

---

---

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

---

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**  
Date of Report (Date of earliest event reported): **January 21, 2022**

**FIRST HAWAIIAN, INC.**  
(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-14585**  
(Commission File Number)

**99-0156159**  
(IRS Employer Identification No.)

**999 Bishop St., 29th Floor**  
**Honolulu, Hawaii**  
(Address of Principal Executive Offices)

**96813**  
(Zip Code)

**(808) 525-7000**  
(Registrant's Telephone Number, Including Area Code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, par value \$0.01 per share | FHB               | NASDAQ Global Select Market                |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

---

---

## Item 2.02 Results of Operations and Financial Condition.

On January 21, 2022, First Hawaiian, Inc. (together with its consolidated subsidiary, “First Hawaiian”) reported its earnings for the quarter ended December 31, 2021. A copy of First Hawaiian’s press release containing this information is being furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

All information provided in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of First Hawaiian under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such a filing.

## Item 8.01. Other Events.

On January 21, 2022, First Hawaiian announced a stock repurchase program for up to \$75 million of its outstanding common stock during 2022. Repurchases of shares of the Company’s common stock may be conducted through open market purchases, which may include purchases under a trading plan adopted pursuant to Securities and Exchange Commission Rule 10b5-1, or through privately negotiated transactions. The timing and exact amount of share repurchases, if any, will be subject to management’s discretion and various factors, including the Company’s capital position and financial performance, as well as market conditions. The repurchase program may be suspended, terminated or modified at any time for any reason.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u>   |
|--------------------|--|
| 99.1               | <a href="#">Press release of First Hawaiian, Inc. dated January 21, 2022 containing financial information for its quarter ended December 31, 2021.</a> |
| 104                | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document   |

**SIGNATURE**

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

**FIRST HAWAIIAN, INC.**

Date: January 21, 2022

By: /s/ Robert S. Harrison  
Robert S. Harrison  
Chairman of the Board, President and Chief Executive  
Officer  
(Principal Executive Officer)

**For Immediate Release****First Hawaiian, Inc. Reports Fourth Quarter 2021 Financial Results and Declares Dividend**

HONOLULU, Hawaii January 21, 2022--(Globe Newswire)--First Hawaiian, Inc. (NASDAQ:FHB), ("First Hawaiian" or the "Company") today reported financial results for its quarter ended December 31, 2021.

"We are pleased to report that we closed 2021 with a solid fourth quarter," said Bob Harrison, Chairman, President and CEO. "We saw strong loan growth, continued to grow consumer and commercial deposits while reducing excess liquidity, and credit quality remained excellent."

On January 19, 2022 the Company's Board of Directors declared a quarterly cash dividend of \$0.26 per share. The dividend will be payable on March 4, 2022 to stockholders of record at the close of business on February 18, 2022.

Additionally, the Company's Board of Directors adopted a stock repurchase program for up to \$75 million of its outstanding common stock during 2022.

**Fourth Quarter 2021 Highlights:**

- Net income of \$57.0 million, or \$0.44 per diluted share
- Total loans and leases increased \$127.7 million versus prior quarter
- Total deposits decreased \$303.9 million versus prior quarter, reduced public deposits by \$978.4 million
- Incurred a \$9.0 million charge in connection with the prepayment of \$200.0 million of Federal Home Loan Bank advances at a weighted average rate of 2.73%
- No provision for credit losses was taken in the quarter
- Board of Directors declared a quarterly dividend of \$0.26 per share
- Repurchased \$21.5 million of stock under share repurchase program

**Balance Sheet**

Total assets were \$25.0 billion as of December 31, 2021, compared to \$25.5 billion as of September 30, 2021.

Gross loans and leases were \$13.0 billion as of December 31, 2021, an increase of \$127.7 million, or 1.0%, from \$12.8 billion as of September 30, 2021.

Total deposits were \$21.8 billion as of December 31, 2021, a decrease of \$303.9 million, or 1.4%, from \$22.1 billion as of September 30, 2021.

**Net Interest Income**

Net interest income for the fourth quarter of 2021 was \$137.3 million, an increase of \$4.7 million, or 3.6%, compared to \$132.6 million for the prior quarter.

The net interest margin (NIM) was 2.38% in the fourth quarter of 2021, an increase of 2 basis points compared to 2.36% in the third quarter of 2021.

**Provision Expense**

During the quarter ended December 31, 2021, we did not record a provision for credit losses. In the quarter ended September 30, 2021, we recorded a \$4.0 million negative provision for credit losses.

**Noninterest Income**

Noninterest income was \$41.6 million in the fourth quarter of 2021, a decrease of \$8.5 million compared to noninterest income of \$50.1 million in the third quarter of 2021.

---

## **Noninterest Expense**

Noninterest expense was \$108.7 million in the fourth quarter of 2021, an increase of \$7.7 million compared to noninterest expense of \$101.0 million in the third quarter of 2021.

The efficiency ratio was 60.5% and 55.1% for the quarters ended December 31, 2021 and September 30, 2021, respectively.

## **Taxes**

The effective tax rate was 18.7% for the quarter ended December 31, 2021 and 25.0% for the quarter ended September 30, 2021.

## **Asset Quality**

The allowance for credit losses was \$157.3 million, or 1.21% of total loans and leases, as of December 31, 2021, compared to \$161.2 million, or 1.26% of total loans and leases, as of September 30, 2021. The reserve for unfunded commitments was \$30.3 million as of December 31, 2021 compared to \$32.5 million as of September 30, 2021. Net charge-offs were \$6.2 million, or 0.19% of average loans and leases on an annualized basis for the quarter ended December 31, 2021, compared to net charge-offs of \$0.6 million, or 0.02% of average loans and leases on an annualized basis for the quarter ended September 30, 2021. Total non-performing assets were \$7.3 million, or 0.06% of total loans and leases and other real estate owned, at December 31, 2021, compared to total non-performing assets of \$8.6 million, or 0.07% of total loans and leases and other real estate owned, at September 30, 2021.

## **Capital**

Total stockholders' equity was \$2.7 billion at both December 31, 2021 and September 30, 2021.

The tier 1 leverage, common equity tier 1 and total capital ratios were 7.24%, 12.24% and 13.49%, respectively, at December 31, 2021, compared with 7.39%, 12.63% and 13.88%, respectively, at September 30, 2021.

The Company repurchased 0.77 million shares of common stock at a total cost of \$21.5 million under the stock repurchase program in the fourth quarter. The average cost was \$27.92 per share repurchased. Total repurchases in 2021 were \$75.0 million.

As to the stock repurchase program approved for 2022, repurchases of shares of the Company's common stock may be conducted through open market purchases, which may include purchases under a trading plan adopted pursuant to Securities and Exchange Commission Rule 10b5-1, or through privately negotiated transactions. The timing and exact amount of share repurchases, if any, will be subject to management's discretion and various factors, including the Company's capital position and financial performance, as well as market conditions. The repurchase program may be suspended, terminated or modified at any time for any reason.

## **First Hawaiian, Inc.**

First Hawaiian, Inc. (NASDAQ:FHB) is a bank holding company headquartered in Honolulu, Hawaii. Its principal subsidiary, First Hawaiian Bank, founded in 1858 under the name Bishop & Company, is Hawaii's oldest and largest financial institution with branch locations throughout Hawaii, Guam and Saipan. The company offers a comprehensive suite of banking services to consumer and commercial customers including deposit products, loans, wealth management, insurance, trust, retirement planning, credit card and merchant processing services. Customers may also access their accounts through ATMs, online and mobile banking channels. For more information about First Hawaiian, Inc., visit the Company's website, [www.fhb.com](http://www.fhb.com).

## **Conference Call Information**

First Hawaiian will host a conference call to discuss the Company's results today at 1:00 p.m. Eastern Time, 8:00 a.m. Hawaii Time. To access the call, participants should dial (844) 452-2942 (US/Canada), or (574) 990-9846 (International) ten minutes prior to the start of the call and enter the conference ID: 8790379. A live webcast of the conference call, including a slide presentation, will be available at the following link: [www.fhb.com/earnings](http://www.fhb.com/earnings). The archive of the webcast will be available at the same location. A telephonic replay of the conference call will be available two hours after the conclusion of the call until 4:30 p.m. (Eastern Time) on January 28, 2022. Access the replay by dialing (855) 859-2056 or (404) 537-3406 and entering the conference ID: 8790379.

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as "may", "might", "should", "could", "predict", "potential", "believe", "expect", "continue", "will", "anticipate", "seek", "estimate", "intend", "plan", "projection", "would", "annualized" and "outlook", or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Further, statements about the potential effects of the COVID-19 pandemic on our businesses and financial results and conditions may constitute forward-looking statements and are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future

---

developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, and the direct and indirect impact of the pandemic on our customers, third parties and us. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, there can be no assurance that actual results will not prove to be materially different from the results expressed or implied by the forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the domestic and global economic environment and capital market conditions and other risk factors. For a discussion of some of these risks and important factors that could affect our future results and financial condition, see our U.S. Securities and Exchange Commission (“SEC”) filings, including, but not limited to, our Annual Report on Form 10-K for the year ended December 31, 2020 and our Quarterly Report on Form 10-Q for the quarters ended March 31, 2021, June 30, 2021 and September 30, 2021.

### **Use of Non-GAAP Financial Measures**

We present net interest income, noninterest income, noninterest expense, net income, earnings per share (basic and diluted) and the related ratios described below, on an adjusted, or “core,” basis, each a non-GAAP financial measure. These core measures exclude from the corresponding GAAP measure the impact of certain items that we do not believe are representative of our financial results. We believe that the presentation of these non-GAAP financial measures helps identify underlying trends in our business from period to period that could otherwise be distorted by the effect of certain expenses, gains and other items included in our operating results. We believe that these core measures provide useful information about our operating results and enhance the overall understanding of our past performance and future performance. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition.

Core net interest margin, core efficiency ratio, core return on average total assets and core return on average total stockholders’ equity are non-GAAP financial measures. We compute our core net interest margin as the ratio of core net interest income to average earning assets. We compute our core efficiency ratio as the ratio of core noninterest expense to the sum of core net interest income and core noninterest income. We compute our core return on average total assets as the ratio of core net income to average total assets. We compute our core return on average total stockholders’ equity as the ratio of core net income to average total stockholders’ equity.

Return on average tangible stockholders’ equity, core return on average tangible stockholders’ equity, return on average tangible assets, core return on average tangible assets and tangible stockholders’ equity to tangible assets are non-GAAP financial measures. We compute our return on average tangible stockholders’ equity as the ratio of net income to average tangible stockholders’ equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders’ equity. We compute our core return on average tangible stockholders’ equity as the ratio of core net income to average tangible stockholders’ equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders’ equity. We compute our return on average tangible assets as the ratio of net income to average tangible assets, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total assets. We compute our core return on average tangible assets as the ratio of core net income to average tangible assets. We compute our tangible stockholders’ equity to tangible assets as the ratio of tangible stockholders’ equity to tangible assets, each of which we calculate by subtracting (and thereby effectively excluding) the value of our goodwill. We believe that these measurements are useful for investors, regulators, management and others to evaluate financial performance and capital adequacy relative to other financial institutions. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results or financial condition as reported under GAAP.

Tables 14 and 15 at the end of this document provide a reconciliation of these non-GAAP financial measures with their most directly comparable GAAP measures.

#### **Investor Relations Contact:**

Kevin Haseyama, CFA  
(808) 525-6268  
khaseyama@fhb.com

#### **Media Contact:**

Susan Kam  
(808) 525-6254  
skam@fhb.com

---

## Financial Highlights

Table 1

| (dollars in thousands, except per share data)                                  | For the Three Months Ended |               |               | For the Year Ended |               |
|--|----------------------------|---------------|---------------|--------------------|---------------|
|  | December 31,               | September 30, | December 31,  | December 31,       |               |
|  | 2021                       | 2021          | 2020          | 2021               | 2020          |
| <b>Operating Results:</b>  |                            |               |               |                    |               |
| Net interest income  | \$ 137,327                 | \$ 132,593    | \$ 135,227    | \$ 530,559         | \$ 535,734    |
| Provision for credit losses  | —                          | (4,000)       | 20,000        | (39,000)           | 121,718       |
| Noninterest income   | 41,573                     | 50,104        | 53,598        | 184,916            | 197,380       |
| Noninterest expense  | 108,749                    | 101,036       | 88,127        | 405,479            | 367,672       |
| Net income   | 57,022                     | 64,279        | 61,739        | 265,735            | 185,754       |
| Basic earnings per share   | 0.45                       | 0.50          | 0.48          | 2.06               | 1.43          |
| Diluted earnings per share   | 0.44                       | 0.50          | 0.47          | 2.05               | 1.43          |
| Dividends declared per share   | 0.26                       | 0.26          | 0.26          | 1.04               | 1.04          |
| Dividend payout ratio  | 59.09 %                    | 52.00 %       | 55.32 %       | 50.73 %            | 72.73 %       |
| <b>Supplemental Income Statement Data (non-GAAP):</b>                          |                            |               |               |                    |               |
| Core net interest income   | \$ 137,327                 | \$ 132,593    | \$ 135,227    | \$ 530,559         | \$ 535,734    |
| Core noninterest income  | 47,587                     | 50,104        | 58,438        | 190,828            | 202,322       |
| Core noninterest expense   | 99,775                     | 98,936        | 88,127        | 393,245            | 367,672       |
| Core net income  | 68,013                     | 65,819        | 65,288        | 279,229            | 189,378       |
| Core basic earnings per share  | 0.53                       | 0.51          | 0.50          | 2.17               | 1.46          |
| Core diluted earnings per share  | 0.53                       | 0.51          | 0.50          | 2.16               | 1.45          |
| <b>Performance Ratios<sup>(1)</sup>:</b>                                       |                            |               |               |                    |               |
| Net interest margin  | 2.38 %                     | 2.36 %        | 2.71 %        | 2.43 %             | 2.77 %        |
| Core net interest margin (non-GAAP)  | 2.38 %                     | 2.36 %        | 2.71 %        | 2.43 %             | 2.77 %        |
| Efficiency ratio   | 60.50 %                    | 55.07 %       | 46.59 %       | 56.45 %            | 50.10 %       |
| Core efficiency ratio (non-GAAP)   | 53.71 %                    | 53.92 %       | 45.43 %       | 54.30 %            | 49.77 %       |
| Return on average total assets   | 0.88 %                     | 1.02 %        | 1.09 %        | 1.09 %             | 0.85 %        |
| Core return on average total assets (non-GAAP)                                 | 1.05 %                     | 1.04 %        | 1.16 %        | 1.14 %             | 0.87 %        |
| Return on average tangible assets (non-GAAP)                                   | 0.92 %                     | 1.06 %        | 1.14 %        | 1.13 %             | 0.89 %        |
| Core return on average tangible assets (non-GAAP) <sup>(2)</sup>               | 1.09 %                     | 1.09 %        | 1.21 %        | 1.19 %             | 0.91 %        |
| Return on average total stockholders' equity                                   | 8.46 %                     | 9.31 %        | 8.99 %        | 9.81 %             | 6.88 %        |
| Core return on average total stockholders' equity (non-GAAP)                   | 10.09 %                    | 9.54 %        | 9.51 %        | 10.31 %            | 7.02 %        |
| Return on average tangible stockholders' equity (non-GAAP)                     | 13.47 %                    | 14.63 %       | 14.14 %       | 15.51 %            | 10.91 %       |
| Core return on average tangible stockholders' equity (non-GAAP) <sup>(3)</sup> | 16.06 %                    | 14.98 %       | 14.95 %       | 16.30 %            | 11.12 %       |
| <b>Average Balances:</b>   |                            |               |               |                    |               |
| Average loans and leases   | \$ 12,814,316              | \$ 12,881,885 | \$ 13,366,980 | \$ 13,034,295      | \$ 13,518,308 |
| Average earning assets   | 23,100,445                 | 22,533,174    | 19,977,933    | 21,921,149         | 19,376,343    |
| Average assets   | 25,650,505                 | 25,058,085    | 22,468,040    | 24,426,258         | 21,869,064    |
| Average deposits   | 22,246,577                 | 21,621,836    | 19,020,800    | 21,011,587         | 18,252,998    |
| Average stockholders' equity   | 2,675,513                  | 2,738,540     | 2,732,271     | 2,708,370          | 2,698,853     |
| <b>Market Value Per Share:</b>   |                            |               |               |                    |               |
| Closing  | 27.33                      | 29.35         | 23.58         | 27.33              | 23.58         |
| High   | 30.14                      | 30.06         | 23.90         | 30.80              | 31.25         |
| Low  | 25.17                      | 25.75         | 14.16         | 23.14              | 13.56         |

(dollars in thousands, except per share data)

As of  
December 31,  
2021

As of  
September 30,  
2021

As of  
December 31,  
2020

**Balance Sheet Data:**

|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| Loans and leases           | \$ 12,961,999 | \$ 12,834,339 | \$ 13,279,097 |
| Total assets               | 24,992,410    | 25,548,322    | 22,662,831    |
| Total deposits             | 21,816,146    | 22,120,003    | 19,227,723    |
| Long-term borrowings       | —             | 200,000       | 200,010       |
| Total stockholders' equity | 2,656,912     | 2,711,734     | 2,744,104     |

**Per Share of Common Stock:**

|   |          |          |          |
|---|----------|----------|----------|
| Book value                                    | \$ 20.84 | \$ 21.14 | \$ 21.12 |
| Tangible book value (non-GAAP) <sup>(4)</sup> | 13.03    | 13.38    | 13.46    |

**Asset Quality Ratios:**

|   |        |        |        |
|---|--------|--------|--------|
| Non-accrual loans and leases / total loans and leases                     | 0.05 % | 0.07 % | 0.07 % |
| Allowance for credit losses for loans and leases / total loans and leases | 1.21 % | 1.26 % | 1.57 % |

**Capital Ratios:**

|   |         |         |         |
|---|---------|---------|---------|
| Common Equity Tier 1 Capital Ratio                          | 12.24 % | 12.63 % | 12.47 % |
| Tier 1 Capital Ratio  | 12.24 % | 12.63 % | 12.47 % |
| Total Capital Ratio   | 13.49 % | 13.88 % | 13.73 % |
| Tier 1 Leverage Ratio                                       | 7.24 %  | 7.39 %  | 8.00 %  |
| Total stockholders' equity to total assets                  | 10.63 % | 10.61 % | 12.11 % |
| Tangible stockholders' equity to tangible assets (non-GAAP) | 6.92 %  | 6.99 %  | 8.07 %  |

**Non-Financial Data:**

|  |       |       |       |
|--|-------|-------|-------|
| Number of branches                       | 54    | 54    | 54    |
| Number of ATMs                           | 299   | 298   | 297   |
| Number of Full-Time Equivalent Employees | 2,036 | 2,025 | 2,103 |

- (1) Except for the efficiency ratio and the core efficiency ratio, amounts are annualized for the three months ended December 31, 2021, September 30, 2021 and December 31, 2020.
- (2) Core return on average tangible assets is a non-GAAP financial measure. We compute our core return on average tangible assets as the ratio of core net income to average tangible assets, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total assets. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.
- (3) Core return on average tangible stockholders' equity is a non-GAAP financial measure. We compute our core return on average tangible stockholders' equity as the ratio of core net income to average tangible stockholders' equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders' equity. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.
- (4) Tangible book value is a non-GAAP financial measure. We compute our tangible book value as the ratio of tangible stockholders' equity to shares outstanding. Tangible stockholders' equity is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our total stockholders' equity. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.



## Consolidated Statements of Income

Table 2

|   | For the Three Months Ended |                       |                      | For the Year Ended        |             |
|---|----------------------------|-----------------------|----------------------|---------------------------|-------------|
|   | December 31,<br>2021       | September 30,<br>2021 | December 31,<br>2020 | December 31,<br>2021 2020 |             |
| (dollars in thousands, except per share amounts)      |                            |                       |                      |                           |             |
| <b>Interest income</b>                                |                            |                       |                      |                           |             |
| Loans and lease financing                             | \$ 111,865                 | \$ 110,765            | \$ 118,314           | \$ 444,488                | \$ 496,523  |
| Available-for-sale securities                         | 28,393                     | 25,234                | 22,752               | 101,410                   | 81,808      |
| Other   | 1,051                      | 1,205                 | 615                  | 3,413                     | 4,428       |
| Total interest income                                 | 141,309                    | 137,204               | 141,681              | 549,311                   | 582,759     |
| <b>Interest expense</b>                               |                            |                       |                      |                           |             |
| Deposits  | 3,216                      | 3,218                 | 5,061                | 13,853                    | 35,471      |
| Short-term and long-term borrowings                   | 766                        | 1,393                 | 1,393                | 4,899                     | 11,554      |
| Total interest expense                                | 3,982                      | 4,611                 | 6,454                | 18,752                    | 47,025      |
| Net interest income                                   | 137,327                    | 132,593               | 135,227              | 530,559                   | 535,734     |
| Provision for credit losses                           | —                          | (4,000)               | 20,000               | (39,000)                  | 121,718     |
| Net interest income after provision for credit losses | 137,327                    | 136,593               | 115,227              | 569,559                   | 414,016     |
| <b>Noninterest income</b>                             |                            |                       |                      |                           |             |
| Service charges on deposit accounts                   | 7,171                      | 6,989                 | 6,769                | 27,510                    | 28,169      |
| Credit and debit card fees                            | 16,266                     | 16,017                | 15,583               | 63,580                    | 55,451      |
| Other service charges and fees                        | 9,196                      | 10,233                | 8,404                | 38,578                    | 33,876      |
| Trust and investment services income                  | 8,895                      | 8,625                 | 8,733                | 34,719                    | 35,652      |
| Bank-owned life insurance                             | 2,851                      | 4,841                 | 4,159                | 13,185                    | 15,754      |
| Investment securities (losses) gains, net             | —                          | —                     | (12)                 | 102                       | (114)       |
| Other   | (2,806)                    | 3,399                 | 9,962                | 7,242                     | 28,592      |
| Total noninterest income                              | 41,573                     | 50,104                | 53,598               | 184,916                   | 197,380     |
| <b>Noninterest expense</b>                            |                            |                       |                      |                           |             |
| Salaries and employee benefits                        | 45,982                     | 46,484                | 42,687               | 182,384                   | 174,221     |
| Contracted services and professional fees             | 14,603                     | 15,042                | 13,940               | 63,349                    | 60,546      |
| Occupancy   | 8,074                      | 6,790                 | 7,355                | 29,348                    | 28,821      |
| Equipment   | 6,317                      | 6,549                 | 5,225                | 24,719                    | 20,277      |
| Regulatory assessment and fees                        | 2,557                      | 1,828                 | 2,168                | 8,245                     | 8,659       |
| Advertising and marketing                             | 1,579                      | 1,469                 | 1,096                | 6,108                     | 5,695       |
| Card rewards program                                  | 7,471                      | 6,676                 | 4,890                | 25,244                    | 22,114      |
| Other   | 22,166                     | 16,198                | 10,766               | 66,082                    | 47,339      |
| Total noninterest expense                             | 108,749                    | 101,036               | 88,127               | 405,479                   | 367,672     |
| Income before provision for income taxes              | 70,151                     | 85,661                | 80,698               | 348,996                   | 243,724     |
| Provision for income taxes                            | 13,129                     | 21,382                | 18,959               | 83,261                    | 57,970      |
| <b>Net income</b>                                     | \$ 57,022                  | \$ 64,279             | \$ 61,739            | \$ 265,735                | \$ 185,754  |
| Basic earnings per share                              | \$ 0.45                    | \$ 0.50               | \$ 0.48              | \$ 2.06                   | \$ 1.43     |
| Diluted earnings per share                            | \$ 0.44                    | \$ 0.50               | \$ 0.47              | \$ 2.05                   | \$ 1.43     |
| Basic weighted-average outstanding shares             | 127,893,011                | 128,660,038           | 129,912,104          | 128,963,131               | 129,890,225 |
| Diluted weighted-average outstanding shares           | 128,512,257                | 129,210,448           | 130,314,381          | 129,537,922               | 130,220,077 |

## Consolidated Balance Sheets

Table 3

| (dollars in thousands)   | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
|--|----------------------|-----------------------|----------------------|
| <b>Assets</b>  |                      |                       |                      |
| Cash and due from banks  | \$ 246,716           | \$ 268,467            | \$ 303,373           |
| Interest-bearing deposits in other banks   | 1,011,753            | 2,130,615             | 737,571              |
| Investment securities, at fair value (amortized cost: \$8,560,733 as of December 31, 2021, \$7,994,266 as of September 30, 2021 and \$5,985,031 as of December 31, 2020)   | 8,428,032            | 7,953,727             | 6,071,415            |
| Loans held for sale  | 538                  | 2,052                 | 11,579               |
| Loans and leases   | 12,961,999           | 12,834,339            | 13,279,097           |
| Less: allowance for credit losses  | 157,262              | 161,246               | 208,454              |
| Net loans and leases   | 12,804,737           | 12,673,093            | 13,070,643           |
| Premises and equipment, net  | 318,448              | 317,272               | 322,401              |
| Other real estate owned and repossessed personal property  | 175                  | —                     | —                    |
| Accrued interest receivable  | 63,158               | 64,855                | 69,626               |
| Bank-owned life insurance  | 471,819              | 468,968               | 466,537              |
| Goodwill   | 995,492              | 995,492               | 995,492              |
| Mortgage servicing rights  | 8,302                | 9,107                 | 10,731               |
| Other assets   | 643,240              | 664,674               | 603,463              |
| <b>Total assets</b>  | <b>\$ 24,992,410</b> | <b>\$ 25,548,322</b>  | <b>\$ 22,662,831</b> |
| <b>Liabilities and Stockholders' Equity</b>  |                      |                       |                      |
| Deposits:  |                      |                       |                      |
| Interest-bearing   | \$ 12,422,283        | \$ 13,246,579         | \$ 11,705,609        |
| Noninterest-bearing  | 9,393,863            | 8,873,424             | 7,522,114            |
| Total deposits   | 21,816,146           | 22,120,003            | 19,227,723           |
| Long-term borrowings   | —                    | 200,000               | 200,010              |
| Retirement benefits payable  | 134,491              | 144,400               | 143,373              |
| Other liabilities  | 384,861              | 372,185               | 347,621              |
| Total liabilities  | 22,335,498           | 22,836,588            | 19,918,727           |
| Stockholders' equity   |                      |                       |                      |
| Common stock (\$0.01 par value; authorized 300,000,000 shares; issued/outstanding: 140,581,715 / 127,502,472 shares as of December 31, 2021, issued/outstanding: 140,563,799 / 128,255,570 shares as of September 30, 2021 and issued/outstanding: 140,191,133 / 129,912,272 shares as of December 31, 2020) | 1,406                | 1,406                 | 1,402                |
| Additional paid-in capital   | 2,527,663            | 2,524,168             | 2,514,014            |
| Retained earnings  | 604,534              | 581,094               | 473,974              |
| Accumulated other comprehensive (loss) income, net   | (121,693)            | (61,463)              | 31,604               |
| Treasury stock (13,079,243 shares as of December 31, 2021, 12,308,229 shares as of September 30, 2021 and 10,278,861 shares as of December 31, 2020)   | (354,998)            | (333,471)             | (276,890)            |
| Total stockholders' equity   | 2,656,912            | 2,711,734             | 2,744,104            |
| <b>Total liabilities and stockholders' equity</b>  | <b>\$ 24,992,410</b> | <b>\$ 25,548,322</b>  | <b>\$ 22,662,831</b> |

## Average Balances and Interest Rates

Table 4

|   | Three Months Ended<br>December 31, 2021 |                    |                | Three Months Ended<br>September 30, 2021 |                    |                | Three Months Ended<br>December 31, 2020 |                    |                |
|---|---|--------------------|----------------|--|--------------------|----------------|---|--------------------|----------------|
|   | Average<br>Balance                      | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                       | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                      | Income/<br>Expense | Yield/<br>Rate |
| (dollars in millions)                             |   |                    |                |  |                    |                |   |                    |                |
| <b>Earning Assets</b>                             |   |                    |                |  |                    |                |   |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 2,074.5                              | \$ 0.8             | 0.15 %         | \$ 2,356.4                               | \$ 0.9             | 0.16 %         | \$ 688.1                                | \$ 0.2             | 0.10 %         |
| Available-for-Sale Investment Securities          |   |                    |                |  |                    |                |   |                    |                |
| Taxable   | 7,515.2                                 | 25.8               | 1.37           | 6,654.6                                  | 22.9               | 1.37           | 5,632.9                                 | 22.0               | 1.56           |
| Non-Taxable                                       | 615.3                                   | 3.3                | 2.14           | 561.1                                    | 2.9                | 2.11           | 220.0                                   | 0.9                | 1.74           |
| Total Available-for-Sale Investment Securities    | 8,130.5                                 | 29.1               | 1.43           | 7,215.7                                  | 25.8               | 1.43           | 5,852.9                                 | 22.9               | 1.57           |
| Loans Held for Sale                               | 1.0                                     | —                  | 1.35           | 2.2                                      | —                  | 2.39           | 16.2                                    | 0.1                | 2.00           |
| Loans and Leases <sup>(1)</sup>                   |   |                    |                |  |                    |                |   |                    |                |
| Commercial and industrial                         | 2,084.0                                 | 21.1               | 4.01           | 2,367.2                                  | 19.7               | 3.29           | 3,077.6                                 | 22.6               | 2.93           |
| Commercial real estate                            | 3,572.9                                 | 26.0               | 2.89           | 3,447.0                                  | 25.4               | 2.92           | 3,407.2                                 | 26.2               | 3.06           |
| Construction                                      | 806.6                                   | 6.3                | 3.09           | 862.4                                    | 7.0                | 3.24           | 703.1                                   | 5.6                | 3.14           |
| Residential:                                      |   |                    |                |  |                    |                |   |                    |                |
| Residential mortgage                              | 4,014.9                                 | 34.9               | 3.48           | 3,866.1                                  | 34.6               | 3.58           | 3,679.6                                 | 37.1               | 4.03           |
| Home equity line                                  | 864.4                                   | 5.5                | 2.52           | 837.7                                    | 5.5                | 2.62           | 856.8                                   | 6.1                | 2.81           |
| Consumer  | 1,241.3                                 | 16.3               | 5.22           | 1,260.2                                  | 16.8               | 5.28           | 1,394.5                                 | 19.0               | 5.43           |
| Lease financing                                   | 230.2                                   | 1.9                | 3.27           | 241.3                                    | 2.0                | 3.23           | 248.2                                   | 1.8                | 2.89           |
| Total Loans and Leases                            | 12,814.3                                | 112.0              | 3.48           | 12,881.9                                 | 111.0              | 3.43           | 13,367.0                                | 118.4              | 3.53           |
| Other Earning Assets                              | 80.1                                    | 0.3                | 1.27           | 77.0                                     | 0.3                | 1.34           | 53.7                                    | 0.4                | 3.26           |
| Total Earning Assets <sup>(2)</sup>               | 23,100.4                                | 142.2              | 2.45           | 22,533.2                                 | 138.0              | 2.44           | 19,977.9                                | 142.0              | 2.83           |
| Cash and Due from Banks                           | 282.2                                   |                    |                | 290.5                                    |                    |                | 289.2                                   |                    |                |
| Other Assets                                      | 2,267.9                                 |                    |                | 2,234.4                                  |                    |                | 2,200.9                                 |                    |                |
| <b>Total Assets</b>                               | <b>\$ 25,650.5</b>                      |                    |                | <b>\$ 25,058.1</b>                       |                    |                | <b>\$ 22,468.0</b>                      |                    |                |
| <b>Interest-Bearing Liabilities</b>               |   |                    |                |  |                    |                |   |                    |                |
| Interest-Bearing Deposits                         |   |                    |                |  |                    |                |   |                    |                |
| Savings   | \$ 7,086.0                              | \$ 0.8             | 0.04 %         | \$ 6,886.0                               | \$ 0.6             | 0.03 %         | 5,786.4                                 | \$ 0.5             | 0.03 %         |
| Money Market                                      | 4,048.3                                 | 0.5                | 0.05           | 3,957.1                                  | 0.5                | 0.05           | 3,440.9                                 | 0.4                | 0.05           |
| Time  | 1,819.0                                 | 1.9                | 0.42           | 1,884.4                                  | 2.1                | 0.45           | 2,461.3                                 | 4.2                | 0.67           |
| Total Interest-Bearing Deposits                   | 12,953.3                                | 3.2                | 0.10           | 12,727.5                                 | 3.2                | 0.10           | 11,688.6                                | 5.1                | 0.17           |
| Long-Term Borrowings                              | 110.9                                   | 0.8                | 2.74           | 200.0                                    | 1.4                | 2.76           | 200.0                                   | 1.4                | 2.77           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>13,064.2</b>                         | <b>4.0</b>         | <b>0.12</b>    | <b>12,927.5</b>                          | <b>4.6</b>         | <b>0.14</b>    | <b>11,888.6</b>                         | <b>6.5</b>         | <b>0.22</b>    |
| <b>Net Interest Income</b>                        |   |                    |                |  |                    |                |   |                    |                |
| Interest Rate Spread                              |   |                    | 2.33 %         |  |                    | 2.30 %         |   |                    | 2.61 %         |
| Net Interest Margin                               |   |                    | 2.38 %         |  |                    | 2.36 %         |   |                    | 2.71 %         |
| Noninterest-Bearing Demand Deposits               | 9,293.3                                 |                    |                | 8,894.3                                  |                    |                | 7,332.2                                 |                    |                |
| Other Liabilities                                 | 617.5                                   |                    |                | 497.7                                    |                    |                | 514.9                                   |                    |                |
| Stockholders' Equity                              | 2,675.5                                 |                    |                | 2,738.6                                  |                    |                | 2,732.3                                 |                    |                |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 25,650.5</b>                      |                    |                | <b>\$ 25,058.1</b>                       |                    |                | <b>\$ 22,468.0</b>                      |                    |                |

- (1) Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.
- (2) Interest income includes taxable-equivalent basis adjustments of \$0.9 million, \$0.8 million and \$0.3 million for the three months ended December 31, 2021, September 30, 2021 and December 31, 2020, respectively.

| (dollars in millions)                             | Year Ended<br>December 31, 2021 |                    |                | Year Ended<br>December 31, 2020 |                    |                |
|---|---------------------------------|--------------------|----------------|---------------------------------|--------------------|----------------|
|   | Average<br>Balance              | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance              | Income/<br>Expense | Yield/<br>Rate |
| <b>Earning Assets</b>                             |                                 |                    |                |                                 |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 1,723.0                      | \$ 2.3             | 0.14 %         | \$ 882.1                        | \$ 2.4             | 0.27 %         |
| Available-for-Sale Investment Securities          |                                 |                    |                |                                 |                    |                |
| Taxable   | 6,608.9                         | 93.3               | 1.41           | 4,844.5                         | 80.9               | 1.67           |
| Non-Taxable                                       | 481.9                           | 10.2               | 2.12           | 62.0                            | 1.1                | 1.77           |
| Total Available-for-Sale Investment Securities    | 7,090.8                         | 103.5              | 1.46           | 4,906.5                         | 82.0               | 1.67           |
| Loans Held for Sale                               | 3.6                             | 0.1                | 2.24           | 13.0                            | 0.3                | 2.21           |
| Loans and Leases <sup>(1)</sup>                   |                                 |                    |                |                                 |                    |                |
| Commercial and industrial                         | 2,586.8                         | 82.2               | 3.18           | 3,168.7                         | 93.2               | 2.94           |
| Commercial real estate                            | 3,456.7                         | 101.6              | 2.94           | 3,419.1                         | 116.9              | 3.42           |
| Construction                                      | 804.5                           | 25.4               | 3.16           | 615.7                           | 21.3               | 3.46           |
| Residential:                                      |                                 |                    |                |                                 |                    |                |
| Residential mortgage                              | 3,836.6                         | 138.3              | 3.60           | 3,698.7                         | 148.4              | 4.01           |
| Home equity line                                  | 834.3                           | 22.2               | 2.66           | 875.1                           | 27.1               | 3.10           |
| Consumer  | 1,275.5                         | 67.8               | 5.31           | 1,501.6                         | 82.9               | 5.52           |
| Lease financing                                   | 239.9                           | 7.6                | 3.14           | 239.4                           | 6.9                | 2.90           |
| Total Loans and Leases                            | 13,034.3                        | 445.1              | 3.42           | 13,518.3                        | 496.7              | 3.67           |
| Other Earning Assets                              | 69.4                            | 1.1                | 1.54           | 56.4                            | 2.0                | 3.66           |
| Total Earning Assets <sup>(2)</sup>               | 21,921.1                        | 552.1              | 2.52           | 19,376.3                        | 583.4              | 3.01           |
| Cash and Due from Banks                           | 289.3                           |                    |                | 304.9                           |                    |                |
| Other Assets                                      | 2,215.9                         |                    |                | 2,187.9                         |                    |                |
| <b>Total Assets</b>                               | <b>\$ 24,426.3</b>              |                    |                | <b>\$ 21,869.1</b>              |                    |                |
| <b>Interest-Bearing Liabilities</b>               |                                 |                    |                |                                 |                    |                |
| Interest-Bearing Deposits                         |                                 |                    |                |                                 |                    |                |
| Savings   | \$ 6,581.1                      | \$ 2.5             | 0.04 %         | \$ 5,538.1                      | \$ 5.2             | 0.09 %         |
| Money Market                                      | 3,831.4                         | 2.1                | 0.05           | 3,266.6                         | 6.6                | 0.20           |
| Time  | 2,005.0                         | 9.3                | 0.47           | 2,839.8                         | 23.7               | 0.83           |
| Total Interest-Bearing Deposits                   | 12,417.5                        | 13.9               | 0.11           | 11,644.5                        | 35.5               | 0.30           |
| Federal Funds Purchased                           | —                               | —                  | —              | 1.4                             | —                  | 0.43           |
| Short-Term Borrowings                             | —                               | —                  | —              | 208.2                           | 6.0                | 2.88           |
| Long-Term Borrowings                              | 177.5                           | 4.9                | 2.76           | 200.0                           | 5.5                | 2.77           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>12,595.0</b>                 | <b>18.8</b>        | <b>0.15</b>    | <b>12,054.1</b>                 | <b>47.0</b>        | <b>0.39</b>    |
| <b>Net Interest Income</b>                        |                                 | <b>\$ 533.3</b>    |                |                                 | <b>\$ 536.4</b>    |                |
| Interest Rate Spread                              |                                 |                    | 2.37 %         |                                 |                    | 2.62 %         |
| Net Interest Margin                               |                                 |                    | 2.43 %         |                                 |                    | 2.77 %         |
| Noninterest-Bearing Demand Deposits               | 8,594.1                         |                    |                | 6,608.5                         |                    |                |
| Other Liabilities                                 | 528.8                           |                    |                | 507.6                           |                    |                |
| Stockholders' Equity                              | 2,708.4                         |                    |                | 2,698.9                         |                    |                |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 24,426.3</b>              |                    |                | <b>\$ 21,869.1</b>              |                    |                |

(1) Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

(2) Interest income includes taxable-equivalent basis adjustments of \$2.8 million and \$0.7 million for the years ended December 31, 2021 and 2020, respectively.

## Analysis of Change in Net Interest Income

Table 6

| (dollars in millions)                          | Three Months Ended December 31, 2021<br>Compared to September 30, 2021 |               |               |
|--|--|---------------|---------------|
|  | Volume   | Rate          | Total         |
| <b>Change in Interest Income:</b>              |  |               |               |
| Interest-Bearing Deposits in Other Banks       | \$ (0.1)   | \$ —          | \$ (0.1)      |
| Available-for-Sale Investment Securities       |  |               |               |
| Taxable  | 2.9  | —             | 2.9           |
| Non-Taxable                                    | 0.3  | 0.1           | 0.4           |
| Total Available-for-Sale Investment Securities | 3.2  | 0.1           | 3.3           |
| Loans and Leases                               |  |               |               |
| Commercial and industrial                      | (2.5)  | 3.9           | 1.4           |
| Commercial real estate                         | 0.9  | (0.3)         | 0.6           |
| Construction                                   | (0.4)  | (0.3)         | (0.7)         |
| Residential:                                   |  |               |               |
| Residential mortgage                           | 1.3  | (1.0)         | 0.3           |
| Home equity line                               | 0.2  | (0.2)         | —             |
| Consumer                                       | (0.3)  | (0.2)         | (0.5)         |
| Lease financing                                | (0.1)  | —             | (0.1)         |
| Total Loans and Leases                         | (0.9)  | 1.9           | 1.0           |
| <b>Total Change in Interest Income</b>         | <b>2.2</b>   | <b>2.0</b>    | <b>4.2</b>    |
| <b>Change in Interest Expense:</b>             |  |               |               |
| Interest-Bearing Deposits                      |  |               |               |
| Savings  | —  | 0.2           | 0.2           |
| Time   | (0.1)  | (0.1)         | (0.2)         |
| Total Interest-Bearing Deposits                | (0.1)  | 0.1           | —             |
| Long-Term Borrowings                           | (0.6)  | —             | (0.6)         |
| <b>Total Change in Interest Expense</b>        | <b>(0.7)</b>   | <b>0.1</b>    | <b>(0.6)</b>  |
| <b>Change in Net Interest Income</b>           | <b>\$ 2.9</b>  | <b>\$ 1.9</b> | <b>\$ 4.8</b> |

## Analysis of Change in Net Interest Income

Table 7

| (dollars in millions)                          | Three Months Ended December 31, 2021<br>Compared to December 31, 2020 |                 |               |
|--|---|-----------------|---------------|
|  | Volume  | Rate            | Total         |
| <b>Change in Interest Income:</b>              |   |                 |               |
| Interest-Bearing Deposits in Other Banks       | \$ 0.5  | \$ 0.1          | \$ 0.6        |
| Available-for-Sale Investment Securities       |   |                 |               |
| Taxable  | 6.7   | (2.9)           | 3.8           |
| Non-Taxable                                    | 2.1   | 0.3             | 2.4           |
| Total Available-for-Sale Investment Securities | 8.8   | (2.6)           | 6.2           |
| Loans Held for Sale                            | (0.1)   | —               | (0.1)         |
| Loans and Leases                               |   |                 |               |
| Commercial and industrial                      | (8.5)   | 7.0             | (1.5)         |
| Commercial real estate                         | 1.3   | (1.5)           | (0.2)         |
| Construction                                   | 0.8   | (0.1)           | 0.7           |
| Residential:                                   |   |                 |               |
| Residential mortgage                           | 3.2   | (5.4)           | (2.2)         |
| Home equity line                               | —   | (0.6)           | (0.6)         |
| Consumer                                       | (2.0)   | (0.7)           | (2.7)         |
| Lease financing                                | (0.1)   | 0.2             | 0.1           |
| Total Loans and Leases                         | (5.3)   | (1.1)           | (6.4)         |
| Other Earning Assets                           | 0.2   | (0.3)           | (0.1)         |
| <b>Total Change in Interest Income</b>         | <b>4.1</b>  | <b>(3.9)</b>    | <b>0.2</b>    |
| <b>Change in Interest Expense:</b>             |   |                 |               |
| Interest-Bearing Deposits                      |   |                 |               |
| Savings  | 0.1   | 0.2             | 0.3           |
| Money Market                                   | 0.1   | —               | 0.1           |
| Time   | (0.9)   | (1.4)           | (2.3)         |
| Total Interest-Bearing Deposits                | (0.7)   | (1.2)           | (1.9)         |
| Long-Term Borrowings                           | (0.6)   | —               | (0.6)         |
| <b>Total Change in Interest Expense</b>        | <b>(1.3)</b>  | <b>(1.2)</b>    | <b>(2.5)</b>  |
| <b>Change in Net Interest Income</b>           | <b>\$ 5.4</b>   | <b>\$ (2.7)</b> | <b>\$ 2.7</b> |

## Analysis of Change in Net Interest Income

Table 8

| (dollars in millions)                          | Year Ended December 31, 2021<br>Compared to December 31, 2020 |                  |                 |
|--|---|------------------|-----------------|
|  | Volume  | Rate             | Total           |
| <b>Change in Interest Income:</b>              |   |                  |                 |
| Interest-Bearing Deposits in Other Banks       | \$ 1.5  | \$ (1.6)         | \$ (0.1)        |
| Available-for-Sale Investment Securities       |   |                  |                 |
| Taxable  | 26.3  | (13.9)           | 12.4            |
| Non-Taxable                                    | 8.8   | 0.3              | 9.1             |
| Total Available-for-Sale Investment Securities | 35.1  | (13.6)           | 21.5            |
| Loans Held for Sale                            | (0.2)   | —                | (0.2)           |
| Loans and Leases                               |   |                  |                 |
| Commercial and industrial                      | (18.1)  | 7.1              | (11.0)          |
| Commercial real estate                         | 1.3   | (16.6)           | (15.3)          |
| Construction                                   | 6.1   | (2.0)            | 4.1             |
| Residential:                                   |   |                  |                 |
| Residential mortgage                           | 5.4   | (15.5)           | (10.1)          |
| Home equity line                               | (1.2)   | (3.7)            | (4.9)           |
| Consumer                                       | (12.1)  | (3.0)            | (15.1)          |
| Lease financing                                | 0.1   | 0.6              | 0.7             |
| Total Loans and Leases                         | (18.5)  | (33.1)           | (51.6)          |
| Other Earning Assets                           | 0.4   | (1.3)            | (0.9)           |
| <b>Total Change in Interest Income</b>         | <b>18.3</b>   | <b>(49.6)</b>    | <b>(31.3)</b>   |
| <b>Change in Interest Expense:</b>             |   |                  |                 |
| Interest-Bearing Deposits                      |   |                  |                 |
| Savings  | 0.7   | (3.4)            | (2.7)           |
| Money Market                                   | 1.0   | (5.5)            | (4.5)           |
| Time   | (5.8)   | (8.6)            | (14.4)          |
| Total Interest-Bearing Deposits                | (4.1)   | (17.5)           | (21.6)          |
| Short-Term Borrowings                          | (3.0)   | (3.0)            | (6.0)           |
| Long-Term Borrowings                           | (0.6)   | —                | (0.6)           |
| <b>Total Change in Interest Expense</b>        | <b>(7.7)</b>  | <b>(20.5)</b>    | <b>(28.2)</b>   |
| <b>Change in Net Interest Income</b>           | <b>\$ 26.0</b>  | <b>\$ (29.1)</b> | <b>\$ (3.1)</b> |

## Loans and Leases

Table 9

| (dollars in thousands)  | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
|---|----------------------|-----------------------|----------------------|
| <b>Commercial and industrial:</b>                                     |                      |                       |                      |
| Commercial and industrial excluding Paycheck Protection Program loans | \$ 1,870,657         | \$ 1,692,315          | \$ 2,218,266         |
| Paycheck Protection Program loans                                     | <b>216,442</b>       | 503,069               | 801,241              |
| Total commercial and industrial                                       | <b>2,087,099</b>     | 2,195,384             | 3,019,507            |
| Commercial real estate  | <b>3,639,623</b>     | 3,569,768             | 3,392,676            |
| Construction  | <b>813,969</b>       | 826,078               | 735,819              |
| <b>Residential:</b>   |                      |                       |                      |
| Residential mortgage  | <b>4,083,367</b>     | 3,914,632             | 3,690,218            |
| Home equity line  | <b>876,608</b>       | 852,074               | 841,624              |
| Total residential   | <b>4,959,975</b>     | 4,766,706             | 4,531,842            |
| Consumer  | <b>1,229,939</b>     | 1,238,714             | 1,353,842            |
| Lease financing   | <b>231,394</b>       | 237,689               | 245,411              |
| <b>Total loans and leases</b>   | <b>\$ 12,961,999</b> | <b>\$ 12,834,339</b>  | <b>\$ 13,279,097</b> |



**Deposits****Table 10**

| (dollars in thousands) | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
|------------------------|----------------------|-----------------------|----------------------|
| Demand                 | \$ 9,393,863         | \$ 8,873,424          | \$ 7,522,114         |
| Savings                | 6,612,775            | 7,347,079             | 6,020,075            |
| Money Market           | 4,033,070            | 4,019,250             | 3,337,236            |
| Time                   | 1,776,438            | 1,880,250             | 2,348,298            |
| <b>Total Deposits</b>  | <b>\$ 21,816,146</b> | <b>\$ 22,120,003</b>  | <b>\$ 19,227,723</b> |

---

**Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More**

Table 11

| (dollars in thousands)   | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
|--|----------------------|-----------------------|----------------------|
| <b>Non-Performing Assets</b>   |                      |                       |                      |
| Non-Accrual Loans and Leases   |                      |                       |                      |
| Commercial Loans:  |                      |                       |                      |
| Commercial and industrial  | \$ 718               | \$ 746                | \$ 518               |
| Commercial real estate   | 727                  | 745                   | 80                   |
| Construction   | —                    | —                     | 2,043                |
| Total Commercial Loans   | <u>1,445</u>         | <u>1,491</u>          | <u>2,641</u>         |
| Residential Loans:   |                      |                       |                      |
| Residential mortgage   | 5,637                | 7,137                 | 6,441                |
| Total Residential Loans  | <u>5,637</u>         | <u>7,137</u>          | <u>6,441</u>         |
| Total Non-Accrual Loans and Leases   | <u>7,082</u>         | <u>8,628</u>          | <u>9,082</u>         |
| Other Real Estate Owned  | 175                  | —                     | —                    |
| <b>Total Non-Performing Assets</b>   | <u>\$ 7,257</u>      | <u>\$ 8,628</u>       | <u>\$ 9,082</u>      |
| <b>Accruing Loans and Leases Past Due 90 Days or More</b>                    |                      |                       |                      |
| Commercial Loans:  |                      |                       |                      |
| Commercial and industrial  | \$ 740               | \$ 439                | \$ 2,108             |
| Commercial real estate   | —                    | —                     | 882                  |
| Construction   | —                    | —                     | 93                   |
| Total Commercial Loans   | <u>740</u>           | <u>439</u>            | <u>3,083</u>         |
| Residential Loans:   |                      |                       |                      |
| Residential mortgage   | 987                  | 100                   | —                    |
| Home equity line   | 3,681                | 3,871                 | 4,818                |
| Total Residential Loans  | <u>4,668</u>         | <u>3,971</u>          | <u>4,818</u>         |
| Consumer   | 1,800                | 1,376                 | 3,266                |
| <b>Total Accruing Loans and Leases Past Due 90 Days or More</b>              | <u>\$ 7,208</u>      | <u>\$ 5,786</u>       | <u>\$ 11,167</u>     |
| <b>Restructured Loans on Accrual Status and Not Past Due 90 Days or More</b> | <u>\$ 34,893</u>     | <u>\$ 36,234</u>      | <u>\$ 16,684</u>     |
| <b>Total Loans and Leases</b>  | <u>\$ 12,961,999</u> | <u>\$ 12,834,339</u>  | <u>\$ 13,279,097</u> |

## Allowance for Credit Losses

Table 12

| (dollars in thousands)   | For the Three Months Ended |                      |                      | For the Year Ended   |                      |
|--|----------------------------|----------------------|----------------------|----------------------|----------------------|
|  | December 31,               | September 30,        | December 31,         | December 31,         | December 31,         |
|  | 2021                       | 2021                 | 2020                 | 2021                 | 2020                 |
| <b>Balance at Beginning of Period</b>  | \$ 161,246                 | \$ 169,148           | \$ 195,876           | \$ 208,454           | \$ 130,530           |
| <b>Adjustment to Adopt ASC Topic 326</b>   | —                          | —                    | —                    | —                    | 770                  |
| <b>After Adoption of ASC Topic 326</b>   | <b>161,246</b>             | <b>169,148</b>       | <b>195,876</b>       | <b>208,454</b>       | <b>131,300</b>       |
| Loans and Leases Charged-Off   |                            |                      |                      |                      |                      |
| Commercial Loans:  |                            |                      |                      |                      |                      |
| Commercial and industrial  | (4,432)                    | (224)                | (799)                | (5,949)              | (15,572)             |
| Commercial real estate   | —                          | —                    | (30)                 | (66)                 | (2,753)              |
| Construction   | —                          | —                    | —                    | —                    | (379)                |
| <b>Total Commercial Loans</b>  | <b>(4,432)</b>             | <b>(224)</b>         | <b>(829)</b>         | <b>(6,015)</b>       | <b>(18,704)</b>      |
| Residential Loans:   |                            |                      |                      |                      |                      |
| Residential mortgage   | (534)                      | —                    | —                    | (632)                | (14)                 |
| Home equity line   | (107)                      | (235)                | (46)                 | (342)                | (54)                 |
| <b>Total Residential Loans</b>   | <b>(641)</b>               | <b>(235)</b>         | <b>(46)</b>          | <b>(974)</b>         | <b>(68)</b>          |
| Consumer   | (3,250)                    | (2,926)              | (7,049)              | (16,634)             | (28,791)             |
| <b>Total Loans and Leases Charged-Off</b>  | <b>(8,323)</b>             | <b>(3,385)</b>       | <b>(7,924)</b>       | <b>(23,623)</b>      | <b>(47,563)</b>      |
| Recoveries on Loans and Leases Previously Charged-Off  |                            |                      |                      |                      |                      |
| Commercial Loans:  |                            |                      |                      |                      |                      |
| Commercial and industrial  | 244                        | 121                  | 2,986                | 867                  | 5,005                |
| Commercial real estate   | 9                          | 15                   | 615                  | 39                   | 615                  |
| Construction   | 100                        | —                    | 30                   | 266                  | 200                  |
| <b>Total Commercial Loans</b>  | <b>353</b>                 | <b>136</b>           | <b>3,631</b>         | <b>1,172</b>         | <b>5,820</b>         |
| Residential Loans:   |                            |                      |                      |                      |                      |
| Residential mortgage   | 15                         | 215                  | 37                   | 261                  | 216                  |
| Home equity line   | 28                         | 27                   | 21                   | 117                  | 167                  |
| <b>Total Residential Loans</b>   | <b>43</b>                  | <b>242</b>           | <b>58</b>            | <b>378</b>           | <b>383</b>           |
| Consumer   | 1,743                      | 2,405                | 2,812                | 9,600                | 10,499               |
| <b>Total Recoveries on Loans and Leases Previously Charged-Off</b>                               | <b>2,139</b>               | <b>2,783</b>         | <b>6,501</b>         | <b>11,150</b>        | <b>16,702</b>        |
| Net Loans and Leases Charged-Off   | (6,184)                    | (602)                | (1,423)              | (12,473)             | (30,861)             |
| Provision for Credit Losses - Loans and Leases   | 2,200                      | (7,300)              | 14,001               | (38,719)             | 108,015              |
| <b>Balance at End of Period</b>  | <b>\$ 157,262</b>          | <b>\$ 161,246</b>    | <b>\$ 208,454</b>    | <b>\$ 157,262</b>    | <b>\$ 208,454</b>    |
| Average Loans and Leases Outstanding   | <b>\$ 12,814,316</b>       | <b>\$ 12,881,885</b> | <b>\$ 13,366,980</b> | <b>\$ 13,034,295</b> | <b>\$ 13,518,308</b> |
| Ratio of Net Loans and Leases Charged-Off to Average Loans and Leases Outstanding <sup>(1)</sup> | 0.19 %                     | 0.02 %               | 0.04 %               | 0.10 %               | 0.23 %               |
| Ratio of Allowance for Credit Losses for Loans and Leases to Loans and Leases Outstanding        | 1.21 %                     | 1.26 %               | 1.57 %               | 1.21 %               | 1.57 %               |
| Ratio of Allowance for Credit Losses for Loans and Leases to Non-accrual Loans and Leases        | 22.21x                     | 18.69x               | 22.95x               | 22.21x               | 22.95x               |

(1) Annualized for the three months ended December 31, 2021, September 30, 2021 and December 31, 2020.

| (dollars in thousands)           | Term Loans<br>Amortized Cost Basis by Origination Year |                   |                     |                   |                   |                     | Revolving<br>Loans<br>Amortized<br>Cost Basis | Revolving<br>Loans<br>Converted<br>to Term<br>Loans<br>Amortized<br>Cost Basis | Total               |
|----------------------------------|--|-------------------|---------------------|-------------------|-------------------|---------------------|---|--|---------------------|
|                                  | 2021   | 2020              | 2019                | 2018              | 2017              | Prior               |   |  |                     |
| <b>Commercial Lending</b>        |  |                   |                     |                   |                   |                     |   |  |                     |
| <b>Commercial and Industrial</b> |  |                   |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                   |                     |                   |                   |                     |   |  |                     |
| Pass                             | \$ 623,098   | \$ 129,665        | \$ 223,388          | \$ 88,409         | \$ 29,380         | \$ 168,591          | \$ 644,947                                    | \$ 40,193  | \$ 1,947,671        |
| Special Mention                  | 397  | 4,382             | 4,213               | 12,552            | 974               | 5,313               | 4,804   | 986  | 33,621              |
| Substandard                      | 354  | 1,380             | 1,951               | 1,285             | 60                | 3,551               | 17,893  | 1,043  | 27,517              |
| Other <sup>(1)</sup>             | 13,277   | 7,070             | 7,741               | 4,453             | 1,995             | 370                 | 43,384  | —  | 78,290              |
| Total Commercial and Industrial  | 637,126  | 142,497           | 237,293             | 106,699           | 32,409            | 177,825             | 711,028                                       | 42,222   | 2,087,099           |
| <b>Commercial Real Estate</b>    |  |                   |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                   |                     |                   |                   |                     |   |  |                     |
| Pass                             | 693,370  | 338,140           | 533,887             | 487,739           | 415,186           | 940,732             | 78,479  | 14,891   | 3,502,424           |
| Special Mention                  | —  | —                 | 48,499              | 7,470             | 25,513            | 30,255              | 7,600   | —  | 119,337             |
| Substandard                      | —  | —                 | —                   | 1,776             | 164               | 15,303              | 459   | —  | 17,702              |
| Other <sup>(1)</sup>             | —  | —                 | —                   | —                 | —                 | 160                 | —   | —  | 160                 |
| Total Commercial Real Estate     | 693,370  | 338,140           | 582,386             | 496,985           | 440,863           | 986,450             | 86,538  | 14,891   | 3,639,623           |
| <b>Construction</b>              |  |                   |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                   |                     |                   |                   |                     |   |  |                     |
| Pass                             | 154,558  | 107,767           | 210,314             | 155,311           | 62,770            | 48,021              | 22,859  | —  | 761,600             |
| Special Mention                  | —  | —                 | 244                 | 707               | —                 | 356                 | —   | —  | 1,307               |
| Substandard                      | —  | —                 | —                   | 363               | —                 | 839                 | —   | —  | 1,202               |
| Other <sup>(1)</sup>             | 26,835   | 8,875             | 4,317               | 4,308             | 2,684             | 2,048               | 793   | —  | 49,860              |
| Total Construction               | 181,393  | 116,642           | 214,875             | 160,689           | 65,454            | 51,264              | 23,652  | —  | 813,969             |
| <b>Lease Financing</b>           |  |                   |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                   |                     |                   |                   |                     |   |  |                     |
| Pass                             | 33,980   | 60,650            | 48,236              | 9,449             | 15,009            | 57,130              | —   | —  | 224,454             |
| Special Mention                  | 501  | 2,702             | 1,506               | 311               | 153               | —                   | —   | —  | 5,173               |
| Substandard                      | —  | 270               | 140                 | 16                | 871               | 470                 | —   | —  | 1,767               |
| Total Lease Financing            | 34,481   | 63,622            | 49,882              | 9,776             | 16,033            | 57,600              | —   | —  | 231,394             |
| <b>Total Commercial Lending</b>  | <b>\$ 1,546,370</b>                                    | <b>\$ 660,901</b> | <b>\$ 1,084,436</b> | <b>\$ 774,149</b> | <b>\$ 554,759</b> | <b>\$ 1,273,139</b> | <b>\$ 821,218</b>                             | <b>\$ 57,113</b>   | <b>\$ 6,772,085</b> |

| (continued)<br>(dollars in thousands) | Term Loans<br>Amortized Cost Basis by Origination Year |                     |                     |                     |                   |                     | Revolving<br>Loans<br>Amortized<br>Cost Basis | Revolving<br>Loans<br>Converted<br>to Term<br>Loans<br>Amortized<br>Cost Basis | Total                |
|---------------------------------------|--|---------------------|---------------------|---------------------|-------------------|---------------------|---|--|----------------------|
|                                       | 2021   | 2020                | 2019                | 2018                | 2017              | Prior               |   |  |                      |
| <b>Residential Lending</b>            |  |                     |                     |                     |                   |                     |   |  |                      |
| <b>Residential Mortgage</b>           |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | \$ 1,101,958   | \$ 635,061          | \$ 286,993          | \$ 198,622          | \$ 251,906        | \$ 829,175          | \$ —  | \$ —   | \$ 3,303,715         |
| 680 - 739                             | 140,997  | 81,590              | 45,163              | 27,315              | 32,855            | 125,906             | —   | —  | 453,826              |
| 620 - 679                             | 15,781   | 11,943              | 5,268               | 10,149              | 9,069             | 37,404              | —   | —  | 89,614               |
| 550 - 619                             | 1,735  | 873                 | 698                 | 533                 | 2,033             | 7,475               | —   | —  | 13,347               |
| Less than 550                         | —  | —                   | —                   | 345                 | 2,603             | 2,838               | —   | —  | 5,786                |
| No Score <sup>(3)</sup>               | 18,882   | 7,938               | 15,051              | 18,107              | 17,333            | 42,185              | —   | —  | 119,496              |
| Other <sup>(2)</sup>                  | 25,625   | 16,263              | 10,242              | 11,297              | 16,242            | 17,152              | 44  | 718  | 97,583               |
| <b>Total Residential Mortgage</b>     | <b>1,304,978</b>                                       | <b>753,668</b>      | <b>363,415</b>      | <b>266,368</b>      | <b>332,041</b>    | <b>1,062,135</b>    | <b>44</b>                                     | <b>718</b>   | <b>4,083,367</b>     |
| <b>Home Equity Line</b>               |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | —  | —                   | —                   | —                   | —                 | —                   | 671,566                                       | 1,873  | 673,439              |
| 680 - 739                             | —  | —                   | —                   | —                   | —                 | —                   | 141,889                                       | 3,968  | 145,857              |
| 620 - 679                             | —  | —                   | —                   | —                   | —                 | —                   | 37,815  | 2,500  | 40,315               |
| 550 - 619                             | —  | —                   | —                   | —                   | —                 | —                   | 9,090   | 948  | 10,038               |
| Less than 550                         | —  | —                   | —                   | —                   | —                 | —                   | 2,574   | 68   | 2,642                |
| No Score <sup>(3)</sup>               | —  | —                   | —                   | —                   | —                 | —                   | 4,317   | —  | 4,317                |
| <b>Total Home Equity Line</b>         | <b>—</b>   | <b>—</b>            | <b>—</b>            | <b>—</b>            | <b>—</b>          | <b>—</b>            | <b>867,251</b>                                | <b>9,357</b>   | <b>876,608</b>       |
| <b>Total Residential Lending</b>      | <b>1,304,978</b>                                       | <b>753,668</b>      | <b>363,415</b>      | <b>266,368</b>      | <b>332,041</b>    | <b>1,062,135</b>    | <b>867,295</b>                                | <b>10,075</b>  | <b>4,959,975</b>     |
| <b>Consumer Lending</b>               |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | 155,929  | 83,337              | 79,617              | 56,707              | 24,525            | 8,067               | 117,843                                       | 209  | 526,234              |
| 680 - 739                             | 93,214   | 56,327              | 55,126              | 34,049              | 17,527            | 6,315               | 69,366  | 707  | 332,631              |
| 620 - 679                             | 41,671   | 21,986              | 28,491              | 19,403              | 12,952            | 5,324               | 31,165  | 1,175  | 162,167              |
| 550 - 619                             | 7,836  | 8,265               | 13,265              | 10,497              | 7,469             | 3,244               | 10,359  | 1,089  | 62,024               |
| Less than 550                         | 2,272  | 3,867               | 6,646               | 3,484               | 2,739             | 1,175               | 3,195   | 536  | 23,914               |
| No Score <sup>(3)</sup>               | 481  | 19                  | 56                  | 40                  | 65                | 2                   | 35,414  | 320  | 36,397               |
| Other <sup>(2)</sup>                  | 4,737  | 365                 | 1,712               | 17                  | 2,182             | 31                  | 77,528  | —  | 86,572               |
| <b>Total Consumer Lending</b>         | <b>306,140</b>   | <b>174,166</b>      | <b>184,913</b>      | <b>124,197</b>      | <b>67,459</b>     | <b>24,158</b>       | <b>344,870</b>                                | <b>4,036</b>   | <b>1,229,939</b>     |
| <b>Total Loans and Leases</b>         | <b>\$ 3,157,488</b>                                    | <b>\$ 1,588,735</b> | <b>\$ 1,632,764</b> | <b>\$ 1,164,714</b> | <b>\$ 954,259</b> | <b>\$ 2,359,432</b> | <b>\$ 2,033,383</b>                           | <b>\$ 71,224</b>   | <b>\$ 12,961,999</b> |

- (1) Other credit quality indicators used for monitoring purposes are primarily FICO scores. The majority of the loans in this population were originated to borrowers with a prime FICO score.
- (2) Other credit quality indicators used for monitoring purposes are primarily internal risk ratings. The majority of the loans in this population were graded with a "Pass" rating.
- (3) No FICO scores are primarily related to loans and leases extended to non-residents. Loans and leases of this nature are primarily secured by collateral and/or are closely monitored for performance.

## GAAP to Non-GAAP Reconciliation

Table 14

| (dollars in thousands, except per share amounts)                               | For the Three Months Ended |                       |                      | For the Year Ended        |               |
|--|----------------------------|-----------------------|----------------------|---------------------------|---------------|
|  | December 31,<br>2021       | September 30,<br>2021 | December 31,<br>2020 | December 31,<br>2021 2020 |               |
| <b>Income Statement Data:</b>  |                            |                       |                      |                           |               |
| Net income   | \$ 57,022                  | \$ 64,279             | \$ 61,739            | \$ 265,735                | \$ 185,754    |
| Core net income  | \$ 68,013                  | \$ 65,819             | \$ 65,288            | \$ 279,229                | \$ 189,378    |
| Average total stockholders' equity   | \$ 2,675,513               | \$ 2,738,540          | \$ 2,732,271         | \$ 2,708,370              | \$ 2,698,853  |
| Less: average goodwill   | 995,492                    | 995,492               | 995,492              | 995,492                   | 995,492       |
| Average tangible stockholders' equity  | \$ 1,680,021               | \$ 1,743,048          | \$ 1,736,779         | \$ 1,712,878              | \$ 1,703,361  |
| Average total assets   | \$ 25,650,505              | \$ 25,058,085         | \$ 22,468,040        | \$ 24,426,258             | \$ 21,869,064 |
| Less: average goodwill   | 995,492                    | 995,492               | 995,492              | 995,492                   | 995,492       |
| Average tangible assets  | \$ 24,655,013              | \$ 24,062,593         | \$ 21,472,548        | \$ 23,430,766             | \$ 20,873,572 |
| Return on average total stockholders' equity <sup>(1)</sup>                    | 8.46 %                     | 9.31 %                | 8.99 %               | 9.81 %                    | 6.88 %        |
| Core return on average total stockholders' equity (non-GAAP) <sup>(1)</sup>    | 10.09 %                    | 9.54 %                | 9.51 %               | 10.31 %                   | 7.02 %        |
| Return on average tangible stockholders' equity (non-GAAP) <sup>(1)</sup>      | 13.47 %                    | 14.63 %               | 14.14 %              | 15.51 %                   | 10.91 %       |
| Core return on average tangible stockholders' equity (non-GAAP) <sup>(1)</sup> | 16.06 %                    | 14.98 %               | 14.95 %              | 16.30 %                   | 11.12 %       |
| Return on average total assets <sup>(1)</sup>                                  | 0.88 %                     | 1.02 %                | 1.09 %               | 1.09 %                    | 0.85 %        |
| Core return on average total assets (non-GAAP) <sup>(1)</sup>                  | 1.05 %                     | 1.04 %                | 1.16 %               | 1.14 %                    | 0.87 %        |
| Return on average tangible assets (non-GAAP) <sup>(1)</sup>                    | 0.92 %                     | 1.06 %                | 1.14 %               | 1.13 %                    | 0.89 %        |
| Core return on average tangible assets (non-GAAP) <sup>(1)</sup>               | 1.09 %                     | 1.09 %                | 1.21 %               | 1.19 %                    | 0.91 %        |

|   | As of<br>December 31,<br>2021 | As of<br>September 30,<br>2021 | As of<br>December 31,<br>2020 |
|---|-------------------------------|--------------------------------|-------------------------------|
| <b>Balance Sheet Data:</b>                                  |                               |                                |                               |
| Total stockholders' equity                                  | \$ 2,656,912                  | \$ 2,711,734                   | \$ 2,744,104                  |
| Less: goodwill  | 995,492                       | 995,492                        | 995,492                       |
| Tangible stockholders' equity                               | \$ 1,661,420                  | \$ 1,716,242                   | \$ 1,748,612                  |
| Total assets  | \$ 24,992,410                 | \$ 25,548,322                  | \$ 22,662,831                 |
| Less: goodwill  | 995,492                       | 995,492                        | 995,492                       |
| Tangible assets   | \$ 23,996,918                 | \$ 24,552,830                  | \$ 21,667,339                 |
| Shares outstanding  | 127,502,472                   | 128,255,570                    | 129,912,272                   |
| Total stockholders' equity to total assets                  | 10.63 %                       | 10.61 %                        | 12.11 %                       |
| Tangible stockholders' equity to tangible assets (non-GAAP) | 6.92 %                        | 6.99 %                         | 8.07 %                        |
| Book value per share  | \$ 20.84                      | \$ 21.14                       | \$ 21.12                      |
| Tangible book value per share (non-GAAP)                    | \$ 13.03                      | \$ 13.38                       | \$ 13.46                      |

<sup>(1)</sup> Annualized for the three months ended December 31, 2021, September 30, 2021 and December 31, 2020.

## GAAP to Non-GAAP Reconciliation

Table 15

| (dollars in thousands, except per share amounts)       | For the Three Months Ended |                    |                   | For the Year Ended        |            |
|--|----------------------------|--------------------|-------------------|---------------------------|------------|
|  | December 31, 2021          | September 30, 2021 | December 31, 2020 | December 31, 2021<br>2020 |            |
| Net interest income                                    | \$ 137,327                 | \$ 132,593         | \$ 135,227        | \$ 530,559                | \$ 535,734 |
| Core net interest income (non-GAAP)                    | \$ 137,327                 | \$ 132,593         | \$ 135,227        | \$ 530,559                | \$ 535,734 |
| Noninterest income                                     | \$ 41,573                  | \$ 50,104          | \$ 53,598         | \$ 184,916                | \$ 197,380 |
| Losses (gains) on sale of securities                   | —                          | —                  | 12                | (102)                     | 114        |
| Costs associated with the sale of stock <sup>(1)</sup> | 6,014                      | —                  | 4,828             | 6,014                     | 4,828      |
| Core noninterest income (non-GAAP)                     | \$ 47,587                  | \$ 50,104          | \$ 58,438         | \$ 190,828                | \$ 202,322 |
| Noninterest expense                                    | \$ 108,749                 | \$ 101,036         | \$ 88,127         | \$ 405,479                | \$ 367,672 |
| Loss on litigation                                     | —                          | (2,100)            | —                 | (2,100)                   | —          |
| One-time items <sup>(2)</sup>                          | (8,974)                    | —                  | —                 | (10,134)                  | —          |
| Core noninterest expense (non-GAAP)                    | \$ 99,775                  | \$ 98,936          | \$ 88,127         | \$ 393,245                | \$ 367,672 |
| Net income   | \$ 57,022                  | \$ 64,279          | \$ 61,739         | \$ 265,735                | \$ 185,754 |
| Losses (gains) on sale of securities                   | —                          | —                  | 12                | (102)                     | 114        |
| Costs associated with the sale of stock <sup>(1)</sup> | 6,014                      | —                  | 4,828             | 6,014                     | 4,828      |
| Loss on litigation                                     | —                          | 2,100              | —                 | 2,100                     | —          |
| One-time noninterest expense items <sup>(2)</sup>      | 8,974                      | —                  | —                 | 10,134                    | —          |
| Tax adjustments <sup>(3)</sup>                         | (3,997)                    | (560)              | (1,291)           | (4,652)                   | (1,318)    |
| Total core adjustments                                 | 10,991                     | 1,540              | 3,549             | 13,494                    | 3,624      |
| Core net income (non-GAAP)                             | \$ 68,013                  | \$ 65,819          | \$ 65,288         | \$ 279,229                | \$ 189,378 |
| Basic earnings per share                               | \$ 0.45                    | \$ 0.50            | \$ 0.48           | \$ 2.06                   | \$ 1.43    |
| Diluted earnings per share                             | \$ 0.44                    | \$ 0.50            | \$ 0.47           | \$ 2.05                   | \$ 1.43    |
| Efficiency ratio                                       | 60.50 %                    | 55.07 %            | 46.59 %           | 56.45 %                   | 50.10 %    |
| Core basic earnings per share (non-GAAP)               | \$ 0.53                    | \$ 0.51            | \$ 0.50           | \$ 2.17                   | \$ 1.46    |
| Core diluted earnings per share (non-GAAP)             | \$ 0.53                    | \$ 0.51            | \$ 0.50           | \$ 2.16                   | \$ 1.45    |
| Core efficiency ratio (non-GAAP)                       | 53.71 %                    | 53.92 %            | 45.43 %           | 54.30 %                   | 49.77 %    |

<sup>(1)</sup> Costs associated with the sale of stock for both the three and twelve months ended December 31, 2021 and 2020 related to changes in the valuation of the funding swap entered into with the buyer of our Visa Class B restricted sales in 2016.

<sup>(2)</sup> One-time items for the three and twelve months ended December 31, 2021 consisted of fees related to the prepayment of \$200.0 million of Federal Home Loan Bank advances. Additionally, one-time items for the twelve months ended December 31, 2021 consisted of severance costs.

<sup>(3)</sup> Represents the adjustments to net income, tax effected at the Company's effective tax rate for the respective period.