatened or actual breach and, if appropriate, the steps to take in response thereto to protect the Company's information security and mitigate any harm that has already occurred. The team is also responsible for ensuring the Company complies with legal and regulatory requirements (including notifying affected customers and regulators and making any filings required by the securities laws). The activities of our incident response team are reported to the Board's Enterprise Risk Management Committee.

The Company also maintains a cyber insurance policy that provides cyber liability coverage.

Employee Training and Security Awareness. All employees are required to complete an annual security awareness training program. Courses within the training program include general cybersecurity best practices as well as a course specifically related to social engineering, email and social media security. The Company also conducts routine internally-focused exercises to help raise employee awareness of the risks associated with cybersecurity. For example, over the course of 2023, employees received at least one email per quarter designed to test employees' ability to identify and avoid potential "phishing" emails, and those employees that fail this phishing test are assigned additional training. In addition, annually the Company's incident response team engages in a cyber attack tabletop exercise designed by the Financial Services Information Sharing and Analysis

Center that helps to train the incident response team in overcoming a simulated attack against Renasant's payment systems and processes.

Governance and Oversight

Management Role. The Company takes a layered approach to the governance of its cybersecurity risk management. The first line of defense against cybersecurity risk is the company's information security team, led by the CISO. This team is primarily responsible for promptly identifying cybersecurity risks associated with our existing and anticipated operations and, once identified, assessing as to the level that each cybersecurity risk poses to us, and then controlling or mitigating to the extent reasonably possible (in the context of the Company's operations and resources, and competitive factors affecting how banks and other financial services companies conduct operations, among other things).

The efforts of our information security team to address cybersecurity risk are reviewed by the Company's Risk Department, which oversees our enterprise risk management program. The department focuses on the quality of the Company's risk management process in order to manage risks within acceptable tolerance levels. As it pertains to cybersecurity risk, the Risk Department challenges the processes that the information security team has implemented to identify, assess, control and mitigate cybersecurity risk. The department collaborates with the CISO and other business unit owners impacted by our cybersecurity risk management practices to develop and monitor controls and other processes that mitigate identified risks. In addition, the Risk Department conducts independent risk evaluations related to cybersecurity risk.

The primary means by which the Risk Department evaluates cybersecurity risk is the development, in conjunction with the information security team, of risk metrics related to cybersecurity as well as risk tolerances with respect to each such metric. Risk tolerances are set such that the overall cybersecurity risk presented to us is consistent with the risk appetite statement adopted by our Board annually. Management believes these metrics provide a holistic picture of the Company's cybersecurity risk profile, but at the same time, we recognize that, given the continual evolution of cybersecurity risks, including the tools and vectors that bad actors take to compromise a company's information security, our risk metrics cannot remain static. At least annually, the Risk Department meets with the CISO to assess whether the risk metrics, and the tolerances for each metric, remain appropriate in light of the Company's operations and the cybersecurity threat environment.

As the third line of defense against cybersecurity risk, our Internal Audit Department, with the assistance of outside experts, annually reviews and tests the Company's processes, including its policies, procedures and controls, with respect to cybersecurity risk. The Internal Audit Department reports the results of its review, including the steps management intends to take to address any findings, to the Audit Committee of the Board of Directors.

Finally, as a means to ensure that our senior executive management has an integrated understanding of the cybersecurity and other risks facing the company at any particular time, the Company has organized a Management Enterprise Risk Management Committee (the "management ERM committee"). Our Chief Risk Officer leads this committee, whose membership includes the Company's President and the leaders of our major business lines and back-office functions. Among other things, the management ERM committee reviews the Company's cybersecurity and other risk metrics and the direction in which each risk is trending (increasing risk or decreasing risk), both in isolation and in the context of other existing and emerging risks facing the company, and the status of risk mitigants therefor. We believe that this committee helps management better focus its efforts to minimize cybersecurity risk and that it assists in more focused reporting of cybersecurity risks to the Board of Directors.

Board Oversight. The Company's Board of Directors primarily oversees the risks related to our technological infrastructure, information security, cybersecurity, business continuity and disaster recovery programs through its Technology Committee and its Enterprise Risk Management Committee (the "ERM Committee"). These committees meet quarterly, and their activities are reported to the full Board of Directors.

The Technology Committee is responsible for the oversight of Renasant's strategies and operations with respect to information technology. Although this committee's focus is broader than just information security and cybersecurity risk, at each meeting the CISO reports to the committee on, among other topics, the status of any cybersecurity and network security initiatives designed to enhance the Company's cybersecurity, emerging cybersecurity risks that may not yet be addressed by the existing risk metrics and management's plans to mitigate such risks, and employee training on cybersecurity and related issues.

The ERM Committee incorporates the assessment, monitoring and mitigation of cybersecurity risk into its monitoring of the Company's broader enterprise risk management function. At each meeting of the ERM Committee, the Chief Risk Officer reports on the status within established tolerances of each risk metric as well as the assessment of the direction such metric is trending. These metric reports give the ERM Committee a broad view of the aggregate cybersecurity risk that the Company faces at any particular time,

insight into any particular areas of risk as well as an opportunity for the ERM Committee to discuss with management the steps taken or to be taken to address risks that are out of tolerance or trending in that direction. In addition to this report, the CISO's report to the Technology Committee is included the materials for ERM meetings. The chair of the

Technology Committee is a member of the ERM Committee, enabling the chair to convey to the ERM Committee details of the discussions with respect to the CISO's report as well as other matters related to our technological infrastructure and the impact thereof on matters within the ERM Committee's focus. Finally, at each ERM Committee meeting our Chief Technology Officer addresses various information technology topics with the ERM Committee.

ITEM 2. PROPERTIES

The principal executive offices of the Company are located at 209 Troy Street, Tupelo, Mississippi. Various departments occupy each floor of the five-story building.

As of December 31, 2022 December 31, 2023, Renasant operated 146 148 full-service branches, 11 12 limited-service branches, 167 160 ATMs and 40 51 Interactive Teller Machines (ITMs). Our Community Banks and Wealth Management segments operate out of all of these branches.

The Bank also operates 20 17 locations used exclusively for mortgage banking and seven four locations used exclusively for loan production. The Wealth Management segment operates two locations used exclusively for investment services.

Renasant Insurance, a wholly-owned subsidiary of the Bank, operates out of eight stand-alone offices throughout Mississippi.

Republic Business Credit, a wholly-owned subsidiary of the Bank, operates out of four stand-alone offices in California, Illinois, Louisiana and Texas.

We own or lease our facilities and believe all of our properties are in good condition to meet our business needs. None of our properties are subject to any material encumbrances.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company, the Bank, or any of its subsidiaries are a party or to which any of their property is subject, and no such legal proceedings were terminated in the fourth quarter of 2022 2023.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Holders

The Company's common stock trades on The NASDAQ Global Select Market ("NASDAQ") New York Stock Exchange under the ticker symbol "RNST." On February 17, 2023 February 16, 2024, the Company had approximately 4,150 4,040 shareholders of record and the closing sales price of the Company's common stock was \$37.38 \$32.13.

Please refer to Item 12, Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, for a discussion of the securities authorized for issuance under the Company's equity compensation plans.

Issuer Purchases of Equity Securities

	Total Number of Shares Purchased	Average Price per Share	Publicly Announced Share Repurchase Plans ⁽¹⁾	Maximum Number of Shares or Approximate Dollar Value of Shares That May Yet Be Purchased Under Share Repurchase Plans ⁽¹⁾⁽²⁾
				Total Number of Shares Purchased as Part of Publicly Announced Share Repurchase Plans ⁽¹⁾
October 1, 2022 to October 31, 2022	—	\$ —	—	\$ 50,000
November 1, 2022 to November 30, 2022	—	—	—	100,000
December 1, 2022 to December 31, 2022	—	—	—	100,000
Total	—	\$ —	—	—
				Maximum Number of Shares or Approximate Dollar Value of Shares That May Yet Be Purchased Under Share Repurchase Plans ⁽²⁾⁽³⁾
				Total Number of Shares Purchased as Part of Publicly Announced Share Repurchase Plans
October 1, 2023 to October 31, 2023	163	\$ 25.66	—	\$ 100,000
November 1, 2023 to November 30, 2023	—	—	—	100,000
December 1, 2023 to December 31, 2023	216	33.24	—	100,000
Total	379	\$ 29.98	—	—

(1) The Company announced a \$50.0 million All shares in this column represent shares of Renasant Corporation stock repurchase program in October 2021. This plan expired in October 2022, withheld to satisfy the federal and no shares were repurchased under this plan in state tax liabilities related to the fourth quarter vesting of 2022 prior to its expiration, time-based restricted stock awards.

(2) The Company announced a \$100.0 million stock repurchase program in October 2022 under which the Company is was authorized to repurchase outstanding shares of its common stock either in open market purchases or privately-negotiated transactions. No shares were repurchased during the fourth quarter of 2023 under this plan, which expired in October 2023 and was replaced with a \$100.0 million stock repurchase program approved in October 2023. This new plan will remain in effect for one year or, if earlier, the repurchase of the entire amount of common stock authorized to be repurchased. No shares were repurchased during the fourth quarter of 2022 2023 under this plan.

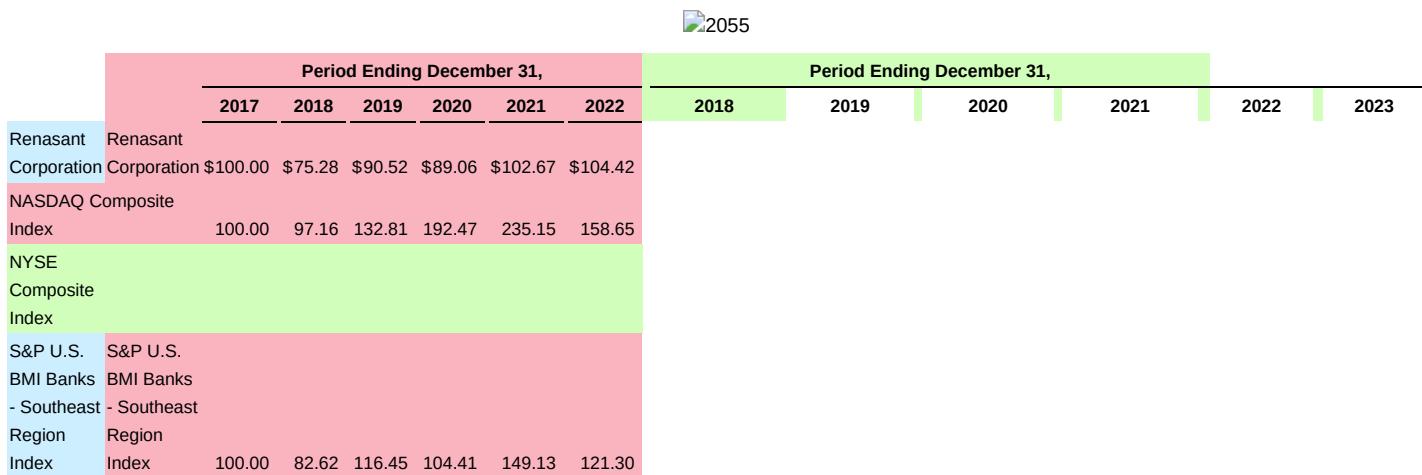
(2)(3) Dollars in thousands.

Unregistered Sales of Equity Securities

The Company did not sell any unregistered equity securities during 2022 2023.

Stock Performance Graph

The following performance graph, obtained from S&P Global Market Intelligence, compares the performance of our common stock to the NASDAQ NYSE Composite Index and to the S&P U.S. BMI Banks - Southeast Region Index, which is a peer group of regional bank holding companies (including the Company), for the measurement period. The performance graph assumes that the value of the investment in our common stock, the NASDAQ Market NYSE Composite Index and the S&P U.S. BMI Banks - Southeast Region Index was \$100 at January 1, 2017 January 1, 2018, and that all dividends were reinvested.



(1) The S&P U.S. BMI Banks - Southeast Region Index, is a peer group of 51 52 regional bank holding companies, whose common stock is traded either on the New York Stock Exchange, NYSE Amex or NASDAQ, and which are headquartered in Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.

There can be no assurance that our common stock performance will continue in the future with the same or similar trends depicted in the performance graph above. We will not make or endorse any predictions as to future stock performance. The information provided under the heading "Stock Performance Graph" shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to its proxy regulations or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended, other than as provided in Item 201 of Regulation S-K. The information provided in this section shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(In Thousands, Except Share Data)

The following discussion and analysis of our financial condition as of December 31, 2022 December 31, 2023 and 2021 2022 and results of operations for each of the years then ended should be read together with the cautionary language regarding forward-looking statements at the beginning of this Annual Report on Form 10-K and the consolidated financial statements and related notes included under Part II, Item 8, Financial Statements and Supplementary Data, of this Annual Report on Form 10-K, as well as Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Annual Report on Form 10-K for the year ended December 31, 2021 December 31, 2022, filed with the SEC on February 25, 2022 February 24, 2023, which provides a discussion of 2020 2021 items and year-to-year comparisons between 2021 2022 and 2020 2021 that are not included in this Annual Report on Form 10-K.

Performance Overview

Net income was \$144,678 for 2023 compared to \$166,068 for 2022 compared to \$175,892 for 2021, 2022. Basic and diluted earnings per share ("EPS") were \$2.58 and \$2.56, respectively, for 2023 compared to \$2.97 and \$2.95, respectively, for 2022 compared to \$3.13 and \$3.12, respectively, for 2021, 2022. At December 31, 2022 December 31, 2023,

total assets increased to \$17,360,535 from \$16,988,176 from \$16,810,311 at December 31, 2021 December 31, 2022. The changes in our financial condition and results of operations from 2021 2022 to 2022 2023 were driven by a number of factors, the most prominent of which are highlighted below:

Financial Highlights

- Net interest income increased \$57,297 \$38,029 to \$519,327 for 2023 as compared to \$481,298 for 2022 as compared to \$424,001 for 2021 2022. The increase from 2021 2022 to 2022 2023 was due to the continued increase in loan yields due to additional interest rate hikes by the current rate environment, Federal Reserve, as well as changes in the mix of earning assets during the year, partially offset by an increase in our cost of funds. The Company has continued increased on-balance sheet liquidity following the bank failures in March 2023 resulting in incremental interest expense, and competition for deposits increased significantly during the year driving a surge in interest expense when compared to focus on both growing noninterest-bearing deposits and offering competitive interest rates on interest-bearing deposits, 2022.
- Net charge-offs as a percentage of average loans were 0.04% 0.10% and 0.10% 0.07% in 2022 2023 and 2021, 2022, respectively. The Company recorded a provision for credit losses on loans of \$23,788 \$15,593 in 2022 2023 as compared to a recovery of provision for credit losses of \$1,700 \$23,871 in 2021, 2022. The increase year over year is reflective provision for credit losses was higher in 2022 due to the acquisition of loan growth Southeastern Commercial Finance, LLC and acquisitions. Republic Business Credit in March 2022 and December 2022, respectively.
- Noninterest income was \$113,075 for 2023 compared to \$149,253 for 2022 compared to \$226,984 for 2021. 2022. The decrease in noninterest income is primarily attributable to decreased mortgage production during net losses on sales of securities (including impairments) in connection with the year. repositioning of our securities portfolio.
- Noninterest expense was \$395,455 \$439,622 and \$429,826 \$395,372 for 2022 2023 and 2021, 2022, respectively. The decrease increase in noninterest expense is primarily attributable to decreases increases in salaries and employee benefits which was largely attributable and other noninterest expense. Lower levels of loan production contributing to lower deferred origination costs, the acquisition of Republic Business Credit and the FDIC special assessment accrued in the fourth quarter of 2023 also contributed to the decrease year-over-year increase in mortgage commissions and incentives as production declined. Data processing expense decreased \$6,826 during 2022 due to the renegotiation of certain contracts. The Company incurred a debt prepayment penalty of \$6,123 during 2021 with no such penalty occurring in 2022. noninterest expense.
- Loans, net of unearned income, were \$12,351,230 at December 31, 2023 compared to \$11,578,304 at December 31, 2022 compared to \$10,020,914 at December 31, 2021, an increase of 15.5% 6.7%.
- Deposits totaled \$14,076,785 at December 31, 2023 compared to \$13,486,966 at December 31, 2022 compared to \$13,905,724 at December 31, 2021. The decrease increase in deposits is primarily due to increased competition as well as an increase in money market and brokered deposits offset by a normalization of deposits following government stimulus programs decrease in prior years. noninterest-bearing deposits.

A historical look at key performance indicators is presented below.

	2022	2021	2020
	2023	2023	2023
Diluted EPS			
Diluted EPS	Diluted EPS	\$ 2.95	\$ 1.48
Diluted EPS Growth	Diluted EPS Growth	(5.45) %	(48.61) %
Diluted EPS Growth			
Diluted EPS Growth			
Shareholders' equity to assets			
Shareholders' equity to assets			
Shareholders' equity to assets	Shareholders' equity to assets	12.57 %	13.15 %
Tangible shareholders' equity to tangible assets ⁽¹⁾	Tangible shareholders' equity to tangible assets ⁽¹⁾	7.01 %	7.86 %
Tangible shareholders' equity to tangible assets ⁽¹⁾			
Tangible shareholders' equity to tangible assets ⁽¹⁾			
Return on Average Assets			
Return on Average Assets			
Return on Average Assets	Return on Average Assets	1.00 %	1.11 %
Return on Average Assets			

Return on Average Tangible Assets ⁽¹⁾	Return on Average Tangible Assets ⁽¹⁾	1.09	%	1.21	%	0.66	%
Return on Average Tangible Assets ⁽¹⁾							
Return on Average Shareholders' Equity							
Return on Average Shareholders' Equity							
Return on Average Shareholders' Equity	Return on Average Shareholders' Equity	7.60	%	7.96	%	3.96	%
Return on Average Tangible Shareholders' Equity ⁽¹⁾	Return on Average Tangible Shareholders' Equity ⁽¹⁾	13.97	%	14.53	%	7.83	%
Return on Average Tangible Shareholders' Equity ⁽¹⁾							
Return on Average Tangible Shareholders' Equity ⁽¹⁾							

(1) These performance indicators are non-GAAP financial measures. A reconciliation of these financial measures from GAAP to non-GAAP as well as an explanation of why the Company provides these non-GAAP financial measures can be found under the "Non-GAAP Financial Measures" heading at the end of this Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

Critical Accounting Policies and Estimates

Our financial statements are prepared using accounting estimates for various accounts. Wherever feasible, we utilize third-party information to provide management with estimates. Although independent third parties are engaged to assist us in the estimation process, management evaluates the results, challenges assumptions and considers other factors that could impact these estimates. We monitor the status of proposed and newly issued accounting standards to evaluate the impact (or potential impact) on our financial condition and results of operations or on the preparation of our financial statements. Our accounting policies, including the impact of newly issued accounting standards, are discussed in detail in Note 1, "Significant Accounting Policies," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report. The following discussion supplements the discussion of our significant accounting policies in the financial statements.

Allowance for Credit Losses on Loans

The accounting estimate most important to the presentation of our financial statements relates to the allowance for credit losses and the related provision for credit losses which involves considerable subjective judgment and evaluation by management. The allowance for credit losses is an estimate of expected losses inherent within the Company's loans held for investment portfolio and is maintained at a level believed adequate by management to absorb such expected credit losses, as prescribed by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic ("ASC") 326, "Financial Instruments - Credit Losses" ("ASC 326"; ASC 326 is also referred to herein as "CECL"). Although we consider all reasonably-available information that we believe is relevant to making the assumptions that underlie the Company's determination of the appropriate amount of the allowance for credit losses, future adjustments to the allowance may be necessary if actual economic or other conditions ultimately differ substantially from the assumptions we used in making the evaluation. Additionally, banking regulators periodically review our allowance for credit losses and may require us to recognize adjustments to the allowance based on their subjective judgment of information available to them at the time of their examination. Management evaluates the adequacy of the allowance for credit losses on a quarterly basis. Please refer to the discussion under the heading "Loans and the Allowance for Credit Losses" in Note 1, "Significant Accounting Policies," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report for more information regarding the estimates and assumptions, and the uncertainties underlying such estimates and assumptions, involved in the calculation of the allowance for credit losses.

For more information about our loan policies and procedures for addressing credit risk, as well as for a discussion of the changes in the allowance for credit losses in 2021 2023 and 2022, please refer to the disclosures in this Item under the heading "Risk Management – Credit Risk and Allowance for Credit Losses, Losses for Loans and Unfunded Commitments."

Business Combinations, Accounting for Purchased Loans

The Company accounts for its acquisitions under ASC 805, "Business Combinations," which requires the use of the acquisition method of accounting. For more information about the accounting for acquisitions, including the estimates and assumptions, and uncertainties underlying such estimates and assumptions, please refer to the information under the heading "Business Combinations, Accounting for Purchased Credit Deteriorated Loans and Related Assets" in Note 1, "Significant Accounting Policies," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Additional details about loans acquired in connection with our acquisitions is set forth below under the heading "Risk Management - Credit Risk and Allowance for Credit Losses."

Financial Condition

The following discussion provides details regarding the changes in significant balance sheet accounts at December 31, 2022 December 31, 2023 compared to December 31, 2021 December 31, 2022. Total assets were \$17,360,535 at December 31, 2023 compared to \$16,988,176 at December 31, 2022 compared to \$16,810,311 at December 31, 2021.

Securities

The securities portfolio is used to provide a source for meeting liquidity needs and to supply securities to be used in collateralizing certain deposits and other types of borrowings. The securities portfolio also serves as an outlet to deploy excess liquidity rather than hold such excess funds as cash. The following table shows the carrying value of our securities portfolio by investment type and the percentage of such investment type relative to the entire securities portfolio at December 31:

	2023		2022	
	Balance	% of Portfolio	Balance	% of Portfolio
Obligations of other U.S. Government agencies and corporations	\$ —	— %	\$ 164,660	5.76 %
Obligations of states and political subdivisions	322,764	15.05	436,788	15.28
Mortgage-backed securities	1,695,604	79.06	2,122,855	74.28
Other debt securities	126,407	5.89	133,711	4.68
	<u>\$ 2,144,775</u>	<u>100.00 %</u>	<u>\$ 2,858,014</u>	<u>100.00 %</u>
Allowance for credit losses - held to maturity securities	(32)		(32)	
Securities, net of allowance for credit losses	<u>\$ 2,144,743</u>		<u>\$ 2,857,982</u>	

	2022		2021	
	Balance	% of Portfolio	Balance	% of Portfolio
U.S. Treasury securities	\$ —	— %	\$ 3,010	0.11 %
Obligations of other U.S. Government agencies and corporations	164,660	5.76	—	—
Obligations of states and political subdivisions	436,788	15.28	426,751	15.23
Mortgage backed securities	2,122,855	74.28	2,313,167	82.54
Other debt securities	133,711	4.68	59,513	2.12
	<u>\$ 2,858,014</u>	<u>100.00 %</u>	<u>\$ 2,802,441</u>	<u>100.00 %</u>
Allowance for credit losses - held to maturity securities	(32)		(32)	
Securities, net of allowance for credit losses	<u>\$ 2,857,982</u>		<u>\$ 2,802,409</u>	

During 2023, we purchased \$11,899 in investment securities. Proceeds from the sale of securities totaled \$488,981, which were primarily used to pay down FHLB borrowings, and resulted in a pre-tax loss of \$22,438. During 2023, proceeds from maturities and calls of securities totaled \$258,978, and such proceeds were primarily used to fund loan growth.

During 2022, primarily in the first half of the year, we deployed a portion of our excess liquidity into the securities portfolio and purchased \$804,899 in investment securities, with ~~mortgage backed~~ ~~mortgage-backed~~ securities and collateralized mortgage obligations ("CMOs"), in the aggregate, comprising approximately 62% the majority of such purchases. CMOs are included in the ~~"Mortgage backed"~~ ~~"Mortgage-backed"~~ securities line item in the above table. The ~~mortgage backed~~ ~~mortgage-backed~~ securities and CMOs held in our investment portfolio are issued by government sponsored entities. ~~Obligations of other U.S. Government agencies and corporations~~ comprised approximately 21% of purchases made in 2022. ~~Obligations of state and political subdivisions~~ comprised approximately 5% of purchases in 2022. Other debt securities in our investment portfolio, consisting of ~~corporate debt securities, issuances from the Small Business Administration ("SBA") and subordinated debt issuances~~, comprised the remaining 12% of purchases made during the year. We did not sell any securities in 2022. During 2022, ~~proceeds~~ ~~Proceeds~~ from maturities and calls of securities during 2022 totaled \$452,955, and such proceeds ~~which~~ were primarily reinvested in the securities portfolio or used to fund loan growth.

During 2021, we purchased \$2,160,069 in investment securities, with ~~mortgage backed~~ ~~mortgage-backed~~ securities and CMOs, in the aggregate, comprising approximately 93% of such purchases. ~~Obligations of state and political subdivisions~~ made up the remainder of the purchases made in 2021. The carrying value of securities sold during 2021 totaled \$174,285 resulting in a net gain of \$2,170. Proceeds from maturities and calls of securities during 2021 totaled \$460,266, which were primarily reinvested in the securities portfolio.

During the year ended December 31, 2022, the Company transferred, at fair value, \$882,927 of securities from the available for sale portfolio to the held to maturity portfolio. The related net unrealized losses of \$99,675 (after tax losses of \$74,307) remained in accumulated other comprehensive income (loss) and ~~will be~~ are amortized over the remaining life of the securities, offsetting the related amortization of discount on the transferred securities. At ~~December 31, 2022~~, ~~December 31, 2023~~ and ~~2022~~, the net unrealized after tax losses remaining to be amortized in accumulated other comprehensive income (loss) was \$68,613. No gains or losses were recognized at the time of transfer.

During 2021, the Company transferred, at fair value, \$366,886 of securities from the available for sale portfolio to the held to maturity portfolio. The related net unrealized after tax gains of \$2,048 remained in accumulated other comprehensive income (loss) \$58,522 and ~~will be~~ amortized over the remaining life of the securities, offsetting the related amortization of discount on the transferred securities \$68,613, respectively. No gains or losses were recognized at the time of transfer.

The allowance for credit losses on held to maturity securities is evaluated on a quarterly basis in accordance with ASC 326. Expected credit losses on debt securities classified as held to maturity are measured on a collective basis by major security type. The estimates of expected credit losses are based on historical default rates, investment grades, current conditions, and reasonable and supportable forecasts about the future. At ~~December 31, 2022~~, ~~December 31, 2023~~ and ~~2021~~, the allowance for credit losses on held to maturity securities was \$32.

At ~~December 31, 2022~~, ~~December 31, 2023~~, unrealized losses of \$201,299 \$139,794 were recorded on available for sale investment securities with a carrying value of \$1,515,088, \$692,593. At ~~December 31, 2021~~, ~~December 31, 2022~~, unrealized losses of \$31,024 \$201,299 were recorded on available for sale securities with a carrying value of \$1,925,018. ~~The~~ \$1,515,088. At December 31, 2023, the Company ~~does not intend~~ had the intent to sell ~~any~~ a portion of ~~the~~ its securities in an unrealized loss position, and recognized a non-credit related impairment loss of \$19,352 in addition to losses on sales of securities earlier in the year of \$22,438. Notwithstanding the securities sales in 2023, it is not more likely than not that the Company ~~will~~ be required to sell any ~~such~~ security in the investment portfolio prior to the recovery of its amortized cost basis, which may be maturity. Furthermore, even though a number ~~more than~~ 90% of available for sale securities have the explicit or implicit backing of the United States government. Performance of these securities ~~have~~ has been in a continuous unrealized loss position line with broader market price performance, indicating to management that increases in market-based, risk free rates, and not credit-related factors, are the reason for a period greater than twelve months, the losses. For municipal and corporate securities, the Company ~~is collecting~~ ~~principal~~ considers historical experience with credit sensitive securities, current market conditions, the financial health of the issuer, current credit ratings, ratings changes and interest payments outlook, explicit and implicit guarantees, and/or insurance programs when determining the fair value of the contractual cash flows. Based on its review of these

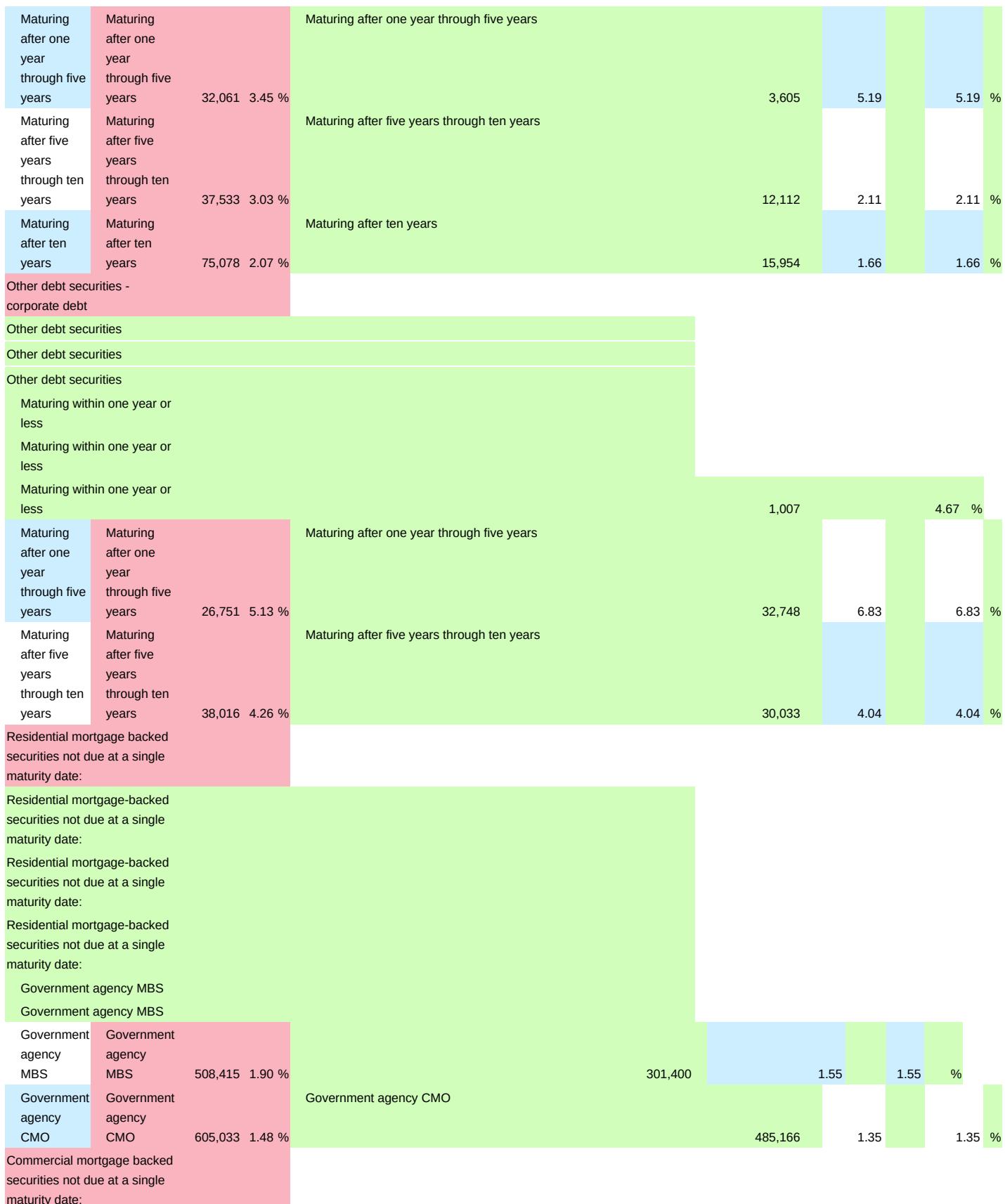
factors as of December 31, 2023 and 2022, the Company determined that all such losses resulted from the respective issuers as scheduled, factors not deemed credit related. As a result, the Company did not record any no credit-related impairment was recognized in current earnings, and all unrealized losses for the years ended December 31, 2022 and 2021.

available for sale securities were recorded in Other comprehensive income.

The following table sets forth the scheduled maturity distribution and weighted average yield based on the amortized cost of the debt securities in our investment portfolio as of December 31, 2022 December 31, 2023.

Held to Maturity:	Held to Maturity:	Amount	Yield	Amortized Cost	Yield
Obligations of states and political subdivisions					
Obligations of states and political subdivisions					
Obligations of states and political subdivisions					
Maturing within one year					
Maturing within one year					
Maturing within one year				\$ —	— %
Maturing after one year through five years					
year through five years					
years				7,770	1.66 %
Maturing after five years through ten years					
years through ten years					
years				80,233	1.83 %
Maturing after ten years					
years				200,152	2.15 %
Other debt securities					
Maturing after five years through ten years					
Maturing after five years through ten years					
Maturing after five years through ten years					
years				24,258	3.04 %
Maturing after ten years					
years				34,114	2.34 %
Residential mortgage-backed securities not due at a single maturity date:					
Government agency MBS					
Government agency MBS					
Government agency MBS					
Government agency CMO					
Government agency					
CMO				426,306	1.95 %
				387,208	1.89 %

Commercial mortgage- backed securities not due at a single maturity date:	Government agency MBS		
	Government agency MBS		
	Government agency MBS	16,983	1.79 %
	Government agency CMO	44,514	1.79 %
Available for Sale:			
Available for Sale:			
Available for Sale:			
Obligations of states and political subdivisions	Obligations of states and political subdivisions		
Maturing within one year	\$ 150 3.17 %		
Maturing after one year through five years	3,351 0.86 %		
Maturing after five years through ten years	53,650 1.75 %		
Maturing after ten years	234,735 1.85 %		
Residential mortgage backed securities not due at a single maturity date:			
Government agency MBS	483,560 3.40 %		
Government agency CMO	423,315 3.49 %		
Commercial mortgage backed securities not due at a single maturity date:			
Government agency MBS	17,006 1.79 %		
Government agency CMO	45,430 2.23 %		
Other debt securities not due at a single maturity date	62,875 3.27 %		
Available for Sale:			
Obligations of other U.S. Government agencies and corporations			
Maturing after one year through five years	170,000 3.32 %		
Obligations of states and political subdivisions			
Maturing within one year or less			
Maturing within one year or less			
Maturing within one year or less	9,393 3.26 %	4,703	3.02 %



Commercial mortgage- backed securities not due at a single maturity date:								
Government agency MBS	Government agency MBS	11,166	2.76 %	6,029	2.31	2.31	%	
Government agency CMO	Government agency CMO	211,435	2.03 %	161,299	1.99	1.99	%	
Other debt securities not due at a single maturity date		10,119	4.26 %					
Other debt securities not due at a single maturity date:				8,595			1.87	%
		\$3,059,072	1.79 %					
		\$						
		\$						
		\$						
		\$						
				2,284,189			1.90	%

In the table above, weighted average yields on tax-exempt obligations have been computed on a fully tax equivalent basis assuming a federal tax rate of 21% and a state tax rate of 4.45%, which is net of federal tax benefit. These yields were calculated using coupon interest and adjusting for the month of December of 2023, adjusted for discount accretion and premium amortization, where applicable.

For more information about the Company's securities, see Note 2, "Securities," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Loans Held for Sale

Loans held for sale were \$179,756 at December 31, 2023 compared to \$110,105 at December 31, 2022 compared to \$453,533 at December 31, 2021. Mortgage loans to be sold, which made up all of our loans held for sale at each of December 31, 2022 December 31, 2023 and 2021, 2022, are sold either on a "best efforts" basis or under a "mandatory delivery" sales agreement. Under a "best efforts" sales agreement, residential real estate originations are locked in at a contractual rate with third party private investors or directly with government sponsored entities, and the Company is obligated to sell the mortgages to such investors only if the mortgages are closed and funded. The risk we assume is conditioned upon loan underwriting and market conditions in the national mortgage market. Under a "mandatory delivery" sales agreement, the Company commits to deliver a certain principal amount of mortgage loans to an investor at a specified price and delivery date. Penalties are paid to the investor if we fail to satisfy the contract. Gains and losses are realized at the time consideration is received and all other criteria for sales treatment have been met. These loans are typically sold within 30-40 days after the loan is funded. Although loan fees and some interest income are derived from mortgage loans held for sale, the main source of income is gains from the sale of these loans in the secondary market. The decline in loans held for sale year over year is directly attributable to the decreased fluctuates based on mortgage production in 2022 when compared to 2021.

volume.

Loans

Loans held for investment, which excludes loans held for sale, is the Company's most significant earning asset, comprising 68.16% 71.15% and 59.61% 68.16% of total assets at December 31, 2022 December 31, 2023 and 2021, 2022, respectively. This percentage will fluctuate based on a number of factors, including the extent of our loan growth and whether the Company has excess liquidity on its balance sheet. The increase in the ratio of loans held for investment to total earning assets during 2022 is a result of a material increase in the demand for loans.

The tables below set forth the balance of loans outstanding by loan type and the percentage of loans, by category, to total loans at December 31:

	December 31, 2022		December 31, 2021	
	Total Loans	Percentage of Total Loans	Total Loans	Percentage of Total Loans
Commercial, financial, agricultural (1)	\$ 1,673,883	14.46 %	\$ 1,423,270	14.20 %

Lease financing, net of unearned discount	115,013	0.99 %	76,125	0.76 %
Real estate – construction:				
Residential	355,500	3.07 %	302,275	3.02 %
Commercial	974,837	8.42 %	802,621	8.01 %
Total real estate – construction	1,330,337	11.49 %	1,104,896	11.03 %
Real estate – 1-4 family mortgage:				
Primary	2,222,856	19.20 %	1,816,120	18.12 %
Home equity	501,906	4.33 %	474,604	4.74 %
Rental/investment	334,382	2.89 %	288,474	2.88 %
Land development	157,119	1.36 %	145,048	1.45 %
Total real estate – 1-4 family mortgage	3,216,263	27.78 %	2,724,246	27.19 %
Real estate – commercial mortgage:				
Owner-occupied	1,539,296	13.29 %	1,563,351	15.60 %
Non-owner occupied	3,452,910	29.82 %	2,856,947	28.51 %
Land development	125,857	1.09 %	128,739	1.28 %
Total real estate – commercial mortgage	5,118,063	44.20 %	4,549,037	45.39 %
Installment loans to individuals	124,745	1.08 %	143,340	1.43 %
Total loans, net of unearned income	\$ 11,578,304	100.00 %	\$ 10,020,914	100.00 %

(1) Includes PPP loans of \$4,832 of \$58,391 as of December 31, 2022 and 2021, respectively.

	December 31, 2023		December 31, 2022	
	Total Loans	Percentage of Total Loans	Total Loans	Percentage of Total Loans
Commercial, financial, agricultural	\$ 1,871,821	15.15 %	\$ 1,673,883	14.46 %
Lease financing, net of unearned discount	116,020	0.94 %	115,013	0.99 %
Real estate – construction:				
Residential	269,616	2.18 %	355,500	3.07 %
Commercial	1,063,781	8.61 %	974,837	8.42 %
Total real estate – construction	1,333,397	10.79 %	1,330,337	11.49 %
Real estate – 1-4 family mortgage:				
Primary	2,422,482	19.61 %	2,222,856	19.20 %
Home equity	522,688	4.23 %	501,906	4.33 %
Rental/investment	373,755	3.03 %	334,382	2.89 %
Land development	120,994	0.98 %	157,119	1.36 %
Total real estate – 1-4 family mortgage	3,439,919	27.85 %	3,216,263	27.78 %
Real estate – commercial mortgage:				
Owner-occupied	1,648,961	13.35 %	1,539,296	13.29 %
Non-owner occupied	3,733,174	30.23 %	3,452,910	29.82 %
Land development	104,415	0.85 %	125,857	1.09 %
Total real estate – commercial mortgage	5,486,550	44.43 %	5,118,063	44.20 %
Installment loans to individuals	103,523	0.84 %	124,745	1.08 %
Total loans, net of unearned income	\$ 12,351,230	100.00 %	\$ 11,578,304	100.00 %

Loan concentrations exist when there are amounts loaned to a number of borrowers engaged in similar activities that would cause them to be similarly impacted by economic or other conditions. At December 31, 2022 December 31, 2023 and 2021, 2022, there were no concentrations of loans exceeding 10% of total loans other than loans disclosed in the table above.

The following table sets forth loans held for investment, net of unearned income, outstanding at December 31, 2022 December 31, 2023, which, based on remaining contractually-scheduled repayments of principal, are due in the periods indicated. Loans with balloon payments and longer amortizations are often repriced and extended beyond the initial maturity when credit conditions remain satisfactory. Demand loans, loans having no stated schedule of repayments and no stated maturity, and overdrafts are reported below as due in one year or less. See "Risk Management – Credit Risk and Allowance for Credit Losses" Losses on Loans and Unfunded Commitments in this Item 7 for information regarding the risk elements applicable to, and a summary of our loan loss experience with respect to, the loans in each of the categories listed below.

	After One Year	After Five Years		
	Through Five Years	Through Fifteen Years	After Fifteen Years	Total
	One Year or Less	Years	Years	

Commercial, financial, agricultural ⁽¹⁾	\$ 1,103,371	\$ 436,416	\$ 133,798	\$ 298	\$ 1,673,883
Lease financing, net of unearned income	3,431	68,890	42,692	—	115,013
Real estate – construction:					
Residential	244,226	11,128	96,033	4,113	355,500
Commercial	745,602	163,268	63,585	2,382	974,837
Total real estate – construction	989,828	174,396	159,618	6,495	1,330,337
Real estate – 1-4 family mortgage:					
Primary	188,936	391,934	1,014,084	627,902	2,222,856
Home equity	499,824	1,900	73	109	501,906
Rental/investment	54,727	254,267	25,316	72	334,382
Land development	127,692	29,066	361	—	157,119
Total real estate – 1-4 family mortgage	871,179	677,167	1,039,834	628,083	3,216,263
Real estate – commercial mortgage:					
Owner-occupied	357,205	689,934	466,499	25,658	1,539,296
Non-owner occupied	1,517,116	1,422,737	512,619	438	3,452,910
Land development	49,760	75,101	996	—	125,857
Total real estate – commercial mortgage	1,924,081	2,187,772	980,114	26,096	5,118,063
Installment loans to individuals	36,595	55,265	31,894	991	124,745
Total loans, net of unearned income	\$ 4,928,485	\$ 3,599,906	\$ 2,387,950	\$ 661,963	\$ 11,578,304

(1) Includes PPP loans of \$4,832 of \$58,391 as of December 31, 2022 and 2021, respectively.

	\$ One Year or Less	After One Year	After Five Years	\$ After Fifteen Years	\$ Total
		Through Five Years	Through Fifteen Years		
Commercial, financial, agricultural	\$ 1,334,200	\$ 420,489	\$ 116,847	\$ 285	\$ 1,871,821
Lease financing, net of unearned income	4,060	68,131	43,829	—	116,020
Real estate – construction:					
Residential	164,585	11,575	85,391	8,065	269,616
Commercial	883,119	138,830	37,610	4,222	1,063,781
Total real estate – construction	1,047,704	150,405	123,001	12,287	1,333,397
Real estate – 1-4 family mortgage:					
Primary	180,935	453,947	1,025,956	761,644	2,422,482
Home equity	519,830	1,729	1,034	95	522,688
Rental/investment	56,525	292,047	25,113	70	373,755
Land development	105,670	15,028	296	—	120,994
Total real estate – 1-4 family mortgage	862,960	762,751	1,052,399	761,809	3,439,919
Real estate – commercial mortgage:					
Owner-occupied	440,906	712,556	476,931	18,568	1,648,961
Non-owner occupied	1,869,927	1,450,901	411,581	765	3,733,174
Land development	46,375	57,114	926	—	104,415
Total real estate – commercial mortgage	2,357,208	2,220,571	889,438	19,333	5,486,550
Installment loans to individuals	34,244	47,763	20,925	591	103,523
Total loans, net of unearned income	\$ 5,640,376	\$ 3,670,110	\$ 2,246,439	\$ 794,305	\$ 12,351,230

The following table sets forth the fixed and variable rate loans maturing or scheduled to reprice after one year as of December 31, 2022 December 31, 2023:

	Interest Sensitivity		Interest Sensitivity		Variable Rate
	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate	
Commercial, financial, agricultural	\$ 447,860	\$ 122,652			
Lease financing, net of unearned income	111,582	—			

Real estate – construction:	Real estate – construction:		
Residential	Residential	32,061	79,213
Residential			
Residential			
Commercial	Commercial	191,387	37,848
Total real estate – construction	Total real estate – construction	223,448	117,061
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:		
Primary			
Primary			
Primary	Primary	989,355	1,044,565
Home equity	Home equity	1,879	203
Rental/investment	Rental/investment	261,372	18,283
Land development	Land development	27,097	2,330
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	1,279,703	1,065,381
Real estate – commercial mortgage:	Real estate – commercial mortgage:		
Owner-occupied	Owner-occupied	1,065,435	116,656
Owner-occupied			
Owner-occupied			
Non-owner occupied	Non-owner occupied	1,716,535	219,259
Land development	Land development	73,517	2,580
Total real estate – commercial mortgage	Total real estate – commercial mortgage	2,855,487	338,495
Installment loans to individuals	Installment loans to individuals	85,337	2,813
Total loans, net of unearned income	Total loans, net of unearned income	\$5,003,417	\$1,646,402

Deposits

The Company relies on deposits as its major source of funds. Total deposits were \$14,076,785 and \$13,486,966 at December 31, 2023 and \$13,905,724 at December 31, 2022 and 2021, 2022, respectively. Noninterest-bearing deposits were \$3,583,675 and \$4,558,756 at December 31, 2023 and \$4,718,124 at December 31, 2022 and 2021, 2022, respectively, while interest-bearing deposits were \$10,493,110 and \$8,928,210 at December 31, 2023 and \$9,187,600 at December 31, 2022 and 2021, 2022, respectively. Interest-bearing deposits for included brokered deposits at December 31, 2023 and 2022 included of \$461,441 and \$233,133, of brokered deposits, respectively.

The decrease in noninterest-bearing deposits across the Company's footprint in 2023 and 2022 was primarily driven by increases in interest-bearing deposit rates. Management continues to focus on growing and maintaining a stable source of funding, specifically noninterest-bearing deposits and other core deposits (that is, deposits excluding brokered deposits and time deposits greater than \$250,000). Noninterest-bearing deposits decreased to 25.46% of total deposits at December 31, 2023, as compared to 33.80% of total deposits at December 31, 2022, as compared to 33.93% of total deposits at December 31, 2021, due to noninterest-bearing deposits being moved to other types of deposits or financial products bearing higher interest rates. Under certain circumstances, management may elect to acquire non-core deposits (in the form of brokered or time deposits) or public fund deposits (which are deposits of counties, municipalities or other political subdivisions). The source of funds that we select depends on the terms and how those terms assist us in mitigating interest rate risk, maintaining our liquidity position and managing our net interest margin. margin as well as business opportunities that may accompany deposits we acquire. Accordingly, funds are acquired to meet anticipated funding needs at the rate and with other terms that, in management's view, best address our interest rate risk, liquidity and net interest margin parameters.

Public fund deposits may be readily obtained based on the Company's pricing bid in comparison with competitors. Public fund deposits may fluctuate as competitive and market forces change because these deposits are obtained through a bid process. Although the Company has focused on growing stable sources of deposits to reduce reliance on public fund deposits, it participates in the bidding process for public fund deposits when pricing and other terms make it reasonable given market conditions or when management perceives that other factors, such as the public entity's use of our treasury management or other products and services, make such participation advisable. Our public fund transaction accounts are principally obtained from public universities and municipalities, including school boards and utilities. Public fund deposits at December 31, 2022 December 31, 2023 were \$1,760,460 \$1,866,495 compared to \$1,787,414 \$1,760,460 at December 31, 2021 December 31, 2022.

Deposits that are in excess of the FDIC insurance limit (or similar state deposit limit) were \$5,778,174 and \$6,017,030 at December 31, 2023 and 2022, respectively. Public fund deposits in excess of the FDIC insurance limits and limit but that are otherwise uninsured were \$4,114,274 and \$4,353,952 at December 31, 2022 and 2021, respectively. Collateralized by pledged securities in the Company's investment portfolio totaled \$1,485,684. The following table shows the maturity of time deposits at December 31, 2022 December 31, 2023 that are in excess of the FDIC insurance limit (or similar state deposit insurance limits) and that are otherwise uninsured:

Three Months or Less	\$ 45,201	218,089
Over Three through Six Months	33,392	246,454
Over Six through Twelve Months	170,924	210,453
Over 12 Months	109,272	23,960
Total	\$ 358,789	698,956

Borrowed Funds

Total borrowings include federal funds purchased, securities sold under agreements to repurchase, advances from the Federal Home Loan Bank ("FHLB"), subordinated notes and junior subordinated debentures and are classified on the Consolidated Balance Sheets as either short-term borrowings or long-term debt. Short-term borrowings have original maturities less than one year and typically include federal funds purchased, securities sold under agreements to repurchase, and short-term FHLB advances. During 2023 and 2022, we used short-term FHLB borrowings to fund meet anticipated short-term liquidity needs, which varied throughout the year in response to loan growth, demand and competition for deposits. The weighted-average interest rates on outstanding advances at December 31, 2023 and 2022 were 5.70% and 4.57%, respectively. The following table presents our short-term borrowings by type at December 31:

	2022	2021	
	2023		2022
Security repurchase agreements	Security repurchase agreements	\$ 12,232	\$ 13,947
Short-term borrowings from the FHLB	Short-term borrowings from the FHLB	700,000	—
Short-term borrowings from the FHLB	Short-term borrowings from the FHLB		
Total short-term borrowings	Total short-term borrowings	\$712,232	\$ 13,947
Total short-term borrowings	Total short-term borrowings		
Total short-term borrowings	Total short-term borrowings		

At December 31, 2022 December 31, 2023, long-term debt consists of long-term FHLB advances, our junior subordinated debentures and our subordinated notes, notes; no long-term FHLB advances were outstanding. The following table presents our long-term debt by type at December 31:

	2023		2022
	2022	2021	
Federal Home Loan Bank advances	\$ —	\$ 417	
Junior subordinated debentures			
Junior subordinated debentures			
Junior subordinated debentures	Junior subordinated debentures	112,042	111,373
Subordinated notes	Subordinated notes	316,091	359,419

Total long-term debt	\$428,133	\$471,209
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Long-term FHLB borrowings are used to match-fund against large, fixed rate commercial or real estate loans with long-term maturities, which helps mitigate interest rate exposure when rates rise. The Company had \$3,651,678 \$2,922,315 of availability on unused lines of credit with the FHLB at December 31, 2022 December 31, 2023 compared to \$4,214,274 \$3,651,678 at December 31, 2021 December 31, 2022. The weighted-average interest rates on outstanding advances at December 31, 2022 and 2021 were 4.57% and 1.86%, respectively.

On November 23, 2021, the Company completed the public offering and sale of \$200,000 of its 3.00% fixed-to-floating rate subordinated notes due December 1, 2031. The subordinated notes were sold at par, resulting in net proceeds, after deducting underwriting discounts and offering expenses, of approximately \$197,000. The Company intends to use the net proceeds from this offering for general corporate purposes, which may include providing capital to support the Company's organic growth or growth through strategic acquisitions, repaying indebtedness, financing investments, capital expenditures or for investments in Renasant Bank as regulatory capital.

During October and December 2021, respectively, the Company redeemed at par its \$15,000 6.50% fixed-to-floating rate subordinated notes and redeemed \$30,000 of its aggregate \$60,000 5.00% fixed-to-floating rate subordinated notes, with the remaining \$30,000 of such notes redeemed in the first quarter of 2022.

The Company owns other subordinated notes, the proceeds of which have been used for general corporate purposes similar to those described above. The subordinated notes qualify as Tier 2 capital under the current regulatory guidelines.

The Company owns the outstanding common securities of business trusts that issued corporation-obligated mandatorily redeemable preferred capital securities to third-party investors. The trusts used the proceeds from the issuance of their preferred capital securities and common securities (collectively referred to as "capital securities") to buy floating rate junior subordinated debentures issued by the Company (or by companies that the Company subsequently acquired). The debentures are the trusts' only assets and interest payments from the debentures finance the distributions paid on the capital securities.

For more information about the terms and conditions of the Company's junior subordinated debentures and subordinated notes, see Note 11, "Long-Term Debt," in the Notes to the Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Results of Operations

Net Income

Net income for the year ended December 31, 2022 December 31, 2023 was \$166,068 \$144,678 compared to net income of \$175,892 \$166,068 for the year ended December 31, 2021 December 31, 2022. Basic earnings per share for the year ended December 31, 2022 December 31, 2023 was \$2.97 \$2.58 as compared to \$3.13 \$2.97 for the year ended December 31, 2021 December 31, 2022. Diluted earnings per share for the year ended December 31, 2022 December 31, 2023 was \$2.95 \$2.56 as compared to \$3.12 \$2.95 for the year ended December 31, 2021 December 31, 2022.

From time to time, the Company incurs expenses and charges in connection with certain transactions with respect to which management is unable to accurately predict when these expenses or charges will be incurred or, when incurred, the amount of such expenses or charges. The following table presents the impact of these expenses and charges on reported EPS for the dates presented. The "COVID-19 related expenses" line item in the table below primarily consists of (a) employee overtime and employee benefit accruals directly related to the Company's response to both the COVID-19 pandemic itself and federal legislation enacted to address the pandemic, such as the CARES Act, and (b) expenses associated with supplying branches with protective equipment, sanitation supplies (such as floor markings and cautionary signage for branches, face coverings and hand sanitizer) and more frequent and rigorous branch cleaning. The mortgage servicing rights ("MSRs") valuation adjustment, gain on the sale of MSRs mortgage servicing rights ("MSRs"), gain on extinguishment of debt and swap termination gains losses on security sales are discussed below under the "Noninterest Income" heading, and the debt prepayment penalty, restructuring charges and the voluntary reimbursement of certain re-presentation NSF fees are discussed below under the "Noninterest Expense" heading in this Item.

	Twelve Months Ended December 31,			Twelve Months Ended December 31,			Twelve Months Ended December 31,					
	2022			2021								
	Pre-tax			Impact to Diluted			Impact to Diluted					
	Pre-tax			Pre-tax	After-tax	EPS	Pre-tax	After-tax	EPS			
MSR valuation adjustment	\$	—	\$	—	\$	—	\$	(13,561)	\$	(10,522)	\$	(0.19)
Gain on sale of MSR	Gain on sale of MSR	(2,960)		(2,296)		(0.04)		—		—		—
Swap termination gains		—		—		—		(4,676)		(3,628)		(0.06)
COVID-19 related expenses		—		—		—		1,511		1,172		0.02
Gain on sale of MSR												
Gain on sale of MSR												
Restructuring charges												

Restructuring charges							
Restructuring charges	Restructuring charges	732	568	0.01	368	286	0.01
Merger and conversion expenses	Merger and conversion expenses	1,787	1,386	0.02	—	—	—
Debt prepayment penalty	—	—	—	—	6,123	4,751	0.08
Merger and conversion expenses	—	—	—	—	—	—	—
Merger and conversion expenses	—	—	—	—	—	—	—
Gain on extinguishment of debt	—	—	—	—	—	—	—
Gain on extinguishment of debt	—	—	—	—	—	—	—
Gain on extinguishment of debt	—	—	—	—	—	—	—
Initial provision for acquisition	—	—	—	—	—	—	—
Initial provision for acquisition	—	—	—	—	—	—	—
Initial provision for acquisition	Initial provision for acquisition	2,820	2,187	0.04	—	—	—
Voluntary reimbursement of certain representation NSF fees	Voluntary reimbursement of certain representation NSF fees	1,255	973	0.02	—	—	—
Voluntary reimbursement of certain representation NSF fees	—	—	—	—	—	—	—
Voluntary reimbursement of certain representation NSF fees	—	—	—	—	—	—	—
Losses on security sales (including impairments)	—	—	—	—	—	—	—
Losses on security sales (including impairments)	—	—	—	—	—	—	—
Losses on security sales (including impairments)	—	—	—	—	—	—	—
Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).	Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).						
Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).	Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).						
Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).	Note: Balances in the table above are shown to reflect impact to income if removed (i.e. negative balances for income items and positive balances for expense items).						

Net Interest Income

Net interest income, the difference between interest earned on assets and the cost of interest-bearing liabilities, is the largest component of our net income, comprising **76.64%** **82.43%** of total net revenue in **2022, 2023**. Total net revenue consists of net interest income on a fully taxable equivalent basis and noninterest income. The primary concerns in managing net interest income are the volume, mix and repricing of assets and liabilities.

Net interest income increased **13.51%** **7.90%** to \$519,327 for 2023 compared to \$481,298 for 2022 compared to \$424,001 in **2021, 2022**. On a tax equivalent basis, net interest income increased **\$58,984** **\$40,636** to **\$530,340** in 2023 as compared to **\$489,704** in **2022** as compared to **\$430,720** in **2021, 2022**. Net interest margin was **3.30%** **3.45%** for **2022, 2023** as compared to **3.07%** **3.30%** for **2021**.

2022.

The following table sets forth the daily average balance sheet data, including all major categories of interest-earning assets and interest-bearing liabilities, together with the interest earned or interest paid and the average yield or average rate on each such category for the years ended **December 31, 2022** **December 31, 2023**, **2021** **2022** and **2020**: **2021**:

	2022	2021	2020
	2023		

	Assets	Interest			Interest			Interest						Interest Income/ Expense	Yield/ Rate
		Average		Income/ Expense	Yield/ Rate	Average		Income/ Expense	Yield/ Rate	Average		Income/ Expense	Yield/ Rate		
		Balance				Balance				Balance					
Assets	Assets														
Interest-earning assets:	Interest-earning assets:														
Interest-earning assets:	Interest-earning assets:														
Loans held for investment ⁽¹⁾	Loans held for investment ⁽¹⁾														
Loans held for investment ⁽¹⁾	Loans held for investment ⁽¹⁾														
Investment ⁽¹⁾	Investment ⁽¹⁾	\$10,677,995	\$476,746	4.46 %	\$10,310,070	\$427,296	4.15 %	\$10,593,556	\$458,686	4.33 %	\$11,963,141	\$	\$713,897	5.97	5.97 %
Loans held for sale	Loans held for sale	203,981	9,212	4.52 %	454,727	12,632	2.78 %	361,391	12,191	3.37 %	for sale	181,253	11,807	11,807	6.51
Securities:	Securities:														
Taxable ⁽²⁾	Taxable ⁽²⁾														
Taxable ⁽²⁾	Taxable ⁽²⁾	2,654,621	44,750	1.69 %	1,691,531	24,370	1.44 %	1,021,999	24,102	2.36 %	2,313,874	44,619	44,619	1.93	1.93 %
Tax-exempt	Tax-exempt	446,895	10,655	2.38 %	335,399	9,418	2.81 %	259,705	8,848	3.41 %	Tax-exempt	332,749	7,634	7,634	2.29
Total securities	Total securities	3,101,516	55,405	1.79 %	2,026,930	33,788	1.67 %	1,281,704	32,950	2.57 %	securities	2,646,623	52,253	52,253	1.97
Interest-bearing balances with banks	Interest-bearing balances with banks														
banks	banks	846,768	8,853	1.05 %	1,263,364	1,688	0.13 %	385,810	1,190	0.31 %	with banks	568,155	30,375	30,375	5.35
Total interest-earning assets	Total interest-earning assets														
		14,830,260	550,216	3.71 %	14,055,091	475,404	3.38 %	12,622,461	505,017	4.00 %	assets	15,359,172	808,332	808,332	5.26
Cash and due from banks	Cash and due from banks														
		201,419			199,705			201,815							
Intangible assets	Intangible assets														
		967,018			966,733			973,287							
Intangible assets	Intangible assets														
Other assets	Other assets														
		639,155			684,457			705,886							
Total assets	Total assets	\$16,637,852			\$15,905,986			\$14,503,449							
Total assets	Total assets														
Liabilities and shareholders' equity	Liabilities and shareholders' equity														
Liabilities and shareholders' equity	Liabilities and shareholders' equity														
Liabilities and shareholders' equity	Liabilities and shareholders' equity														
Interest-bearing liabilities:	Interest-bearing liabilities:														
Interest-bearing liabilities:	Interest-bearing liabilities:														

(1) Shown net of unearned income.

(2) U.S. Government and some U.S. Government Agency securities are tax-exempt in the states in which we operate.

(3) Interest-bearing demand deposits include interest-bearing transactional accounts and money market deposits.

The daily average balances of nonaccruing assets are included in the foregoing table. Interest income and weighted average yields on tax-exempt loans and securities have been computed on a fully tax equivalent basis assuming a federal tax rate of 21% and a state tax rate of 4.45%, which is net of federal tax benefit.

Net interest income and net interest margin are influenced by internal and external factors. Internal factors include balance sheet changes in volume and mix as well as loan and deposit pricing decisions. External factors include changes in market interest rates, competition and the shape of the interest rate yield curve. During 2022, 2023, net interest income growth was primarily driven by increasing the rising rate environment throughout 2022 and 2023. The higher interest rates benefited yields on earnings assets, which, coupled with steady loan yields and changes growth, resulted in the mix of earning assets due to loan growth, an increase in interest income year over year. This growth increase was partially offset by an increase in interest expense. The rising interest rates negatively impacted both the cost and mix of our funding sources, and management's decision to increase on-balance sheet liquidity following the bank failures in March 2023 also resulted in higher cost of funds and interest expense. The Company has continued its efforts to mitigate increases in the cost of funding through maintaining noninterest-bearing deposits, staying disciplined yet competitive in pricing on interest-bearing deposits in the current rate environment and liabilities, accessing alternative sources of liquidity, such as brokered deposits. In 2023, however, management's paramount concern was ensuring the safe and sound operation of the Bank in light of industry-wide conditions, which led to the Company significantly increasing its brokered deposits and borrowed funds in the 2023 as compared to 2022 to maintain robust on-balance sheet liquidity.

The following table sets forth a summary of the changes in interest earned, on a tax equivalent basis, and interest paid resulting from changes in volume and rates for the Company for the years 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 been allocated on a pro-rata basis using the absolute ratio value of amounts calculated.

		2022 Compared to 2021			2021 Compared to 2020			2023 Compared to 2022			2022 Compared to 2021		
		Volume	Rate	Net	Volume	Rate	Net	Volume	Rate	Net	Volume	Rate	Net
Interest income:	Interest income:												
Loans	Loans	\$ 15,638	\$33,812	\$49,450	\$(17,322)	\$(14,068)	\$(31,390)						
Loans													
Loans held for sale	Loans held for sale	(9,007)	5,587	(3,420)	2,802	(2,361)	441						
Securities:	Securities:												
Taxable	Taxable	15,693	4,687	20,380	11,853	(11,585)	268						
Tax-exempt	Tax-exempt	2,805	(1,568)	1,237	2,296	(1,726)	570						
Interest-bearing balances with banks	Interest-bearing balances with banks	(731)	7,896	7,165	1,479	(981)	498						
Total interest-earning assets	Total interest-earning assets	24,398	50,414	74,812	1,108	(30,721)	(29,613)						
Interest expense:	Interest expense:												
Interest-bearing demand deposits	Interest-bearing demand deposits												
Interest-bearing demand deposits	Interest-bearing demand deposits	625	9,907	10,532	3,586	(12,273)	(8,687)						
Savings deposits	Savings deposits	109	216	325	181	(241)	(60)						
Brokered deposits	Brokered deposits	1,047	—	1,047	—	—	—						

Time deposits	Time deposits	(1,730)	(3,942)	(5,672)	(5,305)	(10,988)	(16,293)
Borrowed funds	Borrowed funds	5,797	3,799	9,596	(8,092)	6,481	(1,611)
Total interest-bearing liabilities	Total interest-bearing liabilities	5,848	9,980	15,828	(9,630)	(17,021)	(26,651)
Change in net interest income	Change in net interest income	\$ 18,550	\$ 40,434	\$ 58,984	\$ 10,738	\$ (13,700)	\$ (2,962)

The daily average balances of nonaccruing assets are included in the foregoing table. Interest income and weighted average yields on tax-exempt loans and securities have been computed on a fully tax equivalent basis assuming a federal tax rate of 21% and a state tax rate of 4.45%, which is net of federal tax benefit.

Interest income, on a tax equivalent basis, was \$808,332 for 2023 compared to \$550,216 for 2022, compared to \$475,404 for 2021, an increase of \$74,812. \$258,116. The following table presents the percentage of total average earning assets, by type and yield, for 2022 2023 and 2021: 2022:

	Percentage of Total				Yield				
	2022		2021		2022		2021		
Loans held for investment excluding									
PPP loans	71.90	%	70.16	%	4.46	%	4.08	%	
Paycheck Protection Program loans	0.10		3.19		4.91		5.52		
Loans held for investment									
Loans held for investment									
Loans held for investment									
Loans held for sale									
Loans held for sale									
Loans held for sale									
Loans held for sale	1.38		3.24		4.52		2.78		
Securities	Securities	20.91		14.42		1.79		1.67	
Securities									
Securities									
Interest-bearing balances with banks									
Interest-bearing balances with banks									
Interest-bearing balances with banks	Interest-bearing balances with banks	5.71		8.99		1.05		0.13	
Total earning assets	Total earning assets	100.00	%	100.00	%	3.71	%	3.38	%
Total earning assets									
Total earning assets									

In 2022, 2023, interest income on loans held for investment, on a tax equivalent basis, increased \$49,450 \$237,151 to \$713,897 from \$476,746 from \$427,296 in 2021, 2022. This increase was primarily due to additional interest rate increases by the Federal Reserve aggressively raising interest rates since March 2022, coupled with loan growth a \$1,285,146 increase in our average balance of 15.54% loans to \$11,963,141 in 2023 from December 31, 2021, \$10,677,995 in 2022.

The impact from interest income collected on problem loans and purchase accounting adjustments on purchased loans to total interest income on loans, loan yield and net interest margin is shown in the table below for the periods presented:

	Twelve months ended December 31,	Twelve months ended December 31,	Twelve months ended December 31,
	2022	2022	2021
	Twelve months ended December 31,	Twelve months ended December 31,	Twelve months ended December 31,
	2022	2022	2021

Net interest income collected on problem loans	Net interest income collected on problem loans	\$ 2,949	\$ 4,412
Net interest income collected on problem loans			
Net interest income collected on problem loans			
Accretable yield recognized on purchased loans ⁽¹⁾			
Accretable yield recognized on purchased loans ⁽¹⁾			
Accretable yield recognized on purchased loans ⁽¹⁾	Accretable yield recognized on purchased loans ⁽¹⁾	5,198	10,783
Total impact to interest income on loans	Total impact to interest income on loans	\$ 8,147	\$ 15,195
Total impact to interest income on loans			
Total impact to interest income on loans			
Impact to total loan yield			
Impact to total loan yield			
Impact to total loan yield	Impact to total loan yield	0.08 %	0.15 %
Impact to net interest margin	Impact to net interest margin	0.05 %	0.11 %
Impact to net interest margin			
Impact to net interest margin			

(1) Includes additional interest income recognized in connection with the acceleration of paydowns and payoffs from purchased loans of \$2,274 \$2,002 and \$5,293 \$2,274 for the twelve months ended December 31, 2022 December 31, 2023 and 2021, 2022, respectively, which increased loan yield by 2 basis points for both 2023 and 4 basis points, respectively, for 2022 and 2021, 2022.

Interest income on loans held for sale, on a tax equivalent basis, decreased \$3,420 increased \$2,595 to \$11,807 in 2023 from \$9,212 in 2022, from \$12,632 in 2021. The due to an increase in yields was during 2023, offset slightly by decreases a decrease in volume the average balance of loans held for sale during 2022, the year.

In 2022 2023, investment income, on a tax equivalent basis, increased \$21,617 decreased \$3,152 to \$52,253 from \$55,405 from \$33,788 in 2021 2022, primarily due to the decrease in the balance of the securities portfolio during the year, offset by the increase in yield on securities during 2023 due to the sale or maturity of lower yielding securities. The following table presents the taxable equivalent yield on securities for the periods presented:

	Twelve months ended December 31,	
	2022	2021
Taxable equivalent interest income on securities	\$ 55,405	\$ 33,788
Average securities	\$ 3,101,516	\$ 2,026,930
Taxable equivalent yield on securities	1.79 %	1.67 %

The increase in yield on securities during 2022 was due to purchases of higher yielding securities. The increase in yield, coupled with growth in the securities portfolio, during 2022 led to the growth in investment income, on a tax equivalent basis.

	Twelve months ended December 31,	
	2023	2022
Taxable equivalent interest income on securities	\$ 52,253	\$ 55,405
Average securities	\$ 2,646,623	\$ 3,101,516
Taxable equivalent yield on securities	1.97 %	1.79 %

Interest expense was \$277,992 in 2023 compared to \$60,512 in 2022 compared to \$44,684 in 2021 2022. The following table presents, by type, the Company's funding sources, which consist of total average deposits and borrowed funds, and the total cost of each funding source for each of the years presented:

	Noninterest-bearing demand	Percentage of Total		Cost of Funds	
		2022	2021	2022	2021
Noninterest-bearing demand	Noninterest-bearing demand	33.39 %	32.00 %	— %	— %
Noninterest-bearing demand					
Noninterest-bearing demand					

Interest-bearing demand	Interest-bearing demand	45.04	45.84	0.40	0.25
Savings	Savings	7.83	7.25	0.09	0.07
Savings					
Brokered deposits	Brokered deposits	0.17	—	4.43	—
Time deposits	Time deposits	9.19	11.42	0.56	0.84
Time deposits					
Borrowed funds	Borrowed funds	4.38	3.49	4.05	3.34
Total deposits and borrowed funds	Total deposits and borrowed funds	100.00	%	100.00	%
Total deposits and borrowed funds				0.42	%
Total deposits and borrowed funds				0.33	%

Interest expense on deposits was \$232,331 and \$35,208 for 2023 and \$28,976 for 2022, and 2021, respectively. The cost of total deposits was 0.26% 1.67% and 0.22% 0.26% for the years ending December 31, 2022 December 31, 2023 and 2021, 2022, respectively. The cost of interest-bearing deposits was 0.40% 2.35% and 0.33% 0.40% for the same respective periods. The increase in both deposit expense and cost is attributable to the Company's efforts to offer competitive deposit rates in the rising interest rate environment and its decision to maintain additional on-balance sheet liquidity following the bank failures and broader industry concerns about bank liquidity that arose in March 2023. During 2022 2023, the Company continued its efforts to grow maintain noninterest-bearing deposits. Low cost deposits continue to be the preferred choice of funding; however, the Company may rely on brokered deposits or wholesale borrowings when advantageous. advantageous or otherwise deemed advisable due to market conditions.

Interest expense on total borrowings was \$25,304 \$45,661 and \$15,708 \$25,304 for the years ending December 31, 2022 December 31, 2023 and 2021, 2022, respectively, while the cost of total borrowings was 4.05% 5.13% and 3.34% 4.05% for the years ended December 31, 2022 December 31, 2023 and 2021, 2022, respectively. The increase in interest expense is a result of higher average borrowings and interest rates driven by an increase in short-term FHLB borrowings in the latter part of 2022, 2022 and beginning of 2023. The Company issued \$200,000 repayment of its 3.00% fixed-to-floating rate subordinated notes FHLB borrowings during 2021 and redeemed certain tranches of subordinated notes in 2023 had a nominal impact to interest expense for the third quarter of 2021 and first quarter of 2022, year ended December 31, 2023.

A more detailed discussion of the cost of our funding sources is set forth below under the heading "Liquidity and Capital Resources" in this item. For more information about our outstanding subordinated notes and junior subordinated debentures, see Note 11, "Long-Term Debt," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Noninterest Income

Noninterest Income to Average Assets	
(Excludes securities gains/losses)	
2022	2021
0.90%	1.43%

Noninterest Income to Average Assets	
2023	2022
0.66%	0.90%

Note: the 2023 noninterest income to average assets ratio was negatively impacted by 13 basis points due to losses on sales and impairments of securities.

Total noninterest income includes fees generated from deposit services and other fees and commissions, income from our insurance, wealth management and mortgage banking operations, realized gains and losses on the sale or impairment of securities and all other noninterest income. Our focus is to develop and enhance our products that generate noninterest income in order to diversify our revenue sources. Noninterest income as a percentage of total net revenue was 17.57% and 23.36% for 2023 and 34.51% for 2022, and 2021, respectively. Noninterest income was \$149,253 \$113,075 for the year ended December 31, 2022 December 31, 2023, a decrease of \$77,731, \$36,178, or 34.25% 24.24%, as compared to \$226,984 \$149,253 for 2021, 2022. The decrease during the year was driven primarily by lower mortgage banking production, which is discussed below, the loss on the sale of securities (including impairment charges) during 2023.

Service charges on deposit accounts include maintenance fees on accounts, per item charges, account enhancement charges for additional packaged benefits and overdraft fees. Service charges on deposit accounts were **\$39,957** **\$39,199** and **\$36,569** **\$39,957** for the twelve months ended **December 31, 2022** **December 31, 2023** and **2021**, 2022, respectively. Overdraft fees, the largest component of service charges on deposits, **increased/decreased** to **\$21,575** **\$20,095** for the twelve months ended **December 31, 2022** **December 31, 2023** compared to **\$19,140** **\$21,575** for the same period in **2021**, 2022. The Company completed its plans to eliminate certain overdraft and NSF fees, which **will become** effective January 1, 2023. These fees totaled approximately \$5,500 and \$4,700 in 2022 and 2021, respectively.

Fees and commissions increased to **\$17,268** **\$17,901** in **2022** **2023** as compared to **\$15,732** **\$17,268** in **2021**, 2022. Fees and commissions include fees related to deposit services, such as ATM fees and interchange fees on debit card transactions. Interchange fees on debit card transactions, the largest component of fees and commissions, were **\$9,899** **\$9,383** for the twelve months ended **December 31, 2022** **December 31, 2023** compared to **\$10,405** **\$9,899** for the same period in **2021**, 2022.

Through Renasant Insurance, we offer a range of commercial and personal insurance products through major insurance carriers. Income earned on insurance products was **\$10,754** **\$11,102** and **\$9,841** **\$10,754** for the years ended **December 31, 2022** **December 31, 2023** and **2021**, 2022, respectively. Contingency income is a bonus received from the insurance underwriters and is based both on commission income and claims experience on our clients' policies during the previous year. Increases and decreases in contingency income are reflective of corresponding increases and decreases in the amount of claims paid by insurance carriers. Contingency income, which is included in the "Other noninterest income" line item on the Consolidated Statements of Income, was **\$970** and **\$567** for 2023 and **\$1,063** for 2022, and 2021, respectively.

Our Wealth Management segment has two divisions: Trust and Financial Services. The Trust division operates on a custodial basis which includes administration of benefit plans, as well as accounting and money management for trust accounts. The division manages a number of trust accounts inclusive of personal and corporate benefit accounts, IRAs, and custodial accounts. Fees for managing these accounts are based on changes in market values of the assets under management in the account, with the amount of the fee depending on the type of account. The Financial Services division provides specialized products and services to our customers, which include fixed and variable annuities, mutual funds, and stocks offered through a third party provider. Wealth Management revenue was **\$22,132** for 2023 compared to **\$22,339** for 2022 compared to **\$20,455** for 2021, 2022. The market value of assets under management or administration was **\$5,238,131** and **\$5,004,329** at December 31, 2023 and **\$5,177,984** at December 31, 2022 and 2021, 2022, respectively.

Mortgage banking income is derived from the origination and sale of mortgage loans and the servicing of mortgage loans that the Company has sold but retained the right to service. Although loan fees and some interest income are derived from mortgage loans held for sale, the main source of income is gains from the sale of these loans in the secondary market. Originations of mortgage loans to be sold totaled **\$1,330,912** in 2023 and **\$1,679,356** in 2022 and **\$4,059,927** in 2021, 2022. The decrease in mortgage loan originations in 2022, 2023 was due to the continued material increases in mortgage interest rates from historically low rates and exacerbated by a general lack of housing supply, each of which significantly dampened demand for mortgages nationwide. In 2022, the Company sold a portion of its mortgage servicing rights portfolio with a carrying value of \$15,565 for a pre-tax gain of \$2,960; there were no such sales \$2,960. The Company recognized a gain of \$547 in 2021. Mortgage banking income was impacted in 2021 by 2023 related to a positive holdback on those previously sold mortgage servicing rights valuation adjustment of \$13,561 with no such valuation adjustment in 2022, assets.

The following table presents the components of mortgage banking income included in noninterest income at December 31:

		2022		2021
		2023		
		2023		
		2023		
Gain on sales of loans, net ⁽¹⁾				
Gain on sales of loans, net ⁽¹⁾				
Gain on sales of loans, net ⁽¹⁾	Gain on sales of loans, net ⁽¹⁾	\$ 15,803	\$ 82,399	
Fees, net	Fees, net	10,371		17,161
Fees, net				
Fees, net				
Mortgage servicing income, net ⁽²⁾	Mortgage servicing income, net ⁽²⁾	9,620		(3,517)
MSR valuation adjustment		—		13,561
Mortgage servicing income, net ⁽²⁾				
Mortgage servicing income, net ⁽²⁾				
Mortgage banking income, net	Mortgage banking income, net	\$ 35,794	\$ 109,604	
Mortgage banking income, net				
Mortgage banking income, net				

(1) Gain on sales of loans, net includes pipeline fair value adjustments

(2) Mortgage servicing income, net includes gain on sale of mortgage servicing rights of \$547 and \$2,960, respectively.

During 2021, the Company terminated four interest rate swap contracts with notional amounts Losses on sales of \$25,000 each. These swaps hedged forecasted future FHLB borrowings which were no longer expected to occur at the time of termination. As a result of these terminations, the Company recognized a gain of \$4,676 securities for the year twelve months ended December 31, 2021, 2023 were \$22,438, resulting from the sale of approximately \$511,419 in securities. The Company also determined to sell a portion of its available-for-sale securities portfolio in December of 2023 and thus recognized an impairment on those identified securities of \$19,352 as of year-end (the securities were subsequently sold in January 2024).

There were no net gains or losses on sales of securities during 2022. Gains on sales of securities for the twelve months ended 2021 were \$2,170, resulting from the sale of approximately \$174,285 in securities. For more information on securities sold in 2021, see Note 2, "Securities," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Bank-owned life insurance ("BOLI") income is derived from changes in the cash surrender value of the bank-owned life insurance policies and can fluctuate upon the collection of life insurance proceeds. BOLI income increased to \$9,267 \$10,463 in 2022 as compared to \$7,366 \$9,267 in 2021. The Company purchased \$80,000 in additional BOLI policies during the first quarter of 2022 accounting for 2022. No such purchases were made in 2023.

The Company recognized a \$620 gain in 2023 in connection with the increase in BOLI income, extinguishment of \$3,300 of its subordinated debt.

In addition to the contingency income described above, other noninterest income includes income from our SBA banking division, our capital markets division and other miscellaneous income and can fluctuate based on the claims experience in our Insurance agency, SBA production and recognition of other nonseasonal income items. For 2023 other noninterest income included a one-time payment of \$2,300 related to our participation in a recovery agreement assumed as part of a previous acquisition. Other noninterest income was \$21,035 for 2023 compared to \$13,874 for 2022 compared to \$20,571 for 2021.

Noninterest Expense

Noninterest Expense to Average Assets	
2022	2021
2.38%	2.70%

Noninterest Expense to Average Assets	
2023	2022
2.55%	2.38%

Noninterest expense was \$395,455 \$439,622 and \$429,826 \$395,372 for 2023 and 2022, and 2021, respectively. As mentioned previously, the Company incurred expenses in connection with certain transactions with respect to which management is unable to accurately predict when these expenses will be incurred or, when incurred, the amount of such expenses. The following table presents these expenses for the periods presented:

	Twelve Months Ended December 31,	
	2022	2021
COVID-19 related expenses	\$ —	\$ 1,511
Restructuring charges	732	368
Merger and conversion related expenses	1,787	—
Debt prepayment penalty	—	6,123
Voluntary reimbursement of certain re-presentment NSF fees	1,255	—

Salaries and employee benefits is the largest component of noninterest expense and represented 66.17% 64.09% and 65.29% 66.18% of total noninterest expense at December 31, 2022 December 31, 2023 and 2021, 2022, respectively. During 2022, salaries and employee benefits decreased \$18,973, increased \$20,114, or 6.76% 7.69%, to \$261,654 \$281,768 as compared to \$280,627 \$261,654 for 2021, 2022. The decrease increase in salaries and employee benefits is primarily due to a decrease in mortgage commissions and incentives, driven by the decrease in mortgage production, offset by increases in the minimum wage we pay our employees that were implemented in May 2022, 2022 along with annual merit increases implemented in April 2023. The acquisition of Republic Business Credit added \$6,362 to salaries and employee benefits expense in 2023.

Compensation expense recorded in connection with awards of restricted stock, which is included within salaries and employee benefits, was \$12,746 and \$10,595 for 2023 and \$9,415 for 2022, and 2021, respectively. A portion of the restricted stock awards in both years was subject to the satisfaction of performance-based conditions.

Data processing costs decreased \$6,826 increased \$295 to \$15,195 in 2023 from \$14,900 in 2022 from \$21,726 in 2021, driven primarily by the Company's renegotiation of certain vendor contracts, 2022. The Company continues to examine new and existing contracts to negotiate favorable terms to offset the increased variable cost components of our data processing costs, such as new accounts and increased transaction volume.

Net occupancy and equipment expense in 2022 2023 was \$46,471, an increase of \$1,652 from \$44,819 a decrease of \$2,018 from \$46,837 for 2021. The decrease in net occupancy and equipment expense is primarily attributable to the restructuring and non-renewal or termination of certain branch leases.

The Company experienced a net gain of \$453 in other real estate expense for 2022, compared to expenses of \$253 in 2021. Expenses on other real estate owned for 2022 include write downs of \$110 of the carrying value to fair value on certain pieces of property held in other real estate owned compared to write downs of \$306 in 2021. Other real estate owned with a cost basis of \$2,875 was sold during 2022, resulting in a net gain of \$703, compared to other real estate owned with a cost basis of \$6,166 sold during 2021 for a net gain of \$176.

2022.

Professional fees include fees for legal and accounting services, such as routine litigation matters, external audit services as well as assistance in complying with newly-enacted and existing banking and governmental regulation. Professional fees were \$11,872 \$13,671 for 2022 2023 as compared to \$11,776 \$11,872 for 2021, 2022.

Advertising and public relations expense was \$14,325 \$14,726 for 2022, 2023, an increase of \$2,122 \$401 compared to \$12,203 \$14,325 for 2021, 2022. During 2023 and 2022, the Company contributed approximately \$1,392 and \$1,350, respectively, to charitable organizations throughout Mississippi, Georgia and Alabama, for which it received a dollar-for-dollar tax credit, and such contributions are included in our advertising and public relations expense.

Amortization of intangible assets totaled \$5,380 for 2023 compared to \$5,122 for 2022 compared to \$6,042 for 2021, 2022. This amortization relates to finite-lived intangible assets which are being amortized over the useful lives as determined at acquisition. These finite-lived intangible assets have remaining estimated useful lives ranging from approximately one year to ten years.

Communication expenses are those expenses incurred for communication to clients and between employees. Communication expenses were \$7,958 \$8,238 for 2022 2023 as compared to \$8,869 \$7,958 for 2021.

The Company incurred a \$6,123 debt prepayment penalty in 2021 in connection with the prepayment of a \$150,000 long-term FHLB advance. 2022.

Other noninterest expense includes the provision for unfunded commitments, business development and travel expenses, other discretionary expenses, loan fees expense and other miscellaneous fees and operating expenses. In 2022, the Company also recognized expense of \$1,255 related to the voluntary reimbursement of certain re-presentment NSF fees previously charged to customers that are expected to be paid in 2023 in light of the FDIC's recent guidance to banks regarding such fees. Other noninterest expense was \$32,739 \$53,906 for 2022 2023 as compared to \$35,002 \$32,656 for 2021. A provision for unfunded commitments of \$83 was recorded for 2022. The increase in other noninterest expense is primarily attributable to lower deferred loan origination expense in 2023 compared to 2022 and a negative provision (recovery) for unfunded commitments the accrual in the fourth quarter of \$500 was recorded in 2021, 2023 of an FDIC deposit insurance special assessment of \$2,700. The amount of loan origination expense deferred is directly correlated to the volume and mix of our loan production during the period.

Efficiency Ratio

	Efficiency Ratio	
	2022	2021
Efficiency ratio (GAAP)	61.89%	65.35%

Efficiency Ratio	
2023	2022
68.33%	61.88%

The efficiency ratio is a measure of productivity in the banking industry. (This ratio is a measure of our ability to turn expenses into revenue. That is, the ratio is designed to reflect the percentage of one dollar which must be expended to generate a dollar of revenue.) The Company calculates this ratio by dividing noninterest expense by the sum of net interest income on a fully tax equivalent basis and noninterest income. The efficiency ratio for 2023 was negatively impacted by 496 basis points due to losses and impairments on strategic sales of securities. We remain committed to aggressively managing our costs within the framework of our business model. Our goal is to improve the efficiency ratio over time from currently reported levels as a result of revenue growth while at the same time controlling noninterest expenses.

Income Taxes

Income tax expense for 2023 and 2022 was \$32,509 and 2021 was \$45,240, and \$46,935, respectively. The effective tax rates for those years were 21.78% 18.82% and 22.41% 21.78%, respectively, with the decrease in rate driven by the loss we incurred in connection with our securities sales in 2023. For additional information regarding the Company's income taxes, please refer to in Note 14, "Income Taxes," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Risk Management

The management of risk is an on-going process. Primary risks that are associated with the Company include credit, interest rate and liquidity risk. Credit and interest rate risk are discussed below, while liquidity risk is discussed in the next subsection under the heading "Liquidity and Capital Resources."

Credit Risk and Allowance for Credit Losses on Loans and Unfunded Commitments

Management of Credit Risk. Inherent in any lending activity is credit risk, that is, the risk of loss should a borrower default. Credit risk is monitored and managed on an ongoing basis by a credit administration department, a problem asset resolution committee and the Board of Directors Credit Review Committee. Oversight of the Company's lending operations (including adherence to our policies and procedures governing the loan underwriting and monitoring process), credit quality and loss mitigation are major concerns of credit administration and these committees. The Company's central appraisal review department reviews and approves third-party appraisals obtained by the Company on real estate collateral and monitors loan maturities to ensure updated appraisals are obtained. This department is managed by a State Certified General Real Estate

Appraiser and employs three additional State Certified General Real Estate Appraisers and four real estate evaluators. In addition, we maintain a loan review staff to independently monitor loan quality and lending practices. Loan review personnel monitor and, if necessary, adjust the grades assigned to loans through periodic examination, focusing their review on commercial and real estate loans rather than consumer and small balance consumer mortgage loans, such as 1-4 family mortgage loans.

In compliance with loan policy, the lending staff is given lending limits based on their knowledge and experience. In addition, each lending officer's prior performance is evaluated for credit quality and compliance as a tool for establishing and enhancing lending limits. Before funds are advanced on consumer and commercial loans below certain dollar thresholds, loans are reviewed and scored using centralized underwriting methodologies. Loan quality, or "risk-rating," grades are assigned based upon certain factors, which include the scoring of the loans. This information is used to assist management in monitoring credit quality. Loan requests are reviewed for approval by senior credit officers.

For commercial and commercial real estate secured loans, internal risk-rating grades are assigned by lending, credit administration and loan review personnel, based on an analysis of the financial and collateral strength and other credit attributes underlying each loan. Loan grades range from 10 to 95, with 10 rated loans having the least credit risk. For more information about the Company's loan grades, see the information under the heading "Credit Quality" in Note 3, "Loans," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Management's problem asset resolution committee and the Board of Directors' Credit Review Committee monitor loans that are past due or those that have been downgraded and are considered special mention or substandard due to a decline in the collateral value or cash flow of the debtor; the committees then adjust loan grades accordingly. This information is used to assist management in monitoring credit quality. When the ultimate collectability of a loan's principal is in doubt, wholly or partially, the loan is placed on nonaccrual.

After all collection efforts have failed, collateral securing loans may be repossessed and sold or, for loans secured by real estate, foreclosure proceedings initiated. The collateral is sold at public auction for fair market value (based upon recent appraisals described in the above paragraph), with fees associated with the foreclosure being deducted from the sales price. The purchase price is applied to the outstanding loan balance. If the loan balance is greater than the sales proceeds, the deficient balance is sent to the Board of Directors' Credit Review Committee for charge-off approval. These charge-offs reduce the allowance for credit losses on loans. Charge-offs reflect the realization of losses in the portfolio that were recognized previously through the provision for credit losses on loans.

The Company's practice is to charge off estimated losses as soon as such loss is identified and reasonably quantified. Net charge-offs for 2022 were \$7,329, or 0.10% as a percentage of average loans, compared to net charge-offs of \$10,273, or 0.10% as a percentage of average loans, for 2021. The charge-offs in 2022 were fully reserved for in the Company's allowance for credit losses.

Allowance for Credit Losses on Loans; Provision for Credit Losses on Loans. The allowance for credit losses is available to absorb credit losses inherent in the loans held for investment portfolio. Loan losses are charged against the allowance for credit losses when management believes confirms the uncollectability of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Management evaluates the adequacy of the allowance on a quarterly basis. For an in-depth discussion of our accounting policies and our methodology for determining the appropriate level of the allowance for credit losses, please refer to the information in the "Critical Accounting Policies and Estimates" section above as well as the information under the headings "Loans and the Allowance for Credit Losses" and "Business Combinations, Accounting for Purchased Credit Deteriorated Loans and Related Assets" in Note 1, "Significant Accounting Policies," and Note 4, "Allowance for Credit Losses," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

In addition to its quarterly analysis of the allowance for credit losses, on a regular basis, management and the Board of Directors review loan ratios. These ratios include the allowance for credit losses as a percentage of total loans, net charge-offs as a percentage of average loans, the provision for credit losses as a percentage of average loans, nonperforming loans as a percentage of total loans and the allowance coverage on nonperforming loans. Also, management reviews past due ratios by officer, community bank and the Company as a whole.

The allowance for credit losses on loans was \$198,578 and \$192,090 at December 31, 2023 and \$164,171 at December 31, 2022 and 2021, respectively. The following table presents the allocation of the allowance for credit losses on loans and the percentage of each loan category to total loans at December 31 for each of the years presented.

	2022				2021			
	Balance	% of Total			Balance	% of Total		
	2023							
	2023							
	2023							
	Balance							
	Balance							
	Balance							
Commercial, financial, agricultural								
Commercial, financial, agricultural								
Commercial, financial, agricultural	Commercial, financial, agricultural	\$ 44,255	14.46	%	\$ 33,922	14.20	%	
Lease financing	Lease financing	2,463	0.99	%	1,486	0.76	%	
Lease financing								
Lease financing								
Real estate – construction								
Real estate – construction								
Real estate – construction	Real estate – construction	19,114	11.49	%	16,419	11.03	%	

Real estate – 1-4 family mortgage	Real estate – 1-4 family mortgage	44,727	27.78	%	32,356	27.19	%
Real estate – 1-4 family mortgage							
Real estate – 1-4 family mortgage							
Real estate – commercial mortgage							
Real estate – commercial mortgage							
Real estate – commercial mortgage	Real estate – commercial mortgage	71,798	44.20	%	68,940	45.39	%
Installment loans to individuals	Installment loans to individuals	9,733	1.08	%	11,048	1.43	%
Installment loans to individuals							
Installment loans to individuals							
Total	Total	\$ 192,090	100.00	%	\$ 164,171	100.00	%
Total							
Total							

The provision for credit losses on loans charged to operating expense is an amount that, in the judgment of management, is necessary to maintain the allowance for credit losses on loans at a level that is believed to be adequate to meet the inherent risks of losses in our loan portfolio. The Company recorded a provision for credit losses on loans of \$23,788 during 2022, as compared to a negative \$23,788 during 2022. The provision (recovery) for credit losses on loans in 2022 included an initial provision for the Southeastern Commercial Finance, LLC and Republic Business Credit acquisitions of \$1,700 during 2021. The Company's allowance for credit loss model considers economic projections, primarily the national unemployment rate and GDP, over a reasonable and supportable period of two years. While credit metrics remained relatively stable, loan growth and acquisitions caused the Company's model to indicate that the aforementioned provision for credit losses on loans was appropriate during 2022.

Provision for Credit Losses on Loans to Average Loans	
2022	2021
0.22%	(0.02)%

Provision for Credit Losses on Loans to Average Loans	
2023	2022
0.16%	0.22%

The table below reflects the activity in the allowance for credit losses on loans for the years ended December 31:

	2022	2021
Initial allowance for purchased loans with more than insignificant credit deterioration existing at the date of acquisition	Initial allowance for purchased loans with more than insignificant credit deterioration existing at the date of acquisition	—
Provision for (recovery of) credit losses on loans	23,788	(1,700)
Initial allowance for purchased loans with more than insignificant credit deterioration existing at the date of acquisition		
Initial allowance for purchased loans with more than insignificant credit deterioration existing at the date of acquisition		
Provision for credit losses on loans		

Provision for credit losses on loans			
Provision for credit losses on loans			
Charge-offs			
Charge-offs			
Charge-offs	Charge-offs		
Commercial, financial, agricultural	Commercial, financial, agricultural	5,120	7,087
Commercial, financial, agricultural			
Commercial, financial, agricultural			
Lease financing			
Lease financing			
Lease financing	Lease financing	7	13
Real estate – construction	Real estate – construction	—	52
Real estate – construction			
Real estate – construction			
Real estate – 1-4 family mortgage			
Real estate – 1-4 family mortgage			
Real estate – 1-4 family mortgage	Real estate – 1-4 family mortgage	757	1,164
Real estate – commercial mortgage	Real estate – commercial mortgage	5,134	5,184
Real estate – commercial mortgage			
Real estate – commercial mortgage			
Installment loans to individuals			
Installment loans to individuals			
Installment loans to individuals	Installment loans to individuals	3,167	5,374
Total charge-offs	Total charge-offs	14,185	18,874
Total charge-offs			
Total charge-offs			
Recoveries			
Recoveries			
Recoveries	Recoveries		
Commercial, financial, agricultural	Commercial, financial, agricultural	2,471	1,470
Commercial, financial, agricultural			
Commercial, financial, agricultural			
Lease financing			
Lease financing			
Lease financing	Lease financing	146	49
Real estate – construction	Real estate – construction	—	13
Real estate – construction			
Real estate – construction			
Real estate – 1-4 family mortgage			
Real estate – 1-4 family mortgage			
Real estate – 1-4 family mortgage	Real estate – 1-4 family mortgage	821	1,498
Real estate – commercial mortgage	Real estate – commercial mortgage	418	541
Real estate – commercial mortgage			
Real estate – commercial mortgage			
Installment loans to individuals			

Installment loans to individuals						
Installment loans to individuals	Installment loans to individuals		3,000		5,030	
Total recoveries	Total recoveries		6,856		8,601	
Total recoveries						
Net charge-offs						
Net charge-offs	Net charge-offs		7,329		10,273	
Balance at end of year	Balance at end of year	\$	192,090	\$	164,171	
Balance at end of year						
Provision for (recovery of) credit losses on loans to average loans			0.22	%	(0.02)	%
Provision for credit losses on loans to average loans						
Provision for credit losses on loans to average loans						
Provision for credit losses on loans to average loans						
Net charge-offs to average loans	Net charge-offs to average loans		0.07		0.10	
Net charge-offs to allowance for credit losses on loans	Net charge-offs to allowance for credit losses on loans		3.82		6.26	
Net charge-offs to allowance for credit losses on loans						
Net charge-offs to allowance for credit losses on loans						
Allowance for credit losses on loans to:						
Allowance for credit losses on loans to:						
Allowance for credit losses on loans to:	Allowance for credit losses on loans to:					
Allowance for credit losses on loans to:	Allowance for credit losses on loans to:					
Total loans	Total loans		1.66	%	1.64	%
Total loans						
Total loans						
Nonperforming loans	Nonperforming loans		337.73		323.14	
Nonaccrual loans	Nonaccrual loans		339.71		332.57	
Nonaccrual loans						
Nonaccrual loans						
Nonaccrual loans to total loans:	Nonaccrual loans to total loans:		0.49		0.49	
Nonaccrual loans to total loans:						
Nonaccrual loans to total loans:						

The table below reflects net charge-offs to daily average loans outstanding, by loan category, during the years ended December 31:

	2022			2021			2023	
	Net		Net		Net			
	Charge-offs to		Net		Charge-offs to			
	Net	Average Loans	Average Loans	Net	Charge-offs to	Average Loans		
Charge-offs	Average Loans	Average Loans	Charge-offs	Average Loans	Average Loans	Average Loans		

		Net Charge-offs						Net Charge-offs to Average Loans						
Commercial, financial, agricultural	Commercial, financial, agricultural	\$2,649	\$ 1,489,595	0.18%	\$ 5,617	\$ 1,832,453	0.31%	Commercial, financial, agricultural	\$ 5,748	\$ 1,761,103	0.33%	\$ 2,649	\$ 1,489,595	0.1
Lease financing	Lease financing	(139)	95,906	(0.14)%	(36)	75,988	(0.05)%	Lease financing	1,506	119,376	1.26%	(139)	95,906	(0.14)
Real estate	Real estate	—	—	—	—	—	—	Real estate	—	—	—	—	—	—
— construction	construction	—	1,149,925	—%	39	1,012,017	—%	— construction	9	1,347,228	—%	—	1,149,925	—
Real estate – 1-4 family mortgage	Real estate – 1-4 family mortgage	(64)	3,042,187	—%	(334)	2,721,765	(0.01)%	Real estate – 1-4 family mortgage	28	3,382,553	—%	(64)	3,042,187	—
Real estate – commercial mortgage	Real estate – commercial mortgage	4,716	4,767,888	0.10%	4,643	4,504,093	0.10%	Real estate – commercial mortgage	4,856	5,241,881	0.09%	4,716	4,767,888	0.1
Installment loans to individuals	Installment loans to individuals	167	132,494	0.13%	344	163,754	0.21%	Installment loans to individuals	183	111,000	0.16%	167	132,494	0.1
Total	Total	\$7,329	\$10,677,995	0.07%	\$10,273	\$10,310,070	0.10%	Total	\$12,330	\$11,963,141	0.10%	\$ 7,329	\$ 10,677,995	0.0

The following table provides further details of the Company's net charge-offs (recoveries) of loans secured by real estate for the years ended December 31:

		2022		2021	
		2023		2023	
Real estate – construction:	Real estate – construction:	—	—	—	—
Real estate – construction:	Residential	—	—	—	—
Real estate – construction:	Residential	—	—	—	—
Residential	Residential	\$	—	\$	39
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:	—	—	—	—
Real estate – 1-4 family mortgage:	Primary	—	—	—	—
Primary	Primary	—	—	—	—
Primary	Primary	223	—	30	—
Home equity	Home equity	(75)	—	(79)	—
Home equity	—	—	—	—	—
Home equity	—	—	—	—	—
Rental/investment	—	—	—	—	—
Rental/investment	—	—	—	—	—
Rental/investment	Rental/investment	(9)	—	(193)	—
Land development	Land development	(203)	—	(92)	—
Land development	—	—	—	—	—
Land development	—	—	—	—	—
Total real estate – 1-4 family mortgage	—	—	—	—	—

Total real estate – 1-4 family mortgage			
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	(64)	(334)
Real estate – commercial mortgage:	Real estate – commercial mortgage:		
Real estate – commercial mortgage:			
Real estate – commercial mortgage:			
Owner-occupied	Owner-occupied	609	(89)
Owner-occupied	Non-owner occupied	4,276	4,733
Non-owner occupied			
Non-owner occupied			
Land development			
Land development			
Land development	Land development	(169)	(1)
Total real estate – commercial mortgage	Total real estate – commercial mortgage	4,716	4,643
Total real estate – commercial mortgage			
Total real estate – commercial mortgage			
Total net charge-offs of loans secured by real estate	Total net charge-offs of loans secured by real estate	\$ 4,652	\$ 4,348
Total net charge-offs of loans secured by real estate			
Total net charge-offs of loans secured by real estate			

Allowance for Credit Losses on Unfunded Commitments; Provision for Credit Losses on Unfunded Commitments. The Company maintains a separate allowance for credit losses on unfunded loan commitments, which is included in the "Other liabilities" line item on the Consolidated Balance Sheets. Management estimates the amount of expected losses on unfunded loan commitments by calculating a likelihood of funding over the contractual period for exposures that are not unconditionally cancellable by the Company and applying the loss factors used in the allowance for credit loss on loans methodology described above to unfunded commitments for each loan type. No credit loss estimate is reported for off-balance-sheet credit exposures that are unconditionally cancellable by the Company. A roll-forward of the allowance for credit losses on unfunded commitments is shown in the table below.

		Year Ended December 31,			
				Year Ended December 31,	
		2023	2023	2022	
Allowance for credit losses on unfunded loan commitments:	Allowance for credit losses on unfunded loan commitments:				
Beginning balance	Beginning balance	\$20,035	\$20,535		
Beginning balance					
Beginning balance					
Provision for (recovery of) credit losses on unfunded loan commitments (included in other noninterest expense)	83	(500)			
(Recovery of) provision for credit losses on unfunded loan commitments					

(Recovery of) provision for credit losses on unfunded loan commitments	
(Recovery of) provision for credit losses on unfunded loan commitments	
Ending balance	Ending balance <u>\$20,118</u> <u>\$20,035</u>

Nonperforming Assets. Nonperforming assets consist of nonperforming loans and other real estate owned. Nonperforming loans are loans on which the accrual of interest has stopped and loans that are contractually 90 days past due on which interest continues to accrue. Generally, the accrual of interest is discontinued when the full collection of principal or interest is in doubt or when the payment of principal or interest has been contractually 90 days past due, unless the obligation is both well secured and in the process of collection. Management, the problem asset resolution committee and our loan review staff closely monitor loans that are considered to be nonperforming.

Other real estate owned consists of properties acquired through foreclosure or acceptance of a deed in lieu of foreclosure. These properties are carried at the lower of cost or fair market value based on appraised value less estimated selling costs. Losses arising at the time of foreclosure of properties are charged against the allowance for credit losses. Reductions in the carrying value subsequent to acquisition are charged to earnings and are included in "Other real estate owned" in the Consolidated Statements of Income.

The following table provides details of the Company's nonperforming assets as of December 31 for each of the **dates** years presented.

	Total
December 31, 2022	
Nonaccruing loans	\$ 56,545
Accruing loans past due 90 days or more	331
Total nonperforming loans	56,876
Other real estate owned	1,763
Total nonperforming assets	<u>\$ 58,639</u>
Nonperforming loans to total loans	0.49 %
Nonaccruing loans to total loans	0.49 %
Nonperforming assets to total assets	0.35 %
December 31, 2021	
Nonaccruing loans	\$ 49,364
Accruing loans past due 90 days or more	1,441
Total nonperforming loans	50,805
Other real estate owned	2,540
Total nonperforming assets	<u>\$ 53,345</u>
Nonperforming loans to total loans	0.51 %
Nonaccruing loans to total loans	0.49 %
Nonperforming assets to total assets	0.32 %
	2023
Nonaccruing loans	\$ 68,816
Accruing loans past due 90 days or more	554
Total nonperforming loans	69,370
Other real estate owned	9,622
Total nonperforming assets	<u>\$ 78,992</u>
Nonperforming loans to total loans	0.56 %
Nonaccruing loans to total loans	0.56 %
Nonperforming assets to total assets	0.46 %
	2022
Nonaccruing loans	\$ 56,545
Accruing loans past due 90 days or more	331
Total nonperforming loans	56,876
Other real estate owned	1,763
Total nonperforming assets	<u>\$ 58,639</u>
Nonperforming loans to total loans	0.49 %
Nonaccruing loans to total loans	0.49 %
Nonperforming assets to total assets	0.35 %

The level of nonperforming loans increased **\$6,071** **\$12,494** from **December 31, 2021** **December 31, 2022**, while other real estate owned **decreased** **\$777** **increased** **\$7,859** during the same period.

The following table presents nonperforming loans by loan category at December 31 for each of the years presented.

2023

		2023	2023
Commercial, financial, agricultural			
Commercial, financial, agricultural			
Commercial, financial, agricultural			
Real estate – construction:			
Real estate – construction:			
Real estate – construction:			
Residential			
Residential			
Residential			
	2022		2021
Commercial, financial, agricultural	\$	12,543	\$ 13,131
Lease financing		—	11
Real estate – construction:			
Residential		77	—
Commercial		—	—
Condominiums		—	—
Total real estate – construction			
Total real estate – construction			
Total real estate – construction	Total real estate – construction	77	—
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:		
Real estate – 1-4 family mortgage:			
Primary			
Primary			
Primary	Primary	30,076	19,533
Home equity	Home equity	1,909	1,719
Home equity			
Home equity			
Rental/investment			
Rental/investment			
Rental/investment	Rental/investment	1,014	1,595
Land development	Land development	82	257
Land development			
Land development			
Total real estate – 1-4 family mortgage			
Total real estate – 1-4 family mortgage			
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	33,081	23,104
Real estate – commercial mortgage:	Real estate – commercial mortgage:		
Real estate – commercial mortgage:			
Owner-occupied			
Owner-occupied			
Owner-occupied	Owner-occupied	5,499	5,039
Non-owner occupied	Non-owner occupied	5,342	8,535
Non-owner occupied			
Non-owner occupied			

Land development			
Land development			
Land development	Land development	71	470
Total real estate – commercial mortgage	Total real estate – commercial mortgage	10,912	14,044
Total real estate – commercial mortgage			
Installment loans to individuals			
Installment loans to individuals			
Installment loans to individuals	Installment loans to individuals	263	515
Total nonperforming loans	Total nonperforming loans	\$ 56,876	\$ 50,805
Total nonperforming loans			
Total nonperforming loans			

Management has evaluated the aforementioned loans and other loans classified as nonperforming and believes that all nonperforming loans have been adequately reserved for in the allowance for credit losses on loans at December 31, 2022 December 31, 2023. Management also continually monitors past due loans for potential credit quality deterioration. Total loans 30-89 days past due on which interest was still accruing were \$58,703 \$54,031 at December 31, 2022 December 31, 2023 as compared to \$27,604 \$58,703 at December 31, 2021 December 31, 2022.

Although not classified as nonperforming Certain modifications of loans another category made to borrowers experiencing financial difficulty in the form of assets that contribute to our credit risk is restructured loans. Restructured loans are those for which concessions have been granted to the borrower due to a deterioration principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay (including an extension of the borrower's financial condition amortization period), or a term extension, excluding covenant waivers and modification of contingent acceleration clauses, are performing required to be disclosed in accordance with Accounting Standards Update 2022-02, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" ("ASU 2022-02"). At December 31, 2023, modifications meeting the new terms. Such concessions may include reduction disclosure criteria in interest rates or deferral of interest or principal payments. In evaluating whether to restructure a loan, management analyzes the long-term financial condition of the borrower, including guarantor and collateral support, to determine whether the proposed concessions will increase the likelihood of repayment of principal and interest. Restructured loans ASU 2022-02 that are not performing in accordance with their restructured modified terms, that are either contractually 90 days past due or placed on nonaccrual status are reported as nonperforming loans.

As shown below, restructured loans including unused commitments, totaled \$22,624 at December 31, 2022 compared to \$20,259 at December 31, 2021. At December 31, 2022, loans restructured through interest rate concessions represented 19% of total restructured loans, while loans restructured by a concession in payment terms represented the remainder. The following table provides further details of \$3,115. Upon the Company's restructured loans at December 31 for each of determination that a modified loan has been subsequently deemed uncollectible, the years presented:

	2022	2021
Commercial, financial, agricultural	\$ 351	\$ 967
Real estate – 1-4 family mortgage:		
Primary	10,437	11,750
Home equity	134	298
Rental/investment	234	350
Land development	88	—
Total real estate – 1-4 family mortgage	10,893	12,398
Real estate – commercial mortgage:		
Owner-occupied	3,437	5,407
Non-owner occupied	7,819	1,341
Land development	72	75
Total real estate – commercial mortgage	11,328	6,823
Installment loans to individuals	52	71
Total restructured loans	<u>\$ 22,624</u>	<u>\$ 20,259</u>

Changes in the Company's restructured loans are set forth in the table below for the periods presented.

	2022	2021
Balance as of January 1	\$ 20,259	\$ 20,448
Additional loans with concessions	10,332	12,639
Reclassified as performing	5,326	366
Reductions due to:		

Reclassified as nonperforming	(7,411)	(4,390)
Paid in full	(4,758)	(7,586)
Charge-offs	—	(205)
Principal paydowns	(1,124)	(1,013)
Balance as of December 31	<u>\$ 22,624</u>	<u>\$ 20,259</u>

The following table shows the principal amounts of nonperforming and restructured loans as of December 31 of each year presented. All loans where information exists about possible credit problems that would cause us to have serious doubts about the borrower's ability to comply with the current repayment terms loan, or portion of the loan, have been reflected is charged off, the amortized cost basis of the loan is reduced by the uncollectible amount, and the allowance for credit losses is adjusted accordingly. For more information about loan modifications made to borrowers experiencing financial difficulty, see the information under the heading "Certain Modifications to Borrowers Experiencing Financial Difficulty" in Note 3, "Loans," in the table below. Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

	2022	2021
Nonaccruing loans	\$ 56,545	\$ 49,364
Accruing loans past due 90 days or more	331	1,441
Total nonperforming loans	56,876	50,805
Restructured loans	22,624	20,259
Total nonperforming and restructured loans	<u>\$ 79,500</u>	<u>\$ 71,064</u>

The following table provides details of the Company's other real estate owned as of December 31 for each of the years presented:

	2022	2021		2022
	2023		2023	
Residential real estate	Residential real estate	\$ 699	\$ 259	
Commercial real estate	Commercial real estate	62	761	
Residential land	Residential land			
development	development	246	305	
Commercial land	Commercial land			
development	development	756	1,215	
Total other real estate owned	Total other real estate owned	<u>\$1,763</u>	<u>\$2,540</u>	
Total other real estate owned				
Total other real estate owned				

Changes in the Company's other real estate owned were as follows for the periods presented:

	2022	2021		2022
	2023		2023	
Balance as of January 1	Balance as of January 1	\$2,540	\$5,972	
Transfers of loans	Transfers of loans	2,207	3,180	
Transfers of loans				
Transfers of loans				
Impairments				
Impairments				
Impairments	Impairments	(110)	(306)	
Dispositions	Dispositions	(2,875)	(6,166)	
Other	Other	1	(140)	

Balance as of December 31	Balance as of December 31	\$1,763	\$2,540
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We realized net gains of \$703 \$275 and \$176 \$703 on dispositions of other real estate owned during 2023 and 2022, and 2021, respectively.

Interest Rate Risk

Market risk is the risk of loss from adverse changes in market prices and rates. The majority of assets and liabilities of a financial institution are monetary in nature and therefore differ greatly from most commercial and industrial companies that have significant investments in fixed assets and inventories. Our market risk arises primarily from interest rate risk inherent in lending and deposit-taking activities. Management believes a significant impact on the Company's financial results stems from our ability to react to changes in interest rates. A sudden and substantial change in interest rates may adversely impact our earnings because the interest rates borne by assets and liabilities do not change at the same speed, to the same extent or on the same basis.

Because of the impact of interest rate fluctuations on our profitability, the Board of Directors and management actively monitor and manage our interest rate risk exposure. We have an Asset/Liability Committee (the "ALCO") that is authorized by the Board of Directors to monitor our interest rate sensitivity and to make decisions relating to that process. The ALCO's goal is to structure our asset/liability composition to maximize net interest income while managing interest rate risk so as to minimize the adverse impact of changes in interest rates on net interest income and capital. The ALCO uses an asset/liability model as the primary quantitative tool in measuring the amount of interest rate risk associated with changing market rates. The model is used to perform both net interest income forecast simulations for multiple year horizons and economic value of equity ("EVE") analyses, each under various interest rate scenarios, which could impact the results presented in the table below.

Net interest income simulations measure the short and medium-term earnings exposure from changes in market interest rates in a rigorous and explicit fashion. Our current financial position is combined with assumptions regarding future business to calculate net interest income under various hypothetical rate scenarios. EVE measures our long-term earnings exposure from changes in market rates of interest. EVE is defined as the present value of assets minus the present value of liabilities at a point in time for a given set of market rate assumptions. An increase in EVE due to a specified rate change indicates an improvement in the long-term earnings capacity of the balance sheet assuming that the rate change remains in effect over the life of the current balance sheet.

The following table presents the projected impact of a change in interest rates on (1) static EVE and (2) earnings at risk (that is, net interest income) for the 1-12 and 13-24 month periods commencing January 1, 2023 January 1, 2024, in each case as compared to the result under rates present in the market on December 31, 2022 December 31, 2023. The changes in interest rates assume an instantaneous and parallel shift in the yield curve and do not take into account changes in the slope of the yield curve.

Immediate Change in Rates of:	Immediate Change in Rates of:	Percentage Change In:		Percentage Change In:		
		Economic Value	Earning at Risk (EAR)	Economic Value	Earning at Risk (EAR)	
		Equity (EVE)	(Net Interest Income)	Equity (EVE)	(Net Interest Income)	
Change in Rates of:	Change in Rates of:	1-12 Months	13-24 Months	1-12 Months	13-24 Months	
+200	+200	2.32%	7.21%	9.30%		
+200				5.57%	3.32%	6.00%
+100	+100	1.46%	3.85%	4.90%	3.28%	1.74%
-100	-100	(2.92)%	(4.64)%	(6.13)%	(4.45)%	(2.35)%
-200	-200	(9.11)%	(10.58)%	(14.45)%	(10.36)%	(5.45)%

The rate shock results for the EVE and net interest income simulations for the next 24 months produce an asset sensitive position at December 31, 2022 December 31, 2023.

The preceding measures assume no change in the size or asset/liability compositions of the balance sheet, and they do not reflect future actions the ALCO may undertake in response to such changes in interest rates.

The scenarios assume instantaneous movements in interest rates in the increments described in the table above. As interest rates are adjusted over a period of time, it is our strategy to proactively change the volume and mix of our balance sheet in order to mitigate our interest rate risk. The computation of the prospective effects of hypothetical interest rate changes requires numerous assumptions including asset prepayment speeds, the impact of competitive factors on our pricing of loans and deposits, how responsive our deposit repricing is to the change in market rates and the expected life of non-maturity deposits. These business assumptions are based upon our experience, business plans and published industry experience. Such assumptions may not necessarily reflect the manner or timing in which cash flows, asset yields and liability costs respond to changes in market rates. Because these assumptions are inherently uncertain, actual results will differ from simulated results.

The Company utilizes derivative financial instruments, including interest rate contracts such as swaps, caps and/or floors, forward commitments, and interest rate lock commitments, as part of its ongoing efforts to mitigate its interest rate risk exposure. For more information about the Company's derivative financial instruments, see the "Off-Balance Sheet Transactions" section below and Note 13, "Derivative Instruments," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Liquidity and Capital Resources

Liquidity management is the ability to meet the cash flow requirements of customers who may be either depositors wishing to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs.

Core deposits, which are deposits excluding brokered deposits and time deposits greater than \$250,000 and brokered deposits, are the major source of funds used by the Bank to meet short- and long-term cash flow needs. Maintaining the ability to acquire these funds as needed in a variety of markets is the key to assuring the Bank's liquidity. We may also choose to access the brokered deposit market where rates are favorable to other sources of liquidity. As core deposit balances declined over Brokered deposits totaled \$461,441 and \$233,133 at December 31, 2023 and 2022, respectively, and the second half maturities of 2022, especially these deposits are described in the fourth quarter, we added \$233,133 of brokered deposits, table under the "Contractual Obligations" heading below. Management continually monitors the Bank's liquidity and non-core dependency ratios to ensure compliance with targets established by the ALCO. At December 31, 2022, December 31, 2023 and 2022, the Company remains remained below limits on brokered deposits and other funding sources established by the ALCO.

Our investment portfolio is another alternative for meeting liquidity needs. These assets generally have readily available markets that offer conversions to cash as needed. Within the next twelve months the securities portfolio is forecasted to generate cash flow through principal payments and maturities equal to 17.29% 13.7% of the carrying value of the total securities portfolio. Securities within our investment portfolio are also used to secure certain deposit types and short-term borrowings. At December 31, 2022 December 31, 2023, securities with a carrying value of \$842,601 \$895,044 were pledged to secure government, public, trust, and other deposits and as collateral for short-term borrowings and derivative instruments as compared to \$629,174 \$842,601 at December 31, 2021 December 31, 2022.

Other sources available for meeting liquidity needs include federal funds purchased, security repurchase agreements and short-term and long-term advances from the FHLB. Interest is charged at the prevailing market rate on these borrowings. Federal funds are short term borrowings, generally overnight borrowings, between financial institutions, while security repurchase agreements represent funds received from customers, generally on an overnight or continuous basis, which that are collateralized by investment securities owned or, at times, borrowed and re-hypothecated by the Company. There were no federal funds purchased outstanding at December 31, 2022 December 31, 2023, and 2021. Security 2022, while security repurchase agreements were \$12,232 \$7,577 at December 31, 2022 December 31, 2023, as compared to \$13,947 \$12,232 at December 31, 2021 December 31, 2022. The Company had \$300,000 and \$700,000 in short-term borrowings from the FHLB (i.e., advances with original maturities less than one year) at December 31, 2022 December 31, 2023, and none at December 31, 2021. We increased our short-term FHLB borrowings over the course of 2022, to fund our loan growth due to market pressure on deposit balances and rates, respectively. Long-term FHLB borrowings are used to match-fund fixed rate loans in order to minimize interest rate risk and also are used to meet day-to-day liquidity needs, particularly when the cost of such borrowings compares favorably to the rates that we would be required to pay to attract deposits. At December 31, 2022, December 31, 2023 and 2022, there were no outstanding long-term advances with the FHLB as compared to \$417 at December 31, 2021. The total amount of the remaining credit available to us from the FHLB at December 31, 2022 December 31, 2023 was \$3,651,678. \$2,922,315. We also maintain lines of credit with other commercial banks totaling \$180,000. These are unsecured, uncommitted lines of credit maturing at various times within the next twelve months. There were no amounts outstanding under these lines of credit at December 31, 2022 December 31, 2023 or 2021, 2022.

Finally, we can access the capital markets to meet liquidity needs. The Company maintains a shelf registration statement with the SEC, which allows the Company to raise capital from time to time through the sale of common stock, preferred stock, debt securities, warrants and units, or a combination thereof, subject to market conditions. Specific terms and prices will be determined at the time of any offering under a separate prospectus supplement that the Company will be required to file with the SEC at the time of the specific offering. The proceeds of the sale of securities, if and when offered, will be used as described in any prospectus supplement and could include general corporate purposes, the expansion of the Company's banking, insurance and wealth management operations as well as other business opportunities. In 2021, we accessed the capital markets to generate liquidity in the form of subordinated notes and in prior years we have issued other subordinated notes and assumed subordinated notes as part of acquisitions. For more information about our subordinated notes, see Note 11, "Long-Term Debt" in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Our strategy in choosing funds funding sources is focused on minimizing cost in the context of our balance sheet composition, interest rate risk position and our immediate and future liquidity needs to fund loan growth, growth and other cash needs of customers. Accordingly, management targets growth of non-interest bearing deposits. While we do not control the types of deposit instruments our clients choose, we do influence those choices with the rates and the deposit specials we offer. We constantly monitor our funds position, short- and long-term liquidity needs and evaluate the effect that various funding sources have on our financial position. The following table presents, by type, the Company's funding sources, which consist of total average deposits and borrowed funds, and the total cost of each funding source for each of the years presented:

	Percentage of				Noninterest-bearing demand	Percentage of Total		Cost of Funds		
	Total		Cost of Funds			2023		2022		
	2022	2021	2022	2021		2023	2022	2023	2022	
Noninterest-bearing demand	Noninterest-bearing demand	33.39 %	32.00 %	— %	— %	26.94 %	33.39 %	— %	— %	
Interest-bearing demand	Interest-bearing demand	45.04	45.84	0.40	0.25					
Savings	Savings	7.83	7.25	0.09	0.07					
Brokered deposits	Brokered deposits	0.17	—	4.43	—					
Time deposits	Time deposits	9.19	11.42	0.56	0.84					
Borrowings	Borrowings	4.38	3.49	4.05	3.34					
Total deposits and borrowed funds	Total deposits and borrowed funds	100.00 %	100.00 %	0.42 %	0.33 %	100.00 %	100.00 %	1.88 %	0.42 %	

Cash and cash equivalents were \$575,992 \$801,351 at December 31, 2022 December 31, 2023, compared to \$1,877,965 \$575,992 at December 31, 2021 December 31, 2022. Cash used in investing activities for the year ended December 31, 2022 December 31, 2023 was \$2,043,657 \$55,399 compared to \$660,003 \$2,043,657 in 2021 2022. Proceeds from the sale, maturity or call of securities within our investment portfolio were \$747,959 for 2023 compared to \$452,955 for 2022 compared to \$636,721 for 2021. These proceeds 2022. Proceeds from the investment portfolio were primarily reinvested into interest-earning assets used to pay down FHLB borrowings and fund loan growth. Purchases of investment securities were \$11,899 for 2023 compared to \$804,899 for 2022 compared to \$2,160,069 for 2021 2022.

Cash provided by financing activities for the year ended December 31, 2022 December 31, 2023 was \$167,639 \$132,205 compared to \$1,762,106 \$167,639 for the year ended December 31, 2021 December 31, 2022. Overall Total deposits decreased \$418,758 increased \$589,819 for the year ended December 31, 2022 December 31, 2023 compared to an increase a decrease of \$1,846,643 \$418,758 for 2021 2022.

Restrictions on Bank Dividends, Loans and Advances

The Company's liquidity and capital resources, as well as its ability to pay dividends to our shareholders, are substantially dependent on the ability of the Bank to transfer funds to the Company in the form of dividends, loans and advances. Under Mississippi law, a Mississippi bank may not pay dividends unless its earned surplus is in excess of three times capital stock. A Mississippi bank with earned surplus in excess of three times capital stock may pay a dividend, subject to the approval of the DBCF. In addition, the FDIC has the authority to prohibit the Bank from engaging in business practices that the FDIC considers to be unsafe or unsound, which, depending on the financial condition of the Bank, could include the payment of dividends.

Accordingly, the approval of the DBCF is required prior to the Bank paying dividends to the Company, and under certain circumstances the approval of the FDIC may be required.

In addition to the FDIC and DBCF restrictions on dividends payable by the Bank to the Company, the Federal Reserve provided guidance on the criteria that it will use to evaluate the request by a bank holding company to pay dividends in an aggregate amount that will exceed the company's earnings for the period in which the dividends will be paid, which did not apply to the Company in 2022 2023 or 2021 2022. For purposes of this analysis, "dividend" includes not only dividends on preferred and common equity but also dividends on debt underlying trust preferred securities and other Tier 1 capital instruments. The Federal Reserve's criteria evaluates whether the holding company (1) has net income over the past four quarters sufficient to fully fund the proposed dividend (taking into account prior dividends paid during this period), (2) is considering stock repurchases or redemptions in the quarter, (3) does not have a concentration in commercial real estate and (4) is in good supervisory condition, based on its overall condition and its asset quality risk. A holding company not meeting these criteria will require more in-depth consultations with the Federal Reserve.

Federal Reserve regulations also limit the amount the Bank may loan to the Company unless such loans are collateralized by specific obligations. At December 31, 2022 December 31, 2023, the maximum amount available for transfer from the Bank to the Company in the form of loans was \$178,131 \$188,810. The Company maintains a line of credit collateralized by cash with the Bank totaling \$3,000. There were no amounts outstanding under this line of credit at December 31, 2022 December 31, 2023.

None of these restrictions had any impact on the Company's ability to meet its cash obligations in 2022 2023, nor does management expect such restrictions to materially impact the Company's ability to meet its currently-anticipated cash obligations.

Contractual Obligations

The following table presents, as of December 31, 2022 December 31, 2023, significant fixed and determinable contractual obligations to third parties by payment date, that may impact the Company's liquidity position. The Note Reference below refers to the applicable footnote in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

		Payments Due In:						Note Reference	Payments Due In:						
		One to							One to						
		Note Reference	Less Than One Year	Three Years	Three to Five Years	Over Five Years	Total		Less Than One Year	Three Years	Three to Five Years	Over Five Years	Total		
Lease liabilities ⁽¹⁾	Lease liabilities ⁽¹⁾	23	\$ 7,342	\$ 11,527	\$ 8,914	\$ 48,292	\$ 76,075								
Deposits without a stated maturity ⁽²⁾	Deposits without a stated maturity ⁽²⁾	9	11,791,526	—	—	—	11,791,526								
Time deposits ⁽²⁾⁽³⁾	Time deposits ⁽²⁾⁽³⁾	9	1,236,045	424,265	31,704	3,426	1,695,440								
Short-term Federal Home Loan Bank advances	Short-term Federal Home Loan Bank advances	10	700,000	—	—	—	700,000								
Other short-term borrowings	Other short-term borrowings	10	12,232	—	—	—	12,232								

Junior subordinated debentures	Junior subordinated debentures	11	—	—	—	112,042	112,042
Subordinated notes	Subordinated notes	11	—	—	—	316,091	316,091
Total contractual obligations	Total contractual obligations		<u>\$13,747,145</u>	<u>\$435,792</u>	<u>\$ 40,618</u>	<u>\$479,851</u>	<u>\$14,703,406</u>
Total contractual obligations							
Total contractual obligations							

(1) Represents the undiscounted cash flows.

(2) Excludes interest.

(3) Includes brokered deposits in the amount of ~~\$233,133~~, \$461,441.

Off-Balance Sheet Commitments

The Company enters into loan commitments, standby letters of credit and derivative financial instruments in the normal course of its business. Loan commitments are made to accommodate the financial needs of the Company's customers. Standby letters of credit commit the Company to make payments on behalf of customers when certain specified future events occur. Both arrangements have credit risk essentially the same as that involved in extending loans to customers and are subject to the

Company's normal credit policies. Collateral (e.g., securities, receivables, inventory, equipment, etc.) is obtained based on management's credit assessment of the customer.

Loan commitments and standby letters of credit do not necessarily represent future cash requirements of the Company. While the borrower has the ability to draw upon these commitments at any time (assuming the borrower's compliance with the terms of the loan commitment), these commitments often expire without being drawn upon. The Company's unfunded loan commitments and standby letters of credit outstanding at December 31, 2022 December 31, 2023 and 2021 2022 were as follows:

	2022	2021
2023		
2023		
2023		
Loan commitments		
Loan commitments		
Loan commitments	Loan commitments	\$ 3,577,614
Standby letters of credit	Standby letters of credit	\$ 98,357
Standby letters of credit		
Standby letters of credit		

The Company closely monitors the amount of remaining future commitments to borrowers in light of prevailing economic conditions and adjusts these commitments as necessary. The Company will continue this process as new commitments are entered into or existing commitments are renewed.

The Company utilizes derivative financial instruments, including interest rate contracts such as swaps, caps, floors and/or collars, as part of its ongoing efforts to mitigate its interest rate risk exposure and to facilitate the needs of its customers. The Company enters into derivative instruments that are not designated as hedging instruments to help its commercial customers manage their exposure to interest rate fluctuations. To mitigate the interest rate risk associated with these customer contracts, the Company enters into an offsetting derivative contract position with other financial institutions. The Company manages its credit risk, or potential risk of default by its commercial customers, through credit limit approval and monitoring procedures. At December 31, 2022 December 31, 2023, the Company had notional amounts of ~~\$258,646~~ \$535,725 on interest rate contracts with corporate customers and ~~\$258,646~~ \$532,279 in offsetting interest rate contracts with other financial institutions to mitigate the Company's rate exposure on its corporate customers' contracts.

Additionally, the Company enters into interest rate lock commitments with its customers to mitigate the interest rate risk associated with the commitments to fund fixed-rate residential mortgage loans and also enters into forward commitments to sell residential mortgage loans to secondary market investors.

Finally, the Company enters into forward interest rate swap contracts on its FHLB borrowings and its junior subordinated debentures that are accounted for as cash flow hedges. Under each of these contracts, the Company pays a fixed rate of interest and receives a variable rate of ~~interest based on the three-month or one-month LIBOR plus a predetermined spread~~. interest. The Company entered into an interest rate swap contract on its subordinated notes that is accounted for as a fair value hedge. Under this contract, the Company pays a variable rate of interest ~~based on the three-month LIBOR plus a predetermined spread~~ and receives a fixed rate of interest.

For more information about the Company's off-balance sheet transactions, see Note 13, "Derivative Instruments" and Note 18, "Commitments, Contingent Liabilities and Financial Instruments with Off-Balance Sheet Risk," in the Notes to Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in this report.

Shareholders' Equity and Regulatory Matters

Total shareholders' equity of the Company was \$2,297,383 and \$2,136,016 at December 31, 2023 and \$2,209,853 at December 31, 2022 and 2021, 2022, respectively. Book value per share was \$40.92 and \$38.18 at December 31, 2023 and \$39.63 at December 31, 2022 and 2021, 2022, respectively. The decrease increase in shareholders' equity was attributable to earnings retention, being more than offset by changes in accumulated other comprehensive income and dividends declared.

In October 2022, 2023, the Company's Board of Directors approved a stock repurchase program, authorizing the Company to repurchase up to \$100,000 of its outstanding common stock, either in open market purchases or privately-negotiated transactions. The program will remain in effect until the earlier of October 2023 2024 or the repurchase of the entire amount of common stock authorized to be repurchased by the Board of Directors.

The Company has junior subordinated debentures with a carrying value of \$112,042 \$112,978 at December 31, 2022 December 31, 2023, of which \$108,450 \$109,388 are included in the Company's Tier 1 capital. Federal Reserve guidelines limit the amount of securities that, similar to our junior subordinated debentures, are includable in Tier 1 capital, but these guidelines did not impact the amount of debentures we include in Tier 1 capital. Although our existing junior subordinated debentures are currently unaffected by these Federal Reserve guidelines, on account of changes enacted as part of the Dodd-Frank Act, any new trust preferred securities are not includable in Tier 1 capital. Further, if we make an acquisition now that we have exceeded \$15,000,000 in assets, we will lose Tier 1 treatment of our junior subordinated debentures.

The Company has subordinated notes with a carrying value of \$316,422 at December 31, 2023, and \$316,091 at December 31, 2022, and \$359,419 at December 31, 2021 included in the Company's Tier 2 capital. As previously discussed in the "Financial Condition" section above, in the fourth quarter of 2021, the Company issued \$200,000 of its 3.00% fixed-to-floating rate subordinated notes due December 1, 2031. During October and December 2021, respectively, the Company redeemed at par its \$15,000 6.50% fixed-to-floating rate subordinated notes and redeemed \$30,000 of its aggregate \$60,000 5.00% fixed-to-floating rate subordinated notes, with the remaining \$30,000 of such notes redeemed in the first quarter of 2022.

The Federal Reserve, the FDIC and the Office of the Comptroller of the Currency have issued guidelines governing the levels of capital that bank holding companies and banks must maintain. Those guidelines specify capital tiers, which include the following classifications: classifications (which include the "capital conservation buffer" discussed below):

Capital Tiers	Tier 1 Capital to Average Assets (Leverage)		Tier 1 Capital to Risk - Weighted Assets		Total Capital to Risk - Weighted Assets	
	5% or above	6.5% or above	8% or above	10% or above		
Well capitalized						
Adequately capitalized	4% or above	4.5% or above	6% or above	8% or above		
Undercapitalized	Less than 4%	Less than 4.5%	Less than 6%	Less than 8%		
Significantly undercapitalized	Less than 3%	Less than 3%	Less than 4%	Less than 6%		
Critically undercapitalized	Tangible Equity / Total Assets less than 2%					

The following table includes the capital ratios and capital amounts for the Company and the Bank for as of the years dates presented:

	Minimum Capital Requirement to be Adequately Capitalized (including the phase-in of the						Actual			Minimum Capital Requirement to be Well Capitalized		
	Actual		Minimum Capital Requirement to be Well Capitalized		Capital Conservation Buffer		Actual		Actual		Minimum Capital Requirement to be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
December 31, 2022												
December 31, 2023												
Renasant Corporation:												
Renasant Corporation:												
Tier 1 leverage ratio												
Tier 1 leverage ratio												
Tier 1 leverage ratio	\$1,481,197	9.36 %	\$ 790,853	5.00 %	\$ 632,683	4.00 %	\$1,578,918		9.62	9.62 %	\$820,428	5.00 %

Common equity tier 1 capital ratio	Common equity tier 1 capital ratio	1,372,747	10.21 %	874,093	6.50 %	941,331	7.00 %	Common equity tier 1 capital ratio	1,469,531	10.52	10.52 %	908,163	6.50
Tier 1 risk-based capital ratio	Tier 1 risk-based capital ratio	1,481,197	11.01 %	1,075,807	8.00 %	1,143,045	8.50 %	Tier 1 risk-based capital ratio	1,578,918	11.30	11.30 %	1,117,740	8.00
Total risk-based capital ratio	Total risk-based capital ratio	1,968,001	14.63 %	1,344,758	10.00 %	1,411,996	10.50 %	Total risk-based capital ratio	2,085,531	14.93	14.93 %	1,397,175	10.00
Renaissance Bank:	Renaissance Bank:												
Tier 1 leverage ratio	Tier 1 leverage ratio	\$1,630,389	10.30 %	\$ 791,299	5.00 %	\$ 633,040	4.00 %						
Tier 1 leverage ratio	Tier 1 leverage ratio								\$1,714,965		10.45 %	\$ 820,761	5.00
Common equity tier 1 capital ratio	Common equity tier 1 capital ratio	1,630,389	12.10 %	876,066	6.50 %	943,455	7.00 %	Common equity tier 1 capital ratio	1,714,965	12.25	12.25 %	909,711	6.50
Tier 1 risk-based capital ratio	Tier 1 risk-based capital ratio	1,630,389	12.10 %	1,078,235	8.00 %	1,145,624	8.50 %	Tier 1 risk-based capital ratio	1,714,965	12.25	12.25 %	1,119,644	8.00
Total risk-based capital ratio	Total risk-based capital ratio	1,781,312	13.22 %	1,347,794	10.00 %	1,415,183	10.50 %	Total risk-based capital ratio	1,888,104	13.49	13.49 %	1,399,556	10.00
December 31, 2021													
December 31, 2022													
Renaissance Bank:	Renaissance Bank:												
Renaissance Corporation:	Renaissance Corporation:												
Tier 1 leverage ratio	Tier 1 leverage ratio												
Tier 1 leverage ratio	Tier 1 leverage ratio												
Tier 1 leverage ratio	Tier 1 leverage ratio	\$1,422,077	9.15 %	\$ 777,289	5.00 %	\$ 621,831	4.00 %	\$1,481,197		9.36	9.36 %	\$ 790,853	5.00
Common equity tier 1 capital ratio	Common equity tier 1 capital ratio	1,314,295	11.18 %	763,952	6.50 %	822,717	7.00 %	Common equity tier 1 capital ratio	1,372,747	10.21	10.21 %	874,093	6.50
Tier 1 risk-based capital ratio	Tier 1 risk-based capital ratio	1,422,077	12.10 %	940,248	8.00 %	999,014	8.50 %	Tier 1 risk-based capital ratio	1,481,197	11.01	11.01 %	1,075,807	8.00

Total risk-based capital ratio	Total risk-based capital ratio	1,897,167	16.14 %	1,175,610	10.00 %	1,234,076	10.50 %	Total risk-based capital ratio	1,968,001	14.63	14.63 %	1,344,758	10.00
Renaissance Bank:	Renaissance Bank:												
Tier 1 leverage ratio	Tier 1 leverage ratio	\$1,580,904	10.18 %	\$ 776,700	5.00 %	\$ 621,360	4.00 %						
Tier 1 leverage ratio													
Common equity tier 1 capital ratio	Common equity tier 1 capital ratio	1,580,904	13.46 %	763,713	6.50 %	822,460	7.00 %	Common equity tier 1 capital ratio	1,630,389	12.10	12.10 %	876,066	6.50
Tier 1 risk-based capital ratio	Tier 1 risk-based capital ratio	1,580,904	13.46 %	939,954	8.00 %	998,702	8.50 %	Tier 1 risk-based capital ratio	1,630,389	12.10	12.10 %	1,078,235	8.00
Total risk-based capital ratio	Total risk-based capital ratio	1,697,163	14.44 %	1,174,943	10.00 %	1,233,690	10.50 %	Total risk-based capital ratio	1,781,312	13.22	13.22 %	1,347,794	10.00

As previously disclosed, the Company adopted CECL as of January 1, 2020. The Company has elected to take advantage of transitional relief offered by the Federal Reserve and FDIC to delay for two years the estimated impact of CECL on regulatory capital, followed by a three-year transitional period to phase out the capital benefit provided by the two-year delay.

For a detailed discussion of the capital adequacy guidelines applicable to the Company and the Bank, please refer to the information under the heading "Capital Adequacy Guidelines" in the "Supervision and Regulation-Supervision and Regulation of Renasant Corporation" section and the "Supervision and Regulation-Supervision and Regulation of Renasant Bank" section in Item 1, Business, in this report.

Non-GAAP Financial Measures

In addition to results presented in accordance with GAAP, this document contains certain non-GAAP financial measures, namely, return on average tangible shareholders' equity, return on average tangible assets and the ratio of tangible equity to tangible assets. These non-GAAP financial measures adjust GAAP financial measures to exclude intangible assets. Management uses these non-GAAP financial measures when evaluating capital utilization and adequacy. In addition, the Company believes that these non-GAAP financial measures facilitate the making of period-to-period comparisons and are meaningful indicators of its operating performance, particularly because these measures are widely used by industry analysts for companies with merger and acquisition activities. Also, because intangible assets such as goodwill and the core deposit intangible can vary extensively from company to company and are excluded from the calculation of a financial institution's regulatory capital, the Company believes that the presentation of this non-GAAP financial information allows readers to more easily compare the Company's results to information provided in other regulatory reports and the results of other companies. The reconciliations from GAAP to non-GAAP for these financial measures are below.

Return on average tangible shareholders' equity and Return on average tangible assets													
	2022	2021	2020										
Return on average tangible shareholders' equity and Return on average tangible assets													
Return on average tangible shareholders' equity and Return on average tangible assets													
	2023												
Net income (GAAP)													
Net income (GAAP)													
Net income (GAAP)	Net income (GAAP)	\$ 166,068	\$ 175,892	\$ 83,651									
Amortization of intangibles	Amortization of intangibles	5,122	6,042	7,121									
Amortization of intangibles													
Amortization of intangibles													

Tax effect of adjustment noted above ⁽¹⁾	Tax effect of adjustment noted above ⁽¹⁾	(1,119)	(1,354)	(1,382)
Tax effect of adjustment noted above ⁽¹⁾				
Tax effect of adjustment noted above ⁽¹⁾				
Tangible net income (non- GAAP)				
Tangible net income (non- GAAP)				
Tangible net income (non- GAAP)	Tangible net income (non- GAAP)	\$ 170,071	\$ 180,580	\$ 89,390
Average shareholders' equity (GAAP)	Average shareholders' equity (GAAP)	\$ 2,184,603	\$ 2,209,409	\$ 2,114,590
Average shareholders' equity (GAAP)				
Average shareholders' equity (GAAP)				
Intangibles	Intangibles	967,018	966,733	973,287
Intangibles				
Intangibles				
Average tangible shareholders' equity (non- GAAP)				
Average tangible shareholders' equity (non- GAAP)				
Average tangible shareholders' equity (non- GAAP)	Average tangible shareholders' equity (non- GAAP)	\$ 1,217,585	\$ 1,242,676	\$ 1,141,303
Average total assets (GAAP)	Average total assets (GAAP)	\$ 16,637,852	\$ 15,905,986	\$ 14,503,449
Average total assets (GAAP)				
Average total assets (GAAP)				
Intangibles	Intangibles	967,018	966,733	973,287
Intangibles				
Intangibles				
Average tangible assets (non-GAAP)				
Average tangible assets (non-GAAP)				
Average tangible assets (non-GAAP)	Average tangible assets (non-GAAP)	\$ 15,670,834	\$ 14,939,253	\$ 13,530,162

Return on (average) shareholders' equity (GAAP)	Return on (average) shareholders' equity (GAAP)	7.60 %	7.96 %	3.96 %
Return on (average) shareholders' equity (GAAP)				
Return on (average) shareholders' equity (GAAP)				
Effect of adjustment for intangible assets	Effect of adjustment for intangible assets	6.37 %	6.57 %	3.87 %
Effect of adjustment for intangible assets				
Effect of adjustment for intangible assets				
Return on average tangible shareholders' equity (non-GAAP)	Return on average tangible shareholders' equity (non-GAAP)			
Return on average tangible shareholders' equity (non-GAAP)	Return on average tangible shareholders' equity (non-GAAP)	13.97 %	14.53 %	7.83 %
Return on (average) assets (GAAP)	Return on (average) assets (GAAP)	1.00 %	1.11 %	0.58 %
Return on (average) assets (GAAP)				
Return on (average) assets (GAAP)				
Effect of adjustment for intangible assets				
Effect of adjustment for intangible assets				
Effect of adjustment for intangible assets	Effect of adjustment for intangible assets	0.09 %	0.10 %	0.08 %
Return on average tangible assets (non-GAAP)	Return on average tangible assets (non-GAAP)	1.09 %	1.21 %	0.66 %
Return on average tangible assets (non-GAAP)				
Return on average tangible assets (non-GAAP)				

(1) Tax effect is calculated based on the respective applicable periods' effective tax rate.

Tangible common equity ratio (Tangible shareholders' equity to tangible assets)

2022	2021	2020
------	------	------

Tangible common equity ratio (Tangible shareholders' equity to tangible assets)				
Tangible common equity ratio (Tangible shareholders' equity to tangible assets)				
2023				
Shareholders' equity (GAAP)				
Shareholders' equity (GAAP)				
Shareholders' equity (GAAP)	Shareholders' equity (GAAP)	\$ 2,136,016	\$ 2,209,853	\$ 2,132,733
Intangibles	Intangibles	1,015,884	963,781	969,823
Intangibles				
Intangibles				
Tangible shareholders' equity (non-GAAP)				
Tangible shareholders' equity (non-GAAP)				
Tangible shareholders' equity (non-GAAP)	Tangible shareholders' equity (non-GAAP)	\$ 1,120,132	\$ 1,246,072	\$ 1,162,910
Total assets (GAAP)	Total assets (GAAP)	\$16,988,176	\$16,810,311	\$14,929,612
Total assets (GAAP)				
Total assets (GAAP)				
Intangibles				
Intangibles				
Intangibles	Intangibles	1,015,884	963,781	969,823
Tangible assets (non-GAAP)	Tangible assets (non-GAAP)	\$15,972,292	\$15,846,530	\$13,959,789
Tangible assets (non-GAAP)				
Tangible assets (non-GAAP)				
Tangible Common Equity Ratio				
Shareholders' equity to assets (GAAP)				
Shareholders' equity to assets (GAAP)				
Shareholders' equity to assets (GAAP)	Shareholders' equity to assets (GAAP)	12.57 %	13.15 %	14.29 %
Effect of adjustment for intangible assets	Effect of adjustment for intangible assets	5.56 %	5.29 %	5.96 %
Effect of adjustment for intangible assets				
Effect of adjustment for intangible assets				

Tangible shareholders' equity to tangible assets (non-GAAP)	Tangible shareholders' equity to tangible assets (non-GAAP)	7.01 %	7.86 %	8.33 %
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Tangible shareholders' equity to tangible assets (non-GAAP)

Tangible shareholders' equity to tangible assets (non-GAAP)

None of the non-GAAP financial measures the Company has included in this document is intended to be considered in isolation or as a substitute for any measure prepared in accordance with GAAP. Readers of this Form 10-K should note that, because there are no standard definitions for how to calculate the non-GAAP financial measures that we use as well as the results, the Company's calculations may not be comparable to similarly titled measures presented by other companies. Also, there may be limits in the usefulness of these measures to readers of this document. As a result, the Company encourages readers to consider its consolidated financial statements and footnotes thereto in their entirety and not to rely on any single financial measure.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Please refer to the discussion found under the headings "Risk Management – Interest Rate Risk" and "Liquidity and Capital Resources" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in this report for the disclosures required pursuant to this Item 7A.

SEC Form 10-K

A COPY OF THIS ANNUAL REPORT ON FORM 10-K, AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, MAY BE OBTAINED WITHOUT CHARGE BY DIRECTING A WRITTEN REQUEST TO: JOHN S. OXFORD, SENIOR VICE PRESIDENT AND CHIEF MARKETING OFFICER, RENASANT BANK, 209 TROY STREET, 204 S. BROADWAY, TUPELO, MISSISSIPPI, 38804-4827, 38804.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Consolidated Financial Statements of the Company meeting the requirements of Regulation S-X are included on the succeeding pages of this Item. All schedules have been omitted because they are not required or are not applicable.

RENASANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021

CONTENTS

	Page
Report on Management's Assessment of Internal Control over Financial Reporting	60 64
Reports of Independent Registered Public Accounting Firm (Horne LLP, Memphis, TN PCAOB ID #: 171)	61 65
Consolidated Balance Sheets	64 68
Consolidated Statements of Income	65 69
Consolidated Statements of Comprehensive Income	66 70
Consolidated Statements of Changes in Shareholders' Equity	67 71
Consolidated Statements of Cash Flows	68 72
Notes to Consolidated Financial Statements	70 74

Report on Management's Assessment of Internal Control over Financial Reporting

Renasant Corporation (the "Company") is responsible for the preparation, integrity and fair presentation of the consolidated financial statements included in this annual report. The consolidated financial statements and notes included in this annual report have been prepared in conformity with accounting principles generally accepted in the United States and necessarily include some amounts that are based on management's best estimates and judgments.

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. The Company's internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of any unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The system of internal control over financial reporting as it relates to the financial statements is evaluated for effectiveness by management and tested for reliability through a program of internal audits. Actions are taken to correct potential deficiencies as they are identified. Any system of internal control, no matter how well designed, has inherent limitations, including the possibility that a control can be circumvented or overridden, and misstatements due to error or fraud may occur and not be detected. Also, because of changes in conditions, internal control effectiveness may vary over time. Accordingly, even an effective system of internal control will provide only reasonable assurance with respect to financial statement preparation.

Management, with the participation of the Company's principal executive officer and principal financial officer, conducted an assessment of the effectiveness of the Company's system of internal control over financial reporting as of **December 31, 2022** **December 31, 2023**, based on criteria for effective internal control over financial reporting described in the "Internal Control - Integrated Framework," (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has concluded that, as of **December 31, 2022** **December 31, 2023**, the Company's system of internal control over financial reporting is effective and meets the criteria of the "Internal Control - Integrated Framework." HORNE LLP, the Company's independent registered public accounting firm that has audited the Company's financial statements included in this annual report, has issued an attestation report on the Company's internal control over financial reporting which is included herein.



C. Mitchell Waycaster

President and Chief Executive Officer
Chief Executive Officer

February 24, 2023 23, 2024



James C. Mabry IV

Executive Vice President and
Chief Financial Officer

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Renasant Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Renasant Corporation (the "Company") as of **December 31, 2022** **December 31, 2023** and **2021**, 2022, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended **December 31, 2022** **December 31, 2023**, and the related notes to the consolidated financial statements (collectively, referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of **December 31, 2022** **December 31, 2023** and **2021**, 2022, and the results of its operations and its cash flows for each of the three years in the period ended **December 31, 2022** **December 31, 2023**, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB"), the Company's internal control over financial reporting as of **December 31, 2022** **December 31, 2023**, based on criteria established in the *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013, and our report dated **February 24, 2023**, **February 23, 2024**, expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated to the audit committee and that: (1) **relate** **relates** to accounts or disclosures that are material to the financial statements and (2) **involve** **involves** especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses - Loans

Description of the Matter

As described in Notes 1 and 4 to the financial statements, the Company's allowance for credit losses ("ACL") is a valuation allowance that reflects the Company's best estimate of expected credit losses inherent within the Company's loans held for investment portfolio and is maintained at a level believed adequate by management to absorb credit losses inherent in the entire loan portfolio in accordance with Accounting Standards Codification ASC 326: Financial Instruments – Credit Losses. The ACL is measured over the contractual life of loans held for investment and is estimated using relevant available information relating to past events, current conditions, and reasonable and supportable forecasts, as well as qualitative adjustments. The ACL was ~~\$192,090,000~~ \$198,578,000 at ~~December 31, 2022~~ December 31, 2023, which consisted of 1) ~~\$185,648,000~~ \$188,001,000 of loss allocations on pools of loans that share similar risk characteristics and 2) ~~\$6,442,000~~ \$10,577,000 of loss allocations on individual loans that do not share risk characteristics with other loans and the measurement of expected credit losses for such individual loans.

The Company's measurement of expected credit losses of loans on a pool basis when the loans share similar risk characteristics is based off historical data that is adjusted, as necessary, for both internal and external qualitative factors where there are differences in the historical loss data of the Company and current or projected future conditions. Consideration of the relevant qualitative factors are used to bring the ACL to the level management believes is appropriate based on factors that are otherwise unaccounted for in the quantitative process. The ACL also includes reserves for loans evaluated on an individual basis, such as certain loans graded substandard or on nonaccrual. Management applies judgment in the determination of the qualitative factors and reserves assigned on an individual basis to estimate the ACL.

The ACL was identified by us as a critical audit matter because of the extent of auditor judgment applied and significant audit effort to evaluate the significant subjective and complex judgments made by management including the judgment required in evaluating management's determination of the qualitative factors and the reserve assumptions for loans evaluated on an individual basis.

How We Addressed the Matter in Our Audit

The primary audit procedures we performed in response to this critical audit matter included:

- a. Obtained an understanding of the Company's process for establishing the ACL, including determination of the qualitative factors and reserve assumptions for loans evaluated on an individual basis, and evaluated the process utilized by management to challenge the model results and determine the best estimate of the ACL as of the balance sheet date.
- b. Evaluated the design and tested the operating effectiveness of the controls associated with the ACL process, including controls around the reliability and accuracy of data used in the model, management's review and approval of the selected qualitative factors, the reserve assumptions for loans evaluated on an individual basis, the governance of the credit loss methodology, and management's review and approval of the ACL.
- c. Assessed reasonableness of model methodology and key modeling assumptions, as well as the appropriateness of management's qualitative framework, and reserve assumptions for loans evaluated on an individual basis.
- d. Performed specific substantive tests of the model utilized, qualitative factors and the reserve assumptions for loans evaluated on an individual basis. We evaluated if qualitative factors were applied based on a comprehensive framework and compared the adjustments utilized by management to both internal portfolio metrics and external macroeconomic data (as applicable) to support adjustments and evaluate trends in such adjustments. Within our reserve testing for loans evaluated on an individual basis, we evaluated management's assumptions, including collateral valuations. In addition, we evaluated the Company's estimate of the overall ACL giving consideration to the Company's borrowers, loan portfolio, and macroeconomic trends, independently obtained and compared such information to comparable financial institutions and considered whether new or contrary information existed.

/s/ HORNE LLP

We have served as the Company's auditor since 2005.

Memphis, Tennessee

February 24, 2023 February 23, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Renasant Corporation:

Opinion on the Internal Control Over Financial Reporting

We have audited Renasant Corporation's (the "Company") internal control over financial reporting as of ~~December 31, 2022~~ December 31, 2023, based on criteria established in the *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of ~~December 31, 2022~~ December 31, 2023, based on criteria established in the *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB"), the consolidated financial statements of the Company as of ~~December 31, 2022~~ December 31, 2023 and our report dated ~~February 24, 2023~~ February 23, 2024 expressed an unqualified opinion.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting in the accompanying Report on Management's Assessment of Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ HORNE LLP

Memphis, Tennessee

February 24, 2023 23, 2024

Renaissance Corporation and Subsidiaries Consolidated Balance Sheets					
(In Thousands, Except Share Data)					
Assets	December 31,		December 31,		2022
	2022	2021		2023	
Assets	Assets				
Cash and due from banks	Cash and due from banks	\$ 193,513	\$ 182,710		
Cash and due from banks					
Cash and due from banks					
Interest-bearing balances with banks	Interest-bearing balances with banks	382,479	1,695,255		
Cash and cash equivalents	Cash and cash equivalents	575,992	1,877,965		
Securities held to maturity (net of allowance for credit losses of \$32 at both December 31, 2022 and 2021) (fair value of \$1,206,540 and \$415,552, respectively)		1,324,040	416,357		
Securities held to maturity (net of allowance for credit losses of \$32 at both December 31, 2023 and 2022) (fair value of \$1,121,830 and \$1,206,540, respectively)					

Securities available for sale, at fair value	Securities available for sale, at fair value	1,533,942	2,386,052
Loans held for sale, at fair value	Loans held for sale, at fair value	110,105	453,533
Loans held for investment, net of unearned income			
Loans held for investment, net of unearned income			
Loans held for investment, net of unearned income	Loans held for investment, net of unearned income	11,578,304	10,020,914
Allowance for credit losses	Allowance for credit losses	(192,090)	(164,171)
Loans, net	Loans, net	11,386,214	9,856,743
Premises and equipment, net	Premises and equipment, net	283,595	293,122
Other real estate owned, net	Other real estate owned, net	1,763	2,540
Other real estate owned, net			
Other real estate owned, net			
Goodwill	Goodwill	991,708	939,683
Other intangible assets, net	Other intangible assets, net	24,176	24,098
Bank-owned life insurance			
Bank-owned life insurance			
Bank-owned life insurance	Bank-owned life insurance	373,808	287,359
Mortgage servicing rights	Mortgage servicing rights	84,448	89,018
Other assets	Other assets	298,385	183,841
Total assets	Total assets	\$16,988,176	\$16,810,311
Liabilities and shareholders' equity	Liabilities and shareholders' equity		
Liabilities	Liabilities		
Liabilities			
Liabilities			
Deposits	Deposits		
Deposits			
Deposits			
Noninterest-bearing			
Noninterest-bearing			
Noninterest-bearing	Noninterest-bearing	\$ 4,558,756	\$ 4,718,124
Interest-bearing	Interest-bearing	8,928,210	9,187,600
Total deposits	Total deposits	13,486,966	13,905,724
Short-term borrowings	Short-term borrowings	712,232	13,947
Long-term debt	Long-term debt	428,133	471,209

Other liabilities	Other liabilities	224,829	209,578
Total liabilities	Total liabilities	14,852,160	14,600,458
Shareholders' equity	Shareholders' equity		
Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$5.00 par value – 150,000,000 shares authorized; 59,296,725 shares issued; 55,953,104 and 55,756,233 shares outstanding, respectively	Common stock, \$5.00 par value – 150,000,000 shares authorized; 59,296,725 shares issued; 55,953,104 and 55,756,233 shares outstanding, respectively	296,483	296,483
Treasury stock, at cost, 3,343,621 and 3,540,492 shares, respectively	Treasury stock, at cost, 3,343,621 and 3,540,492 shares, respectively	(111,577)	(118,027)
Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding		
Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	Preferred stock, \$0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding		
Common stock, \$5.00 par value – 150,000,000 shares authorized; 59,296,725 shares issued; 56,142,207 and 55,953,104 shares outstanding, respectively	Common stock, \$5.00 par value – 150,000,000 shares authorized; 59,296,725 shares issued; 56,142,207 and 55,953,104 shares outstanding, respectively		
Treasury stock, at cost, 3,154,518 and 3,343,621 shares, respectively	Treasury stock, at cost, 3,154,518 and 3,343,621 shares, respectively		
Additional paid-in capital	Additional paid-in capital	1,302,422	1,300,192
Retained earnings	Retained earnings	857,725	741,648
Accumulated other comprehensive loss, net of taxes	Accumulated other comprehensive loss, net of taxes	(209,037)	(10,443)
Total shareholders' equity	Total shareholders' equity	2,136,016	2,209,853
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	\$16,988,176	\$16,810,311

See Notes to Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Consolidated Statements of Income

(In Thousands, Except Share Data)

Year Ended December 31,

	2022	2021	2020
Interest income			
Loans	\$ 479,910	\$ 435,464	\$ 466,432
Securities			
Taxable	45,523	24,732	24,224
Tax-exempt	7,524	6,800	6,287
Other	8,853	1,689	1,189
Total interest income	541,810	468,685	498,132
Interest expense			
Deposits	35,208	28,976	54,016
Borrowings	25,304	15,708	17,319
Total interest expense	60,512	44,684	71,335
Net interest income	481,298	424,001	426,797
Provision for (recovery of) credit losses on loans	23,788	(1,700)	85,350
Provision for credit losses on held to maturity securities	—	32	—
Provision for other credit losses	—	—	1,500
Provision for (recovery of) credit losses	23,788	(1,668)	86,850
Net interest income after provision for credit losses	457,510	425,669	339,947
Noninterest income			
Service charges on deposit accounts	39,957	36,569	31,326
Fees and commissions	17,268	15,732	13,043
Insurance commissions	10,754	9,841	8,990
Wealth management revenue	22,339	20,455	16,504
Mortgage banking income	35,794	109,604	150,499
Swap termination gains	—	4,676	—
Net gains on sales of securities	—	2,170	46
BOLI income	9,267	7,366	5,627
Other	13,874	20,571	9,497
Total noninterest income	149,253	226,984	235,532
Noninterest expense			
Salaries and employee benefits	261,654	280,627	302,388
Data processing	14,900	21,726	20,685
Net occupancy and equipment	44,819	46,837	54,080
Other real estate owned	(453)	253	2,754
Professional fees	11,872	11,776	11,293
Advertising and public relations	14,325	12,203	10,322
Intangible amortization	5,122	6,042	7,121
Communications	7,958	8,869	8,866
Merger and conversion related expenses	1,787	—	—
Restructuring charges	732	368	7,365
Swap termination charges	—	—	2,040
Debt prepayment penalty	—	6,123	121
Other	32,739	35,002	44,953
Total noninterest expense	395,455	429,826	471,988
Income before income taxes	211,308	222,827	103,491
Income taxes	45,240	46,935	19,840
Net income	\$ 166,068	\$ 175,892	\$ 83,651
Basic earnings per share	\$ 2.97	\$ 3.13	\$ 1.49
Diluted earnings per share	\$ 2.95	\$ 3.12	\$ 1.48
Cash dividends per common share	\$ 0.88	\$ 0.88	\$ 0.88

	Year Ended December 31,		
	2023	2022	2021
Interest income			
Loans	\$ 716,456	\$ 479,910	\$ 435,464
Securities			
Taxable	44,482	45,523	24,732
Tax-exempt	6,006	7,524	6,800
Other	30,375	8,853	1,689
Total interest income	797,319	541,810	468,685
Interest expense			
Deposits	232,331	35,208	28,976
Borrowings	45,661	25,304	15,708
Total interest expense	277,992	60,512	44,684
Net interest income	519,327	481,298	424,001
Provision for (recovery of) credit losses on loans	18,793	23,788	(1,700)
(Recovery of) provision for credit losses on unfunded commitments	(3,200)	83	(500)
Provision for credit losses on held to maturity securities	—	—	32
Provision for (recovery of) credit losses	15,593	23,871	(2,168)
Net interest income after provision for (recovery of) credit losses	503,734	457,427	426,169
Noninterest income			
Service charges on deposit accounts	39,199	39,957	36,569
Fees and commissions	17,901	17,268	15,732
Insurance commissions	11,102	10,754	9,841
Wealth management revenue	22,132	22,339	20,455
Mortgage banking income	32,413	35,794	109,604
Swap termination gains	—	—	4,676
Gain on debt extinguishment	620	—	—
Net (losses) gains on sales of securities	(22,438)	—	2,170
Impairment losses on securities	(19,352)	—	—
BOLI income	10,463	9,267	7,366
Other	21,035	13,874	20,571
Total noninterest income	113,075	149,253	226,984
Noninterest expense			
Salaries and employee benefits	281,768	261,654	280,627
Data processing	15,195	14,900	21,726
Net occupancy and equipment	46,471	44,819	46,837
Other real estate owned	267	(453)	253
Professional fees	13,671	11,872	11,776
Advertising and public relations	14,726	14,325	12,203
Intangible amortization	5,380	5,122	6,042
Communications	8,238	7,958	8,869
Merger and conversion related expenses	—	1,787	—
Restructuring charges	—	732	368
Debt prepayment penalty	—	—	6,123
Other	53,906	32,656	35,502
Total noninterest expense	439,622	395,372	430,326
Income before income taxes	177,187	211,308	222,827
Income taxes	32,509	45,240	46,935
Net income	\$ 144,678	\$ 166,068	\$ 175,892
Basic earnings per share	\$ 2.58	\$ 2.97	\$ 3.13
Diluted earnings per share	\$ 2.56	\$ 2.95	\$ 3.12
Cash dividends per common share	\$ 0.88	\$ 0.88	\$ 0.88

See Notes to Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income

(In Thousands)

Year Ended December 31,	Year Ended December 31,
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		2022	2021	2020	2023	2022	2021
Net income	Net income	\$166,068	\$175,892	\$ 83,651			
Other comprehensive income, net of tax:	Other comprehensive income, net of tax:						
Securities available for sale:	Securities available for sale:						
Unrealized holding (losses) gains on securities	(214,351)	(38,371)	20,717				
Securities available for sale:							
Securities available for sale:							
Unrealized holding gains (losses) on securities							
Unrealized holding gains (losses) on securities							
Unrealized holding gains (losses) on securities							
Reclassification adjustment for gains realized in net income	—	(1,618)	(34)				
Reclassification adjustment for losses (gains) realized in net income							
Reclassification adjustment for losses (gains) realized in net income							
Reclassification adjustment for losses (gains) realized in net income							
Amortization of unrealized holding losses (gains) on securities transferred to the held to maturity category							
Amortization of unrealized holding losses (gains) on securities transferred to the held to maturity category							
Amortization of unrealized holding losses (gains) on securities transferred to the held to maturity category							
Amortization of unrealized holding losses (gains) on securities transferred to the held to maturity category	Amortization of unrealized holding losses (gains) on securities transferred to the held to maturity category	3,701	(54)	—			
Total securities available for sale	Total securities available for sale	(210,650)	(40,043)	20,683			
Derivative instruments:	Derivative instruments:						
Unrealized holding gains on derivative instruments	14,993	8,087	688				

Reclassification adjustment for (gains) losses realized in net income related to swap termination	—	(3,486)	1,521
Unrealized holding (losses) gains on derivative instruments			
Unrealized holding (losses) gains on derivative instruments			
Unrealized holding (losses) gains on derivative instruments			
Reclassification adjustment for gains realized in net income related to swap termination			
Total derivative instruments	Total derivative instruments	14,993	4,601
Defined benefit pension and post- retirement benefit plans:	Defined benefit pension and post-retirement benefit plans:		
Net (loss) gain arising during the period	(3,062)	(264)	797
Reclassification adjustment for settlement loss related to the voluntary early retirement program realized in net income	—	—	422
New prior service cost	—	—	(362)
Net gain (loss) arising during the period			
Net gain (loss) arising during the period			
Net gain (loss) arising during the period			
Amortization of net actuarial loss recognized in net periodic pension cost	Amortization of net actuarial loss recognized in net periodic pension cost	125	195
Amortization of prior service cost	—	—	193
Amortization of net actuarial loss recognized in net periodic pension cost			
Amortization of net actuarial loss recognized in net periodic pension cost			
Total defined benefit pension and post-retirement benefit plans	Total defined benefit pension and post- retirement benefit plans	(2,937)	(69)
			1,412

Other comprehensive (loss) income,			
net of tax	(198,594)	(35,511)	24,304
Comprehensive (loss) income	<u>\$ (32,526)</u>	<u>\$140,381</u>	<u>\$107,955</u>
Total defined benefit pension and post-retirement benefit plans			
Total defined benefit pension and post-retirement benefit plans			
Other comprehensive income (loss), net of tax			
Comprehensive income (loss)			

See Notes to Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity

(In Thousands, Except Share Data)

	Accumulated										Common					Additional					Accumulated							
	Common Stock					Additional Paid-In Capital					Other Comprehensive Income (Loss)					Stock		Common Stock			Paid-In Capital		Retained Earnings			Other Comprehensive Income (Loss)		Total
	Shares	Amount	Stock	Capital	Earnings	Total	Income (Loss)	Shares	Amount	Stock	Capital	Earnings	Total	Income (Loss)	Shares	Amount	Stock	Capital	Earnings	Total	Income (Loss)	Total						
Balance at January 1, 2020	56,855,002	\$296,483	\$ (83,189)	\$1,294,276	\$617,355	\$	764	\$2,125,689																				
Cumulative effect adjustment due to the adoption of ASU 2016-13	—	—	—	—	—	(35,099)	—	—	—	—	—	—	—	(35,099)														
Balance at January 1, 2021																												
Net income	Net income	—	—	—	—	83,651	—	—	—	—	—	—	—	83,651														
Other comprehensive income	Other comprehensive income	—	—	—	—	—	—	24,304	24,304																			
Net income	Net income																											
Other comprehensive loss	Other comprehensive loss																											
Comprehensive income	Comprehensive income													107,955														
Repurchase of shares in connection with stock repurchase program	Repurchase of shares in connection with stock repurchase program																											
Repurchase of shares in connection with stock repurchase program	Repurchase of shares in connection with stock repurchase program																											
Repurchase of shares in connection with stock repurchase program	Repurchase of shares in connection with stock repurchase program	(818,886)	—	(24,569)	—	—	—	—	—	—	—	—	—	(24,569)														
Cash dividends (\$0.88 per share)	Cash dividends (\$0.88 per share)	—	—	—	—	(50,134)	—	—	—	—	—	—	—	(50,134)														

Issuance of common stock for stock-based compensation awards	Issuance of common stock for stock-based compensation awards	164,371	—	6,204	(7,890)	—	—	(1,686)
Issuance of common stock for stock-based compensation awards								
Issuance of common stock for stock-based compensation awards								
Stock-based compensation expense								
Stock-based compensation expense	Stock-based compensation expense	—	—	—	10,577	—	—	10,577
Balance at December 31, 2020								
56,200,487	\$296,483	\$(101,554)	\$1,296,963	\$615,773	\$	25,068	\$2,132,733	
Balance at December 31, 2021								
Balance at December 31, 2021								
Net income	Net income	—	—	—	175,892	—	—	175,892
Net income								
Other comprehensive loss	Other comprehensive loss	—	—	—	—	(35,511)	—	(35,511)
Comprehensive income								
Repurchase of shares in connection with stock repurchase program	(612,107)	—	(21,315)	—	—	—	—	(21,315)
Comprehensive loss								
Cash dividends (\$0.88 per share)								
Cash dividends (\$0.88 per share)	Cash dividends (\$0.88 per share)	—	—	—	(50,017)	—	—	(50,017)
Issuance of common stock for stock-based compensation awards	Issuance of common stock for stock-based compensation awards	167,853	—	4,842	(6,845)	—	—	(2,003)
Stock-based compensation expense								
—	—	—	—	10,074	—	—	—	10,074
Balance at December 31, 2021								
55,756,233	\$296,483	\$(118,027)	\$1,300,192	\$741,648	\$	(10,443)	\$2,209,853	
Net income	—	—	—	—	166,068	—	—	166,068
Other comprehensive loss	—	—	—	—	—	(198,594)	—	(198,594)
Comprehensive loss	—	—	—	—	—	—	—	(32,526)
Cash dividends (\$0.88 per share)	—	—	—	—	(49,991)	—	—	(49,991)

Issuance of common stock for stock-based compensation awards							
Issuance of common stock for stock-based compensation awards	Issuance of common stock for stock-based compensation awards	196,871	—	6,450	(9,275)	—	— (2,825)
Stock-based compensation expense	Stock-based compensation expense	—	—	—	11,505	—	— 11,505
Balance at December 31, 2022	Balance at December 31, 2022	55,953,104	\$296,483	\$(111,577)	\$1,302,422	\$857,725	\$ (209,037) \$2,136,016
Balance at December 31, 2022							
Balance at December 31, 2022							
Net income							
Net income							
Net income							
Other comprehensive income							
Comprehensive income							
Cash dividends (\$0.88 per share)							
Cash dividends (\$0.88 per share)							
Cash dividends (\$0.88 per share)							
Issuance of common stock for stock-based compensation awards							
Issuance of common stock for stock-based compensation awards							
Issuance of common stock for stock-based compensation awards							
Stock-based compensation expense							
Balance at December 31, 2023							
Balance at December 31, 2023							
Balance at December 31, 2023							

See Notes to Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands, Except Share Data)

Year Ended December 31,

Year Ended December 31,

		2022	2021	2020	2023	2022	2021
Operating activities	Operating activities						
Net income	Net income	\$ 166,068	\$ 175,892	\$ 83,651			
Net income	Net income						
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:						
Provision for (recovery of) credit losses	Provision for (recovery of) credit losses	23,788	(1,668)	86,850			
Provision for (recovery of) credit losses	Provision for (recovery of) credit losses						
Depreciation, amortization and accretion	Depreciation, amortization and accretion	42,744	47,350	34,633			
Deferred income tax expense (benefit)	Deferred income tax expense (benefit)	2,280	11,411	(13,662)			
Deferred income tax (benefit) expense	Deferred income tax (benefit) expense						
Impairment losses on securities	Impairment losses on securities						
Impairment losses on securities	Impairment losses on securities						
Proceeds from sale of mortgage servicing rights	Proceeds from sale of mortgage servicing rights	18,525	—	—			
Gain on sale of mortgage servicing rights	Gain on sale of mortgage servicing rights	(2,960)	—	—			
Funding of mortgage loans held for sale	Funding of mortgage loans held for sale	(1,679,356)	(4,059,927)	(4,479,421)			
Proceeds from sales of mortgage loans held for sale	Proceeds from sales of mortgage loans held for sale	2,043,360	4,116,106	4,530,328			
Gains on sales of mortgage loans held for sale	Gains on sales of mortgage loans held for sale	(15,803)	(82,399)	(150,406)			

Valuation adjustment to mortgage servicing rights	Valuation adjustment to mortgage servicing rights	—	(13,561)	11,726
Gains on sales of securities		—	(2,170)	(46)
Losses (gains) on sales of securities				
Debt prepayment penalty	Debt prepayment penalty	—	6,123	121
(Gains) losses on sales of premises and equipment		(239)	(840)	38
Gain on debt extinguishment				
Gains on sales of premises and equipment				
Stock-based compensation				
Stock-based compensation	Stock-based compensation	11,505	10,074	10,577
Increase in other assets	Increase in other assets	(29,671)	(20,812)	(59,224)
(Decrease) increase in other liabilities		(6,196)	(42,920)	27,077
Increase in other assets				
Increase in other assets				
Increase (decrease) in other liabilities				
Net cash provided by operating activities	Net cash provided by operating activities	574,045	142,659	82,242
Investing activities	Investing activities			
Purchases of securities available for sale				
Purchases of securities available for sale				
Purchases of securities available for sale	Purchases of securities available for sale	(713,096)	(2,107,934)	(515,657)
Proceeds from sales of securities available for sale	Proceeds from sales of securities available for sale	—	176,455	44,906
Proceeds from call/maturities of securities available for sale	Proceeds from call/maturities of securities available for sale	385,507	458,020	437,981
Purchases of securities held to maturity	Purchases of securities held to maturity	(91,803)	(52,135)	—

Proceeds from call/maturities of securities held to maturity				
Proceeds from call/maturities of securities held to maturity				
Proceeds from call/maturities of securities held to maturity	Proceeds from call/maturities of securities held to maturity	67,448	2,246	—
Net (increase) decrease in loans	Net (increase) decrease in loans	(1,456,119)	910,063	(1,233,232)
Purchases of premises and equipment	Purchases of premises and equipment	(14,838)	(20,516)	(28,270)
Proceeds from sales of premises and equipment	Proceeds from sales of premises and equipment	1,234	9,813	—
Purchase of bank-owned life insurance	Purchase of bank-owned life insurance	(80,000)	(50,000)	—
Net change in FHLB stock	Net change in FHLB stock	(27,807)	3,980	18,840
Proceeds from sales of other assets	Proceeds from sales of other assets	3,578	6,342	8,438
Net cash paid in acquisitions	Net cash paid in acquisitions	(120,888)	—	—
Net cash paid in acquisitions				
Net cash paid in acquisitions				
Other, net				
Other, net				
Other, net	Other, net	3,127	3,663	1,446
Net cash used in investing activities	Net cash used in investing activities	(2,043,657)	(660,003)	(1,265,548)
Financing activities	Financing activities			
Net (decrease) increase in noninterest-bearing deposits	Net (decrease) increase in noninterest-bearing deposits	(159,368)	1,033,076	1,133,278
Net (decrease) increase in interest-bearing deposits		(259,390)	813,567	712,781
Net increase (decrease) in short-term borrowings		668,805	(7,393)	(467,872)
Net (decrease) increase in noninterest-bearing deposits				
Net (decrease) increase in noninterest-bearing deposits				
Net increase (decrease) in interest-bearing deposits				
Net (decrease) increase in short-term borrowings				

Proceeds from long-term debt	Proceeds from long-term debt	—	197,061	98,266
Repayment of long-term debt	Repayment of long-term debt	(32,417)	(202,873)	(171)
Cash paid for dividends	Cash paid for dividends	(49,991)	(50,017)	(50,134)
Repurchase of shares in connection with stock repurchase program	Repurchase of shares in connection with stock repurchase program	—	(21,315)	(24,569)
Net cash provided by financing activities	Net cash provided by financing activities	167,639	1,762,106	1,401,579
Net (decrease) increase in cash and cash equivalents		(1,301,973)	1,244,762	218,273
Net cash provided by financing activities				
Net cash provided by financing activities				
Net increase (decrease) in cash and cash equivalents				
Cash and cash equivalents at beginning of year	Cash and cash equivalents at beginning of year	1,877,965	633,203	414,930
Cash and cash equivalents at end of year	Cash and cash equivalents at end of year	\$ 575,992	\$ 1,877,965	\$ 633,203

See Notes to Consolidated Financial Statements.

68 72

Renaissance Corporation and Subsidiaries
Consolidated Statements of Cash Flows (continued)

	Year Ended December 31,			Year Ended December 31,		
	2022	2021	2020	2023	2022	2021
Supplemental disclosures	Supplemental disclosures					
Cash paid for interest	Cash paid for interest	\$ 54,562	\$ 45,745	\$ 73,686		
Cash paid for interest						
Cash paid for income taxes	Cash paid for income taxes	\$ 41,764	\$ 50,977	\$ 39,989		
Noncash transactions:	Noncash transactions:					
Transfers of loans to other real estate						
Transfers of loans to other real estate						

Transfers of loans to other real estate	Transfers of loans to other real estate	\$ 2,207	\$ 3,180	\$ 8,588
Financed sales of other real estate owned	Financed sales of other real estate owned	\$ —	\$ 577	\$ 148
Recognition of operating right-of-use assets	Recognition of operating right-of-use assets	\$ 3,475	\$ 8,142	\$ 9,393
Recognition of operating right-of-use assets	Recognition of operating right-of-use assets	\$ 3,475	\$ 8,142	\$ 9,393
Recognition of operating lease liabilities	Recognition of operating lease liabilities	\$ 3,475	\$ 8,142	\$ 9,393
Available for sale securities transferred to held to maturity securities	Available for sale securities transferred to held to maturity securities	\$882,927	\$366,886	\$ —

See Notes to Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies

(Dollar amounts in thousands)

Nature of Operations: Renaissance Corporation (referred to herein as the "Company") owns and operates Renaissance Bank ("Renaissance Bank" or the "Bank"), Renaissance Insurance, Inc., Park Place Capital Corporation and Continental Republic Capital, LLC (doing business as "Republic Business Credit"). Through its subsidiaries, the Company offers a diversified range of financial, wealth management, fiduciary and insurance services to its retail and commercial customers from offices located throughout the Southeast as well as offers factoring and asset-based lending on a nationwide basis.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Consolidation: The accompanying Consolidated Financial Statements and these Notes to Consolidated Financial Statements include the accounts of the Company and its consolidated subsidiaries, all of which are wholly-owned. All intercompany balances and transactions have been eliminated. Certain prior year amounts have been reclassified to conform to the current year presentation. Reclassifications had no effect on prior years' net income or shareholders' equity.

Cash and Cash Equivalents: The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Securities: Debt securities are classified as held to maturity when purchased if management has the positive intent and ability to hold the securities to maturity. Held to maturity securities are stated at amortized cost. Presently, the Company has no intention of establishing a trading classification. Securities not classified as held to maturity or trading are classified as available for sale. Available for sale securities are stated at fair value, with the unrealized gains and losses, net of tax, reported in accumulated other comprehensive income within shareholders' equity.

The amortized cost of securities, regardless of classification, is adjusted for amortization of premiums and accretion of discounts. Such amortization and accretion is included in interest income from securities, as is dividend income. Realized gains and losses on sales of securities and impairments are reflected under the line items "Net (losses) gains

on sales of **securities**" and "**Impairment losses on securities**" on the Consolidated Statements of Income. The cost of securities sold is based on the specific identification method.

The Company evaluates its allowance for credit losses on the held to maturity investment portfolio on a quarterly basis in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic ("ASC") 326, "*Financial Instruments - Credit Losses*" ("ASC 326"; ASC 326 is also referred to as "CECL"). Expected credit losses on debt securities classified as held to maturity are measured on a collective basis by major security type. The estimates of expected credit losses are based on historical default rates, investment grades, current conditions, and reasonable and supportable forecasts about the future. The allowance is increased through provision for credit losses and decreased by charge-offs, net of recoveries of amounts previously charged-off. All of the residential and commercial mortgage-backed securities recorded as held to maturity are issued by U.S. Government agencies and GSEs. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies and have a long history of no credit losses. The state and political subdivision securities are highly rated by major rating agencies.

The Company also evaluates available for sale investment securities in an unrealized loss position on a quarterly basis. If the Company intends to sell the security or it is more likely than not that it will be required to sell before recovery, the entire unrealized loss is recorded as a loss within noninterest income in the Consolidated Statements of Income with a corresponding adjustment to the amortized cost basis of the security. If the Company does not intend to sell the security and it is not more likely than not that it will be required to sell the security before recovery of its amortized cost basis, the Company evaluates if any of the unrealized loss is related to a potential credit loss. The amount, if any, related to credit loss is recognized in earnings as a provision for credit loss and a corresponding allowance for credit losses is established; each is calculated as the difference between the estimate of discounted future cash flows and the amortized cost basis of the security. A number of qualitative and quantitative factors, including the financial condition of the underlying issuer, **and** current and projected deferrals or defaults **and** credit ratings by nationally recognized statistical rating agencies are considered by management in the estimate of the

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

discounted future cash flows. The remaining difference between the fair value and the amortized cost basis of the security is considered the amount related to other market factors and is recognized in other comprehensive income, net of applicable taxes.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Recognition of interest is discontinued on debt securities that are transferred to nonaccrual status. A number of qualitative factors, including the financial condition of the underlying issuer and current and projected deferrals or defaults, are considered by management in the determination of whether the debt security should be transferred to nonaccrual status. The interest on nonaccrual investment securities is accounted for on the cash-basis method until the debt security qualifies for return to accrual status. See Note 2, "Securities," for further details regarding the Company's securities portfolio.

Securities Sold Under Agreements to Repurchase: Securities sold under agreements to repurchase are accounted for as collateralized financing transactions and are recorded at the amounts at which the securities were sold. Securities, generally U.S. government and agency securities, pledged as collateral under these financing arrangements cannot be sold or repledged by the secured party.

Loans Held for Sale: The "Loans held for sale" line item on the Company's Consolidated Balance Sheets consists of residential mortgage loans held for sale. The Company has elected to carry these loans at fair value as permitted under the guidance in ASC 825, "*Financial Instruments*" ("ASC 825"). Gains and losses are realized at the time consideration is received and all other criteria for sales treatment have been met. These realized and unrealized gains and losses are classified under the line item "Mortgage banking income" on the Consolidated Statements of Income.

Factoring: The Company provides short-term financing to certain clients by operating as a factor. The Company purchases accounts receivable from its clients and then generally collects the receivables directly from the clients' account customers. Cash is advanced to the Company's client to the extent of the advance rate, less any applicable fees, set forth in the individual factoring agreement. The unadvanced portion of the purchased receivables are considered client reserves and may be used to settle payment disputes or collection shortfalls. Upon collection of the receivable and settlement of any client obligation, the client reserves are returned to the client. Factoring receivables, net of client **receivables, reserves**, are reported as "Loans" on the Consolidated Balance Sheets. **Sheets (this includes arrangements where the Company does not directly collect the receivables of the client's account customers)**. Factoring fees are reported as interest income on loans while other fees generated from factoring relationships are reported as noninterest income on the Consolidated Statements of Income.

Loans and the Allowance for Credit Losses: Loans that management has the intent and ability to hold for the foreseeable future or until maturity or pay-off generally are reported at their amortized cost or outstanding unpaid principal balances, in either case adjusted for charge-offs, the allowance for credit losses, any deferred fees or costs on originated loans and any purchase discounts or premiums on purchased loans. Renaissance Bank defers certain nonrefundable loan origination fees as well as the direct costs of originating or acquiring loans. The deferred fees and costs are then amortized over the term of the note for all loans with payment schedules. Loans with no payment schedule are amortized using the interest method. The amortization of these deferred fees is presented as an adjustment to the yield on loans. Interest income is accrued on the unpaid principal balance.

Loans are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Generally, the recognition of interest on mortgage and commercial and industrial loans is discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Consumer and other retail loans are typically charged-off no later than the time the loan is 120 days past due. In all cases, loans are placed on nonaccrual status or charged-off at an earlier date if collection of principal or interest is considered doubtful. Loans may be placed on nonaccrual regardless of whether or not such loans are considered past due. All interest accrued for the current year, but not collected, for loans that are placed on nonaccrual or charged-off is reversed against interest income; the amount of interest income recognized on nonaccrual loans was immaterial for the years ended **December 31, 2022** **December 31, 2023, 2021** **2022** and **2020, 2021**. The interest on these loans is accounted for on the

cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. As a result, the Company has made an accounting policy election to exclude accrued interest from the measurement of the allowance for credit losses. As of December 31, 2022 December 31, 2023 and 2021, 2022, the Company has accrued interest receivable for loans of \$49,850 \$54,804 and \$41,692, \$49,850, respectively, which is recorded in the "Other assets" line item on the Consolidated Balance Sheets. Although the Company made the election to exclude accrued interest from the measurement of the allowance for credit losses, the Company did have an allowance for credit losses on interest deferred as part of the loan deferral program implemented in response to the COVID-19 pandemic of \$1,248 \$1,244 and \$1,273, \$1,248, respectively, as of December 31, 2022 December 31, 2023 and 2021.

Restructured loans are those for which concessions have been granted to the borrower due to a deterioration of the borrower's financial condition and are performing in accordance with the new terms. Such concessions may include reduction in interest rates or deferral of interest or principal payments. In evaluating whether to restructure a loan, management analyzes the long-term financial condition of the borrower, including guarantor and collateral support, to determine whether the proposed 2022.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

concessions will increase the likelihood of repayment of principal and interest. Restructured loans that are not performing in accordance with their restructured terms that are either contractually 90 days past due or have been placed on nonaccrual status are reported as nonperforming loans.

The allowance for credit losses is an estimate of expected losses inherent within the Company's loans held for investment portfolio and is maintained at a level believed adequate by management to absorb credit losses inherent in such loan portfolio in accordance with ASC 326. Management evaluates the adequacy of the allowance for credit losses on a quarterly basis. Expected credit loss inherent in non-cancellable off-balance-sheet credit exposures is accounted for as a separate liability in the Consolidated Balance Sheets. The allowance for credit losses for loans held for investment, as reported in the Company's Consolidated Balance Sheets, is adjusted by a provision for credit losses, which is reported in earnings, and reduced by net charge-offs. Loan losses are charged against the allowance for credit losses when management believes confirms the uncollectability of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The credit loss estimation process involves procedures to appropriately consider the unique characteristics of the Company's loan portfolio segments. Credit quality is assessed and monitored by evaluating various attributes, and the results of those evaluations are utilized in underwriting new loans and in the Company's process for the estimation of expected credit losses. Credit quality monitoring procedures and indicators can include an assessment of problem loans, the types of loans, historical loss experience, new lending products, emerging credit trends, changes in the size and character of loan categories and other factors, including the Company's risk rating system, regulatory guidance and economic conditions, such as the unemployment rate and GDP growth in the markets in which the Company operates, as well as trends in the market values of underlying collateral securing loans, all as determined based on input from management, loan review staff and other sources. This evaluation is complex and inherently subjective, as it requires estimates by management that are inherently uncertain and therefore susceptible to significant revision as more information becomes available. Similarly, there may be significant changes in the allowance and provision for credit losses in future periods as the estimates and assumptions underlying such estimates are adjusted in light of then-prevailing factors and forecasts. Changes in any of the assumptions involved in the estimation process may result in significant changes in the allowance and provision for credit losses in those future periods.

The methodology for estimating the amount of expected credit losses reported in the allowance for credit losses has two basic components: first, a collective (or pooled) component for estimating expected credit losses for pools of loans that share similar risk characteristics; and second, an asset-specific component involving individual loans that do not share risk characteristics with other loans and the measurement of expected credit losses for such individual loans.

Loans Evaluated on a Collective (Pool) Basis

The allowance for credit losses for loans that share similar risk characteristics with other loans is calculated on a collective or pool basis, where such loans are segregated into loan portfolio segments based upon similarity of credit risk. The Company's primary loan portfolio segments are as follows:

Commercial, Financial, and Agricultural ("Commercial") - Commercial loans are customarily granted to established local business customers in the Company's market area on a collateralized basis to meet their credit needs. Maturities are typically short term in nature and are commensurate with the secondary source of repayment that serves as the Company's collateral. Although commercial loans may be collateralized by equipment or other business assets, the repayment of this type of loan depends primarily on the creditworthiness and projected cash flow of the borrower (and any guarantors). Thus, the chief considerations when assessing the risk of a commercial loan are the local business borrower's ability to sell its products/services, thereby generating sufficient operating revenue to repay the Company under the agreed upon terms and conditions, and the general business conditions of the local economy or other market that the business serves. The Company's factoring receivables are categorized as commercial loans; for these commercial loans, the risk assessment considers the ability of the client's account customer, rather than the client itself, to repay the Company.

Real Estate - Construction - The Company's construction loan portfolio consists of loans for the construction of single family residential properties, multi-family properties and commercial projects. Maturities for construction loans generally range from six to 12 months for residential properties and from 24 to 36 months for non-residential and multi-family properties. The source of repayment of a construction loan comes from the sale or lease of newly-constructed property, although often construction loans are repaid with the proceeds of a commercial real estate loan that the Company makes to the owner or lessor of the newly-constructed property.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Real Estate - 1-4 Family Mortgage - This segment of the Company's loan portfolio includes loans secured by first or second liens on residential real estate in which the property is the principal residence of the borrower, as well as loans secured by residential real estate in which the property is rented to tenants or is otherwise not the principal residence of the borrower; loans for the preparation of residential real property prior to construction are also included in this segment. Finally, this segment

Note 1 – Significant Accounting Policies (continued)

includes home equity loans or lines of credit and term loans secured by first and second mortgages on the residences of borrowers who elect to use the accumulated equity in their homes for purchases, refinances, home improvements, education and other personal expenditures. The Company attempts to minimize the risk associated with residential real estate loans by scrutinizing the financial condition of the borrower; typically, the maximum loan-to-value ratio is also limited.

Real Estate - Commercial Mortgage - Included in this portfolio segment (referred to collectively as "commercial real estate loans") are "owner-occupied" loans in which the owner develops a property with the intention of locating its business there. Payments on these loans are dependent on the successful development and management of the business as well as the borrower's ability to generate sufficient operating revenue to repay the loan. In some instances, in addition to the mortgage on the underlying real estate of the business, commercial real estate loans are secured by other non-real estate collateral, such as equipment or other assets used in the business. In addition to owner-occupied commercial real estate loans, the Company offers loans in which the owner develops a property where the source of repayment of the loan will come from the sale or lease of the developed property, for example, retail shopping centers, hotels and storage facilities. These loans are referred to as "non-owner occupied" commercial real estate loans. The Company also offers commercial real estate loans to developers of commercial properties for purposes of site acquisition and preparation and other development prior to actual construction (referred to as "commercial land development loans"). Non-owner occupied commercial real estate loans and commercial land development loans are dependent on the successful completion of the project and may be affected by adverse conditions in the real estate market or the economy as a whole.

Lease Financing - This segment of the Company's loan portfolio includes loans granted to provide capital to businesses for commercial equipment needs. These loans are generally granted for periods ranging between two and five years at fixed rates of interest. Loss or decline of income by the borrower due to unplanned occurrences represents the primary risk of default to the Company. In the event of default, a shortfall in the value of the collateral may pose a loss in this loan category. The Company obtains a lien against the collateral securing the loan and holds title (if applicable) until the loan is repaid in full. Transportation, manufacturing, healthcare, material handling, printing and construction are the industries that typically obtain lease financing.

Installment Loans to Individuals - Installment loans to individuals (or "consumer loans") are granted to individuals for the purchase of personal goods. Loss or decline of income by the borrower due to unplanned occurrences represents the primary risk of default to the Company. In the event of default, a shortfall in the value of the collateral may pose a loss in this loan category. Before granting a consumer loan, the Company assesses the applicant's credit history and ability to meet existing and proposed debt obligations. Although the applicant's creditworthiness is the primary consideration, the underwriting process also includes a comparison of the value of the collateral, if any, to the proposed loan amount. The Company obtains a lien against the collateral securing the loan and holds title (if applicable) until the loan is repaid in full.

In determining the allowance for credit losses on loans evaluated on a collective basis, the Company categorizes loan pools based on loan type and/or risk rating. The Company uses two CECL models: (1) a loss rate model, based on average historical life-of-loan loss rates, which is used for the Real Estate - 1-4 Family Mortgage, Real Estate - Construction and the **Installment Loans to Individuals** consumer loans portfolio segments, and (2) for the **C&I, Commercial**, Real Estate - Commercial Mortgage and Lease Financing portfolio segments, the Company uses a probability of default/loss given default model, which calculates an expected loss percentage for each loan pool by considering (a) the probability of default, based on the migration of loans from performing (using risk ratings) to default using life-of-loan analysis periods, and (b) the historical severity of loss, based on the aggregate net lifetime losses incurred per loan pool.

The historical loss rates calculated as described above are adjusted, as necessary, for both internal and external qualitative factors where there are differences in the historical loss data of the Company and current or projected future conditions. Internal factors include loss history, changes in credit quality (including movement between risk ratings) and/or credit concentration and changes in the nature and volume of the respective loan portfolio segments. External factors include current and reasonable and supportable forecasted economic conditions and changes in collateral values. These factors are used to adjust the historical loss rates (as described above) to ensure that they reflect management's expectation of future conditions based on a reasonable and supportable forecast period. To the extent the lives of the loans in the portfolio extend beyond the period for which a reasonable and supportable forecast can be made, when necessary, the models immediately revert back to the historical loss rates adjusted for qualitative factors related to current conditions.

Note 1 – Significant Accounting Policies (continued)

Loans Evaluated on an Individual Basis

For loans that do not share similar risk characteristics with other loans, an **individual analysis of the loan** is performed to determine the expected credit loss. If **the** a respective loan is collateral dependent (that is, when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral), the expected credit loss is measured as the difference between the amortized cost basis of the loan and the fair value of the collateral. The fair value of collateral is initially based on external appraisals. Generally, collateral values for loans for which measurement of expected losses is dependent on the fair value of such collateral are updated every twelve months, either from external third parties or in-house certified appraisers. Third-party appraisals are obtained from a pre-approved list of independent, local appraisal firms. The fair value of the collateral derived from external appraisal is then adjusted for the estimated cost to sell if repayment or satisfaction of a loan is dependent on the sale (rather than only on the operation) of the collateral. Other acceptable methods for determining the expected credit losses for individually evaluated loans (typically used when the loan is not collateral dependent) is a discounted cash flow approach or, if applicable, an observable market price. Once the expected credit loss amount is determined, an allowance equal to such expected credit loss is included in the allowance for credit losses.

The Company considers the loans in the Real Estate - Construction, Real Estate - 1-4 Family Mortgage and Real Estate - Commercial Mortgage loan segments disclosed as individually evaluated in Note 4, "Allowance for Credit Losses" as collateral dependent with the type of collateral being real estate.

The Company maintains a separate allowance for credit losses on unfunded loan commitments, which is included in the "Other liabilities" line item on the Consolidated Balance Sheets. Changes in such allowance are recorded in the "Other noninterest expense" "Provision for credit losses on unfunded commitments" line item on the Consolidated Statements of Income. Management estimates the amount of expected losses on unfunded loan commitments by calculating a likelihood of funding over the contractual period for exposures that are not unconditionally cancellable by the Company and applying the loss factors used in the allowance for credit losses on loans methodology described above to unfunded commitments for each loan type. No credit loss estimate is reported for off-balance-sheet credit exposures that are unconditionally cancellable by the Company.

See Note 3, "Loans," and Note 4, "Allowance for Credit Losses" for disclosures regarding the Company's past due and nonaccrual loans, impaired loans and restructured loans, and its allowance for credit losses.

Business Combinations, Accounting for Purchased Credit Deteriorated Loans and Related Assets: Business combinations are accounted for by applying the acquisition method in accordance with ASC 805, "Business Combinations." Under the acquisition method, identifiable assets acquired and liabilities assumed and any non-controlling interest in the acquired company at the acquisition date are measured at their fair values as of that date and are recognized separately from goodwill. Results of operations of the acquired entities are included in the Consolidated Statements of Income from the date of acquisition. Acquisition costs incurred by the Company are expensed as incurred.

For a purchased asset that the Company has the intent of holding for investment, ASC 326 requires the Company to determine whether the asset has experienced more-than-insignificant deterioration in credit quality since origination. Factors used in the determination will vary but may include delinquency history, historical accrual status, ~~downgrades~~ and ~~downgrades~~ in the risk rating by the seller, among others. The Company's review of an asset during its due diligence evaluation of the purchase may identify other unique attributes that would indicate more-than-insignificant deterioration has occurred such as the borrower's financial condition, credit rating or credit score as well as the value of underlying collateral. The Company analyzes these factors collectively and may also consider market conditions or economic factors that would indicate a purchased asset has experienced more-than-insignificant deterioration in credit quality since origination. Such assets that have experienced more-than insignificant deterioration are referred to as purchased credit deteriorated ("PCD") assets. ASC 326 provides for special initial recognition of PCD assets, commonly referred to as the "gross-up" approach, where the allowance for credit losses is recognized by adding it to the fair value to arrive at the Day 1 amortized cost basis. After initial recognition, the accounting for PCD assets will generally follow the credit loss model that applies to that type of asset. Non-PCD assets record the Day 1 allowance for credit losses through earnings on the date of purchase. The Company ~~will~~ ~~accrete~~ ~~accretes~~ or ~~amortize~~ ~~amortizes~~ as interest income the fair value discounts on both PCD and non-PCD assets over the life of the asset.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Premises and Equipment: Premises and equipment are stated at cost less accumulated depreciation. Depreciation is computed primarily by use of the straight-line method for furniture, fixtures, equipment, autos and premises. The annual provisions for depreciation have been computed primarily using estimated lives of 40 years for premises, three to seven years for furniture and equipment and three to five years for computer equipment and autos. Leasehold improvements are expensed over the period of the leases or the estimated useful life of the improvements, whichever is shorter.

ASC 842, "Leases" ("ASC 842") requires a lessee to recognize a right-of-use asset and a lease liability for all leases with a term greater than 12 months on its balance sheet regardless of whether the lease is classified as financing or operating.

All of the Company's lessee arrangements are operating leases, being real estate leases for Company facilities. Under these arrangements, the Company records right-of-use assets and corresponding lease liabilities, each of which is based on the present value of the remaining lease payments and are discounted at the Company's incremental borrowing rate. Right-of-use assets are reported in premises and equipment on the Consolidated Balance Sheets and the related lease liabilities are reported in other liabilities. All leases are recorded on the Consolidated Balance Sheets except for leases with an initial term less than 12 months for which the Company elected short-term lease recognition under ASC 842. Lease terms may contain renewal and extension options and early termination features. Many leases include one or more options to renew, with renewal terms that can extend the lease term from one to 20 years or more. The exercise of lease renewal options is at the Company's sole discretion. Renewal options which are reasonably certain to be exercised in the future were included in the measurement of right-of-use assets and lease liabilities.

Lease expense is recognized on a straight-line basis over the lease term and is recorded in the "Net occupancy and equipment expense" line item in the Consolidated Statements of Income. Variable lease payments consist primarily of common area maintenance, insurance and taxes. The Company does not have any material sublease agreements currently in place.

Other Real Estate Owned: Other real estate owned ("OREO") consists of properties acquired through foreclosure or acceptance of a deed in lieu of foreclosure. These properties are initially recorded into other real estate ~~owned~~ at fair market value less cost to sell and are subsequently carried at the lower of cost or fair market value based on appraised value less estimated selling costs. Losses arising at the time of foreclosure of properties are charged against the allowance for credit losses. Reductions in the carrying value subsequent to acquisition are charged to earnings and are included under the line item "Other real estate owned" on the Consolidated Statements of Income.

Mortgage Servicing Rights: The Company retains the right to service certain mortgage loans that it sells to secondary market investors. These mortgage servicing rights are recognized as a separate asset on the date the corresponding mortgage loan is sold. Mortgage servicing rights are amortized in proportion to and over the period of estimated net servicing income. These servicing rights are carried at the lower of amortized cost or fair value. Fair value is determined using an income approach with various assumptions including expected cash flows, prepayment speeds, market discount rates, servicing costs, mortgage interest rates and other factors. Servicing rights are evaluated for impairment based upon the fair value of the rights as compared to carrying amount. Impairment is recognized through a valuation allowance, to the extent that unamortized cost exceeds fair value. If the Company later determines that all or a portion of the impairment no longer exists, a reduction of the valuation allowance may be recorded as an increase to income. Changes in valuation allowances related to servicing rights are reported in the line item "Mortgage banking income" on the Consolidated Statements of Income. The fair values of servicing rights are subject to significant fluctuations as a result of changes in estimated and actual prepayment speeds and default rates and losses. See Note 8, "Mortgage Servicing Rights", ~~Rights~~, for further details. From time to time, the Company may sell a portion or all of its mortgage servicing rights. Any gains or losses on such sales are reported in the line item "Mortgage banking income" on the Consolidated Statements of Income.

Goodwill and Other Intangible Assets: Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. Other intangible assets represent purchased assets that lack physical substance but can be distinguished from goodwill because of contractual or other legal rights. Intangibles with finite lives are amortized over their estimated useful lives. Goodwill and other intangible assets are subject to impairment testing annually or more frequently if events or circumstances indicate possible impairment; if impaired, such assets are recorded at fair value. Goodwill is assigned to the Company's reporting segments. In determining the fair value of the Company's reporting units, management uses the market approach. Other intangible assets, consisting of core deposit intangibles and customer relationship intangibles, are reviewed for events or circumstances which could impact the recoverability of the intangible asset, such as a loss of core deposits, increased competition or adverse changes in the economy. No impairment was identified for the Company's goodwill or its other intangible assets as a result of the testing performed during 2023, 2022 2021 or 2020, 2021.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Bank-Owned Life Insurance: Bank-owned life insurance ("BOLI") is an institutionally-priced insurance product that is specifically designed for purchase by insured depository institutions. The Company has purchased such insurance policies on certain employees, with Renaissance Bank being listed as the primary beneficiary. The carrying value of BOLI is recorded at the cash surrender value of the policies, net of any applicable surrender charges. Changes in the value of the cash surrender value of the policies are reflected under the line item "BOLI income" on the Consolidated Statements of Income.

Revenue from Contracts with Customers: ASC 606, "Revenue from Contracts with Customers" ("ASC 606"), provides guidance on revenue recognition from contracts with customers. For revenue streams within its scope, ASC 606 requires costs that are incremental to obtaining a contract to be capitalized. In the case of the Company, these costs include sales commissions for insurance, wealth management fees, and revenue from certain sales of OREO. ASC 606 has established, and the Company has utilized, a practical expedient allowing costs that, if capitalized, would have an amortization period of one year or less to instead be expensed as incurred.

Service Charges on Deposit Accounts

- Service charges on deposit accounts include maintenance fees on accounts, per item charges, account enhancement charges for additional packaged benefits and overdraft fees. The contracts with deposit account customers are day-to-day contracts and are considered to be terminable at will by either party. Therefore, the fees are all considered to be earned when charged and simultaneously collected.

Fees and Commissions

- Fees and commissions include fees related to deposit services, such as ATM fees and interchange fees on debit card transactions. These fees are earned at the point in time when the services are rendered, and therefore the related revenue is recognized as the Company's performance obligation is satisfied.

Insurance Commissions

- Insurance commissions are earned when policies are placed by customers with the insurance carriers and are collected and recognized using two different methods: the agency bill method and the direct bill method.

Under the agency bill method, Renaissance Insurance is responsible for billing the customers directly and then collecting and remitting the premiums to the insurance carriers. Agency bill revenue is recognized at the later of the invoice date or effective date of the policy. The Company has established a reserve for such policies which is derived from historical collection experience and updated annually. The contract balances (i.e. accounts receivable and accounts payable related to insurance commissions earned and premiums due) and the reserve established are considered immaterial to the overall financial results of the Company.

Under the direct bill method, premium billing and collections are handled by the insurance carriers, and a commission is then paid to Renaissance Insurance. Direct bill revenue is recognized when the commission payment is received from the insurance carriers. While there is recourse on these commissions in the event of policy cancellations, based on the Company's historical data, material reversals of revenue based on policy cancellations are not anticipated. The Company monitors policy cancellations on a monthly basis and, if a material set of cancellations were to occur, the Company would adjust earnings accordingly.

The Company also earns contingency income that it recognizes on a cash basis. Contingency income is a bonus received from the insurance underwriters and is based on commission income and claims experience on the Company's clients' policies during the previous year. Increases and decreases in contingency income are reflective of corresponding increases and decreases in the amount of claims paid by insurance carriers.

Wealth Management Revenue

- Fees for managing trust accounts (inclusive of personal and corporate benefit accounts, IRAs, and custodial accounts) are based on the value of assets under management in the account, with the amount of the fee depending on the type of account. Revenue is recognized on a monthly basis, and there is little to no risk of a material reversal of revenue.

Fees for other wealth management services, such as investment guidance relating to fixed and variable annuities, mutual funds, stocks and other investments, are recognized based on either trade activity, where fees are recognized at the time of the trade, or assets under management, where fees are recognized monthly, and there is little to no risk of material reversal of revenue.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Sales of Other Real Estate Owned ("OREO") OREO

OREO

The Company continually markets the properties included in the OREO portfolio. The Company will at times, in the ordinary course of business, provide seller-financing on sales of OREO. In cases where a sale is seller-financed, the Company must ensure the commitment of both parties to perform their respective obligations and the collectability of the transaction price in order to properly recognize the revenue on the sale of OREO. This is accomplished through the Company's loan underwriting process. In this process the Company considers factors such as the buyer's initial equity in the property, the credit quality of the buyer, the financing terms of the loan and the cash flow from the property, if applicable. If it is determined that the contract criteria in ASC 606 have been met, the revenue on the sale of OREO will be recognized on the closing date of the sale when the Company has transferred title to the buyer and obtained the right to receive payment for the property. In instances where sales are not seller-financed, the Company recognizes revenue on the closing date of the sale when the Company has obtained payment for the property and transferred title to the buyer. For additional information on OREO, please see Note 6, "Other Real Estate Owned."

Income Taxes: Income taxes are accounted for under the liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. It is the Company's policy to recognize interest and penalties, if incurred, related to unrecognized tax benefits in income tax expense. The Company and its subsidiaries file a consolidated federal income tax return. Renasant Bank provides for income taxes on a separate-return basis and remits to the Company amounts determined to be currently payable.

Deferred income taxes, included in "Other assets" on the Consolidated Balance Sheets, reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Realization of deferred tax assets is dependent upon the generation of a sufficient level of future taxable income and recoverable taxes paid in prior years. Although realization is not assured, management believes that the Company and its subsidiaries will realize a substantial majority of the deferred tax assets. A valuation allowance, if needed, reduces deferred tax assets to the expected amount most likely to be realized through a charge to income tax expense.

Fair Value Measurements: ASC 820, "Fair Value Measurements and Disclosures," provides guidance for using fair value to measure assets and liabilities and also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to a valuation based on quoted prices in active markets for identical assets and liabilities (Level 1), moderate priority to a valuation based on quoted prices in active markets for similar assets and liabilities and/or based on assumptions that are observable in the market (Level 2), and the lowest priority to a valuation based on assumptions that are not observable in the market (Level 3). See Note 15, "Fair Value Measurements," for further details regarding the Company's methods and assumptions used to estimate the fair values of the Company's financial assets and liabilities.

Derivative Instruments and Hedging Activities: The Company utilizes derivative financial instruments as part of its ongoing efforts to manage its interest rate risk exposure as well as to meet the needs of its customers. Derivative financial instruments are included in the Consolidated Balance Sheets line item "Other assets" or "Other liabilities" at fair value in accordance with ASC 815, "Derivatives and Hedging."

Cash flow hedges are utilized to mitigate the exposure to variability in expected future cash flows or other types of forecasted transactions. For the Company's derivatives designated as cash flow hedges, changes in the fair value of cash flow hedges are, to the extent that the hedging relationship is effective, recorded as other comprehensive income and are subsequently recognized in earnings at the same time that the hedged item is recognized in earnings. **There were no ineffective portions for 2022.** The ineffective portions of the changes in fair value of the hedging instruments are immediately recognized in earnings. **There were no ineffective portions for 2023.** The assessment of the effectiveness of the hedging relationship is evaluated under the hypothetical derivative method.

Fair value hedges are utilized to mitigate the exposure to future interest rate risk. For the Company's derivatives designated as fair value hedges, the gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged liability attributable to the hedged risk are recognized in current earnings. The gain or loss on the derivative instrument is presented on the same line item as the earnings effect of the hedged item.

The Company also utilizes derivative instruments that are not designated as hedging instruments. The Company enters into interest rate cap and/or floor agreements with its customers and then enters into an offsetting derivative contract position with other financial institutions to mitigate the interest rate risk associated with these customer contracts. Because these derivative

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

instruments are not designated as hedging instruments, changes in the fair value of the derivative instruments are recognized currently in earnings.

The Company enters into interest rate lock commitments on certain residential mortgage loans with its customers to mitigate the interest rate risk associated with the commitments to fund fixed-rate mortgage loans. Under such commitments, interest rates for a mortgage loan are typically locked in for up to 45 days with the customer. These interest rate lock commitments are recorded at fair value in the Company's Consolidated Balance Sheets. Gains and losses arising from changes in the valuation of the commitments are recognized currently in earnings and are reflected under the line item "Mortgage banking income" on the Consolidated Statements of Income.

The Company utilizes two methods to deliver mortgage loans to be sold to an investor. Under a "best efforts" sales agreement, the Company enters into a sales agreement with an investor in the secondary market to sell the loan when an interest rate lock commitment is entered into with a customer, as described above. Under a "best efforts" sales agreement, the Company is obligated to sell the mortgage loan to the investor only if the loan is closed and funded. Thus, the Company will not incur any liability to an investor if the mortgage loan commitment in the pipeline fails to close. Under a "mandatory delivery" sales agreement, the Company commits to deliver a certain principal amount of mortgage loans to an investor at a specified price and delivery date. Penalties are paid to the investor should the Company fail to satisfy the contract. These types of mortgage loan commitments are recorded at fair value on the Company's Consolidated Balance Sheets. Gains and losses arising from changes in the valuation of these commitments are recognized currently in earnings and are reflected under the line item "Mortgage banking income" on the Consolidated Statements of Income.

Treasury Stock: Treasury stock is recorded at cost. Shares held in treasury are authorized but unissued shares.

Retirement Plans: The Company sponsors a noncontributory pension plan and provides retiree medical benefits for certain employees. The Company's independent actuary firm prepares actuarial valuations of pension cost and obligation under ASC 715, "Compensation – Retirement Benefits" ("ASC 715"), using assumptions and estimates derived in accordance with the guidance set forth in ASC 715. Expense related to the plans is included under the line item "Salaries and employee benefits" on the Consolidated Statements of Income. Actuarial gains and losses are recognized in accumulated other comprehensive income, net of tax, until they are amortized as a component of plan expense. See Note 12, "Employee Benefit and Deferred Compensation Plans," for further details regarding the Company's retirement plans.

Stock-Based Compensation: The Company recognizes compensation expense for all share-based payments to employees in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). Compensation expense for option grants and restricted stock awards is determined based on the estimated fair value of the stock options and restricted stock on the applicable grant or award date and is recognized over the respective awards' vesting period. The Company has elected to account for forfeitures in compensation cost when they occur as permitted under the guidance in ASC 718. Expense associated with the Company's stock-based compensation is included under the line item "Salaries and employee benefits" on the Consolidated Statements of Income. See Note 12, "Employee Benefit and Deferred Compensation Plans," for further details regarding the Company's stock-based compensation.

Earnings Per Common Share: Basic net income per common share is calculated by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted net income per common share reflects the pro forma dilution of shares outstanding, assuming outstanding stock options were exercised into common shares and nonvested restricted stock awards, whose vesting is subject to future service requirements, were outstanding common shares as of the awards' respective grant dates, calculated in accordance with the treasury method. See Note 17, "Net Income Per Common Share," for the reconciliation of the numerators and denominators of the basic and diluted earnings per share computations.

Subsequent Events: The Company has evaluated, for consideration of recognition or disclosure, subsequent events that have occurred through the date of issuance of its financial statements. In January 2024, the Company sold a portion of its available for sale securities portfolio, of which the securities sold were identified prior to December 31, 2023. The Company impaired the securities sold and recognized the loss in net income as of December 31, 2023.

Other than the aforementioned, the Company has determined that no significant events occurred after December 31, 2022 December 31, 2023 but prior to the issuance of these financial statements that would have a material impact on its Consolidated Financial Statements.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 – Significant Accounting Policies (continued)

Impact of Recently-Issued Accounting Standards and Pronouncements:

In March 2020, FASB issued ASU 2020-04, "Reference Rate Reform (Topic 842): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" ("ASU 2020-04"), which provides temporary, optional guidance to ease the potential burden of accounting for reference rate reform on financial reporting. ASU 2020-04 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions if certain criteria are met that reference the London Interbank Offering Rate ("LIBOR") or another reference rate expected to be discontinued. As the guidance is intended to assist stakeholders during the global market-wide reference rate transition period, it was in effect only from March 12, 2020 through December 31, 2022. The Company transitioned new production from LIBOR instruments to a set of alternative indices at December 31, 2021. The Company's LIBOR Transition Committee is currently developing a plan to transition legacy positions with the intent to minimize the impact to the Bank and its customers.

In March 2022, FASB issued ASU 2022-02, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" ("ASU 2022-02"), which eliminates the accounting guidance for troubled debt restructurings in Accounting Standards Codification ("ASC") ASC Subtopic 310-40, "Receivables - Troubled Debt Restructurings by Creditors," while enhancing disclosures requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. Additionally, ASU 2022-02 requires entities to disclose current-period gross write-offs by year of origination for financing receivables and net investments in leases. ASU 2022-02 was effective on January 1, 2023. The adoption of this accounting pronouncement will have had no impact on the Company's financial statements aside from additional and revised disclosures. See Note 3, "Loans" for the relevant disclosures.

In October 2023, FASB issued ASU 2023-06, "Disclosure Improvements" ("ASU 2023-06"), which amends the disclosure requirements related to various subtopics in the FASB Accounting Standards Codification (the "Codification"). ASU 2023-06 adds a number of disclosure requirements to the Codification in response to the Securities and Exchange Commission ("SEC") initiative to update and simplify disclosure requirements. ASU 2023-06 is to be applied prospectively, and early adoption is prohibited. For SEC reporting entities, the effective dates will be the date on which the SEC's removal of that related disclosure requirement from Regulation S-X or Regulation S-K becomes effective. If by June 30, 2027, the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K, the pending content of the related amendment will be removed from the Codification and will not become effective for any entities. ASU 2023-06 is not expected to have significant impact on our financial statements.

In November 2023, FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"), which amends the disclosure requirements related to segment reporting primarily through enhanced disclosure about significant segment expenses and by requiring disclosure of segment information on an annual and interim basis. ASU 2023-07 is effective January 1, 2024 and is not expected to have a significant impact on our financial statements.

In December 2023, FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which enhances the transparency and decision usefulness of income tax disclosures. ASU 2023-09 will require disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. Entities will also be required to disclose income/(loss) from continuing operations before income tax expense/(benefit) disaggregated between domestic and foreign, as well as income tax expense/(benefit) from continuing operations disaggregated by federal, state and foreign. ASU 2023-09 is effective January 1, 2025 and is not expected to have a significant impact on our financial statements.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities

(In Thousands, Except Number of Securities)

The amortized cost and fair value of securities available for sale were as follows as of the dates presented:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2022				
Obligations of other U.S. Government agencies and corporations	\$ 170,000	\$ —	\$ (5,340)	\$ 164,660
Obligations of states and political subdivisions	154,066	204	(9,368)	144,902
Residential mortgage backed securities:				
Government agency mortgage backed securities	508,415	37	(52,036)	456,416
Government agency collateralized mortgage obligations	605,033	—	(103,864)	501,169
Commercial mortgage backed securities:				
Government agency mortgage backed securities	11,166	—	(1,053)	10,113
Government agency collateralized mortgage obligations	211,435	—	(25,589)	185,846
Other debt securities	74,885	—	(4,049)	70,836
	\$ 1,735,000	\$ 241	\$ (201,299)	\$ 1,533,942

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2023				
Obligations of states and political subdivisions	\$ 36,374	\$ 119	\$ (1,883)	\$ 34,610
Residential mortgage-backed securities:				
Government agency mortgage-backed securities	301,400	172	(24,968)	276,604
Government agency collateralized mortgage obligations	485,164	—	(85,883)	399,281
Commercial mortgage-backed securities:				
Government agency mortgage-backed securities	6,029	—	(637)	5,392
Government agency collateralized mortgage obligations	161,299	24	(21,965)	139,358
Other debt securities	72,383	109	(4,458)	68,034
	\$ 1,062,649	\$ 424	\$ (139,794)	\$ 923,279

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2021				
U.S. Treasury securities	\$ 3,007	\$ 3	\$ —	\$ 3,010
Obligations of states and political subdivisions	153,847	5,532	(269)	159,110
Residential mortgage backed securities:				
Government agency mortgage backed securities	967,497	7,854	(6,816)	968,535
Government agency collateralized mortgage obligations	1,008,514	457	(20,371)	988,600
Commercial mortgage backed securities:				
Government agency mortgage backed securities	14,717	365	(1)	15,081
Government agency collateralized mortgage obligations	216,859	812	(3,419)	214,252
Other debt securities	36,515	1,097	(148)	37,464
	\$ 2,400,956	\$ 16,120	\$ (31,024)	\$ 2,386,052

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2022				
Obligations of other U.S. Government agencies and corporations	\$ 170,000	\$ —	\$ (5,340)	\$ 164,660
Obligations of states and political subdivisions	154,066	204	(9,368)	144,902
Residential mortgage-backed securities:				
Government agency mortgage-backed securities	508,415	37	(52,036)	456,416
Government agency collateralized mortgage obligations	605,033	—	(103,864)	501,169
Commercial mortgage-backed securities:				
Government agency mortgage-backed securities	11,166	—	(1,053)	10,113
Government agency collateralized mortgage obligations	211,435	—	(25,589)	185,846
Other debt securities	74,885	—	(4,049)	70,836
	\$ 1,735,000	\$ 241	\$ (201,299)	\$ 1,533,942

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities (continued)

The amortized cost and fair value of securities held to maturity were as follows as of the dates presented:

	Gross Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2022				
Amortized Cost				
December 31, 2023				
Obligations of states and political subdivisions	Obligations of states and political subdivisions	\$ 291,886	\$ 17	\$ (48,325)
Residential mortgage backed securities				\$ 243,578
Government agency mortgage backed securities	483,560	—	(24,432)	459,128
Obligations of states and political subdivisions				
Obligations of states and political subdivisions				
Residential mortgage-backed securities				
Government agency mortgage-backed securities				
Government agency mortgage-backed securities				
Government agency mortgage-backed securities				

Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	423,315	—	(30,706)	392,609
Commercial mortgage backed securities					
Government agency mortgage backed securities	Government agency mortgage backed securities	17,006	—	(3,261)	13,745
Commercial mortgage-backed securities					
Government agency mortgage-backed securities	Government agency mortgage-backed securities				
Government agency mortgage-backed securities	Government agency mortgage-backed securities				
Government agency mortgage-backed securities	Government agency mortgage-backed securities				
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	45,430	—	(6,559)	38,871
Other debt securities	Other debt securities	62,875	—	(4,266)	58,609
\$					
Allowance for credit losses - held to maturity securities	Allowance for credit losses - held to maturity securities	(32)			
Held-to-maturity securities, net of allowance for credit losses	Held-to-maturity securities, net of allowance for credit losses	\$1,324,040			

Held-to-maturity securities, net of allowance for credit losses	Held-to-maturity securities, net of allowance for credit losses
Held-to-maturity securities, net of allowance for credit losses	Held-to-maturity securities, net of allowance for credit losses

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2021				
Obligations of states and political subdivisions	\$ 267,641	\$ 333	\$ (685)	\$ 267,289
Residential mortgage backed securities				
Government agency mortgage backed securities	60,507	1	(198)	60,310
Government agency collateralized mortgage obligations	24,832	—	(92)	24,740
Commercial mortgage backed securities				
Government agency mortgage backed securities	1,855	—	—	1,855

Government agency collateralized mortgage obligations	39,505	—	(117)	39,388
Other debt securities	22,049	—	(79)	21,970
	<u>\$ 416,389</u>	<u>\$ 334</u>	<u>\$ (1,171)</u>	<u>\$ 415,552</u>
Allowance for credit losses - held to maturity securities	(32)			
Held-to-maturity securities, net of allowance for credit losses	<u>\$ 416,357</u>			

During the year ended December 31, 2022, the Company transferred, at fair value, \$882,927 of securities from the available for sale portfolio to the held to maturity portfolio. The related net unrealized loss of \$99,675 (after tax loss of \$74,307) remained in accumulated other comprehensive income (loss) and will be amortized over the remaining life of the securities, offsetting the related amortization of discount on the transferred securities. No gains or losses were recognized at the time of transfer.

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2022				
Obligations of states and political subdivisions	\$ 291,886	\$ 17	\$ (48,325)	\$ 243,578
Residential mortgage-backed securities				
Government agency mortgage-backed securities	483,560	—	(24,432)	459,128
Government agency collateralized mortgage obligations	423,315	—	(30,706)	392,609
Commercial mortgage-backed securities				
Government agency mortgage-backed securities	17,006	—	(3,261)	13,745
Government agency collateralized mortgage obligations	45,430	—	(6,559)	38,871
Other debt securities	62,875	—	(4,266)	58,609
	<u>\$ 1,324,072</u>	<u>\$ 17</u>	<u>\$ (117,549)</u>	<u>\$ 1,206,540</u>
Allowance for credit losses - held to maturity securities	(32)			
Held-to-maturity securities, net of allowance for credit losses	<u>\$ 1,324,040</u>			

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities (continued)

Available for sale securities sold were as follows for the years ended December 31, 2023 and 2021. There were no available for sale securities sold during the year ended December 31, 2022. Available for sale securities sold were as follows for the periods presented:

	Carrying Value	Net Proceeds	Gain/(Loss)
Twelve months ended December 31, 2023			
Obligations of other U.S. Government agencies and corporations	\$ 170,000	\$ 164,915	\$ (5,085)
Obligations of states and political subdivisions	104,950	99,439	(5,511)
Residential mortgage-backed securities:			
Government agency mortgage-backed securities	137,196	130,602	(6,594)
Government agency collateralized mortgage obligations	54,028	51,101	(2,927)
Commercial mortgage-backed securities:			
Government agency mortgage-backed securities	5,048	4,825	(223)
Government agency collateralized mortgage obligations	40,197	38,099	(2,098)
	<u>\$ 511,419</u>	<u>\$ 488,981</u>	<u>\$ (22,438)</u>

	Carrying Value	Net Proceeds	Gain/(Loss)
Twelve months ended December 31, 2021			
Obligations of states and political subdivisions	\$ 47	\$ 49	\$ 2
Residential mortgage backed securities:			
Government agency mortgage backed securities	145,572	149,473	3,901
Government agency collateralized mortgage obligations	12,362	12,562	200
Trust preferred securities	12,021	9,961	(2,060)
Other debt securities	4,283	4,410	127

	\$ 174,285	\$ 176,455	\$ 2,170
	Carrying Value	Net Proceeds	Gain/(Loss)
Twelve months ended December 31, 2020			
Obligations of states and political subdivisions	\$ 2,696	\$ 2,561	\$ (135)
Residential mortgage backed securities:			
Government agency mortgage backed securities	16,093	16,294	201
Government agency collateralized mortgage obligations	26,071	26,051	(20)
	\$ 44,860	\$ 44,906	\$ 46

	Carrying Value	Net Proceeds	Gain/(Loss)
Twelve months ended December 31, 2021			
Obligations of states and political subdivisions	\$ 47	\$ 49	\$ 2
Residential mortgage-backed securities:			
Government agency mortgage-backed securities	145,572	149,473	3,901
Government agency collateralized mortgage obligations	12,362	12,562	200
Trust preferred securities	12,021	9,961	(2,060)
Other debt securities	4,283	4,410	127
	\$ 174,285	\$ 176,455	\$ 2,170

Gross realized gains and gross realized losses on sales of securities available for sale were as follows for the periods presented:

	Year Ended December 31,			2021	
	2021	2020	2023		
Gross gains on sales of securities available for sale	\$ 4,322	\$ 230			
Gross losses on sales of securities available for sale	(2,152)	(184)			
Gains on sales of securities available for sale, net	\$ 2,170	\$ 46			
(Losses) gains on sales of securities available for sale, net					

At December 31, 2022 The Company intended to sell a portion of its available for sale securities as of December 31, 2023, and 2021, thereafter completed the sale in January 2024. Therefore, the Company impaired the securities with a carrying value identified to be sold by reducing the amortized cost of approximately \$824,417 each respective security by the amount of impairment and \$607,681, respectively, were pledged to secure government, public, trust, and other deposits. Securities with a carrying value recognized the loss in net income as of \$18,184 and \$21,493 were pledged as collateral for short-term borrowings and derivative instruments at December 31, 2022 and 2021, respectively. December 31, 2023. The impairment recognized by security type is listed in the table below.

	Carrying Value	Impairment

Twelve months ended December 31, 2023			
Obligations of states and political subdivisions		\$ 11,227	\$ 941
Residential mortgage-backed securities:			
Government agency mortgage-backed securities		97,526	11,467
Government agency collateralized mortgage obligations		44,708	4,310
Commercial mortgage-backed securities:			
Government agency collateralized mortgage obligations		25,916	2,634
		\$ 179,377	\$ 19,352

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities (continued)

At December 31, 2023 and 2022, securities with a carrying value of approximately \$880,715 and \$824,417, respectively, were pledged to secure government, public, trust, and other deposits. Securities with a carrying value of \$14,329 and \$18,184 were pledged as collateral for short-term borrowings and derivative instruments at December 31, 2023 and 2022, respectively.

The amortized cost and fair value of securities at December 31, 2022 December 31, 2023 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because issuers may call or prepay obligations with or without call or prepayment penalties.

		Held to Maturity		Available for Sale		Held to Maturity		Available for Sale	
		Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair
		Cost	Value	Cost	Value	Cost	Value	Cost	Value
Due within one year	Due within one year	\$ 150	\$ 149	\$ 9,393	\$ 9,377				
Due after one year through five years	Due after one year through five years	3,351	3,162	228,812	222,940				
Due after five years through ten years	Due after five years through ten years	53,650	46,253	75,549	71,029				
Due after ten years	Due after ten years	234,720	194,000	75,078	67,926				
Residential mortgage backed securities:									
Government agency mortgage backed securities		483,560	459,128	508,415	456,416				
Residential mortgage-backed securities:									
Government agency mortgage-backed securities									
Government agency mortgage-backed securities									
Government agency mortgage-backed securities									
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	423,315	392,609	605,033	501,169				
Commercial mortgage backed securities:									
Government agency mortgage backed securities		17,006	13,745	11,166	10,113				

Commercial mortgage- backed securities:							
Government agency mortgage-backed securities							
Government agency mortgage-backed securities							
Government agency mortgage-backed securities							
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	45,430	38,871	211,435	185,846		
Other debt securities	Other debt securities	62,890	58,623	10,119	9,126		
		<u>\$1,324,072</u>	<u>\$1,206,540</u>	<u>\$1,735,000</u>	<u>\$1,533,942</u>		
		\$					
		—					
		\$					
		—					
		\$					
		—					

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities (continued)

The following tables present the gross unrealized losses and fair value of investment securities, aggregated by investment category and the length of time the investments have been in a continuous unrealized loss position, as of the dates presented:

Available for Sale:	Available for Sale:	Less than 12 Months						12 Months or More						Total						
		Less than 12 Months		12 Months or More		Total		Less than 12 Months		12 Months or More		Total								
		Fair #	Unrealized Value	Fair #	Unrealized Value	Fair #	Unrealized Value	Fair #	Unrealized Value	Fair #	Unrealized Value	Fair #	Unrealized Value							
December 31, 2022																				
Obligations of other U.S. Government agencies and corporations		5	\$ 164,660	5	\$ (5,340)	—	\$ —	—	\$ —	5	\$ 164,660	5	\$ (5,340)							
December 31, 2023																				
December 31, 2023																				
December 31, 2023																				
Obligations of states and political subdivisions	Obligations of states and political subdivisions	84	96,939	(4,869)	11	33,038	(4,499)	95	129,977	(9,368)										
Residential mortgage backed securities:																				
Government agency mortgage backed securities		97	214,516	(15,115)	29	237,970	(36,921)	126	452,486	(52,036)										
Obligations of states and political subdivisions																				
Obligations of states and political subdivisions																				

Residential mortgage-backed securities:												
Government agency mortgage- backed securities												
Government agency mortgage- backed securities												
Government agency mortgage- backed securities												
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	16	109,753	(8,552)	36	391,416	(95,312)	52	501,169	(103,864)		
Commercial mortgage backed securities:												
Government agency mortgage- backed securities		4	10,114	(1,053)	—	—	—	4	10,114	(1,053)		
Commercial mortgage-backed securities:												
Government agency mortgage- backed securities												
Government agency mortgage- backed securities												
Government agency mortgage- backed securities												
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	16	67,026	(3,828)	21	118,821	(21,760)	37	185,847	(25,588)		
Other debt securities	Other debt securities	25	63,423	(3,167)	1	7,412	(883)	26	70,835	(4,050)		
Other debt securities												
Total	Total	247	\$ 726,431	\$ (41,924)	98	\$ 788,657	\$ (159,375)	345	\$ 1,515,088	\$ (201,299)		
December 31, 2021												
Total												
Total												
December 31,												
2022												
Obligations of other U.S. Government agencies and corporations												
Obligations of other U.S. Government agencies and corporations												
Obligations of other U.S. Government agencies and corporations												
Obligations of other U.S. Government agencies and corporations												
Obligations of states and political subdivisions	Obligations of states and political subdivisions	8	\$ 34,303	\$ (216)	3	\$ 3,892	\$ (53)	11	\$ 38,195	\$ (269)		

Residential mortgage backed securities:										
Government agency mortgage-backed securities										
41	727,546	(6,312)	1	12,305	(504)	42	739,851	(6,816)		
Residential mortgage-backed securities:										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	49	966,126	(20,371)	—	—	—	49	966,126	(20,371)
Commercial mortgage backed securities:										
Government agency mortgage-backed securities	1	1,791	(1)	1	432	—	2	2,223	(1)	
Commercial mortgage-backed securities:										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency collateralized mortgage obligations	Government agency collateralized mortgage obligations	21	160,919	(3,072)	2	9,005	(347)	23	169,924	(3,419)
Other debt securities	Other debt securities	1	8,699	(148)	—	—	—	1	8,699	(148)
Other debt securities										
Total	Total	121	\$ 1,899,384	\$ (30,120)	7	\$ 25,634	\$ (904)	128	\$ 1,925,018	\$ (31,024)
Total										
Total										

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 2 – Securities (continued)

Held to Maturity:	Held to Maturity:	Less than 12 months			12 months or more			Total			Less than 12 months			12 months or more			Total		
		Less than 12 months			Less than 12 months			Less than 12 months			Less than 12 months			Less than 12 months			Less than 12 months		
		#	Fair Value	Unrealized Losses															
December 31, 2022																			

December 31, 2023										
Obligations of states and political subdivisions										
Obligations of states and political subdivisions										
105	\$191,442	\$ (35,870)	24	\$49,697	\$ (12,454)	129	\$241,139	\$ (48,324)		
Residential mortgage backed securities:										
Government agency mortgage backed securities	8	94,258	(4,186)	62	364,870	(20,246)	70	459,128	(24,432)	
Obligations of states and political subdivisions										
Obligations of states and political subdivisions										
Residential mortgage-backed securities:										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency obligations	4	98,912	(5,479)	14	293,698	(25,227)	18	392,610	(30,706)	
Commercial mortgage backed securities:										
Government agency mortgage backed securities	1	13,745	(3,261)	—	—	—	1	13,745	(3,261)	
Commercial mortgage-backed securities:										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency obligations	2	7,651	(626)	7	31,220	(5,932)	9	38,871	(6,558)	
Other debt securities	2	42,567	(2,013)	8	16,042	(2,253)	10	58,609	(4,266)	
Total	122	\$448,575	\$ (51,435)	115	\$755,527	\$ (66,112)	237	\$1,204,102	\$ (117,547)	
December 31, 2021										
December 31, 2022										

Obligations of states and political subdivisions	Obligations of states and political subdivisions	24	\$ 62,131	\$ (685)	—	\$ —	—	24	\$ 62,131	\$ (685)
Residential mortgage backed securities:										
Government agency mortgage backed securities										
50										
(181)										
1										
5,354										
(17)										
51										
58,914										
(198)										
Obligations of states and political subdivisions										
Obligations of states and political subdivisions										
Residential mortgage-backed securities:										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage-backed securities										
Government agency mortgage obligations										
1										
24,740										
(92)										
Commercial mortgage backed securities:										
Commercial mortgage-backed securities										
Commercial mortgage-backed securities										
Commercial mortgage-backed securities										
Commercial mortgage-backed securities										
Government agency mortgage obligations										
7										
39,388										
(117)										
Other debt securities										
Other debt securities										
8										
21,972										
(79)										
Total										
Total										
90										
\$ 201,791										
\$ (1,154)										
1										
\$ 5,354										
\$ (17)										
91										
\$ 207,145										
\$ (1,171)										

The Other than the previously disclosed sale, the Company does not intend to sell any of the securities in an unrealized loss position, and it is not more likely than not that the Company will be required to sell any such security prior to the recovery of its amortized cost basis, which may be maturity. Furthermore, even though a number more than 90% of available for sale securities have the explicit or implicit backing of the United States government. Performance of these securities have been in a continuous unrealized loss position for a period greater than twelve months, line with broader market price performance indicating that increases in market-based, risk free rates, and not credit-related factors, are driving losses. For municipal and corporate securities, the Company is collecting principal considers historical experience with credit sensitive securities, current market conditions, the financial health of the issuer, current credit ratings, ratings changes and interest payments from outlook, explicit and implicit guarantees, or insurance programs when determining the respective issuers as scheduled. fair value of the contractual cash flows. Based upon its review of securities with unrealized losses these factors as of December 31, 2022 December 31, 2023, the Company determined that all such losses resulted from factors not deemed credit related. As a result, the Company did not record any no credit-related impairment was recognized in current earnings, and all unrealized losses for the years ended December 31, 2022 and 2021. available for sale securities were recorded in Other Comprehensive Income.

At each of December 31, 2022 December 31, 2023 and 2021, 2022, the allowance for credit losses on held to maturity securities was \$32. The Company monitors the credit quality of debt securities held to maturity using bond investment grades assigned by third party ratings agencies. Updated investment grades are obtained as they become available from the agencies. On December 31, 2022 December 31, 2023, 99.99% 100% of the amortized cost of debt securities held to maturity were rated A or higher by the ratings agencies. As such, no additional credit loss was recorded for held to maturity securities.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans

(In Thousands, Except Number of Loans)

The following is a summary of loans and leases, excluding loans held for sale, at December 31:

	2022	2021		2023	2022
	2023			2023	
Commercial, financial, agricultural	Commercial, financial, agricultural	\$ 1,673,883	\$ 1,423,270		
Lease financing	Lease financing	122,167	80,192		
Real estate – construction:	Real estate – construction:				
Residential	Residential	355,500	302,275		
Residential					
Residential					
Commercial	Commercial	974,837	802,621		
Total real estate – construction	Total real estate – construction	1,330,337	1,104,896		
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:				
Primary					
Primary					
Primary	Primary	2,222,856	1,816,120		
Home equity	Home equity	501,906	474,604		
Rental/investment	Rental/investment	334,382	288,474		
Land development	Land development	157,119	145,048		
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	3,216,263	2,724,246		
Real estate – commercial mortgage:	Real estate – commercial mortgage:				
Owner-occupied					
Owner-occupied					
Owner-occupied	Owner-occupied	1,539,296	1,563,351		
Non-owner occupied	Non-owner occupied	3,452,910	2,856,947		
Land development	Land development	125,857	128,739		
Total real estate – commercial mortgage	Total real estate – commercial mortgage	5,118,063	4,549,037		
Installment loans to individuals	Installment loans to individuals	124,745	143,340		
Gross loans	Gross loans	11,585,458	10,024,981		
Unearned income	Unearned income	(7,154)	(4,067)		
Loans, net of unearned income	Loans, net of unearned income	\$11,578,304	\$10,020,914		

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Past Due and Nonaccrual Loans

The following tables provide an aging of past due and nonaccrual loans, segregated by class, as of the dates presented:

	Accruing Loans										Nonaccruing Loans										Accruing Loans					
	30- 89 Days					30- 90 Days					90 Days					30- 89 Days					30- 90 Days					
	Past Due	or More	Current	Total	Loans	Past Due	Past Due	Current	Total	Loans	Past Due	or More	Current	Total	Loans	Past Due	or More	Current	Total	Loans	Past Due	or More	Current	Total	Loans	
	Due	Past Due	Loans			Due	Due	Loans			Due	or More	Current	Total	Loans	Due	Past Due	Loans			Due	Past Due	Loans			
December 31, 2022																										
December 31, 2023																										
Commercial, financial, agricultural																										
Commercial, financial, agricultural																										
Commercial, financial, agricultural	Commercial, financial, agricultural																									
Lease financing	Lease financing																									
Real estate – construction:	Real estate – construction:																									
Residential	Residential	49	—	355,374	355,423	—	—	—	77	77	—	—	—	—	—	—	—	—	—	—	—	—	—	355,500	—	
Residential																										
Commercial	Commercial	8,525	—	966,312	974,837	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	974,837	—	
Total real estate – construction	Total real estate – construction	8,574	—	1,321,686	1,330,260	—	—	—	77	77	—	—	—	—	—	—	—	—	—	—	—	—	—	1,330,337	—	
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:																									
Primary																										
Primary	Primary	28,198	—	2,164,582	2,192,780	6,015	12,503	11,558	30,076	2,222,856	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Home equity	Home equity	5,376	—	494,621	499,997	450	754	705	1,909	501,906	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Rental/investment	Rental/investment	720	38	332,648	333,406	20	331	625	976	334,382	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Land development	Land development	174	—	156,863	157,037	46	36	—	82	157,119	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	34,468	38	3,148,714	3,183,220	6,531	13,624	12,888	33,043	3,216,263	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Real estate – commercial mortgage:	Real estate – commercial mortgage:																									
Owner-occupied																										
Owner-occupied	Owner-occupied	8,557	219	1,525,240	1,534,016	1,495	2,244	1,541	5,280	1,539,296	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Non-owner occupied	Non-owner occupied	3,521	—	3,444,047	3,447,568	5,304	—	38	5,342	3,452,910	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Land development	Land development	279	—	125,507	125,786	—	40	31	71	125,857	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Total real estate – commercial mortgage	Total real estate – commercial mortgage	12,357	219	5,094,794	5,107,370	6,799	2,284	1,610	10,693	5,118,063	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Installment loans to individuals	Installment loans to individuals	2,001	5	122,481	124,487	38	100	120	258	124,745	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

Unearned income	Unearned income	—	—	(7,154)	(7,154)	—	—	—	—	(7,154)
Loans, net of unearned income	Loans, net of unearned income	\$58,703	\$ 331	\$11,462,725	\$11,521,759	\$13,386	\$18,381	\$24,778	\$56,545	\$11,578,304

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

		Accruing Loans				Nonaccruing Loans				Accruing Loans				Nonaccruing Loans				
		30- 89 Days		90 Days		30- 89 Days		90 Days or More		30- 89 Days		90 Days		30- 89 Days		90 Days or More		
		Past Due	or More	Current Loans	Total Loans	Past Due	90 Days Due	Current Loans	Total Loans	Past Due	or More	89 Days Past Due Loans	Current Loans	Total Loans	Past Due	90 Days Due	Current Loans	Total Loans
December 31, 2021																		
December 31, 2022																		
Commercial, financial, agricultural																		
Commercial, financial, agricultural																		
Commercial, financial, agricultural	Commercial, financial, agricultural	\$ 3,447	\$ 103	\$1,406,692	\$1,410,242	\$ 1,711	\$ 4,283	\$ 7,034	\$13,028	\$ 1,423,270								
Lease financing	Lease financing	—	—	80,181	80,181	—	11	—	11	80,192								
Real estate – construction:	Real estate – construction:																	
Residential	Residential	1,077	—	301,198	302,275	—	—	—	—	302,275								
Residential	Residential																	
Commercial	Commercial	—	—	802,621	802,621	—	—	—	—	802,621								
Total real estate – construction	Total real estate – construction	1,077	—	1,103,819	1,104,896	—	—	—	—	1,104,896								
Real estate – 1-4 family mortgage:	Real estate – 1-4 family mortgage:																	
Primary	Primary																	
Primary	Primary	15,827	425	1,780,760	1,797,012	2,177	10,420	6,511	19,108	1,816,120								
Home equity	Home equity	1,617	—	471,268	472,885	182	919	618	1,719	474,604								
Rental/investment	Rental/investment	421	445	286,458	287,324	26	771	353	1,150	288,474								
Land development	Land development	431	—	144,360	144,791	—	65	192	257	145,048								
Total real estate – 1-4 family mortgage	Total real estate – 1-4 family mortgage	18,296	870	2,682,846	2,702,012	2,385	12,175	7,674	22,234	2,724,246								
Real estate – commercial mortgage:	Real estate – commercial mortgage:																	
Owner-occupied	Owner-occupied	2,231	359	1,556,081	1,558,671	163	1,111	3,406	4,680	1,563,351								
Owner-occupied	Owner-occupied																	
Non-owner occupied	Non-owner occupied	260	89	2,848,152	2,848,501	—	—	8,446	8,446	2,856,947								
Land development	Land development	476	—	127,793	128,269	—	292	178	470	128,739								
Total real estate – commercial mortgage	Total real estate – commercial mortgage	2,967	448	4,532,026	4,535,441	163	1,403	12,030	13,596	4,549,037								
Installment loans to individuals	Installment loans to individuals	1,817	20	141,008	142,845	45	106	344	495	143,340								

Unearned income	Unearned income	—	—	(4,067)	(4,067)	—	—	—	—	(4,067)
Loans, net of unearned income	Loans, net of unearned income	\$ 27,604	\$ 1,441	\$ 9,942,505	\$ 9,971,550	\$ 4,304	\$ 17,978	\$ 27,082	\$ 49,364	\$ 10,020,914

There were no restructured Certain Modifications to Borrowers Experiencing Financial Difficulty

Certain modifications of loans made to borrowers experiencing financial difficulty in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay (including an extension of the amortization period), or a term extension, excluding covenant waivers and modification of contingent acceleration clauses, are required to be disclosed in accordance with ASU 2022-02, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" ("ASU 2022-02"). At December 31, 2023, modifications meeting the disclosure criteria in ASU 2022-02 that were contractually 90 days past due performing in accordance with their modified terms, including unused commitments, totaled \$3,115. Upon the Company's determination that a modification has been subsequently deemed uncollectible, the loan, or portion of the loan, is charged off, the amortized cost basis of the loan is reduced by the uncollectible amount, and the allowance for credit losses is adjusted accordingly. See Note 4, "Allowance for Credit Losses," for more and still accruing at December 31, 2022. There was one restructured loan totaling \$36 that was contractually 90 days past due or more and still accruing at December 31, 2021. The outstanding balance of restructured loans information on nonaccrual status was \$20,765 and \$25,702 at December 31, 2022 and 2021, respectively, the allowance for credit losses.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Restructured Loans

At December 31, 2022, 2021 and 2020, there were \$22,624, \$20,259 and \$20,448, respectively, of restructured loans. The following table illustrates presents the impact amortized cost basis of loans that were experiencing financial difficulty, modified during the year ended December 31, 2023 and required to be disclosed under ASU 2022-02, by class and by type of modification. The percentage of the amortized cost basis for each class of disclosed modifications as compared to the amortized cost basis of each class of loans is also presented below.

	Interest Rate Reduction			Interest Rate Reduction and Payment Delay		Term Extension and Payment Delay		Interest Rate Reduction and Term Extension			% Total Loans by Class
	Reduction	Term Extension	Payment Delay	Reduction	Payment Delay	Delay	Term Extension	Total	Reduction	Term Extension	
Commercial, financial, agricultural	\$ —	\$ 1,339	\$ 220	\$ —	\$ —	\$ —	\$ —	\$ 1,559	\$ —	\$ —	0.08 %
Lease financing	—	—	—	—	—	—	—	—	—	—	—
Real estate – construction:											
Residential	—	3,018	—	—	—	—	—	3,018	—	—	1.12
Commercial	—	—	—	—	—	—	—	—	—	—	—
Total real estate – construction	—	3,018	—	—	—	—	—	3,018	—	—	0.23
Real estate – 1-4 family mortgage:											
Primary	218	31	786	85	153	—	—	1,273	—	—	0.05
Home equity	18	14	—	—	—	—	—	32	—	—	0.01
Rental/investment	—	235	16	—	—	—	—	251	—	—	0.07
Land development	—	—	—	—	—	—	—	—	—	—	—
Total real estate – 1-4 family mortgage	236	280	802	85	153	—	—	1,556	—	—	0.05
Real estate – commercial mortgage:											
Owner-occupied	11,540	727	—	—	—	—	—	12,267	—	—	0.74
Non-owner occupied	999	14,003	—	—	—	15,323	—	30,325	—	—	0.81
Total real estate – commercial mortgage	12,539	14,730	—	—	—	15,323	—	42,592	—	—	0.78
Installment loans to individuals	—	—	22	—	—	6	20	48	—	—	0.05
Loans, net of unearned income	\$ 12,775	\$ 19,367	\$ 1,044	\$ 85	\$ 15,482	\$ 20	\$ 20	\$ 48,773	\$ 20	\$ 20	0.39 %

The following table presents the weighted average financial effect of loan modifications requiring disclosure under ASU 2022-02 by class of financing receivable for which there was one type of modifications classified as restructured for the year ended December 31, 2023.

	Interest Rate Reduction (in basis points)		Term Extension (in months)		Payment Delay (in months)	
				months)		
Commercial, financial, agricultural	—	—	—	—	5.0	31.3
Real estate – construction:						
Residential	—	—	—	—	4.7	—

Real estate – 1-4 family mortgage:			
Primary	25	7.0	45.2
Home equity	345	49.0	—
Rental/investment	—	7.2	17.0
Real estate – commercial mortgage:			
Owner-occupied	41	8.0	3.0
Non-owner occupied	12	7.9	—
Installment loans to individuals	—	—	12.0

In addition to the financial effect of loan modifications shown above, several loans held on experienced more than one type of modification for the Consolidated Balance Sheets year ended December 31, 2023. For loans experiencing an interest rate reduction and still performing in accordance with their restructured terms at period end, segregated a payment delay, the weighted average payment was delayed 43.0 months and the weighted average interest rate was reduced by class, as of 25 basis points. For loans experiencing an interest rate reduction and a term extension, the periods presented.

	Number of Loans	Pre-Modification		Post-Modification	
		Outstanding Amortized Cost	Outstanding Cost	Outstanding Amortized Cost	Outstanding Cost
December 31, 2022					
Commercial, financial, agricultural	1	\$ 113	\$ 114		
Real estate – 1-4 family mortgage:					
Primary	20	3,061	3,086		
Land development	3	98	94		
Total real estate – 1-4 family mortgage	23	3,159	3,180		
Real estate – commercial mortgage:					
Owner-occupied	1	246	246		
Non-owner occupied	1	6,500	6,500		
Total real estate – commercial mortgage	2	6,746	6,746		
Total	26	\$ 10,018	\$ 10,040		
December 31, 2021					
Commercial, financial, agricultural	8	\$ 5,393	\$ 5,393		
Real estate – 1-4 family mortgage:					
Primary	36	6,061	6,108		
Real estate – commercial mortgage:					
Non-owner occupied	1	837	810		
Total	45	\$ 12,291	\$ 12,311		
December 31, 2020					
Commercial, financial, agricultural	8	\$ 2,891	\$ 2,890		
Real estate – 1-4 family mortgage:					
Primary	24	3,928	3,886		
Home equity	1	159	162		
Rental/investment	3	142	207		
Total real estate – 1-4 family mortgage	28	4,229	4,255		
Real estate – commercial mortgage:					
Owner-occupied	8	6,192	5,883		
Non-owner occupied	3	752	754		
Land development	1	189	189		
Total real estate – commercial mortgage	12	7,133	6,826		
Installment loans to individuals	3	49	40		
Total	51	\$ 14,302	\$ 14,011		

At December 31, 2022, 2021 weighted average term extension was 12.0 months and 2020, the Company had \$491, \$117 weighted average interest rate reduction was 115 basis points. For real estate - commercial mortgage loans which experienced both a term extension and \$522, respectively, in troubled debt restructurings that subsequently defaulted within twelve a payment delay, the weighted average payment delay was 8.0 months of and the restructuring.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Changes in the Company's restructured loans are set forth in the table below.

	Number of Loans	Amortized Cost
Totals at December 31, 2020	124	\$ 20,448
Additional loans with concessions	45	12,639
Reclassified as performing	6	366
Reductions due to:		
Reclassified as nonperforming	(18)	(4,390)
Paid in full	(21)	(7,586)
Charge-offs	(1)	(205)
Principal paydowns	—	(1,013)
Totals at December 31, 2021	<u>135</u>	<u>\$ 20,259</u>
Additional loans with concessions	24	10,332
Reclassified as performing	12	5,326
Reductions due to:		
Reclassified as nonperforming	(28)	(7,411)
Paid in full	(23)	(4,758)
Principal paydowns	—	(1,124)
Totals at December 31, 2022	<u>120</u>	<u>\$ 22,624</u>

extension was 10.0 months. The allocated allowance weighted average payment delay and term extension for credit losses attributable to restructured loans real estate - 1-4 family mortgage: primary was \$625 and \$389 at December 31, 2022 and 2021, respectively. The Company had no remaining availability under commitments to lend additional funds on these restructured loans at December 31, 2022 and \$307 in remaining availability at December 31, 2021, 117.0 months.

Credit Quality

For commercial and commercial real estate-secured loans, internal risk-rating grades are assigned by lending, credit administration or loan review personnel, based on an analysis of the financial and collateral strength and other credit attributes underlying each loan. Management analyzes the resulting ratings, as well as other external statistics and factors such as delinquency, to track the migration performance of the portfolio balances of commercial and commercial real estate secured loans. Loan grades range between 10 and 95, with 10 being loans with the least credit risk. Loans within the "Pass" grade (those with a risk rating between 10 and 60) generally have a lower risk of loss and therefore a lower risk factor applied to the loan balances. The "Special Mention" grade (those with a risk rating of 70) represents a loan where a significant adverse risk-modifying action is anticipated in the near term and, left uncorrected, could result in deterioration of the credit quality of the loan. Loans that migrate toward the "Substandard" grade (those with a risk rating between 80 and 95) generally have a higher risk of loss and therefore a higher risk factor applied to those related loan balances.

The following tables present the Company's loan portfolio by year of origination and internal risk-rating grades as of the dates presented:

Term Loans Amortized Cost Basis by Origination Year										
	Revolving Loans									
	2022	2021	2020	2019	2018	Prior	Revolving Loans	Converted to Term	Total Loans	
December 31, 2022										
December 31, 2023										
Commercial, Financial, Agricultural										

	Revolving Loans Converted to Term									
	2023	2022	2021	2020	2019	Prior	Revolving Loans	Revolving Loans Converted to Term	Total Loans	
December 31, 2022										
December 31, 2023										
Commercial, Financial, Agricultural										

Commercial, Financial, Agricultural												
Commercial, Financial, Agricultural	Commercial, Financial, Agricultural	\$460,604	\$209,964	\$142,790	\$63,164	\$25,099	\$35,142	\$717,422	\$ 3,522	\$1,657,707		
Pass	Pass	450,559	209,580	141,712	62,370	21,963	28,014	704,491	2,384	1,621,073		
Special	Special											
Mention	Mention	719	—	1,010	383	678	—	11,616	80	14,486		
Substandard	Substandard	9,326	384	68	411	2,458	7,128	1,315	1,058	22,148		
Lease Financing Receivables												
Lease Financing Receivables												
Lease Financing Receivables												
Pass												
Watch												
Substandard												
Real Estate - Construction												
Real Estate - Construction												
Real Estate - Construction												
Residential												
Pass												
Special												
Mention												
Substandard												
Commercial												
Commercial												
Commercial												
Pass												
Special												
Mention												
Substandard												
Real Estate - 1-4 Family												
Mortgage												
Real Estate - 1-4 Family												
Mortgage												
Real Estate - 1-4 Family												
Mortgage												
Primary												
Pass												
Special												
Mention												
Substandard												
Home Equity												
Home Equity												
Home Equity												
Pass												
Special												
Mention												
Substandard												
Rental/Investment												
Rental/Investment												
Rental/Investment												
Pass												

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Term Loans Amortized Cost Basis by Origination Year										
	Revolving Loans									
	Revolving Converted to Term						Total Loans			
	2022	2021	2020	2019	2018	Prior	Loans	Converted to Term	Total Loans	
Lease Financing Receivables	\$ 61,424	\$ 18,379	\$ 18,318	\$ 10,628	\$ 4,557	\$ 1,707	\$ —	\$ —	\$ 115,013	
Pass	58,204	18,379	15,846	9,060	3,269	1,353	—	—	106,111	
Watch	—	—	—	—	—	354	—	—	354	
Substandard	3,220	—	2,472	1,568	1,288	—	—	—	8,548	
Real Estate - Construction	\$ 595,185	\$ 476,190	\$ 109,705	\$ 8,525	\$ 381	\$ 6,858	\$ 13,757	\$ 424	\$ 1,211,025	
Residential	\$ 214,386	\$ 16,483	\$ 589	—	381	—	\$ 3,925	\$ 424	\$ 236,188	
Pass	214,371	16,483	589	—	381	—	3,925	424	236,173	
										Revolving Loans
										2023
										2022
										2021
										2020
										2019
										Prior
										Loans Converted to Term
										Total Loans
Commercial	\$ 380,799	\$ 459,707	\$ 109,116	\$ 8,525	\$ —	\$ 6,858	\$ 9,832	\$ —	\$ 974,837	
Pass	380,799	459,707	109,116	8,525	—	6,858	9,832	—	974,837	
Special Mention	—	—	—	—	—	—	—	—	—	
Substandard	—	—	—	—	—	—	—	—	—	
Real Estate - 1-4 Family										
Mortgage	\$ 233,370	\$ 141,066	\$ 48,653	\$ 24,664	\$ 25,604	\$ 35,971	\$ 26,920	\$ 1,238	\$ 537,486	
Primary	\$ 12,877	\$ 7,965	\$ 5,068	\$ 2,435	\$ 4,522	\$ 8,723	\$ 4,931	\$ 106	\$ 46,627	
Pass	12,616	7,965	5,068	2,421	4,522	8,419	4,931	106	46,048	
Special Mention	—	—	—	—	—	51	—	—	51	
Substandard	261	—	—	14	—	253	—	—	528	
Home Equity	\$ 272	\$ 1,187	\$ —	\$ 38	\$ 5	\$ 27	\$ 14,485	\$ 141	\$ 16,155	
Pass	272	1,187	—	38	5	27	14,485	7	16,021	
Special Mention	—	—	—	—	—	—	—	—	—	
Substandard	—	—	—	—	—	—	—	134	134	
Rental/Investment	\$ 138,481	\$ 85,711	\$ 42,056	\$ 21,997	\$ 14,785	\$ 24,448	\$ 5,972	\$ 787	\$ 334,237	
Pass	138,137	85,522	41,604	21,097	14,671	22,899	5,972	482	330,384	
Special Mention	231	—	—	—	—	174	—	—	405	
Substandard	113	189	452	900	114	1,375	—	305	3,448	
Land Development										
Land Development										
Land	Land									
Development	Development	\$ 81,740	\$ 46,203	\$ 1,529	\$ 194	\$ 6,292	\$ 2,773	\$ 1,532	\$ 204	\$ 140,467
Pass	Pass	80,514	46,203	1,525	194	6,292	2,723	1,532	204	139,187
Special Mention	Special Mention	1,226	—	—	—	—	—	—	—	1,226
Substandard	Substandard	—	—	4	—	—	50	—	—	54
Real Estate - Commercial										
Mortgage										
Real Estate - Commercial										
Mortgage										

Real Estate - Commercial		Real Estate - Commercial																			
Mortgage	Mortgage	\$1,624,197 \$1,000,563 \$713,303 \$531,424 \$277,862 \$810,919 \$121,305 \$ 25,173 \$ 5,104,746																			
Owner-Occupied	Owner-Occupied	\$ 309,792 \$ 319,174 \$239,946 \$178,137 \$128,452 \$302,495 \$ 57,869 \$ 3,300 \$1,539,165																			
Pass	Pass	298,851	314,429	237,058	175,262	122,537	282,657	50,640	3,300	1,484,734											
Special Mention	Special Mention	9,640	3,047	815	1,670	—	672	4,808	—	20,652											
Substandard	Substandard	1,301	1,698	2,073	1,205	5,915	19,166	2,421	—	33,779											
Non-Owner Occupied	Non-Owner Occupied	\$1,256,098 \$ 657,121 \$466,703 \$346,908 \$144,872 \$501,863 \$ 57,637 \$ 21,680 \$3,452,882																			
Non-Owner Occupied																					
Non-Owner Occupied																					
Pass	Pass	1,252,484	647,937	466,703	322,997	127,358	418,294	57,637	12,142	3,305,552											
Special	Special	—	—	—	—	—	—	—	—	—											
Mention	Mention	506	—	—	21,961	17,509	8,975	—	—	48,951											
Substandard	Substandard	3,108	9,184	—	1,950	5	74,594	—	9,538	98,379											
Land Development	Land Development	\$ 58,307	\$ 24,268	\$ 6,654	\$ 6,379	\$ 4,538	\$ 6,561	\$ 5,799	\$ 193	\$ 112,699											
Land Development																					
Land Development																					
Pass	Pass	58,307	24,228	6,342	6,379	4,465	6,067	5,799	193	111,780											
Special	Special	—	—	—	—	—	—	—	—	—											
Mention	Mention	—	40	—	—	—	—	—	—	40											
Substandard	Substandard	—	—	312	—	73	494	—	—	879											
Installment loans to individuals																					
Installment loans to individuals																					
Installment loans to individuals																					
Pass	Pass	—	—	—	—	—	—	—	—	—											
Special	Special	—	—	—	—	—	—	—	—	—											
Mention	Mention	—	—	—	—	—	—	—	—	—											
Substandard	Substandard	—	—	—	—	—	—	—	—	—											
Total loans subject to risk rating																					
Total loans subject to risk rating																					
Total loans subject to risk rating																					
Pass	Pass	—	—	—	—	—	—	—	—	—											
Special	Special	—	—	—	—	—	—	—	—	—											
Mention	Mention	—	—	—	—	—	—	—	—	—											
Substandard	Substandard	—	—	—	—	—	—	—	—	—											

Term Loans Amortized Cost Basis by Origination Year													
Revolving Loans											Total Loans		
		2022		2021		2020		2019		2018		Total Loans	
December 31, 2022	Commercial, Financial, Agricultural	\$ 460,604	\$ 209,964	\$ 142,790	\$ 63,164	\$ 25,099	\$ 35,142	\$ 717,422	\$ 3,522	\$ 1,657,707			
Pass		450,559	209,580	141,712	62,370	21,963	28,014	704,491	2,384	1,621,073			
Special Mention		719	—	1,010	383	678	—	11,616	80	14,486			

Substandard	9,326	384	68	411	2,458	7,128	1,315	1,058	22,148
Lease Financing Receivables	\$ 61,424	\$ 18,379	\$ 18,318	\$ 10,628	\$ 4,557	\$ 1,707	\$ —	\$ —	\$ 115,013
Pass	58,204	18,379	15,846	9,060	3,269	1,353	—	—	106,111
Watch	—	—	—	—	—	354	—	—	354
Substandard	3,220	—	2,472	1,568	1,288	—	—	—	8,548
Real Estate - Construction	\$ 595,185	\$ 476,190	\$ 109,705	\$ 8,525	\$ 381	\$ 6,858	\$ 13,757	\$ 424	\$ 1,211,025
Residential	\$ 214,386	\$ 16,483	\$ 589	—	\$ 381	—	\$ 3,925	\$ 424	236,188

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

	Term Loans Amortized Cost Basis by Origination Year										Total Loans							
	2022		2021		2020		2019		2018		Prior	Revolving Loans	Converted to					
	\$	—	\$	—	\$	—	\$	24	\$	—	\$	—	Term					
Installment loans to individuals	\$	—	\$	—	\$	—	\$	24	\$	—	\$	—	\$	24				
Pass	—	—	—	—	—	—	—	24	—	—	—	—	—	24				
Special Mention	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Substandard	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Total loans subject to risk rating	\$	2,974,780	\$	1,846,162	\$	1,032,769	\$	638,429	\$	333,503	\$	890,597	\$	879,404	\$	30,357	\$	8,626,001
Pass	2,945,114	1,831,620	—	1,025,563	—	608,367	—	305,463	—	777,311	—	859,244	—	19,242	—	8,371,924		
Special Mention	12,328	3,087	—	1,825	—	24,014	—	18,187	—	10,226	—	16,424	—	80	—	86,171		
Substandard	17,338	11,455	—	5,381	—	6,048	—	9,853	—	103,060	—	3,736	—	11,035	—	167,906		

	Term Loans Amortized Cost Basis by Origination Year										Total Loans		
	2021		2020		2019		2018		2017		Prior	Revolving Loans	Converted to
	2021	2020	2019	2018	2017	Prior	Revolving Loans	Term	2017	2016	2015	2014	2013
December 31, 2021													
Commercial, Financial, Agricultural	\$ 300,748	\$ 245,940	\$ 122,996	\$ 56,732	\$ 27,631	\$ 36,665	\$ 595,956	\$ 4,083	\$ 1,390,751				
Pass	299,731	245,657	120,748	54,654	23,521	27,482	591,096	2,901	1,365,790				
Special Mention	—	136	1,798	527	605	1,196	651	—	4,913				
Substandard	1,017	147	450	1,551	3,505	7,987	4,209	1,182	20,048				
	Revolving Loans												
	Converted to		Total		Loans		Term		2016				
	2022	2021	2020	2019	2018	Prior	Revolving Loans	Term	2017	2016			
Real Estate - Construction	\$ 461,370	\$ 371,694	\$ 174,369	\$ 15,414	\$ —	\$ 4,393	\$ 3,769	\$ 2,428	\$ 1,033,437				
Residential	\$ 210,734	\$ 12,598	—	\$ 601	\$ —	\$ 686	\$ 3,769	\$ 2,428	\$ 230,816				
Pass	210,734	12,598	—	601	—	686	3,769	2,428	230,816				
Special Mention	—	—	—	—	—	—	—	—	—				
Substandard	—	—	—	—	—	—	—	—	—				
Commercial	Commercial	\$ 250,636	\$ 359,096	\$ 174,369	\$ 14,813	\$ 3,707	\$ —	\$ —	\$ 802,621				
Commercial	Pass	250,636	359,096	174,369	14,813	—	3,707	—	—	802,621			
Pass	Pass	—	—	—	—	—	—	—	—	—			
Special Mention	Special Mention	—	—	—	—	—	—	—	—	—			
Substandard	Substandard	—	—	—	—	—	—	—	—	—			
Real Estate - 1-4 Family Mortgage													
Real Estate - 1-4 Family Mortgage													

Real Estate - 1-4		Real Estate - 1-4																	
Family Mortgage	Family Mortgage	\$	205,137	\$	83,038	\$	60,392	\$	40,195	\$	31,121	\$	41,687	\$	27,010	\$	1,142	\$	489,722
Primary	Primary	\$	15,599	\$	7,698	\$	3,696	\$	8,470	\$	5,517	\$	13,402	\$	4,888	\$	—	\$	59,270
Pass	Pass		15,599		7,698		3,530		8,470		5,433		10,465		4,877		—		56,072
Special Mention	Special Mention		—		—		—		—		—		59		—		—		59
Substandard	Substandard		—		—		166		—		84		2,878		11		—		3,139
Home Equity	Home Equity	\$	1,318	\$	—	\$	42	\$	131	\$	—	\$	42	\$	14,702	\$	211	\$	16,446
Home Equity																			
Home Equity																			
Pass	Pass		1,318		—		42		131		—		42		14,332		10		15,875
Special Mention	Special Mention		—		—		—		—		—		—		—		—		—
Substandard	Substandard		—		—		—		—		—		—		370		201		571
Rental/Investment	Rental/Investment	\$	111,006	\$	61,801	\$	33,852	\$	24,324	\$	25,163	\$	25,275	\$	5,782	\$	931	\$	288,134
Rental/Investment																			
Rental/Investment																			
Pass	Pass		110,987		60,855		32,851		24,050		24,981		24,133		5,631		931		284,419
Special Mention	Special Mention		—		249		—		—		—		38		—		—		287
Substandard	Substandard		19		697		1,001		274		182		1,104		151		—		3,428
Land Development																			
Land Development																			
Land Development																			
Pass																			
Special Mention																			
Substandard																			
Real Estate - Commercial Mortgage																			
Real Estate - Commercial Mortgage																			
Real Estate - Commercial Mortgage																			
Owner-Occupied																			
Pass																			
Special Mention																			
Substandard																			
Non-Owner Occupied																			
Non-Owner Occupied																			
Non-Owner Occupied																			
Pass																			
Special Mention																			
Substandard																			
Land Development																			
Land Development																			
Land Development																			
Pass																			
Special Mention																			
Substandard																			
Installment loans to individuals																			
Installment loans to individuals																			
Installment loans to individuals																			
Pass																			
Special Mention																			
Substandard																			
Total loans subject to risk rating																			
Total loans subject to risk rating																			

Total loans subject to risk rating

Pass

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

	Term Loans Amortized Cost Basis by Origination Year									
						Revolving Loans				
	2021	2020	2019	2018	2017	Prior	Revolving Loans	Converted to	Term	Total Loans
Land Development	\$ 77,214	\$ 13,539	\$ 22,802	\$ 7,270	\$ 441	\$ 2,968	\$ 1,638	\$ —	\$ 125,872	
Pass	74,818	13,539	22,769	7,270	411	1,560	1,638	—	—	122,005
Special Mention	2,396	—	—	—	—	—	—	—	—	2,396
Substandard	—	—	33	—	30	1,408	—	—	—	1,471
Real Estate - Commercial Mortgage	\$ 1,168,118	\$ 836,549	\$ 680,831	\$ 394,608	\$ 421,898	\$ 844,635	\$ 153,358	\$ 35,968	\$ 4,535,965	
Owner-Occupied	\$ 312,031	\$ 305,686	\$ 220,057	\$ 177,689	\$ 157,886	\$ 317,878	\$ 62,182	\$ 9,748	\$ 1,563,157	
Pass	310,736	304,555	218,447	174,865	148,298	292,356	62,182	8,036	8,036	1,519,475
Special Mention	1,210	1,131	—	—	3,286	722	—	1,712	8,061	
Substandard	85	—	1,610	2,824	6,302	24,800	—	—	—	35,621
Non-Owner Occupied	\$ 809,784	\$ 511,803	\$ 449,734	\$ 209,010	\$ 258,914	\$ 510,213	\$ 81,238	\$ 26,220	\$ 2,856,916	
Pass	800,348	503,009	436,387	185,353	203,128	464,713	81,238	16,314	16,314	2,690,490
Special Mention	9,235	8,794	11,356	23,650	33,176	8,383	—	—	—	94,594
Substandard	201	—	1,991	7	22,610	37,117	—	9,906	9,906	71,832
Land Development	\$ 46,303	\$ 19,060	\$ 11,040	\$ 7,909	\$ 5,098	\$ 16,544	\$ 9,938	\$ —	\$ 115,892	
Pass	46,034	17,030	11,040	7,857	5,098	10,656	9,938	—	—	107,653
Special Mention	44	—	—	—	—	5,141	—	—	—	5,185
Substandard	225	2,030	—	52	—	747	—	—	—	3,054
Installment loans to individuals	\$ —	\$ —	\$ 42	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 42	
Pass	—	—	42	—	—	—	—	—	—	42
Special Mention	—	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—	—
Total loans subject to risk rating	\$ 2,135,373	\$ 1,537,221	\$ 1,038,630	\$ 506,949	\$ 480,650	\$ 927,380	\$ 780,093	\$ 43,621	\$ 7,449,917	
Pass	2,120,941	1,524,037	1,020,225	478,064	410,870	835,800	774,701	30,620	30,620	7,195,258
Special Mention	12,885	10,310	13,154	24,177	37,067	15,539	651	1,712	1,712	115,495
Substandard	1,547	2,874	5,251	4,708	32,713	76,041	4,741	11,289	11,289	139,164

	Term Loans Amortized Cost Basis by Origination Year									
						Revolving Loans				
	2022	2021	2020	2019	2018	Prior	Revolving Loans	Converted to	Term	Total Loans
Special Mention	12,328	3,087	1,825	24,014	18,187	10,226	16,424	80	86,171	
Substandard	17,338	11,455	5,381	6,048	9,853	103,060	3,736	11,035	11,035	167,906

The following tables present the performing status of the Company's loan portfolio not subject to risk rating as of the dates presented:

Term Loans Amortized Cost Basis by
Origination Year

Real Estate - 1-4 Family
Mortgage
Primary
Performing
Loans
Non-
Performing
Loans
Home Equity
Home Equity
Home Equity
Performing
Loans
Non-
Performing
Loans
Rental/Investment
Rental/Investment
Rental/Investment
Performing
Loans
Non-
Performing
Loans
Land Development
Land Development
Land Development
Performing
Loans
Non-
Performing
Loans
Real Estate - Commercial
Mortgage
Real Estate - Commercial
Mortgage
Real Estate - Commercial
Mortgage
Owner-Occupied
Performing
Loans
Non-
Performing
Loans
Non-Owner Occupied
Non-Owner Occupied
Non-Owner Occupied
Performing
Loans
Non-
Performing
Loans

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Term Loans Amortized Cost Basis by Origination Year												
	Revolving Loans											
	Revolving Converted to Term Loans											
	2022	2021	2020	2019	2018	Prior	Loans	to Term		Total		
Commercial	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—
Performing Loans	—	—	—	—	—	—	—	—	—	—	—	—
Non-Performing Loans	—	—	—	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family												
Mortgage	\$704,214	\$546,256	\$351,213	\$155,549	\$116,951	\$319,567	\$481,254	\$ 3,773	\$2,678,777			
Primary	\$694,941	\$541,801	\$350,205	\$154,979	\$115,876	\$318,364	\$ —	\$ 63	\$2,176,229			
Performing Loans	694,221	538,870	345,912	150,821	109,156	307,178	—	63	2,146,221			
Non-Performing Loans	720	2,931	4,293	4,158	6,720	11,186	—	—	30,008			
Home Equity	\$ —	\$ 111	\$ —	\$ —	\$ —	\$ 676	\$ 481,254	\$ 3,710	\$ 485,751			
Performing Loans	—	111	—	—	—	609	480,094	3,026	483,840			
Non-Performing Loans	—	—	—	—	—	67	1,160	684	1,911			
Rental/Investment	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 145	\$ —	\$ —	\$ 145			
Performing Loans	—	—	—	—	—	145	—	—	145			
Non-Performing Loans	—	—	—	—	—	—	—	—	—			
Land Development	\$ 9,273	\$ 4,344	\$ 1,008	\$ 570	\$ 1,075	\$ 382	\$ —	\$ —	\$ 16,652			
Performing Loans	9,257	4,344	1,008	570	1,075	319	—	—	16,573			
Non-Performing Loans	16	—	—	—	—	63	—	—	79			
Real Estate - Commercial												
Mortgage	\$ 4,805	\$ 3,518	\$ 2,587	\$ 1,281	\$ 691	\$ 435	\$ —	\$ —	\$ 13,317			
Owner-Occupied	\$ —	\$ —	\$ 131	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 131			
Performing Loans	—	—	131	—	—	—	—	—	131			
Non-Performing Loans	—	—	—	—	—	—	—	—	—			
Non-Owner Occupied	\$ —	\$ —	\$ 28	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 28			
Performing Loans	—	—	28	—	—	—	—	—	28			
Non-Performing Loans	—	—	—	—	—	—	—	—	—			
Land												
Land Development	Development	\$ 4,805	\$ 3,518	\$ 2,428	\$ 1,281	\$ 691	\$ 435	\$ —	\$ —	\$ 13,158		
Performing Loans	Performing	Loans	4,805	3,518	2,422	1,281	691	435	—	—	13,152	
Non-Performing Loans	Non-Performing	Loans	—	—	6	—	—	—	—	—	6	
Installment loans to individuals	Installment loans to individuals	Individuals	\$ 44,255	\$ 15,976	\$ 6,416	\$ 14,252	\$ 17,095	\$ 10,626	\$ 16,062	\$ 39	\$ 124,721	
Installment loans to individuals												
Performing Loans	Performing	Loans	44,227	15,927	6,389	14,211	17,076	10,532	16,062	35	124,459	

Non- Performing Loans	Non- Performing Loans	28	49	27	41	19	94	—	4	262
Total loans not subject to risk rating	Total loans not subject to risk rating	\$810,857	\$626,995	\$360,713	\$171,082	\$134,737	\$346,791	\$497,316	\$3,812	\$2,952,303
Total loans not subject to risk rating										
Total loans not subject to risk rating										
Performing Loans	Performing Loans	810,016	624,015	356,387	166,883	127,998	335,381	496,156	3,124	2,919,960
Non- Performing Loans	Non- Performing Loans	841	2,980	4,326	4,199	6,739	11,410	1,160	688	32,343

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

Term Loans Amortized Cost Basis by Origination Year										
	2021	2020	2019	2018	2017	Prior	Revolving Loans	Converted to Term	Total Loans	
December 31, 2021										
December 31, 2022										
Commercial, Financial, Agricultural										
Commercial, Financial, Agricultural										
Commercial, Financial, Agricultural	Commercial, Financial, Agricultural	\$ 71	\$ —	\$ —	\$ 1	\$ —	\$ 8,983	\$ 23,464	\$ —	\$ 32,519
Performing Loans	Performing Loans	71	—	—	1	—	8,983	23,464	—	32,519
Non-Performing Loans	Non-Performing Loans	—	—	—	—	—	—	—	—	—
Lease Financing	Lease Financing									
Receivables	Receivables	\$ 26,301	\$ 23,270	\$ 15,504	\$ 7,713	\$ 2,169	\$ 1,168	\$ —	\$ —	\$ 76,125
Lease Financing Receivables										
Lease Financing Receivables										
Performing Loans	Performing Loans	26,301	23,270	15,504	7,713	2,167	1,159	—	—	76,114
Non-Performing Loans	Non-Performing Loans	—	—	—	—	2	9	—	—	11
Real Estate - Construction										
Real Estate - Construction										
Real Estate - Construction	Real Estate - Construction	\$ 57,283	\$ 12,561	\$ 1,615	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 71,459
Residential	Residential	\$ 57,283	\$ 12,561	\$ 1,615	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 71,459
Performing Loans	Performing Loans	57,283	12,561	1,615	—	—	—	—	—	71,459

Performing	Performing										
Loans	Loans	—	31	—	—	—	—	—	—	—	31
Non-Performing	Non-Performing										
Loans	Loans	—	—	—	—	—	—	—	—	—	—
Land Development											
Land Development											
Land	Land										
Development	Development	\$ 5,265	\$ 3,417	\$ 2,024	\$ 947	\$ 499	\$ 695	\$ —	\$ —	\$ 12,847	
Performing	Performing										
Loans	Loans	5,265	3,417	2,008	947	499	644	—	—	12,780	
Non-Performing	Non-Performing										
Loans	Loans	—	—	16	—	—	51	—	—	—	67
Installment loans	Installment loans										
to individuals	to individuals	\$ 44,302	\$ 15,436	\$ 23,114	\$ 28,298	\$ 11,706	\$ 5,798	\$ 14,574	\$ 70	\$ 143,298	
Installment loans to individuals											
Installment loans to individuals											
Performing	Performing										
Loans	Loans	44,254	15,360	23,035	28,270	11,672	5,574	14,557	59	142,781	
Non-Performing	Non-Performing										
Loans	Loans	48	76	79	28	34	224	17	11	517	
Total loans not	Total loans not										
subject to risk	subject to risk										
rating	rating	\$ 687,705	\$ 474,103	\$ 247,531	\$ 193,974	\$ 151,981	\$ 325,085	\$ 486,417	\$ 4,201	\$ 2,570,997	
Total loans not subject to risk rating											
Total loans not subject to risk rating											
Performing	Performing										
Loans	Loans	687,026	473,004	244,938	188,769	149,247	317,186	485,319	3,880	2,549,369	
Non-Performing	Non-Performing										
Loans	Loans	679	1,099	2,593	5,205	2,734	7,899	1,098	321	21,628	

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 3 – Loans (continued)

The following table discloses gross charge-offs by year of origination for the year ended December 31, 2023:

							Prior	Revolving		Revolving Loans		Converted to	Total Charge-offs
	2023	2022	2021	2020	2019	Loans		Term		Term			
Commercial, financial, agricultural	\$ 898	\$ 1,909	\$ 235	\$ 131	\$ 635	\$ 4,165	\$ 865	\$ —	\$ —	\$ —	\$ 8,838		
Lease financing	883	273	248	72	48	—	—	—	—	—	—	1,524	
Real estate – construction:													
Residential	—	57	—	—	—	—	—	—	—	—	—	57	
Commercial	—	—	—	—	—	—	—	—	—	—	—	—	
Total real estate – construction	—	\$ 57	—	—	—	—	—	—	—	—	\$ —	57	
Real estate – 1-4 family mortgage:													
Primary	—	17	—	—	—	—	92	—	—	—	—	109	
Home equity	—	—	—	—	25	90	—	—	—	—	—	115	
Rental/investment	—	—	91	72	10	20	—	—	—	—	—	193	
Total real estate – 1-4 family mortgage	—	\$ 17	\$ 91	\$ 72	\$ 35	\$ 202	—	—	—	—	\$ —	417	
Real estate – commercial mortgage:													
Owner-occupied	—	—	—	—	—	582	—	—	—	—	—	582	
Non-owner occupied	—	—	—	—	—	4,986	—	—	—	—	—	4,986	

Total real estate – commercial mortgage	—	—	—	—	—	—	\$ 5,568	—	—	\$ 5,568
Installment loans to individuals	\$ 29	\$ 45	\$ 43	\$ 35	\$ 7	\$ 2,477	—	—	—	\$ 2,636
Loans, net of unearned income	\$ 1,810	\$ 2,301	\$ 617	\$ 310	\$ 725	\$ 12,412	\$ 865	—	—	\$ 19,040

Related Party Loans

Certain executive officers and directors of the Bank and their associates are customers of and have other transactions with Renasant Bank. Related party loans and commitments are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with persons not related to the Company or the Bank and do not involve more than a normal risk of collectability or present other unfavorable features. A summary of the changes in related party loans follows:

Loans at December 31, 2021	\$ 29,907
New loans and advances	3,778
Payments received	(674)
Loans at December 31, 2022	\$ 33,011
New loans and advances	280
Payments received	(216)
Changes in related parties	(28,012)
Loans at December 31, 2023	\$ 5,063

The change in related parties in the table above relates to the retirement of a director in April 2023, after which he was no longer considered a related party. No related party loans were classified as past due or nonaccrual **impaired** at December 31, 2023 or **restructured** at December 31, 2022 or 2021, 2022. Unfunded commitments to certain executive officers and directors and their associates totaled \$5,641 and \$7,387 at December 31, 2023 and \$10,471 at December 31, 2022 and 2021, 2022, respectively.

During 2022, the Company acquired Southeastern Commercial Finance, LLC and **Continental Republic Capital, LLC** (doing business as "Republic Business Credit"). **Credit**. The acquired loans were added to the commercial, financial, and agricultural loan category at their fair value of \$105,610 at the date of acquisition. The carrying amount of purchased credit deteriorated ("PCD") loans at the acquisition date is detailed below.

	Carrying Amount
Purchase price of loans at acquisition	\$ 13,654
Allowance for credit losses at acquisition	11,460
Par value of acquired loans at acquisition	<u>\$ 25,114</u>

Renaissance Corporation and Subsidiaries Notes to Consolidated Financial Statements

Note 4 – Allowance for Credit Losses

(In Thousands)

Allowance for Credit Losses on Loans

The following table provides a roll-forward of the allowance for credit losses by loan category and a breakdown of the ending balance of the allowance based on the Company's credit loss methodology for the periods presented:

Year Ended December 31, 2022	Real Estate									
	Real Estate		Real Estate -		-		Installment			
	Commercial	Construction	Mortgage	Commercial	Mortgage	Lease	Financing	Individuals	Total	
Year Ended December 31, 2022										
Year Ended December 31, 2023	Real Estate									
	Real Estate		Real Estate -		-		Installment			
	Commercial	Construction	Mortgage	Commercial	Mortgage	Lease	Financing	Individuals	Total	
Year Ended December 31, 2023										

Allowance for credit losses on loans:	Allowance for credit losses on loans:
Allowance for credit losses on loans:	Allowance for credit losses on loans:
Beginning balance	Beginning balance
Beginning balance	Beginning balance \$ 33,922 \$ 16,419 \$ 32,356 \$ 68,940 \$ 1,486 \$ 11,048 \$ 164,171
Impact of PCD loans acquired during the period	Impact of PCD loans acquired during the period 11,460 — — — — — 11,460
Charge-offs	Charge-offs (5,120) — (757) (5,134) (7) (3,167) (14,185)
Recoveries	Recoveries 2,471 — 821 418 146 3,000 6,856
Net charge-offs	Net charge-offs (2,649) — 64 (4,716) 139 (167) (7,329)
Provision (recoveries) of credit losses on loans	Provision (recoveries) of credit losses on loans 1,522 2,695 12,307 7,574 838 (1,148) 23,788
Ending balance	Ending balance \$ 44,255 \$ 19,114 \$ 44,727 \$ 71,798 \$ 2,463 \$ 9,733 \$ 192,090
Period-End Amount Allocated to:	Period-End Amount Allocated to:
Individually evaluated	Individually evaluated \$ 4,397 \$ — \$ 46 \$ 1,729 \$ — \$ 270 \$ 6,442
Individually evaluated	Individually evaluated
Individually evaluated	Individually evaluated
Collectively evaluated	Collectively evaluated 39,858 19,114 44,681 70,069 2,463 9,463 185,648
Ending balance	Ending balance \$ 44,255 \$ 19,114 \$ 44,727 \$ 71,798 \$ 2,463 \$ 9,733 \$ 192,090
Loans: Loans:	Loans: Loans:
Individually evaluated	Individually evaluated
Individually evaluated	Individually evaluated
Individually evaluated	Individually evaluated \$ 8,536 \$ 489 \$ 9,202 \$ 10,953 \$ — \$ 270 \$ 29,450
Collectively evaluated	Collectively evaluated 1,665,347 1,329,848 3,207,061 5,107,110 115,013 124,475 11,548,854
Ending balance	Ending balance \$ 1,673,883 \$ 1,330,337 \$ 3,216,263 \$ 5,118,063 \$ 115,013 \$ 124,745 \$ 11,578,304
Nonaccruing loans with no allowance for credit losses	Nonaccruing loans with no allowance for credit losses \$ 464 \$ — \$ 7,278 \$ 3,157 \$ — \$ — \$ 10,899

Nonaccruing loans with
no allowance for credit
losses
Nonaccruing loans with
no allowance for credit
losses

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 4 – Allowance for Credit Losses (continued)

Real Estate									
Real Estate		Real Estate -		-		Installment			
-		1-4 Family		Commercial		Lease	Loans to		
Commercial		Mortgage		Mortgage		Financing	Individuals		Total
Year Ended December									
31, 2021									
Commercial									
Year Ended									
December									
31, 2022									
Allowance for credit									
losses on loans:									
Allowance for credit									
losses on loans:									
Allowance for credit									
losses on loans:									
Beginning balance	Beginning balance	\$ 39,031	\$ 16,047	\$ 32,165	\$ 76,127	\$ 1,624	\$ 11,150	\$ 176,144	
Beginning balance									
Beginning balance									
Impact of									
PCD loans									
acquired									
during the									
period									
Charge-offs	Charge-offs	(7,087)	(52)	(1,164)	(5,184)	(13)	(5,374)	(18,874)	
Recoveries	Recoveries	1,470	13	1,498	541	49	5,030	8,601	
Net charge-offs	Net charge-offs	(5,617)	(39)	334	(4,643)	36	(344)	(10,273)	
Provision for	Provision for								
credit losses	credit losses								
on loans	on loans	508	411	(143)	(2,544)	(174)	242	(1,700)	
Ending balance	Ending balance	\$ 33,922	\$ 16,419	\$ 32,356	\$ 68,940	\$ 1,486	\$ 11,048	\$ 164,171	
Period-End Amount	Period-End Amount								
Allocated to:	Allocated to:								
Individually evaluated	Individually evaluated	\$ 9,239	\$ —	\$ 216	\$ 2,401	\$ —	\$ 607	\$ 12,463	

Individually evaluated							
Individually evaluated							
Collectively evaluated	Collectively evaluated	24,683	16,419	32,140	66,539	1,486	10,441
Ending balance	Ending balance	\$ 33,922	\$ 16,419	\$ 32,356	\$ 68,940	\$ 1,486	\$ 11,048
Loans:	Loans:						
Individually evaluated							
Individually evaluated							
Individually evaluated	Individually evaluated	\$ 12,776	\$ —	\$ 5,360	\$ 14,623	\$ —	\$ 690
Collectively evaluated	Collectively evaluated	1,410,494	1,104,896	2,718,886	4,534,414	76,125	142,650
Ending balance	Ending balance	\$1,423,270	\$1,104,896	\$2,724,246	\$4,549,037	\$76,125	\$143,340
Nonaccruing loans with no allowance for credit losses	Nonaccruing loans with no allowance for credit losses	\$ 397	\$ —	\$ 2,329	\$ 5,270	\$ —	\$ 22
Nonaccruing loans with no allowance for credit losses							
Nonaccruing loans with no allowance for credit losses							

The Company's allowance for credit loss model considers economic projections, primarily the national unemployment rate and GDP, over a reasonable and supportable period of two years. While credit metrics remained relatively stable, loan growth and acquisitions caused the Company's allowance model to indicate that an increase to the allowance for credit losses was appropriate during 2022.

Allowance for Credit Losses on Unfunded Loan Commitments

The following table provides a roll-forward of the allowance for credit losses on unfunded loan commitments included in other liabilities in the Consolidated Balance Sheets for the periods presented.

	Year Ended	
	2022	2021
Allowance for credit losses on unfunded loan commitments:		
Beginning balance	\$ 20,035	\$ 20,535
Provision for (recovery of) credit losses on unfunded loan commitments (included in other noninterest expense)	83	(500)
Ending balance	\$ 20,118	\$ 20,035

	Year Ended	
	2023	2022
Allowance for credit losses on unfunded loan commitments:		
Beginning balance	\$ 20,118	\$ 20,035
(Recovery of) provision for credit losses on unfunded loan commitments	(3,200)	83
Ending balance	\$ 16,918	\$ 20,118

Note 5 – Premises and Equipment

(In Thousands)

Bank premises and equipment at December 31 are summarized as follows:

	2022	2021	
	2023	2023	2022

Premises	Premises	\$250,038	\$247,484
Leasehold improvements	Leasehold improvements	33,325	29,412
Furniture and equipment	Furniture and equipment	68,275	65,286
Computer equipment	Computer equipment	26,356	24,412
Autos	Autos	143	143
Lease right-of-use assets	Lease right-of-use assets	54,930	63,547
Total	Total	433,067	430,284
Accumulated depreciation	Accumulated depreciation	(149,472)	(137,162)
Net	Net	\$283,595	\$293,122

Depreciation expense was \$14,881, \$14,857, \$16,406 and \$18,699 for the years ended December 31, 2022, December 31, 2023, 2021 and 2020, respectively.

See Note 23, "Leases," for further details regarding the Company's right-of-use assets.

Note 6 – Other Real Estate Owned

(In Thousands)

The following table provides details of the Company's other real estate owned ("OREO"), net of valuation allowances and direct write-downs, as of the dates presented:

	December 31, 2023	December 31, 2022
Residential real estate	\$ 1,211	\$ 699
Commercial real estate	8,407	62
Residential land development	4	246
Commercial land development	—	756
Total	\$ 9,622	\$ 1,763

Changes in the Company's OREO were as follows for the periods presented:

	Total OREO
December 31, 2022 Balance at December 31, 2021	\$ 699,254
Residential real estate Transfers of loans	622,207
Commercial real estate Impairments	246 (110)
Residential land development Dispositions	756 (2,875)
Total Other	1
Balance at December 31, 2022	\$ 1,763
December 31, 2021 Transfers of loans	10,738
Residential real estate Impairments	(18)
Dispositions	(2,840)
Other	(21)
Balance at December 31, 2023	\$ 259,962
Commercial real estate	761
Residential land development	305
Commercial land development	1,215
Total	\$ 2,540

Note 6 – Other Real Estate Owned (continued)

Changes in the Company's OREO were as follows for the periods presented:	Total	OREO
Balance at December 31, 2020	\$ 5,972	
Transfers of loans	3,180	
Impairments	(306)	
Dispositions	(6,166)	
Other	(140)	
Balance at December 31, 2021	\$ 2,540	
Transfers of loans	2,207	
Impairments	(110)	
Dispositions	(2,875)	
Other	1	
Balance at December 31, 2022	\$ 1,763	

At December 31, 2022 December 31, 2023 and 2021, 2022, the amortized cost of loans secured by Real Estate - 1-4 Family Mortgage in the process of foreclosure was \$375 \$395 and \$22, \$375, respectively.

Components of the line item "Other real estate owned" in the Consolidated Statements of Income were as follows, as of the dates presented:

	December 31,			Year Ended December 31,			2021
	2022	2021	2020	2023	2022	2021	
Repairs and maintenance	Repairs and maintenance	\$ 54	\$ 79	\$ 279			
Property taxes and insurance	Property taxes and insurance	93	69	364			
Impairments	Impairments	110	306	2,160			
Net gains on OREO sales	Net gains on OREO sales	(703)	(176)	(23)			
Rental income	Rental income	(7)	(25)	(26)			
Total	Total	<u><u>\$(453)</u></u>	<u><u>\$253</u></u>	<u><u>\$2,754</u></u>			

Note 7 – Goodwill and Other Intangible Assets

(In Thousands)

Changes in the carrying amount of goodwill during the years ended December 31, 2022 December 31, 2023 were as follows:

	Community Banks	Community Banks	Insurance	Total
Balance at December 31, 2020	\$936,916	\$ 2,767	\$939,683	
Additions to goodwill and other adjustments	—	—	—	
Balance at December 31, 2021	\$936,916	\$ 2,767	\$939,683	
Additions to goodwill from the Southeastern Commercial Finance, LLC acquisition	Additions to goodwill from the Southeastern Commercial Finance, LLC acquisition	6,608	—	6,608

Additions to goodwill from the Continental Republic Capital, LLC acquisition	Additions to goodwill from the Continental Republic Capital, LLC acquisition	45,417	—	45,417
Balance at December 31, 2022	Balance at December 31, 2022	\$988,941	\$ 2,767	\$991,708

Measurement period
adjustments to goodwill from
the Continental Republic
Capital, LLC acquisition

Measurement period
adjustments to goodwill from
the Continental Republic
Capital, LLC acquisition

Measurement period
adjustments to goodwill from
the Continental Republic
Capital, LLC acquisition

Balance at
December 31,
2023

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 7 – Goodwill and Other Intangible Assets (continued)

The following table provides a summary of finite-lived intangible assets as of the dates presented:

	Gross			Accumulated Amortization	Net Carrying Amount
	Carrying Amount	Accumulated Amortization	Net Carrying Amount		
	December 31, 2022				
December 31, 2023					
Core deposit intangible					
Core deposit intangible					
Core deposit intangible	Core deposit intangible	\$82,492	\$ (64,339)	\$ 18,153	
Customer relationship intangible	Customer relationship intangible	7,670	(1,647)	6,023	
Total finite-lived intangible assets	Total finite-lived intangible assets	\$90,162	\$ (65,986)	\$ 24,176	
December 31, 2021					
December 31, 2022					

Core deposit intangible	Core deposit intangible	
Core deposit intangible	Core deposit intangible	
Core deposit intangible	Core deposit intangible	\$ 82,492
Customer relationship intangible	Customer relationship intangible	\$ (59,399)
Total finite-lived intangible assets	Total finite-lived intangible assets	\$ 23,093
Customer relationship intangible	Customer relationship intangible	2,470
		(1,465)
		1,005
Total finite-lived intangible assets	Total finite-lived intangible assets	\$ 84,962
		\$ (60,864)
		\$ 24,098

Core deposit intangible amortization expense for the years ended December 31, 2022 December 31, 2023, 2022 and 2021 was \$4,044, \$4,941 and 2020 was \$4,941, \$5,861, and \$6,940, respectively. Customer relationship intangible amortization expense for the year ended December 31, 2022 December 31, 2023, 2022 and 2021 and 2020 was \$181, \$1,337, \$181 and \$181, respectively.

The estimated amortization expense of finite-lived intangible assets for the five succeeding fiscal years is summarized as follows:

	Core	Customer	
	Deposit	Relationship	
	Intangible	Intangible	Total
2023	\$ 4,042	\$ 1,336	\$ 5,378

	Core		Customer Relationship Intangible	Total
	Deposit			
	Intangible		Core Deposit Intangible	
2024	2024	3,498	1,192	4,690
2025	2025	3,102	1,048	4,150
2026	2026	2,899	860	3,759
2027	2027	2,775	628	3,403
2028				

Note 8 – Mortgage Servicing Rights

(In Thousands)

Changes in the Company's mortgage servicing rights ("MSRs") were as follows, for the periods presented:

Carrying Value at January 1, 2021	\$ 62,994
Capitalization	33,948
Amortization	(21,485)
Valuation adjustment	13,561
Carrying Value at December 31, 2021 January 1, 2022	\$ 89,018
Sale of MSRs	(15,565)
Capitalization	22,788
Amortization	(11,793)
Carrying Value at December 31, 2022	\$ 84,448
Capitalization	17,079
Amortization	(9,839)
Carrying Value at December 31, 2023	\$ 91,688

The valuation adjustments reflected in the table above as well as any gains recognized on the sale of MSRs are included in "Mortgage banking income" in the Consolidated Statements of Income. During 2022, the Company sold a portion of its MSR portfolio with a carrying value of \$15,565 for a pretax gain of \$2,960. The movement Company recognized a gain of mortgage interest rates has an inverse relationship with prepayment speeds and discount rates. \$547 in 2023 related to a holdback of those previously sold MSR assets.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 8 – Mortgage Servicing Rights (continued)

Data and key economic assumptions related to the Company's mortgage servicing rights as of December 31 are as follows:

	2022	2021	2020	2023	2022	2021
Unpaid principal balance	Unpaid principal balance					
	\$7,494,413	\$8,728,629	\$7,322,671			
Weighted-average prepayment speed (CPR)	Weighted-average prepayment speed (CPR)			Weighted-average prepayment speed (CPR)		
	7.00 %	10.56 %	15.05 %		8.77 %	7.00 %
Estimated impact of a 10% increase	Estimated impact of a 10% increase	\$ (5,393)	\$ (3,875)	\$ (4,001)		
Estimated impact of a 20% increase	Estimated impact of a 20% increase	(10,354)	(7,464)	(7,674)		
Discount rate	Discount rate	10.30 %	9.82 %	9.86 %		
Discount rate					10.85 %	10.30 %
Discount rate						9.82 %
Estimated impact of a 100bp increase	Estimated impact of a 100bp increase	\$ (1,765)	\$ (4,153)	\$ (2,144)		
Estimated impact of a 200bp increase	Estimated impact of a 200bp increase	(3,957)	(8,119)	(4,144)		
Weighted-average coupon interest rate	Weighted-average coupon interest rate	3.51 %	3.29 %	3.58 %		
Weighted-average coupon interest rate					3.88 %	3.51 %
Weighted-average servicing fee (basis points)	Weighted-average servicing fee (basis points)	32.44	30.37	29.94		
Weighted-average remaining maturity (in years)	Weighted-average remaining maturity (in years)	8.33	6.69	5.14	33.24	32.44
					7.50	8.33
						6.69

The movement of mortgage interest rates has an inverse relationship with prepayment speeds and discount rates.

The Company recorded servicing fees of \$18,081, \$18,452, \$17,968 and \$12,628, \$17,968, for the twelve months ended December 31, 2022, December 31, 2023, 2021, 2022 and 2020, respectively. These fees are included under the line item "Mortgage banking income" in the Consolidated Statements of Income.

Note 9 – Deposits

(In Thousands)

The following is a summary of deposits as of December 31:

	2022	2021		2023		2022
Noninterest-bearing deposits	Noninterest-bearing deposits					
		\$ 4,558,756	\$ 4,718,124			
Interest-bearing demand deposits	Interest-bearing demand deposits	6,151,142	6,695,879			
Savings deposits	Savings deposits	1,081,628	1,080,338			
Time deposits ⁽¹⁾	Time deposits ⁽¹⁾	1,695,440	1,411,383			
Total deposits	Total deposits	\$13,486,966	\$13,905,724			

⁽¹⁾ Includes brokered deposits in the amount of \$461,441 and \$233,133 for 2022, 2023 and 2022, respectively.

The approximate scheduled maturities of time deposits, including brokered deposits, at December 31, 2022 December 31, 2023 are as follows:

2023		\$	1,236,045
2024	2024		336,382
2025	2025		87,883
2026	2026		19,575
2027	2027		12,129
2028			
Thereafter	Thereafter		3,426
Total	Total	\$	1,695,440

The aggregate amount of time deposits in denominations of \$250 or more at December 31, 2022 December 31, 2023 and 2021 2022 was \$402,289 \$774,206 and \$326,076, \$402,289, respectively. Certain executive officers and directors and their respective affiliates had amounts on deposit with Renasant Bank of approximately \$10,800 and \$25,537 at December 31, 2023 and \$27,908 at December 31, 2022 and 2021, 2022, respectively.

Note 10 – Short-Term Borrowings

(In Thousands)

Short-term borrowings as of December 31 are summarized as follows:

	2022	2021		2023		2022
2023						
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	\$ 12,232	\$ 13,947			
Federal Home Loan	Federal Home Loan					
Bank short-term advances	Bank short-term advances	700,000	—			
Federal Home Loan	Federal Home Loan					
Bank short-term advances	Bank short-term advances					
Total short-term borrowings	Total short-term borrowings	\$712,232	\$13,947			

Securities sold under agreements to repurchase ("repurchase agreements") represent funds received from customers, generally on an overnight or continuous basis, which are collateralized by investment securities owned or, at times, borrowed and re-hypothecated by the Company. The securities used as collateral consist primarily of U.S. Government agency mortgage backed securities, U.S. Government agency collateralized mortgage obligations, obligations of U.S. Government agencies, and obligations of states and political subdivisions. All securities are maintained by the Company's safekeeping agents. These securities are reviewed by the Company on a daily basis, and the Company may be required to provide additional collateral due to changes in the fair market value of these securities. The terms of the Company's repurchase agreements are continuous but may be canceled at any time by the Company or the customer.

Federal funds purchased, of which there were none **outstanding** at **December 31, 2022** **December 31, 2023** and **2021**, are short term borrowings, generally overnight borrowings, between financial institutions that are generally used to maintain reserve requirements at the Federal Reserve Bank or elsewhere.

Short-term borrowings from the FHLB short-term (i.e. advances are borrowings with original maturities of less than one year. In connection with the prepayment of \$430,000 in short-term advances from the FHLB during 2020, the Company incurred penalty charges of \$121 which is included in the line item "Debt prepayment penalty" in the Consolidated Statements of Income. The Company did not prepay any outstanding short-term advances from the FHLB in 2022 and 2021. year) are used to meet day to day liquidity needs. The Company had availability on unused lines of credit with the FHLB of **\$3,651,678** **\$2,922,315** at **December 31, 2022** **December 31, 2023**.

The average balances and cost of funds of short-term borrowings for the years ending December 31 are summarized as follows:

	Average Balances			Cost of Funds			Average Balances			Cost of Funds			
	2022	2021	2020	2022	2021	2020	2023	2022	2021	2023	2022	2021	
Federal Home Loan	Federal Home Loan												
Bank short-term advances	Bank short-term advances	\$175,370	\$ —	\$345,601	2.52 %	— % 1.09 %	\$453,630	\$175,370	\$ —	4.11	4.11 %	2.52 %	
Federal funds purchased	Federal funds purchased	97	747	363	3.97	0.33	—	—	—	—	—	—	
Federal funds purchased													
Federal funds purchased													
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	12,217	12,662	10,889	0.36	0.29	0.30						
Total short-term borrowings	Total short-term borrowings	\$187,684	\$13,409	\$356,853	2.38 %	0.29 %	1.07 %	\$461,692	\$187,684	\$13,409	4.05	4.05 %	2.38 %

The Company maintains lines of credit with correspondent banks totaling \$180,000 at **December 31, 2022** **December 31, 2023** and **2021**. Interest is charged at the market federal funds rate on all advances. There were no amounts outstanding under these lines of credit at **December 31, 2022** **December 31, 2023** or **2021**.

Note 11 – Long-Term Debt

(In Thousands)

Long-term debt as of **December 31, 2022** **December 31, 2023** and **2021** **2022** is summarized as follows:

	2022		2023		2022	
	2023	2021	2023	2021	2023	2021
Federal Home Loan	Federal Home Loan					
Bank advances	Bank advances	\$ —	\$ 417			
Junior subordinated debentures	Junior subordinated debentures	112,042	111,373			
Junior subordinated debentures						
Subordinated notes	Subordinated notes	316,091	359,419			

Total long-term debt	Total long-term debt	\$428,133	\$471,209
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Federal Home Loan Bank Advances

Long-term FHLB borrowings, of which none were outstanding at December 31, 2023 and 2022, are used to match fund fixed rate loans in order to minimize interest rate risk and also are used to meet day to day liquidity needs, particularly when the cost

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 11 – Long-Term Debt (continued)

Federal Home Loan Bank Advances

of such borrowings compares favorably to the rates required to attract deposits. The Company did not prepay any outstanding long-term advances from the FHLB during 2022 2023 and 2020 2022. In connection with the prepayment of \$150,000 in long-term advances from the FHLB during 2021, the Company incurred penalty charges of \$6,123 which is included in the line item "Debt prepayment penalty" in the Consolidated Statements of Income.

Junior Subordinated Debentures

The Company owns the outstanding common securities of business trusts that issued corporation-obligated mandatorily redeemable preferred capital securities to third-party investors. The trusts used the proceeds from the issuance of their preferred capital securities and common securities (collectively referred to as "capital securities") to buy floating rate junior subordinated debentures issued by the Company (or by companies that the Company subsequently acquired). The debentures are the trusts' only assets and interest payments from the debentures finance the distributions paid on the capital securities. Distributions on the capital securities are payable quarterly at a rate per annum equal to the interest rate being earned by the trusts on the debentures held by the trusts. The capital securities are subject to mandatory redemption, in whole or in part, upon repayment of the debentures. The Company has entered into an agreement which fully and unconditionally guarantees the capital securities of each trust subject to the terms of the guarantee.

The interest rate on the debentures reprices quarterly equal to the three-month LIBOR CME Term SOFR at the determination date plus the applicable spread. The debentures owned by the respective trusts are currently redeemable at par. The following table provides the details of the debentures as of December 31, 2022 December 31, 2023:

			Amount					
			Principal Amount	Carrying Value	Spread (in bps)	Year of Maturity	Included in Tier 1 Capital	
PHC	PHC							
Statutory	Statutory							
Trust I	Trust I	\$ 20,619	\$ 20,619	285	2033	\$ 20,000		
PHC	PHC							
Statutory	Statutory							
Trust II	Trust II	31,959	31,959	187	2035	31,000		
Capital	Capital							
Bancorp	Bancorp							
Capital	Capital							
Trust I	Trust I	12,372	12,372	150	2035	12,000		
First	First							
M&F	M&F							
Statutory	Statutory							
Trust I	Trust I	30,928	23,751	133	2036	22,822		
Brand	Brand							
Trust I	Trust I	10,310	9,573	205	2035	9,263		
Brand	Brand							
Trust II	Trust II	5,155	5,205	300	2037	5,050		
Brand	Brand							
Trust III	Trust III	5,155	5,205	300	2038	5,050		
Brand	Brand							
Trust IV	Trust IV	3,093	3,358	375	2038	3,265		
Total	Total	\$112,042				\$ 108,450		

The Company has entered into an interest rate swap agreement on the PHC Statutory Trust I, Capital Bancorp Capital Trust I, and First M&F Statutory Trust I pursuant to which the Company received an amount approximately equal to the interest paid on the debentures and paid a fixed rate of interest equal to 5.49%, 4.42%, and 4.18%, respectively, at December 31, 2022 December 31, 2023.

The Company has classified \$108,450 of the debentures described in the above paragraphs as Tier 1 capital. Federal Reserve guidelines limit the amount of securities that, similar to the Company's junior subordinated debentures, are includable in Tier 1 capital, but these guidelines did not impact the amount of debentures the Company includes in Tier 1 capital. Although the Company's existing junior subordinated debentures are currently unaffected by these Federal Reserve guidelines, on account of changes enacted as part of the Dodd-Frank Act, any new trust preferred securities are not includable in Tier 1 capital. Further, if the Company makes any acquisition now that it exceeds \$15,000,000 in assets, the Company will lose Tier 1 treatment of our junior subordinated debentures.

For more information about the Company's derivative financial instruments, see Note 13, "Derivative Instruments."

Subordinated notes

During October and December 2021, respectively, the Company redeemed at par its \$15,000 6.50% fixed-to-floating rate subordinated notes and redeemed \$30,000 of its aggregate \$60,000 5.00% fixed-to-floating rate subordinated notes, with the remaining \$30,000 of such notes redeemed in the first quarter of 2022.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 11 – Long-Term Debt (continued)

The Company has issued and sold fixed-to-floating rate subordinated notes (referred to collectively as the "Notes") in underwritten public offerings at a price equal to 100% of the aggregate principal amounts of the Notes. Interest on the Notes is payable semi-annually in arrears at the applicable fixed rate until but excluding the fixed to floating transition date and payable quarterly in arrears thereafter at the applicable benchmark rate plus spread, until but excluding the maturity date or earlier redemption date. A summary of the Notes is as follows:

Issue Date	Initial principal	Fixed rate	Fixed to floating transition date	Benchmark rate	Spread (in bps)	Debt outstanding	Maturity
August 22, 2016	\$ 40,000	5.50%	September 1, 2026	3-month LIBOR	407.1	\$ 40,000	September 1, 2031
September 3, 2020	\$ 100,000	4.50%	September 15, 2030	3-month SOFR	402.5	\$ 100,000	September 15, 2035
November 23, 2021	\$ 200,000	3.00%	December 1, 2026	3-month SOFR	191	\$ 200,000	December 1, 2031
Debt issuance costs and fair value adjustment						(23,909)	
Total subordinated debt						\$ 316,091	

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 11 – Long-Term Debt (continued)

Issue Date	Initial principal	Fixed rate	Fixed to floating transition date	Benchmark rate	Spread (in bps)	Debt outstanding	Maturity
August 22, 2016	\$ 40,000	5.50%	September 1, 2026	3-month CME Term SOFR	407.1	\$ 40,000	September 1, 2031
September 3, 2020	\$ 100,000	4.50%	September 15, 2030	3-month CME Term SOFR	402.5	\$ 100,000	September 15, 2035
November 23, 2021	\$ 200,000	3.00%	December 1, 2026	3-month CME Term SOFR	191	\$ 196,700	December 1, 2031
Debt issuance costs and fair value adjustment						(20,278)	
Total subordinated debt						\$ 316,422	

Beginning with the fixed to floating transition date and on any interest payment date thereafter, the Company may redeem the applicable Notes in whole or in part at a redemption price equal to 100% of the principal amount of the respective Notes to be redeemed plus accrued and unpaid interest to but excluding the date of redemption.

The Company may also redeem any series of the Notes at any time, at the Company's option, in whole or in part, if: (i) a change or prospective change in law occurs that could prevent the Company from deducting interest payable on the Notes for U.S. federal income tax purposes; (ii) a subsequent event occurs that could preclude the Notes from being recognized as Tier 2 capital for regulatory capital purposes; or (iii) the Company is required to register as an investment company under the Investment Company Act of 1940, as amended. In each case, the redemption price is 100% of the principal amount of the Notes being redeemed plus any accrued and unpaid interest to but excluding the redemption date. There is no sinking fund for the benefit of the Notes, and none of the Notes are convertible or exchangeable.

During 2023, the Company purchased and subsequently extinguished \$3,300 of its aggregate \$200,000 fixed-to-floating subordinated notes and realized a gain of \$620. During October and December 2021, respectively, the Company redeemed at par its \$15,000 6.50% fixed-to-floating rate subordinated notes and redeemed \$30,000 of its aggregate \$60,000 5.00% fixed-to-floating rate subordinated notes, with the remaining \$30,000 of such notes redeemed in the first quarter of 2022.

The aggregate stated maturities of long-term debt outstanding at December 31, 2022 December 31, 2023, are summarized as follows:

	Federal		Home		Junior		
	Loan	Bank	Bank	subordinated	Subordinated		
	advances		advances	debentures	notes	Total	
2023	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
	Federal		Home		Junior		
	Home Loan		Bank		Bank advances		
	advances		Federal Home Loan Bank advances		Junior subordinated debentures		Total
2024	2024	—	—	—	—	—	
2025	2025	—	—	—	—	—	
2026	2026	—	—	—	—	—	
2027	2027	—	—	—	—	—	
2028	Thereafter	—	112,042	316,091	428,133		
	Total	Total	\$ 112,042	\$ 316,091	\$ 428,133		

Note 12 – Employee Benefit and Deferred Compensation Plans

(In Thousands, Except Share Data)

Pension and Post-retirement Medical Plans

The Company sponsors a noncontributory defined benefit pension plan, under which participation and benefit accruals ceased as of December 31, 1996. The Company's funding policy is to contribute annually to the plan an amount not less than the minimum required contribution, as determined annually by consulting actuaries in accordance with funding standards imposed under the Internal Revenue Code of 1986, as amended. No contributions were made or required in 2022 2023 or 2021, 2022. The Company does not anticipate that a contribution will be required in 2023, 2024. The plan's accumulated benefit obligation and projected benefit obligation are substantially the same since benefit accruals have ceased. The accumulated benefit obligation was \$20,195 and \$21,230 at December 31, 2023 and \$27,567 at December 31, 2022 and 2021, 2022, respectively. There is no additional minimum pension liability required to be recognized.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 12 – Employee Benefit and Deferred Compensation Plans (continued)

The Company provides retiree medical benefits, consisting of the opportunity to purchase coverage at subsidized rates under the Company's group medical plan. Employees eligible to participate must (i) have been employed by the Company and enrolled in the Company's group medical plan as of December 31, 2004 and (ii) retire from the Company between ages 55 and 65 with at least 15 years of service or 70 points (points determined as the sum of the employee's age and years of service). The Company periodically determines the portion of the premiums to be paid by each retiree and the portion to be paid by the Company. Coverage ceases when a retiree attains age 65 and is eligible for Medicare. The Company contributed \$3 \$41 and \$231 \$3 to the plan in 2022 2023 and 2021, 2022, respectively; the Company expects to contribute approximately \$163 \$85 in 2023, 2024.

The Company accounts for its obligations related to retiree benefits in accordance with ASC 715, "Compensation – Retirement Benefits." The assumed rate of increase in the per capita cost of covered benefits (i.e., the health care cost trend rate) for 2022 2023 is 7.5% 7.7%. Increasing or decreasing the assumed health care cost trend rates by one percentage point in each year would not materially increase or decrease the accumulated post-retirement benefit obligation or the service and interest cost components of net periodic post-retirement benefit costs as of December 31, 2022 December 31, 2023 and for the year then ended.

In 2020, the Company offered a voluntary early retirement program (referred to as the "VERP") to eligible employees. Among other items, participants in the VERP received accelerated payouts from the Company's defined benefit pension plan, retiree medical benefits on terms substantially identical to those applicable to other retirees, and other cash payments. Cash payments are a noninterest expense and are included in the "Restructuring charges" line item on the Consolidated Statements of Income.

The following table presents information relating to the defined benefit pension plan maintained by Renasant Bank ("Pension Benefits - Renasant") and the post-retirement health and life plan ("Other Benefits") as of December 31, 2022 December 31, 2023 and 2021, 2022:

	Pension Benefits Renasant		Other Benefits	
	2022	2021	2022	2021
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 27,567	\$ 28,226	\$ 586	\$ 1,019
Service cost	—	—	4	5
Interest cost	738	682	12	14

Plan participants' contributions	—	—	85	152
Actuarial loss (gain)	(5,256)	672	(48)	(221)
Benefits paid ⁽¹⁾	(1,819)	(2,013)	(88)	(383)
Benefit obligation at end of year	\$ 21,230	\$ 27,567	\$ 551	\$ 586
Change in fair value of plan assets				
Fair value of plan assets at beginning of year	\$ 30,399	\$ 30,549		
Actual return on plan assets	(7,726)	1,863		
Contribution by employer	—	—		
Benefits paid	(1,819)	(2,013)		
Fair value of plan assets at end of year	\$ 20,854	\$ 30,399		
Funded status at end of year	\$ (376)	\$ 2,832	\$ (551)	\$ (586)
Weighted-average assumptions as of December 31				
Discount rate used to determine the benefit obligation	4.94 %	2.79 %	4.74 %	2.35 %

⁽¹⁾ Attributable to retiree medical benefits.

	Pension Benefits Renasant		Other Benefits	
	2023	2022	2023	2022
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 21,230	\$ 27,567	\$ 551	\$ 586
Service cost	—	—	1	4
Interest cost	995	738	22	12
Plan participants' contributions	—	—	49	85
Actuarial loss (gain)	74	(5,256)	(21)	(48)
Benefits paid	(2,104)	(1,819)	(90)	(88)
Benefit obligation at end of year	\$ 20,195	\$ 21,230	\$ 512	\$ 551
Change in fair value of plan assets				
Fair value of plan assets at beginning of year	\$ 20,854	\$ 30,399		
Actual return on plan assets	1,369	(7,726)		
Contribution by employer	—	—		
Benefits paid	(2,104)	(1,819)		
Fair value of plan assets at end of year	\$ 20,119	\$ 20,854		
Funded status at end of year	\$ (76)	\$ (376)	\$ (512)	\$ (551)
Weighted-average assumptions as of December 31				
Discount rate used to determine the benefit obligation	4.74 %	4.94 %	4.53 %	4.74 %

The discount rate assumptions at December 31, 2022 December 31, 2023 were determined using a yield curve approach. A yield curve was developed from a selection of high quality fixed-income investments whose cash flows approximate the timing and amount of expected cash flows from the plans. The selected discount rate is the rate that produces the same present value of the plans' projected benefit payments.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 12 – Employee Benefit and Deferred Compensation Plans (continued)

The components of net periodic benefit cost and other amounts recognized in other comprehensive income for the defined benefit pension and post-retirement health and life plans for the years ended December 31, 2022 December 31, 2023, 2021 2022 and 2020 2021 are as follows:

	Pension Benefits Renasant			Other Benefits		
	2022	2021	2020	2022	2021	2020
Service cost	\$ —	\$ —	\$ —	\$ 4	\$ 5	\$ 6
Interest cost	738	682	984	12	14	13
Expected return on plan assets	(1,684)	(1,768)	(1,651)	—	—	—
Prior service cost recognized ⁽¹⁾	—	—	—	—	—	485
Recognized actuarial loss (gain)	243	265	349	(76)	(3)	(90)

Settlement/curtailment/termination losses ⁽¹⁾	—	—	567	—	—	—
Net periodic benefit cost	(703)	(821)	249	(60)	16	414
Net actuarial loss (gain) arising during the period	4,155	577	(1,090)	(48)	(221)	21
Net Settlement/curtailment/termination losses ⁽¹⁾	—	—	(567)	—	—	—
New prior service cost ⁽¹⁾	—	—	—	—	—	485
Amortization of net actuarial (loss) gain recognized in net periodic pension cost	(243)	(265)	(349)	76	3	90
Amortization of prior service cost ⁽¹⁾	—	—	—	—	—	(485)
Total recognized in other comprehensive income	3,912	312	(2,006)	28	(218)	111
Total recognized in net periodic benefit cost and other comprehensive income \$	<u>3,209</u>	<u>\$ (509)</u>	<u>\$ (1,757)</u>	<u>\$ (32)</u>	<u>\$ (202)</u>	<u>\$ 525</u>
Weighted-average assumptions as of December 31						
Discount rate used to determine net periodic pension cost	2.79 %	2.44 %	3.59 %	2.35 %	1.77 %	2.91 %
Expected return on plan assets	5.75 %	6.00 %	6.00 %	N/A	N/A	N/A

⁽¹⁾ Attributable to retiree medical benefits and accelerated defined benefit pension plan payouts provided to VERP participants and, with respect to amounts included in Net periodic benefit cost, included in the "Restructuring charges" line item on the Consolidated Statements of Income.

	Pension Benefits Renasant			Other Benefits		
	2023	2022	2021	2023	2022	2021
	\$ —	\$ —	\$ —	\$ 1	\$ 4	\$ 5
Service cost	\$ —	\$ —	\$ —	\$ 1	\$ 4	\$ 5
Interest cost	995	738	682	22	12	14
Expected return on plan assets	(1,236)	(1,684)	(1,768)	—	—	—
Recognized actuarial loss (gain)	523	243	265	(61)	(76)	(3)
Net periodic benefit cost	282	(703)	(821)	(38)	(60)	16
Net actuarial (gain) loss arising during the period	(60)	4,155	577	(20)	(48)	(221)
Amortization of net actuarial (loss) gain recognized in net periodic pension cost	(523)	(243)	(265)	61	76	3
Total recognized in other comprehensive income	(583)	3,912	312	41	28	(218)
Total recognized in net periodic benefit cost and other comprehensive income	\$ (301)	\$ 3,209	\$ (509)	\$ 3	\$ (32)	\$ (202)
Weighted-average assumptions as of December 31						
Discount rate used to determine net periodic pension cost	4.94 %	2.79 %	2.44 %	4.74 %	2.35 %	1.77 %
Expected return on plan assets	6.25 %	5.75 %	6.00 %	N/A	N/A	N/A

Future estimated benefit payments under the Renasant defined benefit pension plan and other benefits are as follows:

Pension Benefits Renasant			Other Benefits
2023	\$ 2,187	\$ 163	
Pension Benefits Renasant			
2024 2024	2,037	69	
2025 2025	2,032	80	
2026 2026	1,948	74	
2027 2027	1,871	63	
2028 -			
2032	8,700	158	
2028			

2029	
-	
2033	

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 12 – Employee Benefit and Deferred Compensation Plans (continued)

Amounts recognized in accumulated other comprehensive income, before tax, for the year ended **December 31, 2022** **December 31, 2023** are as follows:

		Pension	Benefits	Other
		Renasant	Benefits	Benefits
		Pension	Benefits	Other
Prior	Prior			
service	service			
cost	cost	\$ —	\$ —	
Actuarial	Actuarial			
loss	loss			
(gain)	(gain)	11,306	(271)	
Total	Total	\$ 11,306	\$ (271)	

The estimated costs that will be amortized from accumulated other comprehensive income into net periodic benefit cost during **2023** **2024** are as follows:

		Pension	Benefits	Other
		Renasant	Benefits	Benefits
		Pension	Benefits	Other
Prior	Prior			
service	service			
cost	cost	\$ —	\$ —	
Actuarial	Actuarial			
loss	loss			
(gain)	(gain)	243	(76)	
Total	Total	\$ 243	\$ (76)	

Substantially all **Approximately 89%** of the **assets of the Company's defined benefit pension plan**'s assets are invested in a collective trust, which in turn invests in other collective or pooled trusts with individual investment mandates. The collective trust's asset allocation is approximately **57%** **75%** in growth assets, consisting of interests in trusts invested in equity securities, high yield fixed income securities, and direct real estate investments (approximately **8%** **6%** of assets), and approximately **43%** **25%** in assets intended to hedge against the volatility arising from interest rate risk, consisting of interests in trusts invested in long duration fixed income securities. The collective trust is actively managed, allowing changes in the asset allocation to enhance returns and mitigate risk, with the mandate to preserve the funded status of the plan through portfolio growth and interest rate

hedging. Management's investment committee periodically reviews the collective trust's performance and asset allocation to ensure that the plan's investment objectives are satisfied and that the investment strategy of the trust has not materially changed.

The remaining 11% of the pension plan's assets are managed by Park Place Capital, a wholly owned subsidiary of Renasant Bank. These assets are invested in large cap securities on which covered call options are written to generate income.

The expected long-term rate of return was estimated using market benchmarks for investment classes applied to the plan's target asset allocation and was computed using a valuation methodology which projects future returns based on current valuations rather than historical returns.

The fair values of the Company's defined benefit pension plan assets by category at December 31, 2022 December 31, 2023 and 2021 2022 are below. Investments in collective trusts which are measured at net asset value per share (or "NAV"), consist of trusts that invest primarily in liquid equity and fixed income securities and have a small direct investment in real estate. There is generally no restriction on redemptions or withdrawals for benefit payments or in the event of plan termination; 60 days notice is required to redeem or withdraw assets for any other purpose.

December 31, 2022	Quoted Prices In Significant								
	Active Markets	Other	Significant						
	for Identical	Observable	Unobservable	Assets	Inputs				
	(Level 1)	(Level 2)	(Level 3)	at NAV	Totals				
December 31, 2022									
Quoted Prices In Significant									
Active Markets									
for Identical									
Assets									
(Level 1)									
Quoted Prices In Significant									
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Quoted Prices In Active Markets for Identical Assets (Level 1)	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Totals
December					
31, 2022					
Cash and cash equivalents					
Cash and cash equivalents					
Cash and cash equivalents	Cash and cash equivalents \$ 42 \$ — \$ — \$ — \$ 42				
Investments in collective trusts	Investments in collective trusts	— — — 30,357	30,357		
	\$	\$	\$	\$	\$
	42	—	30,357	30,399	
	\$	\$	\$	\$	\$
	—	—	—	—	—

Other Retirement Plans

The Company maintains a 401(k) plan, which is a contributory plan maintained in the form of a "safe harbor" arrangement. Employees are immediately enrolled in the plan and eligible to make pre-tax deferrals, subject to limits imposed under the plan and the deferral limit established annually by the IRS, and receive Company matching contributions not in excess of 4% of compensation. The Company may make a discretionary profit-sharing contribution for each eligible participant in an amount up to 5% of plan compensation and 5% of plan compensation in excess of the Social Security wage base (prior to 2020, the profit-sharing contribution was non-discretionary), base. To be eligible to receive this profit-sharing contribution, an employee must: (i) be employed on the last day of the year and be credited with 1000 hours of service during the year; (ii) die or become disabled during the year; or (iii) have attained the early or normal retirement age (as defined in the plan). Senior executive officers of the Bank are not eligible to receive these discretionary contributions. No profit-sharing contribution was made for the year 2022, 2023. The Company's costs related to the 401(k) plan, excluding employee deferrals, in 2023, 2022 and 2021 were \$6,757, \$7,045 and 2020 were \$7,045, \$11,919, and \$17,888, respectively.

Deferred Compensation Plans and Arrangements

The Company maintains two deferred compensation plans: a Deferred Stock Unit Plan and a Deferred Income Plan. Nonemployee directors may defer all or a portion of their retainer; eligible officers may defer base salary and bonus subject to limits determined annually by the Company. Amounts deferred to the Deferred Stock Unit Plan are invested in units representing shares of the Company's common stock; benefits are paid in the form of common stock, with cash distributed in lieu of fractional shares. Amounts deferred to the Deferred Income Plan are notionally invested in the discretion of each participant from among investment alternatives substantially similar to those available under the Company's 401(k) plan. Directors and officers who participated in the predecessor to the Deferred Income Plan as of December 31, 2006, may also invest in a preferential interest rate alternative that is derived from the Moody's Average Corporate Bond Rate. Benefits payable from the Deferred Income Plan equal the account balance of each participant. **Beneficiaries of directors and officers who have A director or officer's beneficiaries may receive an additional preretirement death benefit from the Deferred Income Plan when the officer or director has continuously deferred at rates prescribed by the Company since January 1, 2005, and who die when such officer or director dies while employed by the Company or serving as a director may receive an additional preretirement death benefit from the Deferred Income Plan, director.**

In connection with the Company's acquisition of Brand Group Holdings, Inc. ("Brand"), the Company assumed the Brand Group Holdings, Inc. Deferred Compensation Plan. Deferral elections in effect as of the time of acquisition were given effect for compensation earned during 2018; no further deferrals have been or will be made to the plan. Account balances maintained under the plan will be distributed as provided under the terms of the plan and individual participant elections. Pending distribution, balances will be notionally invested by each participant in designated investment alternatives.

The Company's Deferred Stock Unit and Deferred Income Plan are unfunded. It is anticipated that such plans will result in no additional cost to the Company because life insurance policies on the lives of participants have been purchased in amounts estimated to be sufficient to pay plan benefits. The Company is both the owner and beneficiary of the policies. The expense recorded in 2023, 2022 2021 and 2020 2021 for the Company's Deferred Stock Unit and Deferred Income Plan, including deferrals, was \$3,265, \$1,486 \$3,274 and \$3,965, \$3,274, respectively.

In 2007, the Company assumed supplemental executive retirement plans (SERPs) in connection with the acquisition of Capital Bancorp, Inc. and its affiliates. The plans are designed to provide four officers specified annual benefits for a 15-year period upon the attainment of a designated retirement age. Liabilities associated with the SERPs totaled \$3,345 and \$3,523 at December 31, 2023 and \$3,679 at December 31, 2022 and 2021, 2022, respectively. The plans are not qualified under Section 401 of the Internal Revenue Code. Code of 1986, as amended.

Note 12 – Employee Benefit and Deferred Compensation Plans (continued)

Incentive Compensation Plans

Under the Company's Performance Based Rewards Plan, annual cash bonuses are paid to eligible officers and employees, subject to the attainment of designated performance criteria that may relate to the Company's performance, the performance of an affiliate, region, division or profit center, and/or to individual or team performance. The Company annually sets minimum, target, and superior levels of performance. Minimum performance must be attained for the payment of any bonus; superior performance must be attained for maximum payouts. The expense associated with the plan for 2023, 2022 and 2021 was \$10,030, \$9,545 and 2020 was \$9,545, \$8,609, and \$6,425, respectively.

In 2020, the Company implemented the 2020 Long-Term Incentive Compensation Plan that provides for the grant of stock options and stock appreciation rights and the award of restricted stock and restricted stock units (which replaced the Company's previous long-term equity incentive compensation plan, under which restricted stock awards remain outstanding). units.

Options granted under the plan permit the acquisition of shares of the Company's common stock at an exercise price equal to the fair market value of the shares on the date of grant. Options may be subject to time-based vesting or the attainment of performance criteria; all options expire ten years after the date of grant. Options that do not vest or expire unexercised are forfeited and canceled. Stock appreciation rights may be granted under the plan on terms similar to options. There were no stock options or stock appreciation rights granted during the years ended December 31, 2022 December 31, 2023, 2021 2022 or 2020 2021. There was no compensation expense (recognized or unrecognized) associated with options for the years ended December 31, 2022 December 31, 2023, 2021 2022 or 2020 2021.

No options remained outstanding as of December 31, 2021. The following table summarizes information about options outstanding, exercised and forfeited as of and for the years ended December 31, 2021 and 2020.

	Weighted				Shares	Weighted Average Exercise Price	Remaining Contractual Life	Weighted Average Intrinsic Value	Aggregate Intrinsic Value					
	Weighted		Average											
	Average	Remaining	Aggregate											
	Shares	Price	Life	Value										
Outstanding at January 1, 2020	29,250	\$15.86												
Outstanding at January 1, 2021														
Granted														
Granted														
Granted	Granted	—	—											
Exercised	Exercised	(18,750)	16.37											
Forfeited		—	—											
Outstanding at December 31, 2020	10,500	\$14.96	1.00	\$ 191										
Exercisable at December 31, 2020	10,500	\$14.96	1.00	\$ 191										
Granted	—	—												
Exercised														
Exercised	Exercised	(10,500)	14.96											
Forfeited	Forfeited	—	—											
Forfeited														
Forfeited														
Outstanding at December 31, 2021														
Outstanding at December 31, 2021														
Outstanding at December 31, 2021	Outstanding													
at December 31, 2021	at December 31, 2021	—	\$ —	0.00	\$ —									
Exercisable at December 31, 2021	Exercisable at December 31, 2021	—	\$ —	0.00	\$ —									
Exercisable at December 31, 2021	Exercisable at December 31, 2021	—	\$ —	0.00	\$ —									

The total intrinsic value of options exercised during the **years** year ended December 31, 2021 and 2020 was \$262 and \$279, respectively. \$262 All options that were fully vested and exercisable as of December 31, 2017 December 31, 2018 have been exercised.

The plan permits the award of performance-based restricted stock to officers and employees and time-based restricted stock to non-employee directors, officers and employees. The plan also permits the award of restricted stock units to officers and employees on terms similar to restricted stock awards. Performance-based awards are subject to the attainment of designated performance criteria during a fixed performance cycle. Performance criteria may relate to the Company's performance measured on an absolute basis or relative to a defined peer group. Performance criteria may also relate to the performance of an affiliate, region, division or profit center of the Company or to individual performance. The Company annually sets minimum, target, and superior levels; minimum performance must be attained for the vesting of any shares; superior performance must be attained for maximum payouts. Time-based restricted stock awards relate to a fixed number of shares that vest at the end of a designated service period.

In 2022, 2023, the Company made performance-based and time-based restricted stock awards; restricted stock units were not awarded. The fair value of each restricted stock award is the closing price of the Company's common stock on the business day immediately preceding the date of the award. For restricted stock awarded under the plan, the Company recorded compensation expense of \$13,458, \$11,244 and \$9,882 for the years ended December 31, 2023, 2022 and 2021, respectively. The following table summarizes the changes in restricted stock as of and for the year ended December 31, 2023:

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 12 – Employee Benefit and Deferred Compensation Plans (continued)

immediately preceding the date of the award. For restricted stock awarded under the plan, the Company recorded compensation expense of \$11,244, \$9,882 and \$10,419 for the years ended December 31, 2022, 2021 and 2020, respectively. The following table summarizes the changes in restricted stock as of and for the year ended December 31, 2022:

		Weighted		Weighted			
		Average	Average	Grant-Date	Time-Based		
	Performance-Based	Grant-Date	Time-Based	Grant-Date	Time-Based		
	Restricted	Fair Value	Restricted Stock	Fair Value	Stock		
	Stock	Value	Stock	Value	Stock		
Not vested at beginning of year	Not vested at beginning of year	146,561	\$34.67	603,714	\$34.48		
Awarded	Awarded	81,308	38.45	324,633	37.20		
Vested	Vested	(66,566)	35.42	(222,283)	32.81		
Forfeited and cancelled	Forfeited and cancelled	(5,465)	37.26	(25,661)	37.20		
Not vested at end of year	Not vested at end of year	155,838	\$36.23	680,403	\$36.23		

Unrecognized stock-based compensation expense related to restricted stock totaled \$12,990 \$13,487 at December 31, 2022 December 31, 2023. As of such date, the weighted average period over which the unrecognized expense is expected to be recognized was approximately 1.97 1.78 years.

At December 31, 2022 December 31, 2023, an aggregate of 2,543,213 1,774,438 shares of Company common stock were available for issuance under the Company's employee benefit plans of which 982,176 950,594 shares were available for issuance under the Company's 401(k) plan, 145,273 132,246 shares were available under the Company's Deferred Stock Unit Plan, and 1,073,186 690,598 shares were available under the Company's 2020 Long-Term Incentive Compensation Plan.

Note 13 – Derivative Instruments

(In Thousands)

The Company uses certain derivative instruments to meet the needs of customers as well as to manage the interest rate risk associated with certain transactions.

Non-hedge derivatives

The Company enters into derivative instruments that are not designated as hedging instruments to help its commercial customers manage their exposure to interest rate fluctuations. To mitigate the interest rate risk associated with these customer contracts, the Company enters into an offsetting derivative contract position. The Company manages

its credit risk, or potential risk of default by its commercial customers, through credit limit approval and monitoring procedures.

The Company enters into interest rate lock commitments with its customers to mitigate the interest rate risk associated with the commitments to fund fixed-rate residential mortgage loans. The Company also enters into forward commitments to sell residential mortgage loans to secondary market investors.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 13 – Derivative Instruments (continued)

The following table provides a summary of the Company's derivatives not designated as hedging instruments as of the dates presented:

Derivative assets:	Derivative assets:	Balance Sheet		December 31, 2022		December 31, 2021		Balance Sheet		December 31, 2023		December 31, 2022	
		Location	Notional Amount	Notional		Location	Notional	Location	Notional Amount	Fair Value	Fair Value	Notional Amount	Fair Value
				Amount	Fair Value								
Interest rate contracts	Interest rate contracts	Other Assets	\$258,646	\$11,354	\$185,447	\$ 4,711							
Interest rate lock commitments	Interest rate lock commitments	Other Assets	62,901	1,231	310,941	5,304							
Forward commitments	Forward commitments	Other Assets	84,000	484	280,000	667							
Totals	Totals		<u>\$405,547</u>	<u>\$13,069</u>	<u>\$776,388</u>	<u>\$10,682</u>							
Derivative liabilities:	Derivative liabilities:												
Interest rate contracts	Interest rate contracts	Other Liabilities	\$258,646	\$11,354	\$185,447	\$ 4,711							
Interest rate contracts	Interest rate contracts	Other Liabilities	19,488	98	19,961	43							
Forward commitments	Forward commitments	Other Liabilities	73,000	1,198	320,000	736							
Totals	Totals		<u>\$351,134</u>	<u>\$12,650</u>	<u>\$525,408</u>	<u>\$ 5,490</u>							

Gains (losses) included in the Consolidated Statements of Income related to the Company's derivative financial instruments were as follows, as of the dates presented:

		Year Ended December 31,		
		2022	2021	2020
Interest rate contracts:				
Included in interest income on loans		\$ 2,470	\$ 2,027	\$ 2,051
Interest rate lock commitments:				
Included in mortgage banking income		(4,128)	(14,563)	15,249
Forward commitments				
Included in mortgage banking income		(645)	5,021	(4,033)
Total		<u>\$ (2,303)</u>	<u>\$ (7,515)</u>	<u>\$ 13,267</u>

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 13 – Derivative Instruments (continued)

	Year Ended December 31,		
	2023	2022	2021
Interest rate contracts:			
Included in interest income on loans	\$ 8,156	\$ 2,470	\$ 2,027
Interest rate lock commitments:			
Included in mortgage banking income	319	(4,128)	(14,563)
Forward commitments			
Included in mortgage banking income	(1,848)	(645)	5,021
Total	\$ 6,627	\$ (2,303)	\$ (7,515)

Derivatives designated as cash flow hedges

Cash flow hedge relationships mitigate exposure to the variability of future cash flow or other forecasted transactions. The Company uses interest rate swap contracts in an effort to manage future interest rate exposure on borrowings. The swap hedging strategy converts the LIBOR-based SOFR-based variable interest rate on the forecasted borrowings to a fixed interest rate. The collar hedging strategy stabilizes interest rate fluctuation by setting both a floor and a cap. The Company entered into an interest rate collar in June 2022 with a 2.25% floor and 4.57% cap. The Company entered into a second interest rate collar in October 2022 with a 2.75% floor and 4.75% cap. As of December 31, 2022, the Company is hedging its exposure to the variability of future cash flows through 2032 and a portion of these hedges are forward starting.

Renaissance Corporation and Subsidiaries

Notes to Consolidated Financial Statements

Note 13 – Derivative Instruments (continued)

The following table provides a summary of the Company's derivatives designated as cash flow hedges as of the dates presented:

Derivative assets:	Balance Sheet			December 31, 2022			December 31, 2021			Balance Sheet			December 31, 2023			December 31, 2022		
	Location		Notional Amount	Fair Value	Location		Notional Amount	Fair Value	Location		Notional Amount	Fair Value	Location		Notional Amount	Fair Value		
Interest rate swaps	Interest rate swaps	Other Assets	\$130,000	\$24,514	\$100,000	\$7,016												
Interest rate swaps	Interest rate swaps	Other Assets	200,000	464	—	—												
Totals	Totals		\$330,000	\$24,978	\$100,000	\$7,016												
Derivative liabilities:	Derivative liabilities:																	
Interest rate swaps	Interest rate swaps	Other Liabilities	\$ —	\$ —	\$ 62,000	\$ 2,902												
Interest rate swaps	Interest rate swaps	Other Liabilities	250,000	746	—	—												
Totals	Totals		\$250,000	\$ 746	\$ 62,000	\$ 2,902												

The impact on other comprehensive income for the years ended December 31, 2022 December 31, 2023, 2021, 2022, and 2020 2021, is described in Note 16, "Other Comprehensive Income (Loss)."

In October 2021, the Company terminated four interest rate swap contracts with notional amounts of \$25,000 each. These swaps hedged forecasted future FHLB borrowings which were no longer expected to occur. As a result of the termination the Company recognized a gain of \$4,676 for the year ended December 31, 2021.

In December 2020, the Company terminated two interest rate swap contracts with notional amounts of \$15,000 each with ending dates of June 2022 and June 2023, respectively. The Company recorded \$2,040 in swap termination charges for the year ended December 31, 2020, or 2023. There were no such terminations in 2022 and 2023.

Derivatives designated as fair value hedges

Fair value hedges protect against changes in the fair value of an asset, liability or firm commitment. The Company enters into interest rate swap agreements to manage interest rate exposure on certain of the Company's fixed-to-floating rate subordinated notes. The agreements convert the currently-fixed interest rates to **LIBOR-based SOFR-based** variable interest rates.

The following table provides a summary of the Company's derivatives designated as fair value hedges as of the dates presented:

	Balance Sheet		December 31, 2022		December 31, 2021		Balance Sheet		December 31, 2023		December 31, 2022	
	Location	Notional	Notional	Fair	Location	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value	
		Amount										
Derivative liabilities:												
Derivative liabilities:												
Interest rate swaps	Interest rate swaps	Other Liabilities	\$100,000	\$19,789	Interest rate swaps	\$100,000	\$5,411					

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 13 – Derivative Instruments (continued)

The following table presents the effects of the Company's fair value hedge relationships on the Consolidated Statements of Income for the periods presented:

	Amount of Gain (Loss)			Amount of Gain (Loss) Recognized in Income				
	Recognized in Income							
	Income Statement	Year ended December 31,		Income Statement	Year ended December 31,			
	Income Statement	Year ended December 31,		Income Statement	Year ended December 31,			
	Location	2022	2021	Location	2023	2022	2021	
Derivative liabilities:								
Derivative liabilities:								
Interest rate swaps - subordinated notes	Interest rate swaps - subordinated notes	Expense notes	\$14,378	Interest rate swaps - subordinated notes	\$5,202	\$209		
Interest rate swaps - subordinated notes	Interest rate swaps - subordinated notes							
Derivative liabilities - hedged items:	Derivative liabilities - hedged items:							
Derivative liabilities - hedged items:	Derivative liabilities - hedged items:							
Interest rate swaps - subordinated notes	Interest rate swaps - subordinated notes							

Interest rate swaps -	
subordinated notes	
Interest rate swaps -	
swaps -	
subordinated notes	
notes	Expense \$ 14,378 \$ 5,202 \$ 209

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 13 – Derivative Instruments (continued)

The following table presents the amounts that were recorded in the Consolidated Balance Sheets related to cumulative basis adjustments for fair value hedges as of the dates presented:

		Cumulative Amount of Fair Value Hedging Adjustments				Carrying Amount of the Hedged Liability	Carrying Amount of the Hedged Liability	Cumulative Amount of Fair Value Hedging Adjustments Included in the Carrying Amount of the Hedged Liability					
		Included in the Carrying Amount of the Hedged Liability		Amount of the Hedged Liability				Carrying Amount of the Hedged Liability		Cumulative Amount of Fair Value Hedging Adjustments Included in the Carrying Amount of the Hedged Liability			
		Balance Sheet	Location	December 31, 2022	December 31, 2021			Balance Sheet	Location	December 31, 2023	December 31, 2022		
Long-term debt	Long-term debt	\$78,881		\$93,085	\$19,789			\$5,411					

Offsetting

Certain financial instruments, including derivatives, may be eligible for offset in the consolidated balance sheet when the "right of setoff" exists or when the instruments are subject to an enforceable master netting agreement, which includes the right of the non-defaulting party or non-affected party to offset recognized amounts, including collateral posted with the counterparty, to determine a net receivable or net payable upon early termination of the agreement. Certain of the Company's derivative instruments are subject to master netting agreements; however, the Company has not elected to offset such financial instruments in the Consolidated Balance Sheets. The following table presents the Company's gross derivative positions as recognized in the Consolidated Balance Sheets as well as the net derivative positions, including collateral pledged to the extent the application of such collateral did not reduce the net derivative liability position below zero, had the Company elected to offset those instruments subject to an enforceable master netting agreement as of the dates presented:

	Offsetting Derivative Assets		Offsetting Derivative Liabilities			
	Assets		Liabilities			
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021		
Offsetting Derivative Assets						
December 31, 2023			December 31, 2023	December 31, 2022	December 31, 2023	
Gross amounts recognized	Gross amounts recognized	\$36,493	\$ 8,007	\$22,056	\$13,436	
Gross amounts offset in the consolidated balance sheets	Gross amounts offset in the consolidated balance sheets	—	—	—	—	

Net amounts presented in the consolidated balance sheets	Net amounts presented in the consolidated balance sheets	36,493	8,007	22,056	13,436
Gross amounts not offset in the consolidated balance sheets	Gross amounts not offset in the consolidated balance sheets				
Financial instruments	Financial instruments	22,056	7,208	22,056	7,208
Financial instruments	Financial instruments				
Financial collateral pledged	Financial collateral pledged	—	—	—	6,228
Net amounts	Net amounts	\$14,437	\$ 799	\$ —	\$ —

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 14 – Income Taxes

(In Thousands)

Significant components of the provision for income taxes are as follows for the periods presented:

	Year Ended December 31,		
	2022	2021	2020
Current			
Federal	\$ 39,507	\$ 34,629	\$ 30,193
State	3,453	895	3,309
	<u>42,960</u>	<u>35,524</u>	<u>33,502</u>
Deferred			
Federal	1,630	9,168	(10,947)
State	650	2,243	(2,715)
	<u>2,280</u>	<u>11,411</u>	<u>(13,662)</u>
	<u><u>\$ 45,240</u></u>	<u><u>\$ 46,935</u></u>	<u><u>\$ 19,840</u></u>

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 14 – Income Taxes (continued)

	Year Ended December 31,		
	2023	2022	2021
Current			
Federal	\$ 36,138	\$ 39,507	\$ 34,629
State	1,376	3,453	895
	<u>37,514</u>	<u>42,960</u>	<u>35,524</u>
Deferred			

Federal		(1,187)	1,630	9,168
State		(3,818)	650	2,243
		(5,005)	2,280	11,411
	\$	32,509	\$ 45,240	\$ 46,935

The reconciliation of income taxes computed at the United States federal statutory tax rates to the provision for income taxes is as follows, for the periods presented:

	Tax at U.S. statutory rate	Year Ended December 31,			Year Ended December 31,	
		2022	2021	2020	2023	2022
Tax at U.S. statutory rate	Tax at U.S. statutory rate	\$44,375	\$46,794	\$21,733		
Increase (decrease) in taxes resulting from:	Increase (decrease) in taxes resulting from:					
Tax-exempt interest income	Tax-exempt interest income					
Tax-exempt interest income	Tax-exempt interest income	(1,832)	(1,669)	(1,431)		
BOLI income	BOLI income	(1,946)	(1,547)	(1,182)		
Investment tax credits	Investment tax credits	(928)	(988)	(1,494)		
Amortization of investment in low-income housing tax credits	Amortization of investment in low-income housing tax credits	683	817	1,280		
State income tax expense, net of federal benefit	State income tax expense, net of federal benefit	3,241	2,479	469		
Other items, net	Other items, net	1,647	1,049	465		
		\$45,240	\$46,935	\$19,840		
Other items, net	Other items, net					
	\$					

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 14 – Income Taxes (continued)

Significant components of the Company's deferred tax assets and liabilities are as follows for the periods presented:

	December 31,		December 31,	December 31,
	2022	2021		
Deferred tax assets	Deferred tax assets		2023	2022

Allowance for credit losses			
Allowance for credit losses			
Allowance for credit losses	Allowance for credit losses	\$ 52,551	\$50,712
Loans	Loans	2,518	2,855
Deferred compensation	Deferred compensation	14,447	14,522
Net unrealized losses on securities	Net unrealized losses on securities	70,999	3,545
Impairment of assets	Impairment of assets	316	392
Tax credits			
Net operating loss carryforwards	Net operating loss carryforwards	497	1,211
Investments in partnerships	Investments in partnerships	1,164	890
Lease liabilities under operating leases	Lease liabilities under operating leases	14,641	17,106
Realized losses on securities			
Other	Other	3,523	3,241
Total deferred tax assets	Total deferred tax assets	160,656	94,474
Total deferred tax assets			
Deferred tax liabilities	Deferred tax liabilities		
Fixed assets			
Fixed assets			
Fixed assets	Fixed assets	10,342	5,339
Mortgage servicing rights	Mortgage servicing rights	19,624	20,779
Junior subordinated debt	Junior subordinated debt	1,948	2,130
Intangibles	Intangibles	2,702	3,177
Lease right-of-use asset	Lease right-of-use asset	14,018	16,209
Other	Other	1,614	1,607
Total deferred tax liabilities	Total deferred tax liabilities	50,248	49,241
Net deferred tax assets	Net deferred tax assets	\$110,408	\$45,233

The effective tax rate was 21.78% 18.82% and 22.41% 21.78% for the year ended December 31, 2022 December 31, 2023 and 2021, 2022, respectively. The Company and its subsidiaries file a consolidated U.S. federal income tax return. The Company is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ending December 31, 2020 December 31, 2021 through 2022, 2023. The Company and its subsidiaries' state income tax returns are open to audit under the statute of limitations for the years ended December 31, 2020 December 31, 2021 through 2022, 2023.

The Company acquired federal and state net operating losses as part of its previous acquisitions, with varying expiration periods. While the Company has no remaining state net operating losses as of December 31, 2023, the Brand acquisition were \$81,288 and \$55,067, respectively, all created in 2018. As part of the 2017 Tax Cuts and Jobs Act and corresponding state tax laws, the remaining federal net operating losses

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 14 – Income Taxes (continued)

and the majority of the state net operating losses created by Brand during 2018 have an indefinite carryforward period. The federal net operating loss related to the Brand acquisition was fully utilized during 2021, while at December 31, 2022, there were state net operating losses without expiration periods of \$5,388. The federal and state net operating losses acquired in the Heritage Financial Group, Inc. acquisition were \$18,321 and \$16,849, respectively, of which \$1,101 and \$278 remain to be utilized as of December 31, 2022. These losses begin to expire in 2029 and are expected to be fully utilized. Because the benefits are expected to be fully realized, the Company recorded no valuation allowance against the net operating losses for the year ended December 31, 2022 December 31, 2023.

The table below presents the breakout of net operating losses as of the dates presented.

		December 31,	
		2022	2021
		December 31,	
		2023	2023
Net	Net		
Operating	Operating		
Losses	Losses		
Federal	Federal	\$1,101	\$2,065
Federal			
Federal			
State	State	5,666	16,954

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 14 – Income Taxes (continued)

A reconciliation of the beginning and ending amount of unrecognized tax benefits, excluding interest, related to federal and state income tax matters as of December 31 follows below:

		2022	2021	2020
		2023	2023	2022
				2021
Balance at	Balance at			
January 1	January 1	\$408	\$402	\$667
Additions	Additions			
based on	based on			
positions	positions			
related to	related to			
current	current			
period	period	65	62	101
Reductions	Reductions			
based on	based on			
positions	positions			
related to	related to			
prior	prior			
period	period	—	—	(314)

Reductions based on positions related to prior period	
Reductions based on positions related to prior period	
Reductions due to lapse of statute of limitations	Reductions due to lapse of statute of limitations
	(66) (56) (52)
Reductions due to lapse of statute of limitations	
Reductions due to lapse of statute of limitations	
Balance at December 31	Balance at December 31
	\$407 \$408 \$402

If ultimately recognized, the Company does not anticipate any material increase in the effective tax rate for **2022** **2023** relative to any tax positions taken prior to **January 1, 2022** **January 1, 2023**. The Company had accrued **\$26**, **\$17** **\$15** and **\$18** **\$15** for interest and penalties related to unrecognized tax benefits as of **December 31, 2022** **December 31, 2023**, **2021** **2022** and **2020**, **2021**, respectively.

Note 15 – Fair Value Measurements

(In Thousands)

Recurring Fair Value Measurements

The Company carries certain assets and liabilities at fair value on a recurring basis in accordance with applicable standards. The Company's recurring fair value measurements are based on the requirement to carry such assets and liabilities at fair value or the Company's election to carry certain eligible assets and liabilities at fair value. Assets and liabilities that are required to be carried at fair value include securities available for sale and derivative instruments. The Company has elected to carry mortgage loans held for sale at fair value on a recurring basis as permitted under the guidance in ASC 825.

The following methods and assumptions are used by the Company to estimate the fair values of the Company's financial assets and liabilities that are measured on a recurring basis:

Securities available for sale: Securities available for sale consist primarily of debt securities, such as obligations of U.S. Government agencies and corporations and **mortgage backed** **mortgage-backed** securities. Where quoted market prices in active markets are available, securities are classified within Level 1 of the fair value hierarchy. If quoted prices from active markets are not available, fair values are based on quoted market prices for similar instruments traded in active markets, quoted market prices for identical or similar instruments traded in markets that are not active, or model-based valuation techniques where all significant assumptions are observable in the market. Such instruments are classified within Level 2 of the fair value hierarchy. When assumptions used in model-based valuation techniques are not observable in the market, the assumptions used by management reflect estimates of assumptions used by other market participants in determining fair value. When there is limited transparency around the inputs to the valuation, the instruments are classified within Level 3 of the fair value hierarchy.

Renaissance Corporation and Subsidiaries Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

Derivative instruments: Most of the Company's derivative contracts are actively traded in over-the-counter markets and are valued using discounted cash flow models which incorporate observable market based inputs including current market interest rates, credit spreads, and other factors. Such instruments are categorized within Level 2 of the fair value hierarchy and include interest rate swaps and other interest rate contracts including interest rate caps and/or floors. The Company's interest rate lock commitments are valued using current market prices for **mortgage backed** **mortgage-backed** securities with similar characteristics, adjusted for certain factors including servicing and risk. The value of the Company's forward commitments is based on current prices for securities backed by similar types of loans. Because these assumptions are observable in active markets, the Company's interest rate lock commitments and forward commitments are categorized within Level 2 of the fair value hierarchy.

Mortgage loans held for sale in loans held for sale: Mortgage loans held for sale are primarily agency loans which trade in active secondary markets. The fair value of these instruments is derived from current market pricing for similar loans, adjusted for differences in loan characteristics, including servicing and risk. Because the valuation is based on external pricing of similar instruments, mortgage loans held for sale are classified within Level 2 of the fair value hierarchy.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

The following tables present assets and liabilities that are measured at fair value on a recurring basis as of the dates presented:

		Level 1			Level 1	Level 2	Level 3	Totals
			Level		Level			
		1	2	3				
December 31, 2023								
Financial assets:								
Financial assets:								
Financial assets:								
		Level	Level					
		1	2	3				
December 31, 2022								
Financial assets:								
Securities available for sale								
Securities available for sale								
Securities available for sale	Securities available for sale	\$—	\$1,533,942	\$—	\$1,533,942			
Total securities available for sale	Total securities available for sale	—	1,533,942	—	1,533,942			
Derivative instruments	Derivative instruments	—	38,047	—	38,047			
Mortgage loans held for sale in loans held for sale	Mortgage loans held for sale in loans held for sale	—	110,105	—	110,105			
Total financial assets	Total financial assets	\$—	\$1,682,094	\$—	\$1,682,094			
Financial liabilities:	Financial liabilities:							
Derivative instruments	Derivative instruments	\$—	\$ 33,185	\$—	\$ 33,185			
Derivative instruments								
Derivative instruments								
		Level	Level					
		1	2	3				
December 31, 2021								
December 31, 2022		Level 1			Level 1	Level 2	Level 3	Totals
Financial assets:								
Financial assets:								
Financial assets:	Financial assets:							
Securities available for sale:	Securities available for sale:							
Trust preferred securities	\$— \$ — \$ — —							
Securities available for sale:								
Securities available for sale:								
Other available for sale securities								
Other available for sale securities								
Other available for sale securities	Other available for sale securities	—	2,386,052	—	2,386,052			
Total securities available for sale	Total securities available for sale	—	2,386,052	—	2,386,052			

Derivative instruments	Derivative instruments	—	17,698	—	17,698
Mortgage loans held for sale in loans held for sale	Mortgage loans held for sale in loans held for sale	—	453,533	—	453,533
Total financial assets	Total financial assets	\$—	\$2,857,283	\$—	\$2,857,283
Financial liabilities:	Financial liabilities:				
Derivative instruments	Derivative instruments	\$—	\$13,803	\$—	\$13,803
Derivative instruments	Derivative instruments				

The Company reviews fair value hierarchy classifications on a quarterly basis. Changes in the Company's ability to observe inputs to the valuation may cause reclassification of certain assets or liabilities within the fair value hierarchy. There were no such transfers between levels of the fair value hierarchy during the year ended **December 31, 2022** December 31, 2023.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

The following table provides for the period presented a reconciliation for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs, or Level 3 inputs:

	Securities available for sale
	Trust preferred securities
Balance at January 1, 2021	\$ 9,012
Accretion included in net income	8
Realized losses included in net income, net of premium amortization	2,060
Unrealized losses included in other comprehensive income	941
Sales	(12,021)
Balance at December 31, 2021	\$ —

For **2022** 2023 and **2021**, 2022, there were no gains or losses included in earnings that were attributable to the change in unrealized gains or losses related to assets or liabilities held at the end of each respective period that were measured on a recurring basis using significant unobservable inputs.

Nonrecurring Fair Value Measurements

Certain assets may be recorded at fair value on a nonrecurring basis. These nonrecurring fair value adjustments typically are a result of the application of the lower of cost or market accounting or a write-down occurring during the period. The following tables provide as of the dates presented the fair value measurement for assets measured at fair value on a nonrecurring basis that were still held on the Consolidated Balance Sheets at period end and the level within the fair value hierarchy each is classified:

Level 1	Level 1	Level 2	Level 3	Totals
December				
31, 2023				
Individually evaluated loans, net of allowance for credit losses				
Individually evaluated loans, net of allowance for credit losses				
Individually evaluated loans, net of allowance for credit losses				

	Level 1	Level 2	Level 3	Totals
	1	2	Level 3	
December 31,				
2022				
Individually evaluated loans, net of allowance for credit losses	\$—	\$—	\$14,732	\$14,732
OREO	—	—	1,763	1,763
Total				
Total	Total	\$—	\$—	\$16,495

	Level 1	Level 2	Level 3	Totals
December 31, 2021				
Individually evaluated loans, net of allowance for credit losses	\$—	\$—	\$7,928	\$7,928
OREO	—	—	2,540	2,540
Total	\$—	\$—	\$10,468	\$10,468

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Totals
December 31, 2022				
Individually evaluated loans, net of allowance for credit losses	\$—	\$—	\$14,732	\$14,732
OREO	—	—	1,763	1,763
Total	\$—	\$—	\$16,495	\$16,495

The following methods and assumptions are used by the Company to estimate the fair values of the Company's assets measured on a nonrecurring basis:

Individually evaluated loans: Loans that do not share similar risk characteristics such that they can be evaluated on a collective (pooled) basis are individually evaluated for credit losses each quarter taking into account the fair value of the collateral less estimated selling costs. Collateral may be real estate and/or business assets including but not limited to equipment, inventory and accounts receivable. The fair value of real estate is determined based on appraisals by qualified licensed appraisers. The fair value of the business assets is generally based on amounts reported on the business's financial statements. Appraised and reported values may be adjusted based on changes in market conditions from the time of valuation and management's knowledge of the client and the client's business. Since not all valuation inputs are observable, these nonrecurring fair value determinations are classified as Level 3. Individually evaluated loans are reviewed and evaluated on at least a quarterly basis for additional impairment and adjusted accordingly, based on the same factors previously identified. Individually evaluated loans that were measured or re-measured at fair value had a carrying value of \$37,515 and \$18,288 at December 31, 2023 and \$12,939 at December 31, 2022 and December 31, 2021, respectively, and a reserve for these loans of \$3,556 \$9,753 and \$5,011 \$3,556 was included in the allowance for credit losses for the same periods.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

Other real estate owned: OREO is comprised of commercial and residential real estate obtained in partial or total satisfaction of loan obligations. OREO acquired in settlement of indebtedness is recorded at the fair value of the real estate less estimated costs to sell. Subsequently, it may be necessary to record nonrecurring fair value adjustments for declines in fair value. Fair value, when recorded, is determined based on appraisals by qualified licensed appraisers and adjusted for management's estimates of costs to sell. Accordingly, values for OREO are classified as Level 3.

There was no impairment recognized during 2023 of OREO assets still held in the Consolidated Balance Sheets at period end. The following table presents, as of the dates presented, December 31, 2022, OREO measured at fair value on a nonrecurring basis that was still held in the Consolidated Balance Sheets at period-end:

	December 31, 2022	December 31, 2021
Carrying amount prior to remeasurement	\$ 1,842	\$ 2,556
Impairment recognized in results of operations	(79)	(16)

Fair value	\$ 1,763	\$ 2,540
December 31, 2022		
Carrying amount prior to remeasurement	\$ 1,842	
Impairment recognized in results of operations	(79)	
Fair value	\$ 1,763	

Mortgage servicing rights: The fair value of mortgage servicing rights is determined using an income approach with various assumptions including expected cash flows, market discount rates, prepayment speeds, servicing costs, and other factors. Because these factors are not all observable and include management's assumptions, mortgage servicing rights are classified within Level 3 of the fair value hierarchy. Mortgage servicing rights were carried at amortized cost at December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022. See Note 8, "Mortgage Servicing Rights," for information about the valuation adjustments to the Company's mortgage servicing rights.

The following table presents information as of December 31, 2022 December 31, 2023 about significant unobservable inputs (Level 3) used in the valuation of assets measured at fair value on a nonrecurring basis:

Financial instrument	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range of Inputs
Individually evaluated loans, net of allowance for credit losses	\$ 14,732 21,303	Appraised value of collateral less estimated costs to sell	Estimated costs to sell	4-10%
OREO	\$ 1,763	Appraised value of property less estimated costs to sell	Estimated costs to sell	4-10%

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

Fair Value Option

The Company elected to measure all mortgage loans originated for sale on or after July 1, 2012 at fair value under the fair value option as permitted under ASC 825. Electing to measure these assets at fair value reduces certain timing differences and better matches the changes in fair value of the loans with changes in the fair value of derivative instruments used to economically hedge them.

Net losses/gains of \$9,854 \$3,300 resulting from fair value changes of these mortgage loans were recorded in income during 2022, 2023, as compared to net losses of \$10,354 \$9,854 in 2021, 2022 and net gains of \$12,057 \$10,354 in 2020, 2021. The amounts do not reflect changes in fair values of related derivative instruments used to hedge exposure to market-related risks associated with these mortgage loans. The change in fair value of both mortgage loans held for sale and the related derivative instruments are recorded in "Mortgage banking income" in the Consolidated Statements of Income.

The Company's valuation of mortgage loans held for sale incorporates an assumption for credit risk; however, given the short-term period that the Company holds these loans, valuation adjustments attributable to instrument-specific credit risk is nominal. Interest income on mortgage loans held for sale measured at fair value is accrued as it is earned based on contractual rates and is reflected in loan interest income on the Consolidated Statements of Income.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

The following table summarizes the differences between the fair value and the principal balance for mortgage loans held for sale measured at fair value as of December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022:

December 31, 2023	Mortgage loans held for sale measured at fair value	Aggregate	Aggregate	Aggregate	Difference
		Fair Value	Fair Value	Unpaid Principal Balance	

Mortgage loans held for sale measured at fair value				
Mortgage loans held for sale measured at fair value				
	Aggregate			
	Unpaid			
	Aggregate	Principal		
	Fair Value	Balance	Difference	
December 31, 2022	December 31, 2022			
December 31, 2022				
December 31, 2022				
Mortgage loans held for sale measured at fair value	Mortgage loans held for sale measured at fair value			
	\$110,105	\$108,143	\$ 1,962	
December 31, 2021				
Mortgage loans held for sale measured at fair value				
Mortgage loans held for sale measured at fair value				
	\$453,533	\$441,717	\$ 11,816	
Fair Value of Financial Instruments				

The carrying amounts and estimated fair values of the Company's financial instruments, including those assets and liabilities that are not measured and reported at fair value on a recurring basis or nonrecurring basis, were as follows as of the dates presented:

	Carrying Value	Fair Value			Carrying Value	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
December 31, 2022								
December 31, 2023								
Financial assets	Financial assets							
Financial assets								
Cash and cash equivalents								
Cash and cash equivalents								
Cash and cash equivalents	Cash and cash equivalents	\$ 575,992	\$ 575,992	\$ —	\$ —	\$ 575,992		
Securities held to maturity	Securities held to maturity	1,324,040	—	1,206,540	—	1,206,540		
Securities available for sale	Securities available for sale	1,533,942	—	1,533,942	—	1,533,942		
Loans held for sale	Loans held for sale	110,105	—	110,105	—	110,105		

Loans, net	Loans, net	11,386,214	—	—	10,850,181	10,850,181
Loans, net						
Loans, net						
Mortgage servicing rights						
Mortgage servicing rights	Mortgage servicing rights	84,448	—	—	122,454	122,454
Derivative instruments	Derivative instruments	38,047	—	38,047	—	38,047
Financial liabilities	Financial liabilities					
Deposits						
Deposits						
Deposits	Deposits	\$13,486,966	\$11,791,526	\$1,653,891	\$ —	\$13,445,417
Short-term borrowings	Short-term borrowings	712,232	712,232	—	—	712,232
Junior subordinated debentures	Junior subordinated debentures	112,042	—	98,754	—	98,754
Junior subordinated debentures						
Junior subordinated debentures						
Subordinated notes	Subordinated notes	316,091	—	277,500	—	277,500
Derivative instruments	Derivative instruments	33,185	—	33,185	—	33,185

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 15 – Fair Value Measurements (continued)

		Fair Value				Carrying Value	Fair Value				
		Carrying Value	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	Total	
December 31, 2021											
December 31, 2022											
Financial assets											
Financial assets											
Cash and cash equivalents											
Cash and cash equivalents											
Cash and cash equivalents	Cash and cash equivalents	\$ 1,877,965	\$ 1,877,965	\$ 1,877,965	\$ 1,877,965						
Securities held to maturity	Securities held to maturity	416,357	—	415,552	—	415,552					
Securities available for sale	Securities available for sale	2,386,052	—	2,386,052	—	2,386,052					

Loans held for sale	Loans held for sale		453,533	—	453,533
Loans, net	Loans, net	9,856,743	—	—	9,856,743
Mortgage servicing rights	Mortgage servicing rights	89,018	—	—	89,018
Derivative instruments	Derivative instruments	17,698	—	17,698	17,698
Derivative instruments	Derivative instruments				
Financial liabilities	Financial liabilities				
Deposits	Deposits				
Deposits	Deposits	\$13,905,724	\$12,494,342	\$1,408,397	\$— \$13,902,739
Short-term borrowings	Short-term borrowings	13,947	13,947	—	— 13,947
Federal Home Loan Bank advances		417	—	422	— 422
Junior subordinated debentures	Junior subordinated debentures				
Junior subordinated debentures	Junior subordinated debentures	111,373	—	106,682	— 106,682
Subordinated notes	Subordinated notes	359,419	—	373,950	— 373,950
Derivative instruments	Derivative instruments	13,803	—	13,803	— 13,803

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 16 – Other Comprehensive Income (Loss)

(In Thousands)

Changes in the components of other comprehensive income (loss), net of tax, were as follows:

Year Ended December 31, 2023	Pre-Tax		Tax Expense		Net of Tax
	Pre-Tax		Pre-Tax	(Benefit)	
Securities available for sale:					
Securities available for sale:					
Securities available for sale:					
Unrealized holding gains on securities					
Unrealized holding gains on securities					
Unrealized holding gains on securities					
	Pre-Tax		Tax Expense		
	Pre-Tax	(Benefit)	Net of Tax		

Reclassification adjustment for losses realized in net income ⁽¹⁾
Reclassification adjustment for losses realized in net income ⁽¹⁾
Reclassification adjustment for losses realized in net income ⁽¹⁾
Amortization of unrealized holding losses on securities transferred to the held to maturity category
Total securities available for sale
Derivative instruments:
Unrealized holding losses on derivative instruments
Unrealized holding losses on derivative instruments
Unrealized holding losses on derivative instruments
Total derivative instruments
Total derivative instruments
Total derivative instruments
Defined benefit pension and post-retirement benefit plans:
Net gain arising during the period
Net gain arising during the period
Net gain arising during the period
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾
Total defined benefit pension and post-retirement benefit plans
Total defined benefit pension and post-retirement benefit plans

Total defined benefit pension and post-retirement benefit plans			
Total other comprehensive income			
Year Ended December 31, 2022			
Securities available for sale:	Securities available for sale:		
Securities available for sale:			
Securities available for sale:			
Unrealized holding losses on securities	Unrealized holding losses on securities		
Unrealized holding losses on securities	Unrealized holding losses on securities		
Unrealized holding losses on securities	Unrealized holding losses on securities		
Unrealized holding losses on securities transferred to the held to maturity category	Unrealized holding losses on securities transferred to the held to maturity category		
Unrealized holding losses on securities transferred to the held to maturity category	Unrealized holding losses on securities transferred to the held to maturity category		
Amortization of unrealized holding losses on securities transferred to the held to maturity category	Amortization of unrealized holding losses on securities transferred to the held to maturity category		
Amortization of unrealized holding losses on securities transferred to the held to maturity category	Amortization of unrealized holding losses on securities transferred to the held to maturity category		
Amortization of unrealized holding losses on securities transferred to the held to maturity category	Amortization of unrealized holding losses on securities transferred to the held to maturity category		
Total securities available for sale	Total securities available for sale		
Derivative instruments:	Derivative instruments:		
Unrealized holding gains on derivative instruments	Unrealized holding gains on derivative instruments		
Unrealized holding gains on derivative instruments	Unrealized holding gains on derivative instruments		
Total derivative instruments	Total derivative instruments		
Total derivative instruments	Total derivative instruments		

Defined benefit pension and post-retirement benefit plans:	Defined benefit pension and post-retirement benefit plans:			
Net loss arising during the period				
Net loss arising during the period				
Net loss arising during the period	Net loss arising during the period	(4,107)	(1,045)	(3,062)
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	167	42	125
Total defined benefit pension and post-retirement benefit plans		(3,940)	(1,003)	(2,937)
Total other comprehensive loss		<u>\$(264,687)</u>	<u>\$(66,093)</u>	<u>\$(198,594)</u>
Year Ended December 31, 2021				
Securities available for sale:				
Unrealized holding losses on securities		\$ (51,470)	\$(13,099)	\$ (38,371)
Reclassification adjustment for gains realized in net income ⁽¹⁾		(2,170)	(552)	(1,618)
Amortization of unrealized holding gains on securities transferred to the held to maturity category		(73)	(19)	(54)
Total securities available for sale		(53,713)	(13,670)	(40,043)
Derivative instruments:				
Unrealized holding gains on derivative instruments		10,848	2,761	8,087
Reclassification adjustment for gains realized in net income related to swap termination		(4,676)	(1,190)	(3,486)
Total derivative instruments		6,172	1,571	4,601
Defined benefit pension and post-retirement benefit plans:				
Net loss arising during the period		(356)	(92)	(264)
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾				

Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	262	67	195
Total defined benefit pension and post- retirement benefit plans	Total defined benefit pension and post- retirement benefit plans	(94)	(25)	(69)
Total defined benefit pension and post-retirement benefit plans				
Total defined benefit pension and post-retirement benefit plans				
Total other comprehensive loss	Total other comprehensive loss	\$ (47,635)	\$ (12,124)	\$ (35,511)

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 16 – Other Comprehensive Income (Loss) (continued)

	Tax Expense					
	Pre-Tax	(Benefit)	Net of Tax	Pre-Tax	Tax Expense (Benefit)	Net of Tax
Year Ended December 31, 2020						
Year Ended December 31, 2021						
Securities available for sale: for sale:						
Unrealized holding gains on securities	\$27,788	\$7,071	\$20,717			
Securities available for sale:						
Securities available for sale:						
Unrealized holding losses on securities						
Unrealized holding losses on securities						
Unrealized holding losses on securities						
Reclassification adjustment for gains realized in net income ⁽¹⁾	(46)	(12)	(34)			
Reclassification adjustment for gains realized in net income ⁽¹⁾						
Reclassification adjustment for gains realized in net income ⁽¹⁾						

Amortization of unrealized holding gains on securities transferred to the held to maturity category			
Total securities available for sale	Total securities available for sale	27,742	7,059
Derivative instruments:	Derivative instruments:		20,683
Unrealized holding gains on derivative instruments	Unrealized holding gains on derivative instruments	923	235
Reclassification adjustment for losses realized in net income related to swap termination		2,040	519
Unrealized holding gains on derivative instruments			1,521
Unrealized holding gains on derivative instruments			
Reclassification adjustment for gains realized in net income related to swap termination			
Total derivative instruments	Total derivative instruments	2,963	754
Defined benefit pension and post-retirement benefit plans:	Defined benefit pension and post-retirement benefit plans:		2,209
Net gain arising during the period		1,069	272
Reclassification adjustment for settlement loss related to the VERP realized in net income ⁽³⁾		567	145
New prior service cost ⁽³⁾		(485)	(123)
Net loss arising during the period			422
Net loss arising during the period			(362)
Net loss arising during the period			
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾	259	66
Amortization of prior service cost ⁽³⁾		193	123
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾		362	362
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾			
Amortization of net actuarial loss recognized in net periodic pension cost ⁽²⁾			

Total defined benefit pension and post-retirement benefit plans	Total defined benefit pension and post-retirement benefit plans	1,895	483	1,412
Total other comprehensive income		\$32,600	\$8,296	\$24,304
Total defined benefit pension and post-retirement benefit plans				
Total defined benefit pension and post-retirement benefit plans				
Total other comprehensive loss				

(1) Included in Net (losses) gains (losses) on sales of securities and Impairment losses on securities in the Consolidated Statements of Income

(2) Included in Salaries and employee benefits in the Consolidated Statements of Income

(3) Included in Restructuring charges in the Consolidated Statements of Income

The accumulated balances for each component of other comprehensive income (loss), net of tax, at December 31 were as follows:

	2022	2021	2020
Unrealized (losses) gains on securities	\$ (219,766)	\$ (9,116)	\$ 42,246
Non-credit related portion of other-than-temporary impairment on securities	—	—	(11,319)
Unrealized gains (losses) on derivative instruments	18,956	3,963	(638)
Unrecognized losses on defined benefit pension and post-retirement benefit plans obligations	(8,227)	(5,290)	(5,221)
Total accumulated other comprehensive (loss) income	\$ (209,037)	\$ (10,443)	\$ 25,068

	2023	2022	2021
Unrealized losses on securities	\$ (163,484)	\$ (219,766)	\$ (9,116)
Unrealized gains on derivative instruments	17,051	18,956	3,963
Unrecognized losses on defined benefit pension and post-retirement benefit plans obligations	(7,823)	(8,227)	(5,290)
Total accumulated other comprehensive loss	\$ (154,256)	\$ (209,037)	\$ (10,443)

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 17 – Net Income Per Common Share

(In Thousands, Except Share Data)

Basic and diluted net income per common share calculations are as follows for the periods presented:

	Year Ended December 31,			Year Ended December 31,		
	2022	2021	2020	2023	2022	2021
Basic	Basic					
Net income applicable to common stock	Net income applicable to common stock	\$ 166,068	\$ 175,892	\$ 83,651		
Net income applicable to common stock						
Net income applicable to common stock						

Average	Average			
common	common			
shares	shares			
outstanding	outstanding	55,904,579	56,114,666	56,270,566
Net income	Net income			
per common	per common			
share—basic	share—basic	\$ 2.97	\$ 3.13	\$ 1.49
Diluted	Diluted			
Net income applicable to				
common stock				
Net income applicable to				
common stock				
Net income applicable to	Net income			
common stock	applicable to			
common stock	common stock	\$ 166,068	\$ 175,892	\$ 83,651
Average	Average			
common	common			
shares	shares			
outstanding	outstanding	55,904,579	56,114,666	56,270,566
Effect of	Effect of			
dilutive stock-based compensation	dilutive stock-based compensation	309,651	309,818	197,599
Average	Average			
common	common			
shares	shares			
outstanding—diluted	outstanding—diluted	56,214,230	56,424,484	56,468,165
Net income	Net income			
per common	per common			
share—diluted	share—diluted	\$ 2.95	\$ 3.12	\$ 1.48

Outstanding stock-based compensation awards that could potentially dilute basic net income per common share in the future that were not included in the computation of diluted net income per common share due to their anti-dilutive effect were as follows for the periods presented:

Number of shares	Year Ended		
	December 31,		
	2022	2021	2020
9,250	—	245,146	

Number of shares	Year Ended		
	December 31,		
	2023	2022	2021
6,600	9,250	—	

Note 18 – Commitments, Contingent Liabilities and Financial Instruments with Off-Balance Sheet Risk

(In Thousands)

Loan commitments are made to accommodate the financial needs of the Company's customers. Standby letters of credit commit the Company to make payments on behalf of customers when certain specified future events occur. Both arrangements have credit risk essentially the same as that involved in extending loans to customers and are subject to the Company's normal credit policies. Collateral (e.g., securities, receivables, inventory, equipment, etc.) is obtained based on management's credit assessment of the customer. The Company's unfunded loan commitments (unfunded loans and unused lines of credit) and standby letters of credit outstanding at December 31, 2022 December 31, 2023 were \$3,091,997 and \$113,970, respectively, compared to \$3,577,614 and \$98,357, respectively, compared to \$3,104,940 and \$89,830, respectively, at December 31, 2021 December 31, 2022.

Various claims and lawsuits are pending against the Company and Renasant Bank. In the opinion of management, after consultation with legal counsel, resolution of these matters is not expected to have a material effect on the consolidated financial statements.

Market risk resulting from interest rate changes on particular off-balance sheet financial instruments may be offset by other on- or off-balance sheet transactions. Interest rate sensitivity is monitored by the Company for determining the net effect of potential changes in interest rates on the market value of both on- and off-balance sheet financial instruments.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 19 – Restrictions on Cash, Securities, Bank Dividends, Loans or Advances

(In Thousands)

In March 2020, the Federal Reserve announced that effective March 26, 2020 the reserve requirement would be reduced to zero to support the flow of credit to households and businesses in response to the economic environment caused by the COVID-19 pandemic. The reserve requirement has remained at zero since that time.

The Company's balance of FHLB stock, which is carried at amortized cost, at December 31, 2022 December 31, 2023 and 2021 2022, was \$36,079 \$20,003 and \$8,272, \$36,079, respectively. The required investment for the same time period was \$35,417 \$19,098 and \$5,984, \$35,417, respectively.

The Company's ability to pay dividends to its shareholders is substantially dependent on the ability of Renasant Bank to transfer funds to the Company in the form of dividends, loans and advances. Under Mississippi law, a Mississippi bank with earned surplus in excess of three times capital stock may pay a dividend, subject to the approval of the Mississippi Department of Banking and Consumer Finance (the "DBCF"). In addition, the FDIC has the authority to prohibit the Bank from engaging in business practices that the FDIC considers to be unsafe or unsound, which, depending on the financial condition of the Bank, could include the payment of dividends. Accordingly, the approval of the DBCF is required prior to Renasant Bank paying dividends to the Company, and under certain circumstances the approval of the FDIC may be required. At December 31, 2022 December 31, 2023, the Bank's earned surplus exceeded the Bank's capital stock by more than ten times.

In addition to the FDIC and DBCF restrictions on dividends payable by the Bank to the Company, the Federal Reserve provided guidance on the criteria that it will use to evaluate the request by a bank holding company to pay dividends in an aggregate amount that will exceed the company's earnings for the period in which the dividends will be paid, which did not apply to the Company in 2022 2023 or 2021 2022. For purposes of this analysis, "dividend" includes not only dividends on preferred and common equity but also dividends on debt underlying trust preferred securities and other Tier 1 capital instruments. The Federal Reserve's criteria evaluates whether the holding company (1) has net income over the past four quarters sufficient to fully fund the proposed dividend (taking into account prior dividends paid during this period), (2) is considering stock repurchases or redemptions in the quarter, (3) does not have a concentration in commercial real estate and (4) is in good supervisory condition, based on its overall condition and its asset quality risk. A holding company not meeting these criteria will require more in-depth consultations with the Federal Reserve.

Federal Reserve regulations also limit the amount Renasant Bank may loan to the Company unless such loans are collateralized by specific obligations. At December 31, 2022 December 31, 2023, the maximum amount available for transfer from Renasant Bank to the Company in the form of loans was \$178,131, \$188,810. The Company also maintains a \$3,000 line of credit collateralized by cash with the Bank. As of December 31, 2022 December 31, 2023, no loans from the Bank to the Company were outstanding.

Note 20 – Regulatory Matters

(In Thousands)

The Company and the Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. Capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 20 – Regulatory Matters (continued)

The Federal Reserve, the FDIC and the Office of the Comptroller of the Currency have issued guidelines governing the levels of capital that bank holding companies and banks must maintain. Those guidelines specify capital tiers, which include the following classifications (which include the "capital conservation buffer" discussed below):

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 20 – Regulatory Matters (continued)

Capital Tiers	Tier 1 Capital to Average Assets (Leverage)	Common Equity Tier 1 to Risk - Weighted Assets	Tier 1 Capital to Risk - Weighted Assets	Total Capital to Risk - Weighted Assets
Well capitalized	5% or above	6.5% or above	8% or above	10% or above
Adequately capitalized	4% or above	4.5% or above	6% or above	8% or above
Undercapitalized	Less than 4%	Less than 4.5%	Less than 6%	Less than 8%
Significantly undercapitalized	Less than 3%	Less than 3%	Less than 4%	Less than 6%
Critically undercapitalized		Tangible Equity / Total Assets less than 2%		

The following table provides the capital and risk-based capital and leverage ratios for the Company and for Renasant Bank as of December 31:

Renasant Corporation	Renasant Corporation	2022		2021		2023		2022		
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	
Tier 1 Capital to Average Assets (Leverage)										
Tier 1 Capital to Average Assets (Leverage)										
Tier 1 Capital to Average Assets (Leverage)	Tier 1 Capital to Average Assets (Leverage)	\$1,481,197	9.36 %	\$1,422,077	9.15 %	\$1,578,918	9.62	\$1,481,197	9.36 %	
Common Equity Tier 1 Capital to Risk-Weighted Assets	Common Equity Tier 1 Capital to Risk-Weighted Assets	1,372,747	10.21 %	1,314,295	11.18 %	1,469,531	10.52	1,372,747	10.21 %	
Tier 1 Capital to Risk-Weighted Assets	Tier 1 Capital to Risk-Weighted Assets	1,481,197	11.01 %	1,422,077	12.10 %	1,578,918	11.30	1,481,197	11.01 %	
Total Capital to Risk-Weighted Assets	Total Capital to Risk-Weighted Assets	1,968,001	14.63 %	1,897,167	16.14 %	2,085,531	14.93	1,968,001	14.63 %	
Renasant Bank										
Tier 1 Capital to Average Assets (Leverage)										
Tier 1 Capital to Average Assets (Leverage)										
Common Equity Tier 1 Capital to Risk-Weighted Assets	Common Equity Tier 1 Capital to Risk-Weighted Assets	\$1,714,965	10.45 %	\$1,630,389	12.10 %	1,714,965	12.25	1,630,389	12.10 %	
Tier 1 Capital to Risk-Weighted Assets	Tier 1 Capital to Risk-Weighted Assets	1,630,389	12.10 %	1,580,904	13.46 %	1,714,965	12.25	1,630,389	12.10 %	
Total Capital to Risk-Weighted Assets	Total Capital to Risk-Weighted Assets	1,968,001	14.63 %	1,897,167	16.14 %	2,085,531	14.93	1,968,001	14.63 %	

Tier 1 Capital to Risk-Weighted Assets	Tier 1 Capital to Risk-Weighted Assets	1,630,389	12.10 %	1,580,904	13.46 %	1,714,965	12.25	12.25 %	1,630,389	12.10	12.10 %
Total Capital to Risk-Weighted Assets	Total Capital to Risk-Weighted Assets	1,781,312	13.22 %	1,697,163	14.44 %	1,888,104	13.49	13.49 %	1,781,312	13.22	13.22 %

Common equity Tier 1 capital ("CET1") generally consists of common stock, retained earnings, accumulated other comprehensive income and certain minority interests, less certain adjustments and deductions. In addition, the Company must maintain a "capital conservation buffer," which is a specified amount of CET1 in addition to the amount necessary to meet minimum risk-based capital requirements. The capital conservation buffer is designed to absorb losses during periods of economic stress. If the Company's ratio of CET1 to risk-weighted capital is below the capital conservation buffer, the Company will face restrictions on its ability to pay dividends, repurchase outstanding stock and make certain discretionary bonus payments. The required capital conservation buffer is 2.5% of CET1 to risk-weighted assets in addition to the amount necessary to meet minimum risk-based capital requirements.

As previously disclosed, the Company adopted CECL as of January 1, 2020. The Company has elected to take advantage of transitional relief offered by the Federal Reserve and the FDIC to delay for two years the estimated impact of CECL on regulatory capital, followed by a three-year transitional period to phase out the capital benefit provided by the two-year delay.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 21 – Segment Reporting

(In Thousands)

The operations of the Company's reportable segments are described as follows:

- The Community Banks segment delivers a complete range of banking and financial services to individuals and small to medium-size businesses including checking and savings accounts, business and personal loans, asset-based lending, factoring and equipment leasing, as well as safe deposit and night depository facilities.
- The Insurance segment includes a full service insurance agency offering all major lines of commercial and personal insurance through major carriers.
- The Wealth Management segment, through the Trust division, offers a broad range of fiduciary services including the administration (as trustee or in other fiduciary or representative capacities) of benefit plans, management of trust accounts, inclusive of personal and corporate benefit accounts and custodial accounts, as well as accounting and money management for trust accounts. In addition, the Wealth Management segment, through the Financial Services division, provides specialized products and services to customers, which include fixed and variable annuities, mutual funds and other investment services through a third party broker-dealer. The Financial Services division also provides administrative and compliance services for certain mutual funds.

In order to give the Company's divisional management a more precise indication of the income and expenses they can control, the results of operations for the Community Banks, the Insurance and the Wealth Management segments reflect the direct revenues and expenses of each respective segment. Indirect revenues and expenses, including but not limited to income from the Company's investment portfolio, as well as certain costs associated with data processing and back office functions, primarily support the operations of the community banks and, therefore, are included in the results of the Community Banks segment. Included in "Other" are the operations of the holding company and other eliminations which are necessary for purposes of reconciling to the consolidated amounts.

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 21 – Segment Reporting (continued)

The following table provides financial information for the Company's operating segments as of and for the years ended **December 31, 2022** **December 31, 2023**, **2021** **2022** and **2020**: **2021**:

	Community Banks	Insurance	Wealth Management	Other	Consolidated	Community Banks	Insurance	Wealth Management	Other	Consolidated
	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks	Community Banks
2023										
Net interest income										
Net interest income										
Net interest income										

Provision for credit losses						
Noninterest income						
Noninterest expense						
Income before income taxes						
Income taxes						
Net income (loss)						
Total assets						
Goodwill						
2022	2022					
Net interest income						
Net interest income						
Net interest Net interest						
income income	\$ 498,673	\$ 619	\$ 2,793	\$ (20,787)	\$ 481,298	
Provision Provision						
for credit for credit						
losses losses	23,788	—	—	—	23,788	
Noninterest Noninterest						
income income	114,263	11,821	24,839	(1,670)	149,253	
Noninterest Noninterest						
expense expense	366,767	8,442	18,664	1,582	395,455	
Income Income						
before before						
income income						
taxes taxes	222,381	3,998	8,968	(24,039)	211,308	
Income Income						
taxes taxes	50,425	1,046	—	(6,231)	45,240	
Net income Net income						
(loss) (loss)	\$ 171,956	\$ 2,952	\$ 8,968	\$ (17,808)	\$ 166,068	
Total	Total					
assets assets	\$16,882,534	\$37,567	\$ 75,383	\$ (7,308)	\$16,988,176	
Goodwill Goodwill	988,941	2,767	—	—	991,708	
2021	2021					
Net interest Net interest						
income income	\$ 437,435	\$ 454	\$ 1,657	\$ (15,545)	\$ 424,001	
Net interest income						
Net interest income						
Recovery Recovery						
for credit for credit						
losses losses	(1,668)	—	—	—	(1,668)	
Noninterest Noninterest						
income income	195,214	11,370	22,185	(1,785)	226,984	
Noninterest Noninterest						
expense expense	404,066	8,060	16,475	1,225	429,826	

Income before income taxes	Income taxes	230,251	3,764	7,367	(18,555)	222,827
Income taxes	Income taxes	50,749	981	—	(4,795)	46,935
Net income (loss)	Net income (loss)	\$ 179,502	\$ 2,783	\$ 7,367	\$(13,760)	\$ 175,892
Total assets	Total assets	\$16,694,710	\$33,544	\$ 65,015	\$ 17,042	\$16,810,311
Goodwill	Goodwill	936,916	2,767	—	—	939,683
2020						
Net interest income		\$ 437,101	\$ 566	\$ 1,658	\$(12,528)	\$ 426,797
Provision for credit losses		86,850	—	—	—	86,850
Noninterest income		208,721	10,403	18,061	(1,653)	235,532
Noninterest expense		448,475	7,751	14,940	822	471,988
Income before income taxes		110,497	3,218	4,779	(15,003)	103,491
Income taxes		22,892	837	—	(3,889)	19,840
Net income (loss)		\$ 87,605	\$ 2,381	\$ 4,779	\$(11,114)	\$ 83,651
Total assets		\$14,814,726	\$30,375	\$ 71,266	\$ 13,245	\$14,929,612
Goodwill		936,916	2,767	—	—	939,683

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 22 – Renaissance Corporation (Parent Company Only) Condensed Financial Information

(In Thousands)

Balance Sheets

	Assets	December 31,		December 31,		2022
		2022	2021	2023		
Assets	Assets					
Cash and cash equivalents ⁽¹⁾	Cash and cash equivalents ⁽¹⁾	\$ 167,727	\$ 184,426			
Cash and cash equivalents ⁽¹⁾						
Investments	Investments	—	2,009			
Investment in bank subsidiary ⁽²⁾						
Investment in bank subsidiary ⁽²⁾						
Investment in bank subsidiary ⁽²⁾	Investment in bank subsidiary ⁽²⁾	2,391,721	2,477,917			
Accrued interest receivable on bank balances ⁽²⁾	Accrued interest receivable on bank balances ⁽²⁾	3	4			
Other assets	Other assets	28,468	28,751			
Other assets						

Other assets			
Total assets	Total assets	<u>\$2,587,919</u>	<u>\$2,693,107</u>
Liabilities and shareholders' equity	Liabilities and shareholders' equity		
Junior subordinated debentures			
Junior subordinated debentures			
Junior subordinated debentures	Junior subordinated debentures	\$ 112,042	\$ 111,373
Subordinated notes	Subordinated notes	316,091	359,419
Other liabilities	Other liabilities	23,770	12,462
Other liabilities			
Other liabilities			
Shareholders' equity	Shareholders' equity	<u>2,136,016</u>	<u>2,209,853</u>
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	<u>\$2,587,919</u>	<u>\$2,693,107</u>

(1) Eliminates in consolidation, with the exception of \$1,987 and \$1,889 in 2023 and \$1,857, in 2022, and 2021, respectively, pledged for collateral and held at non-subsidiary bank

(2) Eliminates in consolidation

Statements of Income

	Income	Year Ended December 31,			Year Ended December 31,	
		2022	2021	2020	2023	2022
Income	Income					2021
Dividends from bank subsidiary ⁽¹⁾						
Dividends from bank subsidiary ⁽¹⁾						
Dividends from bank subsidiary ⁽¹⁾	Dividends from bank subsidiary ⁽¹⁾	\$ 68,114	\$ 80,965	\$ 81,443		
Interest income from bank subsidiary ⁽¹⁾	Interest income from bank subsidiary ⁽¹⁾	5	7	9		
Other dividends	Other dividends	134	80	93		
Other income	Other income	85	32	74		
Total income	Total income	68,338	81,084	81,619		
Expenses	Expenses	24,264	18,661	15,179		

Income before income tax benefit and equity in undistributed net income of bank subsidiary	Income before income tax benefit and equity in undistributed net income of bank subsidiary	44,074	62,423	66,440
Income tax benefit	Income tax benefit	(6,231)	(4,795)	(3,889)
Equity in undistributed net income of bank subsidiary ⁽¹⁾	Equity in undistributed net income of bank subsidiary ⁽¹⁾	115,763	108,674	13,322
Net income	Net income	\$166,068	\$175,892	\$83,651

(1) Eliminates in consolidation

Renaissance Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 22 – Renaissance Corporation (Parent Company Only) Condensed Financial Information (continued)

Statements of Cash Flows

		Year Ended December 31,			Year Ended December 31,		
		2022	2021	2020	2023	2022	2021
Operating activities	Operating activities						
Net income	Net income	\$166,068	\$175,892	\$ 83,651			
Net income	Net income						
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:						
Equity in undistributed net income of bank subsidiary	Equity in undistributed net income of bank subsidiary	(115,763)	(108,674)	(13,322)			
Equity in undistributed net income of bank subsidiary	Equity in undistributed net income of bank subsidiary						
Amortization/depreciation	Amortization/depreciation	1,478	891	692			
Increase (decrease) in other assets		284	(5,628)	(256)			
(Decrease) increase in other assets							
Increase in other liabilities	Increase in other liabilities	9,225	6,952	10,932			
Net cash provided by operating activities	Net cash provided by operating activities	61,292	69,433	81,697			
Investing activities	Investing activities						
Purchases of securities available for sale		—	—	(6,104)			
Sales and maturities of securities and available for sale							

Sales and maturities of securities and available for sale					
Sales and maturities of securities and available for sale	Sales and maturities of securities and available for sale	2,000	5,100	541	
Other investing activities	Other investing activities	—	(100,000)	—	
Net cash (used in) provided by investing activities		2,000	(94,900)	(5,563)	
Other investing activities					
Other investing activities					
Net cash provided by (used in) investing activities					
Financing activities	Financing activities				
Cash paid for dividends	Cash paid for dividends	(49,991)	(50,017)	(50,134)	
Cash paid for dividends					
Cash paid for dividends					
Repurchase of shares in connection with stock repurchase program					
Repurchase of shares in connection with stock repurchase program					
Repurchase of shares in connection with stock repurchase program	Repurchase of shares in connection with stock repurchase program	—	(21,315)	(24,569)	
Repayment of long-term debt	Repayment of long-term debt	(30,000)	(45,000)	—	
Proceeds from issuance of long-term debt	Proceeds from issuance of long-term debt	—	197,061	98,266	
Proceeds from issuance of long-term debt					
Proceeds from issuance of long-term debt					
Net cash (used in) provided by financing activities	Net cash (used in) provided by financing activities	(79,991)	80,729	23,563	
(Decrease) increase in cash and cash equivalents		(16,699)	55,262	99,697	
Net cash (used in) provided by financing activities					
Net cash (used in) provided by financing activities					
Increase (decrease) in cash and cash equivalents					
Cash and cash equivalents at beginning of year	Cash and cash equivalents at beginning of year	184,426	129,164	29,467	
Cash and cash equivalents at end of year	Cash and cash equivalents at end of year	\$167,727	\$184,426	\$129,164	

Note 23 – Leases

(In Thousands)

The Company enters into leases in both lessor and lessee capacities.

Lessor Arrangements

As of December 31, 2022 December 31, 2023 and 2021, 2022, the net investment in these leases was \$44,049 \$42,761 and \$24,979, \$44,049, comprised of \$37,301 \$34,929 and \$19,646 \$37,301 in lease receivables, \$12,875 \$13,446 and \$8,323 \$12,875 in residual balances and \$6,127 \$5,614 and \$2,990 \$6,127 in deferred income, respectively. In order to mitigate potential exposure to residual asset risk, the Company utilizes first amendment or terminal rental adjustment clause leases.

For the twelve months ended December 31, 2022 December 31, 2023 and 2021, 2022, the Company generated \$903 \$1,441 and \$698 \$903 in income from these leases, respectively, which is included in interest income on loans on the Consolidated Statements of Income.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 23 – Leases (continued)

The maturities of the lessor arrangements outstanding at December 31, 2022 December 31, 2023 is presented in the table below.

2023		\$	476
2024	2024		810
2025	2025		995
2026	2026		1,254
2027	2027		8,289
2028			
Thereafter	Thereafter		32,225
Total lease receivables	Total lease receivables	\$	44,049

Lessee Arrangements

As of December 31, 2022 December 31, 2023 and 2021, 2022, right-of-use assets totaled \$54,930 \$48,517 and \$63,547 \$54,930 and lease liabilities totaled \$57,369 \$51,130 and \$67,067, \$57,369, respectively. The table below provides the components of lease cost and supplemental information for the periods presented.

		Year ended December 31,		Year ended December 31,	
		2022	2021		
Operating lease cost	Operating lease cost				
(cost resulting from lease payments)	(cost resulting from lease payments)	\$7,847	\$8,868		
Short-term lease cost	Short-term lease cost	29	93		
Variable lease cost	Variable lease cost				
(cost excluded from lease payments)	(cost excluded from lease payments)	1,056	1,195		
Sublease income	Sublease income	(624)	(658)		
Net lease cost	Net lease cost	\$8,308	\$9,498		
Operating lease - operating cash flows	Operating lease - operating cash flows				
(fixed payments)	(fixed payments)	9,528	8,666		

Operating lease - operating cash flows (liability reduction)	7,789	6,640				
Weighted average lease term - operating leases (in years) (at period end)	17.96	17.25	Weighted average lease term - operating leases (in years) (at period end)	18.51	17.96	
Weighted average discount rate - operating leases (at period end)	3.02 %	3.01 %	Weighted average discount rate - operating leases (at period end)	3.49 %	3.02	%
Right-of-use assets obtained in exchange for new lease liabilities - operating leases	\$3,475	\$8,142				
Right-of-use assets obtained in exchange for new lease liabilities - operating leases						

The maturities of the lessee arrangements outstanding at **December 31, 2022** December 31, 2023 are presented in the table below.

2023	\$	7,342
2024		6,320
2025		5,207
2026		4,758
2027		4,156
2028		
Thereafter	Thereafter	48,292
Total undiscounted cash flows	Total undiscounted cash flows	76,075
Discount on cash flows	Discount on cash flows	18,706
Total operating lease liabilities	Total operating lease liabilities	\$ 57,369

Rental expense was \$6,859, \$7,623, and \$8,298 for 2023, 2022, and \$10,044 for 2021, 2020, respectively.

For more information on lease accounting, see Note 1, "Significant Accounting Policies" and on lease financing receivables, see Note 3, "Loans."

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Based upon their evaluation as of **December 31, 2022** **December 31, 2023**, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective for ensuring that information the Company is required to disclose in reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to the Company's management, including its Principal Executive and Principal Financial Officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting and Attestation Report of the Independent Registered Public Accounting Firm

The information required to be provided pursuant to this item is set forth under the headings "Report on Management's Assessment of Internal Control over Financial Reporting" and "Reports of Independent Registered Public Accounting Firm" in Item 8, Financial Statements and Supplementary Data, in this report.

Changes in Internal Control over Financial Reporting

There was no change to internal control over financial reporting during the fourth quarter of **2022** **2023** that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None. Trading Plans

During the quarter ended December 31, 2023, no director or officer (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) adopted or terminated any "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangements" (each as defined in Item 408(a) of Regulation S-K).

ITEM 9C. DISCLOSURES REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Executive Officers of the Company

The information appearing under the heading "Executive Officers" in the Company's Definitive Proxy Statement for its **2023** **2024** Annual Meeting of Shareholders is incorporated herein by reference.

Code of Ethics

The Company has adopted a code of business conduct and ethics in compliance with Item 406 of Regulation S-K that applies to the Company's principal executive officer, principal financial officer and principal accounting officer, among others. The Company's Code of Ethics is available on its website at www.renasant.com by clicking on "Corporate Governance," then "Documents, Charters & Selected Policies" and then "Code of Business Conduct and Ethics." Any person may request a free copy of the Code of Business Conduct and Ethics from the Company by sending a request to the following address: Renasant Corporation, 209 Troy Street, Tupelo, Mississippi, 38804-4827, Attention: General Counsel. The Company intends to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of the Company's Code of Business Conduct and Ethics by posting such information on its website, at the address specified above.

Directors of the Company, Shareholder Recommendations of Director Candidates, and Audit Committee Members and Insider Trading Arrangements and Policies

The information appearing under the headings "Corporate Governance and the Board of Directors" and "Directors," "Board Members and Compensation - Members of the Board of Directors" and "Delinquent Section 16(a) Reports" in the Company's Definitive Proxy Statement for its **2023** **2024** Annual Meeting of Shareholders is incorporated herein by reference. Information required by this Item 10 about any material changes to the process by which security holders may recommend nominees to the board of directors in connection with Rule 14a-9 under the Securities Exchange Act of 1934 is included in the Company's Definitive Proxy Statement for its 2024 Annual Meeting of Shareholders under the heading "Corporate Governance and the Board of Directors" and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information appearing under the headings "Proxy Summary - Compensation and Pay-for-Performance," "Corporate Governance and the Board of Directors - Role of the Board in Risk Oversight," "Board Members and Compensation - Director Compensation," "Compensation Discussion and Analysis," "Compensation Committee Report," "Compensation Committee Interlocks and Insider Participation" and "Compensation Tables" in the Company's Definitive Proxy Statement for its **2023** **2024** Annual Meeting of Shareholders is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information appearing under the heading "Stock Ownership" and "Proposal 3 - Amendment of 2020 Long-Term Incentive Compensation Plan to Increase Available Shares - Outstanding Shares" in the Company's Definitive Proxy Statement for its 2023 2024 Annual Meeting of Shareholders is incorporated herein by reference.

Equity Compensation Plan Information

There were no options, warrants or rights outstanding under plans approved by our shareholders and plans or arrangements that were not approved by our shareholders, as of December 31, 2022. These plans and arrangements are:

- **Shareholder-Approved Plans:** We have two shareholder-approved equity compensation plans: (1) the 2020 Long-Term Incentive Compensation Plan (the "2020 LTIP") and (2) the 2011 Long-Term Incentive Compensation Plan, which expired on April 19, 2021 but under which the Company ceased making grants or other awards upon our shareholders' approval of the 2020 LTIP on April 27, 2020. The 2020 LTIP authorizes the Company to make grants and awards of stock options, stock appreciation rights, restricted stock and restricted stock units to directors, officers and employees designated for participation in the plan. As of December 31, 2022, an aggregate of 836,241 shares of unvested restricted stock remained outstanding under both plans, while there were no options or other securities outstanding under either plan as of such date.
- **Non-Shareholder Approved Plans and Arrangements:** The only equity compensation plan or arrangement currently in force that was not approved by our shareholders is our Deferred Stock Unit Plan (the "DSU Plan"). Under this plan, deferred compensation is used to "purchase" units representing shares of our common stock at fair market value. An aggregate of 467,500 shares of Company common stock are reserved for issuance; as of December 31, 2022, units representing an aggregate of 322,226 shares of common stock have been allocated to accounts, some of which has been distributed in the form of common stock. From time to time, the Company enters into employment agreements which may include commitments by the Company to make awards of equity under the Company's long-term incentive compensation plans, either stated in terms of a fixed number of shares or a percentage of the employee's base compensation.

The table below reports shares remaining available for issuance under our equity compensation plans:

Plan Category	Equity Compensation Plan Information (at December 31, 2022)		
	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights ⁽ⁱ⁾	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a))
Equity compensation plans approved by security holders	—	—	1,073,186
Equity compensation plans not approved by security holders	—	—	145,273
Total	—	—	1,218,459

⁽ⁱ⁾ Does not take into account units allocated under the DSU Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information appearing under the heading "Corporate Governance and the Board of Directors" in the Company's Definitive Proxy Statement for its 2023 2024 Annual Meeting of Shareholders is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information appearing under the heading "Independent Registered Public Accountants" in the Company's Definitive Proxy Statement for its 2023 2024 Annual Meeting of Shareholders is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) - (1) Financial Statements

The following consolidated financial statements and supplementary information for the fiscal years ended **December 31, 2022** **December 31, 2023, 2021** **2022** and **2020** **2021** are included in Part II, Item 8, Financial Statements and Supplementary Data, in this report:

- (i) [Report on Management's Assessment of Internal Control over Financial Reporting](#)
- (ii) [Reports of Independent Registered Public Accounting Firm](#)
- (iii) [Consolidated Balance Sheets – December 31, 2022](#) **3** and **2021** **2**
- (iv) [Consolidated Statements of Income – Years ended December 31, 2022](#) **3**, **2021** **2** and **2020** **2021**
- (v) [Consolidated Statements of Comprehensive Income – Years ended December 31, 2022](#) **3**, **2021** **2** and **2020** **2021**
- (vi) [Consolidated Statements of Changes in Shareholders' Equity – Years ended December 31, 2022](#) **3**, **2021** **2** and **2020** **2021**
- (vii) [Consolidated Statements of Cash Flows – Years ended December 31, 2022](#) **3**, **2021** **2** and **2020** **2021**
- (viii) [Notes to Consolidated Financial Statements](#)

(a) - (2) Financial Statement Schedules

All schedules have been omitted because they are either not applicable or the required information has been included in the consolidated financial statements or notes thereto.

(a) - (3) Exhibits required by Item 601 of Regulation S-K

- (3)(i) [Articles of Incorporation of the Company, as amended, filed as exhibit 3.1 to the Form 10-Q of the Company filed with the Securities and Exchange Commission \(the "Commission"\) on May 10, 2016 and incorporated herein by reference.](#)
- (3)(ii) [Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on July 20, 2018 and incorporated herein by reference.](#)
- (3)(iii) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on April 30, 2021 and incorporated herein by reference.](#)
- (3)(iv) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on January 28, 2022 and incorporated herein by reference.](#)
- (3)(v) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(i\) to the Form 8-K of the Company filed with the Commission on October 27, 2023 and incorporated herein by reference.](#)
- (4)(i) [Articles of Incorporation of the Company, as amended, filed as exhibit 3.1 to the Form 10-Q of the Company filed with the Commission on May 10, 2016 and incorporated herein by reference.](#)
- (4)(ii) [Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on July 20, 2018 and incorporated herein by reference.](#)
- 4(iii) (4)(iii) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on April 30, 2021 and incorporated herein by reference.](#)
- 4(iv) (4)(iv) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(i\) to the Form 8-K of the Company filed with the Commission on January 28, 2022 and incorporated herein by reference.](#)
- (4)(v) [Articles of Amendment to the Amended and Restated Bylaws of the Company, filed as exhibit 3\(ii\) to the Form 8-K of the Company filed with the Commission on October 27, 2023 and incorporated herein by reference.](#)
- (4)(vi) [Subordinated Indenture dated August 22, 2016 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.1 to the Form 8-K of the Company filed with the Commission on August 22, 2016 and incorporated herein by reference.](#)
- (4)(vi) (vii) [First Supplemental Indenture dated August 22, 2016 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.2 to the Form 8-K of the Company filed with the Commission on August 22, 2016 and incorporated herein by reference.](#)
- (4)(vii) (viii) [Second Supplemental Indenture dated August 22, 2016 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.3 to the Form 8-K of the Company filed with the Commission on August 22, 2016 and incorporated herein by reference.](#)
- 4(viii) (4)(ix) [Third Supplemental Indenture dated September 3, 2020 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.2 to the Form 8-K of the Company filed with the Commission on September 3, 2020 and incorporated herein by reference.](#)
- 4(ix) (4)(x) [First Amendment to Third Supplemental Indenture dated November 24, 2021 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.3 to the Form 8-K of the Company filed with the Commission on November 24, 2021 and incorporated herein by reference.](#)

4(x) (4)(xi)	Fourth Supplemental Indenture dated November 23, 2021 between Renasant Corporation and Wilmington Trust, National Association, filed as exhibit 4.2 to the Form 8-K of the Company filed with the Commission on November 23, 2021 and incorporated herein by reference.
(4)(xi) (xii)	Form of 5.0% Fixed-to-Floating Subordinated Note due 2026 (included in exhibit (4)(vi)).
(4)(xii) (xiii)	Form of 5.50% Fixed-to-Floating Subordinated Note due 2031 (included in exhibit (4)(vii)).
(4)(xiii) (xiv)	Form of 4.50% Fixed-to-Floating Rate Subordinated Note due 2035 (included in exhibit (4)(viii)).
(4)(xiv) (xv)	Form of 3.00% Fixed-to-Floating Rate Subordinated Note due 2031 (included in exhibit (4)(x)).
(4)(xv) (xvi)	Description of Renasant Corporation's Securities Registered under Section 12 of the Securities Exchange Act of 1934, as amended, filed as exhibit (4)(vii) to the Form 10-K of the Company filed with the Commission on February 27, 2020 and incorporated herein by reference.
(10)(i)	Renasant Corporation Deferred Stock Unit Plan, filed as exhibit 4.3 to the Form S-8 Registration Statement of the Company (File No. 333-102152) filed with the Commission on December 23, 2002 and incorporated herein by reference.*
(10)(ii)	Amendment to the Renasant Corporation Deferred Stock Unit Plan dated December 4, 2002, filed as exhibit 4.4 to the Form S-8 Registration Statement of the Company (File No. 333-102152) filed with the Commission on December 23, 2002 and incorporated herein by reference.*
(10)(iii)	Amended and Restated Renasant Corporation Deferred Stock Unit Plan, filed as exhibit 99.2 to the Form 8-K of the Company filed with the Commission on July 19, 2006 and incorporated herein by reference.*
(10)(iv)	Amendment to the Amended and Restated Renasant Corporation Deferred Stock Unit Plan dated June 5, 2007, filed as exhibit 99.1 to the Form S-8 Registration Statement of the Company (File No. 333-144185) filed with the Commission on June 29, 2007 and incorporated herein by reference.*
(10)(v)	Amendment to the Amended and Restated Renasant Corporation Deferred Stock Unit Plan dated December 16, 2008, filed as exhibit 10.2 to the Form 8-K of the Company filed with the Commission on February 17, 2009 and incorporated herein by reference.*
(10)(vi)	Amendment to the Amended and Restated Renasant Corporation Deferred Stock Unit Plan dated January 17, 2012, filed as exhibit 99.1 to the Form 8-K of the Company filed with the Commission on January 23, 2012 and incorporated herein by reference.*
(10)(vii)	Amendment No. 5 to the Renasant Corporation Deferred Stock Unit Plan, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on December 18, 2020 and incorporated herein by reference.*
(10)(viii)	Renasant Corporation Performance Based Rewards Plan, dated as of October 16, 2018, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on October 19, 2018 and incorporated herein by reference.*
(10)(ix)	Renasant Bank Executive Deferred Income Plan, filed as exhibit 99.1 to the Form 8-K of the Company filed with the Commission on January 5, 2007 and incorporated herein by reference.*
(10)(x)	Amendment to the Renasant Bank Executive Deferred Income Plan dated December 16, 2008, filed as exhibit 10.3 to the Form 8-K of the Company filed with the Commission on February 17, 2009 and incorporated herein by reference.*
(10)(xi)	Amendment to the Renasant Bank Executive Deferred Income Plan dated December 27, 2016, filed as exhibit 10.1 to the Form 10-K/A of the Company filed with the Commission on February 28, 2017 and incorporated herein by reference.*
(10)(xii)	Renasant Bank Directors' Deferred Fee Plan, filed as exhibit 99.2 to the Form 8-K of the Company filed with the Commission on January 5, 2007 and incorporated herein by reference.*
(10)(xiii)	Amendment to the Renasant Bank Directors' Deferred Fee Plan dated December 16, 2008, filed as exhibit 10.4 to the Form 8-K of the Company filed with the Commission on February 17, 2009 and incorporated herein by reference.*
(10)(xiv)	Amendment to the Renasant Bank Directors' Deferred Fee Plan dated December 27, 2016, filed as exhibit 10.2 to the Form 10-K/A of the Company filed with the Commission on February 28, 2017 and incorporated herein by reference.*
(10)(xv)	Executive Employment Agreement dated January 2, 2008 by and between E. Robinson McGraw and Renasant Corporation, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on March 7, 2008 and incorporated herein by reference.*

(10)(xvi) [Amendment to Executive Employment Agreement dated April 25, 2017 by and between E. Robinson McGraw and Renasant Corporation, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on April 28, 2017 and incorporated herein by reference.*](#)

(10)(xvii) [Amendment No. 2 to Executive Employment Agreement dated August 19, 2019 by and between E. Robinson McGraw and Renasant Corporation, filed as exhibit 10.1 to the Form 10-Q of the Company filed with the Commission on November 7, 2019 and incorporated herein by reference.*](#)

(10)(xviii) [Amendment No. 3 to Executive Employment Agreement dated April 27, 2021 by and between E. Robinson McGraw and Renasant Corporation, filed as exhibit 10\(i\) to the Form 10-Q of the Company filed with the Commission on May 7, 2021 and incorporated herein by reference.*](#)

(10)(xix) [Amendment No. 4 to Executive Employment Agreement dated December 19, 2023 by and between E. Robinson McGraw and Renasant Corporation, filed herewith.*](#)

(10)(xx) [Renasant Corporation Severance Pay Plan, filed as exhibit 10.5 to the Form 8-K of the Company filed with the Commission on February 17, 2009 and incorporated herein by reference.*](#)

(10)(xx) (xxi) [Renasant Corporation 2011 Long-Term Incentive Compensation Plan, filed as Exhibit A to the Definitive Proxy Statement of the Company \(File No. 001-13253\) filed with the Commission on March 17, 2016 and incorporated herein by reference.*](#)

(10)(xxi) (xxii) [Amendment to the Renasant Corporation 2011 Long-Term Incentive Compensation Plan dated December 20, 2016, filed as exhibit 10.3 to the Form 10-K/A of the Company filed with the Commission on February 28, 2017 and incorporated herein by reference.*](#)

(10)(xxii) (xxiii) [Executive Employment Agreement dated January 12, 2016, between Renasant Corporation and Kevin D. Chapman, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on January 13, 2016 and incorporated herein by reference.*](#)

(10)(xxiii) (xxiv) [Amendment to the Executive Employment Agreement dated February 14, 2018, between Renasant Corporation and Kevin D. Chapman, filed as exhibit 10.2 to the Form 10-K of the Company filed with the Commission on February 28, 2018 and incorporated herein by reference.*](#)

(10)(xxiv) (xxv) [Executive Employment Agreement dated January 12, 2016, between Renasant Corporation and C. Mitchell Waycaster, filed as exhibit 10.2 to the Form 8-K of the Company filed with the Commission on January 13, 2016 and incorporated herein by reference.*](#)

(10)(xxv) (xxvi) [Amendment to the Executive Employment Agreement dated February 14, 2018, between Renasant Corporation and C. Mitchell Waycaster, filed as exhibit 10.3 to the Form 10-K of the Company filed with the Commission on February 28, 2018 and incorporated herein by reference.*](#)

(10)(xxvi) (xxvii) [Brand Group Holdings, Inc. Deferred Compensation Plan, as amended on January 1, 2016 and September 5, 2018, filed as exhibit 10.1 to the Form 10-K of the Company filed with the Commission on February 27, 2019 and incorporated herein by reference.*](#)

(10)(xxvii) (xxviii) [Renasant Bank Deferred Income Plan, filed as exhibit 10.2 to the Form 10-K of the Company filed with the Commission on February 27, 2019 and incorporated herein by reference.*](#)

(10)(xxviii) (xxix) [Amendment to the Renasant Bank Deferred Income Plan dated December 14, 2020, filed as exhibit 10.31 to the Form 10-K of the Company filed with the Commission on February 26, 2021 and incorporated herein by reference.*](#)

(10)(xxix) (xxx) [Renasant Corporation 2020 Long Term Equity Incentive Compensation Plan, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on May 8, 2020 and incorporated herein by reference.*](#)

(10)(xxx) (xxxi) [Form of Time-Based Restricted Stock Award Agreement under the Renasant Corporation 2020 Long Term Equity Incentive Compensation Plan, filed as exhibit \(10\)\(xxx\) to the Form 10-K of the Company filed with the Commission on February 25, 2022 and incorporated herein by reference, reference.*](#)

(10)(xxxi) (xxxi) [Form of Performance-Based Restricted Stock Award Letter under the Renasant Corporation 2020 Long Term Equity Incentive Compensation Plan, filed as exhibit \(10\)\(xxxi\) to the Form 10-K of the Company filed with the Commission on February 25, 2022 and incorporated herein by reference, reference.*](#)

(10)(xxxii) (xxxiii) [Executive Employment Agreement effective dated May 3, 2019 by and between Renasant Corporation and Curtis J. Perry, filed as exhibit 10.33 to the Form 10-K of the Company filed with the Commission on February 26, 2021 and incorporated herein by reference.*](#)

(10)(xxxiii) (xxxiv) [Executive Employment Agreement effective dated July 27, 2020, by and between Renasant Corporation and James C. Mabry IV, filed as exhibit 10.1 to the Form 8-K of the Company filed with the Commission on July 31, 2020 and incorporated herein by reference.*](#)

(21) [Subsidiaries of the Company](#)

(23) [Consent of Independent Registered Public Accounting Firm](#)

(31) [Certification of the Principal Executive Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of](#)

2002.

(31) Certification of the Principal Financial Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(32) Certification of the Principal Executive Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(32) Certification of the Principal Financial Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(97) Renasant Corporation Clawback Policy

(101) The following materials from Renasant Corporation's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 were formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of December 31, 2022 December 31, 2023 and December 31, 2021 December

31, 2022, (ii)

Consolidated

Statements of
Income for the
years ended

December 31,
2022 December

31, 2023,
2021 2022 and
2020, 2021, (iii)

Consolidated
Statements of
Comprehensive

Income for the
years ended

December 31,
2022 December

31, 2023,
2021 2022 and
2020, 2021, (iv)

Consolidated
Statements of
Changes in

Shareholders'
Equity for the

years ended

December 31,
2022 December

31, 2023,
2021 2022 and
2020, 2021, (v)

Consolidated
Statements of
Cash Flows for

the years
ended

December 31,
2022 December

31, 2023,
2021 2022 and
2020, 2021 and

(vi) Notes to
Consolidated
Financial
Statements.

(104) The cover page
of Renasant
Corporation's
Annual Report
on Form 10-K
for the year
ended

December 31,
2022 December

31, 2023,
formatted in
Inline XBRL
(included in
Exhibit 101).

* Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Form 10-K pursuant to Item 15(b) of Form 10-K.

The Company does not have any long-term debt instruments under which securities are authorized exceeding ten percent of the total assets of the Company and its subsidiaries on a consolidated basis. The Company will furnish to the Securities and Exchange Commission, upon its request, a copy of all long-term debt instruments, instruments not filed herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

RENASANT CORPORATION

Date: February 24, 2023 23, 2024

by: /s/ C. Mitchell Waycaster

C. Mitchell Waycaster

President and

Chief Executive Officer **and**

Executive Vice Chairman

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacity and on the date indicated.

Date: February 24, 2023 23, 2024

by: /s/ James C. Mabry IV

James C. Mabry IV

Chief Financial Officer

(Principal Financial Officer)

Date: February 24, 2023 23, 2024

by: /s/ Kelly W. Hutcheson

Kelly W. Hutcheson

Chief Accounting Officer

(Principal Accounting Officer)

Date: February 24, 2023 23, 2024

by: /s/ Gary D. Butler

Gary D. Butler

Director

Date: February 24, 2023 23, 2024

by: /s/ Donald Clark, Jr.

Donald Clark, Jr.

Director

Date: February 24, 2023 23, 2024

by: /s/ John M. Creekmore

John M. Creekmore

Vice Chairman of the Board and Director

Date: February 24, 2023 23, 2024

by: /s/ Albert J. Dale, III

Albert J. Dale, III

Director

Date: February 24, 2023 23, 2024

by: /s/ Jill V. Deer

Jill V. Deer

Director

Date: February 24, 2023 23, 2024

by: /s/ Connie L. Engel

Connie L. Engel

Director

Date: February 24, 2023 23, 2024 by: /s/ Rose J. Flenorl
Rose J. Flenorl
Director

Date: February 23, 2024 by: /s/ John T. Foy
John T. Foy
Director

Date: February 24, 2023 23, 2024 by: /s/ Richard L. Heyer, Jr.
Richard L. Heyer, Jr.
Director

Date: February 24, 2023 23, 2024 by: /s/ Neal A. Holland, Jr.
Neal A. Holland, Jr.
Director

Date: February 24, 2023 23, 2024 by: /s/ E. Robinson McGraw
E. Robinson McGraw
Chairman of the Board and Director

Date: February 24, 2023 by: /s/ Michael D. Shmerling
Michael D. Shmerling
Director

Date: February 24, 2023 23, 2024 by: /s/ Sean M. Suggs
Sean M. Suggs
Director

Date: February 24, 2023 23, 2024 by: /s/ C. Mitchell Waycaster
C. Mitchell Waycaster
Director, President and
Chief Executive Officer
and Executive Vice Chairman
(Principal Executive Officer)

S-2

Exhibit 10(xix)

RENASANT CORPORATION
EXECUTIVE EMPLOYMENT AGREEMENT
AMENDMENT NO. 4

THIS AMENDMENT NO. 4 (the "Amendment") is made and entered into by and between E. Robinson McGraw ("Executive") and Renasant Corporation, a Mississippi corporation (the "Company"), and is intended to amend that certain Executive Employment Agreement by and between Executive and the Company effective as of January 1, 2008, as amended effective April 25, 2017, as further amended effective August 19, 2019 and as further amended effective April 27, 2021 (as so amended, the "Employment Agreement").

1. Effectiveness and Construction. This Amendment shall be effective as of December 19, 2023 (the "Effective Date"). To the extent the terms of this Amendment and the Employment Agreement conflict, for periods from and after the Effective Date the terms of this Amendment shall control. In all other respects,

the terms of the Employment Agreement are hereby ratified and confirmed and shall remain in full force and effect. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Employment Agreement.

2. Extension of Employment Term. Executive's Employment Term under the Employment Agreement is hereby extended through and until May 1, 2026, at which time the Employment Term shall renew for an additional two years unless either party shall give written notice to the other 90 days prior to May 1, 2026 that the term of Executive's employment under the Employment Agreement shall not be extended, in which case the Employment Agreement shall expire on May 1, 2026. Nothing herein shall be construed to prohibit the Company or Renasant Bank (the "Bank"), as the case may be, from continuing to employ Executive after the expiration of the Employment Agreement as an "at will" employee or under other terms and conditions separately negotiated between the parties.

3. Compensation and Benefits. The Company and Executive agree as follows, for periods from and after the Effective Date:

(a) Executive's Base Compensation shall be not less than his Base Compensation in effect immediately prior to the Effective Date and, accordingly, shall not be reduced except as provided in Section 2.1 of the Employment Agreement in connection with a reduction in pay uniformly applicable to all officers of the Company.

(b) Executive shall receive an Incentive Bonus for the 2024 calendar year on the following terms and conditions: (i) the amount of the Incentive Bonus shall be based on a percentage of Executive's Base Compensation at least equal to the percentage applicable to his Incentive Bonus for the 2023 calendar year, except for a reduction in such percentage uniformly applicable to all executives of the Company, and (ii) the amount of the Incentive Bonus paid to Executive upon completion of the applicable performance period shall be determined in accordance with Section 3.1f of the Employment Agreement, assuming Executive's period of service during 2024 ended on May 1, 2024 or, if earlier, Executive's actual Termination Date.

Executive shall not be eligible to receive an Incentive Bonus for the 2025 calendar year and thereafter.

(c) Executive shall receive Long-Term Incentive awards on the following terms and conditions: (i) on the same date as other executives of the Company receive equity incentive awards under

the Renasant Corporation 2020 Long Term Incentive Compensation Plan (the "LTIP") that vest, or whose Performance Cycle (as defined in the LTIP) ends, on December 31, 2026, Executive shall receive a Long-Term Incentive award, in the form of shares of the Company's \$5.00 par value common stock and subject to service-based restrictions and otherwise on terms consistent with prior service-based restricted stock awards made by the Company to Executive, in an amount (in dollars) not less than the aggregate dollar value of Executive's Long-Term Incentive award awarded in January 2023, except for any reduction in connection with a reduction in value of annual Long-Term Incentive awards uniformly applicable to all executives of the Company, which award shall vest in accordance with Section 3.1f of the Employment Agreement, assuming Executive's actual period of service during 2024 ended on May 1, 2024, or, if earlier, Executive's actual Termination Date; and (ii) beginning January 1, 2024, Executive shall receive Long-Term Incentives subject to service-based restrictions and all other terms of awards of Restricted Stock awarded to directors of the Company pursuant to Section 12 of the LTIP, such award to be made on the same date that directors receive their awards.

(d) Except as specifically provided above, the payment or provision of Executive's compensation, perquisites and other benefits as described in Section 2 of the Employment Agreement is hereby ratified and confirmed. Executive shall continue to participate in the retirement, health and insurance plans that may be sponsored and maintained by the Bank or the Company for their employees and executives, from time to time, it being agreed that his service under this Amendment shall constitute full-time employment for purposes thereof.

4. Executive's Covenants. Executive expressly acknowledges and agrees that those covenants set forth in Section 5 of the Employment Agreement shall continue in force and effect in accordance with their terms and, for avoidance of doubt, that his "Termination Date" thereunder shall be the date on which he ceases to be employed by the Company and the Bank, which may be concurrent with the Expiration Date or at a subsequent date thereafter.

THIS AMENDMENT was approved by the Board of Directors of the Company prior to the date hereof, to be effective as provided herein.

RENASANT CORPORATION: E. ROBINSON MCGRAW:

By: /s/ C. Mitchell Waycaster /s/ E. Robinson McGraw C. Mitchell Waycaster, Chief Executive Officer
Date: December 19, 2023 Date: December 19, 2023

Subsidiaries of the Registrant		
Name	Jurisdiction of Incorporation/Organization	Holder of Outstanding Equity Interests
Renasant Bank	Mississippi	Renasant Corporation
Primeco, Inc.	Delaware	Renasant Bank
Renasant Leasing Corp. II	Tennessee	Renasant Bank
Renasant Investment Corp.	Delaware	Renasant Leasing Corp. II
Renasant Capital Corp. II	Maryland	Renasant Investment Corp.
Renasant Capital Funding Corp.	Georgia	Renasant Investment Corp.
Renasant Insurance, Inc.	Mississippi	Renasant Bank
Park Place Capital Corp.	Tennessee	Renasant Bank
Park Place Capital Securities Corp.	Delaware	Park Place Capital Corp.
Renasant Securities Corp.	Mississippi	Renasant Bank
Continental Republic Capital, LLC (doing business as Republic Business Credit)	Louisiana	Renasant Bank
PHC Statutory Trust I	Connecticut	Renasant Corporation (1)
PHC Statutory Trust II	Delaware	Renasant Corporation (1)
Capital Bancorp Capital Trust I	Delaware	Renasant Corporation (1)
First M&F Statutory Trust I	Delaware	Renasant Corporation (1)
Renasant Securities Corp.	Mississippi	Renasant Bank
Brand Group Holdings Statutory Trust I	Delaware	Renasant Corporation (1)
Brand Group Holdings Statutory Trust II	Delaware	Renasant Corporation (1)
Brand Group Holdings Statutory Trust III	Delaware	Renasant Corporation (1)
Brand Group Holdings Statutory Trust IV	Delaware	Renasant Corporation (1)

(1) Renasant Corporation is the holder of the Trusts' common securities.

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements (Form S-3 No. 333-134305, Form S-3 No. 333-141335, Form S-3 No. 333-160482, Form S-3 No. 333-168981, Form S-3 No. 333-183735, Form S-3 No. 333-206966, Form S-3 No. 333-227386, Form S-3 No. 333-2, Form S-3 No. 333-134305, 333-260188, Form S-8 No. 333-102152, Form S-8 No. 333-104445, Form S-8 No. 333-117987, Form S-8 No. 333-122514, Form S-8 No. 333-122515, Form S-8 No. 333-122951, Form S-8 No. 333-137037, Form S-8 No. 333-144185, Form S-8 No. 333-144694, Form S-8 No. 333-150355, Form S-8 No. 333-179973, Form S-8 No. 333-191017, Form S-8 No. 333-191023, Form S-8 No. 333-197555, Form S-8 No. 333-207620, Form S-8 No. 333-213050, Form S-8 No. 333-238480, and Form S-8 No. 333-252356) of Renasant Corporation and any related Prospectus of our reports dated **February 24, 2023** **February 23, 2024**, related to our audit of the consolidated financial statements and the effectiveness of internal control over financial reporting of Renasant Corporation included in this Annual Report on Form 10-K for the year ended **December 31, 2022** **December 31, 2023**.

/s/ HORNE LLP

Memphis, Tennessee
February 24, 2023 23, 2024

Exhibit (31)(i)

CERTIFICATIONS

I, C. Mitchell Waycaster, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended **December 31, 2022** **December 31, 2023** of Renasant Corporation;
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 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 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 the 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: February 24, 2023 23, 2024

by: /s/ C. Mitchell Waycaster

C. Mitchell Waycaster

President Chief Executive Officer and

Chief Executive Officer Vice Chairman

(Principal Executive Officer)

Exhibit (31)(ii)

CERTIFICATIONS

I, James C. Mabry IV, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended **December 31, 2022** **December 31, 2023** of Renasant Corporation;

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 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 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 the 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: February 24, 2023

by: /s/ James C. Mabry IV

James C. Mabry IV
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Exhibit (32)(i)

**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 Annual Report on Form 10-K of Renasant Corporation (the "Company") for the period ended December 31, 2022 December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, C. Mitchell Waycaster, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: February 24, 2023

by: /s/ C. Mitchell Waycaster

C. Mitchell Waycaster
President and Chief Executive Officer
Chief and Executive Officer Vice Chairman
(Principal Executive Officer)

Exhibit (32)(ii)

**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 Annual Report on Form 10-K of Renasant Corporation (the "Company") for the period ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James C. Mabry IV, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: February 24, 2023 23, 2024

by: /s/ James C. Mabry IV

James C. Mabry IV
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)



slide1

slide2

RENASANT CORPORATION CLAWBACK POLICY. The Board of Directors of Renasant Corporation ("Renasant") believes it is prudent to adopt a detailed and stringent recoupment policy to prevent officers and employees from retaining incentive-based awards that were not truly earned. The Board of Directors (the "Board") has adopted this Clawback Policy (the "Policy") to reflect Renasant's continued promotion and maintenance of honest, ethical practices. This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 promulgated thereunder, and Section 303A.14 of the New York Stock Exchange ("NYSE") Listed Company Manual. Recoupment Events For purposes of this Policy, a "Recoupment Event" shall occur in the event of any of the following: (a) Renasant is required to prepare an accounting restatement of its financial statements due to Renasant's material noncompliance with any financial reporting requirement under U.S. securities laws, the result of which is that any incentive-based compensation paid to or otherwise received by a covered individual during or with respect to the three completed fiscal years immediately preceding the date Renasant determines an accounting restatement is required (the "Applicable Period") would have been lower had it been calculated based on such restated results; (a) a "Restatement Event"; (b) an act, omission, condition, or offense outlined under 12 C.F.R. Section 359.4(a)(4) committed by a covered individual or for which the covered individual was substantially responsible; or (c) the payment to a covered individual of compensation exceeding the otherwise applicable restrictions imposed by the provisions of 12 U.S.C. Section 1831(o). The Compensation Committee of the Board of Directors (the "Committee") shall review and analyze the circumstances of any Recoupment Event. Recovery of Erroneously Awarded Compensation If the Committee determines in the course of its review that either: (a) the amount of any incentive-based compensation in the case of a Restatement Event, or (b) the compensation in general in the case of any other Recoupment Event actually paid to or otherwise received by a covered individual (the "Awarded Compensation") would have been a lower amount taking into account the occurrence of the Restatement Event or other Recoupment Event (the "Adjusted Compensation") without regard to taxes paid, then the Committee shall reasonably promptly, to the extent allowable under applicable law, seek to recover the excess of the Awarded Compensation over the Adjusted Compensation (the "Erroneously Awarded Compensation") through reimbursement of an affected payment, forfeiture of an affected award, or other method, as the case may be. For incentive-based compensation based on stock price or total shareholder return (or other measure where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement), the Committee shall determine the amount of Erroneously Awarded Compensation based on its reasonable estimate of the impact of such restatement on Renasant's stock price, total shareholder return or other relevant measure upon which the incentive-based



slide3

compensation was received. The Committee shall document such determination and maintain such documentation for provision to the NYSE upon its request. For avoidance of doubt, the Committee shall, in the case of a Restatement Event, seek to recover any Erroneously Awarded Compensation paid to a covered individual, without needing to find that such individual engaged in intentional or unlawful misconduct that materially contributed to the need for the accounting restatement. Process For purposes of this Policy, the date Renasant determines an accounting restatement is required shall be deemed to be the earlier of (1) the date the Chief Financial Officer concludes, or should have concluded, that Renasant is required to prepare an accounting restatement, unless such conclusion is subject to the approval of the Audit Committee of the Board of Directors or the full Board, in which case the determination date shall be the date the Audit Committee or the Board, as applicable, concludes, or should have concluded, that such restatement is required; and (2) the date a court, regulator or other legally authorized body directs Renasant to prepare an accounting restatement (as defined in this Policy). Subject to applicable law, the Committee, in consultation with the Board, shall direct the appropriate method by which Renasant shall attempt to recover Erroneously Awarded Compensation, provided, that, Renasant may not forgo its efforts to recover Erroneously Awarded Compensation except where both (1) the Committee determines that recovery of such compensation would be impracticable and (2) the Committee's determination of impracticability is based on its conclusion that either (a) after making a reasonable attempt to recover the Erroneously Awarded Compensation, the direct expenses that would paid to a third party to assist in recovery efforts would exceed the amount of the Erroneously Awarded Compensation (and the Committee shall document such recovery attempts), or (b) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to Renasant employees, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder. Any right of recovery under this Policy is in addition to, and not in lieu of, any other legal or equitable remedies that may be available to Renasant or its affiliates or any actions that may be imposed by U.S. enforcement agencies, regulators, administrative bodies, or other authorities. In the reasonable exercise of its authority and judgment under this Policy, the Committee may, in its sole discretion, determine whether and to what extent additional action is appropriate to address the circumstances surrounding a Recoupment Event and to impose other such discipline as it deems appropriate. No Indemnification or Reimbursement Notwithstanding the terms of any other policy, agreement, or arrangement, in no event will Renasant indemnify or, in any way, reimburse a covered individual for any loss of Awarded Compensation under this Policy. Definitions For the purposes of this Policy, (i) the term "covered individual" shall refer to any individual who is or was an "executive officer" of Renasant during the Applicable Period.

slide4



vested, or earned based wholly or in part upon the attainment of a financial reporting measure (including, but not limited to, both measures determined and presented in accordance with accounting principles generally accepted in the United States ("GAAP") and non-GAAP measures) (for purposes of this Policy, stock price and total shareholder return shall be deemed to be financial reporting measures); and (ii) the term "accounting restatement" includes any required accounting restatement to correct an error in previously issued financial statements that (A) is material to such financial statements or (B) would result in a material misstatement if the error were not corrected in the current period or left uncorrected in the current period. Administration This Policy shall be administered by the Compensation Committee. It is intended that this Policy be interpreted in a manner consistent with Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC or any national securities exchange on which Renasant's securities are listed. The Committee will make such determinations and interpretations and take such actions in connection with this Policy as it deems necessary, appropriate, or advisable. Any determination and interpretation made by the Committee shall be final and binding on all affected individuals. Renasant shall conform the terms of future compensatory contractual arrangements with officers and employees to be consistent with this Policy and seek to amend any existing compensatory contractual arrangements to the extent the same are inconsistent with this Policy. Policy Approval and Amendment The Committee, on behalf of the Board, shall review and approve this Policy every two years, or any updates thereto, every two years. Policy Revision History Date Description Version 12/15/15 Initial adoption by Board of Directors 1.0 6/27/2018 Bi-annual review of policy 1.0 7/8/2020 Bi-annual review of policy 1.1 7/13/2022 Bi-annual review of policy 1.1 11/8/2023 Update to policy to address NYSE Rule 303A.14.2.0 Attachment: Acknowledgement and Certification



slide5

RENASANT CORPORATION CLAWBACK POLICY ACKNOWLEDGEMENT AND CERTIFICATION The undersigned hereby acknowledges receipt of the Renasant Corporation Clawback Policy (the "Policy"). The undersigned certifies to Renasant Corporation (together with its subsidiaries, "Renasant") that: (i) he/she has reviewed and understands the Policy; (ii) he/she acknowledges his/her status as a "covered individual" (as defined in the Policy) and understand that the Policy applies both during the undersigned's employment with Renasant and for a period after such employment ends; and (iii) he/she agrees to abide by the terms of the Policy, including by reasonably cooperating with Renasant and the Compensation Committee of the Board of Directors of Renasant in connection with its efforts to recover "Erroneously Awarded Compensation" (as defined in the Policy). Without limiting the generality of the foregoing, the undersigned hereby acknowledges that the Policy prohibits Renasant from indemnifying the undersigned against, or reimbursing the undersigned for, any loss of Awarded Compensation (as defined in the Policy), and, accordingly, the undersigned agrees to, and hereby does, waive any rights of indemnification or reimbursement with respect to lost Awarded Compensation arising under Renasant's articles of incorporation and bylaws (each as amended through the date hereof), any employee benefit plan or other policy, procedure or arrangement of Renasant, any employment agreement or other agreement between Renasant and the undersigned or applicable law. By: Print Name: Date: Please sign and date this

Acknowledgment and Certification and promptly return it by hand or via PDF to the General Counsel.

DISCLAIMER

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