



# Whistleblower Policy

# CBTX, Inc.

## Whistleblower Policy

Effective October 18, 2017

The purpose of CBTX, Inc. ("CBTX") Whistleblower Policy is to establish procedures for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters, compliance with applicable laws, rules and regulations or violations of the CBTX Inc. Code of Business Conduct and Ethics. This policy applies to every member of the Board of Directors, every officer and every employee of CBTX, Inc. ("CBTX"), CommunityBank of Texas, N.A. ("Bank") and their subsidiaries (collectively referred to as the "Company"). When the terms "Board of Directors," "directors", "officers" and "employees" are used in this policy, they refer to the Board of Directors, executive officers, officers and employees, respectively, of the Company.

Avoiding illegal business conduct is a priority for the Company and the Company is committed to the highest standards of ethical and professional conduct. Directors, officers and employees are encouraged to report their concerns about possible violations, including, but not limited to securities law violations, through reporting mechanisms, as identified in the procedures section below.

### **Scope of Matters Covered By These Procedures**

These procedures relate to concerns and complaints relating to compliance with laws and regulations, accounting, internal accounting controls, or auditing matters, including without limitation, the following:

- Fraud or error in the preparation, evaluation, review or audit of any financial statement of the Company;
- Fraud or error in the recordkeeping and maintaining of financial records of the Company;
- Deficiencies in or noncompliance with the Company's internal accounting controls;
- Noncompliance with applicable government and regulatory organization laws, rules and regulations;
- Misrepresentation or false statement to or by a director, officer, employee, accountant or advisor regarding a matter contained in the financial records, financial reports, or audit reports of the Company; or
- Any deviation from full and fair reporting of the Company's financial condition and/or results of operations.

## **Good Faith Reporting**

Anyone reporting a concern pursuant to this Policy must act in good faith and have reasonable grounds for believing the information disclosed indicates improper financial statement disclosures, accounting, internal accounting controls, auditing matters, compliance with applicable laws, rules and regulations or violations of the CBTX Inc. Code of Business Conduct and Ethics. The Company encourages all directors, officers and employees to err on the side of caution when evaluating whether to make a report and, when in doubt, to make a report of any improper practice or conduct. The Company will consider and evaluate the merit of any reports and will take appropriate corrective action. The act of making a report should be undertaken seriously by the complainant and unsubstantiated allegations, or reports that are made maliciously, recklessly or with foreknowledge that the allegations are false, is a serious disciplinary offense and may result in discipline up to and including termination of employment.

## **Procedures**

The Audit Committee has adopted the following procedures:

- The Company will promptly forward to the Audit Committee any complaints that it has received regarding financial statement disclosures, accounting, internal accounting controls or auditing matters.
- Any director, officer or employee of the Company may submit, on a confidential and anonymous basis if the employee so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company's Code of Business Conduct and Ethics. All such concerns should be reported using the Company's confidential employee hotline 844-256-3952 or the Company's confidential reporting website: [www.communitybankoftx.ethicspoint.com](http://www.communitybankoftx.ethicspoint.com) (See also CBTX, Inc. Code of Business Conduct and Ethics XV. Reporting Illegal or Unethical Behavior).
- Following the receipt of any complaints submitted hereunder, the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions, if appropriate. Whistleblower tips will be responded to immediately. Response to each complaint will be documented.
- The Audit Committee may enlist employees of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the CBTX, Inc. Code of Business Conduct and Ethics. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.
- The Company prohibits retaliation of any kind against employees for complaints submitted hereunder that are made in good faith.
- The Audit Committee will retain as a part of its records any such complaints or concerns for a period of at least seven years.