

2024

Our Values in Action

Texas Capital Environmental, Social and Governance Report





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A MESSAGE FROM

Rob C. Holmes

*President & Chief Executive Officer
Texas Capital Bancshares, Inc. and Texas Capital*

More than two years ago, Texas Capital announced a transformative strategy centered on becoming the **flagship full-service financial services firm headquartered in Texas.**

Since starting our ambitious journey, we have spent every day strengthening our commitment to greatness in everything we do, from investing in our team to providing the widest possible range of products and solutions. We are proud and fortunate to do business locally and nationally from our home state, and we have built a firm that empowers our stakeholders — employees, clients, shareholders and communities alike — to be bold.

A key part of our strategy is to maintain a strong balance sheet so we can guide our clients through any circumstance — and even increase support when it is needed most. Last year, we published our first-ever “Our Values in Action” report and have continued to make meaningful progress to further our Firm’s mission. Our strong financial foundation has given us the ability to think bigger and push harder to help our communities.

We are proud to report that, despite first-quarter stressors that tested all financial services firms, Texas Capital accomplished everything we set out to do in 2023.

In our quest to being an employer of choice, we provided approximately 80,000 hours of training to our employees, significantly increased participation in our five Employee Resource Groups (ERGs) and launched our Firm’s first employee handbook. We are also ahead of schedule

in nearly doubling our client-facing professionals and dramatically expanding our local market coverage and industry-specific expertise.

From impactful investing to supporting diverse businesses, we are committed to strengthening our communities and growing Texas’ economy. We increased our commercial banking capabilities and added Small Business Administration (SBA) products, and were consequently designated a preferred SBA lender. We empowered market leadership teams with full-service commercial and investment banking teams in all the major markets of Texas.

Our ongoing enterprise-wide technology investments have created best-in-class security and ease of doing business for our clients. This year, Security Scorecard awarded our cybersecurity platform a rating of “A” — the highest possible score.

Our financial strength puts Texas Capital in a position to do what we promised in 2023. As we continue prudently integrating our ESG initiatives, we are well prepared to support our stakeholders through any challenge, and we are grateful for the opportunity we have to earn their trust everyday.



A handwritten signature in black ink that reads "Rob C. Holmes". The signature is written in a cursive, flowing style.

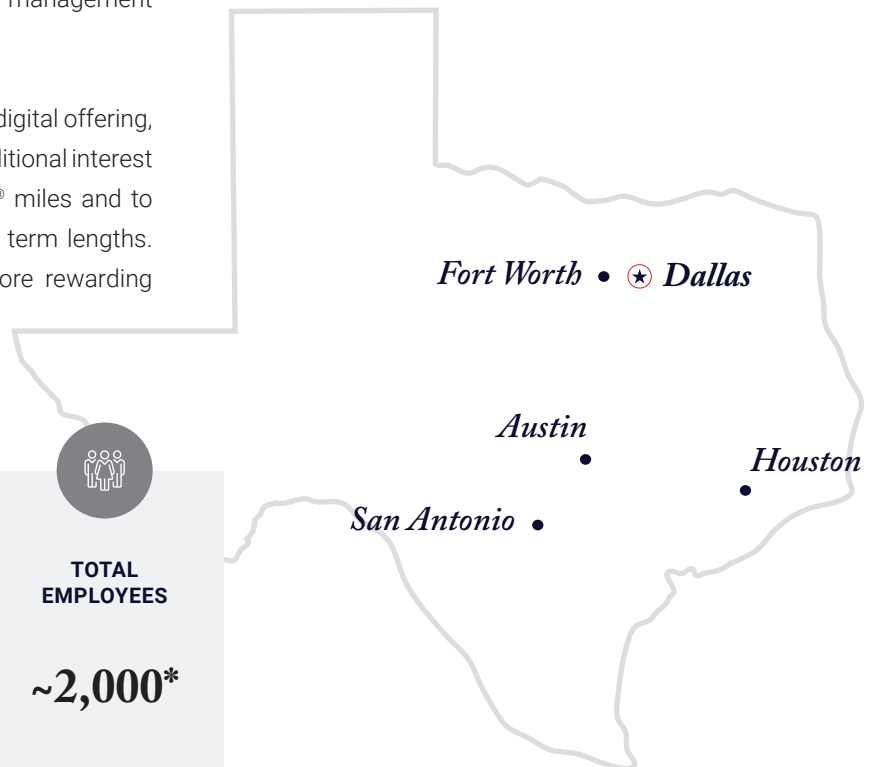


Texas Capital Overview

Texas Capital is a full-service financial services firm that delivers customized solutions to businesses, entrepreneurs and individual customers. Founded in 1998, the institution is headquartered in Dallas, with offices in Austin, Houston, San Antonio and Fort Worth, serving clients across the country. With the ability to meet client needs throughout their entire lifecycle, Texas Capital has established commercial banking, consumer banking, investment banking and wealth management capabilities.

Texas Capital also operates Bask Bank. A wholly digital offering, Bask Bank offers customers the ability to earn traditional interest and redeemable American Airlines AAdvantage® miles and to open Certificate of Deposit accounts of varying term lengths. Bask Bank remains committed to providing more rewarding ways to bank digitally.

Headquartered in Dallas, TX, Texas Capital has offices and **full-service locations in five cities.**



BANK ESTABLISHED

12.18.1998
Dallas, Texas



TOTAL ASSETS

\$28.4B*



TOTAL EMPLOYEES

~2,000*

**As of 12/31/2023*

Awards and Recognitions



2024 Best Regional Bank
Bankrate



Best High-Yield Savings Accounts of 2024
GOBankingRates



America's Greatest Workplaces for Diversity in 2024
Newsweek



2023 Top Workplaces in DFW: Texas Capital
National Standard



Strategic Partner of the Year
Dallas-Fort Worth Chapter of the National Black MBA Association



2023 Top Bank for Savings Accounts: Bask Bank
U.S. News & World Report



2024 Finalist in Innovation in Banking & Finance
D CEO and Dallas Innovates Innovation Awards



Best Online Banks of 2023: Bask Bank
GOBankingRates



Best Money Market Accounts of 2024
GOBankingRates



Top 10 of U.S. Middle Market Loan Syndication Bookrunners

OUR FIRM'S GOALS

- Be the **employer of choice** in Texas for people interested in growing their career in financial services.
- Provide strong execution on the core set of financial products coupled with industry expertise and higher-touch service that **earns us the right** to provide advice when it counts.
- Be a **financially resilient** bank that is easy to do business with, and that is both proactive and responsive to client, employee and community needs.
- Build trusted relationships in our core markets and industries that lead us to **being a "first call"** from top clients and prospects.

Strengthening our Action

In 2023, after years of sharing an annual corporate social responsibility report, we published Texas Capital's inaugural "Our Values in Action" report. This report demonstrated our commitment to investing in our values and mission and highlighted our Firm-wide focus on being a leading corporate citizen in Texas.

We are proud to publish the next edition of "Our Values in Action." We have remained steadfast in fortifying our balance sheet, but we know being a strong financial services Firm is not only about the financials. It is also about how we equip ourselves to build thriving communities and help grow the economy of Texas. To us, strengthening our action means investing in our team, enhancing our governance and security and making an impact through philanthropy.

This second annual report will share how we have furthered our mission, from issuing Texas Capital Foundation's first-ever Honors Grants to continuing to advance our inclusive work environment – remaining focused on transparency and accountability. Our Advisory Committee has also worked to identify areas of our business where we can continue bringing our values to life. Comprised of leaders from across the Firm and governed by Texas Capital's Board of Directors, the committee is dedicated to advancing our mission.

Although we are excited about the progress we made last year, our work is not done. As we look to the future, we will continue strengthening our commitment to our values and find new ways to inspire greatness.

Sincerely,

ESG Council

Texas Capital ESG Council



Our Advisory Committee



ASHLEY AHN
Associate General Counsel



ANNA ALVARADO
*Chief Legal Officer &
Corporate Secretary*



EFFIE DENNISON
*Head of Community
Development*



ELLEN DETRICH
*Controller & Chief
Accounting Officer*



DANIEL HEID
*Head of Operational
Risk & Procurement*



COLIN HEINRICH
*Senior In-House
Counsel*



BETH HOPKINS
*HR Business Partner &
Head of DEI*



SHANNON JURECKA
*Chief Human
Resources Officer*



BRIAN MAKSYMOWICZ
Head of Acquisition Marketing



SANDRA MEDINA
Third Party Risk Manager



MATT SCURLOCK
Chief Financial Officer



JAY SHAH
*Technology Chief
Operating Officer*



CATHERINE ZALATORIS
Head of Corporate Real Estate

| OUR PLANET





At Texas Capital, we recognize that it is our responsibility to be good stewards of the environment. Across the Firm, we are aligned in our efforts to reduce our carbon footprint, from minimizing waste through digital operations to prioritizing sustainable design in office renovations. The Firm currently operates only 10 physical branches and will continue to focus on its branch-lite model and grow its digital platform, Bask Bank. The Firm lending portfolio consists of less than 8% in the energy or carbon fuel sector.

INVESTING IN DIGITAL

As we continue to transform Texas Capital and the way we operate, our leadership team is committed to creating a Firm that is unique in Texas. By establishing ourselves as a branch-lite financial services Firm, we are able to adopt a forward-thinking mindset with regard to client service and the environment.

Embracing a digital-first approach has allowed us to employ technology and operating platforms that help our clients work toward their goals, while improving efficiency.

We developed Texas Capital Initio™, our proprietary account opening and onboarding solution for commercial banking. After launching this market-leading cloud-native software with beta clients last year, we shifted 99% of our account openings and onboarding to this efficient digital process. Along with enhancing our client experience, we are able to lower our environmental impact by reducing paperwork.

“This solution represents the next generation of banking, one fueled by digital transformation,” said Nancy McDonnell, head of Treasury Solutions at Texas Capital. “By reducing the time and effort required for account setup, this technology empowers businesses to focus on their core operations, driving growth and operational efficiency.”

Initio™ gives our new and existing commercial banking clients the ability to self-serve when opening new accounts. Rather than having to endure a complex, weeks-long process, they can now access their account in a matter of hours.

We know that seamless digital processes are essential in today’s world and will become even more so in the future. The strength we established since launching our Firm-wide transformation allowed us to upgrade our technology infrastructure through Texas Capital CoreTex™, our completely modernized API-driven services platform, and Texas Capital C360™, a cross-organizational operations management system and a completely modernized cloud-based data platform.

An elevated client journey is always our top priority, and the strides we made as a digitally focused Firm have helped us deliver seamless service time and again.

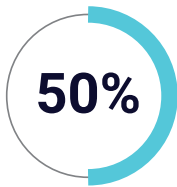
OUR PLANET

CREATING GREENER WORKSPACES

We want the buildings in our corporate retail portfolio to be healthy and safe workplaces for our employees, as well as good for the environment. We are dedicated to creating spaces that help us leave a smaller carbon footprint and manage our environmental impact.

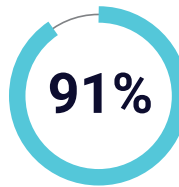
At the end of 2023, about 50% of Texas Capital's portfolio was LEED- and/or ENERGY STAR-certified. As part of our commitment to sustainability, more than 91% will be LEED Gold- or Silver-certified and 99% will be LEED- and/or ENERGY STAR-certified by the end of 2024.

TEXAS CAPITAL'S CURRENT PORTFOLIO



**LEED- and/or ENERGY STAR-
certified**

BY THE END OF 2024



LEED Gold- or Silver-certified



**LEED- and/or ENERGY STAR-
certified**

TECHNOLOGY AND OPERATIONS CENTERS

Our technology and operations teams will be relocating to a LEED Silver-certified North Dallas campus in the spring of 2024.



FINDING SUSTAINABLE SOLUTIONS

Throughout 2023, we capitalized on Texas Capital's existing and expiring leases to make more sustainable decisions for two key projects: the renovation of our corporate headquarters in Dallas; Texas Capital Center and our relocation in North Dallas to a new campus.

Wherever possible, we reused, recycled and donated materials, we also prioritized sustainable materials and finishes to promote a net positive impact for carbon and water.

TEXAS CAPITAL CENTER

Texas Capital also restructured and extended the lease for Texas Capital Center, our corporate headquarters, in Dallas' Uptown neighborhood in 2022. We are consolidating into five contiguous floors in the upper tower of the building and renovating the workspace to better meet our Firm's needs.

Within the workspace planning and construction process to date, we have completed the following and will provide additional reporting as work progresses:

- Diverted more than 250 tons of debris from the landfill during the demolition of the first phase.
- Installed daylight harvesting systems, touchless faucets and low-flow toilets.
- Increased awareness of separation of waste by providing well-labeled receptacles.

The Texas Capital Center renovation and restack also afforded us the opportunity to give back to our communities while giving a range of items a second life. We donated goods including chairs and conference tables, artwork and whiteboards to three Dallas-based organizations.

To date, donated more than \$25,000 worth of items to the following organizations:

- **Hope Farm**, a long-term leadership development program that guides at-risk young men.
- **Miles of Freedom**, an organization that empowers, equips and educates individuals, families and communities impacted by incarceration.
- **Dallas Area Habitat for Humanity**, to further affordable homeownership opportunities, financial education, advocacy efforts and neighborhood empowerment programs.



 **MORE THAN**
250
TONS DIVERTED

 **MORE THAN**
\$25,000
DONATED

NORTH DALLAS CAMPUS

In 2022, we began the planning process to relocate our technology and operations teams to a LEED Silver-certified campus in North Dallas in 2024. This new campus includes electric vehicle charging stations and bicycle racks, encouraging our employees to embrace environmentally friendly ways of commuting.

Located next to a nature reserve, our new North Dallas Campus also provides access to outdoor space, with ample natural light in addition to LED lighting within the workspace.

Throughout the workspace planning and construction process, we:

- Recycled cardboard, carpet, drywall, insulation, plastic, wood and metals during demolition.
- Retrofitted fluorescent lighting with new LED lighting capabilities.
- Used low volatile organic compound (VOC) paint.
- Reused or retrofitted furniture.
- Placed outlets and lights on motion sensors to improve energy efficiency.
- Used a new ceiling tile containing 68% recycled content.
- Installed Green Label Plus-certified carpet that has a net positive impact for carbon and water.
- Chose a carpet backing with a net positive impact for carbon and water that has 35% pre-consumer recycled content based on total product weight.
- Used a luxury vinyl tile that has a net positive impact for carbon.



OUR PEOPLE AND OUR COMMUNITIES



In everything we do, we are focused on helping our employees, clients and communities thrive. Whether it is ensuring a vibrant, inclusive culture or increasing equitable access to finance, we want to be a positive force for social change in all forms. In 2023, the strength of our Firm helped us take meaningful action and make an impact, from issuing the Foundation's largest-ever grant to providing training to promote professional development.

Investing in our People

HUMAN CAPITAL

Our people are the true strength of Texas Capital and are the driving force behind everything we do to inspire greatness in our clients and communities. That is why a core priority is – and always has been – to attract, develop, engage and retain the best talent possible.

At every opportunity, we find ways to invest in our team's professional success, from offering a diverse range of ERGs to providing training for employees at all levels. But career development is just one part of helping our employees be successful. Equally as important is investing in our employees' total well-being: financial, physical and mental. Last year, we took steps to provide our team members with the benefits, resources and tools needed to thrive, both in and out of the workplace.

EMPLOYER OF CHOICE

One of our key goals is to be the employer of choice in Texas for people interested in growing their career in financial services. In 2023, we again made a concerted effort to create an engaging workplace and ensure our employees can invest in their personal and professional well-being.

To foster a welcoming environment, we made renovations at our Texas Capital Center and North Dallas offices with our employees' best interests in mind, from improving physical comfort through sit-stand desks to increasing access to healthier food options.

We also continue to offer benefits that promote total well-being and help employees pursue greatness in their personal and professional lives.



Our focus is attracting, developing, engaging and retaining the best talent.

Our mission is to be the employer of choice in Texas for people interested in growing their career in financial services.

TEXAS CAPITAL'S CORE BENEFITS INCLUDE:

- Access to high-quality health insurance, including a health savings account and flexible savings account.
- 401(k) matching.
- Access to short- and long-term disability.
- Market competitive paid time off as well as federal holidays off and separate volunteer time.
- Paid bereavement leave.
- Up to 16 weeks of fully paid parental leave for birth mothers (when combined with short-term disability) and up to 6 weeks for parental bonding for paternity and adoption.
- Access to mental health support and resources, including free real-time coaching and up to four free counseling sessions.

HUMAN CAPITAL MANAGEMENT

What We Offer

Financial Well-Being

Providing all employees with the opportunity to participate in the Employee Stock Purchase Plan

Providing employees with the resources to reduce healthcare costs

HSA and FSA offerings

401(k) matching

Minimize employee premium costs and healthcare prescription costs

Employee Disaster Relief Fund

Deferred comp program

Physical Well-Being

Continue all efforts around employee safety regardless of working location

Providing all employees with high-quality health insurance

Provide both short-term and long-term disability

Wellness platform for all employees to track wellness goals

Smoking cessation support

Weight loss management support through online platform and healthy eating information sessions

Mental Well-Being

All employees have access to mental health support with several sessions paid for by the company

Provide all employees with market competitive quantities of paid time off

Benefits that provide fertility coaching and support

Awards and recognition platform available to all employees

Anonymous ethics hotline reporting to all employees and contractors

Access to HR support for all employees

Professional Well-Being

New manager training program

New hire development training

Monthly key topic sessions specific to educating/developing managers

New college hires training program

Success Profiles created for every role

Technology career ladder for IT talent

Launched Leadership Model

HBCU recruiting focus specific to banking

Defined promotion process



We know how important it is to listen to employees and provide ample opportunity for them to be heard. To foster honest discussion, we began holding fireside chats with our CEO and senior leaders across the Firm. These forums enable our CEO to speak directly with senior leaders each quarter after the Firm’s public earnings call to better align on priorities and upcoming events. The chats also allow for questions, giving leaders the chance to engage in a meaningful way. To encourage open dialogue, we also hold employee listening sessions in each of our markets, and we facilitate quarterly town halls. The listening sessions give teams the opportunity to discuss topics and strategic priorities relevant to the Firm, and the town halls allow all employees to engage and ask questions.

In 2023, we launched Texas Capital’s first employee handbook to provide clarity on our Firm’s policies and to ensure fair, consistent practices. The handbook includes our Code of Conduct, which gives each employee an understanding of what is expected of them. Additionally, we implemented a new Human Capital Management system, streamlining our HR processes and creating a more favorable employee experience. This new system has also resulted in the elimination of offline procedures and the reduction of risk.

NEW HIRES

We want all new Texas Capital employees to feel a sense of belonging from their very first day, regardless of professional background. Our First Year Experience is designed to ensure all new hires are supported and set up for success for years to come. Along with timely information about the business and our operating model, this program enables easier access to systems and tools, connections to leaders, information about ERGs, volunteer opportunities and insight into our Leadership Model. It also offers an overview of our annual processes, including goal setting and performance management.

“By fostering a respectful workplace where everyone is valued, Texas Capital serves to strengthen our position as an employer of choice and the flagship full-service financial services firm headquartered in Texas.”

— Shannon Jurecka
Chief Human Resources Officer



EARLY CAREER EXPERIENCES

Entering the workforce can feel overwhelming. That is why we continue to refine our STARs (Strengthening Talent for Accelerated Results) program, our early career program for both interns and recent college graduates. Along with in-person training, STARs are provided on-the-job training, including line-of-business-specific technical training and essential leadership skills training that will help our talent excel at Texas Capital.

CAREER GROWTH AND LEADERSHIP

Attracting top talent is only the first step on our journey to being the employer of choice in Texas — we also want every employee to grow in their role and establish long-lasting careers with us. Our goal is to provide the resources needed to help every team member thrive, whether they are just starting their career or already have a leadership position.

To facilitate this, our Leadership Model identifies the critical skills and behaviors necessary to be successful at Texas Capital at every level. Additionally, we have created Success Profiles that describe the critical knowledge, skills and abilities needed for every role in the company. We regularly hold information sessions for managers and employees to learn more about new processes being implemented or important topics that increase job effectiveness. These tools work together to help employees identify areas to focus on to qualify for promotion and role expansion.

Additionally, for employees looking for the next step in their career, we provide specific leadership training that empowers our people to build partnerships and network across Texas Capital. In 2023, we filled more than 600 roles, of which 27% were internal promotions or lateral moves to learn a new skill.



OUR PEOPLE AND OUR COMMUNITIES

TRAINING

We want all employees to be successful in their roles, which is why Texas Capital offers technical training to upskill on the systems, methodologies and processes needed to best serve our clients. One focus in 2023 was rolling out a sales methodology that ensured our bankers were able to address the needs of their clients effectively and efficiently.

Managers play a critical role in the success of their employees, which is why we have a manager training program with regular installments. Each session focuses on upskilling managers to ensure they have the skills needed to coach their employees. In 2023, we also implemented a program for new managers – whether hired or promoted – that focuses on critical tasks and responsibilities managers must perform and provides training on important leadership and management skills that will enable them to be impactful leaders. It also fosters meaningful connections with leaders and peers across the Firm to help ensure they are set up for success.

In 2023, our employees and contractors completed approximately 80,000 hours of training, including training for technical skills, leadership skills, legal and compliance.

TALENT RETENTION

Texas Capital emphasizes hiring the best talent possible and takes steps to ensure that our employees, once hired, continue to find fulfillment here. In 2023, by providing clear expectations for employees as well as development and engagement opportunities, we reduced attrition by 6%.

To facilitate professional growth, all employees take part in our annual performance management process, which includes setting goals, a mid-year conversation and a year-end performance evaluation with their manager. In 2023, we launched a targeted development program to help engage our highest potential talent.



Committing to Employee Health, Wellness and Safety

Providing a safe, healthy workplace for our employees is our top priority. In 2023, we continued to take a holistic approach to wellness by offering benefits, tools and resources to address physical, mental and financial well-being.

FINANCIAL WELL-BEING

To help our employees work toward their financial goals, we offer 401(k) matching as well as a health savings account (HSA) and flexible savings account (FSA). We also provide resources to reduce healthcare costs by minimizing premiums and prescription costs. Additionally, every Texas Capital team member has the opportunity to participate in our employee stock purchase plan, as well as access to an Employee Disaster Relief Fund.

PHYSICAL WELL-BEING

We are proud to support our team’s physical well-being by providing all employees with access to high-quality health insurance, as well as both short- and long-term disability. Employees can also take advantage of smoking cessation support and healthy eating information sessions.

Team members also have access to the following benefits:

WELLNESS PROGRAM

We offer a points-based online wellness program designed to allow each employee to pursue and track their own wellness goals. Employees who opt to utilize the platform earn points that can be used to purchase fitness devices, other merchandise and gift cards. Additionally, employees enrolled in the Texas Capital medical plan can earn a wellness incentive of up to \$500 by completing certain activities on the platform.

FERTILITY COACHING

The road to parenthood can be difficult. To support our team members on their journeys, we offer comprehensive treatment coverage. This benefit leverages the latest technologies and treatments, includes personalized emotional support and guidance from dedicated Patient Care Advocates and includes access to high-quality care through a premier network of fertility specialists.

WEIGHT LOSS PROGRAM

An online weight loss program is available to employees and eligible family members at no additional cost through their health benefits plan. By enrolling in the program, employees can access a coach who leads online group sessions, online tools to track food and activity and a kit with recipes, scales and more delivered to their door.

To ensure our employees’ physical comfort at work, we added amenities to our North Dallas and Texas Capital Center offices, including wellness and mother’s rooms, sit-stand desks and updated ventilation. Our North Dallas campus also now offers access to healthier food options and a fitness center.

MENTAL WELL-BEING

Equally as important as physical health is mental well-being. We help our employees find the support they need by providing resources and tools, including access to:

EMOTIONAL SUPPORT APP

This service provides on-demand emotional support for any of our employees' life challenges through real-time coach chat, guided content and video therapy and psychiatry, all from the privacy of their smartphone. Sessions with a coach are free of charge for any Texas Capital employee, and up to four free counseling sessions are also included.

EMOTIONAL WELL-BEING PROGRAM

Employees who are members of the Texas Capital healthcare provider network have access to a provider program that helps employees find the behavioral health support that is right for them. This benefit also includes access to helpful resources such as articles, videos and interactive self-help programs.



Promoting Diversity, Equity and Inclusion

Texas Capital remains committed to diversity in all areas of our business, and providing equitable access to opportunities is essential to helping young professionals of all backgrounds succeed in the financial services industry. To help us build and sustain a diverse and inclusive environment at Texas Capital, we have formed partnerships with both Historically Black Colleges and Universities (HBCUs) and Hispanic-Serving Institutions (HSIs). In 2023, we expanded our reach at Texas' top universities and enhanced these partnerships:

American Bankers Association Commercial Lending Certificate Program: Started in 2021 at Prairie View A&M University, this program is designed to provide a comprehensive overview of the commercial lending landscape. Texas Capital professionals lead in career development sessions, and graduates who obtain their certificate are considered for our internship program. Since its launch, the program has expanded to Huston-Tillotson University and the University of North Texas at Dallas.

Future Bankers Leadership Program (FBLP): In 2021, we began the FBLP in partnership with the Texas Bankers Association and other banks. This first-of-its-kind program introduces students to the banking industry through a formal curriculum and interaction with executive and industry mentors; it also offers paid banking internships.

Texas Capital is proud to work with HBCU and HSI partners.



HSI
Hispanic-Serving
Institutions



Employee Resource Groups

Texas Capital strives to instill a sense of belonging in our employees by fostering an inclusive culture and creating opportunities that encourage engagement and being their authentic selves. Through our five ERGs, we provide welcoming spaces that spark discussion, celebrate each other and build community through commonalities.

In 2023, each of our ERGs hosted more events, increased volunteerism and experienced at least a 20% increase in members, with approximately 600 employees participating.

 **Texas Capital**
EMERGING PROFESSIONALS

Emerging Professionals (EP) creates opportunities for leaders to build meaningful relationships across markets and age groups and continued to grow in 2023. To further support emerging professionals at Texas Capital, the group co-hosted a welcome breakfast for new hires in several locations as well as a learning session to help enhance financial acumen.

 **Texas Capital**
MULTIETHNIC RESOURCE GROUP

Multiethnic Resource Group (MERG) serves all employees by celebrating, uplifting and prioritizing the importance of diversity and inclusion across all ethnicities, both within Texas Capital and in our communities. In 2023, MERG saw its participation increase by more than 65%. During Black History Month, MERG hosted Board of Directors member and former Chief Compliance Officer of AT&T, David Huntley for a fireside chat that was broadcast across markets. MERG also volunteered during Juneteenth Jubilee and honored Hispanic Heritage Month with a panel that featured Texas Capital leaders, including Chief Legal Officer, Anna Alvarado.

 **Texas Capital**
PROUD

Professionals Respecting Others' Unique Differences (PROUD) relaunched in 2023 and more than doubled its membership. Through connection, mentorship and dialogue, PROUD fosters an inclusive environment that supports and encourages LGBTQ+ community members and allies to advance their professional skills and leadership abilities. PROUD hosted a fireside chat with the Resource Center Dallas CEO and collaborated with MERG to hold a conversation about intersectionality.

 **Texas Capital**
WOMEN OF TEXAS CAPITAL

Women of Texas Capital, our largest ERG, grew by 25% in 2023 and prioritizes connection, mentorship and dialogue to support and encourage women to advance their professional skills and leadership abilities. Some of the activities hosted include a Women's History Month celebration as well as an event entitled, "Being Bold." The ERG also led a breast cancer awareness campaign in October, which included a tribute wall, "Pink Out" across all markets and speaker event with a local physician.

 **Texas Capital**
VET

Veterans & Employees Together (VET) supports veterans rejoining the workspace and strengthens relationships within our communities. In 2023, VET increased membership by 55%. The group participated in Carry the Load's Memorial Day march and volunteered during Patriot Day in Houston and Dallas.



Community Impact

Texas Capital is committed to implementing progressive initiatives that support a better tomorrow for the communities where we are based. To help these communities thrive, we continue to strengthen the work we do through our Community Impact Program.

Through financial education initiatives, community impact grants, community reinvestment and disaster recovery efforts, we take consistent action to effect meaningful change. Our work and philanthropic donations are all centered around our three strategic pillars: Live, Learn and Lift.

Live.

Basic needs to support quality of life.



12,000
volunteer
hours

Learn.

Educational opportunities for a lifetime of success.



105
nonprofit organizations
served

Lift.

Supportive services for individuals, small businesses and veterans.



42
boards
served

\$2.3 million
in philanthropy

\$1.8 million
in corporate donations

In 2023, Texas Capital Foundation gave more than \$2.3 million in philanthropic gifts to 105 nonprofit organizations, and Texas Capital made \$1.8 million in corporate donations. Our investment in our communities also continued at an employee level. Our team members served more than 12,000 volunteer hours and served on 42 boards. Throughout 2023, Texas Capital employees served through skills-based volunteerism, taught financial well-being courses, taught children from underserved schools how to code and more.

TEXAS CAPITAL FOUNDATION AND IMPACT INVESTING

Giving back is key to who we are, and in late 2022, the Texas Capital Foundation was launched to fortify and elevate our commitment to Texas communities. Last year, the Foundation issued its inaugural Honors Grants and continued giving Community Impact Grants.

Awarded annually, our four Honors Grants are given to organizations that power innovative and sustainable solutions to address community needs.



Live Award

— Access to healthcare for under-resourced communities



Abide Women’s Health Services: This grant was designed to help programs that provide basic needs to support quality of life. In 2023, we were honored to award it to Abide Women’s Health Services, a Dallas-based women’s clinic that provides access to pre- and post-natal care, childbirth education, ultrasounds and a supportive community for mothers in South Dallas.

“Through Texas Capital Foundation’s support, we were able to expand our programs and clinical services to meet the needs of our community. This year has been exceptional as we have nearly doubled or tripled the number of clients served in various programs. Thank you, Texas Capital Foundation, for your generosity and commitment to supporting organizations like Abide that believe that every person deserves respectful, culturally sensitive care.”

— Cessilye R. Smith, *Founder & CEO*

Learn Award

— Access to early childhood education



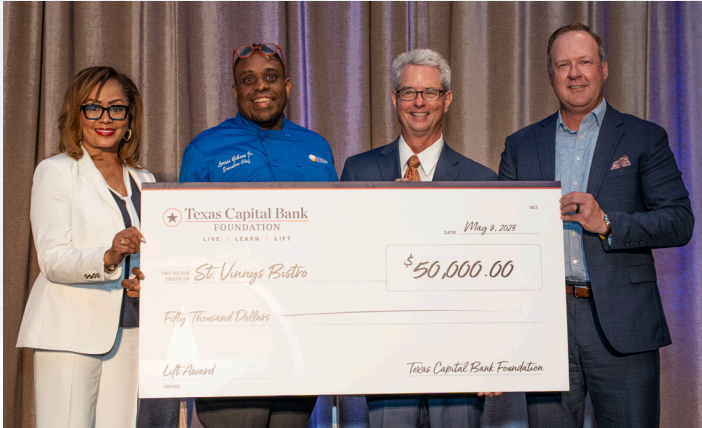
Todos Juntos Learning Center: Our Learn Award focuses on organizations that provide educational opportunities encouraging lifetime success. In 2023, the grant was awarded to Todos Juntos Learning Center, an Austin-based organization that bolsters children’s opportunities for the future by providing early childhood education for predominantly Spanish-speaking families as a part of a dual-generation learning model.

“Support from Texas Capital Foundation goes directly toward the urgent services needed to build a path for immigrant and refugee families to break intergenerational cycles of poverty and integrate fully into our community. Texas Capital Foundation’s investment improves more than just the lives of the children in our classrooms. Because immigrants make our community strong, you are building a culturally vibrant and thriving Austin.”

— Christina Collazo, *Founder & Executive Director*

Lift Award

— Access to homeless support services



St Vinnys Bistro: Intended to support organizations that provide supportive services for individuals, small businesses or veterans, our Lift Award went to St Vinnys Bistro in 2023. This San Antonio-based nonprofit provides hot, nutritious meals 365 days per year for people experiencing homelessness and offers job training and employment opportunities.

“We are excited to partner with Texas Capital Foundation to provide over 1,000 hot meals every day to the homeless of Bexar County. By providing nutritious meals and job skills training to those who have nowhere else to turn, we are ensuring that those in the most desperate need can access the food they need as they struggle to find a pathway to a brighter future.”

— Martin O’Connor, CEO

STAR Award

— Supporting our Troops, Active and Remembered



SERJobs: Our \$100,000 STAR Award is given to an organization that provides supportive services to veterans and military families. In 2023, the recipient was Houston-based SERJobs, which provides no-cost occupational training, financial literacy programs, career coaching and career services for veterans and other qualified adults and youth.

“The generous grant funded by Texas Capital Foundation enabled SERJobs to create transformational impact for veterans in our community! With the comprehensive and multi-faceted program components, including coaching, skill development, employment placement, financial empowerment and digital literacy, hundreds of our members are now equipped with the tools and resources they need to be authors of their own destiny. Thank you, Texas Capital Foundation, for the much-needed support!”

— Sheroo Mukhtiar, CEO

Community Impact in Action



Southern Gateway Park \ \ Southern Dallas

In 2023, the Texas Capital Foundation pledged its largest grant to date: \$1 million toward Southern Gateway Park. This bridge park will connect the northern and southern sectors of Dallas and create programmatic space adjacent to the Dallas Zoo. We are proud to be a part of this “park with a purpose,” which will create a ripple effect of economic impact for this area.



Cloud Kitchen \ \ South Dallas

We also provided grant funding for the new Cloud Kitchen in South Dallas, a facility that will serve as a resource for small business owners in a historically under-resourced community. With access to a new commercial kitchen, these small businesses will be able to grow and scale. The Texas Capital Foundation provided funding for equipment and setup for this project, which was the culmination of three years of planning by The Real Estate Council’s young leaders’ cohort.



Increasing Access to Finance and Opportunity

COMMUNITY FIRST HOMEBUILDER PROGRAM

To help small-volume homebuilders get access to financing, Texas Capital launched the Community First Homebuilder Program in 2023. Historically, small-volume homebuilders struggle to access capital to finance their projects. Under this lending program, homebuilders may qualify for construction lines of credit to build affordable housing in under-resourced communities. This new line of credit product helps these homebuilders not only build affordable housing in areas that need it most but allows them to scale to do more and larger products. It also provides job opportunities in these areas from construction trades to realtors.

This year, as its first project, the program provided a construction loan to help build three new houses in the Scott Street development, in partnership with CK Management Services. Located in Southeast Dallas, these homes are under \$300,000 and come with all appliances, including a refrigerator, a washer and dryer, a privacy fence, security cameras, a vacuum and other items to help make a house a home. All three homes were sold within hours of listing to new homeowners.

“I am honored to contribute to the development of the minority homebuilding program,” said Christopher Keith Williams, founder of CK Management Services. “I eagerly anticipate collaborating with Texas Capital on future projects and expanding our efforts in Southern Dallas and surrounding counties.”



“I eagerly anticipate collaborating with Texas Capital on future projects and expanding our efforts in Southern Dallas and surrounding counties.”

— Christopher Keith Williams
Founder of CK Management Services

TEXAS CAPITAL COMMUNITY DEVELOPMENT CORPORATION

As a wholly owned subsidiary of the Firm, Texas Capital Community Development Corporation (TCCDC) exists to make strategic investments in small business and capital funds that infuse capital into startups and growing and midsized businesses. TCCDC also does loans and investments in the revitalization and stabilization of low- and moderate-income communities. This impact lending and investing creates a ripple effect in communities where there has been a historic lack of investment, stimulating the local economy and providing access to resources such as affordable housing and jobs.

\$180M COMMUNITY DEVELOPMENT LENDING

 **297**
affordable
housing units

 **45**
permanent
jobs

 **4**
new school
buildings

 **3**
community
parks

 **2**
new medical
facilities

- **Stop Six Choice Neighborhood Transformation Plan:** Part of a public-private partnership between the U.S. Department of Housing and Urban Development (HUD), the City of Fort Worth, Fort Worth Housing Solutions, community stakeholders and many other partners, this project is one of 15 selected by HUD nationwide, and is the first of its kind in Fort Worth. Texas Capital is helping transform Stop Six into a vibrant, sustainable neighborhood through a comprehensive community-driven approach to neighborhood transformation. To help revitalize this historic neighborhood, we facilitated the Federal Home Loan Bank subsidy under its Affordable Housing Program as a part of its capital stack to build the neighborhood's first senior living facility, which opened in November 2023.
- **Southern Dallas Mental Health Facility:** Texas Capital financed the construction of a new mental health facility in Southern Dallas, the only one of its kind. The facility, which will include two new clinics and a new child and family clinic, combines all services, including wraparound services and housing, into a single site. This is a public-private partnership, which includes investment from Parkland, the county hospital and Dallas County. The new facility addresses barriers to access such as transportation, by bringing all services previously located around the city into a hub at the heart of the community.
- TCCDC also invested \$13 million in **various funds that reinvest into growing women- and minority-owned businesses.** These investments fuel growth for historically underrepresented and undercapitalized small businesses, powering business growth and affordable housing. This impact investing helps remove barriers to accessible finance, investing in women- and minority-owned funds, as well as affordable housing and small business funds.
- **The Artemis Female Fund II:** We support this venture capital fund, which is on a mission to diversify and modernize wealth by investing in female founders. It focuses on fintech, e-commerce infrastructure and care-tech companies for female tech innovators and founders.

MINORITY DEPOSITORY INSTITUTIONS (MDIs)

Texas Capital partners with MDIs nationwide to expand their capacity through deposits, syndications and thought leadership on compliance and other matters. MDIs are a critical resource in under-banked communities, and their existence helps community members access financing for personal and business growth. Texas Capital was a founding member of Project REACH with the Office of the Comptroller of the Currency (OCC), and since then, the program has expanded to include more MDIs and more opportunities for banks to invest, deposit and syndicate with them, helping them increase their ability to grow and scale. Currently, Texas Capital has \$143 million in syndications and \$58 million in Federal Fund Lines with MDIs. In 2023, Texas Capital had 23 MDI clients, nine of which are in Texas.

SMALL BUSINESS

We are proud of our Texas roots, and part of our mission is to help grow the Texas economy. To help entrepreneurs thrive, we launched new small business solutions in 2023. The new SBA Express product focuses on small-, minority-, women- and veteran-owned businesses. Paired with this is a new small business account that addresses the unique needs of these business owners. In total, the Firm financed more than \$130 million, which served more than 300 small business clients last year.

Through the TCCDC, we partnered with community development financial institutions to help small businesses by providing technical skills and small loans to help them grow and scale. Lendistry, a key CDFI partner, expanded their services to Texas as a result of a significant investment from TCCDC. This partnership continued into its second year with an ecosystem of cross-referrals and technical training for small business owners. In September 2023, Texas Capital and Lendistry hosted a thought leadership panel with the Dallas Entrepreneur Center Network to share more about access to capital at every stage of a business. The panel, "Show Me the Money," was held as part of the Dallas Entrepreneur Center's Dallas Startup Week, a free five-day conference for entrepreneurs and small business owners.

In Texas' capital city, we helped the Diversity and Ethnic Chamber Alliance (DECA) gather all four minority chambers to host the first Small Business Opportunity Summit. More than 200 registrants attended a business summit, which provided resources on how minority businesses can participate in various city projects, including an airport renovation, complete renovation of the Austin Convention Center and Project Connect. These projects equate to \$3 billion of improvements within Austin. A Texas Capital underwriter helped DECA formalize their relationship.



Government, Nonprofit, Institutions Team

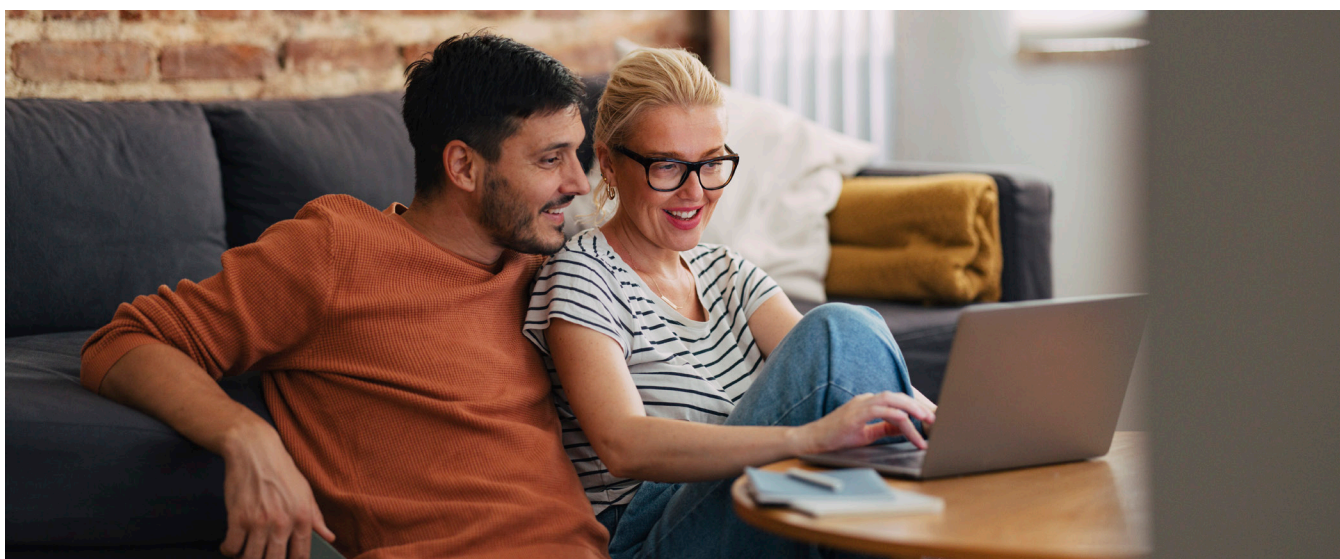
Texas Capital's Government, Nonprofit, Institutions team specializes in products and services for organizations serving their communities and has provided impactful financing for charter schools, nonprofits and municipalities. Through their expertise, they provide specialized services that help these organizations grow and expand their impact on the communities they serve.

Texas Capital Mobile Center

We believe all community members should have access to financial literacy resources and tools. Through the Texas Capital Mobile Center, we are able to provide education to underserved communities throughout Texas. Designed for all ages, the Mobile Center truck is equipped with EVERFI Financial Instruction Tools on tablets, which feature customizable, gamified financial wellness sessions. The mobile center can also be used as a fully functioning branch in the aftermath of natural disasters, giving our clients uninterrupted service.

Digital Inclusion

We are proud to offer online financial education courses in partnership with EVERFI, which can be accessed on-demand on the Firm's website. This series of short, interactive courses provides tips and advice to become more financially sound and better prepared for the future. These free courses are deployed in schools and at events and are easily accessible at any time, for anyone.



Supporting DEI through Philanthropy

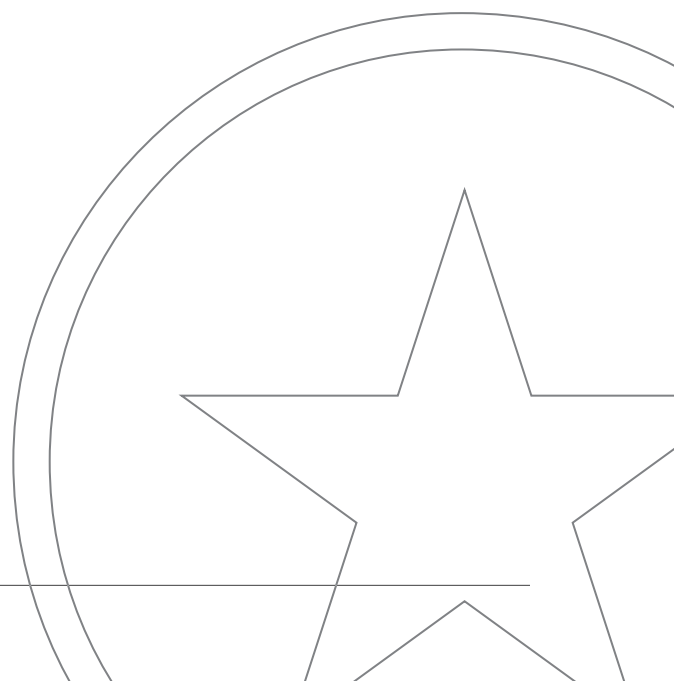
Texas Capital has an abiding commitment to diversity, equity and inclusion. In 2023, the Firm embarked on several initiatives in support of this commitment.

In partnership with the Dallas Holocaust Museum, we served as the presenting sponsor of “Black Citizenship in the Age of Jim Crow.” To launch this exhibit, Texas Capital hosted an event for clients and employees featuring a fireside chat with Dr. Opal Lee, the “Grandmother of Juneteenth.” This event brought a diverse group of people together to engage on the topic of social justice and how we all can play a role in building equitable communities.

We also hosted several “Together We Dine” events in partnership with Project Unity. These events were centered around courageous conversations about race and belonging, and Texas Capital employees in all markets participated. This partnership culminated with a concert called “Together We Sing” with the Dallas Symphony and many well-known gospel musicians.

We continue strengthening our relationships with HBCUs and HSIs throughout Texas. We are invested in providing equitable opportunities to students of all backgrounds and closing the opportunity gap at institutions that lack a dedicated school of banking. In March 2023, we announced the expansion of our American Banker Association Commercial Lending Certificate Program to University of North Texas at Dallas, an HSI.

“We recognize the need for a more diverse talent pipeline in the financial services industry, and we are proud to help equip students with the skills and opportunities needed to pursue a successful career,” said Effie Dennison, head of Community Development and Corporate Responsibility at Texas Capital. “We are excited to officially launch this program in Dallas and to continue empowering the communities we serve.”



Volunteering in Action



**| OUR GOVERNANCE
AND ETHICS**





Integrity underscores everything we do at Texas Capital as we connect with our employees, drive change in our communities and earn the right to be our clients' first call. We believe a strong governance framework is essential to building – and maintaining – trust with all stakeholders and helping our Firm operate effectively and prudently.

OUR BOARD OF DIRECTORS

Our Board of Directors is essential to maintaining the strength of our Firm and providing critical oversight and effective counterbalance to our leadership team. Texas Capital's strength comes from having a wide range of perspectives and backgrounds, and we strive to have our Board of Directors reflect our communities, clients and employees.

Our Board currently consists of 12 members, with Robert Stallings serving as our non-Executive Chairman of the Board and Rob C. Holmes serving as President & Chief Executive Officer and Director.

In April 2023, we welcomed our newest director, Laura Whitley, who currently serves as the chief financial officer for Urban Strategies, a Dallas-based organization. "Laura's transformational leadership experience in the financial services industry and in the Dallas community will be invaluable to Texas Capital as we continue to advance the Firm," said Holmes. "I look forward to working closely with her for years to come."



Board of Directors



PAOLA ARBOUR
Director



JONATHAN BALIFF
Director



JIM BROWNING
Director



ROB C. HOLMES
Director, President & CEO



DAVID HUNTLEY
Director



CHUCK HYLE
Director



TOM LONG
Director



ELYSIA RAGUSA
Director



STEVEN ROSENBERG
Director



ROBERT STALLINGS
Director & Chairman



DALE TREMBLAY
Director



LAURA WHITLEY
Director

Supporting Training & Education

Having clear and robust policies and processes has helped our Firm maintain a position of financial strength. To ensure our employees understand expectations and stay up to date on Texas Capital systems, we promote an environment of continuous improvement and learning.

In 2023, we continued to provide access to individual learning activities and to encourage ongoing education through our Learning Experience team.

LEARNING CATEGORIES



Regulatory



Corporate



Leadership



Board Governance

ONGOING EDUCATION



Annual Compliance Learning Program \\ All Texas Capital team members complete annual mandatory compliance training. This ensures employees at every level have knowledge of the federal regulations that govern banks and protect consumers.



Sales Learning Programs \\ We have established regular learning routines to provide our frontline sales teams with the information they need about our tools and processes. To help them better serve their clients, we also host internal conference events with education on new tools, technologies and functionalities.



Intern & Analyst Learning Programs \\ Our analysts and interns receive both product training in the classroom and hands-on experience with our lines of business. The analyst learning program also includes curriculum targeted to relevant industry expertise and leadership skills.



Succession Planning \\ A major theme from our 2022 strategic review, our succession planning practices help establish long-term resilience throughout our organization. They align with our accountability frameworks and focus on need-based hiring.



Leadership Development Program \\ Each month, we held virtual instructor-led training on topics to support our leaders' growth. These classes were also recorded to accommodate asynchronous learning.



Operations Learning Program \\ Our operations teams received job-specific content to ensure success and consistency in both new and tenured roles.



Leadership Training \\ The Texas Capital Board of Directors completed its annual training program, which covers various governance topics, including regulatory compliance.



Financial Protection \\ Consumer financial protection training is provided annually to applicable Texas Capital employees and contractors.



Cybersecurity \\ All Texas Capital team members complete annual mandatory cybersecurity training. Additionally, cybersecurity professionals go through specialized cyber range training and cloud security training required for their role. Finally, the Operating Committee is committed to maintaining cybersecurity in the forefront and participates in quarterly cybersecurity tabletop training exercises led by the CISO and his team.



Prioritizing Privacy and Data Security

Data privacy and security is paramount at Texas Capital, and we deploy best-in-class security controls and processes so that our stakeholders' information is as secure as possible.



**"A" Rating
in Cybersecurity from
SecurityScorecard**

OUR INITIATIVES INCLUDE

- Network detection and response
- Endpoint detection and response
- 24/7 security operations and monitoring
- Vulnerability management
- Testing and exercises
- Secure Software Development Life Cycle processes
- Data security
- Secure logins
- Insider risk program
- Third-party cybersecurity protocols and processes

We are also dedicated to addressing cyber threats through our cyber intelligence team and other detection and prevention capabilities. By strengthening our security operations, we can protect our stakeholders, preserve their trust and provide peace of mind.

In 2023, we continued our Cyber Education and Awareness program, which encompasses phish testing, educational videos, cybersecurity training, multiple cybersecurity presentations from the FBI and customer cyber education roadshows.

PRIVACY NOTICE

Our privacy notice details our privacy and security practices regarding our relationship with clients, including how we share their information. This notice does not apply to business or commercial customers.

ONLINE PRIVACY POLICY

The Online Privacy Policy explains the collection, use, sharing and protection of data and information that we gather when clients use our website and mobile applications.

KNOW YOUR CUSTOMER

Our clients' privacy is paramount, which is why Texas Capital is committed to establishing high standards for regulatory compliance. Our Know Your Customer program is a key part of protecting our clients and is designed to help the government fight the funding of terrorism and money-laundering activities. Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.



Our clients' privacy
is paramount



Navigating Risk

REPUTATIONAL RISK OVERSIGHT COMMITTEE

The Reputational Risk Oversight Committee (RROC) acts as the senior-level committee dedicated to the oversight of risk associated with activities and issues that may negatively impact the reputation of Texas Capital. The committee considers existing policies, programs, processes and aggregate-level quantitative indicators to manage reputation risk and significant individual items. The RROC is responsible for management of reputational risk embedded within the overall Texas Capital risk strategy in relation to the Firm's risk appetite. The RROC meets at least four times each year, and additionally at other intervals as deemed appropriate by the Chair.

REGULATORY COMPLIANCE MANAGEMENT COMMITTEE

Texas Capital's Regulatory Compliance Management Committee (RCMC) provides primary governance and oversight for regulatory compliance, including implementation of applicable regulatory compliance guidance and ethics for Texas Capital and our subsidiaries, and reports to the Audit Committee of the Board of Directors.

INTERNAL AUDIT

The vision of the Internal Audit Department is to be a high-performing entity that meets the expectations of our stakeholders and adheres to The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and the attributes of high performance recognized by leading internal audit activities. This will enable the Internal Audit Department to be a business partner and a trusted advisor, recognized as a driving force behind a culture of governance, accountability, compliance and execution that helps in the achievement of the organization's objectives. Our vision is excellence in fulfilling our responsibilities to our clients and to our profession.

The mission of the Internal Audit Department is to enhance and protect Texas Capital's value by providing risk-based and objective assurance, advice and insight. To achieve our mission, Internal Audit was created to be an independent, objective assurance and consulting activity designed to add value and improve Texas Capital's operations. Further, Internal Audit helps Texas Capital accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, control and compliance processes. The Internal Audit function is established by the Board of Directors, and the function's responsibilities are defined by the Audit Committee as part of its oversight role.

Internal Audit covers all operations at least every three years. Ethics and other operational topics are covered in Texas Capital's ongoing audit schedule.

Focusing on Ethics

All employees are required to review and attest to Texas Capital's Code of Conduct and take related training on a regular basis.

At Texas Capital, we strive every day to do the right thing and act with transparency, candor and discipline. We believe that every action has a ripple effect, and that each of us carries a responsibility to ensure that whenever we do business, we are always acting with the highest level of integrity and ethical culture.

The Texas Capital Code of Conduct is the basis of this shared commitment and responsibility for our actions. All team members are required to review and attest to the Code, and all employees and contractors are required to take related training on a regular basis.

Additionally, Texas Capital employees and contractors can report ethics concerns anonymously through our confidential hotline or website, both of which are managed by an independent third-party vendor.

Texas Capital also maintains a Third-Party Code of Conduct, which details our expectations and ethical standards for partners, including vendors.

OUR VALUES

- Act with **transparency, candor** and **discipline** in all we do.
- Be **accountable** to one another, clients, communities and stakeholders.
- Commit to **excellence** everyday.
- Foster a culture of **trust** through **collaboration, inclusion** and **respect**.



Promoting Supplier Diversity

At Texas Capital, our mission is to foster an inclusive culture and promote diversity in all areas of our business, including supplier relationships. As part of our commitment to supporting qualified diverse businesses from historically underrepresented groups, Texas Capital joined the Dallas-Fort Worth Minority Supplier Development Council (D/FW MSDC) in 2023. As a D/FW MSDC member, we are better able to collaborate and network with certified minority-owned businesses, helping further develop our local communities and enhance the economy of Texas.

Texas Capital continues to grow our supplier diversity efforts through intentional outreach, awareness and information across the Firm and third-party vendors. To promote transparency around our commitment to supplier diversity, we also monitor and track spend for suppliers considered:

- Small Business
- Historically Underutilized Business Zone (HUBZone)
- Women-owned
- Minority-owned Business or Minority Business Enterprise
- Veteran-owned
- Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)

HUMAN RIGHTS

Respect for human rights is a fundamental value of Texas Capital. The Firm strives to uphold and help increase the advancement of human rights in the Firm's operations, businesses, supply chains and the communities in which Texas Capital operates.

Texas Capital's employees are central to its success, and Texas Capital invests in human capital by compensating employees competitively, working to ensure compliance with all applicable wage, hours, overtime and benefits laws. The safety and health of Texas Capital's employees is of paramount importance. Texas Capital's policy is to provide a safe and healthy workplace and comply with applicable safety and health laws and regulations, as well as internal requirements.

As a financial institution, Texas Capital's main mission is to provide financial expertise, provide excellent service, build a collaborative relationship and help our clients grow and thrive. All employees are trained in complaint management, and client feedback is solicited periodically to improve client experience. Texas Capital is dedicated to fair and responsible lending and servicing practices. Additionally, Texas Capital is committed to maintaining a comprehensive program to protect its clients' and employees' personal information and privacy in compliance with applicable laws and regulations. Texas Capital expects its suppliers, vendors and contractors to abide by all laws, rules and regulations in effect in the jurisdictions in which they do business.





Texas Capital also expects suppliers, vendors and contractors to agree to abide by a Human Rights policy and demonstrate a commitment to Human Rights via their own policies. This is outlined in Texas Capital's Third-Party Code of Conduct, and a copy is provided to all vendors. Texas Capital recognizes the value of utilizing a diverse pool of suppliers, and it actively seeks to engage vendors with diverse ownership.

Texas Capital strives to create workplaces in which open and honest communications among all employees are valued and respected. Texas Capital ensures employees are aware of the Human Rights Policy through training and an annual certification process. Employees who believe that there may have been a violation of the policy are encouraged to report it through established channels including but not limited to:

- The manager of the department in which the violation occurred
- Human Resources
- Anonymous Employee Hotline
- Anonymous Employee Website

Texas Capital strictly prohibits retaliation in any form against anyone who makes a good faith report about suspected violations or cooperates in an investigation of an alleged violation.



Political Activity

The Company participates in the political process through contributions from its Political Action Committee (“PAC”). The PAC annually solicits contributions from eligible employees and makes bipartisan contributions in compliance with local, state and federal election laws. All political contributions are approved by a separate PAC Board comprised of senior executives and employees of the Company. The Company does not use corporate funds to make direct political contributions to candidates for public office or groups organized to influence political campaigns under Section 527 of the Internal Revenue Code.

The Company is a member of several financial services-related trade associations across Texas and the United States that help further the interests of the Company’s business and key constituents through effective grassroots advocacy on behalf of the industry. The Board’s Governance and Nominating Committee recognizes the importance of appropriate governance and risk management of the Company’s corporate political activities, and reviews activities for alignment with the Company’s business, strategy and corporate values, as well as compliance with applicable laws and regulations.



Appendix

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (“SASB”)-ALIGNED INDEX

The tables below are based on the SASB criteria for the Financial Sector most relevant to Texas Capital Bancshares, Inc., and its subsidiaries’ (collectively “TCBI”) core business, Commercial Banks. As TCBI’s business lines and overall environmental, social and governance disclosure practices evolve, this index and the relevant disclosures may change over time. We have provided information for our fiscal year ended December 31, 2023, or as of that date as applicable, unless otherwise noted. Certain information is not disclosed because the information: (i) is not considered material or is privileged/confidential, (ii) could result in a competitive disadvantage if publicly disseminated, and/or (iii) is not currently collected in a manner consistent with the SASB metric.

All disclosures are based on Version 2018-10 of the SASB standards.

Data Security

Topic	SASB Code	Metric	Response
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	See: 2023 Annual Report on Form 10-K, Item 1, Privacy and Data Security, p. 11–12 and Item 1C, Cybersecurity, p. 31-32. Please see responses to FN-CB-230a.2 for more information about TCBI’s approach to information security risk management.
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	See: 2023 Annual Report on Form 10-K, Item 1C, Cybersecurity, p. 31–32.

Financial Inclusion and Capacity Building

Topic	SASB Code	Metric	Response
Financial Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Small Business Lending: 2023: \$145 million throughout Texas 2022: \$10.49 billion 2021: \$2.39 billion Community Development Lending: 2023: \$180 million 2022: \$349 million 2021: \$342.5 million For more information on our small business and community lending activities, please refer to our 2023 CSR report and Our Values in Action report.
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Not disclosed. See: 2023 Annual Report on Form 10-K, Item 7, Non-Performing Assets, p. 43 for general information.

Topic	SASB Code	Metric	Response
Financial Inclusion & Capacity Building	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Not disclosed. TCBI's customer base is primarily commercial in nature. However, we offer FDIC-insured consumer savings accounts with no minimum monthly balance and no monthly account fees. We do not currently report on the number of customer accounts or report on the categorization between unbanked and underbanked customers.
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers	Not disclosed. For more information on our philanthropic activities, please refer to Our Values in Action report.

Incorporation of ESG Factors in Credit Analysis

Topic	SASB Code	Metric	Response
Incorporation of Environmental, Social and Governance Factors in Credit Analysis	FN-CB-410a.1	Commercial and industrial credit exposure by industry	See: 2023 Annual Report on Form 10-K, Item 7, Portfolio Concentrations, p. 39-41.
	FN-CB-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	During 2021, TCBI incorporated Environmental, Social and Governance considerations into a policy statement. The statement sets forth expectations that as part of TCBI's "Know Your Customer" program and due diligence efforts, it will consider potential environmental, social and governance risk factors, including those related to our Enhanced Due Diligence industry list, which covers a range of high-risk industries.

Business Ethics

Topic	SASB Code	Metric	Response
Business Ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations	See: 2023 Annual Report on Form 10-K, Item 3, Legal Proceedings, p. 32.
	FN-CB-510a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	During 2021, TCBI incorporated Environmental, Social and Governance considerations into a policy statement. The statement sets forth expectations that as part of TCBI's "Know Your Customer" program and due diligence efforts, it will consider potential environmental, social and governance risk factors, including those related to our Enhanced Due Diligence industry list, which covers a range of high-risk industries.

Systematic Risk Management

Topic	SASB Code	Metric	Response
Systematic Risk Management	FN-CB-550a.1	Globally Systematically Important Bank (G-SIB) score, by category	Not applicable. Texas Capital Bank is not currently considered a Global Systematically Important Bank and does not have a score to report.
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities	See: 2023 Annual Report on Form 10-K, Item 1, Regulation and Supervision, p. 7-14.

Table 2. Activity Metrics

Topic	SASB Code	Metric	Response
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	TCBI does not generally report account data by segment, and its customer base is primarily commercial in nature. Please see: 2023 Annual Report on Form 10-K, Item 7, Deposits, p. 44-45 for general information.
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	TCBI does not generally report loan data by segment, and its customer base is primarily commercial in nature. See: 2023 Annual Report on Form 10-K, Item 7, Portfolio Concentrations, p. 39-41.

About Texas Capital

Texas Capital delivers highly personalized financial services to businesses, the individuals and families who run them and other members of our communities. We are headquartered in Texas and work with clients throughout the state and across the country. Texas Capital is a wholly owned subsidiary of Texas Capital Bancshares, Inc. (NASDAQ®: TCBI).

Investment banking activities referenced herein are performed by TCBI Securities, Inc., doing business as Texas Capital Securities. TCBI Securities, Inc., is a member of FINRA and SIPC and has registered with the SEC and other state securities regulators as a broker/dealer. TCBI Securities, Inc., is a subsidiary of Texas Capital. Texas Capital Bancshares, Inc., is the parent company of Texas Capital. Securities and other investment products offered by TCBI Securities, Inc., are not FDIC insured, may lose value and are not bank guaranteed.

For more information, please visit our website
www.texascapital.com