Cullen/Frost Bankers, Inc.

Phillip D. Green, Chairman and Chief Executive Officer | Jerry Salinas, Chief Financial Officer

December 31, 2022

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.
- 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 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 and global supply chains may continue to be adversely affected by the current or anticipated impact of military conflict, including the current Russian invasion of Ukraine, terrorism or other geopolitical events.
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.

OVERVIEW

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 more than 170 financial centers and the largest ATM network in Texas with over 1,700 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)	8.6
Total Assets	52.9
Trust Assets	43.6
Total Loans	17.2
Total Deposits	44.0
Moody's L-T Rating / Outlook	A3/Stable
S&P L-T Rating / Outlook	A-/Stable

J.D. Power

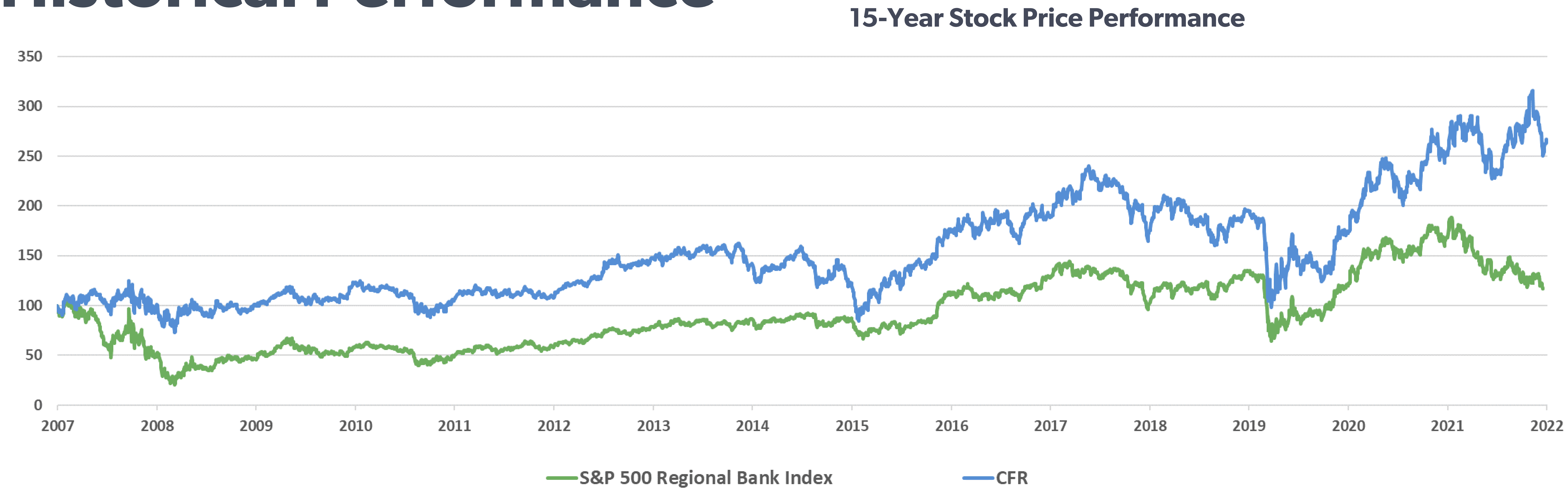
- Highest ranked retail bank in Texas in the J.D. Power 2022 U.S. Retail Banking Satisfaction Survey
- #1 Ranking in Texas since inception and for 13 consecutive years

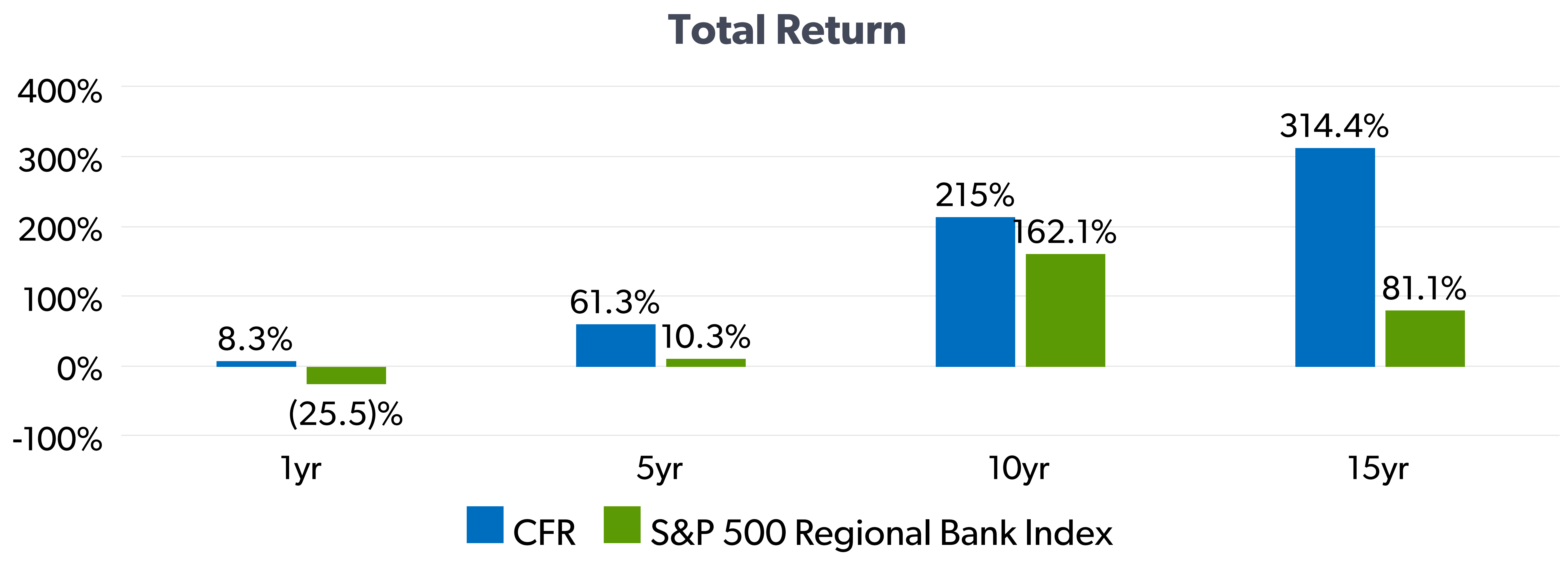
- For the sixth consecutive year Frost received more Greenwich Excellence Awards for 2021 than any other bank nationwide
- 16 middle market banking awards
- 16 small business banking awards

Source: S&P Global Market Intelligence
Note: Market and financial data as of 31-Dec-22

OVERVIEW

Historical Performance

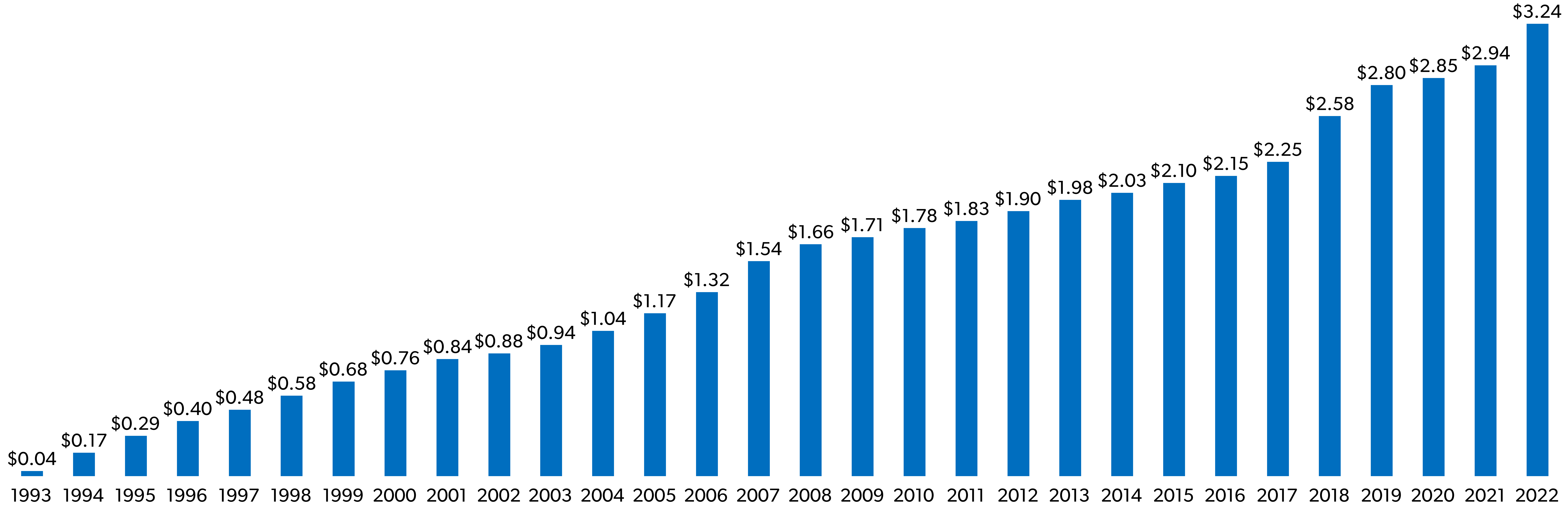




Source: IHS
Note: Market data as of 31-Dec-2022

Historical Performance

Dividends - 29 Consecutive Years of Increases



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

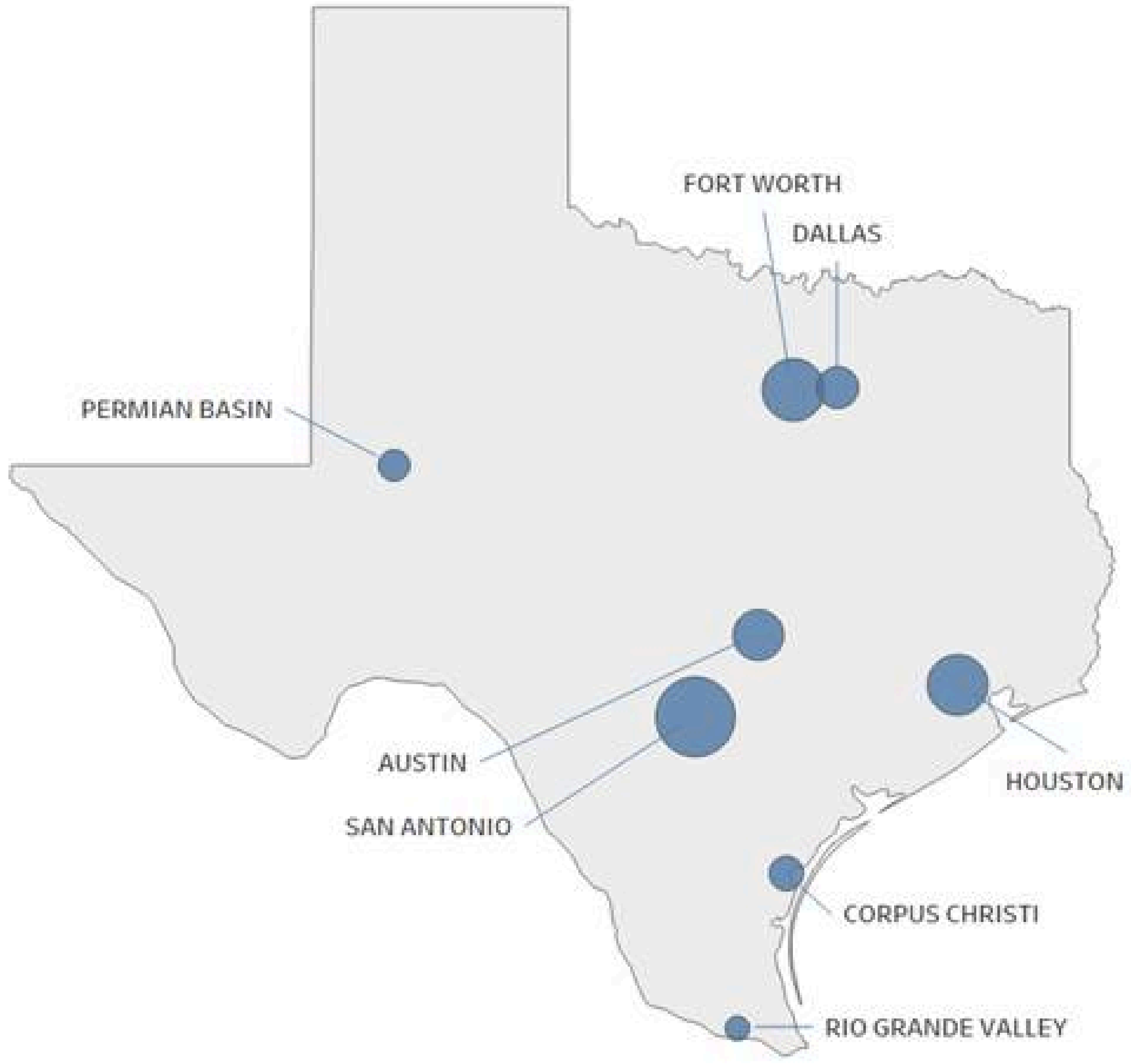
Commitment to being outstanding.

OVERVIEW

Our Banking Markets

Compelling Texas market demographics:

- Population of 30 million ranks 2nd in the U.S.
- 2023-2028E projected population growth of 4.1% vs. 2.1% national (approximately 2x the U.S. rate)
- 54 Fortune 500 companies headquartered in Texas
- Corporate headquarters relocations to Texas announced in 2020 and 2021 include Oracle, Hewlett Packard and Tesla.
- If Texas were a nation, its 2021 GDP would rank between Canada and Italy, 9th largest globally
- Texas includes three of the top ten most populous cities in the U.S. (Houston, San Antonio, and Dallas; Austin is #11, as of 2022)
- Pro-business environment with no state income tax

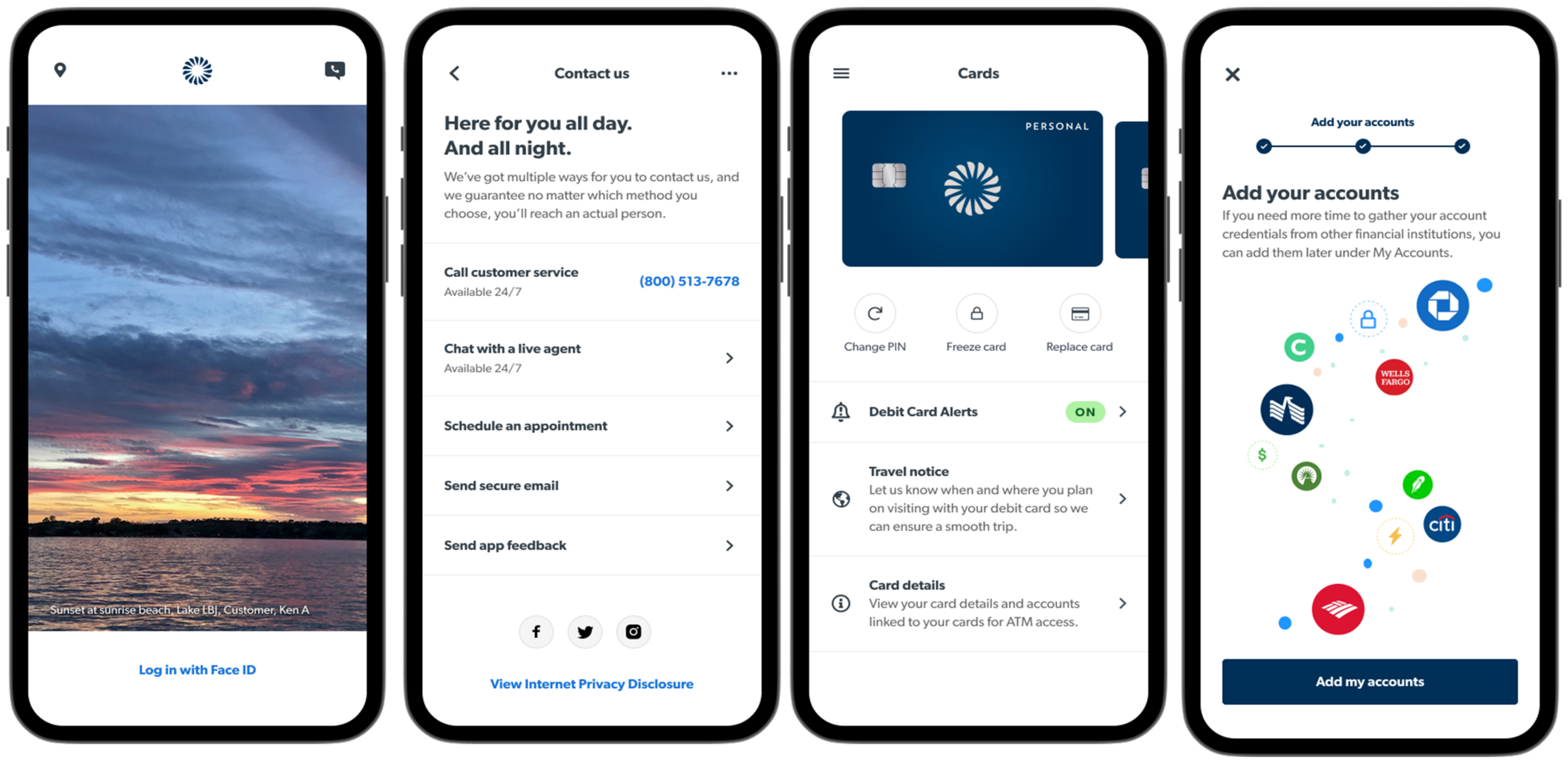


		SAN ANTONIO	DALLAS/FORT WORTH	HOUSTON	AUSTIN	MIDLAND/ODESSA	TEXAS
DEPOSIT MARKET-MSA	**Market Size**	$55.3 bn	$430.5 bn	$367.5	$71.0 bn	$13.2 BN	$1,182.8 bn
	CFR Deposits:	$15.0 bn	$11.5 bn	$8.4 bn	$5.8 bn	$1.3 bn	$46.1 bn
	Market Share	27.1%	2.7%	2.3%	8.2%	16.4% / 12.4%	3.9%
	Overall Rank	1	5	6	4	1/3	4
DEMOGRAPHICS	**Population**	2.7 mm	7.9 mm	7.4 mm	2.4 mm	0.2 mm/0.2 mm	30.1mm
	Growth '23E - '28E	5.0%	5.0%	4.8%	7.8%	3.7% / 2.1%	4.1%
	Household Income	$69,055	$81,625	$74,325	$90,939	$89,643 / $71,363	$71,347
	Growth '22E - '27E	10.7%	12.1%	8.7%	12.7%	7.2% / 6.4%	11.2%
	Unemployment (Nov-22)	3.4%	3.3%	4.0%	2.8%	4.8% / 4.0%	4.0%

Source: S&P Global Market Intelligence, Dallas Fed, Atlanta Fed, Census.gov, World Bank, BusinessinTexas.com and other publicly available information
Note: CFR Deposit market information as of June 30, 2022.

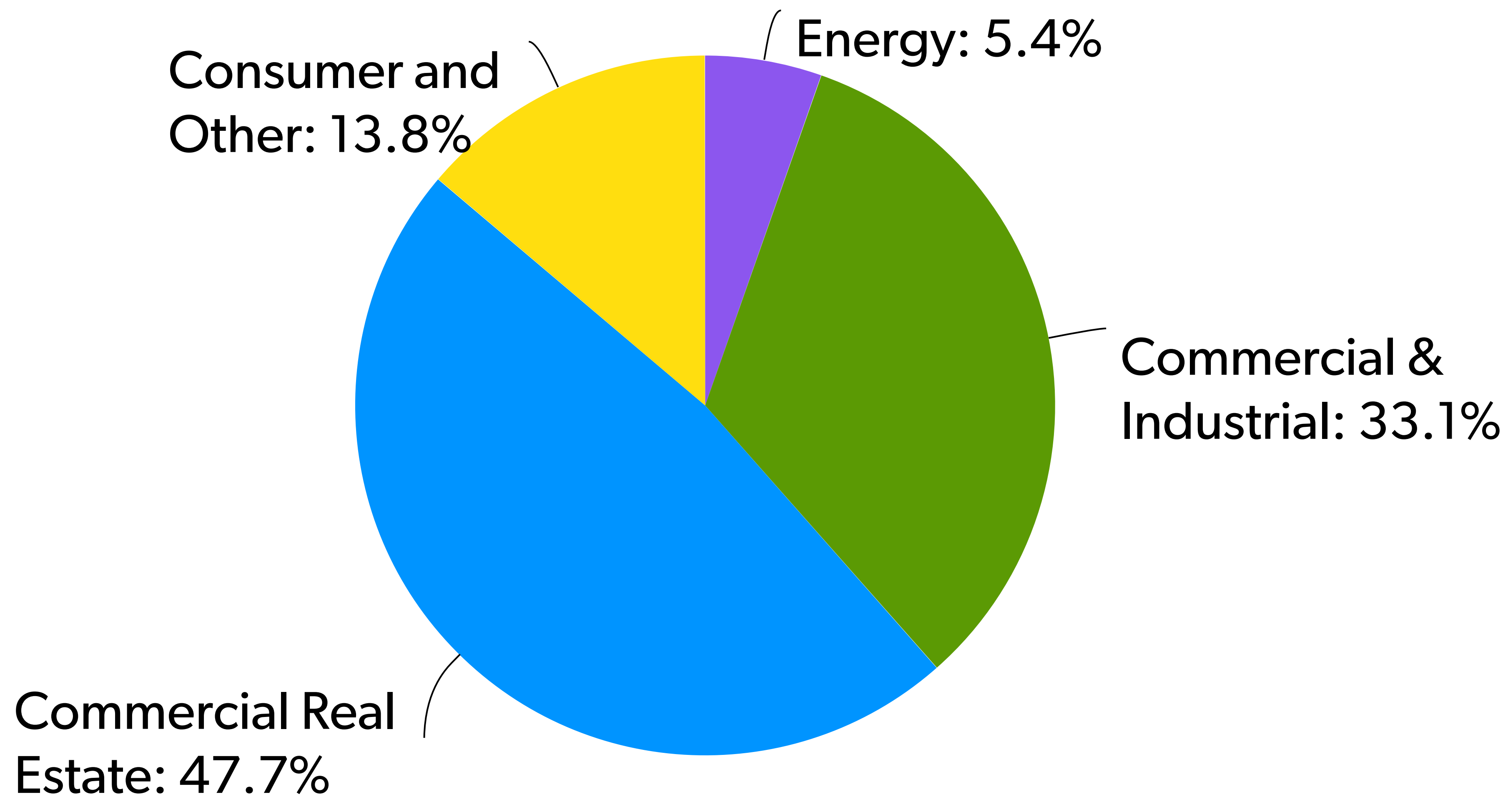
Technology Highlights

- Online account openings were up 33% in Q4-2022, compared to Q4-2021. During Q4-2022 34% of account openings came from our online channel
- Highest-rated consumer banking mobile app of all U.S. banks
- Initiated Plaid partnership in 2022 to help customers connect all providers in their financial lives
- 24/7 customer phone and chat support with real humans
- Consumer digital channel money movement increased 37% from Q4-2021 to Q4-2022



Diversified Loan Portfolio

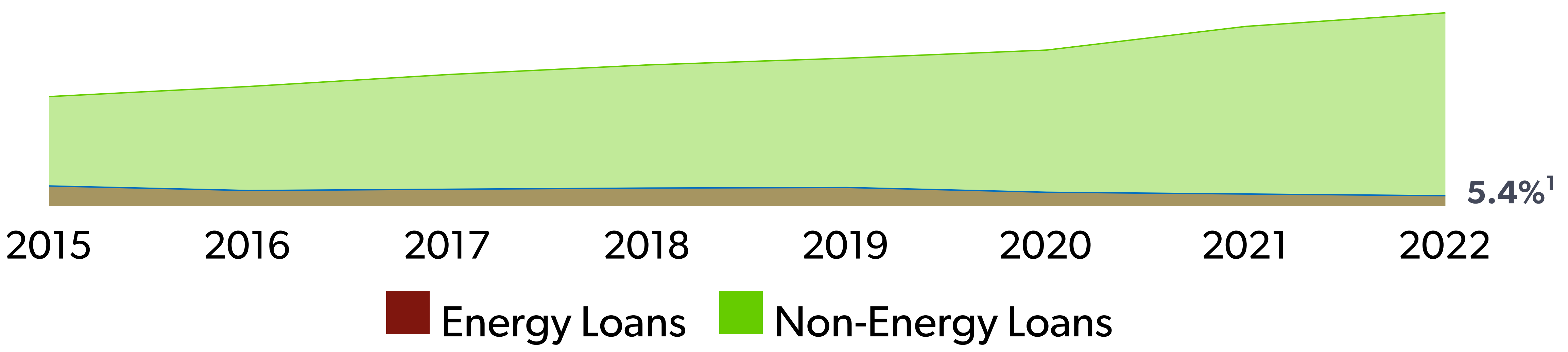
Loan Composition (4Q22)[1]



4Q22 Period End Loans[1] to Deposits: 38.9%

Period End Growth in Energy, Non-energy[1] Loans

	(Y/Y) 2022	Since peak (1Q15) CAGR
Energy Loans	(14.1)%	(8.9)%
Non-Energy Loans[1]	9.2%	7.8%
Total Loans[1]	7.6%	6.0%



Industry Concentrations[2]

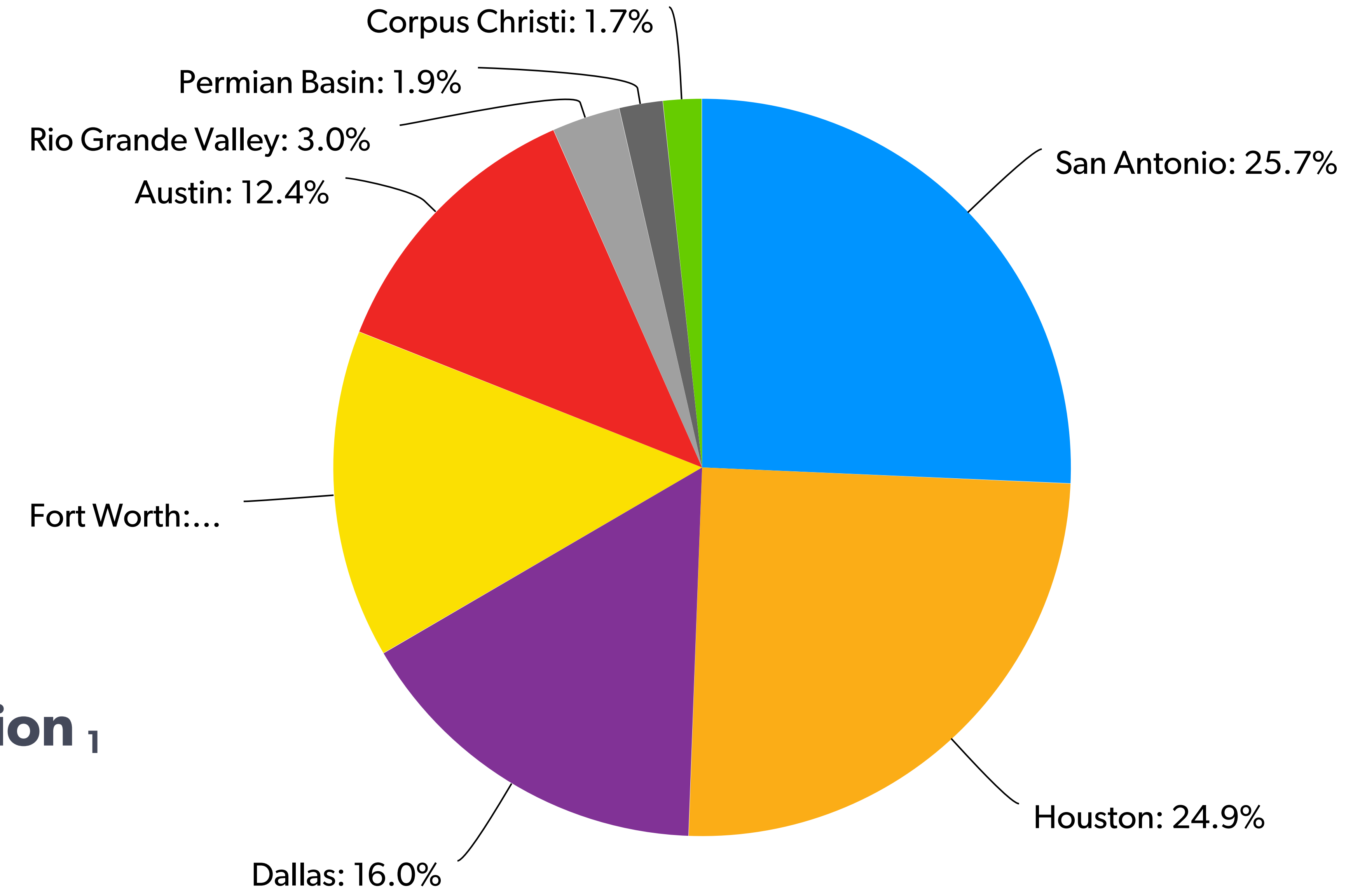
Industry	2022[1]	2021[1]
Energy	5.4 %	6.6 %
Automobile dealers	5.4 %	4.1 %
Public finance	4.6 %	4.9 %
Medical services	3.9 %	3.7 %
Building materials and contractors	3.8 %	3.7 %
General and specific trade contractors	3.6 %	3.2 %
Manufacturing, other	3.4 %	2.8 %
Investor	2.8 %	2.7 %
Services	2.3 %	2.4 %
Religion	1.8 %	2.0 %
Paycheck Protection Program	0.2 %	2.6 %
All other	62.8 %	61.3 %
Total loans	100 %	100 %

[1] Excluding PPP loans
[2] Industry concentrations at the end of 2021 and 2022 segregated by Standard Industrial Classification code

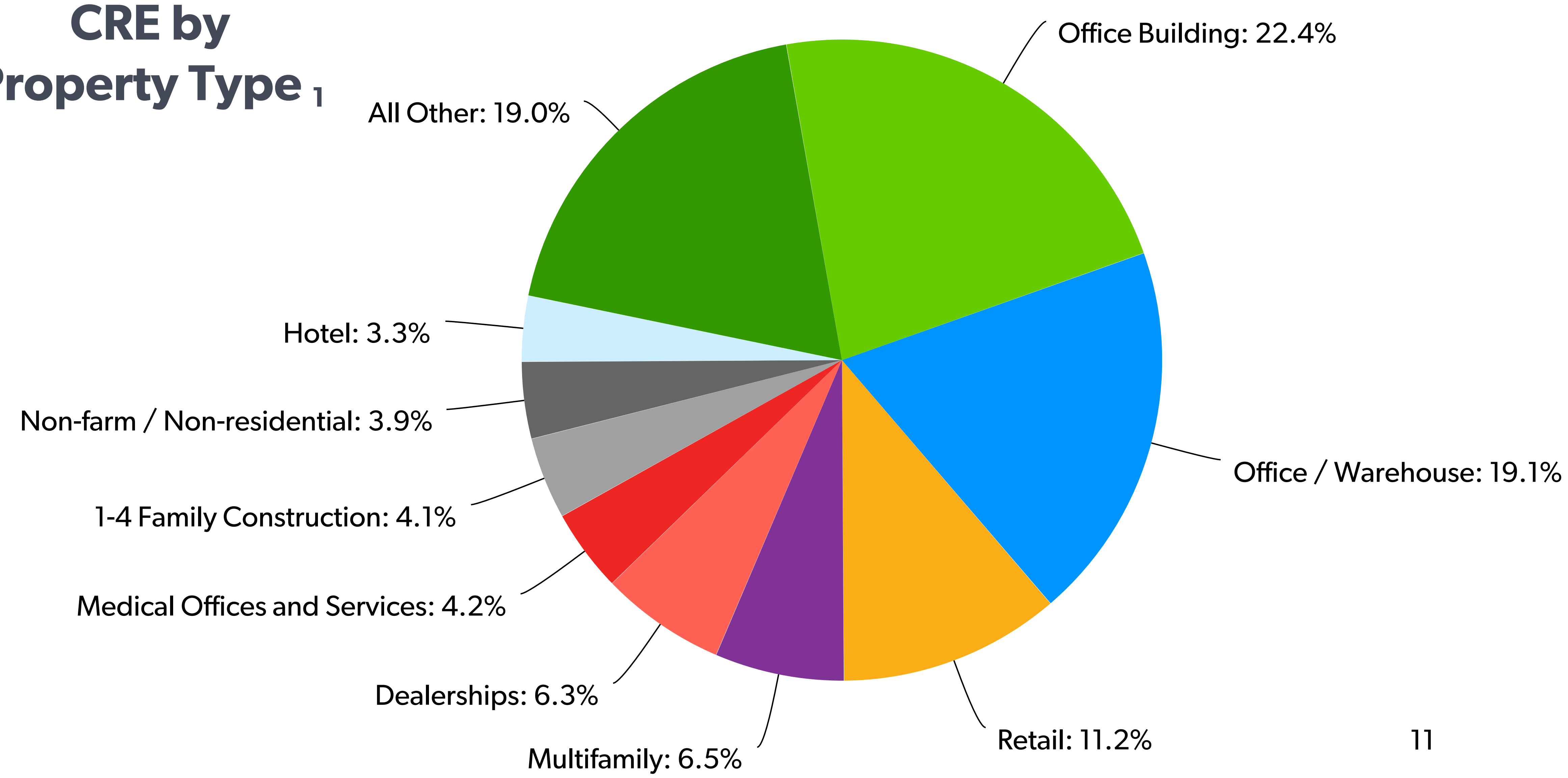
Commercial Real Estate Portfolio

1. Commercial real estate portfolio diversified across Texas regions and underlying collateral type
    a. Broad array of industries supporting economic activity and stability
    b. Balanced concentrations across key Texas regions
    c. Well distributed mix of CRE by property types
2. Owner-occupied properties make up 50% of total CRE, as of 4Q22
    a. Non-owner occupied properties generally require an existing relationship and must demonstrate a successful track record
3. Excellent credit quality with just 0.04% of non-accrual loans as a percentage of total CRE loans.

CRE by Geographic Region [1]



CRE by Property Type [1]

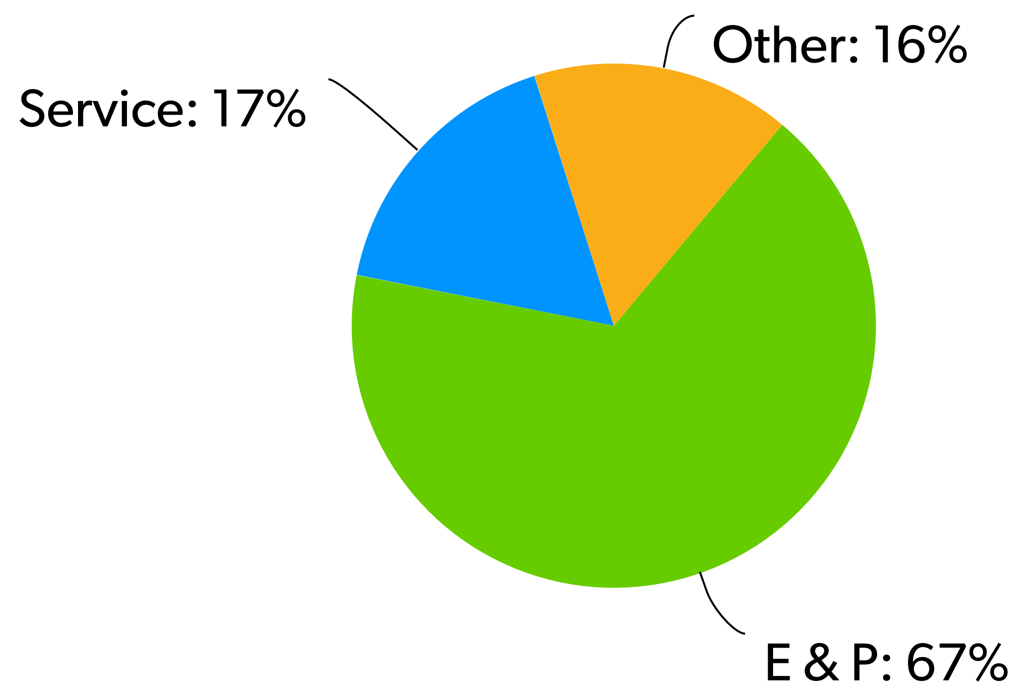


[1] Data as of 12/31/22. Geographic region in which the loans were originated

Energy Loan Portfolio

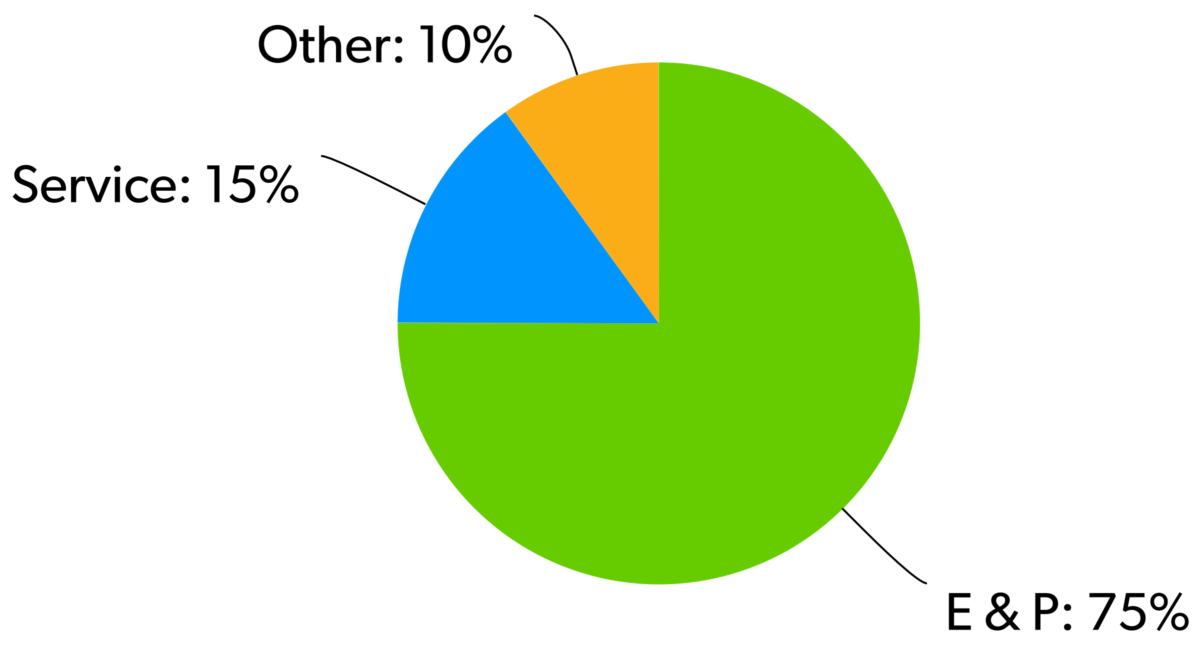
- Lending to clients in the energy sector is a core competency of Frost Bank that spans decades
- Today's portfolio is well balanced with the majority of loans in production and secured by proven, developed and producing reserves
- Combined Special Mention[1] and Classified[2] loans have declined by 95% since reaching a near-term peak in 1Q16
- Energy related allowance for loan losses as a percentage of total energy loans was 1.95% as of 4Q22

Decreasing Energy Exposure



Peak 1Q15, $1.8 billion

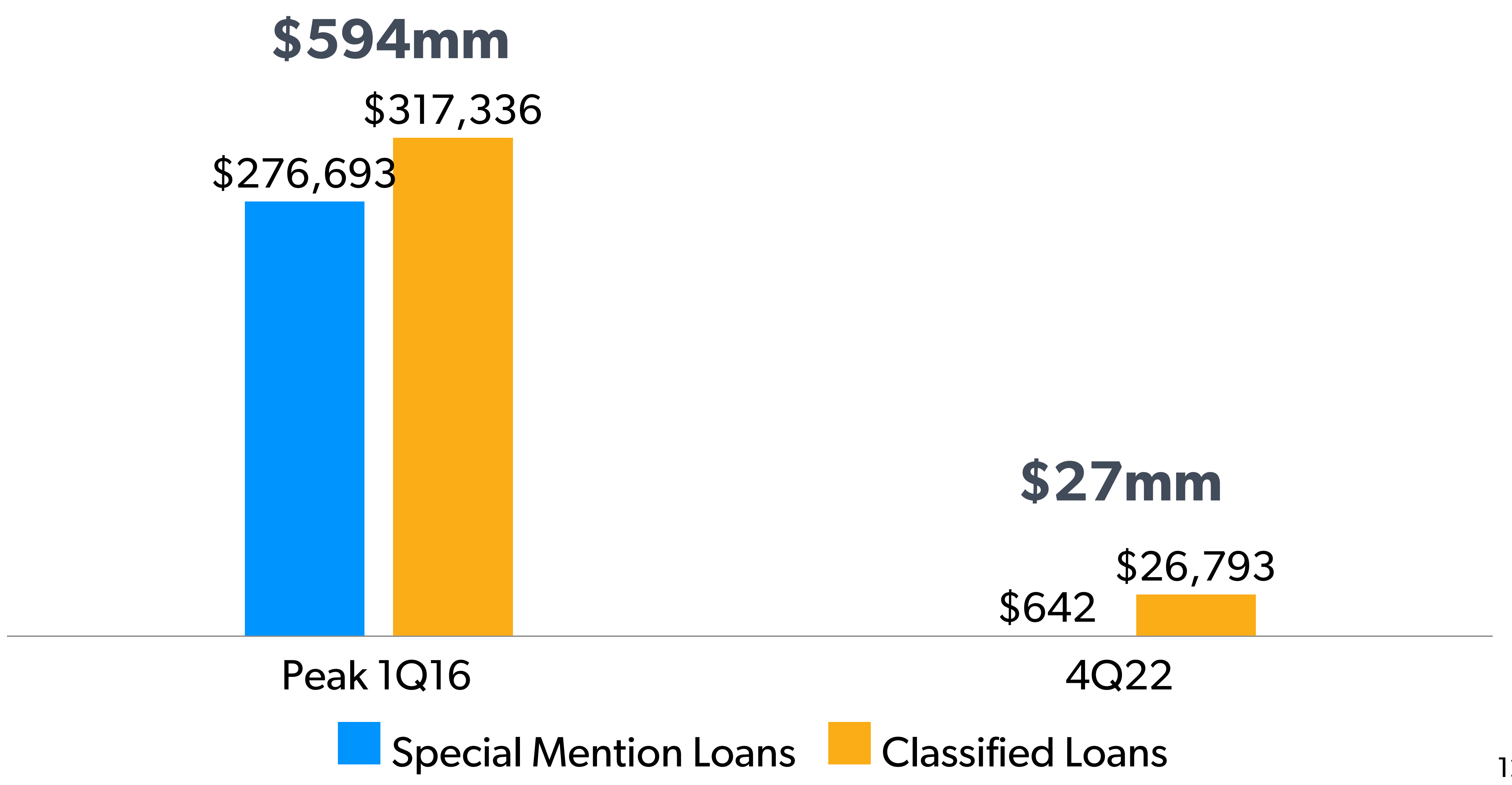
(16.2% of Total Loans)



Q4-22 ,$926 million

(5.4% of Total Loans, Ex PPP)

Risk Profile ($000s)

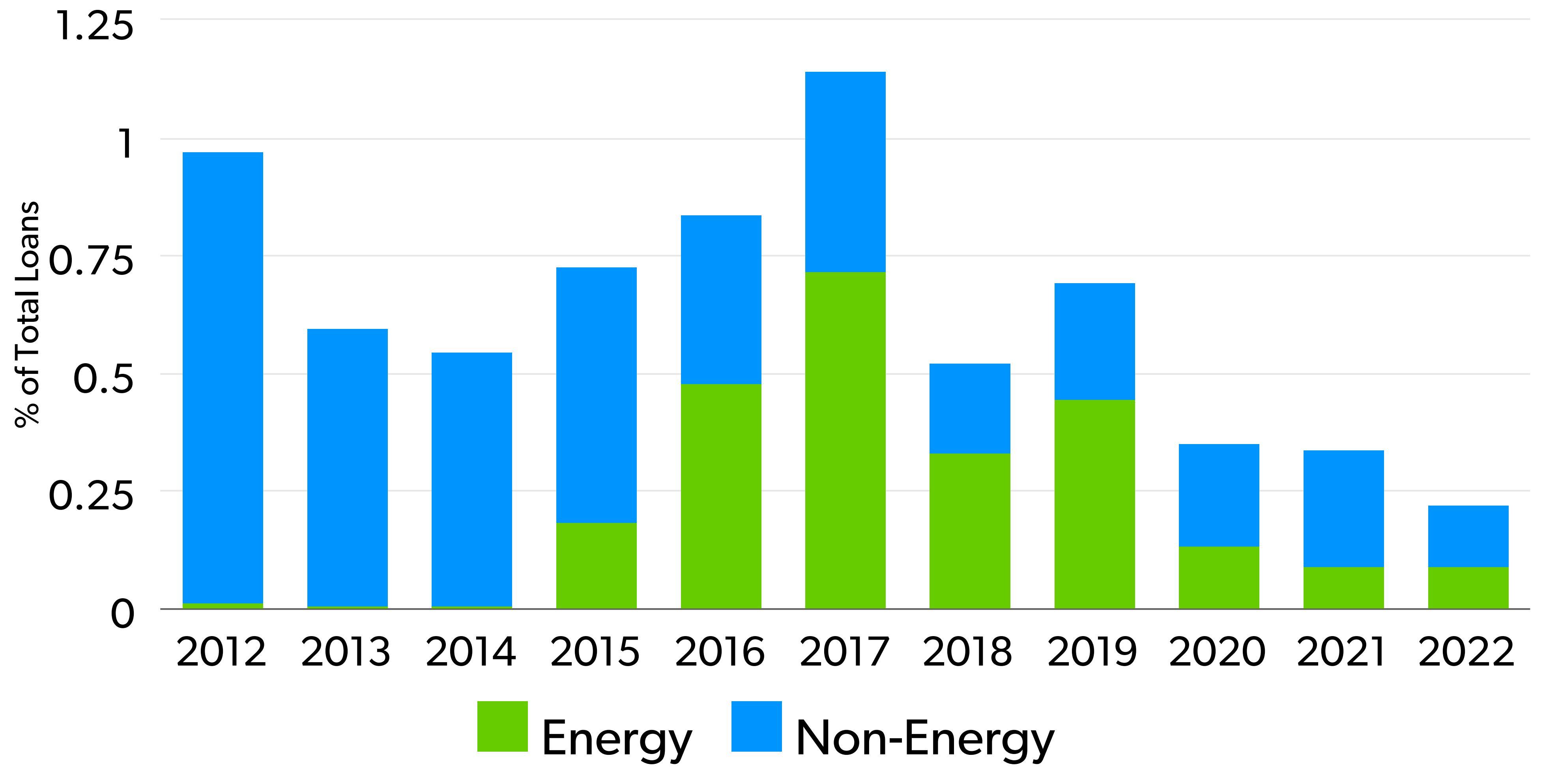


1 Special Mention loans include risk grade 10
2 Classified loans include risk grades 11-13

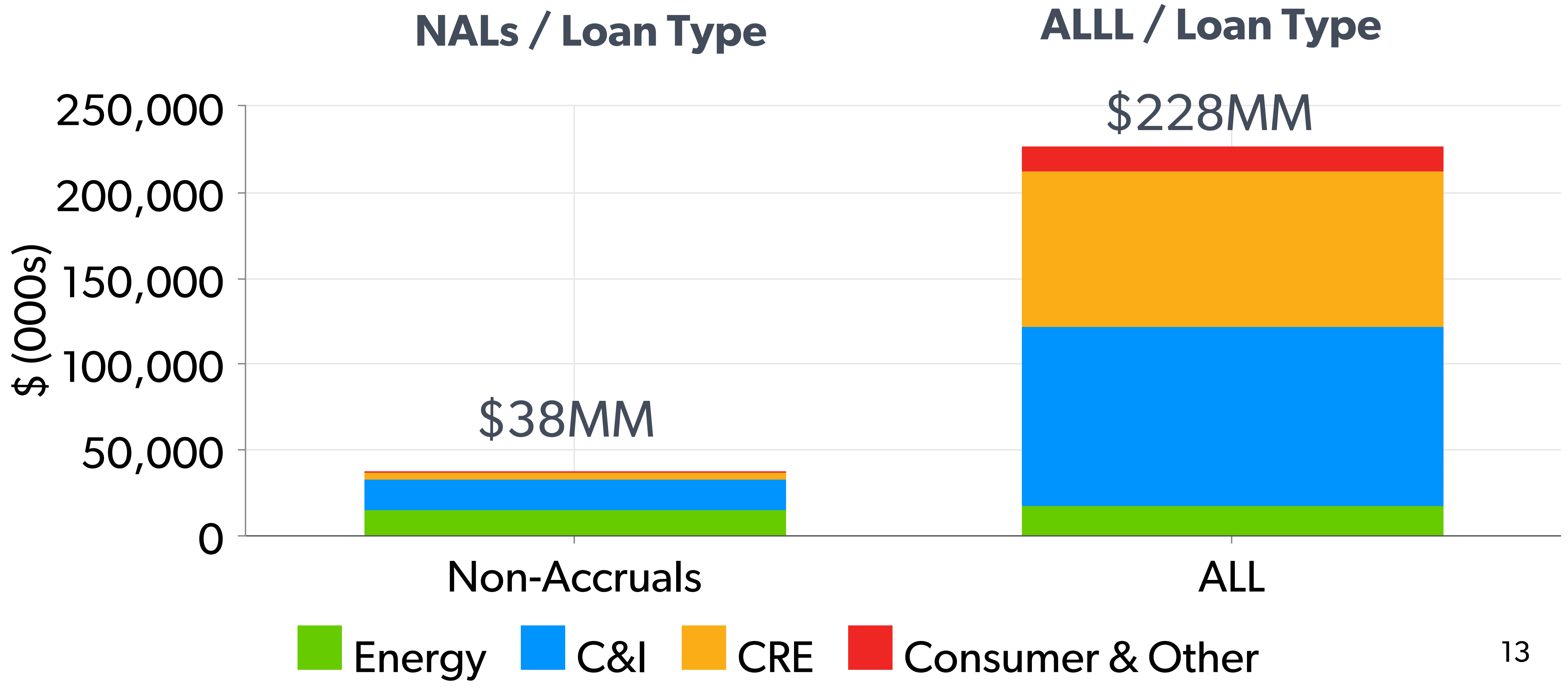
Superior Credit Quality

- 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
- Energy loans have declined from 16% of total loans in 1Q15 to 5.4% in 4Q22
- Loan portfolio is well reserved with 6.0x coverage for non-accrual loans as of 4Q22

NALs to Loans Through the Cycle



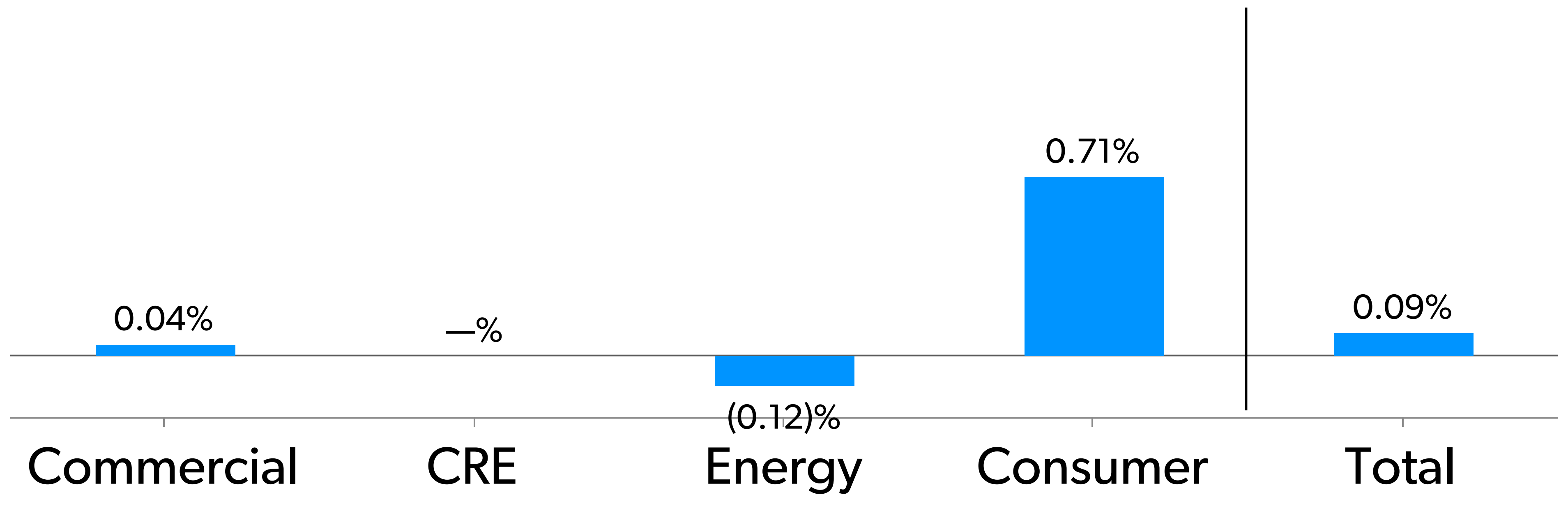
4Q22
Non-Accrual Loans and Reserve Position
6.0x Non-Accrual Reserve Coverage



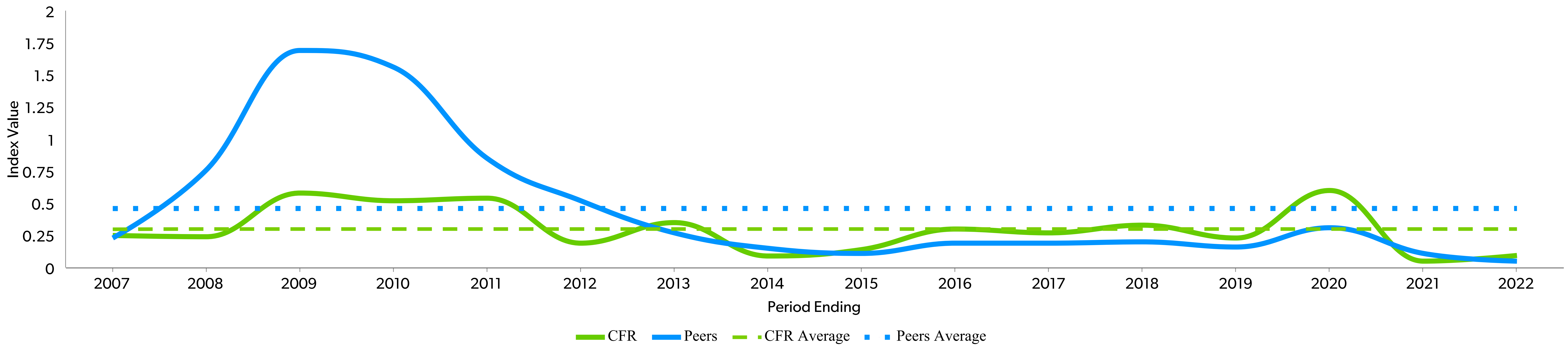
Credit Quality

- 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
- Exceptionally strong credit quality in CRE, Frost's largest loan portfolio as of Q4-22

Cullen/Frost 5-yr Average NCOs by Loan Type[2]



Net Charge-Offs Through the Cycle [1]



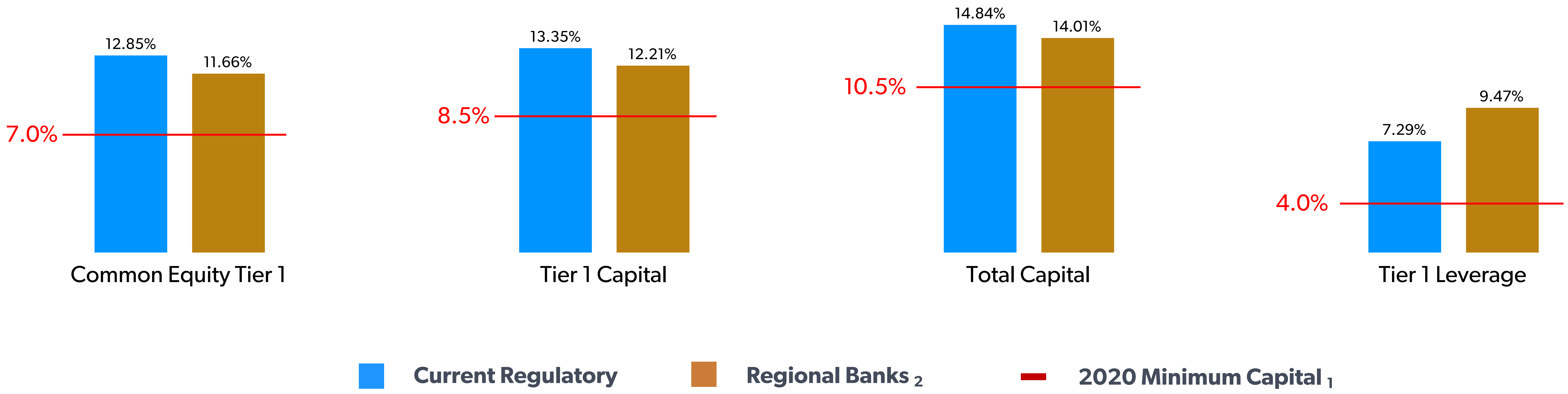
Source: S&P Global Market Intelligence

[1] Peer banks group includes members of the KBW Regional Bank Index as of December 31, 2022.

[2] 5-Year Average NCOs based on 2018 to 2022 time period

Strong Capital Position

Cullen/Frost Capital Ratios as of December 31, 2022. Frost Bank maintains the capacity to pay $813.6 million of dividends to Cullen/Frost 3



Source: S&P Global Market Intelligence

[1] As of January 1, 2021, 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%.

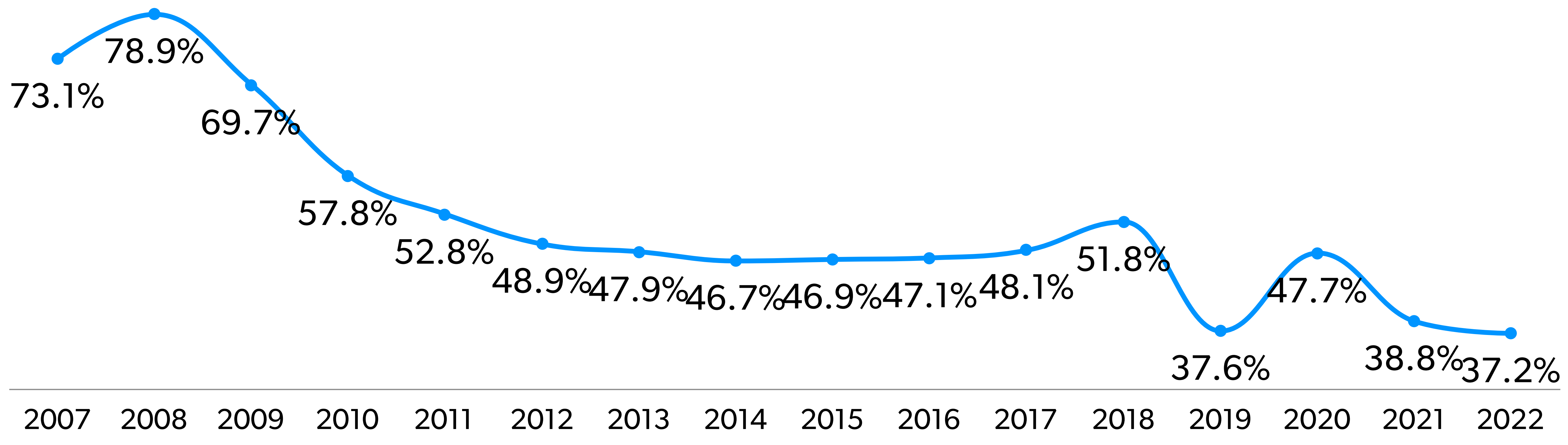
2 Peer banks group includes members of the KBW Regional Bank Index as of December 31, 2022.

3 Under applicable regulatory dividend restrictions, and while maintaining its "well capitalized" status, Frost Bank could pay aggregate dividends of approximately $813.6 million to Cullen/Frost, without obtaining affirmative governmental approvals, at December 31, 2022.

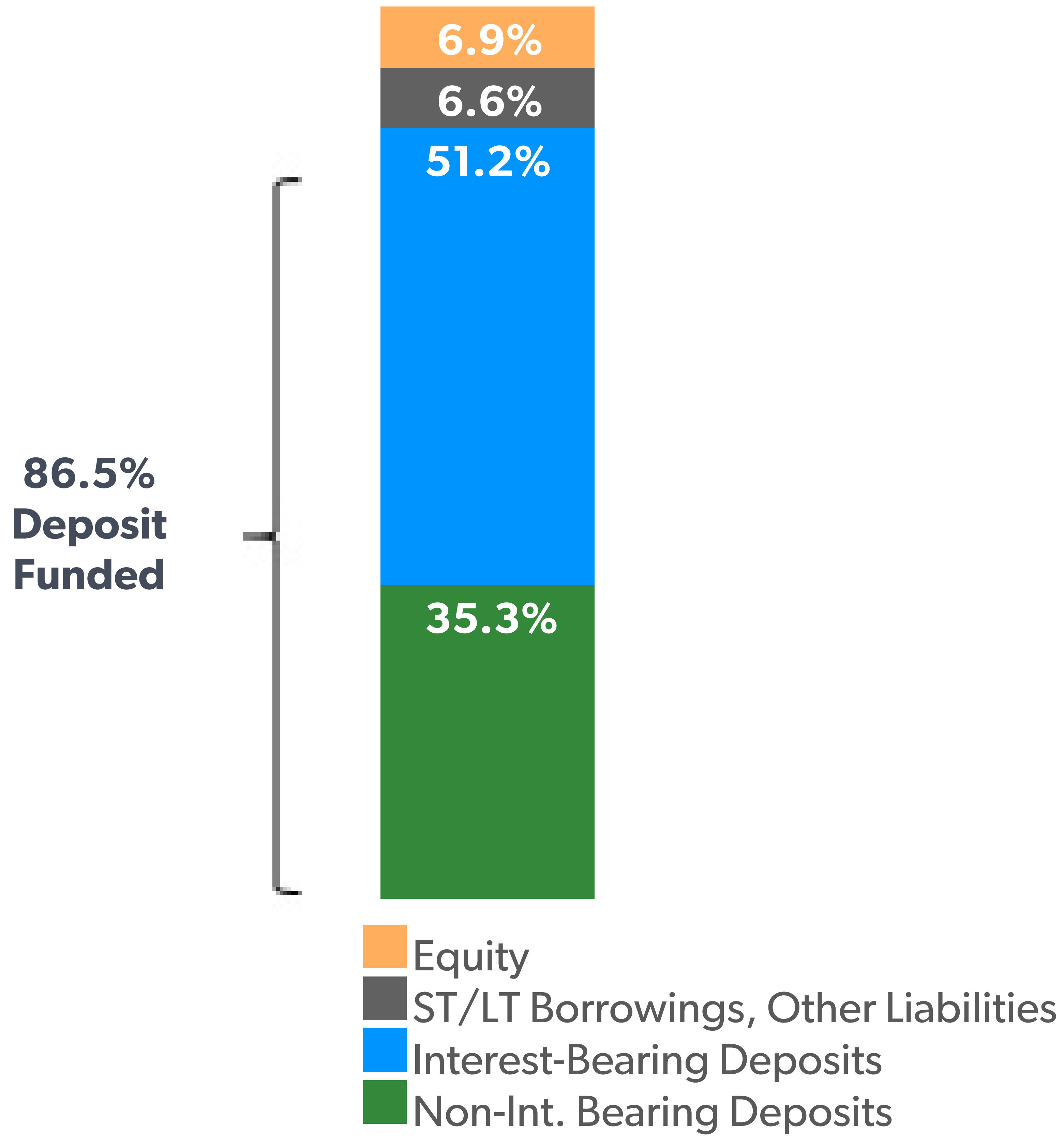
Funding and Liquidity Profile

- Primarily deposit funded institution with limited wholesale, short-term, or long-term borrowings
- 37.2% loan to deposit ratio (ex-PPP)
- Solid liquidity position with cash and securities in the range of 50%–65% of earning assets since 2012

Average Loan to Average Deposits



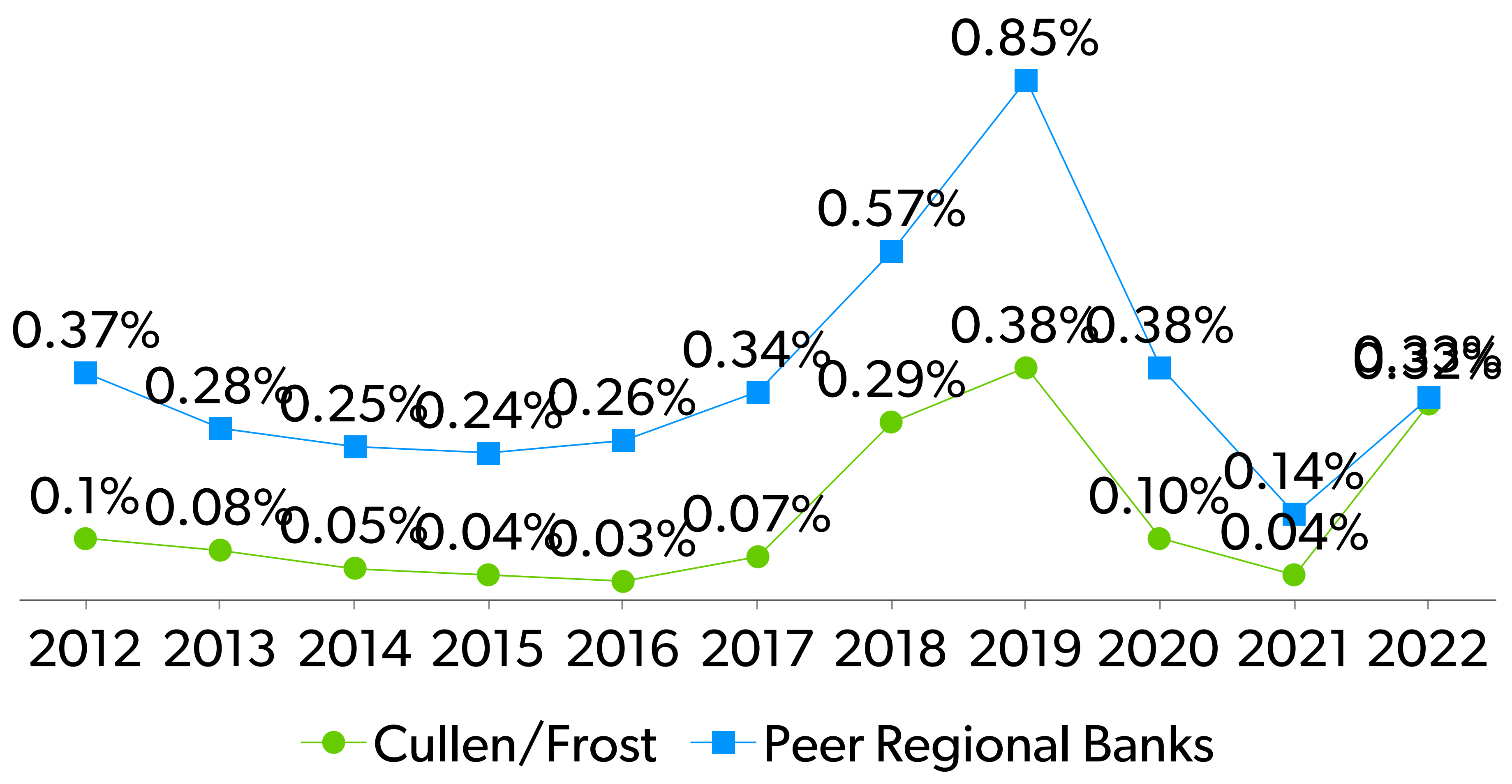
FY22 Average Liabilities and Total Equity

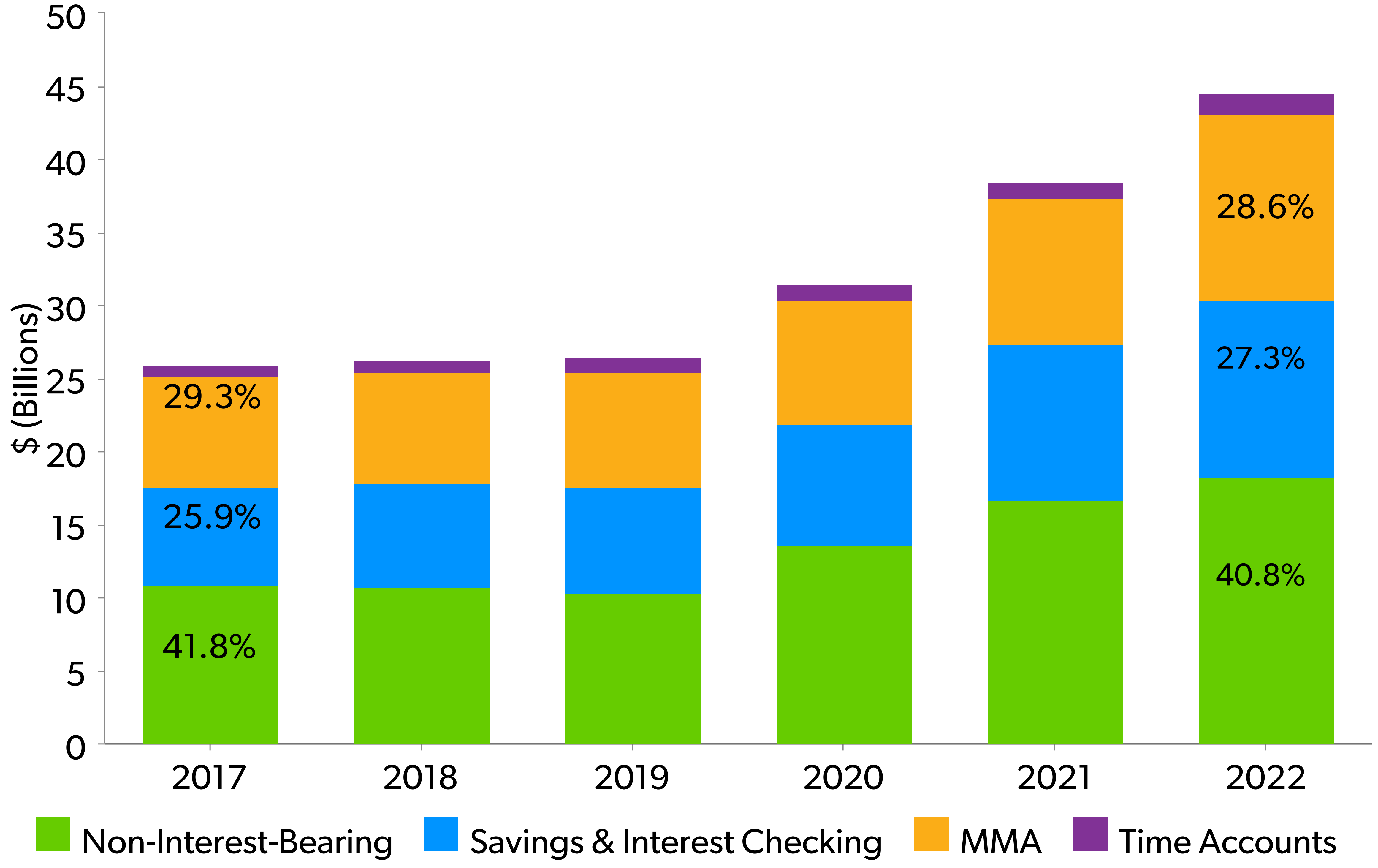


OVERVIEW

Deposit Portfolio

Blended Cost of Deposits [1, 2]





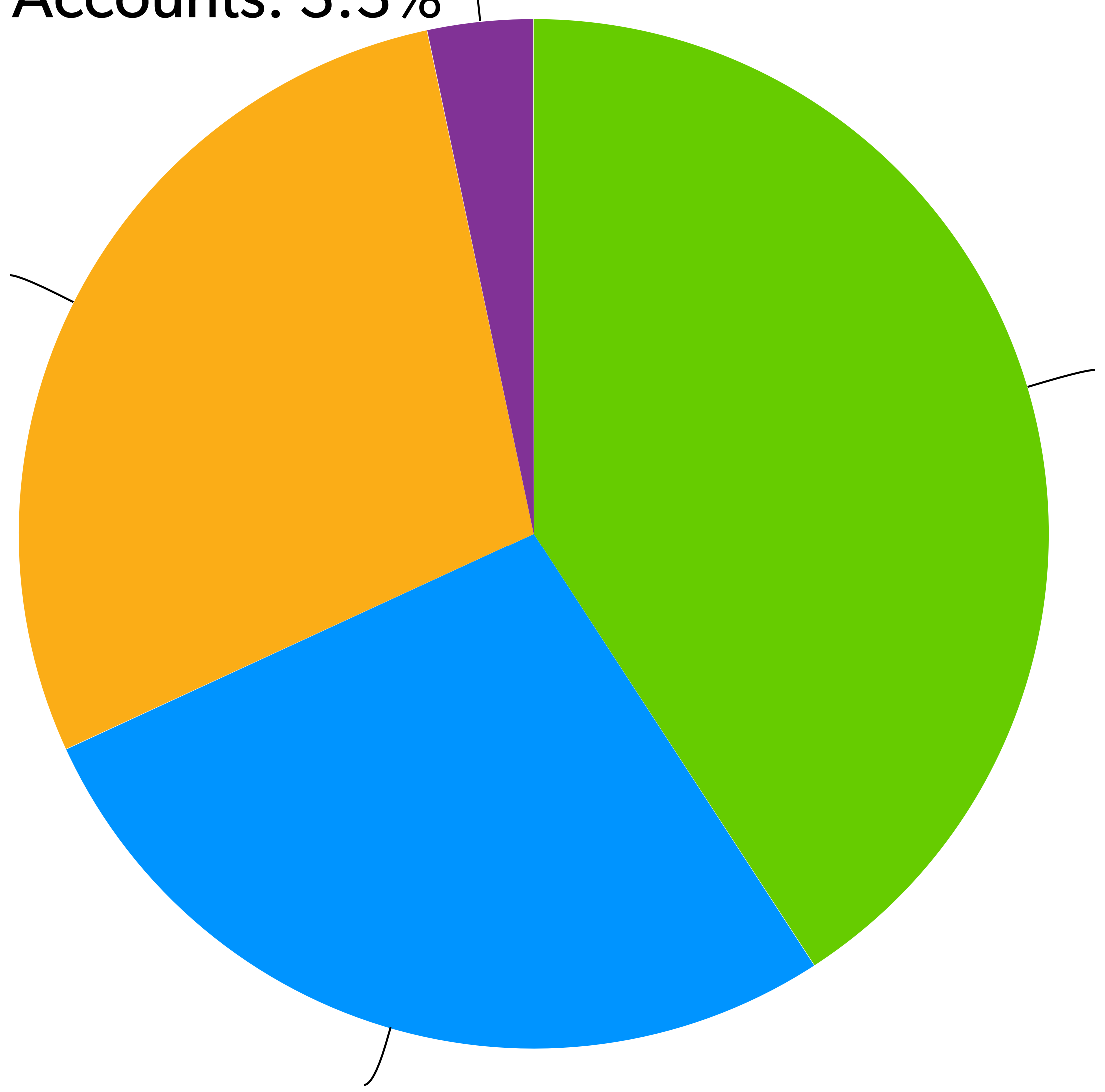
- Highly focused on winning customers' core transactional accounts
- Non-interest-bearing has consistently made up ~40% of the overall deposits since GFC, compared to high 30s pre-crisis
- Goal to drive consistent, balanced growth in deposits and loans
- Top quality customer service results in low customer attrition

[1] *Cost of total deposits.*
[2] *Peer banks group includes members of the KBW Regional Bank Index as of December 31, 2022.*

OVERVIEW

Deposit Portfolio

Deposit Composition (2022 Avg.)



Deposit Growth Trends

	5-Year CAGR [1]	2022 Y/Y Growth	2022 Avg. Balance
Non-Interest-Bearing	**11.0 %**	**9.2 %**	**18,203**
Savings & Interest Checking	12.6 %	13.8 %	12,160
MMA	10.9 %	27.4 %	12,728
Time Accounts	13.3 %	31.1 %	1,480
Interest-Bearing	**11.8 %**	**20.9 %**	**26,368**

Over the 5 years from 2017 to 2022, average interest-bearing deposits have grown at an annualized rate of 8.5%, while non-interest-bearing deposits have grown at an average annual rate of 11.0%

[1] CAGR compares average balances for 2022 vs. 2017

OVERVIEW

Investment Portfolio

- High quality $20.9 billion securities portfolio comprised of municipals (43%), treasuries (24%), MBS and other securities[1] (33%)
- Average fully taxable-equivalent yield of 2.95% in 2022

  (4.08% for tax-exempt securities)
- Portfolio duration of 5.8 years

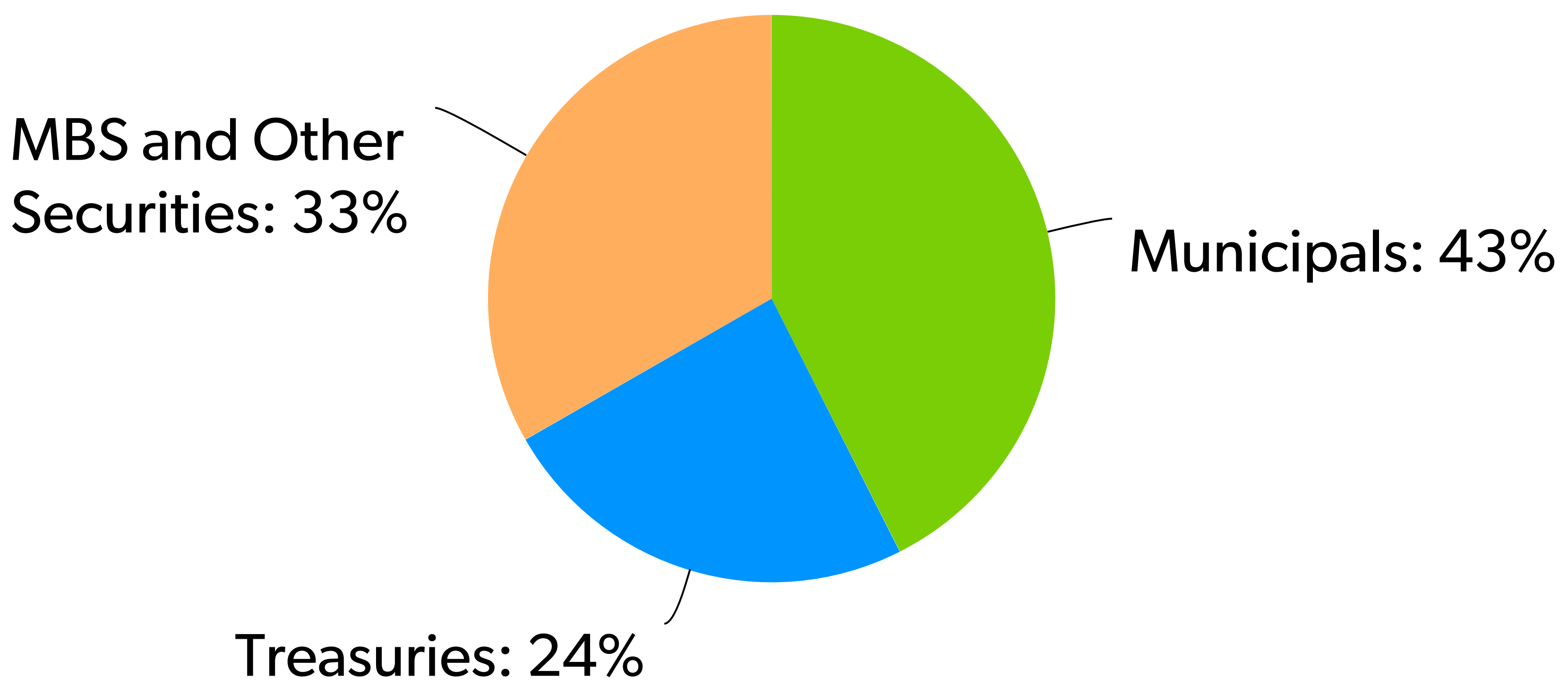
Municipal Bond Portfolio Highlights:

- Municipal securities supported by strong credit ratings – 93% are AAA rated
- 100% of the portfolio issued by political subdivisions or agencies within Texas
  - 75.6% 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 or are pre-refunded
- Portfolio carries limited exposure to geographies with energy intensive economies

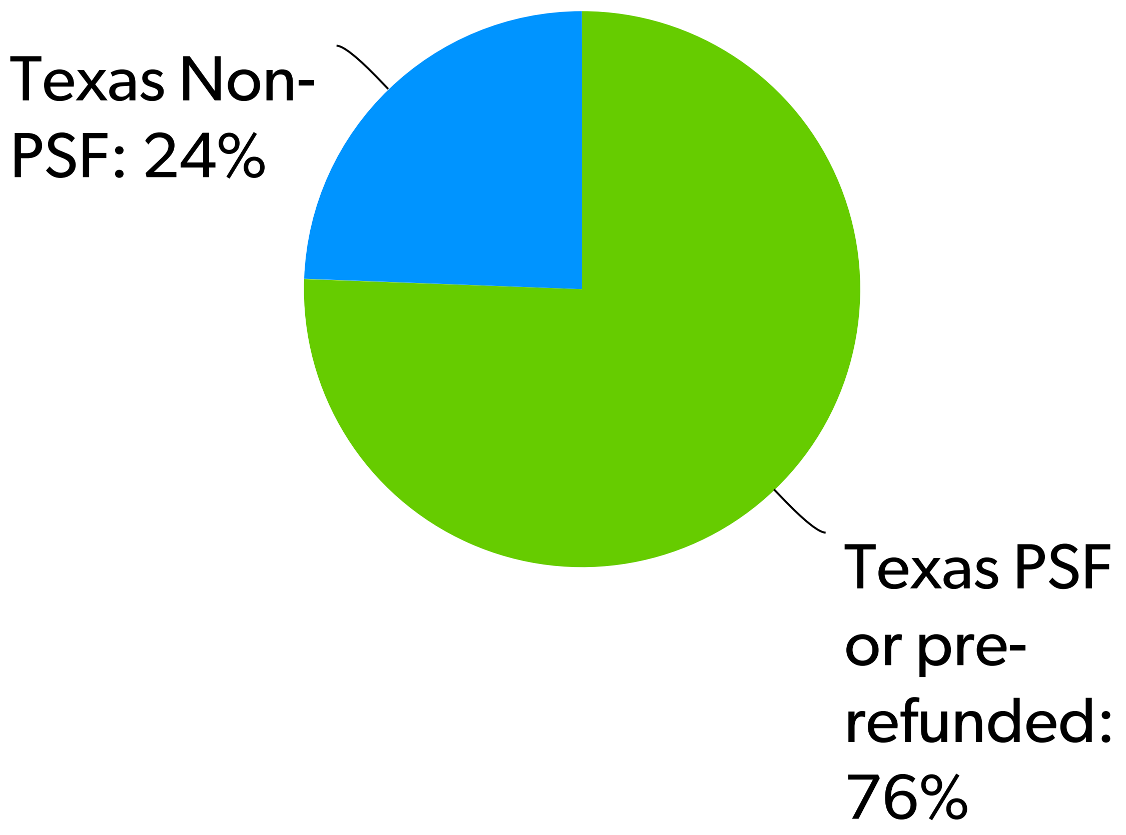
Note: PSF denotes Permanent School Fund, which has a AAA rated insurer financial strength rating

[1] Other securities include stock in the Federal Reserve Bank and the Federal Home Loan Bank

Investment Portfolio Q4-22



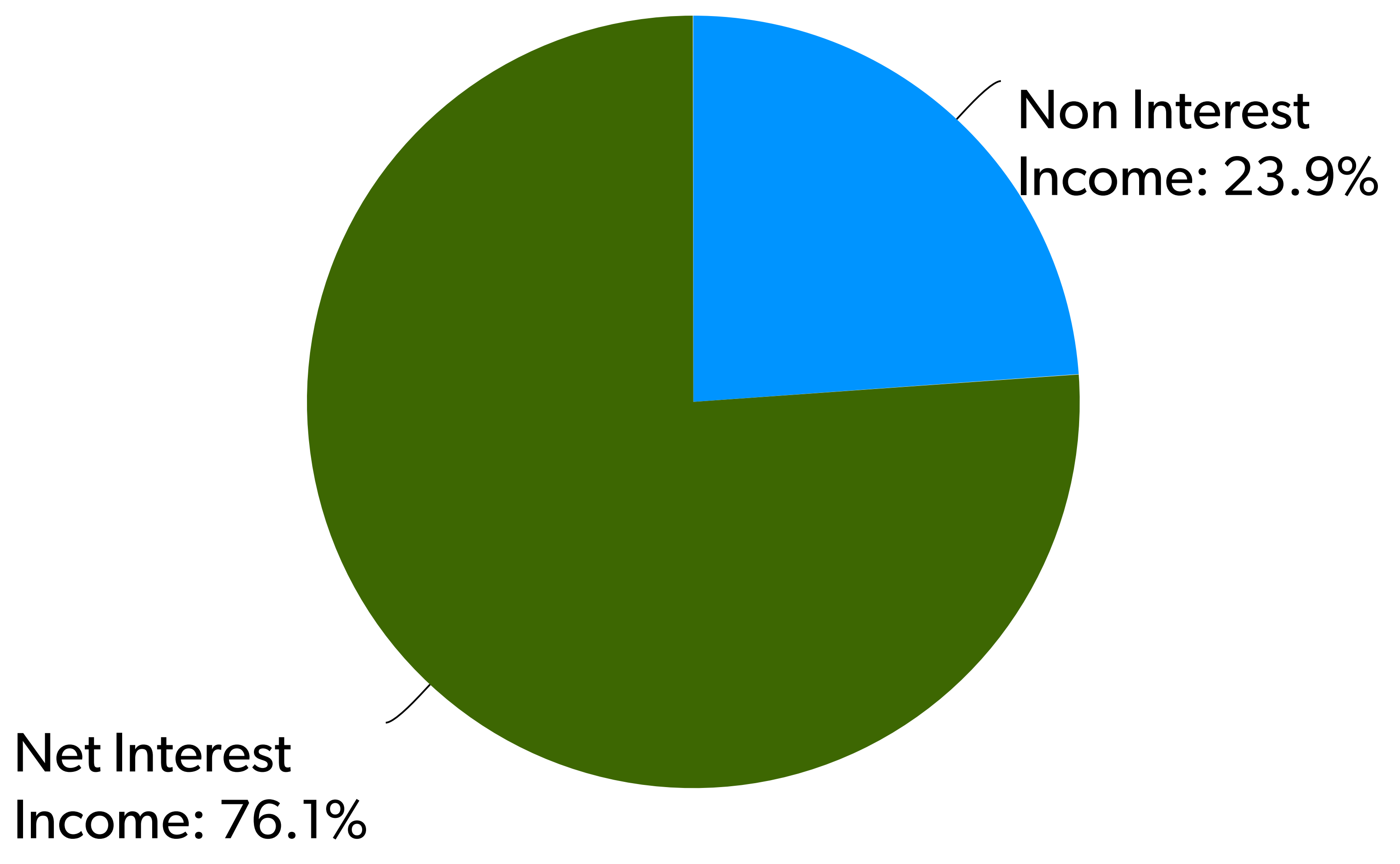
Municipal Bond Portfolio



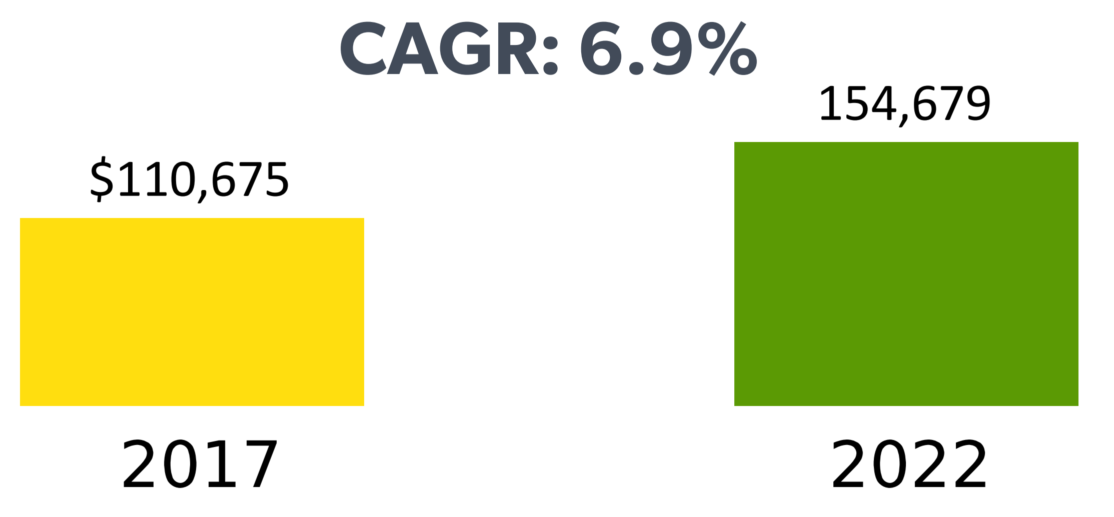
Multiple Sources of Revenue

- In 2022 non-interest income comprised 23.9% of total revenue
- Primary drivers of fee income include:
  - Trust and investment management fees (38.2% of non-interest income)
  - Total trust assets of $43.6 billion ($21.4 billion managed) at December 31, 2022
  - Deposit service charges from commercial, retail, and correspondent (22.7% of non-interest income)
  - Insurance commission and fees (13.1% of non-interest income)

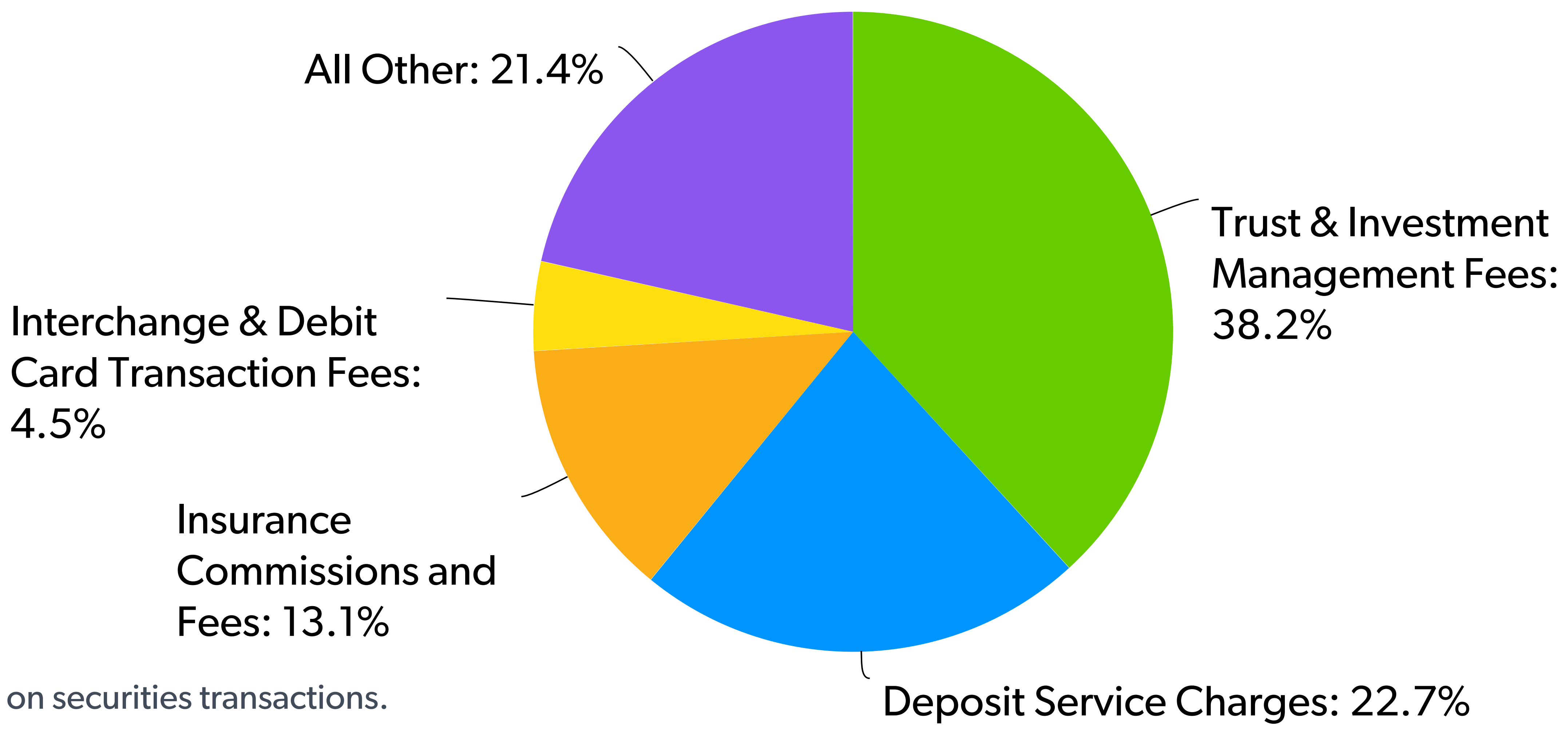
Revenue Composition



<u>Trust and Investment Management Revenue ($mm)</u>



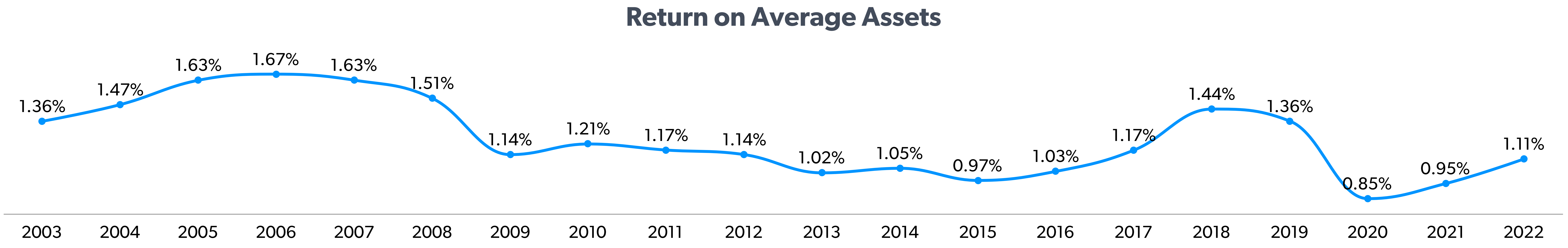
Non-interest Income Composition

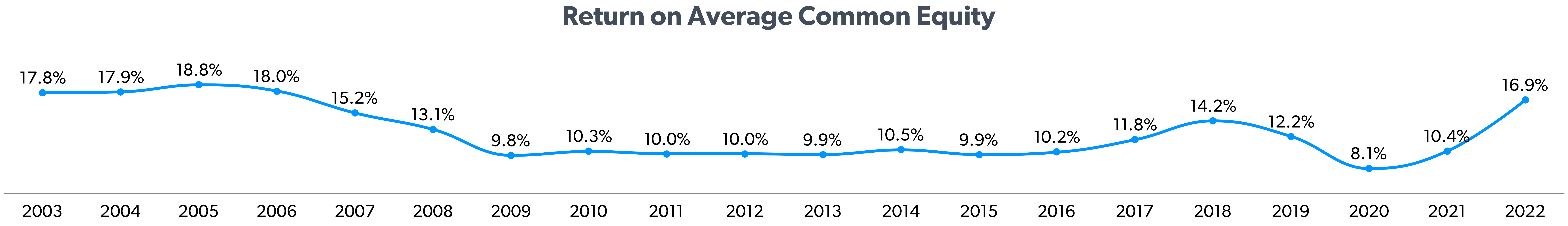


Note: Non-interest income / fee income and its corresponding ratios referenced on this page exclude net gain (loss) on securities transactions. Graphs are based on 2022 numbers.

Consistent Profitability Over the Cycle

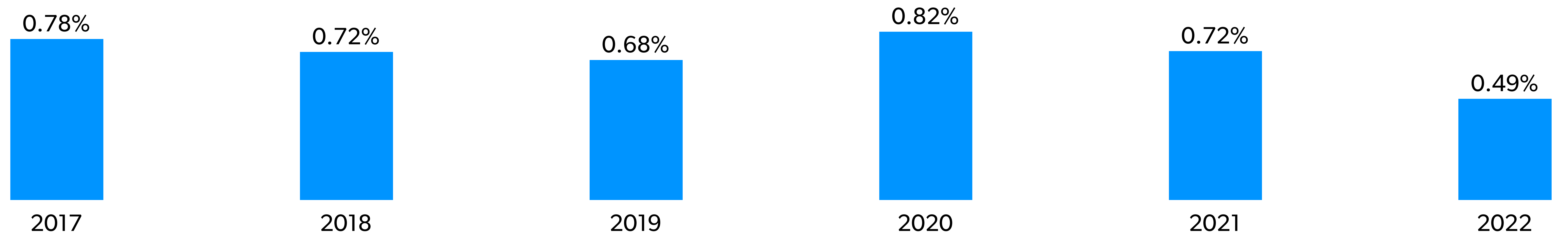
- Consistent profitability through Great Recession with no quarterly or annual net loss
- History of strong returns on average common equity
- The first bank in the nation to turn down TARP bailout funds





Loan Pricing

Average Spread to Prime (New and Renewed Loans)



Average Spread to Ameribor and SOFR (New and Renewed Loans)