



PROSPERITY _____
BANCSHARES, INC.®

CODE OF ETHICS AND BUSINESS CONDUCT

Approved by the Bancshares Board of Directors - July 27, 2021
Last Revised in 7/2021

INTRODUCTION

This Code of Ethics and Business Conduct (the “Code”) covers a wide range of business practices and procedures. It applies to all directors and associates of Prosperity Bancshares, Inc. (“Bancshares”), Prosperity Bank, and their subsidiaries (collectively referred to as the “Bank”). In certain cases, the board of directors and officers of the Bank may be expressly differentiated in order to clearly define certain obligations of their respective offices.

The Code does not cover every issue that may arise, but it sets out basic principles to guide all directors and associates of the Bank. All Bank directors and associates must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The purpose of this Code is to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Promote full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the Bank;
- Promote compliance with applicable governmental rules and regulations;
- Promote the prompt internal reporting of violations of the Code to an appropriate person; and
- Provide accountability for adherence to this Code.

The Bank also expects its suppliers, service providers, and external business

partners to adhere to these standards. If a law conflicts with the Code, directors and associates must comply with the law. Questions regarding a conflict between the Code and a law should be directed to a manager/supervisor.

Anyone who violates the standards in this Code will be subject to disciplinary action, up to and including termination of employment.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Obedying the law, both in letter and in spirit, is the foundation on which the Bank's ethical standards are built. All directors and associates must respect and obey the laws of the jurisdictions in which the Bank operates.

Although not all directors and associates are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. Evidence of a potential material violation of laws, rules or regulations applicable to the Bank, by the Bank or anyone acting on its behalf, should be brought to the attention of appropriate senior management.

In addition, directors and associates must provide, or cause to be provided, full, fair, accurate, timely and understandable disclosure in all reports and documents filed with or submitted to the Securities and Exchange Commission and other governmental agencies, in accordance with any governmental law, rule, or regulation and in other public communications made by the Bank.

Failure to fulfill the responsibilities under this policy is grounds for disciplinary

action, up to and including termination of employment.

BREACH OF TRUST OR DISHONESTY

The Bank has the right to expect certain basic standards of conduct and behavior from its directors and associates. The Bank's fundamental expectation is honesty and integrity in all things.

Because there is no formula or set of guidelines that can define appropriate ethical and moral judgment in every situation, the Bank depends upon the good judgment, common sense, and willingness of its directors and associates to seek advice from others within the Bank when difficult or confusing situations arise.

The Bank has one absolute and unwavering expectation: that every director or associate, regardless of position, title or authority, will conduct himself or herself with honesty and integrity in all matters and things. This not only means that falsification, misrepresentation and untruthfulness will not be tolerated, but that the Bank cannot accept conduct, statements, and "omissions" which are misleading or result in impressions or conclusions which distort the truth. This necessarily means that the Bank expects its directors and associates to courteously and candidly cooperate in all Bank investigations or inquiries.

CONFLICTS OF INTEREST

In carrying out duties and responsibilities, associates should engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. A "conflict of

interest" exists when an individual's personal interests interfere in any way with the interests of the Bank. A conflict situation can arise when an associate takes actions or has interests that may make it difficult to perform his or her Bank work objectively and effectively in the Bank's best interest.

Associates are responsible for acting in the best interests of the Bank at all times. Associates are prohibited from unauthorized actions or participation in activities that create, or even appear to create, a conflict between personal interests and the best interests of the Bank. Associates must have approval before pursuing outside activities that could present conflicts of interest, including outside employment/second jobs; certain business activities and ventures; and significant leadership positions with charitable, civic and non-profit organizations.

Directors are subject to additional laws governing conflicts of interest that might arise in connection with investments.

OUTSIDE BUSINESS ACTIVITIES

Associates are generally prohibited from engaging in outside business activities, without approval, as set forth more fully below, where:

- An associate owns an interest in, maintains a position of control in, and/or performs work for a third party that competes or seeks to compete with the Bank (excluding any holding of 5% or less of a publicly traded company);
- An associate owns an interest in, maintains a position of control in, and/or performs work for a third

party (e.g. vendor) that conducts business or seeks to conduct business with the Bank (excluding any holding of 5% or less of a publicly traded company);

- An associate engages a third party to provide goods and/or services to the Bank solely based on personal considerations or personal relationships with the third party or for personal benefits provided by the third party to the associate;
- An associate or a relative has a direct or indirect personal or financial interest in any business interest that is under consideration for acquisition by Prosperity Bank (excluding any holding of 5% or less of any publicly traded company);
- An associate is engaged to perform work as an employee, consultant, or board member for a customer of the Bank;
- An associate performs or approves, maintenance or transactions on his or her own accounts (DDA, Loan, etc.), a related party, an account for which he or she is a signor, has financial interest, ownership interest or has financial or operational control (e.g. board member); or
- An associate uses Bank property, time, or proprietary or confidential information for personal gain.

Facts to consider when evaluating a potential conflict of interest are, among others:

- Whether it may interfere with the associate's job performance, responsibilities or morale;

- Whether the associate has access to confidential information;
- Whether it may interfere with the job performance, responsibilities or morale of others within the Bank;
- Any potential adverse or beneficial impact on the Bank's business;
- Any potential adverse or beneficial impact on the Bank's relationships with customers, suppliers, or other service providers;
- Whether it would enhance or support a competitor's position;
- The extent to which it would result in financial or other benefit (direct or indirect) to the individual;
- The extent to which it would result in financial or other benefit (direct or indirect) to any of the Bank's customers, suppliers, or other service providers; and
- The extent to which it would appear improper to an outside observer.

Due to the nature of conflicts of interests, it is impossible to list all prohibited activities and outside employment. It is within the Bank's sole discretion to prohibit any activity the Bank determines places it at risk.

The Bank maintains an approval process for outside employment and certain outside business activities. Associates should be cautious and request approval for any activity that may present a conflict, even if it is not expressly addressed in this Code. The approval process is set forth below, under *Disclosure and Review of Potential Conflicts*.

GIFTS AND ENTERTAINMENT

Conflicts of interest may also arise when an associate, or a member of his or her family, receives personal benefits as a result of his or her position in the Bank. The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers.

Associates are prohibited from requesting or soliciting gifts, meals, entertainment, personal favors, personal services and/or any item of value from any customer or third party that conducts or seeks to conduct business with the Bank.

Associates are prohibited from giving or accepting gifts, meals, entertainment, personal favors, personal services and/or any item of value to or from any third party (including those conducting or seeking to conduct business with the Bank) if doing so will: unduly obligate, appear to obligate, influence or impact any business decision the associate will make on behalf of the Bank; be construed as a bribe, kickback, payoff or illegal payment; or be inconsistent with customary business practices or violate any laws or regulations.

In addition, associates are prohibited from giving or accepting gifts in the form of cash and cash equivalents from any third party, and must obtain prior approval from the General Counsel, Associate General Counsel, or their designee before giving or accepting any third party gifts valued at or over \$200, including transportation, lodging or entertainment. Further, any gift or entertainment provided by the Bank should have a clear business purpose and be in compliance with Internal Revenue

Service regulations and the Bank's expense account rules. An associate may not do indirectly what he or she is prohibited from doing directly. For example, an associate may not have a family member, friend, colleague, or a related entity accept a prohibited gift or loan.

This policy is not intended to interfere with the normal exchange of common courtesies, reasonable favors, and the expressing of goodwill between the Bank and its customers or friends. The spirit of the policy is to ensure that directors and associates and others with whom they have contact maintain objectivity and avoid conflicts of interest in business relationships.

CORPORATE OPPORTUNITIES

Directors and associates are prohibited from taking for themselves personally opportunities that are discovered through the use of Bank property, information or position without the consent of the Bank. No director or associate may use Bank property, information, or position for improper personal gain, and no associate may compete with the Bank directly or indirectly. Directors and associates owe a duty to the Bank to advance its legitimate interests when the opportunity to do so arises.

SELF-DEALING

Examples of activities that the Bank considers to be prohibited self-dealing are as follows:

- Personally extending credit to any person (other than an immediate family member) who has applied

for and was denied credit by the Bank;

- Representing the Bank in any activity requiring the associate's judgment or discretion that affects a person or entity with which the associate has a material family, financial or other relationship;
- Representing a non-Bank company in any transactions with the Bank;
- Signing on a customer's account, acting as deputy or co-lessee of a customer's safe deposit box, acting as a customer's power of attorney, or otherwise representing customers (not including immediate family members);
- Purchasing any property, including real estate, knowing that the Bank intends to purchase it;
- Using the Bank's property, corporate time, or proprietary or confidential information for personal gain other than in the performance of the associate's job;
- Improperly influencing an associate over whom one has managerial responsibility;
- Accepting an appointment or continuing to act as a fiduciary or co-fiduciary of any estate, trust, agency, guardianship or custodianship account of a Bank customer (other than immediate family members), except as appropriate in the regular and proper discharge of the associate's job responsibilities or upon receipt of approval after submitting a *Conflict of Interest Certification Form*;

- Borrowing from customers, suppliers or other persons or companies that do business with the Bank, except those engaged in lending in the usual course of business and then only on terms offered to others under similar circumstances, and under no circumstances in connection with a transaction of the Bank; and
- Processing bank transactions for the associate's own personal accounts, the accounts of immediate family members or accounts in which the associate has a personal interest or on which he or she is an authorized signer. Specifically, this includes, but is not limited to, opening accounts, accepting deposits, withdrawal of deposits, refunding, reversing or waiving fees, approving or increasing credit lines or loans and cashing checks.

DISCLOSURE AND REVIEW OF POTENTIAL CONFLICTS

The *Conflict of Interest Certification Form* used to assist in the reporting process of outside business activities and the reporting of gifts and certain entertainment, may be found on the Share Drive in the Public Information/ HR Forms folder. Prior approval is required before entering into new outside business activities; however, potential conflicts may also arise as a result of events or changes that occur, such as family additions or changes to an associate's assigned Bank responsibilities. Associates should promptly disclose in writing any actual or potential conflict of interest to their direct manager and the Bank's

Corporate Ethics Group at corporateethics@prosperitybankusa.com. Questions about an actual or potential conflict of interest should be sent to the corporateethics@prosperitybankusa.com. Disclosures or questions received by the Corporate Ethics Group will be addressed timely by a representative of the Legal, Human Resources or Internal Audit departments.

CAMPAIGN AND PERSONAL POLITICAL CONTRIBUTIONS

The Bank encourages the voluntary participation of its directors and associates in activities of the political party of his or her choice, elections, and other matters of civic importance. Political contributions are heavily regulated. Because of potential legal, corporate policy, compliance, and reputation risk, Bank funds may not be used to make any contributions or payments to government officials, candidates, or their campaign committees.

The following guidelines govern director and associate involvement in political activities:

- A director or associate's political activity in support of any candidate or party is solely a matter of personal choice, so long as there is no regulatory prohibition or restriction on such contributions.
- Directors and associates must not give the impression that they speak or act for the Bank in any political activity. Their activity must clearly be their own as an individual.
- Directors and associates may not engage in any political activity during work time or using Bank

property to conduct such activity, and may not be reimbursed for any campaign contributions.

- The political interests and activities of directors and associates must not interfere with his or her work or the work of other directors and associates.

If a director or an associate is interested in serving in some capacity in a partisan campaign, he or she should consult with a manager/supervisor or the General Counsel in advance of such undertaking.

This Code is not intended to prevent the communication of Bank views to legislators, governmental agencies, or to the general public with respect to existing or proposed legislation or governmental policies or practices affecting business operations. Moreover, under this Code, reasonable costs incurred by the Bank to establish or administer a political action committee or activities organized to solicit voluntary political contributions from individual directors or associates will not be regarded as contributions to political parties or candidates, where the Bank may lawfully incur such costs.

INSIDER TRADING

Directors and associates who have access to material non-public information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of Bank business. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of that information is not only unethical but also illegal. In order to assist with compliance with laws against insider trading and related laws, the Bank has adopted an *Inside*

Information and Insider Trading Policy governing associates' trading in securities of the Bank. Directors and associates should consult the *Inside Information and Insider Trading Policy* (available on the Share Drive in the Public Information / Insider Trading folder) for more specific information on the definition of "material" information and on buying and selling Bancshares securities or securities of companies with which the Bank is negotiating or does business.

IRREGULAR BUSINESS CONDUCT

Irregular business conduct (which includes any criminal, fraudulent, or illegal conduct, any impropriety, lack of professional responsibility, or dishonesty) will not be tolerated under any circumstances. Such conduct may not only be subject to internal disciplinary action but may also lead to criminal prosecution or civil suit. Examples of such conduct include but are not limited to:

- Anti-Competitive Behavior. Generally an agreement with a competitor to engage in activity that may unduly lessen competition (e.g., to set interests rates, fees, prices). Competition laws are very complex and vary between jurisdictions. Directors and associates should seek legal guidance from the General Counsel in any circumstance that might be perceived as anti-competitive.
- Bribery. Engaging in any act that can be perceived as giving or receiving a bribe or other questionable payment.
- Commission Sharing. The sharing of commissions such as finder's fees or secret commissions with any other employee, director, agent, or broker who is not licensed to buy or sell the

security or instrument in question, or who is not part of an established commission-sharing program.

- Kitting. Inflating the balance in an account with artificial funds, usually through manipulating the clearing system and banking machines so as to be able to gain unauthorized access to cash or credit. Kiting is never acceptable, even if it does not cause a loss to the Bank.
- Money Laundering. Making profits derived from criminal activity appear as if they came from legitimate business activity is a criminal offence, and knowingly failing to report a suspected money laundering scheme is also a criminal offence.
- Theft and Fraud. Defalcation, embezzlement, or misappropriation of funds or property belonging or entrusted to the Bank.

Disregard of the law will not be tolerated. Unlawful conduct or activities outside of an associate's employment or service as a director are a reflection on the Bank and may also constitute a violation of this Code.

COMPETITION & FAIR DEALING

The Bank seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present associates of other companies is prohibited. Each director and associate should endeavor to respect the rights of and deal fairly with the Bank's customers, suppliers, competitors and associates. No director or associate should take unfair advantage of anyone through manipulation, concealment, abuse of

privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

CONFIDENTIALITY

Directors and associates must maintain the confidentiality of proprietary information entrusted to them by the Bank or its customers, except when disclosure is authorized by the General Counsel or the Associate General Counsel or required by laws or regulations. Confidential information includes, but is not limited to, trade secret and copyright information, attorney-client advice and communications, competitive information concerning clients and loans, information regarding the development of systems, processes, products, technology, internal reports, policies, procedures, operating manuals, data processing systems, programs, data bases, data, sales and marketing information, marketing strategies and financial information.

Additionally, directors and associates are required by law and this Code to keep all customer information confidential by complying with the following obligations:

- Confidential information, including customer account information, should not be accessed without a legitimate Bank business reason.
- Confidential information should not be disclosed to those without a need for such information because of their Bank responsibilities.
- Customer information should never be disclosed outside the Bank to anyone other than the customer unless the General Counsel or Associate General Counsel has approved the

disclosure or the customer has authorized the disclosure.

- Confidential information should never be used for personal financial gain or to compete with the Bank.
- All appropriate steps should be taken to ensure the security of the confidential information.

If a director or an associate believes that he or she has a legal obligation to disclose confidential information, that individual should consult the Human Resources Department or General Counsel/Associate General Counsel prior to any disclosure. The obligation to preserve confidential information continues even after employment ends.

DISCRIMINATION AND HARASSMENT

The Bank is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind.

An associate who feels he or she is being harassed or discriminated against in violation of the Bank's policy should follow the reporting procedures outlined in the Associate Handbook, the Whistleblower Program, and below, under *Reporting Misconduct / Whistleblower Program*.

The Bank takes retaliation of a good faith report of harassment very seriously. Retaliation is a violation of this Code. Violations of the Bank's policy against retaliation should be reported as set forth below and in the Associate Handbook.

PROTECTION AND PROPER USE OF BANK ASSETS

All directors and associates should endeavor to protect the Bank's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Bank's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Bank facilities and equipment should not be used for non-Bank business.

The obligation of directors and associates to protect the Bank's assets includes its proprietary information. Proprietary information includes, but is not limited to, intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, customer and vendor lists and information, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Bank policy. It could also be illegal and result in civil or even criminal penalties.

PAYMENTS TO GOVERNMENTAL PERSONNEL

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The

promise, offer or delivery to an official or associate of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Bank policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. The Bank's General Counsel can provide guidance to you in this area.

HEALTH AND SAFETY

The Bank strives to provide directors and associates with a safe and healthy work environment. Each associate has responsibility for maintaining a safe and healthy workplace for all associates, by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Associates should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol.

WAIVERS

Any waiver of any provision of this Code for a member of the Board of Directors of the Bank or Bancshares or an executive officer of either must be approved in writing by the Bancshares Board of Directors and promptly disclosed in accordance with law. Any waiver of any provision of this Code with respect to any other associate may be made only by the Director of Human Resources with the concurrence of the General Counsel and, if appropriate, the Bank's Chief Executive Officer.

RECORD-KEEPING

The Bank requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Business expenses must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your manager/supervisor.

All of the Bank's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Bank's transactions and must conform both to applicable legal requirements and to the Bank's system of internal controls.

Documents retained or accounts opened must be a complete and accurate record of the circumstances or transaction. Improperly creating, reproducing, copying, forging or falsifying a signature or initial, creating a false document, or otherwise unethically altering or manipulating any document for any reason will not be tolerated under any circumstances. Indeed, such conduct will subject an associate to discipline, up to and including termination.

Business records and communications often become public, and associates should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports.

Records should always be retained or destroyed according to the Bank's record retention policies.

REPORTING MISCONDUCT / WHISTLEBLOWER PROGRAM

All violations of the Code are to be reported promptly to a manager/supervisor. Associates are also encouraged to talk to supervisors, managers, the Human Resources Department, General Counsel, Director of Internal Audit or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. In addition, directors and associates may report any fraud, violation of law or any unethical behavior through the Bank's Anonymous Reporting Hotline through Lighthouse Services

Lighthouse Hotline 833-640-0007

Lighthouse is an independent third party that provides anonymous toll free hotline access within the United States 24 hours a day, 365 days a year.

It is the policy of the Bank not to allow harassment or retaliation for reports of misconduct by others made in good faith. Directors and associates are expected to cooperate in internal investigations of misconduct. Any reports of a violation may be made anonymously and confidentiality will be protected, subject to applicable law, regulation or legal proceeding.

When a supervisor, manager or other person receives a report of a violation of law or unethical behavior pursuant to this policy, that person shall be responsible for bringing such reports to the attention of

his or her manager/supervisor, the Human Resources Department, the General Counsel or the Director of Internal Audit as appropriate, in accordance with the reporting procedures contained in this policy. Individuals receiving such reports must endeavor to honor the confidentiality and anonymity of the reporting person, subject to applicable law, regulation or legal proceedings.

PROVISIONS APPLICABLE TO CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS

As used in this Section, the term "Senior Financial Officer" means the Bank's Chief Financial Officer, Principal Accounting Officer and Controller, or persons performing similar functions. The Chief Executive Officer and Senior Financial Officers are subject to this entire Code. In addition, however, the Chief Executive Officer and Senior Financial Officers are subject to this provision, which has been adopted by the Board of Directors to deter wrongdoing and promote honest and ethical conduct, proper disclosure of financial information in the Bank's reports and documents that the Bank files with, or submits to, the Securities and Exchange Commission and in other public communications, and compliance with applicable laws, rules, and regulations by the Bank's Chief Executive Officer and Senior Financial Officers.

In performing his or her duties, each of the Chief Executive Officer and Senior Financial Officers must:

- maintain high standards of honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest

between personal and professional relationships;

- report to the Audit Committee of the Board of Directors any conflict of interest that may arise and any material transaction or relationship that reasonably could be expected to give rise to a conflict;
- provide, or cause to be provided, full, fair, accurate, timely, and understandable disclosure in reports and documents that the Bank files with or submits to the Securities and Exchange Commission and in other public communications made by the Bank and maintain the Bank's accounting records in accordance with all applicable laws, including that they must be proper, supported and classified and must not contain any false or misleading entries;
- comply and take all reasonable actions to cause others within the Bank to comply with applicable governmental laws, rules, and regulations;
- promptly bring to the attention of the General Counsel and the Audit Committee any information concerning (i) significant deficiencies in the design or operation of internal controls which could adversely affect the Bank's ability to record, process, summarize and report financial data or (ii) any fraud, whether or not material, that involves management or other associates who have a significant role in the Bank's financial reporting, disclosures or internal controls; and

- promptly report violations of this Section to the Audit Committee.

Any request for a waiver of any portion of this provision must be in writing and addressed to the Audit Committee. Any waiver of any portion of this provision will be disclosed promptly on Form 8-K or any other means specified by the Securities and Exchange Commission.

The Audit Committee will assess compliance with this provision, and shall determine appropriate actions to be taken in the event of a violation of this Section by the Chief Executive Officer or any Senior Financial Officer. Any such actions shall be reasonably designed to deter wrongdoing and to promote adherence to this provision, and shall take into account all information the Audit Committee deems relevant, including the nature and severity of the violation, whether the violation was a single occurrence or one of several repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past.