

stellar BANK™



thrive

2023 Community Impact Report





From Our Leadership

As we reflect on our first year as Stellar Bank, we are proud of the continued efforts we are making to positively impact our customers and our community.

We are the largest community bank headquartered in this region and our sole focus is serving the needs of our neighbors right here. Of course, that means helping our customers reach their financial goals, but it goes deeper. We are equally committed to enhancing the well-being and vitality of our local communities. Our purpose is to empower people to thrive and when our community is strong, we all flourish.

The passion to serve is deeply engrained in our culture. From supporting local food banks to teaching financial literacy to serving on non-profit boards, Stellar bankers can be found donating their time, talents, and resources to address the critical needs in our community. The Bank further encourages these efforts by providing employees with paid time off dedicated to giving back.

Through our community engagement activities and working alongside various charitable organizations, we gain unique perspectives and understanding. These invaluable insights inspire us and help to identify opportunities for growth and improvement. We are committed to driving positive change in our business and in our community, making a real difference in the lives of those around us.

Together, we can build a brighter future for all.

Sincerely,



Robert (Bob) R. Franklin, Jr.
EXECUTIVE CHAIRMAN



Ramón (Ray) A. Vitulli, III
CHIEF EXECUTIVE OFFICER

Our Purpose

We empower people to thrive.

Our Values



Do the right thing



Own the outcome



Give our all



Serve with heart



See possibilities



Succeed together



Proud to Live, Work, and Serve **Locally**

Stellar is the largest community bank based in this part of Texas. We're proud of that. But even if we were smaller, we'd still be enormously committed to supporting our communities. **The people here are our families, friends, coworkers and neighbors.** It is our responsibility and our passion to help advance the wellbeing and prosperity of everyone around us, through investments, volunteerism, donations, education, events, advocacy and more.



Community Engagement by the Numbers



\$1,000,000+ IN CHARITABLE CONTRIBUTIONS



300+ ORGANIZATIONS SUPPORTED

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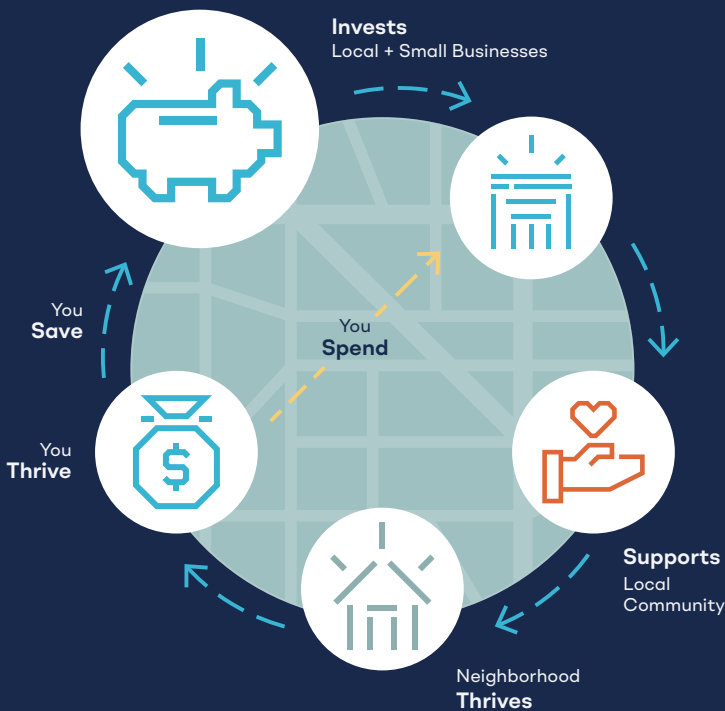


2,400+ HOURS OF SERVICE



\$10.65 BILLION IN ASSETS*

* As of December 31, 2023



The Power of Local

Community banks build strong communities, sustaining our local economies for generations to come.



1,000+ BANKERS



54 BANKING CENTERS

Community Development



\$152.9M+

In Community Development Lending

The Community Reinvestment Act (CRA), enacted in 1977, is designed to encourage banks to help rebuild and revitalize communities through sound lending and good business judgment that benefits the banks and the communities they serve.

Stellar Bank provided over **\$152.9M** in community development lending which directly impacted the communities we serve throughout the state of Texas.

\$1.1M+ provided direct benefit to non-profit organizations who promote affordable housing in Houston.

\$26.1M+ was financed through the SBA 504 loan program which helped to not only support small businesses but also local community development corporations.

\$9M+ was provided to support affordable multi-family housing where over 300 units of housing were impacted.

\$116.3M+ was financed to support multi-family affordable housing through the use of LIHTC (Low Income Housing Tax Credits) where over 900 units of housing were impacted. LIHTCs play a critical role in the development and sustainability of affordable housing throughout our communities.

\$700K+

In Community Development Giving

CRA Contributions:

Stellar Bank provided over **\$760K** in financial contributions and grants to organizations that supported community development initiatives and efforts throughout the communities we serve. Notably, Stellar Bank provided **\$354.5K** for financial literacy, **\$271.3K** for health and wellness, **\$96.6K** for affordable housing and **\$37.5K** for activities that promote economic development.

CRA Investments:

Stellar Bank provided **\$32.5M** in direct financial investments that promoted community development activity directly tied to affordable housing, economic development and community revitalization efforts. Notably, Stellar Bank made a **\$5M** equity investment with a Community Development Financial Institution (CDFI) to provide mortgages for LMI (low to moderate income) borrowers.

FHLB of Dallas Grant Awards:

The Federal Home Loan Bank of Dallas offers specialized grant and advance programs to assist member Banks in financing affordable housing and economic development projects in the communities served by the Bank.

Stellar Bank was able to secure grants for our customers and partner organizations totaling more than **\$1.7M**.

Notably, Stellar Bank helped to secure an **\$850K** Affordable Housing Program grant in partnership with the Tejano Center for Community Concerns. It was used to complete the development of "Sunrise Loft" which is a new "dorm style" housing facility for homeless youth who have recently aged out of the foster care/shelter system.

Stellar Bank Community Advisory Board

Stellar Bank created a Community Advisory Board comprised of partner organizations that advise the Bank on "identified needs" within the community related to affordable housing, economic development, financial literacy and supportive services for LMI families and communities. The Stellar Bank Community Advisory Board includes representation from the following organizations:

- The Fifth Ward CRC (Houston)
- Houston Business Development Inc (Houston)
- Legacy CDC (Beaumont/Port Arthur)
- Houston Black Real Estate Association
- The Credit Coalition
- Neighborhood Recovery CDC
- Southeast Texas Economic Development Foundation
- Capital CDC
- Texas Southern University

Junior Achievement

Junior Achievement® is the world's largest organization dedicated to giving students from kindergarten through high school the knowledge and skills they need to own their economic success and open up a world of possibilities. As a business bank, we support entrepreneurship and are dedicated to building a foundation of financial literacy.



"I first volunteered with Junior Achievement in 1989. Quickly, it was evident what a great job the organization does to introduce the concepts of financial literacy and entrepreneurship in fun and creative ways. I'm a big fan of the JA's Finance Park program. I can't think of a more beneficial early-adult life skill than having an understanding of how to manage money."

- JANE PARKER

Volunteerism

39 volunteers spent approximately 200 hours reaching 872 students throughout Houston and East Texas. The Bank participated in the following learning experiences:

- JA Our Region® (Grade 4)
- JA BizTown® (Grade 4-6)
- JA Finance Park® Entry Level (Grade 7-12)
- JA Finance Park® Advanced (Grade 9-12)
- JA Economics for Success® (Grade 6-8)

Sponsorship



JA Finance Park provides a transformative learning experience that helps students build a foundation upon which they can make intelligent financial decisions and correlate educational performance with future earning power.

Fundraising

Stellar Bank participated in JA Trivia Bowls in Houston and Beaumont. Our bankers raised over \$15,000 for Junior Achievement and the Bank provided additional matching funds.

Leadership

Stellar Bank's Executive Chairman **Bob Franklin** serves on the Board of Junior Achievement of Southeast Texas and Market President **Jane Parker** is a Board Member of Junior Achievement of the Golden Triangle.



Committed to our Communities

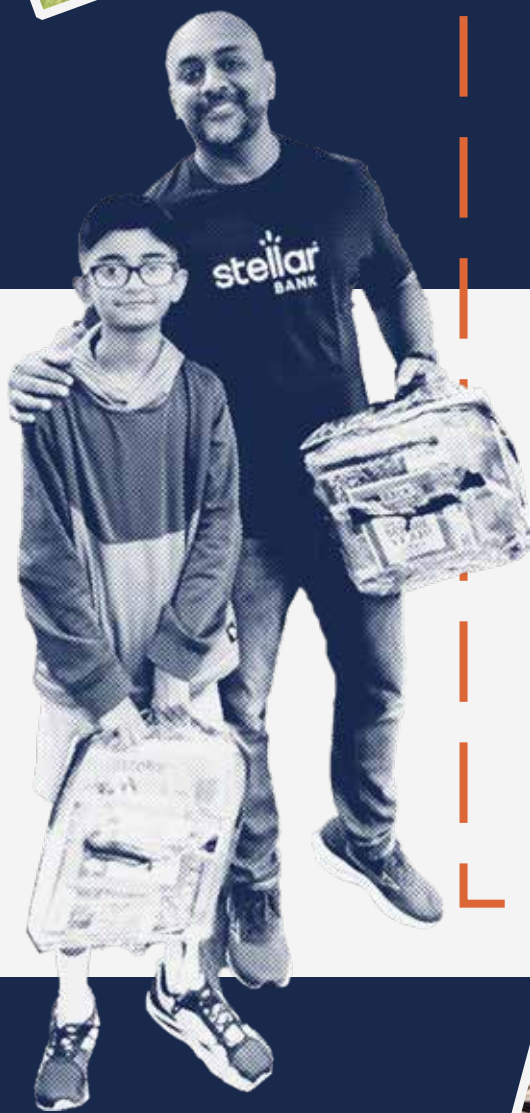
The way we see it, a banker's job is to elevate people, businesses and communities. For us that's often done by donating our time as much as our money. Stellar Bankers volunteer in numerous ways.



Park Cities Rotary Club



Financial Literacy for Heights High School Football Team



The Alliance Back to School Event

"I choose to volunteer, aiming to make a positive impact in ways that truly matter to individuals. By making a difference in their lives, we foster a sense of community that transcends socioeconomic boundaries, enabling us to collectively embrace the shared experience of humanity. For me, volunteerism is not just vital to our community; it's a deeply personal journey of connection and purpose."

- HOLLY COOK



Wreaths Across America



Combined Arms Food Pantry



Heroes at Home Golf Tournament



CHRISTUS Foundation Nun Run



A Taste of Cy-Fair



Combined Arms Montgomery County Mobile Food Pantry



United Way & Beaumont ISD Book Vending Machine Initiative



American Red Cross Sound the Alarm Program



Lyons Avenue Renaissance Festival

Bankers on Boards

Spotlight on David May, SVP, Commercial Lender, Nederland, TX

David May currently serves as Treasurer on the Board of Directors for Adaptive Sports for Kids (A.S.K.).

As a father of a child with cerebral palsy, David recognized the need for activities catering to individuals with special needs in Nederland. David feels that it is very important for these individuals to stay as active as possible and make new friends.

A.S.K. provides year-round opportunities to play sports they may otherwise not be able to play. The organization also adapts to each individual's needs, so all can participate and feel a sense of community.



STELLAR BANKERS CURRENTLY SERVE AS BOARD REPRESENTATIVES FOR MANY GREAT ORGANIZATIONS, INCLUDING:

- Adaptive Sports for Kids
- Agape Development
- American Heart Association NW Harris County
- Armand Bayou Nature Center
- Asians Against Domestic Abuse
- Battleship Texas Foundation
- Better Business Bureau Education Foundation
- Big Brothers Big Sisters Lone Star - Greater Houston
- Child Advocates
- Christus Foundation for Healthcare
- Faith in Practice
- Families Feeding Families
- Garth House, Mickey Mehaffy Children's Advocacy Program, Inc.
- Habitat for Humanity of Jefferson County
- Houston Food Bank
- JDRF
- Junior Achievement of Southeast Texas
- Junior Achievement of the Golden Triangle
- Lamar University Foundation
- Literacy Council of Fort Bend County
- National Eagle Scout Association (Houston) Advisory Board
- Nutrition and Services for Seniors
- Open Door Mission
- Sam Houston Area Council (Boy Scouts)
- Tejano Center for Community Concerns
- Texas Bankers Association
- Texas Center for the Missing
- United Way of Beaumont and North Jefferson County
- Houston Methodist West Hospital



Leading the Next Generation of Bankers

- Inaugural partner of Texas Southern University's Future Bankers Leadership Program that provides students direct exposure to commercial banking.
- Whether serving on a banking program advisory board or teaching as a guest lecturer, our bankers mentor college students who are pursuing a career in finance.
 - **Ryan Tillman:** Guest lecturer teaching the "Bank Financing" section of the New Ventures Finance course at Baylor University.
 - **Tracy Shivers:** Proud 1982 graduate of Texas Southern University and current guest lecturer and speaker for accounting and finance classes.
 - **Carlos Sandoval:** Guest lecturer and Advisory Board member for Texas A&M University Mays Business School Commercial Banking Program.
 - **Jason Sirkel:** Guest lecturer and advisory board member for banking programs at Texas A&M University Mays Business School Commercial Banking Program and Sam Houston State University Smith-Hutson Endowed Chair of Banking.



"The various bankers that would come into the classroom and speak about real-world loan packages would break down the complexity into ways that I was able to understand. This made me gain an interest in becoming a credit analyst."

- KAMERON PREE, OFFICER DEVELOPMENT PROGRAM ASSOCIATE AND TSU FUTURE BANKER LEADERSHIP PROGRAM GRADUATE

Accomplishments and Recognition



Honored by the Texas Bankers Association as a 50-Year Banker: Pat Parsons, Travis Jagers and Coy D. Lewis



Earned a Silver 2023 President's Volunteer Service Award in recognition of our employees' volunteer time with Houston Food Bank



Paula Jachimiec was the 2023 Volunteer of the Year for The Women's Resource



Recognized as a Winner of Distinction at the Houston 2023 BBB Awards of Excellence



2023 Houston Amber Alert Partner Award Recipient by Texas Center for the Missing



Pat Parsons, Director and Vice Chairman was named to the Texas Bankers Hall of Fame

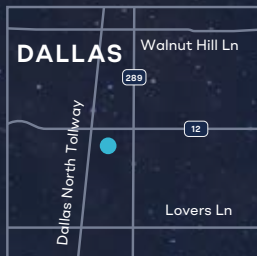


Honored by Literacy Now at Magnums Make a Difference Gala



Ranked by Houston Business Journal as the largest Houston-area community bank

We're from here,
we invest here,
we give back here.



Be Stellar

Visit STELLAR.BANK | 713.499.1800

NMLS # 451312



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