



Better to the **X**-Power

2019 Environmental, Social
and Governance Report

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LETTER FROM THE CHAIRMAN

I am pleased to share with you Bank OZK's first annual Environmental, Social and Governance (ESG) Report, detailing the Bank's 2019 ESG practices and performance.

This report addresses the areas we believe are most critical to our stakeholders and to driving value over the long-term, including:

- ◆ Ensuring a strong **governance** framework to propel a culture of ethics and integrity in all that we do
- ◆ Investing in the development and well-being of our **employees**
- ◆ Supporting the needs of all **customers** and the **communities** in which we operate through innovative and accessible products and services, and
- ◆ Focusing on the **environment**

Throughout my four decades as Chairman and CEO, we have worked to instill in every OZK employee a personal commitment to excellence, fair dealing and exceptional customer service. Our Bank's continuing success is built on our adherence to these cornerstone values as we implement new ideas to improve our performance exponentially. This is the OZK Way.

In 2019, we formalized our focus on exponential improvement, branding it as "Better to the X-Power." Look for this icon  throughout the report to learn how our approach was developed and how each of us is working to improve performance in every way, every day.





The OZK Way

Leading, organizing, encouraging and connecting with our neighbors to make our communities stronger, vibrant and unified.

We are guided by a best-in-class Board of Directors. My 14 fellow directors are leaders in their professions and reflect a great diversity of experiences and backgrounds. In recent years, the Board has implemented a number of measures to improve Board composition, oversight and effectiveness, and further align our corporate governance structure with our strategic objectives.

Our 2,800+ employees live our values by working every day to strengthen our communities and improve lives one customer and neighbor at a time. Our bankers' generous spirit leads them to provide financial literacy, help build affordable housing, care for those affected by natural disasters, build playgrounds for children, participate in clothing and back-to-school drives, deliver food to senior citizens and volunteer as first responders. This is the embodiment of the OZK Way—leading, organizing, encouraging and connecting with our neighbors to make our communities stronger, vibrant and unified.

We do not aspire to be the biggest bank, but always strive to be the best bank for our customers and communities. This approach has enabled us to grow from two offices and 28 employees when I became Chairman and CEO in 1979, to more than 2,800 people in 250+ offices across 10 states today. Our focus on excellence has resulted in being named the top-performing bank in the United States in our asset size 13 times by leading industry publications, and, in 2019, to being named “Best Bank in the South” by Money.com.

At Bank OZK, we continue to build on our community bank heritage by combining high ethical standards and innovative technology to deliver truly exceptional customer service. We are committed to implementing new ideas and cultivating relationships that encourage our communities to grow and thrive.

Thank you for investing the time to read our report, and for your continued support.

George Gleason

Chairman and Chief Executive Officer



2019 Corporate Responsibility Highlights

11,271

community members who attended a Bank OZK financial education seminar

12,757

students reached through Bank-supported financial literacy education programs

\$1.1M

for community philanthropic causes

4,018

employee volunteer hours

1,506 units
through **\$161M**

in affordable housing financing

Financed 229 single family residential units totaling \$37 million through our **Freedom Advantage Mortgage Product***

700,000+

pounds of paper recycled

2019 Awards & Recognition

Money.com

Best Bank in the South

Women on Boards

Winning “W” company

Forbes

World’s Best Banks, World’s Best Employer Best Bank in Georgia

American Banker

Best Fintech to Work For

The Commercial Observer

50 Most Important Leaders in Commercial Real Estate

* This product allows up to 100 percent financing for qualified low- and moderate-income borrowers, or any borrower buying a home in a low- to moderate-income census tract, within our assessment area.





About This Report

In this report, we have sought to provide a comprehensive view of Bank OZK (the "Bank" or "OZK"), focusing on ESG matters and other issues important to our business, as well as to external stakeholders and the communities we serve.

This report covers the period of January 1, 2019 through December 31, 2019, unless otherwise noted.

Throughout the report, we have guided readers to sources of more information, including our corporate website, annual report and proxy statement.

Stakeholder Engagement

We continuously engage in dialogue with our stakeholders, including investors, employees, customers, communities and regulators. This engagement provides us with valuable feedback about key issues related to our business and the communities we serve.





Bank OZK is committed to the highest standards of ethical and professional conduct by all employees, officers and directors.



We are proud to reinvest in our communities by offering a wide range of support to low- and moderate-income individuals and small businesses throughout our footprint.



Bank OZK has announced plans for a \$6 million investment in the construction of a solar power plant to provide renewable energy to our new headquarters and other Central Arkansas offices.





Corporate Overview

ASSETS:

\$23.56B

LOANS:

\$17.53B

DEPOSITS:

\$18.47B

YEAR FOUNDED:

1903

NASDAQ:

OZK

COMMON
STOCKHOLDERS'
EQUITY:

\$4.15B

ATMS:

254

CAPITALIZED MAJOR
BANK IN THE UNITED
STATES:* **# 1**

OFFICES IN 10 STATES:

250+

HEADQUARTERS:

Little Rock, Arkansas

Bank OZK is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. We provide a wide range of banking services, including a variety of deposit and lending products, designed to offer convenience and safety while helping our customers attain their goals. Our loan services include various types of real estate, consumer, commercial, industrial and agricultural loans, including small business and affordable housing loans.

Through our Trust and Wealth Division, we also offer  **Sustainable World Investments**, an investment approach committed to fostering a healthier, more socially conscious planet. Our Trust and Wealth team considers environmental, social and corporate governance criteria when selecting investments used in this strategy.

EMPLOYEES:**

2,833

Financial data as of December 31, 2019

*Based on Tier 1 Leverage Capital Ratios as of 12/31/2019; data obtained from S&P Global Market Intelligence.

**None of our employees are represented by a union, collective bargaining agreement or similar arrangement, and we have not experienced any labor disputes or strikes arising from any organized labor groups.



Bank OZK History and Core Values: **Better to the X-Power**

Bank OZK, formerly Bank of the Ozarks, has had a tradition for nearly 120 years of community-based service and commitment to our customers. From our beginnings as a small community bank in Jasper, Arkansas in 1903, we've grown to be recognized as the top-performing bank in the nation 13 times by leading industry publications.

As we grow, we continue to emphasize to our employees the values and culture that have helped foster our long-term success through a vision that we refer to as the "OZK Way."

The OZK Way

- ◆ **Provide Exceptional Customer Experiences.** We want to provide exceptional service, present our products and services in an engaging way, and leverage our evolving technology to maximize the experience for each customer.
- ◆ **Teamwork Rocks.** We believe that capitalizing on the unique insights, abilities and experiences of each team member is critical in achieving the Bank's full potential. We embrace teamwork, collaboration and diversity in all its forms, recognizing that our potential together far exceeds the sum of our potential individually.
- ◆ **Do Right.** We expect our team members to conduct themselves and our business with the highest standards of honesty, ethics, integrity and fair dealing.
- ◆ **Pursue Excellence.** We will relentlessly pursue excellence. This quest for excellence includes continuous innovation and improvement, realizing that many small incremental enhancements can compound mightily over time.

BACK TO THE FUTURE TOUR

In November 2018, Bank Chairman and CEO George Gleason, together with other members of our senior management team, began an ambitious journey to visit every one of the Bank's more than 250 branches and offices across 10 states by the end of 2019.

The inspiration for the tour came from Mr. Gleason himself as a way to engage directly with the Bank's employees. The visits provided an opportunity for employees to share candid feedback about the Bank, their experiences working for the Bank, and suggestions for improvement.

"We realized that in order to make Bank OZK exponentially better, we had to implement new ideas," Mr. Gleason explained. "Out of our journey was born the concept for 'Better to the X-Power,' which embodies the spirit of continuous improvement—improvements that will make our company exponentially better for the next 100 years."

By the end of December 2019, management had met with almost every one of the Bank's 2,800+ employees. In the process, they gained more than 1,000 unique comments and suggestions, many of which the Bank has implemented or is in the process of implementing. For example, based on suggestions for more management and leadership training, the Bank is piloting a leadership training program for first-time managers to help them move into management roles.



Ensuring Strong Corporate Governance

"Bank OZK has established strong, independent governance practices," said Peter Kenny, the Board's Presiding Independent Director. "The Board recognizes that the Bank's long-term success is dependent on taking a balanced and long-term perspective of a broad array of stakeholder interests, including those from shareholders, employees and members of local communities."

To learn more about our corporate governance practices and to view our Corporate Governance Guidelines and other corporate governance information, please visit our Investor Relations website at <http://ir.ozk.com>.

At Bank OZK, we are committed to strong corporate governance. We believe that our governance practices should reflect our values and are essential to providing long-term value for our shareholders, customers, employees and communities. Our Board of Directors has adopted Corporate Governance Guidelines to promote sound and effective governance and establish a set of expectations and requirements to ensure our business is conducted ethically and effectively.

Board Leadership and Diversity

As of December 31, 2019, our Board consisted of 15 independent directors and our Chairman and CEO George Gleason. Presiding independent director Peter Kenny advises and collaborates with our Chairman and coordinates open communication between the independent directors and management.

We strive to maintain a healthy blend of director tenure, recognizing that longer-serving directors possess crucial institutional knowledge of our Bank and its culture while constant Board refreshment brings a fresh outlook and contributes to Board independence and oversight. As a result, seven of

our 16 directors have been added during the past four years.

We prioritize Board diversity and are mindful of the many ways the Board benefits from receiving a wide range of viewpoints and perspectives. Our directors have a variety of backgrounds and skills and come from many of the key markets that we serve around the United States, giving us invaluable insight. You can find more detailed information about our Board's unique set of experiences and qualifications on our Investor Relations website and in our annual [Proxy Statement](#).



Board Oversight

Our Board oversees the Bank's strategic direction and the performance of its business and management. To assist with this oversight, the Board has established a number of standing independent committees, including the Nominating & Governance Committee, Personnel & Compensation Committee ("Compensation Committee"), Risk Committee and Audit Committee, as well as various other Board-level committees. Committee charters and current membership can be found on our Investor Relations website.

Corporate Governance Highlights

Shareholder Rights

- Majority vote standard in uncontested director elections
- No shareholder rights plan
- Shareholders representing 10 percent or more of shares outstanding may call special meetings
- One-share, one-vote standard

Good Governance

- Independent director meetings at every regularly scheduled Board meeting
- Anti-hedging policy for all employees and anti-pledging policy for executive officers and directors
- Annual Board and Committee self-assessments and evaluations
- Annual review of director skill sets and experience
- Focus on director refreshment, succession planning and diversity
- Stock ownership guidelines for all executive officers and directors



Bank OZK's Board of Directors as of December 31, 2019.



Executive Compensation

We are committed to a compensation program that is transparent, pays for performance, and aligns the interests of our executives with those of shareholders. Our Compensation Committee reviews and approves our executive and director compensation programs annually to ensure they are appropriate and reflect best practices.

Our executive compensation program includes the following elements:

- Variable compensation tied to explicit quantitative performance measures
- Capped payouts for all executive incentive plans
- Clawback policy for all executive officers and employees
- Stock ownership guidelines for all executive officers and directors
- All equity awards have double-trigger acceleration upon change in control
- No employment, change in control or contractual severance agreements with executive officers
- No option repricing without shareholder approval
- Annual market analysis of executive and director compensation relative to a high-performance industry peer group
- Annual risk assessments of compensation programs to avoid incenting unnecessary and excessive risk-taking

In 2019,  we made significant changes to our executive compensation program and compensation governance practices to address topics identified by stakeholders.  Changes included:

- Modifying the equity incentive component of the executive compensation program so that executive officers now receive 100 percent of their equity incentive compensation in performance-vesting restricted stock units that are earned (or not earned) based on the Bank's relative performance over a three-year performance period, with an additional one-year post-vest holding requirement
- Capping the relative total shareholder return (TSR) component payout under the new equity incentive awards at 100 percent if TSR is negative over performance period
- Eliminating overlapping performance metrics between cash and equity incentive plans
- Adopting new Omnibus Equity Incentive Plan, approved by shareholders, that eliminated Compensation Committee discretion to declare a change in control and clarified that we will not recycle shares used to pay withholding taxes

For more information on our compensation governance, please see our 2020 Proxy Statement.

Ethics & Compliance

Bank OZK is committed to the highest standards of ethical and professional conduct of all employees, officers and directors.

100%

of employees were trained on the Bank OZK Code of Business Conduct and Ethics in 2019.

In addition to adhering to all state and federal laws, rules and regulations affecting the banking industry, we expect all employees to adhere to the Bank OZK Code of Business Conduct and Ethics (“the Code”). The Code, together with other corporate policies, is a vital part of our risk management framework. The Code is publicly available on our Investor Relations website, and covers topics such as conflicts of interest, anti-bribery/anti-corruption, information security and political contributions, among others.

The Code applies to all employees who work at the Bank and its affiliates, including officers, employees and directors, as well as vendors, outside counsel and consultants. Anyone who violates the Code may face disciplinary action, up to and including termination.

All employees, including officers, are required to complete annual training on the Code; all employees, officers and directors are required to certify that they have read and understand the Code.

The Bank OZK Ethics Confidential Helpline (“Ethics Helpline”) is available 24 hours a day, 7 days a week by phone and website for employees to report suspected violations of the Code or other policies or laws. The Ethics Helpline call center is staffed by an independent third-party provider, and all callers may remain anonymous. Employees can also discuss concerns with any manager in their department or organization’s reporting line with whom they feel comfortable, or reach out directly to the Executive Vice President/Managing Director of Human Resources.

The Bank is committed to investigating all potential violations of the Code and dealing with each report fairly and reasonably. During investigations, the identities of employees who report concerns are kept confidential to the fullest extent possible.

We maintain a strict Non-Retaliation Policy. Employees who engage in retaliation against a colleague who has raised a concern or question in good faith and in accordance with the Code are subject to disciplinary action, up to and including termination.

LEADING BY EXAMPLE

Supervisors at Bank OZK play a critical role in upholding the spirit and intent of the Code and demonstrating our core values in everything they do. They are expected to create an environment of open communication within their teams, invite questions/concerns from their employees without fear of reprisal, and publicly celebrate examples of ethical behavior.

Risk Management

As a financial services organization, certain elements of risk—including sustainability-related risks—are inherent in our operations. We regularly encounter risks as part of the normal course of our business and we have developed an enterprise-wide risk management framework to identify, measure, monitor, manage and report risks that affect or could affect the achievement of our strategic, financial and other goals and objectives.

Our Board is responsible for approving the Bank’s overall risk management framework and establishing risk tolerances for each of our key risks. The Board’s Risk Committee has oversight responsibility for the Bank’s risk management processes and meets at least quarterly. An

Executive Risk Council, comprised of senior Bank executives and chaired by the Bank’s Chief Risk Officer, assists the Board in oversight, review and approval of risk management processes and procedures, monitoring of key performance indicators and key risk indicators,

assessing current and emerging risks, monitoring the Bank’s risk culture, and overseeing compliance with regulatory expectations and requirements.

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In addition, appropriate Board committees monitor certain risks and oversee management advisory councils throughout the organization that assist the Board in monitoring risks at the day-to-day level, including operational, market,

liquidity, compliance/regulatory, credit, strategic and reputational risks. The Board receives regular reports from members of senior management, on behalf of such councils, to enable the Board to understand risk

identification, risk management and risk mitigation strategies.

For a list of the principal risks overseen by Board committees, please see our Proxy Statement.

Ensuring Strong Data Protection

Information Security is an Enterprise Risk Management function and reports through the Bank's Chief Risk Officer. The Bank's Information Systems Steering Committee and Board Risk Committee, which each include independent directors, receive regular updates. The National Institute of Standards and Technology and Center for Internet Security serve as the foundation for the Bank's cybersecurity program.

The Bank employs an in-depth, layered, defensive approach that leverages people, processes and technology to manage and maintain cybersecurity controls. We also employ a variety of preventative and detective tools to monitor, block and provide alerts regarding suspicious activity, as well as to report on any suspected advanced persistent threats.

The Bank's information security program, policies and standards are periodically reviewed and apply to all business lines, employees and contractors. The Bank obtains independent audits of the information security function, program maturity assessments, and penetration testing throughout the year. All employees are required to complete an annual Security Awareness Training Program. The Bank also conducts routine internally focused exercises to help raise employee awareness of the risks associated with cybersecurity. In addition, all employees must certify each year that they

have read and understand the Bank's relevant information and data policies.

The Bank's Information Security team tracks key performance and risk indicators related to cybersecurity, which it reports to the Risk and Information Systems Steering Board Committees quarterly and to the full Board annually. The Bank also works closely with government and industry associations to stay abreast of developments and share best practices.

Our Chief Information Security Officer also oversees the Bank's Third Party Risk Management Program, which classifies service provider or business partner risk based on several factors, including, but not limited to, data sensitivity accessed and/or retained. Service provider or third-party risk assessments and ongoing monitoring are conducted for Bank-critical and significant relationships. When applicable, service providers and business partners are contractually

obligated to protect sensitive data provided by or received from the Bank.



“Technology is improving the way we do business, but it can also introduce risk. As an information security professional, my job is not to stand in the way of innovation, but to work with my business colleagues to ensure new solutions and services are secure. We are successful by building in strong relevant security controls that mitigate risk to our business and our customers.”

Jason Cathey

Chief Information Security Officer, Bank OZK



Fair and Responsible Banking

Our commitment to fair and responsible banking has been key to earning our customers' trust over the past 100 years. The following principles are embedded into our Code.

We are committed to ensuring that the communities and customers we serve receive superior, fair and innovative lending, investments and services.

We prohibit discrimination in banking on the basis of race, color, religion, sex, familial status (including pregnancy and parental leave), national origin, sexual orientation, gender identity, age, disability, veteran status or any other protected status under federal, state or local law, the fact that all or part of a customer's income is derived from any public assistance program, the fact that a customer has in good faith exercised any of their rights under the Consumer Credit Protection Act and on any other basis prohibited by law.

We are committed to treating prospective and existing customers in a manner that is equitable, transparent and consistent with laws and regulations, including consumer protection laws and regulations that prohibit unfair, deceptive or abusive acts or practices.





Investing in Our Employees, Customers & Communities



Supporting Our Employees

Investing in our employees is a critical priority for Bank OZK. We view all our employees as members of our extended “corporate family.” We want each employee to experience the satisfaction of working in a positive environment that includes good working relationships, fair compensation, good benefits, and opportunities for other financial rewards and future advancement.

We seek to help each employee grow, develop and achieve his or her career objectives and potential. In return, we expect all employees to advance the Bank’s interests through their hard work, loyalty, positive attitude and performance.

Learning & Development

We believe that continuous learning is critical to the success of the Bank and each employee. That is why we invest significantly in employee education and skills development through the Bank’s Organizational Learning & Development department. Our goal is to provide development for all employees related not only to regulatory requirements and corporate policies, but ongoing learning opportunities to help our employees build their professional skills and capabilities necessary to meet customer needs and advance their careers within Bank OZK over the long-term.

Bank OZK offers new employees a comprehensive learning experience to help them become proficient in their role. We offer opportunities to learn virtually, in the classroom where they can practice skills, and on the job with guided coaching from their manager or an experienced employee identified by the manager.

In 2019,  the Bank successfully completed a pilot program for leadership development. In 2020, the program is being rolled out to leaders throughout the Bank to build leadership competencies in

communications, coaching, team development and diversity. It will use online and micro-learning, on-the-job activities, and learning from each other through guided discussion sessions.

The Bank is also expanding opportunities for continuing education to help employees increase their capabilities within their existing roles and for career development within the Bank.



Employee Compensation & Benefits

We have had regular merit-based salary increases for all employees consistently for the past decade.

The Bank maintains a qualified retirement plan with a salary deferral feature; the Bank matches 100 percent of deferrals on the first 3 percent of compensation, plus 50 percent of deferrals on the next 2 percent of compensation.

We provide comprehensive group medical benefits that offer flexibility for the diverse and changing needs of our employees and their family members. The Bank contributes toward employee and family premiums on group medical and dental plans.

In 2019,  new employees became eligible for group benefits the first of the month following their hire date. For some employees, this means they become eligible for coverage the first week of employment.

Benefits include:

- ◆ Medical, with multiple plan options for employees and family
- ◆ Dental for employees and family
- ◆ Vision for employees and family
- ◆ Short-term and Bank-provided long-term disability insurance
- ◆ Life insurance that pays out at a multiple of salary
- ◆ Optional life insurance for employee and family
- ◆ Health Savings Account with Bank matching contribution up to \$300

- ◆ Medical Reimbursement Flexible Spending Account
- ◆ Dependent Care Flexible Spending Account
- ◆ 401(k) Plan with Bank match with 100 percent vesting at eligibility (30 days from hire) delivered on an intuitive self-service platform
- ◆ Pet insurance
- ◆ Employee Assistance Program: A confidential program that offers counseling sessions with professional health care providers

Paid leave benefits include:

- ◆ Paid holiday, vacation and sick leave
- ◆ Paid parental leave,  offering six weeks paid maternity and paternity leave following live births and adoptions
- ◆ Enhanced paid military leave 
- ◆ Enhanced/expanded paid bereavement leave 
- ◆ Paid jury duty

In addition, all employees have access to:

- ◆ On-site, no-cost flu vaccinations
- ◆ Assistance finding quality providers at best price
- ◆ Telemedicine: Allows employees to connect with doctors 365 days a year, 24/7
- ◆ Access to preferred vendors

SUPPORTING EMPLOYEE WORK/LIFE BALANCE

Bank OZK is committed to helping our employees balance their work schedules with their family and home lives. We have several programs in place and offer various benefits to help. These include generous paid holiday leave and vacation time. Our Employee Assistance Program offers assistance to employees facing work/life challenges and helps with questions such as maternity and paternity leave. Employees can also take advantage of our telemedicine tool and on-site wellness benefits, saving time that can be spent with friends and family.

HELPING EMPLOYEES DRESS FOR SUCCESS

All new employees receive three free Bank OZK-branded polo shirts and \$100 toward additional Bank OZK apparel or other Bank-related items.



Employee Diversity

We are committed to promoting diversity and inclusion within the workplace. We aim to create a culture that respects and values each other's differences, promotes dignity and respect, and encourages employees to develop and maximize their full potential.

Our Harassment and Productive Work Environment Policy prohibits unlawful discrimination and harassment of any type and affirms the Bank's commitment to afford equal employment opportunity to employees and applicants without regard to race, color, religion, sex (including pregnancy), national origin, sexual orientation, gender identity, age, disability, genetic information, veteran status or any other protected status under federal, state or local law.

We believe that our highly talented and diverse workforce is one of our Bank's greatest strengths. This strength, combined with the incredible diversity of our customer base, our communities and our board of directors, contributes to our Bank's success. In 2019,  the Bank created a Diversity & Inclusion (D&I) Council comprised of senior leaders from across the Bank. In 2020, we created a new position of Director of Employee Relations, Diversity and Inclusion. The establishment of this D&I Council and this new position demonstrates the continuous progression of our Bank's commitment to and recognition of the importance of expanding diversity and inclusion awareness and initiatives.

Employee Engagement & Recognition

In 2019, we launched our  first company-wide employee engagement survey, OZK Insights, which had an 86 percent response rate. Conducted by an independent third-party partner, we will use the survey results to further improve the employee experience at Bank OZK. Also in 2019, we introduced a new exit survey for employees leaving the Bank. The survey will help us more quickly identify and address key issues in our workplace.

We share information and engage with our employees through our internal employee portal, *OZK Inside*, and through face-to-face and electronic communication. Through "OZKUDOS," employees can submit positive recognition of their fellow employees that exemplify the OZK Way. We feature daily examples on *OZK Inside*.

Promoting Employee Health, Wellness & Safety

We strive to provide a safe and healthy work environment for all employees. The Bank has a company-wide tobacco- and smoke-free policy at all of its offices. In addition, the Bank's new corporate headquarters will include height-adjustable workstations, keyboard trays, monitor arms and ergonomic task chairs, as well as automated external defibrillators (AED) and emergency response backpacks for use by employees who have completed a company-sponsored AED/CPR certification course.

We are also there for our employees when disaster strikes. When floods struck Arkansas in late May and June 2019, a number of Bank OZK employees and their families were affected. To lessen the financial burden, the Bank offered up to \$500 tax-free to employees to help cover uninsured expenses or losses.

"The Bank believes that fostering a culture of diversity and inclusion broadens perspectives, engages employees, encourages team building and helps create a positive environment in which to work and grow. This ultimately can help better answer the varied needs of our customers and the communities in which we serve."

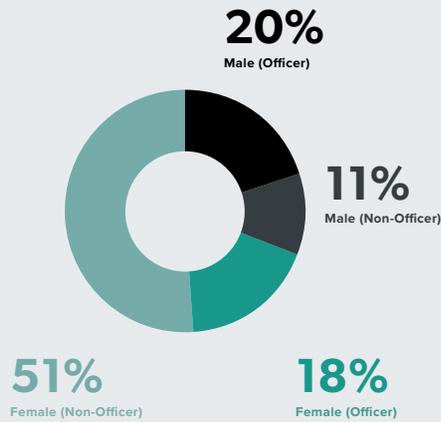
Tim Hicks

Chief Administrative Officer
and Executive Director of
Investor Relations



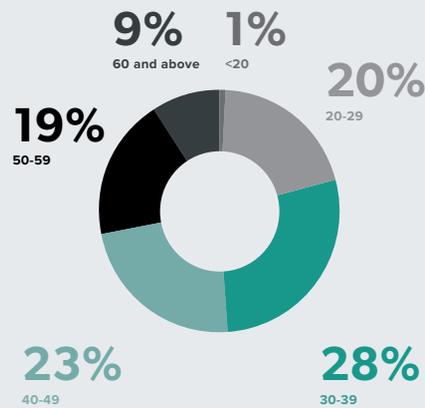


2019 Gender (Officer/Non-Officer)



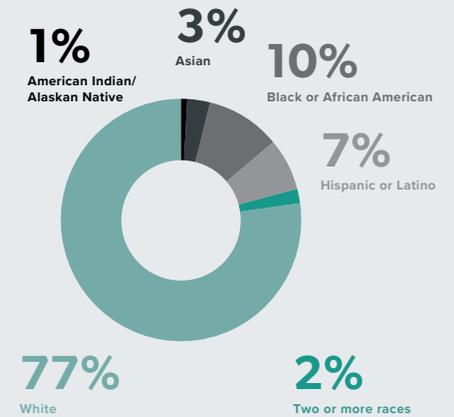
- Female (Non-Officer)
- Female (Officer)
- Male (Non-Officer)
- Male (Officer)

2019 Age Diversity



- 60 and above
- 50-59
- 40-49
- 30-39
- 20-29
- <20

2019 Ethnicity



- White
- Two or more races
- Hispanic or Latino
- Black or African American
- Asian
- American Indian/Alaskan Native



Demographic Information as of 12/31/2019

**Source: Dec. 31, 2019, employee data produced in a manner consistent with EEO-1 reporting with aggregation across EEO-1 ethnicity categories.



Supporting Our Customers

Our goal is to provide the best, most convenient and most secure banking experience for our customers—whether it is an individual, a small business owner or a large company. To do so, we combine the best of community, personalized banking with the power of technology to deliver truly exceptional customer service that helps our customers attain their financial goals.

Customer Service & Satisfaction

When it comes to customer service, our more than 2,800 employees are always striving to do better—to make banking simpler, less time-consuming and more enjoyable for our customers.

In 2019, we earned a Net Promoter Score, a common measure of customer satisfaction, of 84 out of 100. We also were named by *Forbes* as one of the World's Best Banks based on customer satisfaction and key attributes like trust, fees, digital services and financial advice.

FINTECH INNOVATION TO SCALE COMMUNITY BANKING



OZK Labs, a division of Bank OZK focused on FinTech innovation, is part think-tank, part start-up, developing next-gen technology that makes banking more effective and efficient from the back end to the consumer. OZK Labs was named best Fintech to work for by *American Banker* in 2018 and 2019.

The OZK Labs team, which includes more than 45 developers, engineers and technology professionals, is dedicated to changing the way consumers bank by challenging outdated business models, products, processes and technology. Their goal: Flawless digital banking experiences where data flows seamlessly and machine learning provides insights that drive optimization.

“The traditional banking model is changing—customers are banking online from their businesses... wherever and whenever is most convenient to them,” said Marcio deOliveira, President of OZK Labs. “That is where OZK Labs comes in. Through new product solutions, we help our bankers serve clients anywhere—and in real time. We still stay true to our community banking heritage by providing customers the services they need and want.”

OZK Labs, based in St. Petersburg, Florida, also brings its community spirit into the community by commissioning work from local artists. To date, it has commissioned more than 50 pieces that adorn city neighborhoods and the OZK Labs office. OZK Labs also opens its collaborative space for local meetups to keep in tune to the heartbeat of the Tampa Bay tech scene. It has hosted groups such as Women Who Code, Girl Develop It and the Suncoast Developers Guild.



Products & Services to Meet Customer Needs

Whether you visit us at one of our branches, online or on your mobile device, Bank OZK provides convenient access to products and services for all our clients. Below are some of the products and services we offer to make personal banking accessible, convenient and safe.

- Our **mobile and online banking services** allow customers to make deposits, check their account balances, transfer funds, and pay bills 24/7. Online and mobile customers can also leverage the convenience of Apple Pay™, Samsung Pay™ and Google Pay™. Starting in 2020, customers can also use the online banking transfer service, Zelle®, to send or receive money from their accounts. Customers can benefit from advanced security including biometric authentication and a more personalized digital banking experience, as well as the ability to control and protect their debit card by card lock, setting usage preferences, and receiving real-time alerts.
- No cash? No card? No problem. Bank OZK offers **CardFree Cash**, which gives customers access to cash for emergency situations when their debit card has been lost, stolen, misplaced or forgotten. Customers can use CardFree Cash at any of approximately 25,000 participating ATMs by using a one-time code. They can also use our ATM locator to find the nearest participating ATM.
- For customers who have been turned down by other banks when trying to open a checking account, we offer **Pathway Checking**, which requires a low opening deposit.
- We offer **My Change Keeper** to help our customers automatically save every time they make a debit card purchase. As a free add-on to any Bank OZK checking account, customers can round up every debit transaction to the next whole dollar and transfer the difference to their savings. Or, they can specify an additional dollar amount between \$1 and \$5 to save with every debit transaction.
- The Bank offers qualifying low- and moderate-income customers the **Freedom Advantage Home Loan**, which allows up to 100 percent financing, or any borrower buying a home in a low- to moderate-income census tract, within the Bank's assessment area. In addition, it does not require private mortgage insurance. Down payment assistance may also be available.
- The Bank's **New Start Loan Program** helps eligible customers with overdrawn checking accounts develop a manageable repayment plan.
- We offer the **OZK Cards**, which adds extra fraud protection for Bank OZK debit card holders. OZK Cards allows customers to track spending from their phones, get instant alerts whenever their card is used, freeze their card if they temporarily misplace it, restrict transactions to a certain area, set security preferences to match their spending habits, and more.
- For youth aged 17 and younger, Bank OZK offers **First Savings**, which allows them to establish an account with as little as \$5 and start earning interest and learning about saving right away.
- For our customers covered under high-deductible health plans, we offer **Health Savings**, a tax-exempt savings account to pay for qualified medical expenses.

FROM HIGH SCHOOL STUDENT TO BANK EMPLOYEE

Lindsey Shaw never imagined herself working in the banking industry. Today, the 18-year-old from Ozark, Arkansas, works as an escrow analyst at Bank OZK following completion of the Bank’s internship program (see page 25).

“The Bank OZK internship was an amazing adventure and, for someone like me, a great first job. We met new people, got an up-close-and-personal look at the professional world, and even got college credit for it. It slowly transitioned us from students to professionals, and I couldn’t be happier with the outcome.”

Health & Human Services

Hospitals in rural parts of the country face unique challenges but play a critical role in the health of their communities.

For many years, due to demographic, economic and health care industry challenges, Georgia’s rural hospitals have been facing financial crisis. New legislation allows individuals and businesses throughout Georgia to contribute to rural hospital organizations in need of critical support. Hospitals can use donations to purchase

new technology and equipment, address needs related to capital improvements, and provide care for patients that could not otherwise pay for services.

In 2019, Bank OZK donated \$360,000 to four rural Georgia hospitals through the program.

Employee Volunteering

Employees are encouraged to be actively involved in their local communities. In 2019, our employees recorded 4,018 volunteer hours and participated more than 514 community events.



GIVING BACK TO THOSE IN NEED AT THE HOLIDAYS

Each November for the past 11 years, Bank OZK employees from our Winder, Ga., branch volunteer their time at their local food pantry. In 2019, the OZK team helped give away 30,000 pounds of Thanksgiving treats and fixings to more than 390 in-need families, totaling 1,216 individuals.

**Giving Back
in 2019**

\$1.1M*

2019 Philanthropic
Giving.

4,018 Hours

2019 Employee
Volunteer hours.

*In addition we contributed \$3.5 Million to Step Up for Students, a Florida needs-based student scholarship provider, and \$360,000 to the Georgia GOAL rural hospital program, for which we receive state income tax credits in Florida and Georgia



Supporting Our Communities

Local communities are the heart and soul of Bank OZK. They are where we work, live and raise our families. We believe that our focus on Better to the X-Power extends to helping make our local communities the best they can be. We are proud to give back through our core business, philanthropic resources, and employee time and expertise to make our communities even stronger. Below are examples of our support.

Community Reinvestment

We are proud to reinvest in our communities by offering a wide range of support to low- and moderate-income individuals and small businesses throughout our footprint. Our community development funding helps promote economic development, affordable housing, community services, revitalization and stabilization.

All Bank OZK employees share in the responsibility to support our mission to make banking and credit services available to all prospective and existing customers. The Bank's CRA and Fair Lending Committee is responsible for overseeing the operation and effectiveness of Bank OZK's programs related to community reinvestment activities and compliance with the Community Reinvestment Act.

Making Housing Affordable

Bank OZK uses innovative and flexible lending programs to serve the credit needs of our community.

Our Freedom Advantage Home Loan program is Bank OZK's flexible, affordable mortgage product. This program allows up to 100% financing, flexible credit criteria and long-term fixed rates to low- and moderate-income borrower(s) or borrower(s) purchasing in a low- to moderate-income census tract within the Bank's assessment area. In addition, the Bank allows existing Freedom Advantage borrowers to refinance their loans through its Freedom Advantage Refinance product. A dedicated group of Bank OZK community mortgage loan professionals work with

Supporting Small Businesses

We understand that many small business owners and entrepreneurs face difficulties obtaining traditional financing. We strive to address this challenge through an array of products and services and by participating in programs such as the U.S. Small Business Administration (SBA) Loan Program. As a preferred lender, Bank OZK makes the SBA loan process easy to navigate, offering loans with no minimum dollar requirement. In addition, we participate in the Business and Industry

local realtors and community organizations to raise awareness of Freedom Advantage. In 2019, the Bank provided Freedom Advantage Loans totaling \$37 million for 229 single family residential units.

In addition to Freedom Advantage, Bank OZK's Affordable Housing Finance Group oversees lending and investing for the construction of multi-family housing for families and seniors who make 80 percent of area income or less. An estimated 95 percent of loans that the group finances benefit low-income families. Since the group began in 2018, it has provided more than \$320 million in financing, helping to create approximately 2,400 units of affordable housing.

programs of the U.S. Department of Agriculture by providing loans to rural communities.

Bank OZK employees work in partnership with Small Business Development Centers and Community Development Financial Institutions, who provide tools, resources and technical assistance to small businesses across our footprint and help raise awareness of the Bank's many Government Guaranteed Loan Products.



CAROLINA SMALL BUSINESS DEVELOPMENT FUND

Recognizing the evolving landscape and need for financial education and technical support in the small business sector Bank OZK granted \$20,000 to the Carolina Small Business Development Fund, a statewide Community Development Financial Institution (CDFI). The funding supported the Black Entrepreneurship Week and the 'Carolina Small Business' statewide outreach initiatives, including the Coastal Women's Ventures of Wilmington in partnership with the YWCA Lower Cape Fear. The collaboration and funding enhanced the Black Entrepreneurship Week to offer free entrepreneurial workshops to over 1,000 attendees; and, the Coastal Women's Ventures of Wilmington's capacity to provide technical assistance and one-on-one coaching to 50 clients; and, support monthly workshops to draw 250 attendees.

"Coastal Women's Ventures addresses the needs of Wilmington women and minority entrepreneurs so that these sectors can become economically self-sufficient," said Charrise Hart, YWCA Lower Cape Fear CEO. "We believe when women are empowered to achieve economic self-sufficiency, communities thrive. With this generous support, we will continue to promote entrepreneurial efforts of women in Wilmington."



BUILDING A STATE-OF-THE-ART VETERINARY CENTER WITH HELP FROM BANK OZK

Martha Boden left the business world over a decade ago to pursue her lifelong passion: Enriching people's lives through their pets. As CEO of the Tampa Bay Society for the Prevention of Cruelty to Animals (SPCA), Boden oversees a wide range of services for people, their pets and rescued animals including pet adoption, lost and found pet assistance, animal behavior training classes, and animal cruelty investigation for wildlife and livestock. They even offer a pet food bank for those experiencing financial hardship.

With the help of Bank OZK Small Business Loans, Boden and her team opened a new full-service, state-of-the-art veterinary center in 2018. Pet owners who use the center not only get all their pet's health needs in one location, but a portion of all revenue supports programs and services at SPCA's animal shelter and helps other families in need of their pet's care.

"The partnership with Bank OZK has been transformative," Boden relayed. "Our banker understood our dream, but she also dug into our business, our growth, how we function. By the time we started looking at buildings she said, 'We're going to help you. We'll put together a financial package that makes sense for you.'"

She added, "The partnership with Bank OZK allowed me to focus on the project, making sure that the building delivered everything we needed it to. All the way through, the Bank was there."



2019

Community Reinvestment Impact

\$610.4M

Community Development Lending for affordable housing, economic development, community service, revitalizing and stabilizing low- to moderate-income communities.

224 units

Affordable Housing Program grant funding alone totaled more than \$1.5 million and resulted in the creation of 224 units of additional affordable housing.

\$422,800

Community Development Investments supporting low- and moderate-income individuals, families and neighborhoods.

\$76M

CRA-qualified Investments.

10,000+

Number of people participating in Bank OZK-facilitated financial education seminars on topics such as purchasing a home, budgeting and investing.

\$76M+

Loans to small businesses located in low- to moderate-income communities.

\$1.6M+

Leveraged more than \$1.5M in grant funds through the Federal Home Loan Bank (FHLB) programs, including the Affordable Housing Program (AHP), the Special Needs Assistance Rehabilitation Program (SNAP), the Homebuyer Equity Leverage Partnership (HELP), Housing Assistance for Veterans (HAVEN), and the Economic Development Program (EDP).

\$61,038

The Bank's SNAP awards have allowed 12 low- and moderate-income homeowners to repair existing homes or afford their first home.



Giving of Our Time and Expertise to Help Strengthen Financial Literacy

Financial literacy is a critical skill in today's world. That is why Bank OZK facilitates financial education seminars in local communities on topics such as purchasing a home, budgeting, saving and investing.

During 2019, Bank OZK volunteers led more than 72 seminars for more than 10,000 community member participants at its branches and at schools and community organizations. In recent years, Bank volunteers have taught new entrepreneurs how to establish businesses in Fort Myers, Florida, informed future homebuyers about home ownership in Beaufort, South Carolina, and reviewed financial basics with students in Fayetteville, Arkansas.

Supporting Minority- and Women-Owned Businesses

Bank OZK also recognizes the evolving landscape and need for financial education and technical support in the small business sector and strives to help.

In 2019, Bank OZK supported the North Carolina Women's Business Center of Charlotte by sponsoring a Small Business Funding workshop series and its annual "Heart of a Woman" conference. Over the two-day conference, Bank OZK team members engaged in one-on-one financial education conversations with more than 200 minority-women business owners.

Bank OZK also granted \$20,000 to the Carolina Small Business Development Fund, a statewide Community Development Financial Institution in North Carolina. The grant helped support the Fund's Black Entrepreneurship Week, which included free entrepreneurial workshops for the more than 1,000 attendees. Funding also helped the Coastal Women's Ventures of Wilmington provide technical assistance and one-on-one coaching to 50 clients and hold monthly workshops.

Helping in Times of Need

When natural disasters strike such as recent hurricanes or the historic flooding in Texas and Arkansas in 2019, Bank OZK is there for local communities.

To aid in the aftermath of the historic Arkansas floods, Bank OZK made a \$20,000 contribution to the Crawford-Sebastian Community Development Council for flood disaster assistance. The funds were used to assist families with water damage restoration and home repairs, as well as providing food and toiletries through the Council's River Valley Regional Food Bank. Bank OZK offices also collected non-perishable food and

monetary donations for the food bank, which distributes supplies to more than 180 food pantries, soup kitchens and shelters.

Bank OZK also offered support through its Disaster Relief Payment Deferral Program. The program allows for deferred interest and short-term payment extensions to borrowers impacted by natural disasters. In addition,

the Bank waives loan fees, late charges and overdraft fees for affected customers.

Bank OZK also stepped up in 2019 to help customers whose income was disrupted by the partial U.S. government shutdown, offering the same terms as the Bank's Disaster Relief Payment Deferral Program.



Philanthropic Investment

Education and Youth

Investing in education and today's youth is one of the best investments we believe an organization can make. Through our expertise and time, we are helping to equip today's students to be tomorrow's leaders.

Together with our partner EVERFI, a leading education technology innovator, Bank OZK hosted financial education courses for students (K-12) in low- to moderate-income communities ranging from introductory to advanced-level topics such as saving, budgeting, insurance, taxes and investing. During the 2018-2019 school year, the Bank's efforts reached more than 4,900 students in 34 schools. An impact assessment showed that students involved in the program increased their scores on assessment tests by an average of 68 percent.

Between academic years 2016 and 2019 through the Bank OZK Financial Scholars Program, the Bank provided more than 11,500 high school students with financial education to help them make informed decisions about their financial futures.

Stepping Up for Students

Bank OZK helped more than 500 students pursue high-quality education through the Bank's 2019 grant of \$3.5 million to Step Up For Students. Since 2017, Bank OZK has funded 885 scholarships through the Florida-based non-profit organization.

"We are thankful for Bank OZK's commitment to providing educational options for economically disadvantaged Florida families," said Doug

Tuthill, President of Step Up For Students. "Their generosity is helping to make a difference across our state."

Supporting Young Entrepreneurs

Bank OZK collaborated with the non-profit BUILD NYC to help young entrepreneurs learn how to bring their visions of starting a business to reality. BUILD NYC serves more than 400 students at eight partner schools in under-resourced communities. Through the program, employees from the Bank's New York office have coached students and offered advice about their business and academic goals. In addition to volunteering, the Bank also provided a \$15,000 grant to the program.

Senior Vice President of Commercial Lending at Bank OZK Kevin Beauparlant volunteered as a judge during a session where students pitched their business ideas. "As a dad, I know the impact these programs can have on kids' lives, leaving a lifelong impression for the good," Kevin recalled. "BUILD NYC is making an impact on so many and I am proud to be a part of it."

Building Pathways to Careers in Banking

Bank OZK works with Arkansas Tech University-Ozark Campus and the Ozark School District to help high school students

obtain concurrent college credit while gaining a career pathway in the banking industry. In addition to college credit, students gain entry-level banking operations skills and the opportunity for eight weeks of paid, hands-on professional training at the Bank's Operations Center, which may extend further into the school year.

As part of the program, interns participate in weekly sessions led by Bank and university staff designed to help them transition from student to professional life. Topics include communication styles, professional dress and appearance, time management, and financial aid for college. At the end of the program, interns share their experiences during a formal presentation to Bank managers, School Board members, high school administrators and teachers, and officials from the Arkansas Department of Education.

"This isn't just a summer job; this is an investment in the students and in the community," says Chad Necessary, Chief Information Officer at the Bank, who helped establish the program. "To see the change and evolution in these students from the first day of summer to the end is amazing. Our interns grow from students to business professionals and have a very big step up on their peers when they return to school or prepare for college."



Focusing on the Environment

At Bank OZK,  we are dedicated to making a positive contribution to a sustainable environment by developing business practices to protect and conserve natural resources in our workplaces and communities.

Our New Headquarters

In 2019, the Bank continued construction of its new 247,000-square-foot corporate headquarters in Little Rock, Arkansas, to support the bank's continued growth. Approximately 400 employees are expected to move into the building when construction is complete in 2020, with capacity for up to 800 employees.

Environmentally friendly features of the Bank's new headquarters will include:

- Programmable LED lights allowing all normally occupied spaces to be controlled by motion detectors that turn lights off when areas are unoccupied
- Low-flow plumbing fixtures to conserve water
- Energy-efficient HVAC systems
- Light-color roofing material that will reflect heat to minimize heat load to the HVAC system
- Site water collection systems designed to have zero effect on surrounding properties and nearby waterway
- Centralized recycling receptacles
- Site landscaping with hundreds of trees (well above city landscape regulations) to increase site shading and lower heat production from pavement



- Electric charging stations in all employee parking lots

In addition to our new headquarters, the Bank has announced plans for a \$6 million investment in the construction of a solar power plant to provide renewable energy to the new headquarters and up to 40 other Arkansas locations. Over the course of a year, the planned solar plant is expected to generate more than 8 million kilowatt-hours of renewable electricity, enough to provide electricity for more than 1,000 homes for 12 months. The plant is expected to significantly shrink the Bank's carbon footprint by an estimated 160,000 tons of carbon dioxide over the next 30 years, equivalent to the emissions of more than 390 million passenger-car miles.



Reducing Our Environmental Impact

We know that even the smallest effort can make a difference. Below are other ways Bank OZK is working to minimize its impact on the environment.

Reducing Paper Use One Customer at a Time

By the end of 2019, all Bank OZK branches were using a new technology called teller image capture. When customers deposit checks, tellers use the tool to scan paper checks into high-quality digital images that are electronically transmitted to the teller automation network system. By replacing a series of manual transactions, teller image capture provides significant cost savings and efficiencies, and protects consumer information. It also replaces paperwork that tellers previously had to complete, as well as the need for customers to fill out deposit tickets.

Minimizing Our Carbon Footprint

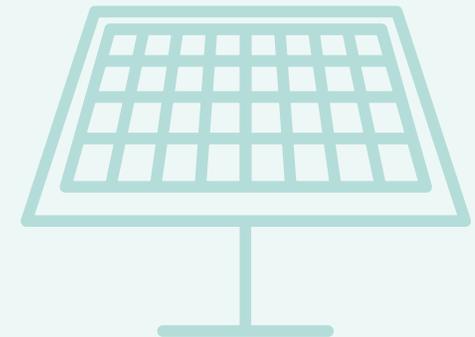
During the past 12 months, we have launched a new company-wide voice and video platform for more efficient video conferences and webcasts. The technology is helping us reduce our carbon footprint through decreased travel.

Shredding Our Way to Waste Reduction

Through our shredding and recycling initiative, we recycled more than 780,000 pounds of paper in 2019, an increase of nearly 200,000 pounds from the prior year. Other impacts from our shredding and recycling efforts are outlined in the chart below.

All new ✂ and renovated Bank OZK branches

are designed with LED lighting, motion sensor switches, high-efficiency HVAC controls and variable air volume (VAV) distribution systems.



TOTALS	
Gallons/Barrels of Oil Saved	115,489/2,750
Trees Saved	6,639
Kilowatts of Energy Saved	1,414,362
Cubic Yards of Landfill Space Saved	1,338
Gallons of Water Saved	4,441,309



FOR MORE INFORMATION ABOUT OUR BANK

please visit www.ozk.com or contact the Bank at
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P.O. Box 8811, Little Rock, Arkansas 72231-8811.

Forward-Looking Statements

This report and other communications by the Bank include certain “forward-looking statements” regarding the Bank’s plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors are described in detail in the public reports the Bank files with the FDIC, including those factors described in the disclosures under the headings “Forward-Looking Information” and “Item 1A. Risk Factors” in the Bank’s most recent Annual Report on Form 10-K for the year ended December 31, 2019, and its quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those projected in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.





 **Bank OZK**

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FDIC