

2022

**SUSTAINABILITY
AND
ENVIRONMENTAL, SOCIAL
& GOVERNANCE**

REPORT

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To Our Stockholders, Customers, and Employees:

In 2022, Hilltop and its family of companies continued to enhance and expand its environmental, social, and governance (ESG) principles to better serve their customers, employees, and communities. This marks Hilltop's third annual ESG and Sustainability Report, and we remain committed to providing important information about our ongoing efforts to monitor and achieve the goals we have set for our ESG journey. This transparency offers our stakeholders valuable insight into the broad range of initiatives we are pursuing to strengthen our organization and influence the environmental, social, and governance impact of our operations.

Throughout the year, we continued to implement policies and procedures to help ensure the validity and accuracy of our ESG and sustainability disclosures. After establishing a baseline in 2020, we are now better able to accurately document and measure our progress, while identifying opportunities to improve our efforts.

Through our recycling and other conservation programs, Hilltop continues to develop sustainable business practices that will support our long-term growth. Across our family of companies, we remain focused on providing a safe and inclusive workplace that supports our employees and the diverse communities we serve. We also continually build upon our robust risk management procedures to effectively mitigate operational risks across our business lines.

As we continue to develop and pursue our ESG objectives, Hilltop and its family of companies have an opportunity to strengthen existing efforts and provide our stakeholders with meaningful accountability related to our role as a responsible corporate citizen. We look forward to the next phase of our journey.

A handwritten signature in black ink, appearing to read "J B Ford", written in a cursive style.

Jeremy B. Ford
President and CEO
Hilltop Holdings Inc.

OVERALL PERSPECTIVE

Hilltop continued its Environmental, Social and Governance (ESG) journey during 2022 by building governance in our disclosures, providing meaningful transparency to our stakeholders, embracing diversity in our business practices, and assessing the impact of our business operations. We recognize the importance of being informed and Hilltop is committed to ensuring compliance with applicable ESG and Sustainability reporting requirements.

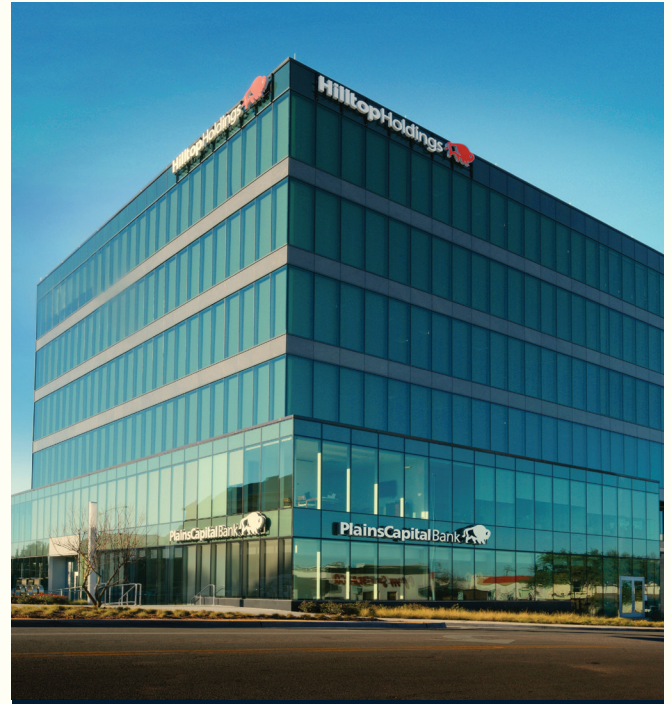
Since our 2020 inaugural year we continually enhanced data coverage and accuracy, risk oversight, and transparency of our ESG and sustainability efforts, while monitoring potential ESG disclosure regulation and enforcement on the horizon.

The Hilltop ESG Committee also monitors changing ESG and related sustainability rules and standards, as well as reporting frameworks and methods for reporting disclosures to investors. The Committee's interest and focus will continue to ensure Hilltop's disclosures are compliant with governing standards and regulations.

HILLTOP ESG INITIATIVES

Hilltop, as reflected in its Diversity Commitment Statement, believes its human capital, that includes people of varying backgrounds, are valuable to its services and overall success. Valuing our employees, customers, stockholders, and community is key to Hilltop's growth. Hilltop's people initiatives during 2022 and activities as led by the Hilltop's Culture, Diversity, and Women's Momentum Councils were designed to inform and engage our employees throughout the year.

Hilltop understands that having resilience, agility, and flexibility is necessary given the evolution in the global ESG sphere. We conducted ESG trend analyses and assessments during the year to identify the impact of ESG factors on our operations, consistent with our business practices and necessity for transparency in reporting. We present our ESG disclosures in accordance with existing sustainability industry standards



to inform, while identifying and defining opportunities for our business practices that create new value for the enterprise, stockholders, and communities that we serve.

Meaningful data coverage and data accuracy are essential for all of Hilltop's public disclosures. Significant efforts were made during the 2022 year to establish controls over ESG data collection, access, and storage. Our ESG Director worked in tandem with our IT Department to establish an ESG database to centralize and manage our ESG data collection and distribution practices. With the collaboration of our business units, we were able to establish ESG data collection and retention within the database on a quarterly basis.

We continue to evaluate the scope of our data coverage to ensure it adequately reflects our operations and practices. We internally review third party data for reasonableness and relativity to our ESG policies, procedures, and implementations. ESG practices and processes advocated by external resources also are considered by the ESG Committee in determining the adequacy of Hilltop's internal policies and practices.

ESG COMMITTEE EFFORTS

The Hilltop ESG Committee meets quarterly to discuss ESG factors that impact the Company's operations and ESG compliance reporting requirements. During 2022, our ESG Committee conducted reviews of ESG trends and sustainability metrics to determine the relevance and reasonableness of our ESG disclosures. The ESG Committee also benchmarked ESG disclosures in the financial industry to evaluate its conformity relative to investors interest and needs. We reviewed updates on ESG and sustainability legislation, regulations, and standards and provided quarterly updates to the Nominating and Corporate Governance Committee of the Hilltop Board of Directors.

2022 GOAL ACCOMPLISHMENTS

Many of our 2022 ESG goals were achieved during the year. Namely, the ESG Committee members in collaboration with our business units accomplished the following short-term goals.

- Established and incorporated a Supplier ESG/Sustainability Questionnaire within Requests for Information and Requests for Proposals.
- Created An ESG/Sustainability Survey to be Distributed to Top Spend Suppliers during 2023.
- Provided DEI training to employees.

Other short-term ESG goals related to employee SEC disclosures, demographics, key metric data, and reviews are in progress or on-going in nature.

We began to address several of our long-term ESG goals during the 2022 year. Many of these goals are in progress and remain a driver within our ESG Initiative. This relates to goals reflected in our ESG Outlook within this Report.

Hilltop is determined to provide trustworthy disclosures of our ESG practices and policies to its stakeholders. The alignment of our ESG initiative with business strategies and collaborative efforts to secure accurate and informative data from our internal and external data owners will continue to contribute

to the success of our ESG efforts and effectiveness of related disclosures.

We will continue to establish new goals and monitor ESG regulations to assist in navigating our overall journey. See our ongoing goals within the ESG Outlook section of this Report.





HILLTOP HOLDINGS

SUSTAINABILITY REPORT

2022

The International Financial Reporting Standards (IFRS) Foundation currently governs the Sustainability Accounting Standards Board (SASB) Standards because of its merger with the Value Reporting Foundation, in August of 2022. The IFRS is a nonprofit public interest organization with two independent standards setting boards, the International Accounting Standards Board (IASB), and the recently created International Sustainability Standards Board (ISSB). The ISSB was established to develop global baseline sustainability standards to provide investors with reliable and comparable environmental, social and governance (ESG) data for public companies. The ISSB is tasked with the development of sustainability-related financial reporting standards to address investors' needs. The SASB Standards remain in effect to identify minimum sustainability issues likely to impact the operating performance or financial condition of a typical company within a given industry. SASB Standards, as designed, communicate the operating environment and corporate performance related to industry-specific sustainability issues using management disclosures and accounting metrics. The Hilltop Sustainability Report discloses the relevant SASB Standards in the financial sector industries, namely, commercial banking, mortgage lending, securities brokerage and investment banking, asset management and custody, and securities and commodity exchanges, applicable to Hilltop Holdings Inc. and its Subsidiaries operations, activities, and practices. References to details and metrics are based on applicability and availability of data, which in some instances may not be comprehensive.

BANKING STANDARDS

COMMERCIAL BANK (CB) PRACTICES		
PROVISIONAL METRIC CODE	ACCOUNTING METRIC	DATA RESPONSE / REFERENCE
DATA SECURITY		
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	See data on Page 29 of the ESG Report.
FINANCIAL INCLUSION AND CAPACITY BUILDING		
FN-CB-240a.1	1) Number and (2) Amount of loans outstanding qualified to programs designed to promote small business and community development	See data on Pages 33 of the ESG Report.
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	During 2022, 130 employees provided over 620 volunteer hours to financial literacy teaching to children and adults, including employee teachings hours to adults on home ownership.
INCORPORATION of ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS IN CREDIT ANALYSIS		
FN-CB-410a.1	Commercial and industrial credit exposure, by industry	See data on Page 33 of the ESG Report; also see the Bank's commercial loan details per the 2022 Hilltop Holdings Annual Report on Form 10-K.
BUSINESS ETHICS		
FN-CB-510a.2	Description of whistleblower policies and procedures	See data on Page 24 of the ESG Report.
SYSTEMATIC RISK MANAGEMENT		
FN-CB-550a.1	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	See the Basel III Bank data per the 2022 Hilltop Holdings Annual Report on Form 10-K.
BANK ACTIVITY METRICS		
FN-CB-000.A	1) Number and (2) Amount checking and savings accounts by segment (a) personal and (b) small business and (c) corporate	See data on Page 34 of the ESG Report and deposit accounts details per the 2022 Hilltop Holdings Annual Report on Form 10-K.

MORTGAGE LENDING STANDARDS

MORTGAGE FINANCE (MF) PRACTICES		
TOPIC	ACCOUNTING METRIC	DATA RESPONSE / REFERENCE
LENDING PRACTICES		
FN-MF-270a.1	(1) Number and (2) Value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-Rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660	See available data on Page 37 of the ESG Report.
FN-MF-270a.2	(1) Number and (2) Value of (a) residential mortgages modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosures, by FICO scores above and below 660	See data on Pages 39-40 of the ESG Report.
DISCRIMINATORY LENDING		
FN-MF-270b.1	(1) Number, (2) Value of, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minorities, and (b) all other borrowers by FICO scores above and below 660	See data on Pages 37, 39-40 of the ESG Report.
FN-MF-270b.3	Description of policies and procedures for ensuring nondiscriminatory mortgage origination	See data on Pages 35-37 of the ESG Report.
ENVIRONMENTAL RISK TO MORTGAGED PROPERTIES		
FN-MF-450a.1	(1) Number and (2) Value of mortgage loans in 100-year flood zones	See data on Page 37 of the ESG Report.
FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	See data on Page 37 of the ESG Report.
MORTGAGE FINANCE ACTIVITY METRICS		
FN-MF-000.A	1) Number and (2) Amount mortgage loans originated by category (a) residential and (b) commercial	All PrimeLending mortgage loans are residential loans. See Bank and PrimeLending data on Pages 33 & 37 of the ESG Report.
FN-MF-000.B	1) Number and (2) Amount mortgage loans purchased by category (a) residential and (b) commercial	All PrimeLending mortgage loans are residential loans. See Bank and PrimeLending data on Pages 33 & 37 of the ESG Report.

SECURITIES BROKERAGE & INVESTMENT BANKING STANDARDS

INVESTMENT BANKING AND BROKERAGE (IB) PRACTICES		
PROVISIONAL METRIC CODE	ACCOUNTING METRIC	DATA RESPONSE / REFERENCE
EMPLOYEE DIVERSITY & INCLUSION		
FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	See securities brokerage & advisory Companywide employee data on Pages 43-44 of the ESG Report.
INCORPORATION OF ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS IN INVESTMENT BANKING & BROKERAGE ACTIVITIES		
FN-IB-410a.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry	See data on Page 42 of the ESG Report.
FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	See data on Page 42 of the ESG Report.
FN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	See data on Pages 41-44 of the ESG Report.
BUSINESS ETHICS		
FN-IB-510a.2	Description of whistleblower policies and procedures	See data on Page 24 of the ESG Report.
PROFESSIONAL INTEGRITY		
FN-IB-510b.1	(1) Number and (2) Percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Only four (4) covered employees representing <1% of the security brokers and advisors had complaints/issues.
FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	There were three (3) active arbitration/litigation matters during 2022.
FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	The total of 2022 losses in this area was \$275,125.
INVESTMENT BANKING AND BROKERAGE ACCOUNTING METRICS		
SYSTEMATIC RISK MANAGEMENT		
FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	See data on Pages 42-43 of the ESG Report
FN-IB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Currently, this data is not available.
FN-IB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	See the stress testing data per the 2022 Hilltop Holdings Annual Report on Form 10-K.
EMPLOYEE INCENTIVES & RISK TAKING		
FN-IB-550b.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	The 2022 HilltopSecurities total variable remuneration for MRTs was 41%.
FN-IB-550b.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	HilltopSecurities' total variable remuneration MRTs was 100% subject to clawback provisions, but 0% was applicable during 2022.
FN-IB-550b.3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	See data on Pages 41 & 44 of the ESG Report.
INVESTMENT BANKING & BROKERAGE ACTIVITY METRICS		
FN-IB-000.A	(1) Number and (2) Value of (a) underwriting, (b) advisory, and (c) securitization transactions	See data on Page 43 of the ESG Report.
FN-IB-000.B	(1) Number and (2) Value of proprietary investments and loans by sector	Currently, this data is not available.

ASSET MANAGEMENT & CUSTODY ACTIVITIES STANDARDS

ASSET MANAGEMENT & CUSTODY (AC) PRACTICES		
TOPIC	ACCOUNTING METRIC	DATA RESPONSE / REFERENCE
TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS		
FN-AC-270a.1	(1) Number and (2) Percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations , or other regulatory proceedings	There were three (3) reportable incidents in this practice area.
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	There were \$275,125 monetary losses in 2022 in this area.
FN-AC-270a.3	Description of approach to informing customers about products and services.	See the 2022 Hilltop Holdings Annual Report on Form 10-K. Also, see data on Pages 41-42 of the ESG Report.
EMPLOYEE DIVERSITY & INCLUSION		
FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	See Hilltop's all inclusive enterprise human capital data on Pages 21-23 of the ESG Report.
INCORPORATION OF ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT & ADVISORY		
FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	Currently, this information is not available.
FN-AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	See data on Pages 42-43 of the ESG Report.
BUSINESS ETHICS		
FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior market manipulation, malpractice or other related financial industry laws or regulations.	The 2022 total monetary losses were \$275,125.
FN-AC-510a.2	Description of whistleblower policies and procedures	See data on Page 24 of the ESG Report.
SYSTEMATIC RISK MANAGEMENT		
FN-AC-550a.1	Percentage of open-end fund assets under management by category of liquidity classification	Our Bank AUM: Open-end fund assets under management are 100% fully liquid.
FN-AC-550a.2	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management	See liquidity risk data per the 2022 Hilltop Holdings Annual Report on Form 10-K.
ASSET MANAGEMENT ACTIVITY METRICS		
FN-AC-000.A	(1) Total registered and (2) Total unregistered assets under management (AUM)	Our Bank AUM: Registered: \$1,782.1MM Unregistered: \$400.9MM
FN-AC-000.B	Total assets under custody and supervision	Our Bank Total Assets Under Custody/ Supervision: \$4,353.5MM Broker Dealer Assets: AU Supervision/Custody/ Clearing: \$33,044.7MM Co-Admin. AUM: \$18,708.8MM Other AUM: \$19,912.3MM AUA: \$9,690.4MM

SECURITY AND COMMODITY EXCHANGES STANDARDS

SECURITY & COMMODITY EXCHANGES (EX) PRACTICES		
TOPIC	ACCOUNTING METRIC	DATA RESPONSE / REFERENCE
PROMOTING TRANSPARENT AND EFFICIENT CAPITAL MARKETS		
FN-EX-410a.2	Percentage of trades generated from automated trading systems	Zero percent of trades are processed with automated algorithms. Electronic trades during 2022 were broker assisted trades.
FN-EX-410a.3	Description of alert policy regarding timing and nature of public release of information	Currently, this data is not available.
MANAGING CONFLICTS OF INTEREST		
FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior market manipulation, malpractice or other related financial industry laws or regulations.	Total 2022 enterprise monetary losses of \$275,125 were incurred.
FN-EX-510a.2	Description of processes for identifying and assessing conflicts of interests	See data on Page 41 of the ESG Report.
SECURITY AND COMMODITY EXCHANGES ACTIVITY METRICS		
FN-EX-000.A	Average daily number of trades executed, by product or asset class	Annual trades during the year were about 88,000. See Page 44 of the ESG Report.



HILLTOP'S ENVIRONMENTAL IMPACT

Hilltop engaged in a self-assessment of its carbon footprint during 2022. Efforts were made by the ESG Committee in collaboration with our facilities, finance, and business units to identify and quantify key areas of energy usage in conducting business and operations. Activity coverage and data accuracy were the primary principles employed to define our office

operations, transportation, and commuting emissions for the current year and inaugural year 2020, based on data availability. We will continue to define, obtain, and analyze data relative to the enterprise's overall carbon footprint goals in the years to come.

SCOPE 1 - 2022 COMPANY ASSETS AIR MILEAGE & EMISSIONS

Year	Distance: Statute Miles	Distance: Air Miles	Total Jet Fuel Usage (lbs.)	CO2 Emission	CH4 Emission	N2O Emission
2020	71,600	62,260	314,450	9,243	43	293.7609
2021	104,700	91,010	474,740	13,511	63	429.4094
2022	104,500	90,770	497,610	13,475	63	428.2901

Aircraft emissions were calculated based on the applicable GHG Protocol factors.

SCOPE 2 - ENTERPRISE ENERGY CONSUMPTION & EMISSIONS

Hilltop Holdings and its Subsidiaries

Efforts were made during the 2022 year to review and assess the enterprise carbon footprint with the use of internal and external resources to identify energy usage within our offices. Hilltop and its subsidiaries operated approximately 465 offices during 2022.

Due to the lack of direct energy provider emission details for leased and/or smaller offices, our analysis includes 42% (195 of our 465) total offices, representing nearly 50% of the total enterprise utility cost per the following GHG emissions from office operations during 2022 covering most of our Texas locations and larger offices within other states.

Energy Usage Type	Quantity of Energy Usage for Offices	Units Measured	Cost	CO2-e (lbs.)	NOx-Annual (lbs.)	SO2 (lbs.)	CH4 (lbs.)	N2O (lbs.)	CO2 (lbs.)	NOx-Ozone Season (lbs.)
Electric	9,711,040.31	kWh	\$1,233,700	8,175,873.83	4,886.79	5,038.92	546.40	76.36	8,129,052.82	5,152.11
Gas	135,307.48	Therm	\$185,200	1,581,594.91	-	-	29.83	2.98	1,581,594.91	-
Propane	2,434.98	Propane/Gallon	\$6,300	30,132.46	-	-	1.45	0.27	30,132.46	-
Outdoor Light	5,510.31	kWh	\$900	4,561.35	2.32	2.78	0.33	0.05	4,539.41	2.33
	9,854,293.08		\$1,426,000	9,792,162.55	4,889.11	5,041.70	578.01	79.66	9,745,319.60	5,154.44

PlainsCapital Bank Energy - Electric Usage (Texas Locations)			
	2022	2021	2020
Electricity Consumption (MWh)	7,700*	6,441.6	3,529.1

*As rounded.



SCOPE 3 - BUSINESS UNITS CONSERVATION & RECYCLING RESULTS

PlainsCapital Bank

PlainsCapital Bank Offices

PlainsCapital Bank Shredding Totals (Dallas, TX)	2022	2021
Paper Volume (lbs.)	131,310	129,780
Paper Recycled from Shredding Processes (tons)	65.66	64.89
Trees Preserved (number)	1,116	1,103
Water Conserved (gallons)	459,585	454,230
Energy Saved (kilowatts)	315,144	311,472
Landfill Preserved (cubic yards)	6,566	6,489
Oil Conserved (gallons)	24,949	24,658

PlainsCapital Bank Shredding Totals (Austin, TX)	2022	2021
Paper Volume (lbs.)	39,330	41,940
Paper Recycled from Shredding Processes (tons)	19.67	20.97
Trees Preserved (number)	334	356
Water Conserved (gallons)	137,690	146,790
Energy Saved (kilowatts)	80,647	85,977
Atmosphere pollutants Avoided (CO2 lbs.)	1,180	1,258

PrimeLending

PrimeLending Various Office Locations

PrimeLending Shredding Conservation Totals	2022	2021	2020
Paper Volume (lbs.)	658,470	630,405	707,050
Trees Preserved (number)	5,627	5,387	6,042
Water Conserved (gallons)	2,304,645	2,206,419	2,474,675
Energy Saved (kilowatts)	1,316,940	1,260,811	1,414,100
Landfill Preserved (cubic yards)	988	946	1,061
Oil Conserved (gallons)	125,109	119,777	134,340

Shredding practices within our PrimeLending offices together with our partnering vendor conservation efforts are constant and relatively consistent with the base year conservation results.

HilltopSecurities

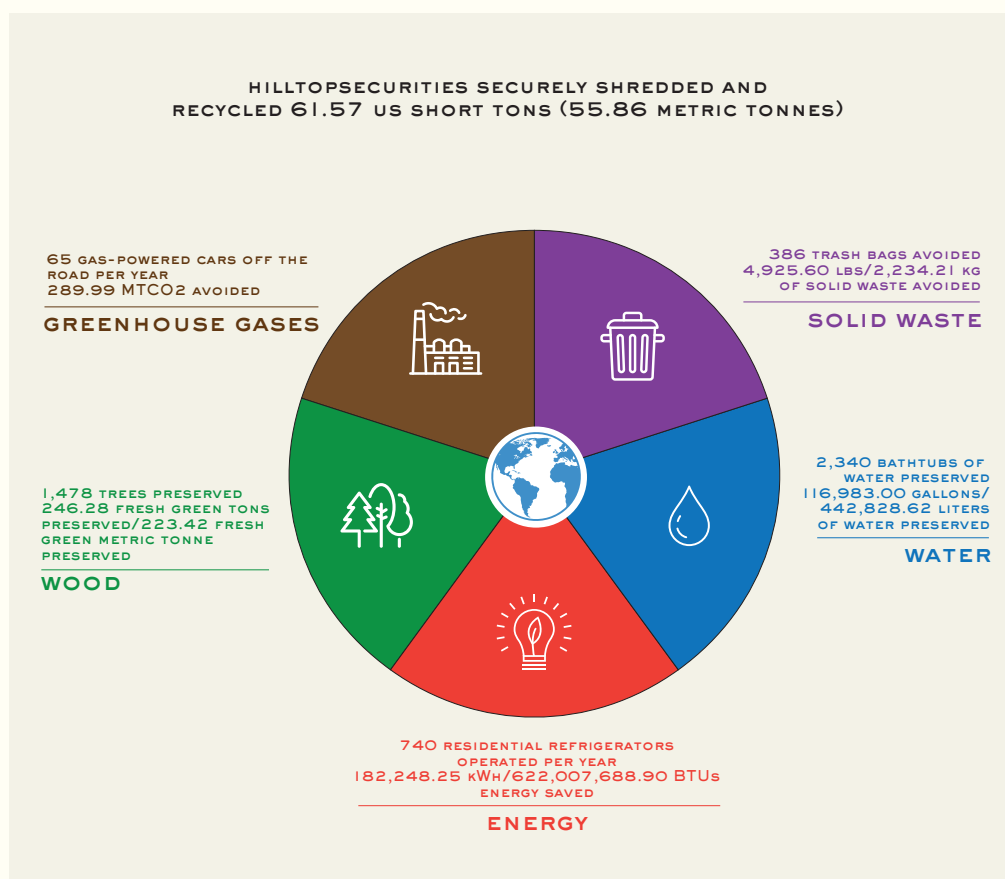
HilltopSecurities Various Office Locations

HilltopSecurities Shredding Conservation Totals	2022	2021	2020
Paper Volume (lbs.)	123,140	175,861	217,679
Paper Volume (short tons)	61.57	87.93	108.84
Trees Preserved (number)	1,478	1,473	990
Water Conserved (gallons)	116,983	2,410,274	1,566,607
Energy Saved (kilowatts)	182,248	198,721	134,107
Landfill Preserved (cubic yards)	*	436	292

*See HilltopSecurities' 2022 shredding activities waste preservation data in the diagram on the next page.

HilltopSecurities Shredding Green House Gases 2020-2022

Shredding Green House Gases (GHG)	2022	2021	2020
Gas Powered Cars off the Road	65	12	-
Avoided CO2 (MT) Emissions	289.99	57.75	-
Avoided CO2 (lbs.) Emissions	639,318	127,322	85,920



SCOPE 3 - 2022 EMPLOYEE BUSINESS TRAVEL AIR MILES & EMISSIONS

Departure Year	Distance (miles)	Type	CO2 Emission (kg/unit)	CH4 Emission (g/unit)	N2O Emission (g/unit)
2022	156,500	Air Travel -Long Haul (>=2300 miles)	25,505	94	814
	6,375,000	Air Travel -Medium Haul (>=300 miles but < 2,300 miles)	822,387	3,825	26,138
	419,600	Air Travel -Short Haul (<300 miles)	86,867	2,686	2,770
2022 Total	6,951,200		934,759	6,605	29,721

The conversion factors/rates used to calculate the emissions are based on the EPA, "GHG Emission Factors Hub" for the applicable period. Mileage shown is rounded.

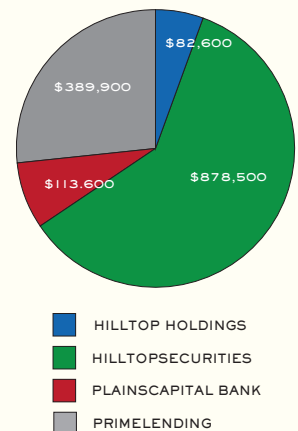
Departure Year	Distance (miles)	CO2 Emission (kg/unit)	CH4 Emission (g/unit)	N2O Emission (g/unit)
2022	6,951,200	934,759	6,605	29,721
2021	2,461,500	333,619	2,478	10,608
2020	2,671,400	364,326	2,524	11,658

Air travel and related emissions increased during 2022 largely due to the return of normal business activity following the pandemic years. Mileage shown is rounded.



2022 Air Travel Spend by Business Unit					
	Hilltop Holdings	HilltopSecurities	PlainsCapital Bank	PrimeLending	TOTAL
2022	\$82,600	\$878,500	\$113,600	\$389,900	\$1,464,600

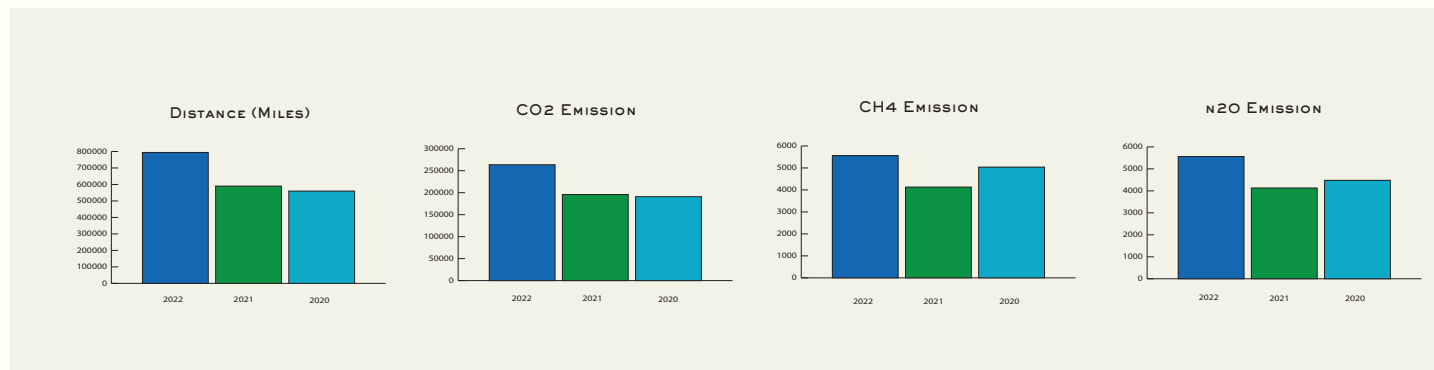
As rounded.



SCOPE 3 - 2022 EMPLOYEE BUSINESS TRAVEL CAR MILES & EMISSIONS

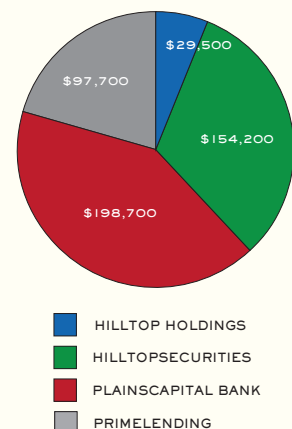
Departure Year	Distance (Miles)	Type	CO2 Emission (kg/unit)	CH4 Emission (g/unit)	N2O Emission (g/unit)
2022	794,200	Passenger Car	263,661	5,559	5,559
2021	590,000	Passenger Car	195,879	4,130	4,130
2020	559,900	Passenger Car	190,912	5,039	4,479

Car mileage and related emissions increased in 2022 due to the return to normal business travel activity following the COVID-19 pandemic years. Mileage shown is rounded.



2022 Car Travel Spend by Business Unit					
	Hilltop Holdings	HilltopSecurities	PlainsCapital Bank	PrimeLending	TOTAL
2022	\$29,500	\$154,200	\$198,700	\$97,700	\$480,100

As rounded.



2022 EMPLOYEE COMMUTING MILES & EMISSIONS

The 2022 employee commuting mileage analysis was based on a population of approximately 4,370 employees and contractors. The analysis included all TX locations and offices with greater than 10 employees. The EPA Protocol GHG Scope 3 commuting factors tables per the Employees and Contractors Average-Data Method were used for the calculations.

Type of Commuting	Total Annual Mileage	CO2 Emission (kg/unit)	CH4 (g/unit)	N2O (g/unit)
Car	10,757,150	3,571,350	75,300	75,300
DART (Dallas Metro - Bus/Train)	512,900	28,700	10,850	500
Other Transit	121,000	13,650	1,150	300
Commuting Total	11,391,050	3,613,700	87,300	76,100

As rounded.

Types of Emissions

CO2e - Carbon dioxide

CH4 - Methane

N2O - Nitrous Oxide

GREEN SPEND

Hilltop's total spending for office and other supplies declined in 2022 by nearly 33%, however, while spending on green supplies declined by 40% our green spending relative to total spend actually increased by 1% over the base year. The enterprise reduction in spending is mainly attributable to a decreasing need for office essentials and paper supplies due to the Company's automation practices and paperless efforts.

Type of Spend	2022 Spend	Quantity	% of Quantity
Non-Green	\$508,500	25,146	82%
Green	\$106,000	5,380	18%
Total	\$614,600	30,526	100%

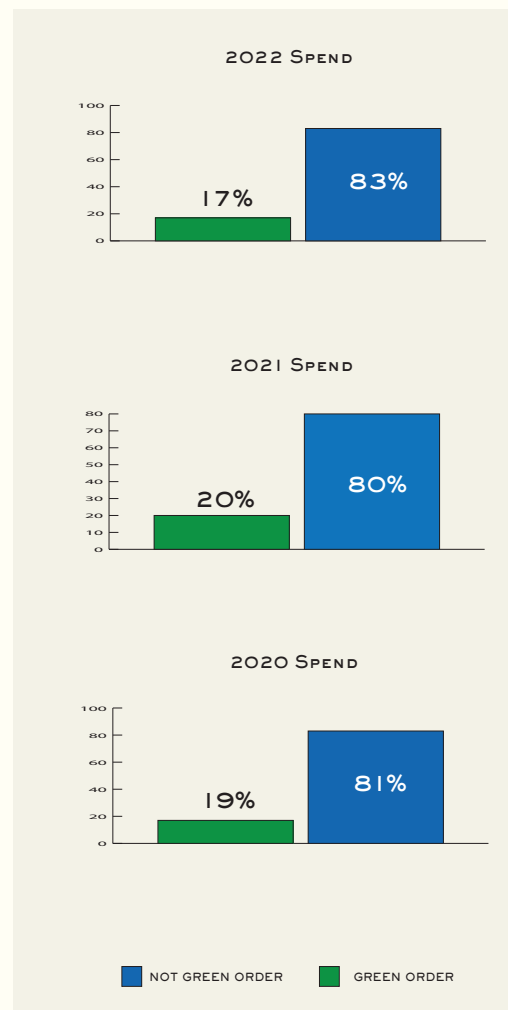
As rounded.

Type of Spend	2021 Spend	Quantity	% of Quantity
Non-Green	\$563,800	33,114	80%
Green	\$137,200	8,053	20%
Total	\$701,000	41,167	100%

As rounded.

Type of Spend	2020 Spend	Quantity	% of Quantity
Non-Green	\$748,200	45,711	83%
Green	\$175,800	9,671	17%
Total	\$924,000	55,382	100%

As rounded.



ENTERPRISE WATER AND WASTE CONSERVATION EFFORTS

During 2022, there were 304,800 gallons of water consumed at our Hilltop Plaza Texas headquarters. This location is the home office of Hilltop and PlainsCapital employees. The Hilltop offices have water fountains with filtered water available to employees to facilitate the elimination of water bottles waste. The five (5) water fountains averaged over 10,300 disposable water bottles conserved and saved from landfill waste for the year.



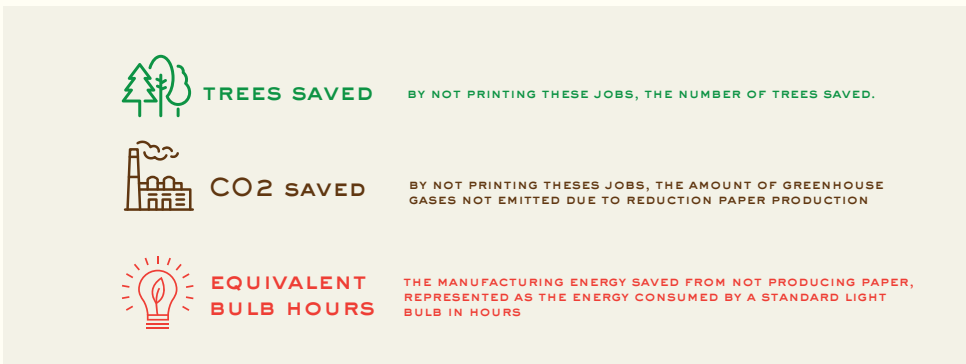
OTHER CONSERVATION & WASTE REDUCTION INITIATIVES

Hilltop's IT Group initiated two conservation and waste reduction programs during 2022. The Conservation and Waste Reduction Related to Asset Disposal and Recyclable Electronic Equipment Initiative is designed to collect used equipment, namely, desktop computers, monitors, keyboards, laptops, and telephone equipment for recycling to facilitate the avoidance of waste in the landfills. The Hilltop families total electronic waste, referred to as eWaste, yielded approximately 75,400 pounds of recyclable equipment for the year.



The Unreleased Print Jobs Initiative was also implemented this year. This initiative was designed to reduce paper and related printing jobs by generating double-sided copies and minimizing color and grayscale printed pages. The summary of the conservation/savings realized is reflected below.

2022 ENTERPRISE ENVIRONMENTAL CONSERVATION RESULTS ASSOCIATED WITH UNRELEASED PRINT JOBS



Paper Printed Sheets Avoided	259,920
Total Printed Pages Saved	287,670
Cost Savings (avoided paper, toner, etc.)	\$11,850
Print Jobs Avoided	49,070
Trees Saved	31
CO ₂ Avoided (kg)	3,300.9
Energy (equivalent bulb hours)	206,677

As rounded.



HILLTOP'S EMPLOYEE COUNCIL ACTIVITIES

In 2022, Hilltop continued to progress along its Diversity, Equity, Inclusion (DEI) and Belonging journey. Our Company maintained three active Councils to create and provide activities designed to engage and encourage employee development. Fostering a work culture with diverse values and inclusiveness drives productivity and strengthens relationships amongst our employees.

Culture Council

Having a strong culture is very important to Hilltop Holdings and its family of companies. Employee driven Culture Councils have been established within each business, though they have common goals and often collaborate for enterprise initiatives. The primary role of the Culture Councils is to plan and execute initiatives that drive engagement. The Culture Councils also serve as forums for employees to provide feedback and ideas on culture topics. In 2022, the Councils partnered together for several enterprise events, such as Employee Appreciation Day, Mo the Buffalo Day, and Halloween; the Councils also planned events locally for their businesses. Culture events generally occur monthly, including celebrations of cultural holidays, volunteerism, and offsite employee activities, such as a networking social and Texas Rangers Baseball game.

Diversity Momentum Council

Hilltop Holdings' Diversity Momentum Council continues to lead progress for the company's Diversity, Equity, Inclusion, and Belonging goals. In 2022, the Diversity Momentum Council planned and executed eight enterprise initiatives. We recognized Black History Month with a video and encouragement to get involved in community events, and launched a second annual enterprise inclusion training focused on Overcoming Unconscious Bias. We recognized the Juneteenth holiday with informational exercises, honored Asian/Pacific American Heritage month with a virtual panel of Asian leaders representing each of Hilltop's companies, and celebrated Hispanic Heritage Month with a series of employee spotlight videos and an interactive game of Mexico's popular La Lotería. Participation or attendance in 2022 Diversity Momentum initiatives consistently exceeded 100 employees.



Women Momentum Council

In 2022, the Women's Momentum Executive Committee focused their efforts on planning impactful quarterly events to generate engagement at scale. Women employees across the enterprise were recognized and provided a personalized postcard and inspirational quote in recognition of Women's History Month. A virtual session with an external speaker was held to discuss Living with Passion and Purpose in celebration of Women's History Month. In addition, we held a virtual collaboration with BlueCross BlueShield on the topic of Wellbeing. Over 100 women based in the DFW area attended an in-person luncheon, with an external speaker whose message was on how to "POWER Up" to take success to the next level. Our Women Momentum Council partnered with the Diversity Momentum Council to celebrate Hispanic Heritage Month and Global Diversity Awareness Month. A previous Hispanic Business Woman of the Year winner spoke to inspire employees on Cultural Intelligence for impact and growth.

Employee Training

Enterprise-wide mandatory training courses include Company Policies and Acknowledgments; Maintaining a Respectful Workplace; Security Awareness and Safety Training; Information Security (quarterly trainings); Document Retention; and Diversity and Inclusion. On average, employees across the enterprise complete approximately 30 hours of training annually, which is a combination of compliance, talent development, and Diversity, Equity, and Inclusion training. Hilltop's Board of Directors received annual training courses on the topics of Regulation W and Regulation O.



EMPLOYEE DEVELOPMENT PROGRAMS

Momentous Leadership is an annual enterprise program focused on developing leaders across Hilltop's family of companies. The seven-month program is designed to support early career professionals in building knowledge, skills, and abilities in foundational areas that developing leaders need to succeed. About 4-6 employees represent each company, for a total cohort size of approximately 20 participants. Participants generally have three to five years of professional career experience and demonstrate initiative, leadership potential, and teamwork.

Hilltop Holdings' Finance Leadership Development Program (FLDP) is a two-year early career development program that focuses on finance, accounting, and treasury. It is a rotational program that was started in 2022 to instill a broad understanding of the Hilltop enterprise and accelerate professional growth. Each FLDP class is comprised of four recent college graduates with degrees in finance, accounting, or economics. The participants spend six months in four different enterprise roles over the course of the two-year program.

The ACCEL(her)ATE program launched in 2022 to support mid-career women in expanding their knowledge, influence, and business acumen to achieve continued success at Hilltop. This five-month enterprise program brings together high performing female professionals for learning through group discussion, engagement with senior leadership, and personal development

planning. Thirteen women across Hilltop's family of companies made up the first class of ACCEL(her)ATE participants, and future class sizes are expected to range from 10-15 participants.

In 2022, the three-month cohort-based Hilltop Holdings' New Manager Training program was launched. This development program was created for recently promoted people managers and team leads, or new managers. Participants in this program are provided with management and leadership resources and best practices, peer and leadership networking opportunities, and operating company overviews to broaden business acumen and enterprise perspective. The New Manager Training cohort size is 15-20 participants and will be offered at least once per year.

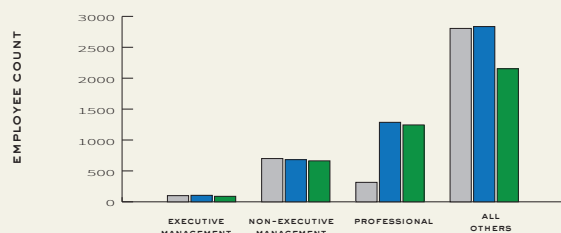
Hilltop Holdings has maintained a structured Summer Internship program since 2018. Generally, each company has a cohort of college students participate in a 10-week long summer program, with a defined development curriculum. In 2022, our company hosted 76 Summer interns across our family of businesses. The Intern program serves as a strong talent pipeline for our organization, as we've hired over 25 interns into full time employment positions. In addition, this program creates an opportunity for employees to develop and enhance their people leader skills, when acting as managers of summer interns. Finally, the program creates substantial employment opportunities for members of the communities that Hilltop serves.

In 2022, Hilltop Holdings launched a partnership with an external vendor to provide on-demand virtual coaching access to 10 women for six months. These women have been identified as talented mid-level managers and directors with potential to further their careers within the Hilltop enterprise. On average, each coaching member has spent or is expected to spend 12-15 hours in the coaching sessions. Development topics include communication, influence, confidence, and motivating others.



EMPLOYEE DEMOGRAPHICS

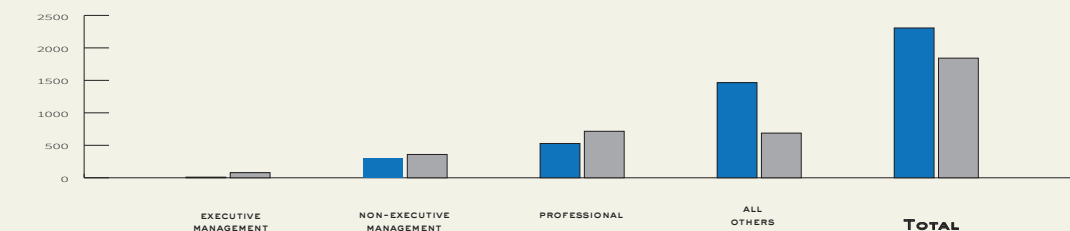
EMPLOYEE COUNT BY CATEGORY



2022	89	663	1,244	2,153
2021	105	682	1,286	2,835
2020	100	700	1,315	2,805



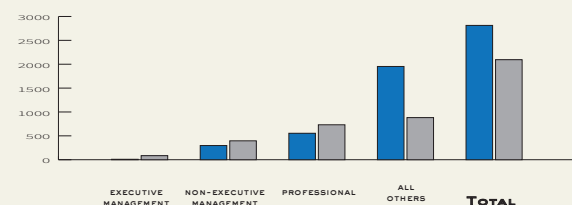
2022 EMPLOYEE COUNT BY GENDER BY CATEGORY



FEMALE	10	304	528	1,465	2,307
MALE	79	359	716	688	1,842

GRAND TOTAL	89	663	1,244	2,153	4,149
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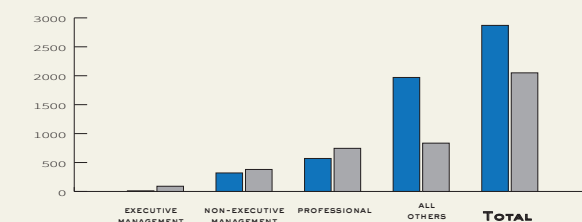
2021 EMPLOYEE COUNT BY GENDER BY CATEGORY



FEMALE	11	295	554	1,953	2,813
MALE	94	387	732	882	2,095

GRAND TOTAL	105	682	1,286	2,835	4,908
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2020 EMPLOYEE COUNT BY GENDER BY CATEGORY



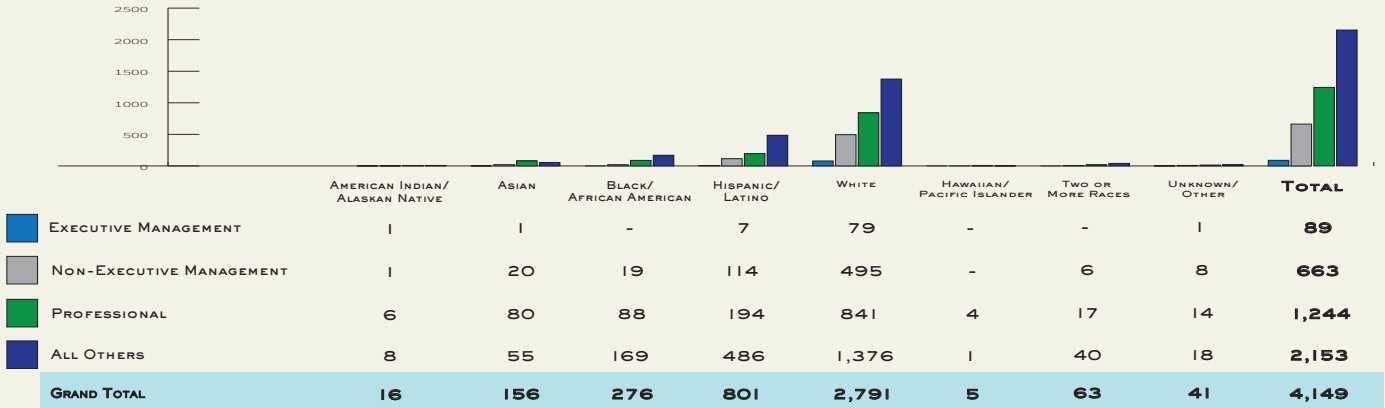
FEMALE	10	320	570	1,970	2,870
MALE	90	380	745	835	2,050

GRAND TOTAL	100	700	1,315	2,805	4,920
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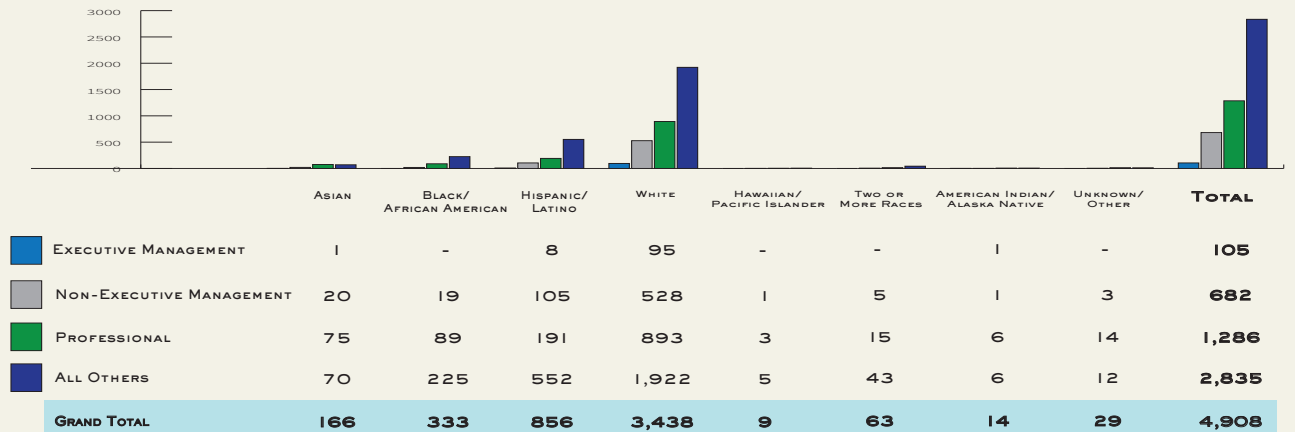
ENTERPRISE HUMAN CAPITAL

Currently, the Hilltop human capital is comprised of nearly 75% of its employees equally within the Millennials, Gen Z and Baby Boomers II categories. Since the 2020 inaugural year and onward, Hilltop's workforce has been greater than 55% women. Hilltop continues to employ a diverse workforce with approximately one third of its employees of a minority ethnicity during 2022.

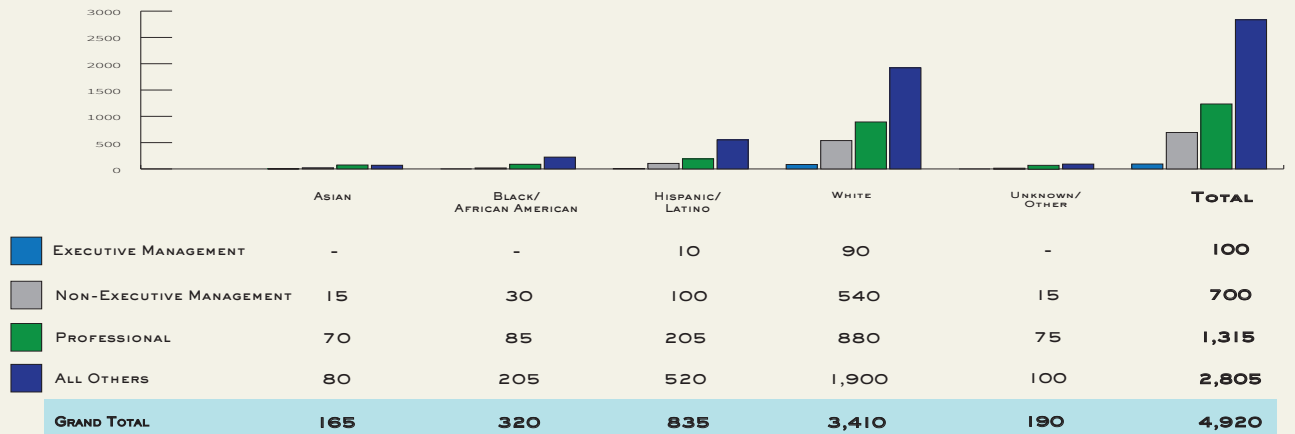
2022 EMPLOYEE COUNTS BY ETHNICITY BY CATEGORY



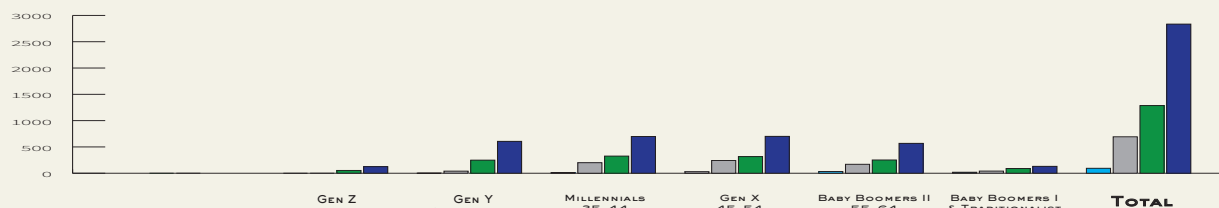
2021 EMPLOYEE COUNTS BY ETHNICITY BY CATEGORY



2020 EMPLOYEE COUNTS BY ETHNICITY BY CATEGORY



2022 EMPLOYEE COUNTS BY GENERATION BY CATEGORY



EXECUTIVE MANAGEMENT

NON-EXECUTIVE MANAGEMENT

PROFESSIONAL

ALL OTHERS

GRAND TOTAL

GEN Z 16-24

GEN Y CENTENNIALS 25-34

MILLENNIALS 35-44

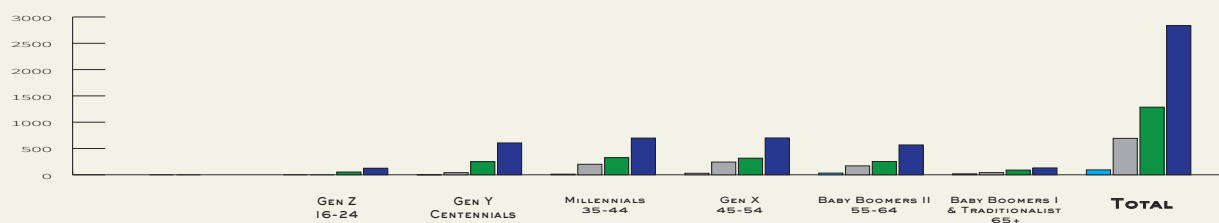
GEN X 45-54

BABY BOOMERS II 55-64

BABY BOOMERS I & TRADITIONALIST 65+

TOTAL

2021 EMPLOYEE COUNTS BY GENERATION BY CATEGORY



EXECUTIVE MANAGEMENT

NON-EXECUTIVE MANAGEMENT

PROFESSIONAL

ALL OTHERS

GRAND TOTAL

GEN Z 16-24

GEN Y CENTENNIALS 25-34

MILLENNIALS 35-44

GEN X 45-54

BABY BOOMERS II 55-64

BABY BOOMERS I & TRADITIONALIST 65+

TOTAL



EMPLOYEE STOCK PURCHASE PLAN

Hilltop employees are offered Company shares for purchase in accordance with the terms of its Employee Stock Purchase Plan (ESPP). During 2022, approximately 30% of employees participated in the ESPP purchasing 245,927 shares.

OTHER STOCK INITIATIVES

Hilltop paid nearly \$43,145,000 in dividends to its stockholders in 2022. The company also conducted a modified Dutch Auction Tender offer, whereby it repurchased 14,876,179 outstanding shares for \$442,566,325.

32.8%
**2022 ENTERPRISE EMPLOYEE
TURNOVER RATIO**

EMPLOYEE STATISTICS

Our 2022 Enterprise Turnover Ratio was 32.8%, including Hilltop Holdings (19.3%), PlainsCapital Bank (18.8%), and HilltopSecurities (21.2%), and PrimeLending (45.3%). PrimeLending's ratio was higher than normal due to its reduction in force to align the business to the increasing interest rates and rising housing costs.

EMPLOYEE SAFETY

Our 2022 OSHA reporting of the frequency of injury events relative to total workforce time, reflected 8,434,746 total hours worked by all employees with an annual average number of employees of 4,550; there were no days-missed-due-to-injury (0 full days, 0 days of job transfer or restriction and 0 total days x 8hrs = 0 and 0 hours / 8,434,746 total hours). Therefore, our enterprise 2022 employee injury rate was 0.0%.

EMPLOYEE PRACTICES & POLICIES

Hilltop encourages nondiscriminatory practices in the workplace. Employees are encouraged to exercise the Integrity, Collaboration, Adaptability, Respect, and Excellence (ICARE) principles within the organization.

Hilltop has a Whistleblower Policy. The Company also provides a Fraud and Integrity Hotline for employees to anonymously report of any behavior or activity inconsistent with Company policies. Hilltop discourages conflicts of interest, without proper disclosures.

SUBSIDIARY DEVELOPMENTAL PROGRAMS

PlainsCapital's Banker Development Program is a comprehensive training program for qualified candidates interested in pursuing a career as a banker, with specific emphasis on commercial lending. While in the multi-year program, individuals participate in formal classroom-style training, attend meetings with a variety of PlainsCapital lines of business and departments, and receive exposure to key executives as they progress through on-the-job training and participate in rotations for their development in becoming a banker. The program allows aspiring lenders to learn about important commercial banking and credit analysis concepts, as well as PlainsCapital's unique business model, as they advance their careers. Each annual class size is approximately 15 participants.

PrimeLending offers a leadership development program called Leading, Energizing, and Accelerating Performance (LEAP). The 6-month program allows participants to engage in individualized learning plans and work with senior leadership coaches to learn actionable skills. The LEAP program includes approximately 50 participants representing both production and corporate employees across the nation. Throughout LEAP's duration, participants explore three overarching themes: Team Leadership, Culture & Partnerships, and Peak Performance. Senior leadership coaches dive into each of these areas and teach actionable skills that participants can leverage in both their personal and professional lives.

HilltopSecurities University (HTSU), a multi-faceted professional development and training platform, initially launched in 2019, is designed to help employees cultivate a deeper understanding of the company and industry. The program is available to all HilltopSecurities employees. In addition to providing online training opportunities for all employees, HTSU features business-specific areas of development.

The Public Finance Analyst Program provides new public finance employees with learning and hands-on experience to become investment bankers. The Wealth Management Advisor Program provides new financial associates a pathway to becoming financial advisors by partnering with an established financial advisor or team of advisors to receive on-the-job training and mentoring.

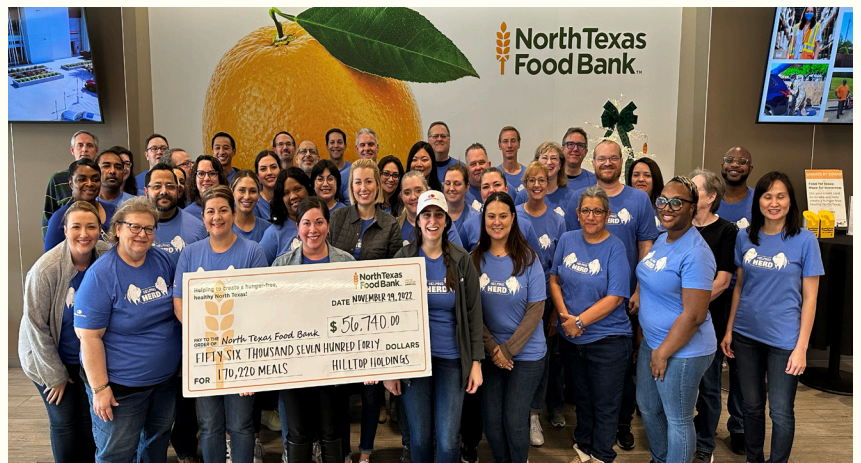
HilltopSecurities developed a quarterly cohort-based program for new hires within the firm to receive the opportunity to network with other recent hires and firm leaders, receive exposure to each line of business within the firm, and build affinity for the company. On average, there are approximately 100 new hires each year who participate in the program.

ENTERPRISE EMPLOYEE VOLUNTEER ACTIVITIES

Hilltop Holdings continued its support of food insecurity by once again volunteering with the North Texas Food Bank (NTFB) in 2022. Employees volunteered over 252 hours to process, bag and box over 97,000 pounds of food that supplied over 81,400 meals to local residents and children. In addition, Hilltop's summer interns volunteered 150 hours to supply additional meals for the community. The company's support of NTFB is a reflection of its commitment to supporting its local communities across the nation.



HILLTOP & EMPLOYEES
DONATIONS OF
\$56,740
GENERATED
170,220
MEALS



AMERICAN CANCER SOCIETY (ACS) MAKING STRIDES AGAINST BREAST CANCER



In the fall of 2022, Hilltop Holdings and PlainsCapital Bank partnered with the American Cancer Society (ACS) to support its Making Strides Against Breast Cancer fundraiser and 5K walk. 85 employees participated in the fundraising efforts and together raised \$7,251, which was matched by Hilltop Holdings for a total donation of \$15,000! This donation will go directly to support Hope Lodge, a service offered by the ACS that provides a free place to stay for those undergoing cancer treatment. Hilltop's donations will fund a full year of gas for the Hope Lodge shuttle and almost a full month of electricity at the Hope Lodge. In addition to the funds raised through the Making Strides campaign, Hilltop made a separate donation of \$20,000 to Hope Lodge for a total combined contribution of \$35,000 to support the work of the American Cancer Society.



85

HILLTOP AND PLAINSCAPITAL
EMPLOYEE VOLUNTEERS

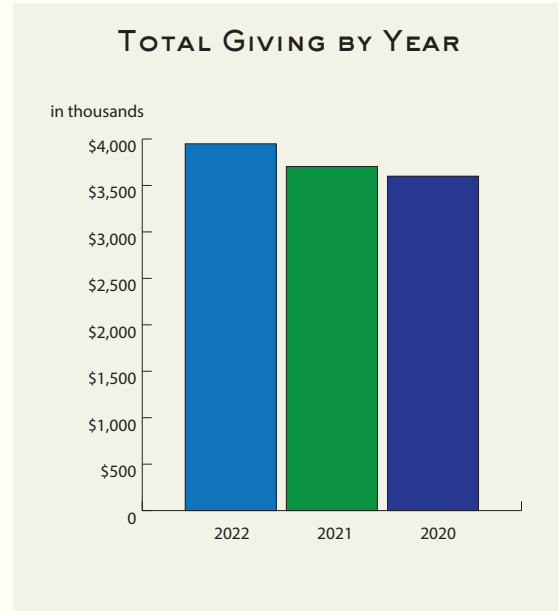
\$35,000

TOTAL CONTRIBUTION
TO THE ACS

2022 FINANCIAL CONTRIBUTIONS

Contributions (\$000s)			
	2022	2021	2020
Education and Youth Development	\$1,078	\$1,147	\$2,060
Health and Human Services & Food Banks	\$635	\$712	\$998
Local Business Community Support	\$487	\$509	\$279
Community Development & Service	\$62	\$165	\$79
Animal, Human & Civil Rights	\$31	\$30	\$67
Climate & Conservation	\$46	\$37	\$20
Cultural Arts & Humanities	\$153	\$65	\$34
Other Contributions & Sponsorships	\$1,454	\$1,041	\$63
Total	\$ 3,949	\$3,704	\$3,600

As rounded.



2022 EDUCATIONAL INCENTIVES & SUPPORT

Hilltop continued its support of higher education with its 2022 Buffalo Scholars Program offered to relatives of its employees. During 2022, Hilltop committed \$40,000 to its Scholar Program by awarding eight \$5,000 scholarships to college bound applicants/students pursuing, or planning to pursue, an undergraduate degree at a four-year public college or university in the United States.

In addition, Hilltop employees volunteered 186.75 hours with the Dallas ISD Career and Technical Institute's Entrepreneurship Program, which included virtual presentations, virtual mentorships and performing in-person judging of the Hilltop Entrepreneurship Challenge competition.

In addition to enterprise-wide activities, each of our business units engages in efforts and activities and dedicates resources to promote its commitment to community development. During 2022, our business units engaged in several initiatives supporting education and development within the communities we serve.



186.75

HOURS VOLUNTEERED WITH
DALLAS ISD CAREER INSTITUTE

2022 BUFFALO SCHOLARS
PROGRAM AWARDED

\$40,000

IN SCHOLARSHIPS

CAPITALIZED EXPENDITURES

Approximately 68% of the Hilltop higher spend related to capitalized costs, exceeding \$5.1 million in 2022, paid to vendors/suppliers providing services in the information technology, digital and electronic data, cyber security, and manufacturing industries. These suppliers also embrace diversity and/or ESG strategies in their operations and practices.

DIVERSITY SPEND

During 2022, actual diverse spend, excluding small businesses, more than doubled, while supplier spend to small business declined over 40% from the 2020 base year. Our total supplier spending for 2022 declined by 10% from the base year, while non-diverse supplier spend has remained constant since 2020.

Supplier Group	2022 Suppliers Count	2022 Spend	2021 Suppliers Count	2021 Spend	2020 Suppliers Count	2020 Spend
Diverse - Small Business Only	1,591	\$44,669,000	1,894	\$79,154,000	2,089	\$84,956,000
Diverse - Excludes Small Business	1,141	\$48,719,000	528	\$16,428,000	553	\$14,633,000
Non-Diverse	3,642	\$205,215,000	4,031	\$231,927,000	4,217	\$230,821,000
Total	6,374	\$298,603,000	6,453	\$327,509,000	6,859	\$330,410,000

2022 HILLTOP VENDOR DIVERSITY SPEND

Year	Small Business	Minority Owned	Women Owned	Veteran Owned	Disabled Owned	Diverse-Other
2022	\$63,017,000	\$6,124,000	\$7,000,000	\$562,000	\$45,000	\$45,366,000
2021	\$93,355,000	\$3,639,000	\$11,023,000	\$783,000	\$70,000	\$6,630,000
2020	\$96,605,000	\$3,659,000	\$8,904,000	\$1,025,000	\$59,000	\$7,738,000
Total	\$252,977,000	\$13,422,000	\$26,927,000	\$2,370,000	\$174,000	\$59,734,000

* Spend totals may vary due to vendors with multiple classification applicability.

Supplier/Vendor Classifications

Small Business - suppliers/vendors who are eligible for assistance from the SBA. Eligibility requirements include: organized for profit, with a place of business located within the U.S. and with primary operations within the U.S.

Minority Owned Business - suppliers /vendors are those where the business is at least 51% owned by, and whose management and daily business operations are controlled by, one or more members of a socially and economically disadvantaged minority group, that are U.S. citizens.

Women Owned Business - supplier/vendor that is at least 51% owned by and whose management and daily business operations are controlled by one or more women who are U.S. citizens.

Veteran Owned Business - supplier/vendor that is at least 51% owned by one or more veterans who control and operate the business.

Disabled Owned Business - supplier/vendors that are at least 51% owned by, operated by one or more disabled persons who control the business. Control in this context mean exercising the power to make policy decisions and operate means to be actively involved in the day-to-day management.

Diverse-Other Business - supplier/vendor that is a Small Disadvantage Business, Disadvantaged Owned, Disabled Veteran Owned , Labor Surplus, SBA8A, or HUBZone.

RISK AND POLICY INITIATIVES

Hilltop established an ESG Policy for the enterprise, effective in 2022, with Board approval. Our ESG Policy is designed to provide guidance in aligning Hilltop's ESG initiative with the operating and strategic practices of our businesses.

INFORMATION SECURITY SAFEGUARDS

Hilltop maintains a comprehensive information security program focused on the security, availability and confidentiality of Hilltop's data, networks, and information systems. The program involves planning, designing and implementation of technical, administrative, and physical safeguards. Hilltop utilizes anti-malware protection solutions on its servers and workstations to assist in preventing and detecting malicious software and anomalous behavior. Network security controls include intrusion detection/prevention, web application firewalls, content filtering and network malware protection.

Hilltop maintains a vulnerability management program that involves proactive identification, analysis, remediation, and monitoring of security vulnerabilities on its information systems and web applications. Most vulnerabilities are remediated within pre-established timeframes, with the remaining vulnerabilities being documented and tracked through to remediation.

Hilltop maintains a security awareness and training program to assist its employees in securely using data and information systems. Employees receive security education through quarterly web-based training courses, monthly simulated phishing campaigns, and monthly newsletters. Hilltop maintains a security governance, risk management and compliance program to identify, access, and manage security risk in accordance with the company's risk management framework.

Hilltop maintains a cybersecurity incident response plan and incident response team, with steps to determine when notification is required. The Company also engages outside legal counsel, as needed, to determine the nature, timing, and extent of breach notification. The Company's Fraud department



also has formal guidelines on disclosure of suspicious events and financial activities, which may include notification to law enforcement agencies.

Phishing and social engineering activities are the most common techniques used to compromise or gain entry to an organization's network. Over the past year, phishing emails have remained the most frequent type of attack across Hilltop. Phishing emails are crafted to be relevant to our financial services processes or current social situations. The phishing email themes range from fake electronic signature requests, fake invoices, banking transaction notices, and Microsoft Office 365 shared documents.

Ransomware attacks continue to be a top risk in 2022 for financial services institutions and their service providers. Security teams are improving defenses and resiliency against

ransomware attacks. Security researchers noted no major spike in reported ransomware attacks in 2022. However, successful attacks increased at local governments, universities, and health care providers.

Our Information Security Mission is designed to IDENTIFY resources supporting critical functions and related cybersecurity risks; PROTECT assets; DETECT and RESPOND to cyber risks; and RECOVER from cyber events and continually adapt to the cyber threat environment.

Information Security provided security services to over 4,100 employees across over 370 offices and branch locations. Through successful training efforts, fewer than 3% of employees clicked on simulated phishing emails, and nearly 625 phishing emails are reported to Security Operations on a weekly basis.

Information Security Protection Statistics	
2,000	Servers managed in our two Texas-based data centers
5,000	Secured computers including laptops, desktops, and tablets
3,200	Protected smartphones using mobile device management software
98%	Employees completed security training
90%	Average score by employees on training assignments

As part of our ongoing efforts to protect the Company's information systems and sensitive information, Hilltop deployed Multi-Factor Authentication (MFA) software to our workstation and laptop login experience, in addition to existing MFA controls within our network. This enhancement aligns us with leading practices and recommendations from our external regulators and trusted security partners. As a financial services firm, we expend considerable effort to stay current with requirements and recommendations to enhance our overall security.

Hilltop utilizes a print solution that helps reduce the paper waste of unnecessary print jobs through a secure print release function. In 2022, we avoided printing 259,916 sheets of paper, resulting in 31 trees saved.

FINANCIAL REPORTING INITIATIVES

As a result of Hilltop's finance and accounting simplification investments and initiatives during recent years, we continue to realize benefits, including a more integrated and efficient accounting close process, improved analysis and reporting capabilities, transparency into enterprise spending and vendors, an enhanced governance and control environment, and the elimination of redundant costs across the organization. These efforts have further supported management's efforts to provide users with financial results that are timely.



ENTERPRISE TAX REPORTING AND PAYMENTS - US JURISDICTIONS

Tax transparency and reporting are essential to establishing trust with stakeholders. Hilltop's overall 2022 effective tax rate of 23.6% as reflected in the 2022 Hilltop Holdings Annual Report on Form 10-K, along with other key tax disclosures, are evidence of our tax practices and operating policies. Hilltop recognizes the importance of tax compliance and tax reporting integrity as we continue to pay our fair share of taxes in the jurisdictions where we operate. Our tax payment history is provided to allow stakeholders additional insight into our tax processes and regulatory compliance efforts.

Enterprise Income and Franchise Tax Liability

Year	2021	2020	2019
Federal Income Tax	\$101,217,500	\$98,538,500	\$63,094,000
State and Local Tax	\$19,204,000	\$19,253,200	\$10,977,000
Total	\$120,421,500	\$117,791,700	\$74,071,000

Enterprise Income and Franchise Tax Estimated Payments

Year	2022	2021	2020
Federal Income Tax	\$11,254,800	\$111,318,100	\$103,933,700
State and Local Tax	\$6,058,800	\$24,735,100	\$21,206,900
Total	\$17,313,600	\$136,053,200	\$125,140,600

Enterprise Payroll Tax Payments

Year	2022	2021	2020
FICA	\$35,876,300	\$39,720,400	\$41,949,100
FUTA	\$248,000	\$239,100	\$242,000
SUTA	\$1,471,600	\$1,511,800	\$1,666,500
Other Payroll Taxes	\$158,300	\$251,200	275,900
Total	\$37,754,200	\$41,722,500	\$44,133,500

Enterprise Property Tax Payments

Year	2022	2021	2020
Personal Property	\$1,515,500	\$1,083,000	\$1,344,000
Real Estate	\$2,145,200	\$2,115,000	\$2,434,000
Total	\$3,660,700	\$3,198,000	\$3,778,000

Enterprise Sales, Use & General Excise Tax Payments

Year	2022	2021	2020
Tax Payments	\$316,000	\$492,200	\$575,100





PLAINSCAPITAL BANK COMMERCIAL LOAN ACTIVITIES

PlainsCapital lending practices remained constant irrespective of the decline in commercial loan volumes. PlainsCapital Bank continues to avail capital funds/resources to small and commercial business in the state of Texas during 2022 despite the turbulent financial market. PlainsCapital offers competitive terms and convenient banking options and products to the community it serves. The Bank investment management and trust account services are available to customers in guiding financial decisions during these uncertain economic times. PlainsCapital Bank is a trusted financial partner as an SBA Preferred Lender offering SBA loans with beneficial terms, down payment features and interest rates to small business throughout the state of Texas.

In the effort to remove barriers for underserved customers during 2022, PlainsCapital established the BasicAccess account that allows a customer to enjoy cost savings and establish

financial stability of the traditional bank account, while building and protecting their assets. Our new BankON certified BasicAccess account offers account holders a Debit Mastercard and unlimited Bill Pay, Zelle payments and deposit features, including direct deposits, mobile wallet, and online account access. PlainsCapital deposit accounts for noncommercial customers include savings, checking, interest-bearing checking, money market, and certificates of deposit.

PlainsCapital operated, approximately 60 branches and 74 Bank ATM locations in Texas during 2022. Our Bank offers same day ACH payments to both personal and commercial customers using either Apple Pay, Android Pay and/or Google Pay, in its ongoing efforts to meet the needs of its customers. The Bank also offers trust, investment management and employee benefit plan administration services, including estate planning, management and administration; investment portfolio management; and employee benefit account and individual retirement account services.

SMALL BUSINESS AND COMMUNITY DEVELOPMENT LOANS

	2022		2021		2020	
Loan Activity	# Loans	Loan Value \$(000s)	# Loans	Loan Value \$(000s)	# Loans	Loan Value \$(000s)
Small Business & Small Farm Loans*	1,361	\$334,999	2,765	\$517,556	4,244	\$743,410
Community Development Loans*	35	\$98,069	50	\$140,603	28	\$69,153
TOTAL	1,396	\$433,0683	2,815,	\$658,159	4,272	\$812,563

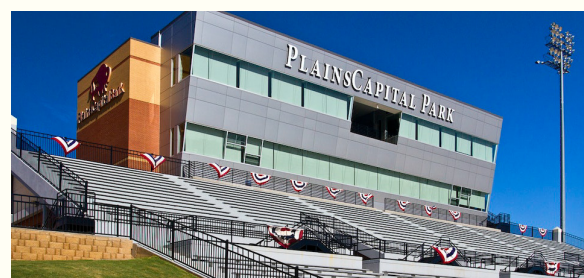
HOME MORTGAGE LOAN ORIGINATIONS AND PURCHASES

	2022		2021		2020	
Loan Activity	# Loans	Loan Value \$(000s)	# Loans	Loan Value \$(000s)	# Loans	Loan Value \$(000s)
Home Mortgage Loan Originations	179	\$175,571	188	\$186,054	175	\$113,533
Home Mortgage Loan Purchases	1,377	\$623,014	2,271	\$779,634	650	\$192,571
TOTAL	1,556	\$798,585	2,459	\$965,688	825	\$306,104

2022 Capital Resources Provided in Select Industries Funded Commercial Loans \$(000s)

Type of Industry	2022	2021	2020
Arts	\$395	\$111	\$200
Children/Healthcare/Humanity	\$19,590	\$24,976	\$17,343
Construction	\$710,153	\$269,718	-
Consumer Commercial Finance	\$221,942	\$214,440	-
Education	\$13,351	\$8,886	\$10,362
Energy	-	-	\$5,245
Environmental	-	-	\$1,745
Farming	\$10,964	\$8,128	\$80,925
Oil & Gas Production	-	\$9,416	\$13,400
Petroleum/Natural Gas Distribution	\$7,983	\$22,100	\$10,958
Recycling/Conservation	-	-	\$5,984

*Estimated; includes PPP loans, consistent with the base year.



SBA 504 Funded Loans \$ (Millions)

2022	2021	2020
\$29.7	\$39	\$32.9

BANK DEPOSITOR COMPOSITION

During 2022, PlainsCapital commercial depositors were composed of multiple diverse businesses across the communities we serve, including those within the automotive, construction, civic, education, financial, leasing, manufacturing, medical and, retail industries. PlainsCapital deposits approximated \$11 billion by the end of 2022.

PlainsCapital's BSA Department consists of 25 individuals, including a BSA Officer, that monitors compliance efforts with the Bank Secrecy Act, USA PATRIOT Act, and related anti-money laundering regulations. Customer Due Diligence (CDD), Currency Transaction Reporting (CTR), and ongoing transaction monitoring practices are used to detect potentially suspicious or illicit activity, such as money laundering and terrorist financing. Our CDD efforts include verification of the customer identity, assessment of customer risk level in accordance with Office of Foreign Assets Control (OFAC) requirements. The Bank's ongoing transaction monitoring analyzes patterns of potentially suspicious activity conducted through the customers banking relationship. During the 2022, our BSA Department filed over 21,500 CTR large currency transaction reports, (i.e., aggregate transactions in excess of \$10,000) and reviewed over 23,000 potential OFAC violations and 18,000 transaction monitoring alerts.

PLAINSCAPITAL HONORED BY
DALLAS MORNING NEWS
TOP WORKPLACES IN 2022
TAKING
36TH SPOT
ON DALLAS TOP 100
IN MID-SIZE CATEGORY

PlainsCapital Bank 2022 Individual Depositors by Generation				
Depositors by Type of Generations	Account Number of Deposit Accounts	Percentage of Total Individual Depositors	Year-End Deposits \$ (as rounded)	Percentage of Total Individual Depositors
GEN Z (ages 9-24)	9,960	11.7%	\$34,790,500	1%
MILLENNIALS (ages 25-40)	12,680	14.8%	\$164,692,900	6%
GEN X (ages 41-56)	20,360	23.8%	\$541,801,700	20%
BABY BOOMERS (ages 57-75)	29,290	34.3%	\$1,283,806,000	48%
POST WAR/WW2 (ages 76-99)	13,120	15.4%	\$654,463,200	24%
Total:	85,410	100%	\$2,679,552,000	100%

PlainsCapital Bank 2022 Business Depositors by Generation				
Depositors by Type of Generations	Account Number of Deposit Accounts	Percentage of Total Individual Depositors	Year-End Deposits \$ (as rounded)	Percentage of Total Individual Depositors
GEN Z (ages 9-24)	110	0.3%	\$1,022,000	0.01%
MILLENNIALS (ages 25-40)	2,160	6.5%	\$254,120,000	3.3%
GEN X (ages 41-56)	9,630	28.9%	\$1,479,421,000	19.0%
BABY BOOMERS (ages 57-75)	16,820	50.5%	\$5,002,667,000	64.2%
POST WAR/WW2 (ages 76-99)	4,390	13.2%	\$968,416,000	12.4%
Business Owner Depositors	190	0.6%	\$91,768,000	1.2%
Total:	33,300	100%	\$7,797,414,000	100%

Economic uncertainty, consumer conservative spending, and our competitive deposit interest rates attributed to the increase in deposits during 2022.



PRIMELENDING MORTGAGE ACTIVITIES

PrimeLending's organizational mission is to have a profound and positive impact on the lives and communities it serves. We believe success will be achieved through market focused education that supports successful homeownership. PrimeLending continues to invest in technology to enhance the home buying experience. Our new digital platform has improved communications, and enhanced efficiency to improve the mortgage process. As an industry leader, PrimeLending is positioned for the industries evolving multicultural landscape. Our measure of success is expanding homeownership across the country, one household at a time. PrimeLending has a perpetual Digital Marketing Campaign that targets automated features in the advertising and retargeting.

PrimeLending is committed to servant leadership and building generational wealth. Our Community Loan Officer position has established new business relationships and generated a considerable number of minority applications. Building on a reputation as a trusted advisor who cares intently about the communities in which we live and proudly serve is the cornerstone of our success. As a national lender, we have a responsibility to close the homeownership gap by building sustainable wealth across all communities particularly those of color who have systematically been impacted disproportionately. Additionally, the Community Loan Officer position has been a conduit to introducing minorities into the mortgage banking industry.

PrimeLending Diversity Lending

PrimeLending recognizes that diversification of our workforce and creating opportunities of advancement is critical to our success. We established a Multicultural Lending (MCL) Advisory Council as a sphere of influence. During 2022 PrimeLending enhanced its programs and initiatives for minority borrowers. Approximately \$3,143,000 was provided to 1,584 households under NeighborhoodEdge, a multicultural lending Closing Cost Assistance Program. PrimeLending also offers lending materials in the Spanish language.

PrimeLending's MCL Advisory Council is proud to be a sphere of influence in a unified effort to advance diversity across the enterprise and in the communities we serve. In collaboration with Senior Management, the MCL goal is to help PrimeLending gain new insights, foster innovation, and expand our footprint in multicultural communities. Areas of focus include Marketing, Product Enhancement, and Recruiting as it relates to multicultural lending. In addition to our corporate members, candidates were nominated by their Regional Manager to represent their respective region to champion for DEI and to give our salesforce greater representation and input to drive homeownership. Aligned with PrimeLending's strategic plan, this 16-council cohort will take a strategic, multi-faceted approach to advance minority homeownership via: People (Mirror the markets we serve); Presence (Be visibly and actively present); Partners (Deepen relationships with key influencers); Products (Create access to credit); Promotion (Execute marketing and outreach activities); and Policy (Participate in policy reform).

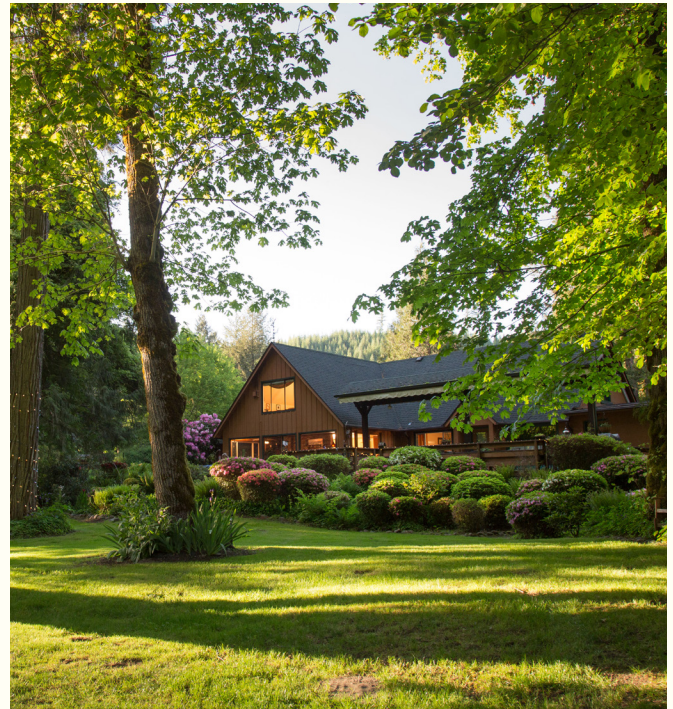
THRIVE (Together Helping Recognize Inspire Value Empower) is a network of PrimeLending women dedicated to promoting and supporting personal development, professional and empowering relationships within the workplace. This organization is an extension of our people-centric culture, focused on fostering a rewarding and supportive environment for all employees.

Working with partnerships and member affiliations, PrimeLending has built a multilevel educational platform with our corporate partnerships to support diversity and inclusion efforts in minority communities. PrimeLending's working partnerships and member affiliation include the FHLMC – Federal Home Loan Mortgage Corporation (Affordable Lending Council Member); NAHREP - National Association of Hispanic

Real Estate Professionals (CBOG Board Member); NAREB – National Association of Real Estate Brokers (Corporate Advisory Council Member); AREAA – Asian Real Estate Association of America; LGBTQ+ Real Estate Alliance (Mortgage Advisory Council and Alliance Sponsor Advisory Board); VAREP – Veteran's Association of Real Estate Professionals; and the NAMMBA – National Association of Minority Mortgage Bankers of America.

PrimeLending partnered with local Historically Black Colleges and Universities (HBCUs) to host its second paid in-person eight-week summer internship program designed to introduce minority students to mortgage banking. This year's interns were paired with seasoned corporate managers and production managers committed to educating career-oriented individuals on the role of a lender. In addition, PrimeLending Cares works in tandem with HTH Diversity Momentum Council to shine a spotlight on cultural diversity initiatives.

PrimeLending sponsored a virtual First Time Homeowner Buyer (FTHB) training and education workshop with the LGBTQ+ Real Estate Alliance trade organization in honor of PRIDE month and to promote diversity in housing. The roster for this national event captured several hundred attendees all of which received a 42-page LGBTQ+ Homebuyer Guide.



PrimeLending Loan Activities

Mortgage loans to female borrowers were slightly higher in 2022 at approximately 20% versus 18.7% of total loans to women borrowers during the base year. Loans to minority borrowers during the 2022 year represented 30% of funded mortgages reflecting a 7% increase in funding to minorities over the base year.

During 2022, the mortgage industry was adversely impacted, namely due to recession/inflationary pressures, rising interest rates, and the declining secondary margins and limited housing inventory. PrimeLending continued to provide capital and identify funding incentives and opportunities to its borrowers.

Funded Mortgage Loans by Gender						
Loans By Gender	Number of Loans			Loan Amounts \$(000s)		
Year	2022	2021	2020 Base Year	2022	2021	2020 Base Year
Male	14,272	59,159	65,634	\$4,182,000	\$18,260,000	\$18,679,400
Female	9,856	18,264	18,575	\$2,497,000	\$4,415,000	\$4,290,800
Other (Joint/Business)	17,206	-	-	\$5,976,000	-	-
Grand Total	41,334	77,423	84,209	\$12,655,000	\$22,675,000	\$22,970,200

Funded Mortgage Loans by Type of Borrower									
Type of Borrower	Number of Loans			Loan Amounts \$(000s)			Weighted LTV		
Year	2022	2021	2020	2022	2021	2020	2022	2021	2020
All Other Borrowers	29,175	57,142	65,224	8,846,000	\$16,689,000	\$17,707,900	78.1	76.0	79.5
Minority Borrowers	12,159	20,281	18,985	3,809,000	\$5,986,000	\$5,262,300	79.3	77.3	83.7
Grand Total	41,334	77,423	84,209	12,655,000	\$22,675,000	\$22,970,200	76.3	76.3	80.5

Funded Mortgage Loans by Type of Borrower & FICO Score									
Loans by Borrower Type & FICO Score	Number of Loans			Loan Amounts \$(000s) *			Average Weighted LTV		
Year	2022	2021	2020	2022	2021	2020	2022	2021	2020
All Other Borrowers	29,175	57,142	65,224	\$8,846,000	\$16,689,000	\$17,707,900	78.1	76.0	79.5
FICO <= 660	3,036	4,286	4,542	\$686,000	\$979,000	\$924,800	84.5	87.0	90.6
FICO > 660	25,798	51,623	60,682	\$8,143,000	\$15,675,000	\$16,783,100	78.2	76.6	78.9
No FICO	341	1,233	-	\$17,000	\$35,000	\$0	16.0	10.3	-
Minority	12,159	20,281	18,985	\$3,809,000	\$5,986,000	\$5,262,300	79.3	77.3	83.7
FICO <= 660	1,823	2,369	2,333	\$473,000	\$606,000	\$497,800	83.6	89.3	91.4
FICO > 660	10,096	16,758	16,652	\$3,329,000	\$5,365,000	\$4,764,500	80.1	80.6	82.9
No FICO	240	1,154	-	\$8,000	\$15,000	\$0	10.3	5.4	-
Grand Total	41,334	77,423	84,209	\$12,655,000	\$22,675,000	\$22,970,200	78.5	76.3	80.5

Mortgage Loans by Type of Flood Zone (100 Year Flood Zones)						
Flood Zone*	Number of Loans			Loan Amounts*		
Flood Zone Types	2022	2021	2020	2022	2021	2020
A	129	182	211	\$38,073,000	\$49,439,000	\$53,502,000
A1-A99	52	160	288	\$14,338,000	\$52,268,000	\$93,898,000
AE	857	1,509	1,552	\$266,109,000	\$466,526,000	\$431,561,000
AH	31	54	45	\$9,645,329	\$20,658,000	\$15,002,000
AO	32	52	82	\$9,464,906	\$20,671,000	\$27,654,000
V1-V99	-	1	1	-	\$373,000	\$304,000
VE	40	70	69	\$20,775,572	\$26,969,000	\$32,656,000
Grand Total	1,141	2,028	2,248	\$358,405,807	\$636,904,000	\$654,577,000

*Rounded. Consistent with the 2022 US mortgage industry declines due to rising interest rates, and implications of a recession, PrimeLending's overall mortgage loan activity reflected a decline of nearly 45% from its base year. The AE flood zones are areas that present a 1% annual chance of flooding and a 26% chance over the life of a 30-year mortgage per FEMA. While PrimeLending annual mortgage loan volumes average about 70% within the AE Flood Zone, its long-lived practices require flood insurance coverage as security for loans within flood zone areas.

2022 AWARDS AND RECOGNITIONS

- #2** TOP WORKPLACES USA 2022, TOP WORKPLACES
#7 OF THE LARGE COMPANY TOP 100 PLACES TO WORK BY DALLAS MORNING NEWS
#8 IN BEST WORKPLACES IN TEXAS™ 2022, FORTUNE AND GREAT PLACE TO WORK

BEST-IN-CLASS LENDER AWARD - ONLINE TOOLS, MORTGAGESAT™

BEST-IN-CLASS LENDER AWARD - APPLICATION PROCESS, MORTGAGESAT™

BEST-IN-CLASS LENDER AWARD - LOAN OFFICER, MORTGAGESAT™

BEST-IN-CLASS LENDER AWARD - PROCESSOR, MORTGAGESAT™

2022

2022 EMPLOYEE RECOGNITIONS

- 240+** LOAN OFFICERS - SCOTSMAN GUIDE'S TOP LOAN ORIGINATORS IN AMERICA 2022
50+ LOAN OFFICERS - SCOTSMAN GUIDE'S TOP WOMEN LOAN ORIGINATORS IN AMERICA 2022
5 LOAN OFFICERS RECOGNIZED IN THE NAHREP TOP LATINO MORTGAGE ORIGINATORS 2022

CUSTOMER SATISFACTION

96% OVERALL CUSTOMER
SATISFACTION RATING
UP FROM THE BASE YEAR RATING OF
95%

EMPLOYEE SATISFACTION

96% OF PRIMELENDING EMPLOYEES
SAY "IT'S A GREAT PLACE TO WORK"
COMPARED TO **57%** AT TYPICAL
U.S.-BASED COMPANIES, PER THE 2020 GREAT
PLACE TO WORK SURVEY

MORTGAGE LOAN PORTFOLIO

Loans held in portfolio and loans where PrimeLending owns the Mortgage Loan Servicing Rights (MSR).

- MSRs = Loans for which PrimeLending owns the MSR but not the loan
- PrimeLending Assets = Loans held in the PrimeLending portfolio for which PrimeLending owns the MSR and loan
- PlainsCapital Asset = Loan held in the PlainsCapital Bank portfolio serviced by PrimeLending

Loan modifications with a change in loan terms, typically initiated to cure a default, are defined by type of borrower and credit score.

	2022 LOAN MODIFICATIONS				2021 LOAN MODIFICATIONS				2020 LOAN MODIFICATIONS			
Diversity by FICO Score	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV
MSRs	27,569	\$6,782,497,500	78.97%	81.50%	503	\$91,638,000	0.79	0.82	411	\$69,850,100	0.7649	0.8045
All Other	20,365	\$5,001,998,800	79.04%	81.59%	337	\$60,142,900	0.77	0.80	252	\$40,083,500	0.7296	0.7716
Above 660	15,157	\$3,865,763,500	76.46%	79.58%	197	\$37,103,100	0.68	0.73	161	\$25,725,400	0.6539	0.7121
Equal/Below 660	5,168	\$1,136,235,300	86.62%	88.42%	140	\$23,039,800	0.90	0.91	91	\$14,358,000	0.8635	0.8783
Minority	3,823	\$945,186,900	78.97%	81.12%	88	\$16,952,600	0.85	0.89	83	\$16,426,600	0.8551	0.8930
Above 660	2,899	\$739,019,400	49.70%	79%	42	\$7,360,000	0.80	0.85	38	\$6,654,900	0.8326	0.8641
Equal/Below 660	924	\$206,167,500	63.10%	88%	46	\$9,592,600	0.89	0.92	45	\$9,771,700	0.8741	0.9127
Not Provided	3,381	\$835,311,800	79.08%	81.41%	78	\$14,542,500	0.80	0.82	76	\$13,340,000	0.7856	0.7999
Above 660	2,584	\$658,153,400	76.47%	79.47%	43	\$8,156,200	0.72	0.75	44	\$8,379,200	0.7356	0.7591
Equal/Below 660	797	\$177,158,400	87.53%	88.62%	35	\$6,386,300	0.90	0.92	32	\$4,960,800	0.8519	0.8618
PRIMELENDING ASSETS	127	\$31,457,700	77.65%	80.33%	92	\$15,637,600	0.94	0.98	84	\$13,914,100	0.9596	0.9839
All Other	89	\$22,766,300	78.81%	79.70%	53	\$8,143,900	0.94	0.98	41	\$5,972,100	0.9731	0.9831
Above 660	51	\$15,974,900	76.70%	75.55%	25	\$3,644,100	0.94	0.97	13	\$1,954,600	1.0010	1.0123
Equal/Below 660	38	\$6,791,400	77.29%	89.48%	28	\$4,499,800	0.94	0.99	28	\$4,017,500	0.9602	0.9689
Minority	21	\$5,509,800	81.55%	84.86%	25	\$5,208,700	0.97	0.97	23	\$3,842,400	0.9404	0.9399
Above 660	16	\$4,680,900	83.53%	84.83%	11	\$2,741,000	0.98	0.98	9	\$1,295,500	0.9252	0.9297
Equal/Below 660	5	\$828,900	75.22%	85.01%	14	\$2,467,700	0.96	0.96	14	\$2,546,900	0.9501	0.9450
Not Provided	17	\$3,181,600	76.45%	76.94%	14	\$2,284,900	0.91	1.01	20	\$4,099,700	0.9564	1.0225
Above 660	11	\$2,623,800	75.16%	72.90%	4	\$716,000	0.82	0.85	4	\$1,194,600	0.7981	0.7939
Equal/Below 660	6	\$557,800	78.81%	95.95%	10	\$1,568,900	0.95	1.08	16	\$2,905,000	0.9785	1.0848
PLAINSCAPITAL ASSET	40	\$28,523,100	61.36%	61.90%	1	\$429,100	0.34	0.34	1	\$644,600	0.5157	0.5157
All Other	28	\$19,623,000	60.68%	61.45%	-	-	-	-	1	\$644,600	0.5157	0.5157
Above 660	28	\$19,623,000	60.68%	61.45%	-	-	-	-	1	\$644,600	0.5157	0.5157
Minority	8	\$5,487,500	62.47%	63.34%	1	\$429,100	0.34	0.34	-	-	-	-
Above 660	8	\$5,487,500	59.58%	63.34%	1	\$429,100	0.34	0.34	-	-	-	-
Not Provided	4	\$3,412,600	78.94%	62.14%	-	-	-	-	-	-	-	-
Above 660	4	\$3,412,600	63.44%	62.14%	-	-	-	-	-	-	-	-

The increase in MSR loan modification activity is attributable to loans previously on COVID-19 forbearance that retained the modified loan classification.

*All year-end principal balances are rounded.

	2022 FORECLOSURES				2022 SHORT SALES/DIL			
Diversity by FICO Score	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV
MSRs	-	-	-	-	-	-	-	-
Not Provided	-	-	-	-	-	-	-	-
Above 660	-	-	-	-	-	-	-	-
PRIMELENDING ASSETS	26	\$2,939,700	61.90%	90.36%	2	-	-	-
All Other	21	\$2,534,700	66.87%	88.86%	1	-	-	-
Above 660	10	\$1,236,800	57.41%	88.86%	-	-	-	-
Equal/Below 660	11	\$1,297,900	75.46%	87.98%	1	-	-	-
Minority	2	\$405,000	102.64%	102.54%	1	-	-	-
Equal/Below 660	2	\$405,000	102.64%	102.54%	-	-	-	-
NOT PROVIDED	3	\$0.00	0%	0%	-	-	-	-

	2021 FORECLOSURES				2021 SHORT SALES/DIL			
Diversity by FICO Score	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV
MSRs	1	\$0	-	-	-	-	-	-
Not Provided	1	\$0	-	-	-	-	-	-
Above 660	1	\$0	-	-	-	-	-	-
PRIMELENDING ASSETS	17	\$863,400	0.35	0.84	6	\$0	-	-
All Other	15	\$698,100	0.34	0.91	6	\$0	-	-
Above 660	6	\$30,300	0.09	0.53	1	\$0	-	-
Equal/Below 660	9	\$667,900	0.51	0.93	5	\$0	-	-
Minority	2	\$165,300	0.44	0.53	-	-	-	-
Above 660	2	\$165,300	0.44	0.53	-	-	-	-

	2020 FORECLOSURES				2020 SHORT SALES/DIL			
Diversity by FICO Score	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV	Number of Loans	Total Principal Balances*	Average LTV	Weighted LTV
MSRs	5	\$326,300	0.7486	0.8733	8	\$1,287,000	0.9357	0.9416
All Other	5	\$326,300	0.7486	0.8733	7	\$908,600	0.9289	0.9244
Above 660	3	\$137,900	0.5345	0.5318	4	\$538,900	0.8905	0.9010
Equal/Below 660	2	\$188,300	1.0698	1.1234	3	\$369,600	0.9802	0.9585
Minority	-	-	-	-	1	\$378,500	0.9831	0.9831
Above 660	-	-	-	-	1	\$378,500	0.9831	0.9831
PRIMELENDING ASSETS	36	\$4,541,500	1.0678	1.0994	11	\$1,372,600	0.6542	0.9031
All Other	31	\$3,569,200	1.0824	1.1049	9	\$1,070,500	0.6829	0.9648
Above 660	17	\$1,988,300	1.1163	1.1318	2	\$298,300	0.5334	0.9927
Equal/Below 660	14	\$1,580,900	1.0413	1.0710	7	\$772,100	0.7256	0.9541
Minority	1	\$226,300	0.8228	0.8228	-	-	-	-
Above 660	1	\$226,300	0.8228	0.8228	-	-	-	-
Not Provided	4	\$746,100	0.9541	1.0112	2	\$302,200	0.5250	0.6845
Above 660	4	\$746,100	0.9541	1.0112	1	\$82,800	0.1724	0.1724
Equal/Below 660	-	-	-	-	1	\$219,400	0.8776	0.8776

*As rounded.



HILLTOPSECURITIES

HilltopSecurities is a leading municipal investment bank that serves public entities, communities, businesses, and individuals nationwide through its diverse yet complementary service lines: public finance, wealth management, fixed income capital markets, structured finance, and debt capital markets. HilltopSecurities headquarters in downtown Dallas, Texas, provides services nationwide. Its headquarters and other offices were designed to capture energy efficiencies.

Risk factors, including those related to ESG investing, are reviewed and considered during brokerage and investment risk assessment analyses. The adherence to regulatory operational guidelines and Company policies, particularly relating to the avoidance of conflicts of interest are required of brokers and advisors involved in trading and investment activities.

GIVING BACK

During 2022, Hilltop Holdings and HilltopSecurities' donation of \$250,000 to Fort Worth ISD was funded to launch two Science, Technology, Engineering and Mathematics (STEM) Mobile Innovation Labs contained in 40-foot trailers that visit elementary and middle school students across Fort Worth ISD. These STEM labs give our local community students access to new educational opportunities and hands-on real world experiences.

In 2022, HilltopSecurities launched its second annual virtual Hilltop Hunt, providing Texas K-8 public and charter school educators with the chance to win a share of \$50,000 in prizes.

The contest is a reflection of the company's deep commitment to supporting public education, and the Hilltop Hunt is a fun way to give back to Texas schools and honor the teachers who have a positive impact on our future generations.

Hundreds of Texas educators participated in the Hilltop Hunt, and five \$10,000 gold prize donations were awarded to teachers across the state in Edinburg, Kerrville, New Deal, Buda, and Corpus Christi schools. In addition, 10 silver prize winners were awarded pizza parties for their classrooms. Winners spanned the state from Lubbock to Fort Worth, and from Celeste to Pflugerville.

RECOGNITION AND HONORS

In 2022, four HilltopSecurities municipal finance professionals were elected to Smith's 2022 Municipal Analysts All-Star Team. This also marks the second consecutive year that HilltopSecurities ranked among the top 10 in Smith's All-Star Team rankings, placing No. 8.



FINANCIAL ADVISORY SERVICES

During the 2022-year, HilltopSecurities continued to offer valuable financial advisory and municipal bond underwriting services to local authorities and agencies across the US. Our team provides quality advisory knowledge to assist in the infrastructure, schools, and other areas of developments and opportunities within our communities.

Type of Financial Advisory Service	2022			2021			2020		
Type of Financial Service	# States	# Deals	\$ (Millions)	# States	# Deals	\$ (Millions)	# States	# Deals	\$ (Millions)
Financial Advisory Services to US Municipalities	17	613	\$21,525.98	26	736	\$28,715.27	24	849	\$28,082.30
Co-Financial Advisor	5	26	\$4,947.91	7	41	\$6,249.81	10	54	\$9,097.12
Financial Advisory on Private Placements	12	140	\$4,042.48	3	9	\$525.62	5	25	\$361.21

Type of Underwriting Service	2022 \$ (Millions)	2021 \$ (Millions)	2020 \$ (Millions)
Sole/Senior Underwriter	\$3,859.22	\$5,380.84	\$3,166.48
Co-Manager Underwriter	\$3,241.96	\$8,920.98	\$8,660.52
Placement Agent Underwriter	\$473.75	\$967.86	\$273.41



Public Finance Revenue	2022 \$ (Millions)	2021 \$ (Millions)	2020 \$ (Millions)
Financial Advisory Revenue	\$58.9	\$63.5	\$59.2
Underwriting Revenue	\$12.2	\$29.9	\$18.9
Total Public Banking Revenue	\$71.1	\$93.4	\$78.1
Government Investment Pools	\$6.1	\$6.1	\$6.3
Treasury Management	\$3.2	\$2.6	\$2.4
Swap Advisory	\$1.1	\$1.7	\$2.7
Continuing Disclosure	\$2.3	\$2.4	\$2.3
Arbitrage Rebate	\$4.5	\$3.7	\$3.5
Total Spoke Revenue	\$17.2	\$16.6	\$17.2
Total Other/Misc. Revenue Adjustments	-	-	(\$10)
Total Public Finance Revenue	\$88.2	\$110.0	\$95.2

Our public finance business experienced a slight 7.4% decline from the base year.

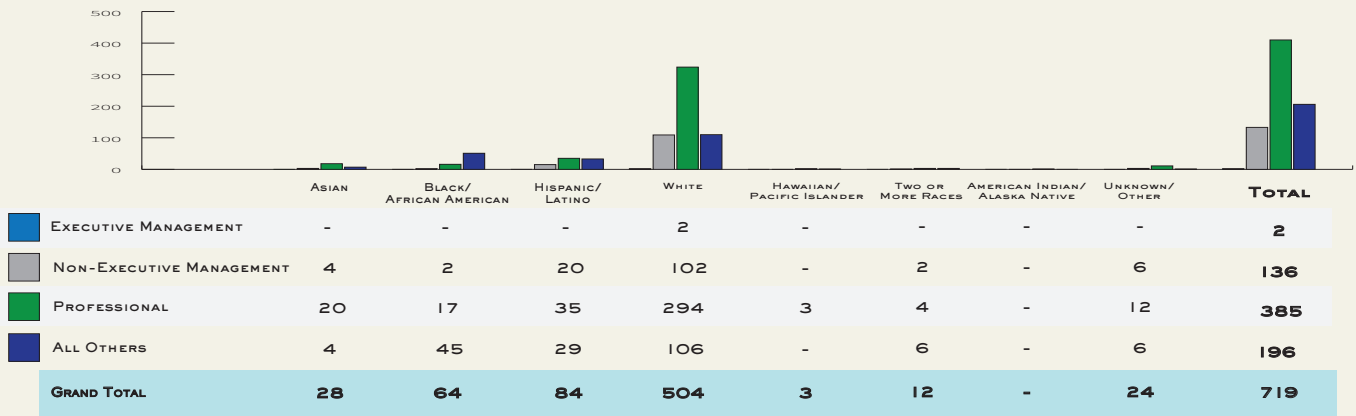
Securitized Bonds			
	2022 \$ (Millions)	2021 \$ (Millions)	2020 \$ (Millions)
Total	\$4,488	\$8,149	\$7,965

HilltopSecurities continued to provide down payment assistance financing to federal secured bonds, however, we experienced a decline in activity during the 2022 year due to the economic climate.

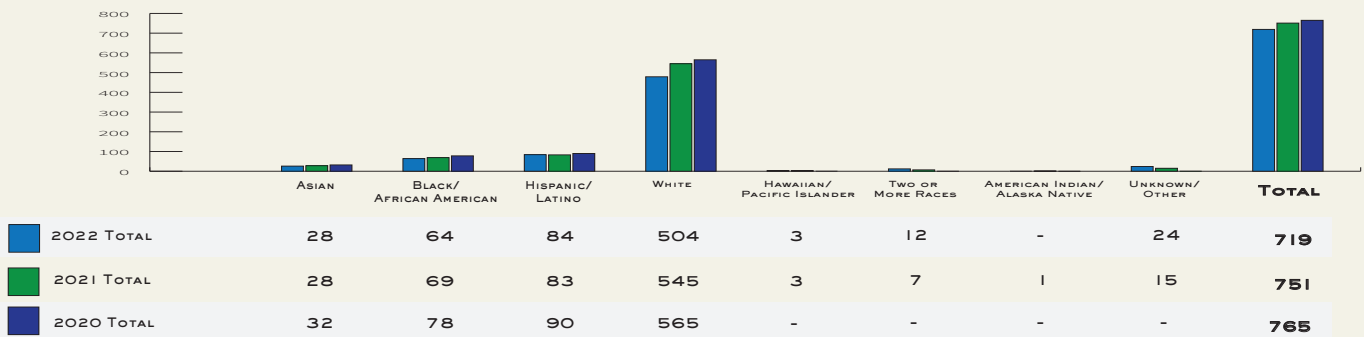
HilltopSecurities Workforce

HilltopSecurities has a diverse workforce across its functional areas. This workforce and its licensed professionals are dedicated to providing specialized skills and expertise to help clients realize their goals. HilltopSecurities requires employees to avoid conflicts of interest in its practices. Efforts are made to provide advisory services to jurisdictions, agencies and individuals across the U.S.

2022 EMPLOYEE COUNTS BY ETHNICITY BY CATEGORY



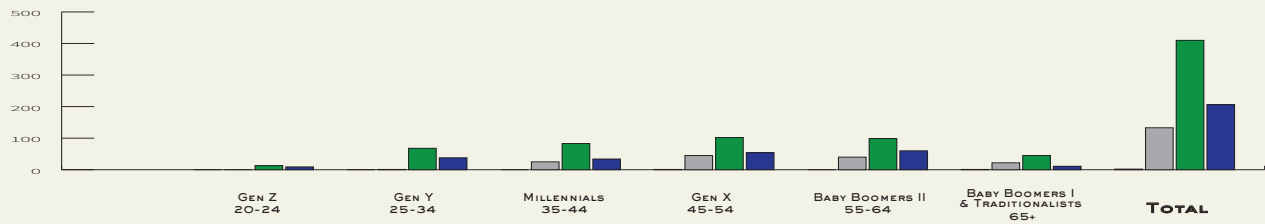
2020-2022 EMPLOYEE COUNTS BY ETHNICITY



2020-2022 Employee Count by Gender by Category

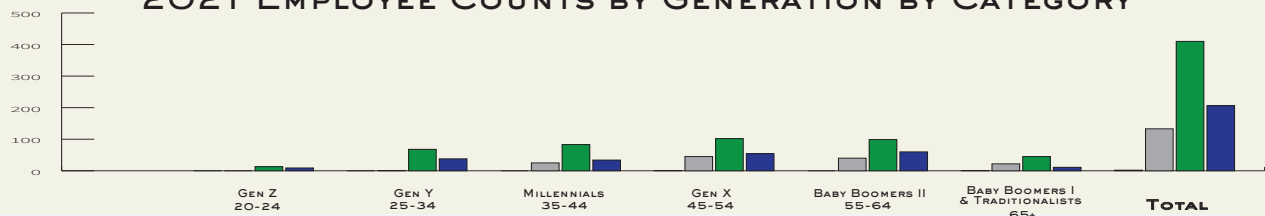
	2022			2021			2020		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Executive Mgmt	-	2	2	2	11	13	1	6	7
Non-Executive Mgmt	52	84	136	42	80	122	55	75	130
Professional	104	281	385	112	298	410	111	300	411
All Others	149	47	196	158	48	206	165	52	217
TOTAL	305	414	719	314	437	751	332	433	765

2022 EMPLOYEE COUNTS BY GENERATION BY CATEGORY



EXECUTIVE MANAGEMENT	-	-	-	-	1	1	2
NON-EXECUTIVE MANAGEMENT	-	3	23	45	46	19	136
PROFESSIONAL	13	62	86	96	97	31	385
ALL OTHERS	13	32	26	53	57	15	196
GRAND TOTAL	26	97	135	194	201	66	719

2021 EMPLOYEE COUNTS BY GENERATION BY CATEGORY



EXECUTIVE MANAGEMENT	-	-	-	7	3	3	13
NON-EXECUTIVE MANAGEMENT	-	1	25	39	37	20	122
PROFESSIONAL	13	68	83	102	99	45	410
ALL OTHERS	9	38	34	54	60	11	206
GRAND TOTAL	22	107	142	202	199	79	751

HILLTOPSECURITIES

SECONDARY MARKET ACTIVITIES

HilltopSecurities has a Secondary Market Maker with a dedicated capital line of \$375 Million and growing capacity for Municipal trading. Our investors know and trust that we will make an active secondary market and provide the related extensive support.

HilltopSecurities recognizes that an orderly market enhances name appreciation, eliminates issuer reputational risk, and increases investors' appetite for future borrowings.

TRADING ACTIVITIES

HilltopSecurities trading activities increased during 2022 despite the uncertainty of the trading market during the year.

Secondary Market Trading Activity			
	Principal Traded \$ (Millions)	Number of Tickets Traded	Number of Issuers Traded
2022	\$27,009	88,019	5,973
2021	\$28,055	54,631	5,431
2020	\$17,156	40,741	4,445

SHORT-TERM GOALS

- Survey Top Spend Suppliers on ESG/Sustainability Practices
- Distribute ESG/Sustainability Survey to Top Spend Suppliers
- Identify, Review and Report of Key Metrics Associated with Employee Demographics Baseline Data and Trends to the Compensation Committee of the Hilltop Holdings Board of Directors
- Identify, Review and Report Key Metrics Data, Trends and Action Items Associated with Hiring, Terminations, and Compensation Practices and to the Compensation Committee of the Hilltop Holdings Board of Directors
- Provide Learning and Developmental Opportunities, including DEI Training to Employees Across the Enterprise
- Annual Data Controls Review of Key ESG/Sustainability Disclosure Metrics
- Ongoing Determination of Compliance Practices Relative to the Climate Regulations

LONG-TERM GOALS

- Online Financial Literacy Education Platform with Community Partners
- Establish a Supplier Code of Conduct Standard
- Development of Loan/Financial Education Online Programs for Customers
- Establish a Risk Appetite Statement for ESG Initiatives in the Lending Environment
- Create Risk Sensitivity Analysis for ESG Variables
- Continuous Development and Enhancements of Carbon Footprint Disclosures consistent with industry best practices for Required Disclosures
- Periodic Engagement with Business Unit leaders to Facilitate the Integration and Alignment of ESG Efforts with the Organizational Strategies



