



PUBLIC DISCLOSURE

June 2, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

St. Charles Bank & Trust Company, National Association
Charter Number: 25211

411 West Main Street
Saint Charles, IL 601704

Office of the Comptroller of the Currency

Midsize & Trust Bank Supervision
425 S. Financial Place, Suite 1700
Chicago, IL 60605

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding**.

The following table indicates the performance level of **St. Charles Bank & Trust Company, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	St. Charles Bank & Trust Company, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

*The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on the performance in the state of Illinois rating area. The bank demonstrated excellent levels of community development (CD) lending, and offered innovative and flexible loan products that had a significantly positive impact on the Lending Test rating. The bank's lending activity, geographical distribution of loans, and borrower distribution of loans were good in its assessment areas (AAs).
- The Investment Test rating is based on the performance in the state of Illinois rating area. The bank had an excellent level of CD investments and grants across the rating area and at the regional level. The bank exhibited excellent responsiveness to credit and community development needs.
- The Service Test rating is based on the performance in the state of Illinois rating area. The bank's branches were readily accessible to geographies and individuals and businesses of different income levels. The bank was a leader in providing CD services throughout its AAs. The bank's CD services demonstrate leadership and are responsive to community needs.

Lending in Assessment Area

A very small percentage of the bank's loans are in its AAs.

The bank originated and purchased 5.6 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AAs. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Loan Category	2022 - 2024									
	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside	Outside	\$	%	
#	%	#	%							
Home Mortgage	134	54.7	111	45.3	245	57,905	39.2	90,005	60.9	147,910
Small Business	2,491	5.1	46,494	95.0	48,985	315,768	14.7	1,830,970	85.3	2,146,738
Small Farm	1	7.1	13	92.9	14	10	2.2	453	97.9	463
Consumer	119	82.6	25	17.4	144	2,227	60.1	1,476	39.9	3,703
Total	2,745	5.6	46,643	94.4	49,388	375,910	16.4	1,922,904	83.7	2,298,814

Source: 1/1/2022 - 12/31/2024 Bank Data.
Due to rounding, totals may not equal 100.0%

The bank's use of nationwide lending programs, First Insurance Funding (FIRST) and Wintrust Mortgage (WM), impacts the ratio of loans located inside the bank's AAs. Small business loans are the bank's primary loan product based on the volume of loans by number. Conclusions are factored into the overall analysis of the geographic distribution of lending by income level of geography.

Description of Institution

St. Charles Bank and Trust Company, National Association (SCBT or the bank) is a \$2.9 billion intrastate bank headquartered in Saint Charles, Illinois. SCBT is a wholly-owned subsidiary of Wintrust Financial Corporation (WTFC). As of December 31, 2024, WTFC is a \$64.9 billion financial services holding company located in Rosemont, Illinois. WTFC's business strategy includes working with customers in Chicago and northern Illinois, southern Wisconsin, western Michigan, northwest Indiana, and southwest Florida through their 16 wholly owned banking subsidiaries and more than 200 bank locations.

WTFC locations provide a wide range of lending products and services to their customers. WTFC residential mortgage applications are referred to WM. WM, a division of Barrington Bank and Trust, is a national residential mortgage operation with offices throughout the United States. WM offers a wide variety of retail mortgages and originates nearly all WTFC mortgages. Loans that cannot be sold on the secondary market are purchased by any one of the 16 WTFC banks for their portfolio.

WTFC also provides niche lending products across the nation within their community banks. These specialty products include wealth management advisory services, leasing financing, insurance premium financing through FIRST, short-term account receivable financing, administrative services outsourcing, franchise lending, firm partnership loans, and financial solutions for mission-based organizations.

SCBT has two AAs in Illinois: Chicago-Naperville-Elgin Combined Statistical Area (Chicago CSA) and Rockford Metropolitan Statistical Area (Rockford MSA). In January of 2022, SCBT expanded into the Rockford MSA by opening Rockford Community Bank (RCB). In October and November of 2024, two more RCB branches were opened, one in Rockford, IL and one in Machesney Park, IL. SCBT operates a total of 10 full-service branches in its AAs with 16 automated teller machines (ATMs) located primarily at all branch locations as well as nearby areas.

As of December 31, 2024, SCBT reported total assets of \$2.9 billion, total deposits of \$2.4 billion, and tier 1 capital of \$270.4 million. Loans and leases totaled \$2.3 billion and represented 80.3 percent of total assets. SCBT has three primary loan types that make up 96.4 percent of the total loan portfolio. The primary loan products include approximately \$1.6 billion of commercial loans or 68.0 percent of total

loans, \$490.1 million of consumer loans or 21.4 percent of total loans, and \$159.8 million in residential lending or 7.0 percent of the total loan portfolio.

According to the June 30, 2024, Federal Deposit Insurance Corporation (FDIC) deposit market share report in the state of Illinois, SCBT had a 0.4 percent market share making it the 33rd largest deposit holder out of 411 deposit-taking financial institutions.

There were no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. The bank received an "Outstanding" rating in its previous CRA evaluation dated May 30, 2022.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for all Lending Test, Investment Test, and Service Test activities is January 1, 2022, through December 31, 2024.

To be considered a primary loan product for this evaluation, the bank must have originated at least 20 loans in an AAs, during the evaluation period. For this evaluation we reviewed home mortgage loans, small loans to businesses, and consumer loans. The bank did not originate enough small farm loans to be considered a primary product in either AAs. Multifamily loans meeting the CD definition were evaluated as part of CD lending. See “Scope of the Evaluation” section in the Illinois rating for details on weighting of the bank loan products.

The bank added a branch in the Rockford MSA in January 2022; therefore, the Rockford MSA will be a new AA for this entire evaluation period.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same MSA, multistate metropolitan statistical area (MMSA), or CSA, if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank’s overall rating is a blend of the state rating.

The ratings are based on the bank’s full-scope AAs, the Chicago CSA and the Rockford MSA. In evaluating the bank’s performance under the Lending Test, we placed greater weight on the bank’s distribution of small business loans. Equal weight was given to the bank’s distribution of home mortgage loans and consumer loans. Small loans to farms were not evaluated based on low volume. The state rating in rating areas with a single AA are based on performance in that AA. The MMSA and state ratings in rating areas with multiple AAs are based on the combination of conclusions in those AAs. Refer to the “Scope” section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Illinois

CRA rating for the State of Illinois: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflected good responsiveness to AAs credit needs.
- The bank exhibited a good geographical distribution of loans in its AAs.
- The bank exhibited good distribution of loans among individuals of different income levels and business of different sizes.
- The bank was a leader in making CD loans. CD lending had a significantly positive impact on the Lending Test Conclusion.
- The bank made extensive use of innovative and/or flexible lending practices to serve its AAs credit needs. Innovative and flexible lending had a positive impact on the lending test rating in Illinois.
- The bank had an excellent level of qualified investments.
- Service delivery systems were readily accessible to geographies and individuals of different income levels.
- The bank was a leader in providing CD services.

Description of Institution's Operations in Illinois

The bank's initial AA, the Chicago CSA, is comprised of the entire 323 census tracts of Kane and DuPage Counties. The bank's new AA in the Rockford MSA is comprised of all 90 census tracts of Winnebago and Boone Counties. The AAs met the requirements of the CRA and did not arbitrarily exclude any low-to-moderate income (LMI) geographies. Please refer to appendix A for a complete listing of AAs, including type of review and description of AA boundaries.

According to the FDIC's June 30, 2024, Deposit Market Share report, SCBT held \$2.4 billion in deposits ranking 33rd out of 411 institutions and holding 0.4 percent of the deposit market share in Illinois. The five largest competitors in this state include JP Morgan Chase N.A., BMO Bank N.A., Bank of America N.A., CIBC Bank USA, and The Northern Trust Company. These competitors' deposits total \$347.6 billion, representing 50.6 percent of the total deposit market share. SCBT's deposits in Illinois represent 100.0 percent of bank-wide deposits.

Chicago CSA

The Chicago CSA is the bank's primary market. SCBT operates seven full-service branches with 11 ATMs in this AA, eight of which are deposit-taking.

The Chicago CSA accounts for the largest share of the bank's operations, including deposit concentration, branch distribution, and reportable loans. As of June 30, 2024, 86.1 percent of the bank's total deposits were held in the Chicago CSA. Additionally, 70.0 percent of the bank's branches were located in this AA, along with 87.5 percent (by number) and 85.9 percent (by dollar volume) of its HMDA-reportable loans, small loans to businesses, and consumer loans.

Employment and Economic Factors

According to the Bureau of Labor Statistics (BLS), the unemployment rate peaked at 6.0 percent in June 2024 reflecting a challenging job market. The unemployment rate at the end of the evaluation period in December 2024 dropped to 4.5 percent, but was slightly higher than the statewide unemployment rate of 4.3 percent.

The most notable natural feature in the Kane-DuPage area is the Fox River. Many of SCTB's branches are in the communities that populate the riverside. The Fox River runs through all of Kane County, beginning in Wisconsin, and flowing through the southern portion of Kane County and western portion of DuPage County. The largest cities in Kane and DuPage Counties are near the river as they were established years ago when energy harnessed from the river supported a variety of industries. In addition to having a commercial base, farming is considered an important economic activity in the Kane-DuPage area.

Based on information from the February 2025 Moody's Analytics report, the Chicago-Naperville-Elgin area economy remains an underachiever – trailing both its Midwestern neighbors and other major U.S. metros. Payroll employment declined from the third quarter of 2024 to the fourth, leaving total job levels unchanged from a year earlier.

A key strength of the area is its role as a major hub for businesses, distribution, transportation, and finance. The region also benefits from a large and skilled labor force, a strong network of well-regarded educational institutions, and an emerging high-tech corridor centered in River North neighborhood. The top five employers in the area are Amazon.com Inc, Advocate Health Care System, Northwestern Memorial Healthcare, University of Chicago, and Walgreens Boots Alliance Inc.

Housing

Based on information from the U.S. Census covering 2022 through 2024, 70.3 percent of the total housing units in the AA were owner-occupied, 25.3 percent were renter occupied, and 4.4 percent were vacant units. Of the owner-occupied units, 0.3 percent were in low-income census tracts (CT) and 12.8 percent were in moderate-income CTs. Of the occupied rental units, 1.3 percent were in low-income CTs and 23.8 percent were in moderate-income CTs. Of the vacant units, 0.8 percent were in low-income CTs and 17.7 percent were in moderate-income CTs. The weighted average median housing value was \$277,800 and the weighted average monthly gross rent was \$1,317.

Affordability

Based on data from the U.S. Census, low-income families within the Chicago CSA earned less than \$3,859 monthly and moderate-income families earned less than \$6,175 monthly. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30.0 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,158 for low-income borrowers and \$1,852 for moderate-income borrowers. Assuming a 30-year mortgage with a 6.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home located at the Chicago CSA median housing value would be \$1,912. LMI borrowers would be challenged to afford a mortgage loan in this AA.

Community Contact

As part of this CRA evaluation, examiners reviewed information from a community contact with an economic development entity that serves Illinois and Indiana, with a particular interest in Chicago's West and South Side. The organization provides the capital, coaching, and connections to help entrepreneurs grow businesses that create jobs and build wealth in their communities. It primarily serves Black, Hispanic, women, and low-income entrepreneurs throughout the Chicagoland area and beyond. The contact expressed the needs for low-cost, flexible loan programs that are tailored to match the needs of entrepreneurs in the community. The contact highlighted the importance of technical assistance for small business owners, including financial coaching and business networking opportunities.

Chicago CSA

Assessment Area - Chicago CSA						
2022 - 2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	323	0.62	16.10	37.15	45.51	0.62
Population by Geography	1,449,399	0.51	16.17	37.86	45.12	0.34
Housing Units by Geography	550,522	0.55	15.77	38.94	44.36	0.39
Owner-Occupied Housing by Geography	386,924	0.27	12.76	36.54	50.07	0.37
Occupied Rental Units by Geography	139,235	1.29	23.81	44.57	29.89	0.44
Vacant Units by Geography	24,363	0.76	17.66	44.89	36.35	0.34
Businesses by Geography	60,436	0.41	10.04	38.50	50.94	0.11
Farms by Geography	1,483	0.40	16.99	37.09	45.45	0.07
Family Distribution by Income Level	373,778	16.17	15.64	20.28	47.91	0.00
Household Distribution by Income Level	526,159	18.62	14.64	17.44	49.30	0.00
Unemployment rate (%)	4.62	7.12	6.79	4.39	3.96	3.63
Households Below Poverty Level (%)	7.12	18.53	13.63	7.25	4.53	13.35
Median Family Income (16984 - Chicago-Naperville-Schaumburg, IL MD)	\$92,622			Median Housing Value	\$277,800	
Median Family Income (20994 - Elgin, IL MD)	\$97,326			Median Gross Rent	\$1,317	
Median Family Income (16984 - Chicago-Naperville-Schaumburg, IL MD) for 2024	\$109,800			Families Below Poverty Level	4.92	
Median Family Income (20994 - Elgin, IL MD) for 2024	\$113,700					
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Rockford MSA

The bank operates three full-service branches with five deposit-taking ATMs in this AA.

Employment and Economic Factors

According to the Bureau of Labor Statistics (BLS), the unemployment rate in the area peaked at 8.3 percent in January 2022, but the unemployment rate at the end of the evaluation period in December 2024 dropped to 4.8 percent, which was slightly higher than the statewide unemployment rate of 4.3 percent.

Based on information from the February 2025 Moody's Analytics report, Rockford MSA's economy is gaining steam. Total employment continuously increased for five consecutive months for the first time since early 2022. Gains in leisure and hospitality, along with local government hiring, are more than offsetting declines in the key manufacturing sector.

Strengths of the area include its proximity to Chicago and low business costs. On the contrary, the area exhibits weak demographic trends with large population losses in the prime working-age group. The top five employers in the area are UW Health, Mercyhealth, OSF Healthcare, Collins Aerospace, and Woodward Inc.

Housing

Based on information from the U.S. Census covering 2022 through 2024, 62.7 percent of the total housing units in the AA were owner-occupied, 29.6 percent were renter occupied, and 7.7 percent were vacant units. Of the owner-occupied units, 3.1 percent were located in low-income CTs and 21.3 percent were located in moderate-income CTs. Of the occupied rental units, 12.7 percent were located in low-income CTs and 37.8 percent were located in moderate-income CTs. Of the vacant units, 14.3 percent were located in low-income CTs and 36.2 percent were located in moderate-income CTs. The weighted average median housing value was \$110,350 and the weighted average monthly gross rent was \$813.

Affordability

Based on data from the U.S. Census, low-income families within the Rockford MSA earned less than \$2,912 monthly and moderate-income families earned less than \$4,659 monthly. Using this data to calculate a maximum monthly mortgage payment based on a 30.0 percent debt-to-income ratio results in a maximum monthly mortgage payment of \$874 for low-income borrowers and \$1,398 for moderate-income borrowers. Assuming a 30-year mortgage with a 6.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the Rockford MSA median housing value would be \$759. Some low-income borrowers would be challenged to afford a mortgage loan in this AA.

Community Contact

As part of this CRA evaluation, examiners reviewed information from a community contact with a community service organization that serves McHenry, Lake, Kane, Boone, and Winnebago Counties. The organization focuses on counseling credit issues, budgeting, and housing counseling (as a HUD approved counselor). Approximately 65 to 70 percent of its clients are LMI individuals. The contact

identified the needs for financial literacy programs for home buyers, credit building loan programs, microloans, and downpayment assistance programs to support first-time home buyers. SCBT was mentioned as one of the partners the organization works with for its credit building loan program.

Rockford MSA

Assessment Area(s) - Rockford MSA						
2022 - 2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	90	8.89	30.00	28.89	28.89	3.33
Population by Geography	338,798	5.72	26.13	33.42	33.59	1.14
Housing Units by Geography	145,782	6.77	27.34	32.66	31.79	1.44
Owner-Occupied Housing by Geography	91,376	3.07	21.30	34.48	40.89	0.25
Occupied Rental Units by Geography	43,191	12.65	37.83	30.93	15.22	3.37
Vacant Units by Geography	11,215	14.28	36.17	24.47	21.46	3.61
Businesses by Geography	9,639	4.62	25.15	30.75	36.50	2.99
Farms by Geography	460	2.83	13.70	20.22	62.39	0.87
Family Distribution by Income Level	87,825	21.83	17.18	19.45	41.54	0.00
Household Distribution by Income Level	134,567	24.07	16.31	17.65	41.97	0.00
Unemployment rate (%)	7.73	15.50	10.13	6.70	5.41	29.89
Households Below Poverty Level (%)	13.58	42.07	20.59	9.43	5.22	52.70
Median Family Income (40420 - Rockford, IL MSA)	\$69,881			Median Housing Value	\$110,350	
Median Family Income (40420 - Rockford, IL MSA) for 2024	\$89,000			Median Gross Rent	\$813	
				Families Below Poverty Level	10.83	
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Scope of Evaluation in Illinois

We conducted full-scope reviews of the bank's AAs in Illinois: the Chicago CSA and the Rockford MSA.

For all performance tests, significantly greater weight was given to the Chicago CSA due to the overwhelming majority of loans, deposits, and branches being located there. Specifically, the Chicago CSA accounted for 86.9 percent of loan originations, 86.1 percent of the deposits, and 70.0 percent of the retail bank branches.

Under the Lending Test, we placed more weight on performance related to small loans to businesses. A significant portion of the bank's small loans to businesses did not contain revenue information, as permitted under the CRA reporting requirements. Many of these loans were originated by FIRST, an affiliate charter, without revenue data or the loans were originated under a loan product that does not consider business revenue in underwriting.

We gave equal weight to HMDA and consumer loans based on the low volume originated during the evaluation period. The bank did not originate enough small loans to farms to be considered a primary product in both AAs and was not included in the analysis. The bank did not originate enough consumer loans in the Rockford MSA to be considered a primary loan product and was not included in the analysis.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ILLINOIS

LENDING TEST

The bank's performance under the Lending Test in Illinois is rated **Outstanding**.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Chicago CSA and Rockford MSA was excellent. CD lending had a significantly positive impact on the Lending Test rating in the bank AAs in Illinois.

Lending Activity

Lending levels reflected good responsiveness to AAs credit needs.

Table 3: Lending Activity									2022-2024
Number of Loans									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Chicago CSA	112	2,185	1	37	104	2,439	86.9	86.1	
Rockford MSA	22	306	0	13	15	356	12.7	13.9	
Broader Regional	0	0	0	13	0	13	0.5	0	
Total	134	2,491	1	63	119	2,808	100.0	100.0	
Dollar Volume of Loans (\$000s)									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Chicago CSA	49,760	270,941	10	52,979	2,171	375,861	80.5	86.1	
Rockford MSA	8,145	44,827	0	15,704	56	68,732	14.7	13.9	
Broader Regional	0	0	0	22,396	0	22,396	4.8	0	
Total	57,905	315,768	10	91,079	2,227	466,989	100.0	100.0	

Source: 1/1/2022-12/31/2024 Bank Data.
Due to rounding, totals may not equal 100.0%

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Chicago CSA

Lending levels reflected good responsiveness to AA credit needs. According to the June 30, 2024, FDIC Summary of Deposits, the bank had \$2.0 billion in deposits, which were equivalent to a 3.1 percent market share. The bank's deposit market share ranked 11th out of 59 deposit taking institutions. The bank's market share ranking was in the top 18.6 percent.

According to 2023 peer HMDA data, the bank originated 27 HMDA reportable loans, which is equivalent to 0.1 percent market share in the AA. The bank's market share of HMDA originations was weaker than its deposit market share. The bank's market share of HMDA reportable origination ranked 125 out of 545 lenders originating HMDA reportable loans. The bank's market share ranking of HMDA reportable loans was in the top 22.9 percent of all lenders in the AA. The bank's market share ranking, relative all lenders, was somewhat near to its deposit market share ranking, relative all deposit taking institutions.

According to 2023 Peer small business data, the bank made 344 small business loans which was equivalent to a 1.4 percent market share. The bank's market share of small business loans was weaker than its deposit market share. The bank's market share of small business loan origination ranked 10th out of 162 small business lenders. The bank's market share of small business loan originations was in the top 6.2 percent of all small business lenders in the AA. The bank's market share ranking of small business loans, relative to all lenders, was stronger than its deposit market share ranking relative to all deposit taking institutions.

Rockford MSA

Lending levels reflected good responsiveness to AA credit needs. According to the June 30, 2024, FDIC Summary of Deposits Reports, the bank had \$330.4 million in deposits, which was equivalent to a 4.0 percent market share. The bank's deposit market share ranked ninth out of 22 deposit taking institutions. The bank deposit market share ranking was in the top 40.9 percent of all deposit taking institutions.

According to 2023 peer HMDA data, the bank originated five HMDA reportable loans, which is equivalent to 0.1 percent market share in the AA. The bank's market share of HMDA originations was weaker than its deposit market share. The bank's market share of HMDA reportable origination ranked 122 out of 306 lenders originating HMDA reportable loans. The bank's market share ranking of HMDA reportable loans was in the top 39.9 percent of all lenders in the AA. The bank's market share ranking, relative all lenders, approximated its deposit market share ranking, relative all deposit taking institutions.

According to 2023 Peer small business data, the bank made 44 small business loans which was equivalent to a 1.7 percent market share. The bank's market share of small business loans was weaker than its deposit market share. The bank's market share of small business loan origination ranked 12th out of 85 small business lenders. The bank's market share of small business loan originations was in the top 14.1 percent of all small business lenders in the AA. The bank market share ranking of small business loans, relative to all lenders, was stronger than its deposit market share ranking, relative to all deposit taking institutions.

Distribution of Loans by Income Level of the Geography

The bank exhibited a good geographic distribution of loans in its AAs.

Home Mortgage Loans

Refer to Table 7 in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Chicago CSA

The bank exhibited excellent geographical distribution of home mortgage loans. The proportion of bank home mortgage loans to LMI CTs exceeded both the percentage of owner-occupied housing and the aggregate industry distribution of home mortgage loans to those geographies.

Rockford MSA

The bank exhibited excellent geographical distribution of home mortgage loans. The proportion of bank home mortgage loans to LMI CTs exceeded both the percentage of owner-occupied housing units and the aggregate industry distribution of home mortgage loans to those geographies.

Small Loans to Businesses

Refer to Table 9 in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Chicago CSA

The geographical distribution of small loans to businesses was good. The proportion of bank small loans to businesses in low-income CTs was below the percentage of business and near to the aggregate industry distribution of loans to those geographies. The proportion of bank small loans to businesses in moderate-income CTs exceeded both the percentage of businesses and the aggregate industry distribution of loans to those geographies.

Rockford MSA

The bank exhibited excellent geographical distribution of small loans to businesses. The proportion of bank small loans to businesses in LMI CTs exceeded both the percentage of businesses and the aggregate industry distribution of loans to those geographies.

Consumer Loans

Refer to Table 13 in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

Chicago CSA

The bank exhibits excellent geographical distribution of consumer loans. The proportion of bank consumer loans to LMI CTs exceeded the percentage of households in those geographies.

Rockford MSA

The bank exhibits excellent geographical distribution of consumer loans. The proportion of bank consumer loans to LMI CTs exceeded the percentage of households in those geographies.

Lending Gap Analysis

The OCC evaluated the lending distribution in the AAs to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and business and of different sizes, given the product lines offered by the institution.

Home Mortgage Loans

Refer to Table 8 in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Chicago CSA

The borrower distribution of home mortgage loans was good. In reaching this conclusion, we considered that low-income and some moderate-income borrowers may face challenges qualifying for a home mortgage based on the median housing values in the AA during the evaluation period. Therefore, we placed more emphasis on performance as compared to the aggregate.

The proportion of bank home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate industry distribution. The proportion loans to moderate-income borrowers exceeded the percentage of moderate-income families and was somewhat near to the aggregate industry distribution of home mortgage loans to those borrowers.

Rockford MSA

The borrower distribution of home mortgage loans was excellent. The proportion of bank loans to low-income borrowers was below the percentage of low-income families but exceeded the aggregate industry distribution of loans to those borrowers. The proportion of bank loans to moderate-income borrowers exceeded both the percentage of moderate-income families and the aggregate industry distribution of loans to those borrowers.

Small Loans to Businesses

Refer to Table 10 in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Chicago CSA

The borrower distribution of small loans to businesses was good. The proportion of bank small loans to businesses with revenues less than \$1.0 million was below the percentage of businesses and near the aggregate industry distribution of loans to those businesses.

Rockford MSA

The borrower distribution of small loans to businesses was adequate. The proportion of bank small loans to businesses with revenues less than \$1.0 million was well below the percentage of businesses and near the aggregate industry distribution of loans to those businesses.

Consumer Loans

Refer to Table 14 in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

Chicago CSA

The borrower distribution of consumer loans is excellent. The proportion of bank consumer loans to LMI borrowers exceeded the percentage of loans to those households.

Rockford MSA

An assessment of consumer loans was excluded from the Rockford MSA due to the limited number of loans originated during the assessment period.

Community Development Lending

The institution was a leader in making CD loans. CD loans had a significantly positive impact on the Lending Test Conclusion.

Refer to Table 3 in the Lending Activity section for the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Chicago CSA

During the evaluation period, the bank made 37 CD loans totaling \$53.0 million, which represented 22.8 percent of the allocated tier 1 capital. CD loans primarily supported economic development. By dollar volume, 50.2 percent funded economic development, 35.7 percent funded community services targeted to LMI individuals, and 14.1 percent of these loans funded affordable housing. In particular, the bank provided three flexible CD loans totaling \$13.0 million with the Illinois Department of Commerce under the Advantage Illinois Program, which was created to counteract the struggles that small businesses have in obtaining financing. The funding is authorized under the State Small Business Credit Initiative to increase commercial lending to small business.

The following are examples of CD loans the bank originated or purchased in the AA:

- The bank originated two loans totaling \$15.4 million to a nonprofit organization that serves LMI individuals, including infants and children, with serious developmental disabilities and special healthcare needs. The organization provides residential services, community day services (specialized programs for adults), and educational services. The organization derives most of its revenue from Medicaid and government funding. The bank's financing allowed the organization to add 24 beds for its residential services and supported the working capital needs of the organization.
- The bank originated a \$3.4 million commercial mortgage to assist the borrower in the purchase of a 108-unit apartment complex located in a moderate-income census tract. All rents in the building are below the fair market rents. The apartment building provides affordable housing for the LMI individuals and families in the AA.

- The bank originated a \$1.5 million SBA 504 loan to support the expansion of a grocery store. The loan proceeds were utilized for the purchase, renovation, and equipment financing for a commercial/retail owner-occupied building. This financing supported economic development by retaining and/or creating jobs for LMI individuals in the AA.
- The bank originated two loans totaling \$1.0 million to a food pantry that is dedicated to meeting the hunger needs of individuals and families. The financing supported the renovation of organization's existing building so that it can better serve its community and the low-income residents that rely on its services.

Rockford MSA

During the evaluation period, the bank made 13 CD loans totaling \$15.7 million, which represented 41.7 percent of the allocated tier 1 capital. CD loans primarily supported affordable housing. By dollar volume, 47.5 percent funded affordable housing, 35.0 percent supported revitalize and stabilize efforts of the LMI geographies, and 17.5 percent funded economic development.

The following are examples of CD loans the bank originated or purchased in the AA:

- The bank originated a \$3.8 million commercial mortgage to finance the acquisition of a senior living, multi-family property containing 167 affordable housing units. The property is HUD approved subsidized housing that provides affordable housing to LMI seniors in the AA.
- The bank originated a total of \$5.5 million in loans for a company that delivers sustainable water treatment solutions across industries and around the world. The company is in a moderate-income census tract, within an Enterprise Zone which was created to assist municipalities in the revitalization of distressed areas. The financing supported economic stability and stimulated growth in the distressed and struggling community.
- The bank originated a \$1.1 million SBA 7a loan to support the expansion of a company that designs and manufactures assembly tools used in the electronics assembly process. The financing assisted in the purchase of a new, larger facility in which the business will operate. The new facility is in a moderate-income census tract and expected create more jobs and opportunities in the community.

Broader Statewide and Regional Community Development Lending

CD lending in the broader state area consisted of 13 CD loans totaling \$22.4 million. Of these, 10 loans totaling \$18.4 million supported the financing of 842 units of affordable rental units, two loans totaling \$2.7 million funded economic development, and a \$1.3 million loan supported revitalize and stabilize efforts of the LMI geographies. These CD loans supported the Lending Test conclusion for the state of Illinois.

Product Innovation and Flexibility

The institution made extensive use of innovative and/or flexible lending practices to serve the AAs credit needs. We considered the following loan programs, which provided opportunities to directly

benefit LMI borrowers and small businesses within the AAs. The bank made 566 innovative or flexible loans totaling \$56.3 million in the bank's AAs..

The following are some examples of the bank innovative and/or flexible lending in Illinois:

Money Smart Everyday Loan

Money Smart Everyday Loan is offered as an alternative to payday loans. These loans provide unsecured small dollar financing up to \$5,000 with relaxed credit guidelines that focus on the borrower's most recent 12-month credit history. The rate offered is lower than payday loans or credit card interest rates with terms of 12 or 24 months with no fees. During the evaluation period, the bank originated 53 loans totaling \$144,100 in the Chicago CSA and three loans totaling \$7,000 in the Rockford MSA.

Money Smart Certificate of Deposit Secured Loan

Money Smart Certificate of Deposit Secured Loan is offered to assist persons with very low credit scores and to those with non-established or blemished credit histories. The loan is secured by a certificate of deposit that grows as the loan is repaid in monthly installments. After payoff, customers receive use of the money from the certificate of deposit and reporting of credit history. During the evaluation period, the bank originated 29 loans totaling \$27,000 in the Chicago CSA and five loans totaling \$7,000 in the Rockford MSA.

Easy Access Line of Credit (LOC) and Easy Access Installment Loan

Easy Access Line of Credit (LOC) and Easy Access programs are small and micro loans offered to small businesses, which are a noted need in the community. These programs are targeted to help meet the needs of small businesses with revenues of less than \$1.0 million with short-term LOC funding to support inventory and accounts receivables as well as support through secured and unsecured term loans. During the evaluation period, the bank originated 410 loans totaling \$18.8 million in the Chicago CSA and 11 loans totaling \$380,900 in the Rockford MSA.

SBA Programs

The bank participates in SBA programs including the 504-loan program, 7a loan program, and the Express program. During the evaluation period, the bank originated 38 loans totaling \$24.3 million in the Chicago CSA and 17 loans totaling \$12.6 million in the Rockford MSA through the SBA programs.

INVESTMENT TEST

The bank's performance under the Investment Test in Illinois is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Chicago CSA and Rockford MSA was excellent.

The institution had an excellent level of qualified investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibited excellent responsiveness to credit and community development needs. The institution made significant use of innovative and/or complex investments to support CD initiatives.

Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Chicago CSA	15	4,247	213	26,090	228	86.4	30,337	71.5	0	0
Rockford MSA	0	0	30	10,171	30	11.4	10,171	24.0	0	0
Broader Statewide or Regional Area	4	1,494	2	450	6	2.3	1,944	4.6	5	2,756
Total	19	5,741	245	36,711	264	100.0	42,452	100.0	5	2,756

* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Chicago CSA

The bank's performance in the Chicago CSA was excellent. The institution had an excellent level of qualified CD investments and grants. In total, the bank had 228 qualified CD investments and grants equal to \$30.3 million. The bank had 213 current period investments and grants totaling \$26.1 million. In addition, the AA benefitted from the ongoing impact of 15 prior period CD investments totaling \$4.2 million. Total qualified CD investments and grants were equivalent to 13.0 percent of allocated tier 1 capital. The bank's current period CD investments were responsive to economic development, affordable housing, and community service, with 44.2 percent, 21.9 percent, and 33.9 percent of the volume, respectively. The bank's CD investments occasionally demonstrated leadership and complexity.

The following are some examples of qualified investments in the AA:

- The bank made a \$5.0 million in a mortgage-backed security supporting a 102-unit Housing and Urban Development Division (HUD) apartment complex in the AA providing affordable housing to low- and moderate- income individuals.
- The bank made a \$5.1 million in Royal Bank of Canada Access Capital Community Investment mutual fund that supported affordable housing and economic development. The investment included 78 affordable single- family home loans to low- and moderate-income borrowers in the AA.
- The bank made a \$1.4 million in four investments in School District Bonds to three School Districts located in the AA. Majority of the students in the three school districts are eligible for free or reduced lunch and considered low- income.

Examples of qualified donations in the AA include:

- The bank provided \$269,000 in six grants to a non-profit organization that serves the needs of infants, teens, and adults with profound development disabilities and who require specialized healthcare. The organization is primarily funded through Medicaid.
- The bank made \$61,000 in five donations to a nonprofit organization serving LMI youth. The organization's mission is to enable young people, especially those most in need, to reach their full potential as productive and responsible citizens.

- The bank made \$54,000 in five donations to housing down payment and closing cost assistance program available to qualifying borrowers through HUD approved nonprofit agencies in the AA. The program provides a forgivable grant on a first mortgage.

Rockford MSA

The bank's performance in the Rockford MSA was excellent. The institution had an excellent level of qualified investments and grants. In total, the bank had 30 qualified CD investments and grants equal to \$10.2 million. All qualified CD investments and grants are current period due to this being a new AA, as of this evaluation period. Total CD investments and grants were equivalent to 27.0 percent of allocated tier 1 capital. The bank's CD investments all benefitted community service and were responsive to needs throughout the AA. The bank's CD investments occasionally demonstrated leadership and complexity.

The following are examples of qualified investments in the AA:

- The bank invested in four general obligation bonds totaling \$10.1 million. The bonds benefitted community service needs throughout low-income census tracts in the AA.
- The bank provided two grants totaling \$6,500 to a non-profit that provides mental health and addiction treatment. The donation benefitted community service needs in the AA.
- The bank provided two grants totaling \$7,000 to a non-profit that provides high quality, cost effective, accessible health care for those who have limited access to primary healthcare resources. The donation benefitted community service needs in the AA.

SERVICE TEST

The bank's performance under the Service Test in Illinois is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Chicago CSA was excellent. Based on a full-scope review, the bank's performance in the Rockford MSA was good.

Retail Banking Services

Service delivery systems were readily accessible to geographies and individuals of different income levels in the institution's AAs.

Table 5: Distribution of Branch Delivery Systems											2024		
Assessment Area	Deposits		Branches					Population					
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					% of Population within Each Geography				
				Low	Mod	Mid	Upp	NA	Low	Mod	Mid	Upp	NA
Chicago CSA	86.1	7	70.0	0.0	42.9	28.6	28.6	0.0	0.5	16.2	37.9	45.1	0.3
Rockford MSA	13.9	3	30.0	0.0	33.3	0.0	66.7	0.0	5.7	26.1	33.4	33.6	1.1
Total	100.0	10	100.0	0.0	40.0	20.0	40.0	0.0	1.5	18.0	37.0	42.9	0.4

Source: FFIEC File -2020 Census
1/1/2022-12/31/2024 Bank Data
Due to rounding, totals may not equal 100.0%

* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Chicago CSA

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

In the AA, the bank did not have any branches in low-income geographies. There are only two low-income census tracts in the AA, which is 0.6 percent of the total tracts and 0.5 percent of the total population. The bank's distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies. Consideration was given to a branch located in a middle-income census tract on the southwest side of Elgin that is directly across the street from a moderate-income census tract. Within three miles of the branch, there are an additional four moderate-income tracts. Of all deposit accounts in the AA that are assigned to this branch, 2,387 are owned by residents of LMI census tracts.

The bank complements its traditional service delivery methods in the AA with alternative retail delivery systems, such as deposit-taking ATMs, direct deposit, mobile banking, online banking, remote deposit service, and telephone banking. SCBT has eight deposit-taking ATMs in the AA, of which three are deposit-taking ATMs in a moderate-income CT. We did not place significant weight on alternative delivery systems, as the bank did not maintain or provide metrics to determine their effectiveness in helping meet the needs of LMI individuals.

Rockford MSA

Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AA.

In the AA, the bank did not have any branches in low-income geographies. The bank's distribution of branches in low-income geographies was significantly below the percentage of the population, but the bank's distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies.

The bank complements its traditional service delivery methods in the AA with alternative retail delivery systems, such as deposit-taking ATMs, direct deposit, mobile banking, online banking, remote deposit service, and telephone banking. SCBT has five deposit-taking ATMs. Two of the bank's deposit-taking ATMs are in a low-income CT and two deposit-taking ATMS are in a moderate-income CT. We did not place significant weight on alternative delivery systems, as the bank did not maintain or provide metrics to determine their effectiveness in helping meet the needs of LMI individuals.

Table 6: Distribution of Branch Openings/Closings			2024				
Assessment Area	Branch Openings/Closings		Net change in Location of Branches (+ or -)				
	# of Branch Openings	# of Branch Closings					
			Low	Mod	Mid	Upp	NA
Chicago CSA	0	0	0	0	0	0	0
Rockford MSA	3	0	0	+1	0	+2	0
Total	3	0	0	+1	0	+2	0

1/1/22-12/31/2024 Bank Data.

* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Chicago CSA

The bank did not open or close branches during the evaluation period.

The bank's services, including business hours where applicable, did not vary in a way that inconvenienced low- and moderate-income individuals or geographies within the AA. The bank offered traditional banking products and services at the branches located within the AA. Branch lobby hours and drive-up hours are Monday through Friday from 9:00 a.m. to 5:00 p.m., and Saturday from 9:00 a.m. to 1:00 p.m.

Rockford MSA

To the extent changes have been made, the institution's opening and closing of branches had improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. In January of 2022, the bank opened Rockford Community Bank and added an AA to include the Rockford MSA. In October and November of 2024, two additional Rockford Community Bank branches were opened, one in a moderate-income census tract.

The bank's services, including business hours where applicable, did not vary in a way that inconveniences low- and moderate-income individuals or geographies within the AA. The bank offered traditional banking products and services at the branches located in the AA. Branch lobby hours and drive-up hours are Monday through Friday from 9:00 a.m. to 5:00 p.m., and Saturday from 9:00 a.m. to 1:00 p.m.

Community Development Services

The institution was a leader in providing CD services.

Chicago CSA

CD services were responsive in helping the bank address the community needs in a variety of different organizations and hours of service that employees participated in to support the LMI individuals and families. During the evaluation period, 42 bank employees conducted 227 financial education events totaling 451.5 hours in coordination with 44 different organizations. These events included financial literacy sessions for both students and adults, financial literacy for small business owners, and first-time home buyer seminars primarily targeted to LMI individuals and families. In addition, 24 bank employees spent 3,952 hours serving in leadership roles by participating on boards and committees for 33 different CD organizations. Finally, three employees provided 21 hours of technical expertise for three CD organizations that provide services to students from LMI families.

Examples of qualified CD service activity in this AA include:

- During the evaluation period, a bank employee served on the board of a food pantry that is committed to providing nutritious food relief to the community. The organization also partners with a wide variety of community organizations that are on-site several times a month to help enrich and improve the lives of LMI individuals in the community.

- A total of 14 bank employees held 38 Money Smart sessions at a nonprofit organization that provides safe shelter, food, and a range of support services for LMI individuals in need of help. The organization provides services to persons who are homeless or at risk of homelessness in Batavia, Geneva, St. Charles, and western, rural Kane County. The Money Smart sessions are a comprehensive financial education curriculum designed to help people of all ages enhance their financial skills and create positive banking relationships.
- Partnered with a nonprofit organization, two bank employees provided two presentations to small business owners about creating business plans and the importance of financial planning. The organization offers free mentoring and free or low-cost education services to startups or small businesses. A total of 72 attendees participated in the two educational sessions.

Rockford MSA

CD services were responsive in helping the bank address the community needs in a variety of different organizations and hours of service that employees participated in to support the LMI individuals and families. During the evaluation period, 17 bank employees conducted 143 financial education events totaling 282 hours in coordination with seven different organizations. These events included financial literacy sessions for both students and adults, financial literacy for small business owners, and first-time home buyer seminars primarily targeted to LMI individuals and families. In addition, nine bank employees spent 1,588.5 hours serving in leadership roles by participating on boards and committees for 16 different CD organizations.

Examples of qualified CD service activity in this AA include:

- During the evaluation period, a bank employee served on the board of a nonprofit organization whose mission is to coordinate a collaborative and comprehensive approach to poverty reduction to transform lives and help families thrive. The organization's poverty reduction efforts include programs such as getting ahead classes and creating upward mobility and poverty reduction workshops.
- A bank employee served on the board of a nonprofit organization that assists adults ages 18 and above to obtain and maintain employment in the community. The services provided by the organization include vocational evaluation, resume development, job search assistance, and follow-up support to ensure successful, permanent employment.
- Partnered with a business organization, a bank employee provided a presentation about financial planning and access to capital to seven small business owners. The organization provides education, consulting, and training to small businesses, nonprofit organization and individuals. The organization is a certified woman-owned minority business.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	1/1/2022 through 12/31/2024	
Bank Products Reviewed:	Home mortgage, small business, consumer loans Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Illinois		
Chicago CSA	Full-scope	DuPage (043) and Kane (089) counties
Rockford MSA	Full-scope	Boone (007) and Winnebago ((201) counties

Appendix B: Summary of MMSA and State Ratings

RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
St. Charles Bank & Trust Company, National Association	Outstanding	Outstanding	Outstanding	Outstanding
MMSA or State:				
Illinois	Outstanding	Outstanding	Outstanding	Outstanding

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2 of this title, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

Low-Income: Individual income that is at less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5

million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multistate metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table 7. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table 8. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.

Table 9. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.

Table 10. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table 11. Assessment Area Distribution of Loans to Farms by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

Table 12. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

Table 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography

Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			2022 - 2024
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	% of Owner-Occupied Housing Units	% of Bank Aggregate Loans	
Chicago CSA	112	49,760	83.58	69,057	0.27	0.89	0.28	12.76	16.96	11.51	36.54	34.82	37.58	50.07	46.43	50.03	0.37	0.89	0.60
Rockford MSA	22	8,145	16.42	16,224	3.07	4.55	2.80	21.30	45.45	22.05	34.48	22.73	37.15	40.89	27.27	37.79	0.25	0.00	0.21
Total	134	57,905	100.00	85,281	0.80	1.49	0.76	14.39	21.64	13.52	36.15	32.84	37.50	48.31	43.28	47.70	0.35	0.75	0.53

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022 HMDA Aggregate Data "0" data not available
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower

Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			2022 - 2024
	#	\$	% of Total Number	Overall Market	% of Families	% of Bank Loans	% of Families	% of Bank Loans	% of Families	% of Bank Loans	% of Families	% of Bank Loans	% of Families	% of Bank Loans	% of Families	% of Bank Loans	% of Families	% of Bank Loans	
Chicago CSA	112	49,760	83.58	69,057	16.17	8.93	7.98	15.64	17.86	20.21	20.28	12.50	21.71	47.91	43.75	35.80	0.00	16.96	14.30
Rockford MSA	22	8,145	16.42	16,224	21.83	18.18	12.06	17.18	31.82	23.30	19.45	4.55	22.88	41.54	27.27	26.36	0.00	18.18	15.40
Total	134	57,905	100.00	85,281	17.24	10.45	8.76	15.93	20.15	20.80	20.12	11.19	21.93	46.70	41.04	34.01	0.00	17.16	14.51

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022 HMDA Aggregate Data "0" data not available
Due to rounding, totals may not equal 100.0%

2022 - 2024

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market Number	% Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses	Bank Aggregate	Businesses
Chicago CSA	2,185	270,941	87.72	93,991	0.41	0.32	0.35	10.04	16.20	9.32	38.50	42.11	40.61	50.94	41.01	49.58	0.11	0.37	0.14
Rockford MSA	306	44,827	12.28	10,140	4.62	10.46	4.15	25.15	26.80	22.86	30.75	27.45	30.39	36.50	28.10	40.57	2.99	7.19	2.02
Total	2,491	315,768	100.00	104,131	0.98	1.57	0.72	12.12	17.50	10.64	37.43	40.31	39.61	48.96	39.42	48.70	0.51	1.20	0.33

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 Dunn & Bradstreet SBSF Demographics, 2022 CRA Aggregate Data.

Due to rounding, totals may not equal 100.0%

2022 - 2024

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues													
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available		
	#	\$	% of Total	Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Chicago CSA	2,185	270,941	87.72	93,991	93.991	76.07	49.79	52.31	13.59	29.57	10.34	20.64	
Rockford MSA	306	44,827	12.28	10,140	10.140	74.43	47.71	54.24	12.82	33.99	12.75	18.30	
Total	2,491	315,768	100.00	104,131	75.85	49.54	52.50	13.49	30.11	10.66	20.35		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 Dunn & Bradstreet SBSF Demographics, 2022 CRA Aggregate Data, "-0" data not available.

Due to rounding, totals may not equal 100.0%

Table 13: Assessment Area Distribution of Consumer Loans by Income Category of the Geography

Assessment Area:		Total Consumer Loans		Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
#	\$	% of Total	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households
Chicago CSA	104	2,171	87.39	0.54	4.81	15.68	43.27	38.67	30.77	44.73	20.19	0.39	0.96
Rockford MSA	15	56	12.61	6.15	26.67	26.60	26.67	33.34	20.00	32.65	26.67	1.25	0.00
Total	119	2,227	100.00	1.68	7.56	17.91	41.18	37.58	29.41	42.27	21.01	0.56	0.84

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2024 Bank Data.

Due to rounding, totals may not equal 100.0%

Table 14: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower

Assessment Area:		Total Consumer Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
#	\$	% of Total Number	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households	% of Bank Loans	% of Households
Chicago CSA	104	2,171	87.39	18.62	60.58	14.64	19.23	17.44	11.54	49.30	8.65	0.00	0.00
Rockford MSA	15	56	12.61	24.07	46.67	16.31	6.67	17.65	33.33	41.97	13.33	0.00	0.00
Total	119	2,227	100.00	19.73	58.82	14.98	17.65	17.48	14.29	47.81	9.24	0.00	0.00

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, "0" data not available.

Due to rounding, totals may not equal 100.0%