

2021 CORPORATE SOCIAL RESPONSIBILITY REPORT

Hope Overcoming Hardship





"As president and CEO, it is important to me that the company live up to its stated values. It has been evident to me from the start that Texas Capital Bank does that every day, and I am proud to support and join the great work this bank is doing in the communities we serve. As we look forward, we are eager to accelerate our advancements in diversity, equity and inclusion (DEI) efforts as well as environmental, social and corporate governance (ESG) areas."

ROB C. HOLMES

President and CEO, Texas Capital Bank



2020: A Look Back at a Year of Hardship and Hope

2020 was a turbulent time for our world, our nation and our communities. With a global pandemic came a great deal of change at Texas Capital Bank. But through it all, the bank focused on upholding our values, caring for our employees and communities, and continuing to provide the best-in-class client experience we are known for.

2020 also brought creativity, resilience and a renewed dedication to purpose. This year, we served our communities in new and impactful ways, forged innovative partnerships, and built programs from the ground up. We served our frontline healthcare workers, we formed a new Diversity, Equity and Inclusion Council, and we taught virtual financial literacy, just to name a few.

As we look back at a year that will go down in history, we hope that our work has made a positive imprint on it that will be felt in communities for years to come.

"2020 was a year like no other. Crises have an outsized effect on underserved communities, and we saw that in stark reality this past year as homelessness soared, unemployment saw record numbers, small businesses closed, and essential workers were faced with impossible choices. People in these communities needed our help more than ever, and Texas Capital Bank answered the call."



EFFIE DENNISON

*EVP, Director of Community Development
and Corporate Social Responsibility*

Providing Hope for Our Communities

When the global pandemic came into Texas, the effects on our communities were devastating. We saw nonprofits pivot to provide emergency services in creative ways, and Texas Capital Bank was there to support this work.

Parkland Hospital in Dallas

The Texas Capital Bank Mobile Center was deployed in March 2020 to Parkland Hospital's mobile testing site in Southern Dallas, a traditionally underserved area. This deployment, along with grant funding, equipped Dallas' county hospital with vital resources to quickly serve one of the hardest hit communities. The Mobile Center remained deployed to this site for the remainder of the year and into 2021.

"Texas Capital Bank was among the first to support Parkland's response to the COVID-19 pandemic, providing immediate resources that have helped the most vulnerable in our community get tested for the virus. Additionally, their Mobile Center at the Ellis Davis Fieldhouse testing site has become a refuge for our medical staff in need of respite after long shifts. As our work stretched from weeks to months, their generosity was critical as our community came together to address this public health challenge."

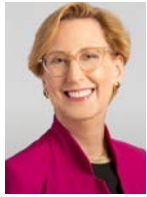


MICHAEL A. HORNE, EdD, MPP
President and CEO, Parkland Foundation



Texas Women's Foundation's Resilience Fund

Texas Capital Bank also supported the Texas Women's Foundation's Resilience Fund and other nonprofit organizations serving the needs of women during the pandemic, including housing stability, health care, legal services and other emergency needs.



"Through Texas Capital Bank's generous support and true partnership, Texas Women's Foundation has deployed the resources of the Resilience Fund to respond to immediate needs, as well as sustain assistance in healthcare, childcare, housing and more for the most vulnerable women and families. We and our partners are committed to the goal of stabilizing and supporting at-risk women and families so that they will not only survive but thrive."

ROSLYN DAWSON THOMPSON

President and CEO, Texas Women's Foundation



Genesis Women's Shelter & Support

Texas Capital Bank supported Genesis Women's Shelter & Support, a Dallas-based nonprofit that surrounds both mother and child with trauma-informed wrap-around services, including counseling, advocacy, shelter, access to civil legal representation, on-site school, employment readiness and childcare — all provided at no cost.



"With the help of Texas Capital Bank, we can continue to provide shelter services as well as reach beyond our shelter walls to offer non-residential services to thousands of family members who turn to us for help. Texas Capital Bank is exemplary in corporate response as they become part of the solution to end domestic violence. We are grateful for this partnership."

JAN LANGBEIN

CEO, Genesis Women's Shelter & Support

Providing Hope for Small Business and Homeowners

Texas Capital Bank has always been there in time of need and the pandemic was no exception. It not only impacted our communities, but our customers as well. We were there to provide hope for our customers through loan deferrals and modifications, extending branch hours of operation, and participating in the Paycheck Protection Program (PPP). The PPP is a Small Business Administration program under the CARES Act that provides forgivable loans to help businesses keep their workforce employed during the coronavirus (COVID-19) crisis.

\$718M

1,647 PPP loans for a
total of \$718 million

\$1M

87% of PPP loans were
less than \$1 million

SUPPORTING SMALL BUSINESS

The Revive Dallas Small Business Relief Fund

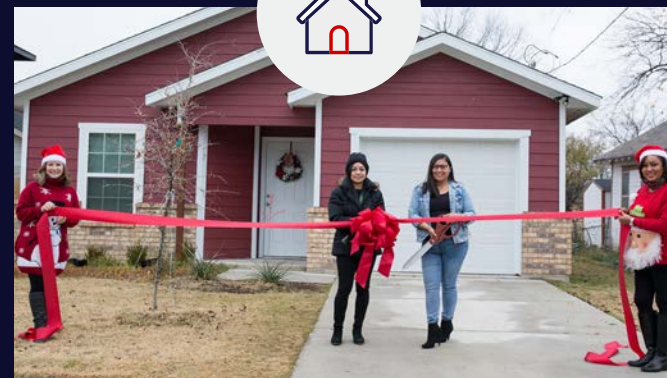
The Revive Dallas Small Business Relief Fund supports small-business owners with forgivable, 0% interest loans and pairs them with experienced mentors. As of the end of 2020, 69% of funding has gone toward minority-owned businesses, and 58% toward women-owned businesses. Each eligible business has fewer than 15 employees and less than \$1.5 million in annual revenue.



"Thanks to Texas Capital Bank's generous contribution to the Revive Dallas Small Business Relief Fund, The DEC Network and its partners were able to support Dallas small-business owners facing unprecedented economic distress and connect loan recipients with mentors who provided vital guidance to business owners during this challenging time."

DEMETRA BROWN

Senior Director, DEC Network



HOMEOWNER GRANT PROGRAM

As a member of the Federal Home Loan Bank of Dallas, Texas Capital Bank participates in the partnership grant program, identifying nonprofit partners to receive funds and managing the grant process. Despite the challenges of 2020, the program had a record-breaking year, supporting low- and moderate-income new homeowners, disabled veterans and natural disaster victims.

\$2M

Grant Funding

53

Families Served

278

Affordable housing units

MAKING THE DREAM OF HOME OWNERSHIP A REALITY

Christina Ruiz dreamed of owning her own home. As a single mom with two kids, she worked hard to make that dream a reality.

The home purchase was the culmination of a tumultuous journey that began with the death of her mother, who helped care for her children while she was at work. After her mother's death, Ms. Ruiz took a new role at work that came with more flexibility to care for her children but less pay, making it tough to scrape together a down payment on a house. Working with the Dallas Area Habitat for Humanity and with the assistance of a Homebuyer Equity Leverage Partnership subsidy from Texas Capital Bank and the Federal Home Loan Bank of Dallas, she achieved her goal of becoming a homeowner, moving her family into their new home in time for the start of school.

Providing Hope Through Impact Lending

Texas Capital Bank exists to power prosperity in business and in life. And in 2020, we did just that. As the economic crisis in 2020 impacted the quality of life and the future of businesses, we stepped up and provided relief. Through our impact lending, Texas Capital Bank supported affordable housing, job creation and small businesses, which supported local economies and gave a hand up to families and entrepreneurs.

LENDING STATISTICS

Total Community
Development Lending 2020

\$210M

Single-family Affordable
Housing Lending

\$81M

Small Business Lending
(Bank Direct Capital Finance)

\$2B

Single-family affordable
housing units created

581

Multifamily affordable
housing units created

550

Jobs created

500

Readers 2 Leaders (Dallas)

Readers 2 Leaders is a nonprofit organization that helps Dallas ISD kindergarten and elementary school children in low-income areas develop their reading and language skills. R2L has partnered with six Dallas elementary schools and serves 216 children. The loan proceeds were for the expansion of a new facility in West Dallas.



"Readers 2 Leaders is incredibly grateful for the ongoing support and dedication of Texas Capital Bank. During our first ten years of our organization, TCB's investment has made an impact on the lives of thousands of children in our community. They also recently invested in our new facility, a literacy hub located in the heart of our West Dallas community. We look forward to partnering with TCB to deepen our impact and continue to change kids' lives through literacy!"

NORMA NELSON

President and CEO – Readers 2 Leaders

Urban East

Texas Capital Bank funded phase one of the new Urban East development, an Opportunity Zone project developed by River City Capital Partners. Once complete, this multifamily housing development will provide 260 new affordable housing units in Austin, in an area where affordable housing is nearly impossible to find. This is the only project in Austin that is both partnered with the Housing Authority to provide affordable units, and is being funded and meets all criteria of the opportunity zone legislation.



"Urban East will represent one of the largest multifamily opportunity zone projects to break ground in Austin. There is a much greater emphasis on affordable housing with this development than similar projects in the area, and we are proud to make this offering available to meet the strong demand for this dynamic hub of Central Austin."

PETER KEHLE

Co-founder and CEO of River City Capital Partners

Providing Hope Through Impact Investing

Texas Capital Bank makes strategic investments in low- and moderate-income communities to close the gap between poverty and prosperity. Through Texas Capital Community Development Corporation (CDC), we make strategic investments in lending consortia, including Small Business Investment Companies (SBICs), Minority Deposit Institutions (MDIs) and nonprofit partners that infuse capital in small and midsize businesses, minority- and women-owned businesses, as well as reinvest in minority communities.

\$133M

Total Texas Capital
Community Development
Corporation Investments

\$1.7M

Total Texas Capital Bank
Philanthropic Investments

AT LAST! Urban Boarding Experience in Dallas

AT LAST! is an urban boarding school that provides underserved children with high-quality education, academic support, life skills, and meals and other necessities. It is the only program of its kind and helps families by providing a safe and nurturing place for children while parents can work or attend school without having to worry about childcare. Texas Capital Bank was the first corporation and first bank to support this new concept.



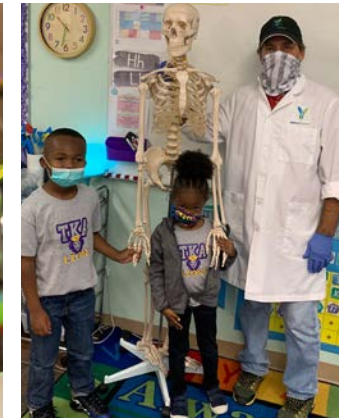
"If the society's most intractable problems could be solved by conventional approaches and dated solutions, they would not have bedeviled us for generations. Intractable problems require innovative solutions. Innovative solutions require the engagement and support of the business community. AT LAST! thanks Texas Capital Bank for providing the largest grant to date from a member of Dallas' corporate community, and helping unleash us on the urban education crisis."

RANDY BOWMAN
CEO, AT LAST!



The King's Academy in South Dallas

Texas Capital Bank understands that early childhood development is critical in the life of children and was one of the first corporate partners to provide initial seed funding to open The King's Academy, a private K-2 elementary school in South Dallas. Students from this low-income community receive exemplary education that addresses the whole child: spiritually, academically and emotionally.



"We would like to thank Texas Capital Bank for providing funds that directly support academic achievement for youth in the inner-city community we serve. This grant funded the salary of an instructional staff member who effectively differentiated our adopted school curriculum for students who have identified learning challenges. The students experienced success because they were able to receive instruction on their level and individual learning style. This grant helped improve the overall quality of education offered to students who need additional support."

DR. SHAILENDRA THOMAS
Head of School, The King's Academy

Providing Hope Through Service

Every year, Texas Capital Bank employees give back to our communities through giving of their time and resources. One of the greatest challenges of 2020 was our inability to be in the community. But this led to creative and innovative ways to continue to support our communities. We may not have been able to gather in person, but we still united in service to people in need.

Matched Gifts for Coronavirus Relief Funds

Our employees donated generously to pandemic relief funds that were a lifeline to people in need, offering rent, healthcare, food and utility assistance. Texas Capital Bank matched \$100,000 in relief funds.

Restocking the Shelves

In the fall, Texas Capital Bank employees donated to food banks in each market, raising over \$7,000, which provided 25,435 meals for people in need.

Teaching Financial Literacy

Our Community Development Team wrote curriculum for a new financial literacy training, helping families impacted by job loss with a budget and financial survival plan that was deployed virtually to nonprofit partners in every market.

Purchasing Holiday Gifts

Texas Capital Bank partnered with Daymaker, an online gift-giving platform, to provide holiday gifts to children in all our markets. Overall, Texas Capital Bank employees purchased 1,000 gifts.

Helping Our Heroes

Texas Capital Bank helped our brave frontline healthcare workers by sending meals and writing letters of appreciation. Texas Capital Bank's work-from-home employees also sent care packages and meals to our frontline branch personnel to show our appreciation.

GIVING BACK

Meals on Wheels

Instead of throwing holiday parties, Texas Capital Bank used holiday funds to make a \$50,000 donation to Meals on Wheels, providing over 20,000 meals to hungry seniors. To help fill in volunteer gaps resulting from the pandemic, Texas Capital Bank employees also donned their masks and volunteered in a safe and socially distanced manner and delivered over 1,000 meals during the holiday volunteer project.



"VNA's partnership with Texas Capital Bank is a great example of local companies giving back to our community when we need it most. The isolated seniors we serve rely on the food and social nutrition our dedicated volunteers deliver."

KATHERINE KRAUSE
President and CEO of VNA



Safe Place for the Holidays

To ring in the holidays, we also wanted to acknowledge the increased need for sheltering services as a result of the coronavirus. Texas Capital Bank established the "Safe Place for the Holidays" grant, giving \$100,000 to homeless and domestic violence shelters throughout our markets.



"Our employees are the heartbeat of Texas Capital Bank. This year, we saw employees give back to communities in creative ways, both virtually and socially distanced, to make a positive impact for people in need. I am so grateful to work alongside such generous and compassionate people."

MICHELLE GEORGE
Community Relations Manager

Providing Hope Through Diversity, Equity and Inclusion

In the aftermath of the George Floyd killing, racial injustice and inequities in communities of color came into full view, resulting in the spark of the Black Lives Matter social justice protests all across the United States and abroad. This reckoning opened the eyes of corporate America to play a bigger role in combating systemic racism in their places of business and in the communities they serve. Now, businesses large and small are examining their diversity and inclusion policies — and some are moving forward with a major overhaul in governing operations and employee relations.

At Texas Capital Bank, we saw this as a touchstone issue of keen interest to our workforce, clients and the communities we serve. We joined forces with the Dallas Regional Chamber and Dallas business leaders pledging to commit to diversity, equity and inclusion within business and the community.

Since then, Texas Capital Bank formed its Diversity, Equity and Inclusion Council, comprised of a diverse set of employees from different ethnicities, races, gender expressions, orientations and professional levels. The council's purpose is to develop DE&I goals and metrics that will be ingrained in the bank's business strategy. Headed by the CEO, this council takes an open-eyed look at the strengths and opportunities within our organization to help build a better Texas Capital Bank for our employees and clients alike.

REMOVING BARRIERS

Project REACH: Roundtable for Economic Access and Change Supporting Minority Deposit Institutions

Texas Capital Bank has a multiyear history of partnering with Minority Deposit Institutions (MDIs), and was one of the first banks to join the MDI Initiative of the Office of the Comptroller of the Currency (OCC). As a result, Texas Capital Bank has built partnerships with MDIs nationwide. The number of MDIs has diminished over the years, but they remain an important source of credit and financial services in minority communities.

Opportunity in America requires access to capital and credit. Persistent racial differences in wealth, income and homeownership show that America's promise of opportunity has been truer for some communities than for others. The OCC recognizes the lack of economic access faced by minorities and other underserved groups.



That is why in 2020, the OCC launched Project REACH, a new initiative created to harness market forces and remove barriers to allow minority groups and low-income Americans access to capital to own homes, start businesses and benefit from the same upside opportunities enjoyed by others.

As one of the founding members of the Project REACH working group, Texas Capital Bank was among the first banks to pledge to expand our partnership with MDIs. Our commitment to capital investing in MDIs includes providing technical assistance, identifying business opportunities targeted to expand MDIs' reach and impact within their communities, supporting executive development, and committing resources to support the MDIs' operations and customers.



"In 2020, we witnessed calls for change across the nation and around the world. In response, Texas Capital Bank looked inward, reflecting on how we could do more to honor our commitments to equity and inclusion for all. We launched our Diversity, Equity and Inclusion Council, which I have been proud to lead, to steer the bank's diversity and inclusion strategies and efforts now and into the future. Our goal is to create a lasting framework, with purposeful actions, to help build a better, fairer society and work environment."

LARRY HELM

Executive Chair, Texas Capital Bank

DIVERSITY, EQUITY AND INCLUSION

Historically Black Colleges and Universities (HBCU) ABA Certificate Program

In partnership with the American Bankers Association (ABA), Texas Capital Bank launched the first Commercial Lender Certificate Program with Prairie View A&M University. The curriculum focuses on commercial lending and underwriting, preparing students for careers in commercial banking. Upon graduation, students earn a college degree and an ABA Commercial Banking Certificate, increasing their eligibility for top-rated credit training programs including an internship at Texas Capital Bank.

Social Change Leadership

Texas Capital Bank sponsored the Social Change Leadership Program at Stagen Leadership Academy in 2020. The Social Change Leadership Program (SCLP) is a 52-week practice-based program designed to amplify and elevate the voices of powerful women and nonprofit leaders. Program components include in-person quarterly workshops, social change learning modules, technology platforms, one-on-one executive coaching and peer learning.



"We could not be more grateful to Texas Capital Bank for being a big-hearted sponsor of the Social Change Leadership Program at Stagen Leadership Academy. Thanks to their generosity, a diverse group of 22 outstanding female leaders will culminate their 52-week leadership course in April, impacting hundreds of thousands of lives locally and nationwide."

MICHELLE KINDER

Class Leader, Stagen

Providing Hope Through Economic and Leadership Development for Women

Economic Issues for Women

Women make up half of the state's population in Texas. Most are women of color who are disproportionately impacted economically in terms of equal pay, education, healthcare and housing. When women have access to these economic drivers, they are economically secure. That is why Texas Capital Bank sponsored a study on Economic Issues for Women in Texas commissioned by the Texas Women's Foundation.

This three-year study examined the wealth gap for women, especially women of color. Key learnings from the study:

- Women are the face of poverty in Texas, being twice as likely as men to experience poverty.
- Women of color are the majority, comprising 57% of total state population.
- On average, Texas women earn 86 cents for every dollar a man earns. For women of color, it falls to 54 cents.
- Texas ranked 50th in the nation for women's healthcare.
- Over 30% of families led by women are burdened by the cost of housing.
- Homelessness is experienced by 90% of domestic violence survivors at least once.

Texas Capital Bank is committed to closing the gap for women in poverty through strategic partnerships and funding organizations that support women and girls. During the 2020 year, Texas Capital Bank funded \$548,540 toward these causes.

"I was honored to join the discussion on The Economic Issues Facing Women in Texas. Texas Women's Foundation's comprehensive study reminds us that women aren't just the face of poverty in Texas, we are also the solution. Texas Capital Bank truly understands the unique issues facing women and is investing in solutions to create a more equitable society."



CHRISTINE POWELL, MPH
*Executive Director,
The Women's Resource*

Our Partners

American Red Cross of North Texas

Aspire

AT LAST!

Austin Community Foundation

Austin Pathways

Austin Public Education Foundation

Austin Street Center

Avenue Community Development Corporation

Big Brothers Big Sisters – Greater Dallas

Blessings in a Backpack

Boys & Girls Clubs of San Antonio

Caritas of Austin

Catholic Charities Dallas

Center for Transforming Lives

Central Texas Food Bank

Chinquapin Preparatory School

Chris Howell Foundation

CitySquare

CommUnityCare

Con Mi MADRE

Debra's Healing Kitchen

DivInc

EastSide University

Economic Growth Business Incubator

Educational First Steps

Fort Worth Chamber of Commerce

Gabby's Sanctuary Ark

Genesis Women's Shelter & Support

Girl Scouts of Northeast Texas

Girls Inc.

Goodwill Industries

Greater Austin Hispanic Chamber of Commerce

H.I.S. BridgeBuilders of San Antonio

Habitat for Humanity of San Antonio Inc.

Harmony House

HOPE Farm

I Am A Golfer Foundation

Impossible Possibilities

Interfaith Family Services

It's Going To Be Ok Inc.

Junior Achievement

Leadership Forward Mentoring Program

Literacy Coalition of Central Texas

Literacy First

Mayor's Star Council

Meals on Wheels of Central Texas

Mercy Street

Methodist Health System Foundation

Mission Capital

National Council of Jewish Women

New Friends New Life

North Texas Public Broadcasting KERA

Oak Cliff Chamber of Commerce

Oasis Center

Parkland Foundation

Path-Ways to Purpose

Presbyterian Night Shelter

Project MEND

Prospera Housing Community Services

Readers 2 Leaders

Resource Center of Dallas Inc.

S.L.E.W. Cancer Wellness Center

Salvation Army of San Antonio

Samaritan Center

San Antonio Chamber of Commerce

Second Servings of Houston

SER-Jobs for Progress of the Texas Gulf Coast, Inc.

Skillpoint Alliance

Small Steps Nurturing Center

South Dallas Innercity CDC

Star of Hope

TeCo Theatrical Productions Inc.

Texans Can Academies

Texas Association of Community Development

Corporations

Texas Offenders Reentry Initiative (TORI)

Texas Women's Foundation

The Dallas Chapter, Links Foundation Incorporated

The Dallas Entrepreneur Center

The Family Place

The King's Academy

The SAFE Alliance

The Samaritan Inn

The Trust for Public Land

Trinity Park Conservancy

Unicorn Centers Inc.

United Negro College Fund Inc.

United Way of Metropolitan Dallas

United Way of San Antonio

United Way of Tarrant County

University of North Texas at Dallas Foundation

Veteran Women's Enterprise Center

Wesley-Rankin Community Center

Women's Business Council – Southwest

Women's Resource

Woodall Rodgers Park Foundation

Yellowstone Academy

YMCA of Greater Houston

Zan Wesley Holmes, Jr. Community

Outreach Center



TEXAS CAPITAL BANK EMPLOYEES
HAVE A HEART FOR SERVICE
AND GIVING BACK.

Through the generosity of our employees, the bank provided a \$100K employee match that was awarded to be shared among the following agencies:

- United Way agencies in Dallas, Tarrant County and San Antonio
- YMCA in Houston childcare program for first responders
- Austin Feeds, partnership with Austin Ed Fund to provide meals to students



The year 2020 will go down in history, but we hope that our work has made a positive imprint on it that will be felt in communities for years to come.



About Texas Capital Bank

Texas Capital Bank delivers highly personalized financial services to businesses and entrepreneurs. We are headquartered in Dallas, Texas, and work with clients throughout the state and across the country. Texas Capital Bank is a wholly owned subsidiary of Texas Capital Bancshares, Inc.

To learn more about our community involvement and partnership opportunities, please contact CommunityRelations@texascapitalbank.com



www.texascapitalbank.com

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