

United States
Securities and Exchange Commission
Washington, D.C. 20549
Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): September 15, 2025

Cullen/Frost Bankers, Inc.

(Exact name of registrant as specified in its charter)

Texas	001-13221	74-1751768
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)
111 W. Houston Street,	San Antonio,	Texas
(Address of principal executive offices)		78205
		(Zip code)
(210) 220-4011		
(Registrant's telephone number, including area code)		
N/A		
(Former name, former address and former fiscal year, if changed since last report)		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 Par Value	CFR	New York Stock Exchange
Depository Shares, each representing a 1/40th interest in a share of 4.450% Non-Cumulative Perpetual Preferred Stock, Series B	CFR.PrB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure

Cullen/Frost has posted an investor presentation dated as of June 30, 2025 on its website at <https://investor.frostbank.com>. A copy of the slide presentation is being furnished as Exhibit 99.1.

This Current Report on Form 8-K (including the Exhibit hereto) includes forward looking statements within the meaning of the Securities Exchange Act of 1934, as amended, the Securities Act of 1933, as amended, the Private Securities Litigation Reform Act of 1995, as amended, and the rules under each of those statutes. We do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events. Please refer to the Cullen/Frost's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 6, 2025, and our other filings made from time to time with the Securities and Exchange Commission for a list of risk factors and cautionary statements about facts, circumstances, conditions and risks that may cause us to deviate from the expectations set forth in this presentation.

The information furnished by Cullen/Frost pursuant to this item, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits:

99.1 [Investor presentation](#).

104 Cover Page Interactive Data File - The cover page XBRL tags are embedded within the inline XBRL document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CULLEN/FROST BANKERS, INC.

By: /s/ Matthew B. Henson
Matthew B. Henson
Executive Vice President
and Chief Accounting Officer

Dated: September 15, 2025

EXHIBIT INDEX

Exhibit Number	Description
99.1	Investor Presentation
104	Cover Page Interactive Data File - The cover page XBRL tags are embedded within the inline XBRL document.



Cullen/Frost Bankers, Inc.

Phillip D. Green, Chairman and Chief Executive Officer | Daniel Geddes, Chief Financial Officer

June 30, 2025

Cautionary Statement

Certain statements contained in this presentation that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"), notwithstanding that such statements are not specifically identified as such. In addition, certain statements may be contained in our future filings with the SEC, in press releases, and in oral and written statements made by us or with our approval that are not statements of historical fact and constitute forward-looking statements within the meaning of the Act. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statements of plans, objectives and expectations of Cullen/Frost or its management or Board of Directors, including those relating to products, services or operations; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes," "anticipates," "expects," "intends," "targeted," "continue," "remain," "will," "should," "may," and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to:

- The effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board and the implementation of tariffs and other protectionist trade policies.
- Inflation, interest rate, securities market, and monetary fluctuations.
- Local, regional, national, and international economic conditions and the impact they may have on us and our customers and our assessment of that impact.
- Changes in the financial performance and/or condition of our borrowers.
- Changes in the mix of loan geographies, sectors and types or the level of non-performing assets and charge-offs.
- Changes in estimates of future credit loss reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements.
- Changes in our liquidity position.
- Impairment of our goodwill or other intangible assets.
- The timely development and acceptance of new products and services and perceived overall value of these products and services by users.
- Changes in consumer spending, borrowing, and saving habits.
- Greater than expected costs or difficulties related to the integration of new products and lines of business.
- Technological changes.
- The cost and effects of cyber incidents or other failures, interruptions, or security breaches of our systems or those of our customers or third-party providers.
- Acquisitions and integration of acquired businesses.
- Changes in the reliability of our vendors, internal control systems or information systems.
- Our ability to increase market share and control expenses.
- Our ability to attract and retain qualified employees.
- Changes in our organization, compensation, and benefit plans.
- The soundness of other financial institutions.
- Volatility and disruption in national and international financial and commodity markets.
- Changes in the competitive environment in our markets and among banking organizations and other financial service providers.
- Government intervention in the U.S. financial system.
- Political or economic instability.
- Acts of God or of war or terrorism.
- The potential impact of climate change.
- The impact of pandemics, epidemics, or any other health-related crisis.
- The costs and effects of legal and regulatory developments, the resolution of legal proceedings or regulatory or other governmental inquiries, the results of regulatory examinations or reviews and the ability to obtain required regulatory approvals.
- The effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities, and insurance) and their application with which we and our subsidiaries must comply.
- The effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters.
- Our success at managing the risks involved in the foregoing items.

In addition, financial markets, international relations, and global supply chains have recently been significantly impacted by U.S. trade policies and practices including the implementation of targeted tariffs on imports and the subsequent 90-day pause on certain of those tariffs. Due to the rapidly evolving and changing state of U.S. trade policies, the amount and duration of any tariffs and their ultimate impact on us, our customers, financial markets, and the overall U.S. and global economies is currently uncertain. Nonetheless, prolonged uncertainty, elevated tariff levels or their wide-spread use in U.S. trade policy could weaken economic conditions and adversely impact the ability of borrowers to repay outstanding loans or the value of collateral securing these loans or adversely affect financial markets. To the extent that these risks may have a negative impact on the financial condition of borrowers or financial markets, it could also have a material adverse effect on our business, financial condition and results of operations.

Forward-looking statements speak only as of the date on which such statements are made. We do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

Cullen/Frost Bankers

- Headquartered in San Antonio, Texas
- Founded in 1868 by T.C. Frost
- Provides a wide range of banking, investments, and insurance products and services to businesses and individuals
- Branch footprint located exclusively in Texas throughout eight markets with 200 financial centers and the largest ATM network in Texas with over 1,750 ATMs
- Committed to relationship banking model and our core values: Integrity, Caring, and Excellence



Cullen/Frost Bankers

Award Winning Value Proposition

Company Highlights

Listing	NYSE:CFR
Market Capitalization (\$ billions)	8.3
Total Assets	51.4
Trust Assets	50.9
Total Loans	21.3
Total Deposits	41.7
Moody's L-T Rating / Outlook	A3/Stable
S&P L-T Rating / Outlook	A-/Stable

J.D.
Power

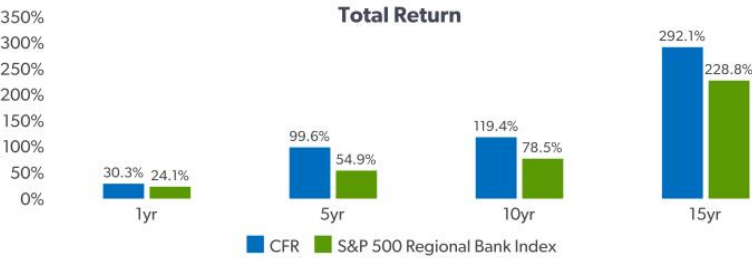
- Highest ranked retail bank in Texas in the J.D. Power 2025 U.S. Retail Banking Satisfaction Survey
- #1 Ranking since inception and for 16 consecutive years



- In 2025, Frost received 15 awards for excellence in small business banking and 12 awards for excellence in middle-market banking, including:
 - Best Bank – Customer Service
 - Best Bank – Ease of Doing Business
 - Best Bank – Overall Satisfaction

Source: S&P Global Market Intelligence
Note: Market and financial data as of June 30, 2025

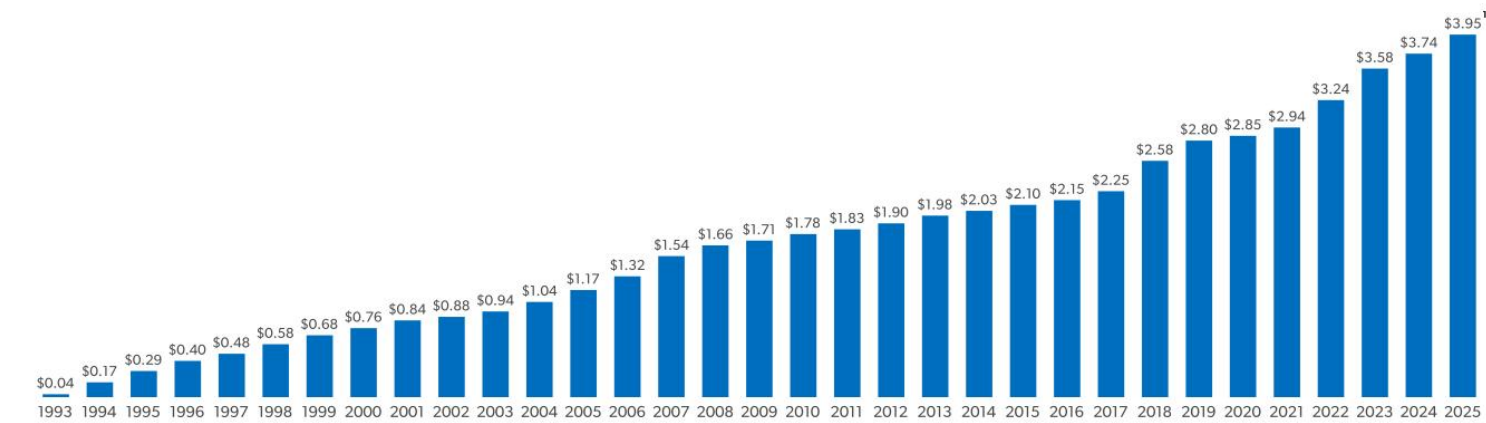
Historical Performance



Source: S&P Global
Note: Market data as of June 30, 2025

Historical Performance

Dividends - 32 Consecutive Years of Increases



¹Assumes \$1.00 per share dividend to be paid in Q3 and Q4

Our Mission

We will grow and prosper, building long-term relationships based on top-quality service, high ethical standards and safe, sound assets.

INTEGRITY



Steadfast adherence to an ethical code.

CARING



Feeling and exhibiting concern for others.

EXCELLENCE

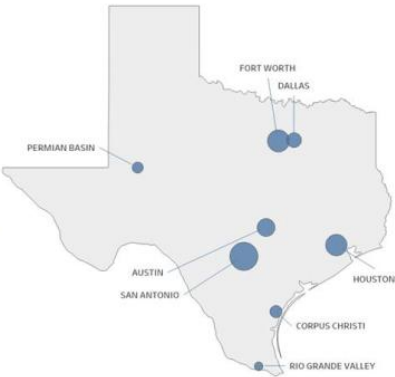


Commitment to being outstanding.

Our Banking Markets

Compelling Texas market demographics:

- Population of 31 million ranks 2nd in the U.S.
- 2025-2030E projected population growth of 5.6% vs. 2.4% national (more than 2x the U.S. rate)
- 54 Fortune 500 companies headquartered in Texas
- Between 2023 and 2024, there were 41 headquarter relocations to the state of Texas
- If Texas were a nation, its 2024 GDP would rank the 8th largest globally
- Texas includes 3 of the top ten most populous cities in the U.S.: Houston, San Antonio, and Dallas
- Pro-business environment with no state income tax

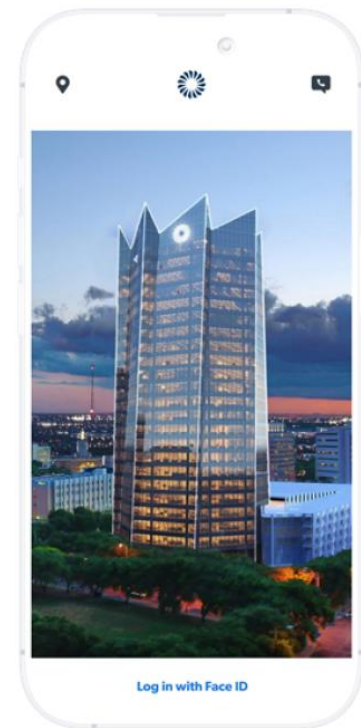


	SAN ANTONIO	DALLAS	FORT WORTH	HOUSTON	AUSTIN	PERMIAN BASIN	TEXAS
DEPOSIT MARKET-MSA	Market Size	\$47.4 bn	\$325.2 bn	\$58.8 bn	\$309.8 bn	\$66.3 bn	\$1,066.6 bn
	CFR Deposits:	\$12.7 bn	\$3.6 bn	\$6.4 bn	\$7.8 bn	\$4.9 bn	\$40.7 bn
	Market Share	26.8%	1.1%	10.8%	2.5%	7.3%	3.8%
	Overall Rank	1	13	4	6	5	4
DEMOGRAPHICS	Population	2.6 mm	7.8 mm	2.2 mm	7.4 mm	2.5 mm	31.2 mm
	Growth '25E - '30E	9.1%	9.6%	4.5%	7.8%	10.8%	5.6%
	Household Income	\$73,620	\$87,588	\$80,358	\$80,599	\$103,202	\$76,585
	Growth '25E - '30E	7.0%	11.2%	9.1%	5.4%	11.8%	10.1%
	Unemployment	3.8%	3.8%	3.8%	4.3%	3.4%	4.0%

Source: S&P Global Market Intelligence, Dallas Fed, Atlanta Fed, Census.gov, World Bank, Gov.Texas.gov, BusinessinTexas.com and other publicly available information
Notes: CFR Deposit market information as of June 30, 2025 and is based on county data, except unemployment where MSA data is used
Deposits for USAA, Citibank, Charles Schwab Bank, Charles Schwab Trust Bank and Charles Schwab Premier Bank are removed due to each having a single in-market location with significant deposit balances

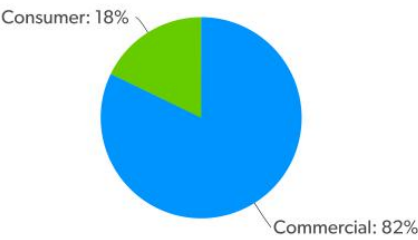
Technology Highlights

- In Q2-2025, 47% of consumer deposit account openings came from our online channel
- Highest-rated consumer banking mobile app of all U.S. banks
- Delivered new features to enable a more personalized, secure, and goal-oriented digital banking experience
- 24/7 customer phone and chat support with real humans
- Consumer digital-channel money-movement increased 10% from Q2-2024 to Q2-2025

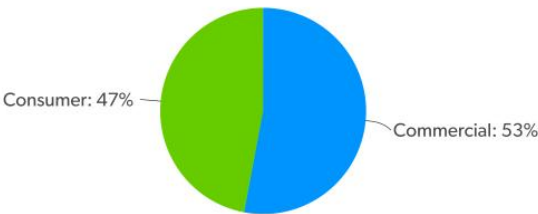


Diversification

Loans¹

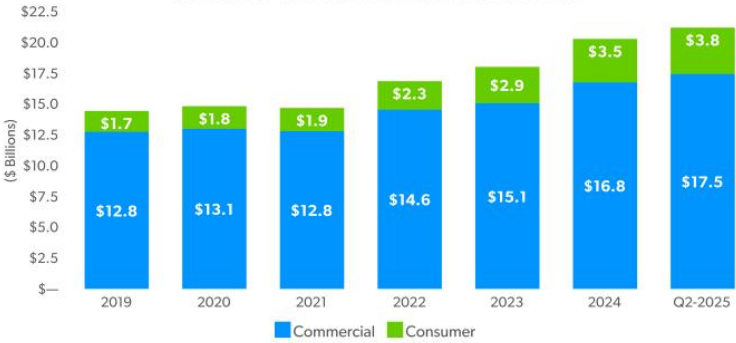


Deposits¹



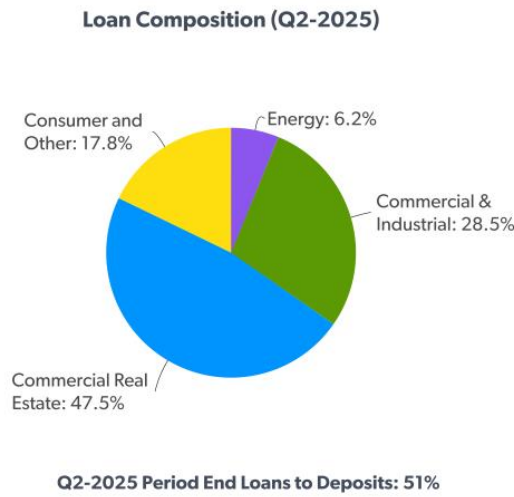
Source: Period-end balances from SEC filings
¹ As of Q2-2025

Consumer and Commercial Loan Growth



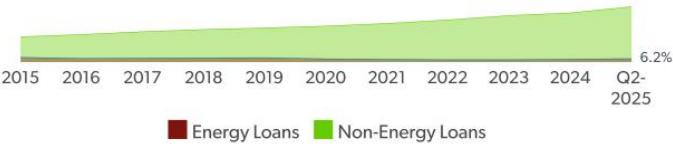
- Consumer loans went from 11.6% of total loans in Q4-2019 to 17.8% in Q2-2025
- Consumer deposits went from 45.6% of total deposits in Q4-2019 to 43.8% in Q2-2025 (consistently in this range)
- Fee income as a % of total revenue has ranged from 21.6% to 32.3% since 2019; fee income made up 22.2% of non-TE total revenue in the first six months of 2025
- Investments and insurance made up 50.4% of total non-interest income in the first six months of 2025
- Consumer real estate loans have grown at a CAGR of 20.6% from December 2019 to June 2025

Diversified Loan Portfolio



Source: SEC filings

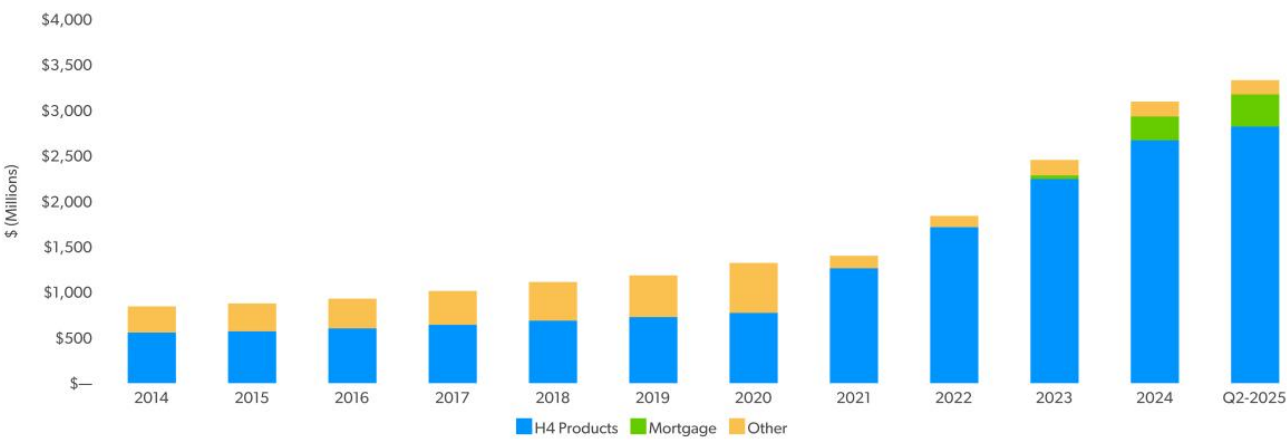
Period End Growth in Energy, Non-energy Loans	(Y/Y)	Since peak (Q1-2015)
	Q2-2025	CAGR
Energy Loans	19.9%	(3.1)%
Non-Energy Loans	5.5%	7.6%
Total Loans	6.3%	6.4%



Industry Concentrations (as of Year-End)		
Industry	2024	2023
Automobile dealers	6.0 %	5.9 %
Energy	5.4 %	5.0 %
Investor	4.2 %	5.0 %
Public finance	3.9 %	4.3 %
Medical services	3.5 %	4.0 %
Building materials and contractors	3.5 %	3.5 %
General and specific trade contractors	3.4 %	3.3 %
Manufacturing, other	3.1 %	3.4 %
Services	3.0 %	2.9 %
Wholesale - heavy equipment	2.2 %	2.1 %
All other	61.8 %	60.6 %
Total loans	100 %	100 %

Consumer Loan Growth

- Frost introduced a consumer first lien mortgage/home loan product in 2023
- Frost consumer first lien mortgage loan balances totaled \$354.8 million at June 30, 2025
- Total consumer real estate loans were \$3.3 billion or 15.7% of total loans outstanding at June 30, 2025
- Total consumer loans are made up of consumer real estate and consumer/other, which is mainly personal lines of credit

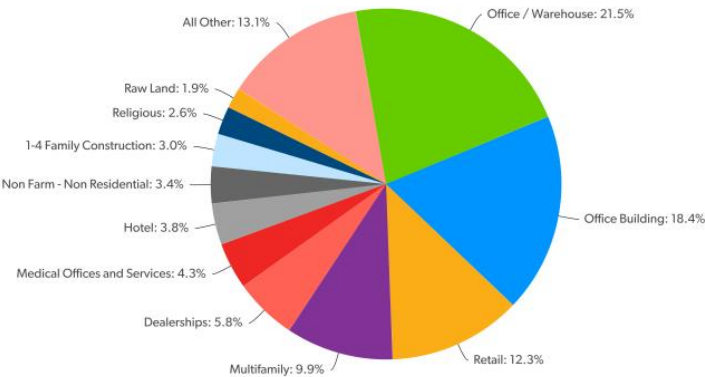


Source: SEC filings

Commercial Real Estate Portfolio

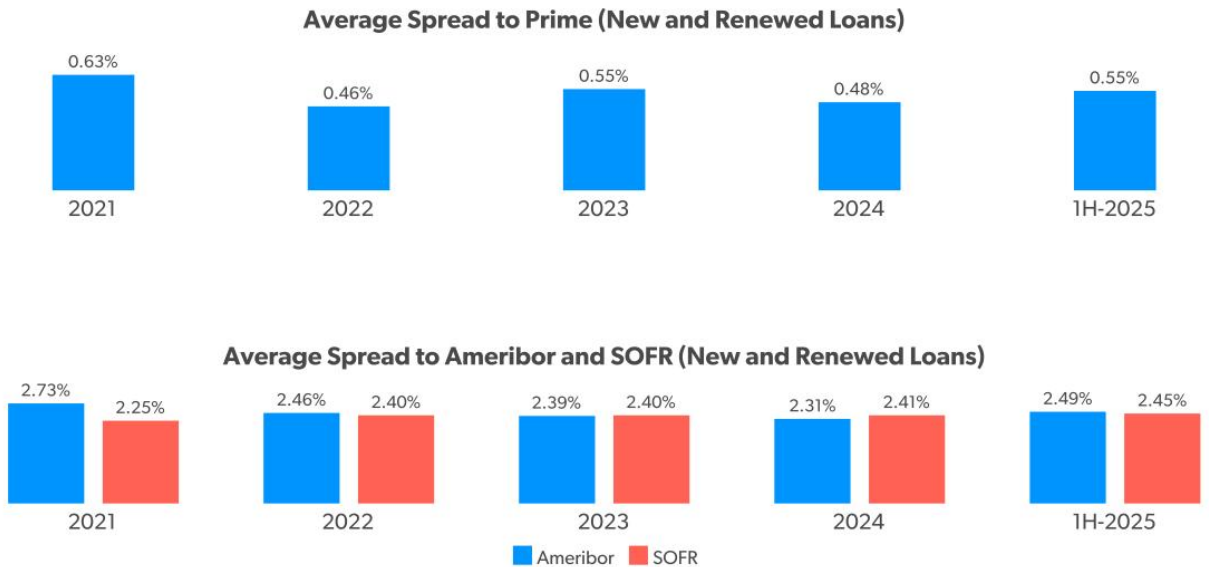
- Commercial real estate portfolio diversified across Texas regions and underlying collateral type
 - Broad array of industries supporting economic activity and stability
 - Balanced concentrations across key Texas regions
 - Well distributed mix of CRE by property types
- Owner-occupied properties make up 51.3% of total non-construction related CRE, as of June 30, 2025
 - Non-owner occupied properties generally require an existing relationship with a customer who has a successful track record
- Excellent credit quality with just 0.14% of total CRE loans on non-accrual as of June 30, 2025

CRE by
Property Type¹



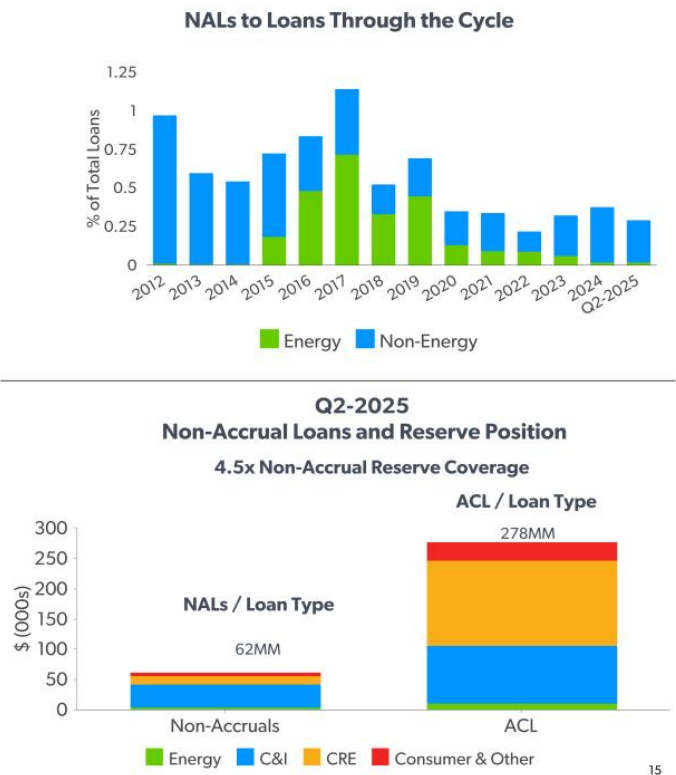
¹ Data as of June 30, 2025
Source: SEC filings

Loan Pricing



Credit Quality

- Frost has a long-standing culture of conservative underwriting and prudent risk management
- Our commitment to relationship banking has served us well— notably, Frost is the only top ten Texas bank to survive the economic crisis of the 1980s without needing federal assistance or being merged
- Favorable non-performing asset trends throughout various credit cycles
- Loan portfolio is well reserved with approximately 4.5x coverage for non-accrual loans as of Q2-2025
- Energy related allowance for loan losses as a percentage of total energy loans was 0.79% as of Q2-25, compared to 1.31% for our overall loan portfolio

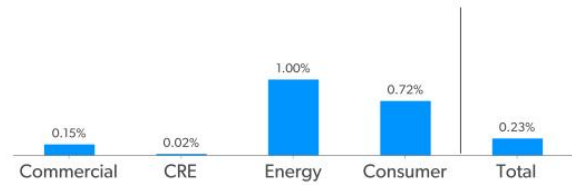


Source: SEC filings

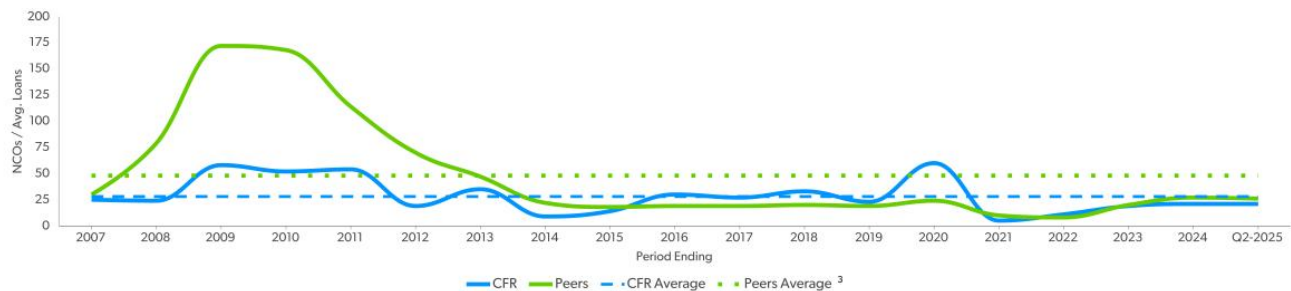
Credit Quality

- Strong record of prudent risk management reflected in ratio of net charge-offs to average loans since 2007
- Net charge-offs in 2020 represented the last of problem energy credits from previous energy down-cycle
- Expect some normalization in overall credit quality trends, from a period of historically strong credit quality

Cullen/Frost 5-yr Average NCOs by Loan Type^{1,2}



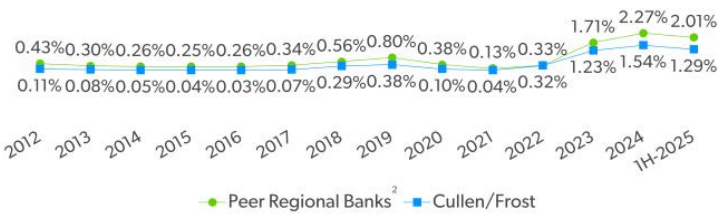
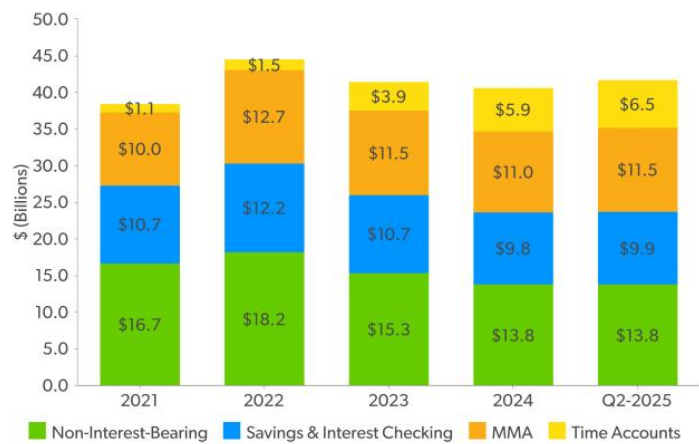
Net Charge-Offs Through the Cycle



Source: S&P Global Market Intelligence
¹ 5-Year Average NCOs based on 2020 to 2024 time period
² Charge-offs of checking overdrafts make up the majority of Consumer charge-offs
³ Peers include regional banks defined by membership of the S&P Regional Bank Index as of June 30, 2025

Deposit Portfolio

Blended Cost of Deposits

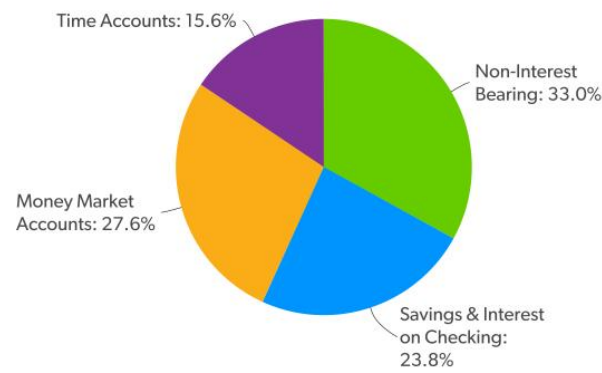


- Highly focused on winning customers’ core transactional accounts
- Non-interest-bearing averaged 38% of total deposits over the 20 years through 2024
- Goal to drive consistent, balanced growth in deposits and loans
- Top quality customer service results in low customer attrition

Note: Average balances
 2 Regional banks defined by membership of the S&P Regional Banks Index as of June 30, 2025

Deposit Portfolio

Deposit Composition (June 30, 2025)



Deposit Growth Trends

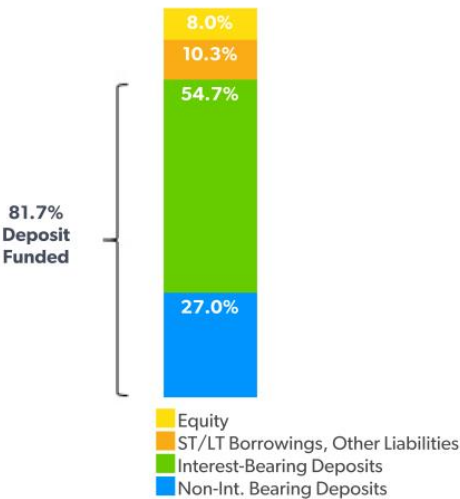
	5-Year CAGR ⁽¹⁾	YTD Avg. Y/Y Growth	YTD Avg. Balance
Non-Interest-Bearing	0.0 %	(0.3)%	13,778
Savings & Interest Checking	5.4 %	1.1 %	9,920
MMA	7.0 %	4.4 %	11,518
Time Accounts	42.3 %	10.0 %	6,534
Interest-Bearing	9.8 %	4.2 %	27,916

¹ CAGR compares average balances for Q2-2020 to Q2-2025

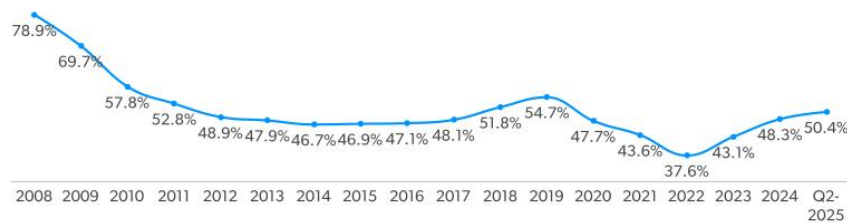
Funding & Liquidity Profile

- Primarily deposit funded institution with limited wholesale, short-term, or long-term borrowings
- 50.4% average loan to deposit ratio as of Q2-2025
- Solid liquidity position with cash and securities in the range of 50%-60% of earning assets since 2012

Q2-2025 Average Liabilities and Equity



Average Loans to Average Deposits



Source: Company SEC filings

Capital Ratios

Cullen/Frost Capital Ratios as of June 30, 2025. Frost Bank maintains the capacity to pay \$827 million of dividends to Cullen/Frost¹



Source: S&P Global Market Intelligence
¹ Under applicable regulatory dividend restrictions, and while maintaining its "well capitalized" status, Frost Bank could pay aggregate dividends of approximately \$827 million to Cullen/Frost, without obtaining affirmative governmental approvals, at June 30, 2025.
² Regional banks defined by membership of the S&P Regional Bank Index as of June 30, 2025.
³ The Basel III Capital Rules require Cullen/Frost and Frost Bank to maintain an additional capital conservation buffer of 2.5% of CET1, effectively resulting in minimum ratios of (i) CET1 to risk-weighted assets of at least 7%, (ii) Tier 1 capital to risk-weighted assets of at least 8.5%, (iii) a minimum ratio of Total capital to risk-weighted assets of at least 10.5%; and (iv) a minimum leverage ratio of 4%.

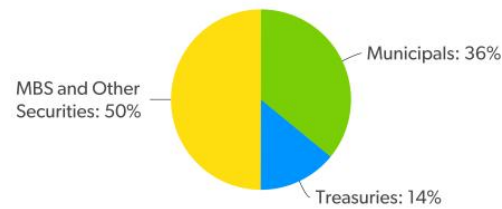
Investment Portfolio

- High quality \$20.1 billion securities portfolio comprised of municipals (36%), treasuries (14%), MBS and other securities¹ (50%)
- Average fully taxable-equivalent yield of 3.48% in Q2-2025 (4.48% for tax-exempt securities)
- Portfolio duration of 5.5 years as of June 30, 2025

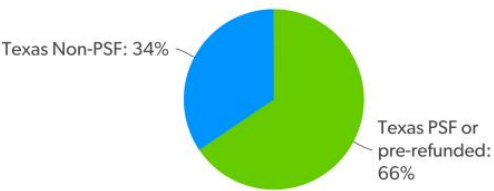
Municipal Bond Portfolio Highlights:

- Municipal securities supported by strong credit ratings – 90% are AAA rated or pre-refunded
- 100% of the portfolio issued by political subdivisions or agencies within Texas
 - 66% of Texas issued municipal securities are either pre-refunded or guaranteed by the Texas Permanent School Fund, which has a AAA insurer financial strength rating

Investment Portfolio Q2-2025



Municipal Bond Portfolio



Note: PSF denotes Permanent School Fund, which has a AAA rated insurer financial strength rating
¹ Other securities include stock in the Federal Reserve Bank and the Federal Home Loan Bank

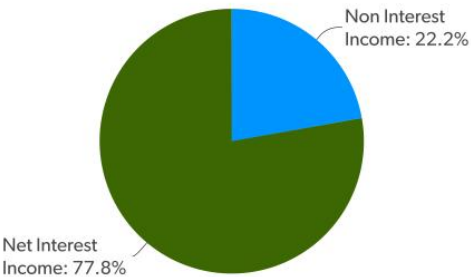
Multiple Sources of Revenue

- During the first half of 2025, non-interest income comprised 22.2% of total revenue (non-taxable equivalent/GAAP basis)
- Primary drivers of fee income include:
 - Trust and investment management fees (35.9% of non-interest income)
 - Total trust assets of \$50.9 billion (\$25.8 billion managed) at June 30, 2025
 - Deposit service charges from commercial, retail, and correspondent (23.9% of non-interest income)
 - Insurance commission and fees (14.5% of non-interest income)

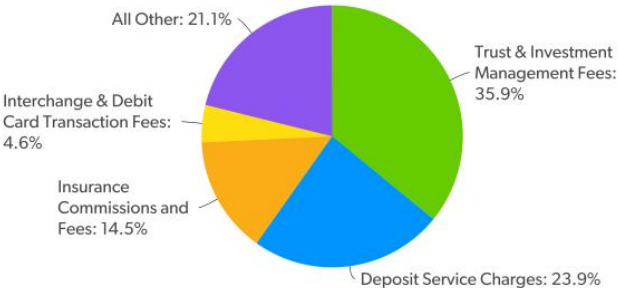
Trust and Investment Management Revenue (\$mm)



Revenue Composition



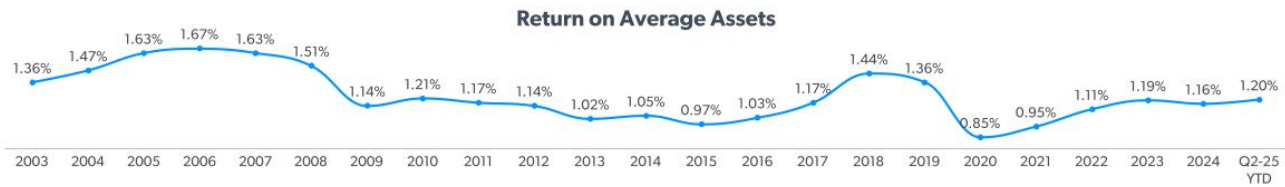
Non-interest Income Composition



Note: Non-interest income / fee income and its corresponding ratios referenced on this page exclude net gain (loss) on securities transactions. Graphs are based on 1H-2025 numbers.

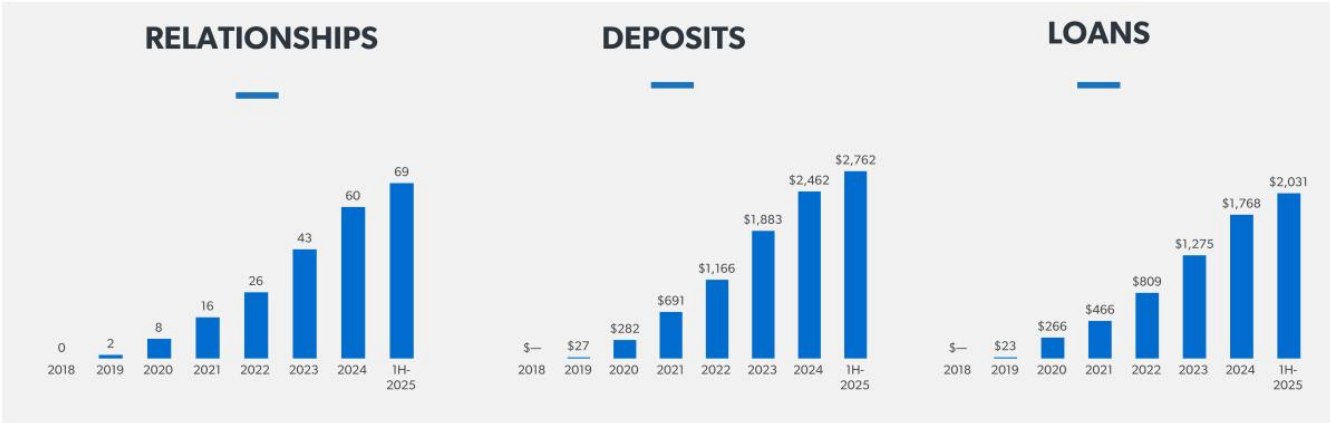
Consistent Profitability Over the Cycle

- Consistent profitability through Great Recession with no quarterly or annual net loss
- History of strong returns on average common equity
- The first bank in the nation to turn down TARP bailout funds



Our Expansion Strategy

Our strategy is focused on combining organic branch expansion, top-quality digital banking tools and an empathetic customer experience to deliver market-leading organic growth in customer relationships, deposits, loans and, ultimately, profitability. We aim to be #1 among all banks at planning, executing, and continually improving an organic growth strategy.



Note: Relationships shown in thousands
\$ in millions

Organic Expansion vs. M&A: Pros and Cons

Organic Strategy	Pro	Con
We control selection of new locations and staff	X	
Long-lasting organic growth in relationships, deposits, and loans after branch opening	X	
Projects our brand into selected new markets	X	
Earnings dilution during initial investment		X
Takes time to mature and turn profitable		X

M&A Strategy	Pro	Con
Immediately accretive	X	
Access to new regional markets	X	
Cultural risk of integration		X
Financial risks (numerous)		X
Must be done repeatedly to sustain growth		X

Organic Expansion: Financial Impact

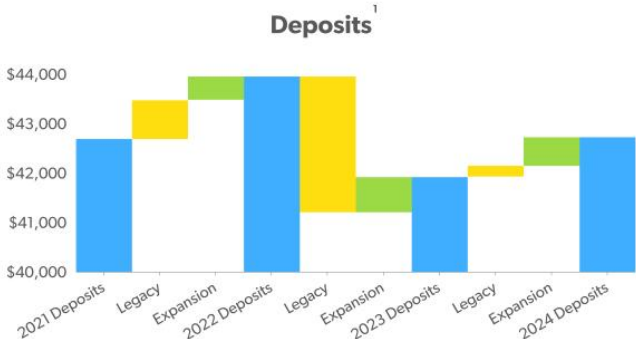
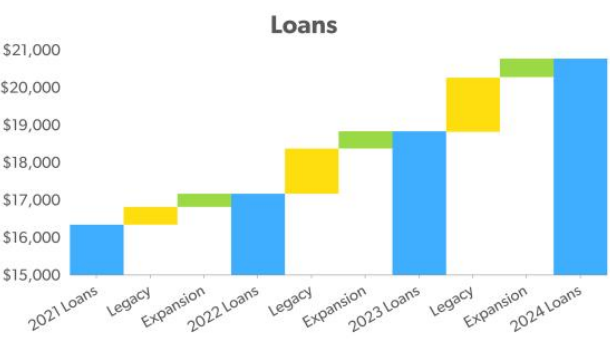
- Expansion loans and deposits totaled \$1.77 billion and \$2.44 billion, respectively, as of December 2024. This is a result of a 46% increase in branches since 2018.
- Expansion locations accounted for more than a fourth of our loan growth from 2018 to 2024, and more than 15% of deposit growth.

	<u>2018</u>	<u>2024</u>
Expansion Loans	\$0	\$1,768
Expansion Deposits	\$0	\$2,444
Total Loans	\$14,085	\$20,619
Total Deposits	\$26,798	\$42,371
Expansion % of Total Loans		8.6%
Expansion % Loan Growth		27.1%
Expansion % of Total Deposits		5.8%
Expansion % Deposit Growth		15.7%

Note: \$ in millions

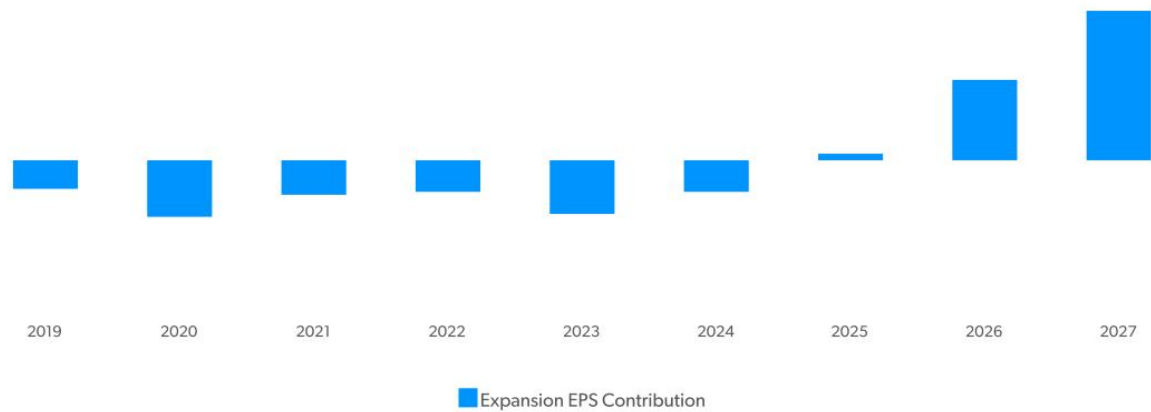
Organic Expansion: Tailwind Through the Cycle

- Expansion accounted for over 25% of loan growth in each of 2023 and 2024
- Growth in expansion offset 26% of the decline in legacy branch deposits in 2023, and made up 72% of the increase in period-ending total deposits in 2024



Notes:
\$ in millions. Period-end values.
¹ Deposit flows are all organic. No brokered deposits were purchased.

Organic Expansion: Earnings Growth Trajectory



Notes: future values are approximations based on current internal estimates
Includes locations opened as part of our announced Houston, Dallas and Austin expansions

Organic Expansion vs. M&A: Cost Comparison

	Organic Strategy (Houston 1.0)	Cullen/Frost WNB Acquisition (2014)	Texas Bank M&A Average
Loans	\$599	\$656	\$3,322
Deposits	\$1,179	\$1,242	\$4,377
Cost/Deal Value	\$119	\$220	\$802
Cost per \$1B of Deposits	\$101	\$180	\$175

Notes: \$ in millions, except EPS

Texas Deals Average figures use median

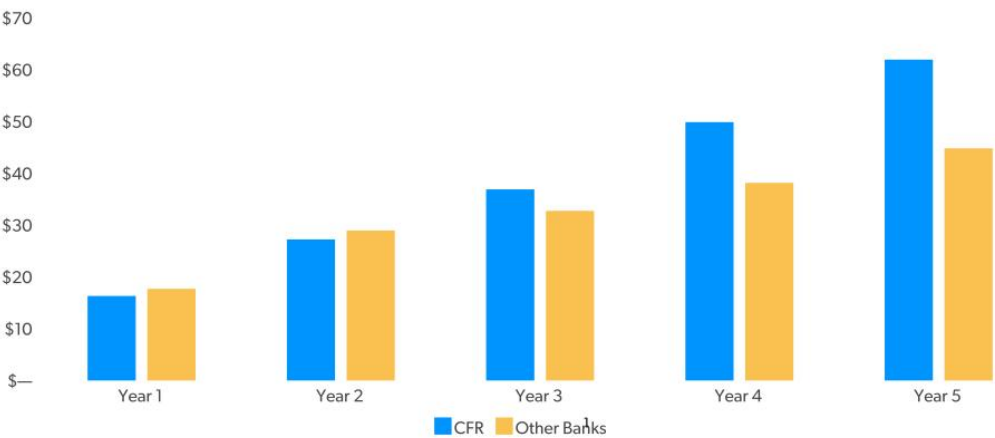
Organic EPS accretion est. 2027

Sources: Internal data, peers' M&A presentations including:

Prosperity (ABHC), SouthState (IBTX), Prosperity (First Bancshares), Home Bancshares (Happy), Huntington (VBTX), Glacier (Guaranty), Veritex (GNBC), Prosperity (LTXB), PNC (BBVA), Simmons (SOTB)

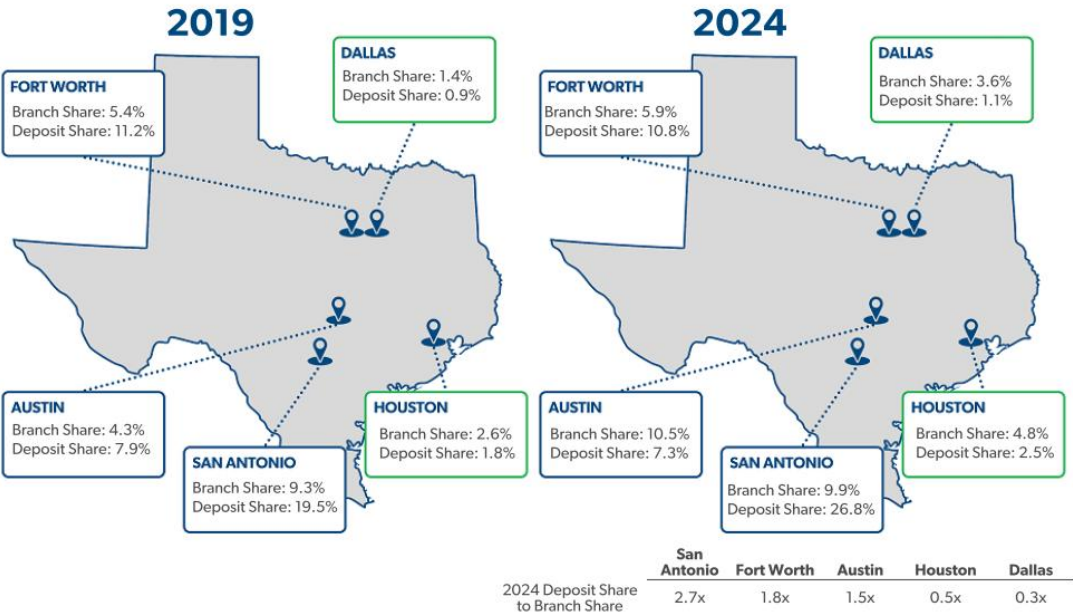
Organic Expansion vs. Peers: Yearly Growth of de Novo Locations

Average de Novo Branch Deposits by Vintage: Locations opened in Texas since 2018



Source: FDIC data
¹Includes all other banks that opened locations in Texas from 2018-2024

Organic Expansion: Long-Term Opportunity



- In more mature markets like San Antonio and Austin, deposit market share is significantly greater than branch share.
- In Expansion markets (Houston and Dallas), our share of branches has expanded significantly
- New locations typically grow deposits at a greater-than-company average rate for 10 years after opening
- Over time, we expect our deposit market share (relative to branch share) in Expansion markets to look more like established markets

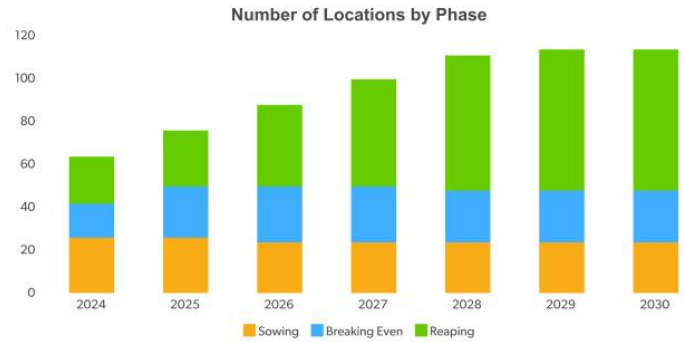
Source: Internal data

Note: Of the markets displayed, Austin is the only market that is both part of the Expansion, and also an established market in terms of deposit share/branch share due to an FDIC-assisted acquisition in this market in the 1990s.

Frost's Organic Expansion Strategy: Summary

Our Organic Expansion:

- Has higher absolute returns than an M&A strategy
- Has significantly higher risk-adjusted returns than M&A, in our view (based on our assessment of risks)
- Allows us to control our locations and project our brand into new markets in a curated way
- Gives us control over timing and expense of expansion in each region
- Has helped us to grow our share of total Texas deposits from 3.0% in 2019 to 3.8% in 2024
- Is **durable and scalable**, and provides a positive income stream starting in 2026 that we expect to grow meaningfully over time
- Is the growth strategy that best allows us to protect, leverage and grow our most valuable assets: our people and our culture



Note: After 10 years of operation, a branch is no longer considered an "Expansion" branch. At that point it rolls into the base of all branches in established markets.

