



**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD APRIL 28, 2022**

Dear Fellow Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders (the "Annual Meeting") of CoastalSouth Bancshares, Inc. (the "Company"), which will be held at 8:00 a.m. Eastern Time on April 28, 2022 at the Sea Pines Community Center, Suite 120, located at 71 Lighthouse Road, Hilton Head Island, South Carolina 29928, for the following purposes:

- (1) To eleven directors, each to serve for a one-year term ending at the Annual Meeting of Shareholders in 2023; and
- (2) To transact any other business that may properly come before the Annual Meeting or any adjournments thereof.

The enclosed Proxy Statement describes in more detail the matters which are to be considered at the Annual Meeting. We urge you to read these materials carefully. Any action may be taken on the foregoing proposal at the Annual Meeting on the date specified or on any date or dates to which, by original or later adjournments, the Annual Meeting may be adjourned.

The Board of Directors set the close of business on March 9, 2022 as the record date for determining the shareholders who are entitled to notice of and/or entitled to vote at the Annual Meeting.

The Board of Directors supports the proposal set forth in Item (1) above and urges you to vote **FOR** this proposal.

We hope that you will be able to attend the meeting. **Whether or not you plan to attend, please complete your proxy so that your shares will be represented at the Annual Meeting.** We encourage you to vote by internet or telephone by following the instructions which are provided on the enclosed Proxy Card. You may also vote by completing the enclosed proxy card and promptly returning it in the postage paid return envelope. You may revoke your proxy at any time before the proxy is exercised.

In an effort to streamline cost and enhance efficiency related to the Annual Meeting, rather than printing and mailing the 2021 Annual Financial Statements, they will be available electronically at the following web address: [www.coastalstatesbank.com/investor-relations](http://www.coastalstatesbank.com/investor-relations).

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "James S. MacLeod", is written over a horizontal line.

James S. MacLeod  
Chairman

March 24, 2022

COASTALSOUTH BANCSHARES, INC.  
5 Bow Circle  
Hilton Head Island, South Carolina 29928  
(843) 341-9900

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## PROXY STATEMENT FOR ANNUAL MEETING

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### INTRODUCTION

#### General

The Board of Directors is sending this Proxy Statement (this “Proxy Statement”) to our shareholders to solicit proxies from holders of our voting common stock, \$1.00 par value per share (our “Voting Common Stock”), for use at the Annual Meeting of the Shareholders (the “Annual Meeting”). Unless otherwise clearly specified, all references in this Proxy Statement to “CoastalSouth,” “we,” “us,” “our,” and the “Company” refer to CoastalSouth Bancshares, Inc.

#### Time and Place of Meeting

The Annual Meeting will be held on Thursday, April 28, 2022 at 8:00 a.m. Eastern Time at the Sea Pines Community Center, Suite 120, located at 71 Lighthouse Road, Hilton Head Island, South Carolina 29928.

#### Record Date and Mailing Date

The close of business on March 9, 2022 is the record date (the “Record Date”) for the determination of shareholders entitled to notice of and to vote at the Annual Meeting. Only the holders of our outstanding Voting Common Stock as of the close of business on the Record Date will be entitled to notice of and to vote at the Annual Meeting. This Proxy Statement and the accompanying proxy card are being mailed to such shareholders on or around March 24, 2022.

#### Number of Shares Outstanding

As of the close of business on the Record Date, CoastalSouth had 50,000,000 shares of common stock authorized, of which 6,614,228 shares of Voting Common Stock were outstanding, held by 608 holders of record.

#### Summary of Proposals

The proposal to be considered at the meeting is summarized as follows:

*Proposal One.* To elect eleven directors each to serve a one-year term ending at the Annual Meeting of Shareholders in 2023 (the “Director Election Proposal”).

## VOTING AT THE ANNUAL MEETING

### Requirements for Shareholder Approval

To hold a vote on any proposal, other than to adjourn the Annual Meeting for the lack of a quorum, a quorum must be present with respect to the proposal. A quorum will be present at the Annual Meeting if a majority of the outstanding shares of Voting Common Stock entitled to vote at the Annual Meeting is represented in person or by valid proxy. We will count abstentions and broker non-votes, which are described below, as present in determining whether a quorum exists.

*Vote Required.* The holders of shares of CoastalSouth's Voting Common Stock are entitled to one vote per share on all matters presented at the Annual Meeting for action by shareholders. With respect to the Director Election Proposal, for a director nominee to be elected, each director nominee must receive more affirmative votes for his seat on the Board of Directors than any other nominee for such seat. The Board of Directors is not aware of any competing nominees.

*Abstentions.* A shareholder who is present in person or by proxy at the Annual Meeting and who abstains from voting on any or all proposals will be included in the number of shareholders present at the Annual Meeting for purposes of determining the presence of a quorum. Abstentions do not count as votes for or against a given matter. An abstention will have no effect on the Director Election Proposal.

*Broker Non-Votes.* Brokers who hold shares for the accounts of their clients may vote those shares either as directed by their clients or in their own discretion if permitted by the exchange or other organization of which they are members. Proxies that contain a broker vote on one or more proposals but not on others are referred to as "broker non-votes" with respect to the proposal(s) not voted upon. Broker non-votes are included in determining the presence of a quorum. A broker non-vote does not count as a vote in favor or against a particular proposal for which the broker has no discretionary authority. Broker non-votes will have no effect on the Director Election Proposal.

## **Procedures for Voting by Proxy**

If you properly execute and deliver and do not revoke your proxy, the persons appointed as proxies will vote your shares according to the instructions you have specified on the proxy card. **If you execute your proxy but do not provide your proxies with any voting instructions, then your shares will be voted “FOR” the Director Election Proposal and in accordance with the best judgment of the persons appointed as proxies as to all other matters properly brought before the Annual Meeting.** No proxy marked specifically “WITHHOLD” or “ABSTAIN” with respect to any Proposal will be voted in favor of any other Proposal unless the proxy is specifically marked “FOR” such other Proposal.

A shareholder who has given a proxy may revoke it at any time prior to its exercise at the Annual Meeting by:

- giving written notice of revocation to CoastalSouth;
- properly submitting to CoastalSouth a duly executed proxy bearing a later date; or
- attending the Annual Meeting and voting.

All written notices of revocation and other communications concerning proxies should be addressed to Stephen R. Stone, Chief Executive Officer of CoastalSouth Bancshares, Inc., at P.O. Box 4800, Hilton Head Island, South Carolina 29938.

## **Solicitation of Proxies**

CoastalSouth will pay the cost of proxy solicitation, if necessary. Our directors, officers and employees may, without additional compensation, solicit proxies by personal interview, telephone, fax or otherwise. We will direct brokerage firms or other custodians, nominees or fiduciaries to forward our proxy solicitation materials to the beneficial owners of Voting Common Stock held of record by these institutions. We will reimburse these firms, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses that they incur in connection with this process.

## PROPOSALS TO BE CONSIDERED

### PROPOSAL ONE: THE DIRECTOR ELECTION PROPOSAL

Our current Board of Directors consists of eleven members. The Board of Directors unanimously recommends that the shareholders elect L. Scott Askins, Ernst W. Bruderer, Patrick W. Frawley, Mark Griffith, Boris M. Gutin, Michael B. High, Ping Lee, PhD, James S. MacLeod, James N. Richardson, Jr., Stephen R. Stone and Joseph V. Topper, Jr. as director nominees each to serve as a director for a one-year term expiring in 2023, in accordance with our Articles of Incorporation and our Bylaws.

### Director Nominees (For a One-Year Term Expiring 2023)

Highlights	Director Candidate
<p>Age: 52</p> <p><b>Director since</b> 2021</p> <p><b>Committees:</b> Credit &amp; Risk; Nominating &amp; Governance</p> <p><b>Director Qualification Highlights:</b> Financial Services Management Mergers &amp; Acquisitions Public Company Governance Regulatory Experience Risk Management Technology</p>	<p><b>L. Scott Askins</b> <i>General Counsel, Chief Compliance Officer and Secretary of Kabbage, an American Express Company</i></p> <p>Ms. Askins has over 20 years of C-Suite experience in early- and late-stage private and public companies, with an extensive background in scaling disruptive innovation companies and driving key operating strategies of organic and acquisitive growth. Her areas of experience include FinTech, mergers and acquisitions, corporate governance and regulatory compliance.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ General Counsel, Chief Compliance Officer and Secretary, Kabbage, Inc. (2016-2020)</li> <li>▪ Executive Vice President – Legal, General Counsel and Secretary of Premiere Global Services, Inc. (2003-2016)</li> <li>▪ Consultant, Strategic Development Group of Premiere Global Services, Inc. (2001-2003)</li> <li>▪ Vice President, Assistant General Counsel and Assistant Secretary of WebMD Corporation (1998-2001)</li> <li>▪ Attorney, Alston &amp; Bird LLP (1996-1998)</li> <li>▪ Attorney, Nelson Mullins Riley &amp; Scarborough, L.L.P. (1995-1996)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Former Member of the Board of Directors of Innovative Lending Platform Association (2016-2020)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Clemson University</li> <li>▪ Juris Doctor, University of South Carolina School of Law</li> <li>▪ Master of Laws in Taxation, New York University School of Law</li> </ul>

Highlights	Director Candidate
<p>Age: 68</p> <p><b>Director since</b> 2003</p> <p><b>Committees:</b> Audit; Nominating &amp; Governance</p> <p><b>Director Qualification Highlights:</b> Financial Services Leadership of a large complex organization Management Risk management</p>	<p><b>Ernst W. Bruderer</b> <i>Chief Executive Officer of Overterra AG/Overterra USA Corporation</i></p> <p>Mr. Bruderer is an experienced multinational entrepreneur who has an extensive background serving as CEO for various industries and working in different cultural environments. He is a founder of CoastalSouth Bancshares and Coastal States Bank.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Facilitator, CELA and MELA (Current)</li> <li>▪ Vistage Chair for Vistage International (Between 2012 and 2021)</li> <li>▪ Chairman/CEO for Burka Coffee Estates, Tanzania (Between 1988 and 2000)</li> <li>▪ Executive Vice President for Jacobs-Suchard AG (Between 1980 and 1989)</li> <li>▪ Corporate Secretary for Jacobs-Suchard AG (Between 1980 and 1989)</li> <li>▪ Head of Trademarks &amp; Patents for Jacobs-Suchard AG (Between 1980 and 1989)</li> <li>▪ Member of the Legal and Finance Departments for Jacobs-Suchard AG (Between 1980 and 1989)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Chairman of the Board of Directors of Lowcountry Motors (Current)</li> <li>▪ Member of the Board of Directors of SYNCO Properties (Current)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of the University of St. Gall, BA in Business and Economics</li> <li>▪ Juris Doctor, University of Zurich</li> <li>▪ Post-Graduate LLM Classes, Georgetown Law School</li> </ul>
<p>Age: 70</p> <p><b>Director since</b> 2017</p> <p><b>Committees:</b> Compensation; Credit &amp; Risk</p> <p><b>Director Qualification Highlights:</b> Financial services CEO Leadership of a large complex organization Management Mergers &amp; Acquisitions Regulatory experience Risk management</p>	<p><b>Patrick M. Frawley</b> <i>Retired Chief Executive Officer of Community &amp; Southern Bank</i></p> <p>Mr. Frawley’s commitment to the financial industry dates back to the early 1970s. He has served in a variety of key regulatory roles with the Comptroller of the Currency and has held numerous positions with multinational banks. As the CEO of two troubled community banks in the early 2000s, he earned a reputation as a turnaround specialist. Mr. Frawley was a founder of Community &amp; Southern Bank.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Chief Executive Officer for Community &amp; Southern Bank (2010-2016)</li> <li>▪ Chief Executive Officer for Integrity Bank (2007-2008)</li> <li>▪ Chief Executive Officer for The Community Bank (2001 – 2007)</li> <li>▪ Various Executive Officer Roles, Citizens &amp; Southern National Bank, C&amp;S/Sovran, NationsBank, and Bank of America (1986 and 2001)</li> <li>▪ Key Regulatory Roles, Comptroller of the Currency (1973 – 1986)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Former Member of the Board of Directors of Community &amp; Southern Holdings, Inc. and Community &amp; Southern Bank</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Campbell University</li> <li>▪ Graduate of Louisiana State University’s School of Banking</li> </ul>

Highlights	Director Candidate
<p><b>Age:</b> 65</p> <p><b>Director since</b> 2012</p> <p><b>Committees:</b> Audit; Credit &amp; Risk</p> <p><b>Director Qualification Highlights:</b> Financial &amp; accounting Leadership of a large complex organization Management</p>	<p><b>Mark A. Griffith</b> <i>Retired Managing Director of LNR Partners Europe Ltd.</i></p> <p>Mr. Griffith has extensive experience in real estate equity and debt investment. As Managing Director of LNR Partners Europe Ltd., he was responsible for operations and directing investment strategies across the U.K. and Western Europe. Mr. Griffith also served as Vice President of three U.S. commercial real estate companies specializing in retail shopping centers and office building ownership, development and management.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Managing Director for LNR Partners Europe Ltd. (Between 2002 and 2009)</li> <li>▪ Director of Real Estate for LNR Partners Europe Ltd. (Between 2002 and 2009)</li> <li>▪ U.S. Eastern Region President for LNR Property Corporation (Between 1997 and 2002)</li> <li>▪ Vice President for LNR Property Corporation (Between 1997 and 2009)</li> <li>▪ Director of Commercial Real Estate for Lennar Corporation (Between 1990-1997)</li> <li>▪ Vice President for three U.S. commercial real estate companies (1978-1990)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Attended Ohio University</li> </ul>
<p><b>Age:</b> 47</p> <p><b>Director since</b> 2017</p> <p><b>Committees:</b> Audit; Credit &amp; Risk</p> <p><b>Director Qualification Highlights:</b> Financial &amp; accounting Financial services Mergers &amp; Acquisitions Public Company Governance</p>	<p><b>Boris M. Gutin</b> <i>Co-Managing Partner of GCP Capital Partners</i></p> <p>Mr. Gutin has over 20 years of private equity investment experience. He focuses and leads the majority of GCP's financial services and financial technology investments and has led all of GCP's community bank investments.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Joined Greenhill Capital Partners, the predecessor fund to GCP Capital (2003), member of the Investment Committee</li> <li>▪ Associate at American Securities Capital Partners (1999-2001)</li> <li>▪ Analyst at Goldman Sachs (1996-1999)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Member of the Board of Directors of MapleMark Bank (Current)</li> <li>▪ Member of the Board of Directors of Geoforce (Current)</li> <li>▪ Member of the Board of Directors of Mobilewalla (Current)</li> <li>▪ Member of the Board of Directors of Alkeme Insurance (Current)</li> <li>▪ Member of the Board of Directors of Transnetwork (Current)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Johns Hopkins University</li> <li>▪ Graduate of Harvard Business School</li> </ul>

Highlights	Director Candidate
<p><b>Age:</b> 73</p> <p><b>Director since</b> 2017</p> <p><b>Committees:</b> Audit; Compensation</p> <p><b>Director Qualification Highlights:</b>            Financial &amp; accounting            Financial services            Management            Mergers &amp; Acquisitions            Regulatory experience            Risk management            Technology</p>	<p><b>Michael B. High</b>  <i>Partner of Patriot Financial Partners L.P.</i></p> <p>Mr. High has more than 45 years of banking experience with significant experience in the areas of finance, asset/liability management, mergers and acquisitions, investor relations, operations, risk management, facilities, and human resources. He is a Certified Public Accountant in the State of Pennsylvania (inactive).</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Executive Vice President and Chief Operating Officer for Harleysville National Corporation (2005-2008)</li> <li>▪ Chief Financial Officer for Harleysville National Corporation (2004)</li> <li>▪ Chief Operating Officer and Chief Financial Officer for Progress Financial Corporation (1998-2004)</li> <li>▪ Senior Vice President of Finance for CoreStates Financial Corp. (Beginning in 1996)</li> <li>▪ Senior Vice President of Finance for Meridian Bancorp (Until 1996)</li> <li>▪ Executive Vice President and Chief Financial Officer for Meritor Savings Bank</li> <li>▪ Began his career with PricewaterhouseCoopers (formerly Coopers &amp; Lybrand)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Former Member of the Board of Directors of Howard Bancorp Inc.</li> <li>▪ Former Member of the Board of Directors of Elderlife Financial Services</li> <li>▪ Former Member of the Board of Directors of DR Bank</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Pennsylvania State University</li> </ul>
<p><b>Age:</b> 61</p> <p><b>Director since</b> 2021</p> <p><b>Committees:</b> None</p> <p><b>Director Qualification Highlights:</b>            Financial Services            Management            Technology</p>	<p><b>Ping Lee, PhD</b>  <i>Executive Director of Shenzhen Research Institute of Big Data at Chinese University of Hong Kong (Shenzhen)</i></p> <p>Dr. Lee had a distinguished career in the oil and gas industry and information technology industry during which he served in a number of regional and global executive positions in multinational companies. Along with information technology, he has experience in the areas of financial services, human resources, and asset management.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Senior Vice President, NextDecade Corporation, November 2017 – August 2021</li> <li>▪ Chief Legal Representative, Royal Dutch Shell (China), February 2016 – August 2016</li> <li>▪ President and Asset Manager, BG Group (China), April 2011 – February 2016</li> <li>▪ Area President, Schlumberger Limited, January 2007 – January 2011</li> <li>▪ Global Director of Human Resources, Schlumberger Wireline, June 2005 – January 2007</li> <li>▪ President, Atos Origin North Asia, February 2004 – May 2005</li> <li>▪ Asia-Pacific Regional Manager Director, SchlumbergerSema Financial Services, July 2001 – February 2004</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Member of the Board of Directors of Cornerstone Bank (Former)</li> <li>▪ Independent Director of Kingstone Energy Ltd.</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ MS, Computer Science, Cornell University</li> <li>▪ PhD, Mathematics, Cornell University</li> </ul>



Highlights	Director Candidate
<p><b>Age:</b> 74</p> <p><b>Director since</b> 2003</p> <p><b>Committees:</b> N/A</p> <p><b>Director Qualification Highlights:</b>  Financial services  Leadership of a large complex organization  Management  Mergers &amp; Acquisitions  Public Company Governance</p>	<p><b>James S. MacLeod</b>  <i>Chairman of CoastalSouth Bancshares, Inc. and Coastal States Bank; Partner of Nexus Capital</i></p> <p>Mr. MacLeod has a 47-year career in mortgage finance and is a founder of Coastal States Bank, where he has served in various positions since 2003. Prior to his affiliation with Coastal States Bank, Mr. MacLeod held various positions with Mortgage Guaranty Insurance Corp. He currently serves as a trustee or director for a number of organizations.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Chief Executive Officer of CoastalSouth Bancshares, Inc.</li> <li>▪ President and Chief Operating Officer of Coastal States Bank</li> <li>▪ Executive Vice President of Mortgage Guaranty Insurance Corporation</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Trustee of the Virtus AllianzGI CEF Complex and Chairman of the Performance Committee (Current)</li> <li>▪ Chairman of the Board of The University of Tampa (Current)</li> <li>▪ Vice Chairman of the Board of Directors of the Medical University of South Carolina Foundation (Current)</li> <li>▪ Member of the Board of Directors of Coastal States Mortgage, Inc. (Current)</li> <li>▪ Non-Executive Chairman of the Board of Directors of Sykes Enterprises, Inc. (Former)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Bachelor of Science in Economics, The University of Tampa</li> <li>▪ Master of City Planning, Georgia Institute of Technology</li> <li>▪ Master of Science in Real Estate and Urban Affairs, Georgia State University</li> </ul>
<p><b>Age:</b> 77</p> <p><b>Director since</b> 2004</p> <p><b>Committees:</b> Compensation; Nominating &amp; Governance</p> <p><b>Director Qualification Highlights:</b>  Leadership of a large complex organization  Management</p>	<p><b>James N. Richardson, Jr.</b>  <i>Owner and General Manager of Coligny Plaza LP; Chief Operating Officer of Windmill Harbour Company; Broker-in-Charge, Manager and Owner of Windmill Harbour Real Estate and The Richardson Group</i></p> <p>Mr. Richardson has extensive experience as a business owner in the Low Country region, particularly in the area of real estate sales and investments. He has served on numerous boards for businesses as well as cultural organizations, and he continues to volunteer in numerous charity positions both locally and statewide.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Real Estate Development and Management</li> <li>▪ Founder of the South Carolina Yacht Club</li> <li>▪ Long Range Vision Task Force for Town of Hilton Head Island</li> <li>▪ Member, Young President’s Organization and Chief Executive’s Organization</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Chairman of the Board of Directors of the Sea Pines Architectural Review Board (Current)</li> <li>▪ Commissioner of South Island Public Service District (2007-Present)</li> <li>▪</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Mars Hill College</li> </ul>

Highlights	Director Candidate
<p>Age: 46</p> <p>Director since 2017</p> <p>Committees: N/A</p> <p><b>Director Qualification Highlights:</b>            Financial services            Management            Mergers &amp; Acquisitions            Regulatory experience            Risk management</p>	<p><b>Stephen R. Stone</b>  <i>President and Chief Executive Officer of CoastalSouth Bancshares, Inc. and Coastal States Bank</i></p> <p>Mr. Stone is an experienced leader in the community banking industry. He has significant experience in financial services, mergers &amp; acquisitions, strategic planning, and banking operations. As President and CEO, he is knowledgeable about all aspects of the Company’s business activities. Mr. Stone lead the recapitalization of the Company in 2017 and has overseen the Company’s growth to over \$1.6 billion in assets over the past four years.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Chief Strategy Officer and General Counsel of Community &amp; Southern Bank (2012-2016)</li> <li>▪ Chief Administrative Officer and General Counsel of Community &amp; Southern Bank (2011-2012)</li> <li>▪ General Counsel of Community &amp; Southern Bank (2009-2012)</li> <li>▪ Attorney, Alston &amp; Bird LLP (2003-2009)</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Member of the Board of Directors of Coastal States Mortgage, Inc. (Current)</li> <li>▪ Member, Board of Directors of The Buckhead Coalition (2020-Present)</li> <li>▪ Former Member of the Board of Directors of CSB Investments, Inc. (2010-2016)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of the University of Virginia</li> <li>▪ Juris Doctor, Washington College of Law – American University</li> </ul>
<p>Age: 66</p> <p>Director since 2017</p> <p>Committees: Compensation Nominating &amp; Governance</p> <p><b>Director Qualification Highlights:</b>            Financial services            Leadership of a large complex organization            Management</p>	<p><b>Joseph V. Topper, Jr.</b>  <i>Chief Executive Officer of Dunne Manning Inc. and Affiliates</i></p> <p>Mr. Topper has 32 years of management experience in the wholesale and retail fuel distribution business. In 1987, he purchased his family’s retail fuel business and five years later founded Lehigh Gas Corporation, the predecessor to CrossAmerica Partners LP and Dunne Manning Inc., where he has been the Chief Executive Officer since 1992.</p> <p><b>Career Highlights</b></p> <ul style="list-style-type: none"> <li>▪ Chief Executive Officer and Founder of Dunne Manning Inc. (formerly known as Lehigh Gas Corp.) and Affiliates (1992-Present)</li> <li>▪ President and Chief Executive Officer of the General Partner of CrossAmerica Partners LP (formerly Lehigh Gas Partners LP) (2012-2015)</li> <li>▪ Co-Founder of City Center Investment Corporation</li> </ul> <p><b>Other Directorships</b></p> <ul style="list-style-type: none"> <li>▪ Chairman of the Board of CrossAmerica Partners LP (2019-Present)</li> <li>▪ Member of the Board of Trustees for Villanova University (2010-2020; Chairman 2017-2020)</li> <li>▪ Member of the Board of Directors for United Way of the Greater Lehigh Valley (Current)</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Graduate of Villanova University</li> <li>▪ Master of Business Administration, Lehigh University</li> </ul>

## **Director independence, recruitment and nomination**

CoastalSouth seeks director candidates who uphold the highest standards, are committed to the Company's values and are strong independent stewards of the long-term interests of shareholders. The Company's Nominating and Corporate Governance Committee (the "NCGC") considers Board composition on an ongoing basis, with a focus on establishing a Board of Directors with the skills and experience required to effectively oversee the Company's present and future operations and strategy. The NCGC and the Board seek a diverse group of directors with experience in banking and other aspects of business that are relevant to the Company's businesses and operations.

The NCGC also oversees the director nomination process. In considering whether to nominate a director for election, the NCGC considers, among other things:

- Whether the director possesses personal and professional integrity, sound judgment, forthrightness and has sufficient time and energy to devote to the affairs of the Company;
- Whether the director possesses a willingness to challenge and stimulate management and the ability to work as part of a team in an environment of trust;
- The extent of the director's business and financial acumen and experience, especially in the financial services and products areas;
- Whether the director assists in achieving a mix of Board members that represents a diversity of background and experience, including with respect to age, gender, race, place of residence and specialized experience;
- Whether the director would be considered a "financial expert" or "financially literate" as defined in applicable law;
- Whether the director, by virtue of particular technical expertise, experience or specialized skill relevant to the Company's current or future business, will add specific value as a Board member, including business contacts, reputation, visibility, community involvement, regulatory experience, and independence;
- Whether the director is free from conflicts of interest with the Company; and
- Any factors related to the ability and willingness of a new director to serve, or an existing director to continue his/her service.

Each of our director nominees has been recommended for election by the NCGC and approved for re-nomination by our Board.

## **Personal and professional attributes and skills of the nominees**

In furtherance of the foregoing, the Board considers a wide range of attributes when selecting and recruiting candidates. Our nominees have executive experience and skills that are aligned with our business and strategy as follows:

***Financial and Accounting*** – Knowledge of or experience in accounting, financial reporting or auditing processes and standards is important to effectively oversee the Company’s financial condition and the accurate reporting thereof.

***Financial Services*** – Experience in the financial services industry, in particular, community banking, including consumer and commercial banking, and other related products and services, allows Board members to evaluate the Company’s business model, strategies and the industry in which we compete.

***Leadership of a Large, Complex Organization*** – Executive experience managing business operations and strategic planning allows Board members to effectively oversee the Company’s operations.

***Management*** – Experience as a senior executive officer allows the Board to effectively oversee the Company’s efforts to recruit, retain and develop key employees and build a cohesive and effective strategy.

***Mergers and Acquisitions*** – Mergers and Acquisitions are an important part of the Company’s strategic focus, and experience in negotiating, executing, and integrating deals allows the Board to effectively oversee this element of the Company’s business strategy.

***Public Company Governance*** – Knowledge of public company governance matters and best practices assists the Board in considering and adopting applicable corporate governance strategies and preparing for the possibility that the Company may be a public company at some point in the future.

***Regulatory*** – Experience with regulated businesses, regulatory requirements and relationships with banking regulators is important because the Company operates in a heavily regulated industry.

***Risk Management*** – Skills and experience in assessment and management of business and financial risk factors allow the Board to effectively oversee risk management and understand the most significant risks facing the Company.

***Technology*** – Experience with or oversight of innovative technology, cybersecurity, information systems/data management, fintech or privacy is important in overseeing the security of the Company’s operations, assets and systems as well as the Company’s ongoing investment in and development of innovative technology.

## **Board Meetings**

The Board conducts its business as a group and through a well-developed committee structure in adherence to strong corporate governance principles. The Board has established practices and processes to actively manage its information flow, set meeting agendas and make sound, well-informed decisions.

Board members have direct access to management and regularly receive information from and engage with management during and outside of formal Board meetings. The full Board met 10 times in 2021. Each director attended 75% or more of the total meetings of the Board and the committees on which he or she served in 2021 during his or her time as a Board member.

## Committees of the Board

A significant portion of our Board's oversight responsibilities is carried out through its four standing committees: Audit Committee, Credit and Risk Committee, NCGC, and Compensation Committee. Allocating responsibilities among committees increases the amount of attention that can be devoted to the Board's oversight of the business and affairs of the Company.

Committees meet regularly in conjunction with scheduled Board meetings and hold additional meetings as needed. Each committee receives reports from senior management and reports their actions to, and discusses their recommendations with, the full Board. Each standing committee operates pursuant to a written charter, which is reviewed annually as part of the Board's and each respective committee's self-assessment.

The following chart summarizes the current Board committee memberships of our Directors:

<b>DIRECTOR</b>	<b>Audit</b>	<b>Credit and Risk</b>	<b>Nominating and Corporate Governance</b>	<b>Compensation</b>
L. Scott Askins	-	X	X	-
Ernst W. Bruderer	X	-	Chair	-
Patrick M. Frawley	-	Chair	-	X
Mark A. Griffith	Chair	X	-	-
Boris M. Gutin	X	X	-	-
Michael B. High	X	-	-	X
Ping Lee, PhD	-	-	-	-
James N. Richardson, Jr.	-	-	X	X
Joseph V. Topper, Jr.	-	-	X	Chair
James S. MacLeod	-	-	-	-
Stephen R. Stone	-	-	-	-

## Vote Required to Elect Directors

To be elected, each of the above directors requires the plurality vote cast by the shares entitled to vote in the election once quorum is present. Accordingly, assuming a quorum is present, each of the above directors must receive more votes in favor of his election than any other nominee. The Board of Directors is not aware of any nominees other than the individuals listed above. Proxies received which contain no instructions to the contrary will be voted "FOR" the election of such Director.

## Recommendation of the Board of Directors

The Board of Directors unanimously recommends that you vote **FOR** the election of the director nominees set forth in the Director Election Proposal.

## OTHER INFORMATION

### Security Ownership of Certain Beneficial Owners and Management

The following table shows how much of our Voting Common Stock is owned by the directors and executive officers as of the Record Date.

Name of Beneficial Owner	Number of Shares of Voting Common Stock Beneficially Owned	Percentage of Shares of Voting Common Stock Owned
<i>Directors and Executive Officers</i> <sup>(1)</sup>		
L. Scott Askins	-	*
Ernst. W. Bruderer <sup>(2)</sup>	33,571	*
Patrick M. Frawley, Vice Chairman <sup>(3)</sup>	76,434	1.15%
Mark A. Griffith <sup>(4)</sup>	77,327	1.17%
Boris Gutin <sup>(5)</sup>	7,284	*
Michael B. High <sup>(6)</sup>	100	*
Ping Lee, PhD	21,954	*
James S. MacLeod, Chairman <sup>(7)</sup>	215,071	3.22%
James N. Richardson, Jr. <sup>(8)</sup>	94,413	1.43%
Stephen R. Stone, Chief Executive Officer <sup>(9)</sup>	196,242	2.93%
Joseph V. Topper, Jr. <sup>(10)</sup>	297,921	4.50%
Cameron B. Turner, Chief Credit Officer <sup>(11)</sup>	36,925	*
Anthony P. Valduga, Chief Financial Officer <sup>(12)</sup>	179,503	2.68%
All directors and Reg O Executive officers <sup>(13)</sup>	1,235,6450	17.93%

\* Less than 1%.

(1) The address of each director and executive officer is: 5 Bow Circle, Hilton Head Island, South Carolina 29928.

(2) Shares beneficially owned include 100 shares held by Ernst Bruderer and his spouse as joint custodians for Kevin Bruderer UTMA; 100 shares held by Ernst Bruderer and his spouse as joint custodians for Simone Bruderer UTMA; 100 shares held by Ernst Bruderer and his spouse as joint custodians for Tania Bruderer UTMA; 33,271 shares held by Ernst W. Bruderer.

(3) Includes 15,000 vested and unexercised options.

- (4) Shares beneficially owned include 16,750 shares held by Patricia Ann Griffith as trustee of the Patricia Ann Griffith Revocable Trust, 35,865 shares held by Patricia Ann Griffith as trustee of the Griffith Family Trust, and 24,712 shares held by Mark Allan Griffith as trustee of the Mark Allan Griffith Revocable Trust.
- (5) Boris M. Gutin currently serves as the representative of GCP CoastalSouth LLC and GCP Capital Partners LLC (collectively, "GCP") on our Board of Directors. Mr. Gutin owns 7,284 shares, but does not beneficially own shares held by GCP. GCP is the holder of record of 595,523 shares of Voting Common Stock. GCP's voting and dispositive power is held by its general partner, GCP Managing Partner IV GP, and GCP's Investment Committee.
- (6) Michael B. High currently serves as the representative of the Patriot Financial Partners II Coastal SPV, LLC ("Patriot Fund II") and Patriot Financial Manager L.P. ("Patriot Financial Manager") on our Board of Directors. Mr. High owns 100 shares, but does not have voting or investment power over any shares held by the Patriot Funds II and Patriot Financial Manager or their affiliates and disclaims any beneficial ownership of such shares. Patriot Fund II is the holder of record of 592,223 shares of Voting Common Stock and Patriot Financial Manager is the holder of record of 3,200 shares of Voting Common Stock. Patriot Fund II's voting and dispositive power is held by Patriot Financial Partners II GP, L.P. ("Patriot II GP"), which is the general partner of Patriot Fund II and by Patriot Financial Partners II GP, LLC ("Patriot II LLC"), which is the general partner of Patriot II GP, and by W. Kirk Wycoff, Ira M. Lubert, and James J. Lynch who serve as the general partners of the funds and Patriot II GP and as the members of Patriot II LLC. Patriot Financial Manager's voting and dispositive power is held by Patriot Financial Manager GP LLC ("Manager GP") and by W. Kirk Wycoff, Ira M. Lubert and James J. Lynch who serve as members of Manager GP. Mr. Wycoff, Mr. Lubert, and Mr. Lynch each disclaim beneficial ownership of such shares of Voting Common Stock, except to the extent of their respective pecuniary interest in the funds.
- (7) Shares beneficially owned include 159,105 shares held by James S. MacLeod and his spouse as joint tenants, 966 shares held by James S. MacLeod individually, and 41,250 vested and unexercised options.
- (8) Shares beneficially owned include 6,800 shares held by First Clearing, LLC as custodian for James N. Richardson, Jr. IRA, 8,000 shares held by Wells Fargo Clearing Services as custodian for James N. Richardson Jr., and 79,613 shares held by James N. Richardson, Jr.
- (9) Includes 94,500 vested and unexercised options.
- (10) Shares beneficially owned include 294,721 shares held by Dunne Manning Investments, LP ("DMI"). DMI's voting and dispositive power is held by Dunne Manning GP, LLC. Joseph V. Topper, Jr. currently serves as the representative of DMI on our Board of Directors. Shares beneficially owned also include 3,200 shares held by Joseph V. Topper, Jr.
- (11) Shares beneficially owned include 5,000 shares held by Cameron B. Turner, 7,925 shares held by ETrade Financial Corporation as custodian for Cameron B. Turner and 24,000 vested and unexercised options.
- (12) Includes 88,375 vested and unexercised options.
- (13) Including the shares owned by GCP, Patriot Fund II, and Patriot Financial Manager, a total of 2,426,591 shares or 35.21% of the common voting shares are beneficially owned by Directors, Reg O Executives and entities that certain Directors of the Company represent.

## OTHER MATTERS

The Board of Directors of CoastalSouth Bancshares, Inc. knows of no other matters that may be brought before the Annual Meeting. If, however, any matters other than those described in the Notice of Annual Meeting of the Shareholders should properly come before the Meeting, votes will be cast pursuant to the proxies in accordance with the best judgment of the proxy holders.

**IF YOU CANNOT ATTEND THE MEETING, YOU ARE REQUESTED TO COMPLETE YOUR PROXY SO THAT YOUR SHARES WILL BE REPRESENTED AT THE ANNUAL MEETING. YOU MAY VOTE YOUR SHARES BY INTERNET OR TELEPHONE BY FOLLOWING THE INSTRUCTIONS PROVIDED ON THE ENCLOSED PROXY CARD. YOU MAY ALSO VOTE BY COMPLETING THE ENCLOSED PROXY CARD AND PROMPTLY RETURNING IT IN THE ENCLOSED POSTAGE-PAID ENVELOPE. YOU MAY REVOKE YOUR PROXY AT ANY TIME BEFORE THE PROXY IS EXERCISED.**

March 24, 2022

