

2023 ESG Report

Our Commitment to
Continuous Improvement



A Letter from Our President and Chief Executive Officer

Our annual **Environmental, Social, and Governance (ESG)** report highlights the various activities and initiatives that Cass has undertaken to make the Company a place where our employees are proud to work, as well as to provide long-term value to our shareholders, stakeholders, and the community at large.

We are proud of the progress we continued to make around ESG matters during 2023, including the following specific examples:

- Continued to improve our Diversity, Equity and Inclusion (DEI) initiatives through our DEI Committee.
- Continued to support our communities through community service and charitable giving.
- Enhanced employee engagement through book clubs, employee research groups (ERGs), and town hall meetings.
- Continued our strong focus on governance and risk management measures.
- Continued to improve our information security through technology investments.
- Improved proxy disclosures around pay for performance and overall executive compensation.
- Continued to support our clients' efforts to understand their energy usage and reduce waste and energy consumption.

The data in this report reflects those areas that are most important to our business. When evaluated collectively, we believe this data provides a good basis for evaluating our success on ESG matters and homing in on ways to get better.

We are proud of our history and believe we have a strong foundation on ESG matters. Our goal is to grow further in these efforts as we continue to create greater value through our actions as a business. We hope that you find this report useful and thank you for your support and belief in the future success of Cass.

Sincerely,



Martin H. Resch

President and Chief Executive Officer

About Cass

Cass Information Systems, Inc. (“Cass” or the “Company”) provides payment and information processing services to large manufacturing, distribution, and retail enterprises across the United States.

FOUNDED IN

1906

\$90B

DISBURSED ANNUALLY

>\$2B

IN TOTAL ASSETS

The Company’s services include freight invoice rating, payment processing, auditing, and the generation of accounting and transportation information. Cass also processes and pays facility-related invoices, which include electricity and gas as well as waste and telecommunications expenses, and provides telecom expense management solutions.

In our role as a leading provider of integrated information and payment management solutions, we enable enterprises to achieve visibility, control, and efficiency in their supply chains, communications networks, facilities, and other operations. Disbursing more than \$90 billion annually on behalf of clients, and with total assets in excess of \$2 billion, we are uniquely supported by Cass Commercial Bank (the “Bank”). Founded in 1906 and a wholly owned subsidiary, the Bank provides sophisticated financial exchange services to its clients and also supports the Company’s payment operations. The Bank also provides banking services to its target markets, which include privately owned businesses and faith-based ministries in the St. Louis metropolitan area as well as other select cities in the United States.

Cass solutions include a B2B payment platform for clients that require an agile fintech partner. We also offer a cloud-based church management solution that provides ministry information and generosity services for faith-based and non-profit organizations.

We operate offices in Ohio, Kansas, South Carolina, Florida, Colorado, and Missouri in the United States. We also have office space in Breda, Netherlands; Basingstoke, United Kingdom; and Singapore.

This report is not comprehensive. It should be read in conjunction with the Company’s 2023 Annual Report on Form 10-K and Proxy Statement and with other reports filed by Cass with the Securities and Exchange Commission. Find a copy of our Annual Report and Proxy Statement on the Investor Relations page of our website (www.cassinfo.com).

Business Unit	Services	Clients	Value Created
Freight Audit and Payment	Solutions that enable best practices in transportation spend management, including invoice processing and payment, complex accounting support, and delivering actionable business intelligence	Multinational corporations	Empowering clients to understand, control, and optimize transportation costs.
Utility Bill Management	Processing and payment of clients' invoices for electricity, gas, water, and waste, plus more than 50 other facility-related expenses	Fortune 1000 retail and commercial, large industrial entities, multi-family owners and REITs	<p>Providing clients accurate utility usage and cost data to make informed risk management and expense management decisions in any economic situation.</p> <p>Helping energy and sustainability managers pinpoint opportunities for procurement, demand management, sustainability initiatives, and more.</p>
Telecom, Mobility, and Cloud Expense Management	Outsourced, value-added solutions for telecom expense management (TEM), managed mobility services (MMS), and cloud expense management	Global 2000 Companies	Reducing and optimizing operating expenses; enabling clients to maintain purchasing controls and compliance with vendor contracts, regulations, and business policies.
Waste Invoice Management Solutions	Processing and payment of clients' waste and recycling invoices	Brokers of waste management solutions, Fortune 1000 retail and commercial, large industrial entities, multi-family owners, and REITs	<p>Simplifies the complex process of managing waste and recycling documents through automation.</p> <p>Provides reporting for sustainability/diversion, spend management, invoice audit, and contract management to monitor KPIs and trends.</p>
CassPay	Financial solutions for companies who initiate or receive high volumes of B2B, C2B, and B2C payments. Also evaluates new business opportunities to leverage Cass's competencies in payment management	Fintechs	Improved transparency, ease in funding or receiving payments, and superior reconciliation reporting.
Cass Commercial Bank	Customized financial services	<p>National-level clients include faith-based ministries and McDonald's restaurant franchises</p> <p>Local-level clients include privately owned businesses in the greater St. Louis area</p>	Developing trusted advisor relationships with commercial and faith-based clients. Additionally, the bank supports the parent organization in achieving its goals by managing the corporate interest-earning assets, performing risk management, and providing sophisticated financial exchange and operating services.
TouchPoint	Cloud-based church management solution, including giving platform	Faith-based organizations	Enables and equips church leaders to engage their people, fund their vision, and manage their church.

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Corporate Purpose and Values

Our corporate purpose is to create value for our stakeholders (clients, employees, shareholders and community) by providing **best-in-class financial, payment, and information management services** and by ensuring a **strong foundation for future growth and service opportunities.**

CORPORATE PURPOSE

Our corporate purpose is to create value for our stakeholders (clients, employees, shareholders and community) by providing best-in-class financial, payment, and information management services and by ensuring a strong foundation for future growth and service opportunities.

In pursuing our purpose, we strive to act with the highest degree of honesty, integrity, and compassion for our stakeholders. Our purpose is rooted in the following principles:

-  For our clients, we will take a service-oriented approach that makes them a priority, is based upon understanding their needs, honors our commitments, and ultimately meets or exceeds clients' service expectations.
-  For our employees, we will provide a harassment-free environment that prioritizes diversity, inclusion, and the respect and dignity of all. We will focus on teamwork, participation, and support to enhance opportunities for personal and career growth. We will provide appropriate balance between our employees' work and personal demands and compensation and benefits that attract top talent, retain high performers, and reward our employees for helping us to achieve our purpose.
-  For our shareholders, we will maintain a strong financial condition to protect and enhance their investment. We will strive to produce earnings that are consistent with those earned by other well-managed companies with a strong emphasis on sound corporate governance.
-  For our community, we will support local civic and charitable endeavors that align with our values, foster respect for the ethical and moral treatment of all people, and support the pursuit of personal and spiritual growth. We will provide programs that encourage our employees to participate in such endeavors.



80
employees
with 25+ years of service

We believe adhering to these principles will allow us to more effectively achieve our corporate purpose. We are exceptionally proud of our 117-year history in adhering to these principles. Acting with **honesty, integrity, and compassion** is what we strive to do every day.



VALUES

To serve. We invest in our employees and technology while maintaining the financial strength to serve as a safe, reliable, and long-term business partner. We strive to conduct our business with honesty, integrity, and the highest degree of character.

To support our values, we:



Create **LONGEVITY** by taking a long-term view

- We invest in our people, products, and technology for the long term.
- We are shareholder-driven in our decisions and actions.
- We are committed to families, sustainability, and strong communities.
- We are committed to attracting, developing, and retaining top talent.



Act with **INTEGRITY** and collaborate as one team

- We communicate openly, frequently, and candidly.
- We do what is right.
- We enjoy working together and celebrate our successes.
- We hold each other to high ethical standards.
- We encourage fair-minded debate and collectively own the decision once it is made.



Focus on client **SERVICE**

- We build long-term, valuable relationships with our clients.
- We take initiative in creating solutions that deliver the best value.
- We make doing business easy, rewarding, and enjoyable.
- Our long-tenured employee base develops lasting personal connections with our clients.



Create **STABILITY** by prudently managing risk

- We maintain high credit standards that are applied consistently.
- We are selective in choosing our clients.
- We go well beyond what is required to be strongly capitalized.
- We are quick to deal with credit quality issues when they occur.



Build **TRUSTED** advisor relationships

- We listen to understand before we act.
- We offer advice and counsel even when contrary to our clients' goals.
- We deliver on our commitments.
- We trust each other and assume best intentions.
- We treat our clients and each other with respect.



Use **EXPERIENCE** to achieve excellence

- We continuously measure and improve.
- We are innovative and agile in response to a changing world.
- We go above and beyond what is expected.
- We use our knowledge and experience to take measured risks.
- We are personally accountable for achieving results.



Environmental

Cass is committed to continuing to evaluate the increasing impacts of climate change on our business and our customers.





ENVIRONMENTAL

Climate change impacts are felt around the world. Climate change risks can arise from the impact of extreme weather events or from transition risks associated with shifts in economic factors as a result of the move towards a lower carbon economy.

CLIMATE CHANGE AND CASS

Cass is committed to continuing to evaluate the increasing impacts of climate change on our business and our customers. Our climate strategy includes three main components:



Managing climate risks facing our business.



Evaluating ways we can reduce our environmental and carbon footprint.



Supporting our customers transition to a more sustainable future by providing key energy, water, and waste data.

CLIMATE RISK MANAGEMENT

Cass has an Enterprise Risk Management (ERM) Committee that is comprised of senior management, including our President and Chief Executive Officer, Chief Information Officer, Chief Financial Officer, Cass Commercial Bank President, Chief Information Security Officer, General Counsel, Senior Vice President of Human Resources, and Vice President of Risk and Internal Audit. Under our risk management structure, the Audit & Risk Committee is responsible for the direct oversight of the activities of the ERM Committee. The ERM Committee oversees all activities to identify, assess, and manage risks effectively.

Our ERM framework identifies our key risks, which includes climate risk.

Examples of specific climate-related risk factors include weather related impacts, which could impact Cass during the short-, medium-, or long-term time horizons. We recognize that a severe weather event could impact our data center or could damage the collateral within our loan portfolio. We mitigate these risks by having geographically diverse data centers and by enforcing compliance with flood and hazard insurance coverage requirements.

Furthermore, we understand that we are subject to transition risks over the medium- and long-term time horizons as the move to a lower-carbon economy shifts customer and investor preferences. This would include potential risk to our strategy by not responding to shifting changes in the markets we serve. As noted in more detail below, we believe our strategy of supporting our customers' sustainability goals presents us with an opportunity to expand our position as a trusted service provider.

As part of our efforts to manage climate-related risks relevant to our business, we have begun alignment with the recommendations of the Task Force on Financial Disclosure (TCFD). Please find TCFD details in the Appendix on page [34](#).



ERM

COMMITTEE

that identifies key risks,
including climate risk

2,994

TREES SAVED

as a result of our paper
recycling efforts

SUSTAINABILITY AT CASS

Cass continues to assess ways we can reduce our environmental footprint through our employee Sustainability Committee. This committee leads sustainability efforts throughout our offices. Examples of the types of initiatives they facilitate include:



Recycling efforts of plastic, aluminum, and paper



Awareness of the importance of sustainability



Electronic recycling



Sharing best practices on sustainability between offices



Reducing paper usage

Reducing Our Energy and Emissions Footprint

We take strong actions to reduce the Company's overall energy consumption. With a higher percentage of our workforce being either fully remote or in a hybrid office/remote arrangement, we shrunk our corporate square footage by transitioning to hoteling offices.

Since we own all our data centers, we have taken the following actions to reduce the environmental impact of our data centers:

- In 2023, we replaced our halon fire suppression system, which has high potential for ozone depletion, with a clean-agent fire suppression system that has a low global warming potential and short atmospheric lifetime.
- Implemented virtualization technologies to reduce the number of servers in our data center, resulting in smaller power and cooling needs.
- Replaced older, inefficient HVAC units with new high efficiency systems.
- Replaced all lighting with LED options.

Reducing Electronic Waste

Recycling e-waste helps prevent environmental pollution, and goods made from recycled materials require less water and energy to produce. This process also recycles natural resources like copper, silver, and aluminum.

To minimize the amount of e-waste generated by Cass and our employees (primarily computers, monitors, servers, printers, and keyboards), we have partnered with local recycling companies at each of our locations to recycle as much of our decommissioned electronics as possible.

Reducing Paper Waste

Paper is a frequently used method for freight carriers or utility service providers to provide information used by Cass to process invoice and pay invoices on behalf of our customers. We actively work with these providers to reduce paper invoices mailed to Cass and instead implement electronic data transfers to reduce paper consumption and allow for more efficient transaction processing.

When paper is used for general office activities, we utilize third-party secure information destruction service and paper recycling providers for our locations. During 2023, based on reporting provided by our third-party paper recycling partner, 2,994 trees were saved as a result of these recycling efforts.

With a higher percentage of our workforce being either fully remote or in a hybrid office/remote arrangement, **we shrunk our corporate square footage by transitioning to hoteling offices.**

SUPPORTING A MORE SUSTAINABLE FUTURE

Cass assists with our clients' increasing need for data to meet their sustainability goals, including energy and water. In our Utility Bill Management and Waste Invoice Management Solutions business units, we process and pay the following types of invoices:

Natural Gas	Water	Electric	Propane
Landscaping	Waste	Contract Maintenance	And Many More...

In addition to processing and paying these invoices, we provide actionable data to support corporate energy and emission reduction targets, corporate sustainability reporting, state and local building benchmarking laws, global climate-change related expectations, and greenhouse gas emission quantification. We offer clients the detailed utility, freight, and waste data necessary for calculating their carbon footprints and for their energy, emissions, and waste management. This includes capturing and sharing multiple data points from each invoice we process. Our clients use Cass utility data to report to major sustainability initiatives including but not limited to GRESB, the CDP, the Better Buildings Challenge and individual corporate ESG reports.

We offer clients instant access to their greenhouse gas emission data through our online portal, eCO2Trak. Clients can immediately get their CO₂, CH₄, N₂O, and CO₂e data for four major fuel types.

Our partner network consists of the United States' foremost energy procurement and management companies. These companies combine the data we deliver with their expertise to perform successful analyses. One example is benchmarking through ENERGY STAR, which offers facility managers the opportunity to measure their building's energy use against that of peers. Buildings that earn a score of over 75 on a 1-100 scale may be eligible to become ENERGY STAR certified.

The energy and water data that Cass provides to our clients and partners also facilitates the mandatory **ENERGY STAR** benchmarking required by more than 50 state and local jurisdictions in the United States.

As part of our Waste Invoice Management Solution, we offer a Cass Waste Environment Assessment. This assessment helps organizations prepare, manage, and execute on a long-term waste and recycling strategy. In addition, the assessment provides valuable input into current processes and procedures in order to make recommendations to improve overall management of waste and recycling ecosystem based on Cass proven best practice methodologies.

Vendor service capabilities, geographic footprint, site-specific design limitations, education, and cost-of-service are just a few of the real-world business challenges that businesses must navigate as they seek to implement or improve upon a corporate recycling initiative. The Cass High Performing sustainability program helps our clients implement best practices, create standardization processes to ensure compliance, and mitigate risks through education and data collection.

Our Waste Invoice Management Solution provides our clients with consolidated reporting for sustainability/diversion, spend management, invoice audit, and contract management to monitor key performance metrics and trends.



Within our Telecom services, it couldn't be easier to retire or replace a technology device with Cass. We take care of safe device recycling or refurbishment and manage the retrieval of all devices from employees of our clients. We audit and store old telecom equipment to recover value for our clients. If a client needs to retire a device, data is destroyed, and devices are sanitized to governmental standards as set in NIST SP 800-88 guidelines. We offer flexible IT asset disposition solutions for all managed mobility service needs while ensuring our client's brand is fully protected. Reverse logistics is a critical part of device lifecycle management. Not only does it help optimize spend and reduce costs, but it's also instrumental in fulfilling business sustainability goals.

In summary, we take sustainability very seriously and it is the core of everything Cass is about as a company. We:

- Provide actionable energy data to our clients so they can report on progress and look to make future improvements
- Provide actionable freight data to our clients so they can evaluate opportunities to become more efficient when shipping goods in hopefully fewer truckloads
- Help our clients with sustainability initiatives such as recycling

ENVIRONMENTAL DATA

GHG Emissions

In total, we occupy 170,264 square feet, of which 109,851, or 64.5%, is owned by us and where we process and pay transportation and facility invoices. The remaining 35.5% of our square footage is leased and occupied by Cass Commercial Bank employees and other Cass Information Systems employees where we do not process and pay invoices. We calculate and track greenhouse gas emissions on an operational control basis, which includes the facilities for which we process and pay transportation and facility invoices, or 64.5% of our total square footage. Our data centers, which we own and operate, are included in our emissions calculations. We track scope 1, 2, and 3 emissions.

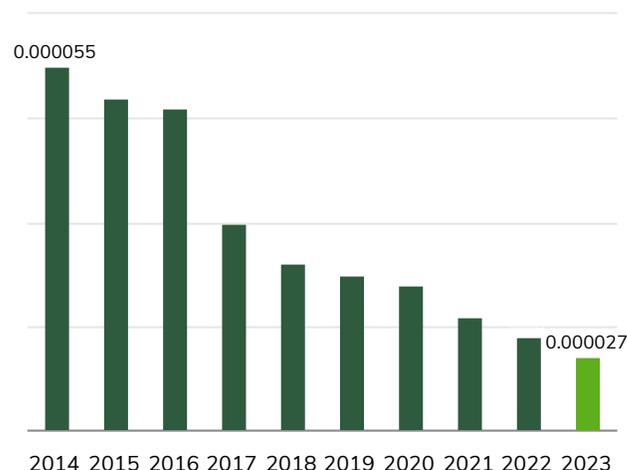
The Company's Scope 1 and Scope 2 greenhouse gas emissions come from the purchased electricity and natural gas used in our owned offices, which includes our data centers. The majority of the emissions are from purchased electricity.

The processing and payment of transportation and facility invoices represents the core of our business operations. The ratio of our greenhouse gas emissions to our processing volume provides a relevant year-over-year intensity measurement of Cass' ability to grow our business without increasing our emissions.

Emissions/Transaction

Year	# of Transactions (000's)	Scope 1 and 2 Emissions	Emissions per Transaction
2023	49,806	1,360	.000027
2022	49,797	1,436	.000029
2021	49,282	1,551	.000031
2020	45,756	1,541	.000034
2019	51,465	1,817	.000035
2018	53,420	1,950	.000036
2017	50,803	2,054	.000040
2016	48,739	2,476	.000051
2015	47,621	2,468	.000052
2014	48,188	2,638	.000055

Emissions per Transaction: 2014—2023



Note: # of transactions include transportation and facility transactions as reported in our Form 10-K.

Note: Scope 1 and 2 emissions reported in metric tons of CO₂e.



Our scope 1 and scope 2 emissions and overall energy use as compared to our annual revenue is as follows:

Emissions and Energy Use/Revenue

Year	Revenue (000's)	Total KBTU (000's)	KBTU/ Revenue	Scope 1 and 2 Emissions/Revenue	KBTU % Change	KBTU/Revenue % Change from Previous Year	Emissions/Revenue % Change from Previous Year
2023	197,511	10,523	0.053	0.000007	(2.1)%	(10.0)%	(13.0)%
2022	182,476	10,750	0.059	0.000008	0.1%	(15.4)%	(21.8)%
2021	154,147	10,740	0.070	0.000010	(0.5)%	(6.4)%	(5.4)%
2020	144,956	10,794	0.074	0.000011	(7.6)%	0.2%	(8.0)%
2019	157,235	11,686	0.074	0.000012	(6.7)%	(12.0)%	(12.1)%
2018	148,266	12,526	0.084	0.000013	(1.6)%	(10.2)%	(13.4)%
2017	135,302	12,724	0.094	0.000015	(12.9)%	(19.2)%	(23.0)%
2016	125,537	14,606	0.116	0.000020	(1.7)%	(5.4)%	(3.4)%
2015	120,817	14,857	0.123	0.000020	1.6%	(1.4)%	(9.2)%
2014	117,206	14,616	0.125	0.000023	—	—	—

Note: Total electric and gas (energy) usage converted to one-thousand British thermal units (KBTUs).

Note: Intensities calculated by taking % change in KBTUs and Scope 1/2 emissions as a % of revenue on an annual basis.

Cass purchases 100% of its electricity from the grid and 0% directly from renewable sources currently, though we have benefited from the increasing percentage of renewable energy in the electricity grids in Ohio and Missouri over the years.

Cass continues to benefit from an extensive 2017 retrofit of our Columbus office that significantly reduced electricity consumption. The retrofit included an upgrade to LED lighting throughout the facility.

We continued to see progress in our scope 1 and 2 emissions as a percentage of our revenue and transactions during 2023. The improvement over 2022 is reflective of internal efforts to become more efficient, as discussed in this ESG report, in addition to improved emission factors for purchased electricity from the EPA's Emissions & Generation Resource Integrated Database (eGrid).

Water

Water stress is low in our primary regions of St. Louis, MO and Columbus, OH where our data centers are located. Water usage compared to our annual revenue is as follows:

Water Usage/Revenue

Year	Revenue (000's)	Water Usage (KGAL)	KGAL/Revenue
2023	197,511	1,275	.0000065
2022	182,476	1,050	.0000058
2021	154,147	1,281	.0000083

A woman with dark hair, wearing a grey blazer and matching trousers over a white top, stands on a metal staircase. She is smiling and looking down at a white smartphone in her right hand. The background is a clear blue sky. An orange horizontal bar is overlaid on the left side of the image, containing the text.

Social

Throughout our 117-year history, Cass has always sought to create a **positive impact in society** through the Company's internal practices and external outreach and we recognize that this reduces risks to our core business operations as well.



SOCIAL

Throughout our 117-year history, Cass has always sought to create a positive impact in society through the Company's internal practices and external outreach and we recognize that this reduces risks to our core business operations as well. Our efforts to conduct business in a socially responsible manner extend from how we support and empower our employees to the contributions we make in our local communities.

BENEFITS

We are committed to providing highly competitive benefits that help attract, motivate, and retain a high level of talent. Among other benefits, these include:

- 401(k) retirement savings accounts with a company contribution of 3% and a company match up to 3%
- Flexible spending and health savings accounts
- Employee, supplemental, and dependent life insurance
- Long and short-term disability
- Maternity and parental leave
- Paid time off for community service
- Tuition reimbursement programs
- Medical, dental, and vision insurance
- Paid personal time off
- Bereavement leave
- Paid holidays
- Flexible work schedules
- Employee assistance program, including counseling, financial and legal assistance, and online programs
- Profit sharing

PROFIT SHARING PLAN

As a strong, successful company founded in 1906, Cass is deeply committed to providing exceptional service to its clients. This requires a strong personal commitment from each member of the Cass team. We nurture this commitment by enabling our team members to share in the Company's overall success through our Profit Sharing Plan. The overall profit-sharing payout is equal to 22.5% of net income, or \$6.8 million during 2023.

Cass developed the plan more than 50 years ago as a motivator for each employee to produce superior results. Employees receive a cash incentive based on Cass's profits, providing a supplement on top of their base salary. A profit-sharing payment is made every six months based on net income related to that period.

ALL MANAGEMENT



Women



Persons of Color

NON-MANAGEMENT LEVEL EMPLOYEES



Women



Persons of Color

TOTAL WORKFORCE OF 1,269



Women



Persons of Color

OUR TECHNOLOGY TEAM OF 144 EMPLOYEES



Women



Persons of Color



DIVERSITY, EQUITY, AND INCLUSION

In pursuing our corporate purpose, we adhere to principles to ensure we act with the highest degree of honesty, integrity, and compassion for our stakeholders. These principles include striving to prioritize diversity, equity, and inclusion (DEI) within a work environment that fosters creativity and respect for differences.

We recognize the benefits of building a corporate culture that promotes DEI to foster unique ideas and ways of thinking. In pursuit of our overall DEI vision, we focus on:

- Cultivating an environment that encourages collaboration, inclusion, and fairness to enable all employees to contribute to their full potential.
- Promoting diversity in our talent management and succession planning processes and employee development programs.
- Ensuring leadership commitment in facilitating the Company's DEI efforts.

Our Diversity, Equity, and Inclusion Committee has made significant contributions to the business as we further employee engagement in inclusive environments. Committee members are integrated throughout the business to strengthen DEI awareness in business unit town halls, partner with internal departments to facilitate DEI trainings, broaden DEI internal communications, and help uplift communities through volunteer efforts. They promote positive cross-functional spaces for colleagues within different business units and continuously further our goals to provide meaningful progress in our DEI efforts.

The committee members are divided into sub-committees that focus on volunteering, training and education, and communications. These committees successfully created a DEI newsletter, an end-of-year company initiative for giving back to the community in service hours, a company intranet DEI page, and other resources that share our DEI vision. 100% of employees completed their training on DEI. In addition, leaders received an annual review of the company's AAP and EEO statements and took a course on avoiding discrimination in employment decisions.

Malissa Shaw, the DEI committee leader, regularly presents at Leadership Council meetings to report on DEI progress across the organization. DEI Committee member, Samantha Pearsall states, "Cass is a successful, innovative, multifaceted, collaborative, reliable and driven company. Forming a DEI committee proves they are also invested in continuing to be recognized as a rewarding, accountable, adaptable, supportive, and community connected company. The pieces are available. DEI puts the puzzle together."

"Cass is a successful, innovative, multifaceted, collaborative, reliable, and driven company."

Samantha Pearsall, Cass DEI Committee Member



We are intently focused on increasing the diversity of our overall workforce, particularly in our Leadership Council and management-level positions. In support of these efforts, we are partnering with a third party to source diverse candidates. These sourcing efforts include college outreach programs to diverse campuses, automatic scraping of all Cass job openings to hundreds of job diversity websites, and partnership with local agencies in our markets. Cass adheres to an Affirmative Action Plan (AAP) in which we track progress on diversity for minorities, females, veterans, and individuals with disabilities.

As a technology-centered company, it is extremely important for Cass to develop and retain women with this skill set. The Cass Women in Technology (WiTech) group supports, advances, and inspires women within the Cass IT Department. To achieve this goal, this group meets on a bi-monthly basis to share insights, ideas, and resources to grow both personally and professionally. In addition to holding bi-monthly meetings, this group frequently invites external guest speakers to share their own personal experiences and success stories, as well as facilitate discussions within the team. Finally, as a means of developing and promoting within the IT Department, we have established a formal mentoring program for this group where women who aspire to advance their career are paired up with a senior leader within Cass. The mentor/mentee pair meet on a regular basis to share goals and provide coaching in a confidential and discrete manner.

Another program Cass has initiated to develop entry level IT staff is our Technical Professional Associate (TPA) program. This initiative takes new college graduates with technical degrees and puts them through a 2-year program focused on growing the personal and technical skills necessary to develop leading technology solutions. Each candidate completes a total of 3 rotations in each of the main IT disciplines including software development, infrastructure, and security.

We are proud to have almost 80 employees with 25+ years of service, which we attribute to the effort we have put into cultivating a compassionate and fulfilling company culture. Every year, we host 25-year club events to celebrate these individuals. This past year, we celebrated these outstanding employees at a St. Louis Cardinals game and at an indoor amusement park.

Martin Resch, our President and Chief Executive Officer, regularly holds sessions called **“Ask Me Anything”** where any employee can sign up over lunch and ask Martin questions. These sessions have been very popular with employees.

Comments on these sessions include:

“I really appreciate the opportunity to meet Martin and get to know about his experience prior to coming to Cass. It was great to hear his enthusiasm for Cass and his ideas for the future path of each division. I would highly recommend attending a session if you get the chance!”

“I really enjoyed the session with Martin. It was a laid-back setting where everyone could feel comfortable asking questions and providing feedback from our respective departments. This was a unique opportunity to connect with someone at his level, as we have never had a session like this before. It was great to hear his plans for Cass, and I look forward to more opportunities like this in the future.”

EMPLOYEE TURNOVER RATE / ENGAGEMENT

Our voluntary turnover rate was 12.5% in 2023 compared to 16.2% in 2022, and our involuntary turnover rate was 1.3% in 2023 as compared to 0.8% in 2022.

Cass Commercial Bank conducted an external, employee engagement survey in 2023 and was recognized as a Top Workplace. We are considering performing a company-wide employee engagement study during 2024. In addition, we are rolling out new hire surveys to gain insights into the employee experience.



TRAINING AND DEVELOPMENT

At Cass, we value the training and development of our employees as a key factor for our success and growth. In 2023, we provided various training opportunities for all employees and leaders to enhance their skills and knowledge in areas such as DEI, compliance, and leadership.

All employees were required to take the following courses:

Disrupting Our Unconscious Bias	This course helped employees identify and challenge their own implicit biases and stereotypes that may affect their interactions and decisions in the workplace.
Sexual Harassment Prevention for Employees	This course educated employees on the definition, types, and consequences of sexual harassment, as well as how to prevent, report, and respond to it.
Introduction to Cultural Competence	This course introduced employees to the concept of cultural competence and how to develop it through self-awareness, cultural knowledge, and cross-cultural communication skills.
Introduction to Microaggressions	This course explained what microaggressions are, how they impact individuals and groups, and how to avoid or address them in a respectful manner.

Additionally, leaders received specific training courses that were relevant to their roles and responsibilities, such as:

Sexual Harassment Prevention for Managers	This course covered the same topics as the employee course, but also focused on the manager's role and duty in preventing, investigating, and resolving sexual harassment complaints.
Handling Employee Requests for Accommodations	This course taught managers how to handle employee requests for reasonable accommodations under the Americans with Disabilities Act (ADA) and other applicable laws, as well as how to engage in the interactive process with employees.
FMLA for Managers and Leaders	This course explained the basics of the Family and Medical Leave Act (FMLA) and how managers and leaders should administer it in compliance with the law and company policy.
Protected Classes for Managers	Avoiding Discrimination in Employment Decisions: This course informed managers about the protected classes under federal, state, and local laws, and how to avoid discrimination or retaliation in hiring, promotion, termination, and other employment decisions.
Cass Affirmative Action Plan Training & Reaffirmation of Cass's EEO Statement	This course reviewed the company's affirmative action plan and equal employment opportunity statement, and how managers should support them through fair and consistent practices.

Moreover, the HR team placed an emphasis on leadership development and provided live, virtual courses on performance management, coaching and goal setting and leading remote employees. HR also held two onsite training events that facilitated strategic conversations with other business leaders and provided a framework for leading effectively.

We are proud of our commitment to training and development at Cass, and we believe that our employees benefit from these learning opportunities and provide an avenue for growth and career development.

PERFORMANCE REVIEW PROCESS

On an annual basis, Cass goes through a formal performance review process for all employees. As part of this process, employees and managers have formal feedback conversations regarding performance and goals for the following year. The performance rating impacts the employee salary administration process as well as the level of profit sharing the employee receives on a semi-annual basis.

HUMAN RIGHTS

We support fundamental human rights and are committed to fair, ethical, and responsible business practices in our dealings with employees, clients, vendors, and other parties. Our approach to protecting and preserving human rights is guided by the United Nations [Universal Declaration of Human Rights](#). Our Global Human Rights Policy Statement can be found [here](#).

With operations around the world, we strive to uphold global standards for responsible business, including equal opportunity, the freedom to associate and bargain collectively, and the elimination of modern slavery, human trafficking and harmful or exploitative forms of child labor.

COMMUNITY INVOLVEMENT / CHARITABLE GIVING

Cass has a Charitable Contributions Committee, consisting of 4 members of our executive management. This Committee undergoes a vetting process for charitable requests from employees and charitable organizations. Some of the criteria include:

- ✓ Active involvement from Cass employees
- ✓ Organizations that engage, reflect, and support our standards for social and moral responsibility, ethics, and values
- ✓ A good charity rating from reputable charitable giving advisory services
- ✓ Organizations that support diversity, equity, & inclusion

The Charitable Contributions Committee actively encourages our employees to submit donation requests for charitable organizations they are passionate about and utilize their paid, Community Service Leave time off.





Cass has a strong history of giving back to our communities. During 2023, we contributed more than **\$500,000 in cash donations** to various charitable organizations in our community.

The Company fosters employee involvement in charitable causes by supporting organizations with which our employees have a relationship. One such charity is the Foster & Adoptive Care Coalition, which strives to create permanency in children's lives by recruiting and supporting foster and adoptive families in the metropolitan St. Louis region. Other organizations that Cass and our employees support include Salvation Army, Scholarship Foundation, Missouri Botanical Garden, City Academy, Haven of Grace, UCP Heartland, and Access Academies.

Cass is also a long-term supporter of the United Way. During 2023, our employees pledged more than \$47,000 and the Company pledged an additional \$47,000 in an effort to match the generosity of our employees.

In addition to charitable contributions, Cass encourages employees to become involved in their communities, lending their voluntary support to programs that positively impact the quality of life within these communities. To aid in this mission, we rolled out a Community Service Leave policy in June 2023 and provided all full-time employees with 4 hours of paid time off during working hours to utilize on service opportunities. Cass employees utilized nearly 430 hours of paid time off volunteering in the community in 2023.

CLIENT RELATIONS

As a company supporting small, medium and large businesses, we do not have retail consumers as clients. As such, we do not provide efforts to prevent client debt repayment problems such as educational programs and debt counseling. We do, however, actively work with our small business and faith-based clients in Cass Commercial Bank to restructure debt and help them improve their financials in times of stress.

HIGHLY CONTROVERSIAL BUSINESS ACTIVITIES IN PAYMENT PROCESSING

We are committed to exclude the provision of services for highly controversial activities such as illegal sale of tobacco products, drugs and pharmaceuticals, illegal gambling activities, copyright and trademark infringements, coerced transactions, high risk securities and crypto currencies in violation of regulation, offensive pornography, and child exploitation or sex trafficking.

In both our payment processing operation and at Cass Commercial Bank, we thoroughly vet potential clients before engaging in any business activities. We evaluate the legitimacy of the business, operating history, and other factors. We do not have any revenue associated with clients in high-risk activities such as gambling, e-cigarettes, adult entertainment, online dating, etc.

SUPPLIER ENGAGEMENT AND RESPONSIBILITY

As an organization with a long-standing tradition of high standards in corporate responsibility, ethics, and integrity, we hold our vendors and suppliers to similar high standards. Cass is committed to partnering only with suppliers that share Cass's standards in these areas and requires critical vendors to adhere to the terms of Cass's Vendor Code of Conduct. This Code of Conduct requires vendors to maintain consistently high standards regarding:

- Business Integrity
- Anti-Corruption and Anti-Bribery
- Protection of Confidential Information and Third-Party Intellectual Property
- Whistleblower Protections
- Conflicts of Interest
- Gifts and Political Contributions
- Anti-Money Laundering
- Compliance with laws and regulations related to labor practices, protections for the health and safety of employees, and the protection of the environment.

Cass's Vendor Code of Conduct can be found [here](#).

EQUAL OPPORTUNITIES, ANTI-HARASSMENT, AND NON-DISCRIMINATION

Cass has Anti-Harassment, Equal Employment Opportunity, Diversity, Equity and Inclusion, and Affirmative Action policies. Among other things, it is the policy of Cass to:

- Maintain a positive, welcoming work environment for all Cass employees. All employees receive training to support the Company's stance against harassment of any kind.
- Provide equal opportunity in all terms and conditions of employment for all persons and to not discriminate against or harass applicants, employees, or former employees because of any protected characteristic under applicable law, including race, color, religion, sex (including pregnancy, sexual orientation, gender expression or gender identity), national origin, age, disability, marital status, genetic information, medical condition, or veteran status.
- Prohibit discrimination and promote the full realization of equal employment opportunity, including, when appropriate through a continuing affirmative action commitment. The policy applies to terms and conditions of employment, including recruiting, hiring, placement, promotion, advancement, termination, layoff, recall, transfer, leaves of absence, compensation, training and overall treatment of employees and applicants for employment.
- Ensure the workplace is free from unlawful harassment or intimidation of any kind.

HEALTH AND SAFETY OF OUR EMPLOYEES

The health and safety of Cass employees is our priority and executive leadership promotes a culture that encourages employee mental health awareness and reporting any potential safety hazards without fear or retaliation. To further ensure a safe workplace for all employees, we have implemented the following safety protocol:

- Reporting of all occupational injuries and illnesses, regardless of severity, to a supervisor within 24 hours and to Human Resources immediately thereafter
- Smoke and tobacco-free workplace policy
- Drug and alcohol-free workplace policy
- Secure access to each owned and leased building at Cass including procedures for visitors
- Emergency action plans to maintain employee safety at each location

Cass maintains a **positive, welcoming** work environment for employees.



Cass takes a zero-tolerance position with regard to actual or threatened violence on its premises or when directed to a co-worker or client on or off premises. Prohibited behaviors include, but are not limited to:

- Causing physical injury to another person,
- Making threatening remarks,
- Displaying aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress,
- Intentionally damaging employer property or property of another employee,
- Possessing a weapon or explosive (including a handgun regardless if the employee is licensed to carry the weapon or not) while on company property or while on company business, and
- Committing acts motivated by or related to, sexual harassment or domestic violence.

We are also committed to supporting employees' mental and physical health and well-being through our Employee Assistance Program (EAP). EAP services are provided to all employees, employee's dependents, and anyone living in their household at no cost to the employee and include:

- In the moment support by phone or live chat,
- Face-to-face, virtual, or text therapy,
- Around-the-clock access to counselors,
- Financial and legal consultations,
- Training seminars and self-guided resources,
- Consultation with supervisors to assist "at risk" employees, and
- Critical incident stress debriefings that respond to traumatic events in the workplace such as robberies, sudden deaths, violence in the workplace or natural disasters.

WORK-LIFE BALANCE

Cass believes in a workplace that provides a healthy and balanced lifestyle. To promote this, we offer a flexible work schedules for use in those departments whose employees do not perform functions that directly or indirectly interfere with servicing clients during normal business hours. Cass classifies jobs in three buckets:

- **Remote / Off-site** – job does not require employee to come into the physical office except on occasion with appropriate notice.
- **Hybrid** – job requires time in the office and time remote with the schedule administered by department management. Generally, this would be anywhere from 1 day per month to a couple times per week.
- **On-site** – job requires work in a Cass physical office to fulfill the duties of the role.

Of our total workforce, less than 10% of jobs are considered on-site.

We also provide wellness resources through our EAP, including free expert consultations and convenience and concierge referrals and resources. The EAP also provides dependent care resources both for childcare and eldercare.





Governance

Cass is an organization with strong values of **responsibility and integrity.**



MAINTAINING HIGH STANDARDS FOR ETHICS AND COMPLIANCE

Cass is an organization with strong values of responsibility and integrity. Our Code of Conduct and Business Ethics contains general guidelines for conducting business with the highest ethical standards. A copy of this document is available [here](#).

Employees are required to sign our Code of Conduct and Business Ethics on an annual basis, most recently in February 2024. Our Board of Directors reviews the Code of Conduct and Business Ethics on an annual basis.

Among other things, our Code of Conduct and Business Ethics covers the following topics:

- Honest and candid conduct
- Conflicts of interest
- Bribery and corruption
- Fair dealings
- Confidential information
- Intellectual property
- Compliance with laws and regulations
- Anti-retaliation
- Reporting and accountability
- Corrective action and discipline

WHISTLEBLOWER PROTECTIONS

We provide a confidential Ethics Hotline and an Ethics website through a third-party provider. Employees, or any other third parties such as suppliers, can call the toll-free hotline or file a report online 24 hours-a-day, 7 days-a-week to submit reports of potential or suspected misconduct related to instances of corporate fraud, unethical business or personal conduct, questionable accounting, internal accounting controls, financial reporting or auditing matters, violations of state or federal law, and violations of company policy. The Ethics Hotline and Ethics website allow the option to remain anonymous, are available globally in local languages and are promoted through the company's intranet and through an annual awareness campaign. The Board Audit and Risk Committee receives quarterly summaries of all matters submitted through the hotline. The Audit and Risk Committee Chair is made aware of instances reported through the hotline as soon as possible and reports to the full Audit and Risk Committee as needed if the instances are deemed material. There were no material instances reported to the hotline in 2023.

We maintain a strict non-retaliation policy to protect any individual who makes a good faith report or complaint of any kind or who cooperates in the investigation of such report.

Cass is an organization with strong values of **responsibility** and **integrity**.



83%

INDEPENDENT

10 out of 12 of our directors are independent





INTELLECTUAL PROPERTY PROTECTION & COMPETITIVE BEHAVIOR

We did not incur any monetary losses in 2023 with respect to legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws and regulations.

BOARD OF DIRECTORS

The size of the Company's Board is currently set at 12 directors, each of whom is elected by shareholders for a three-year term. All directors bring to the Board a wealth of executive leadership experience derived from their service as corporate executives. Each director also possesses individual qualifications and skills that contribute to the Board's effectiveness, including financial accounting and risk management expertise. We believe a three-year term supports our objectives of building and maintaining the cohesiveness of the Board, maintaining a high level of expertise and insight, and building organizational knowledge and memory. We share more in-depth information on the expertise of our Directors on our website [here](#).

10 of the Company's 12 directors are considered independent as defined in the Nasdaq listing standards. The committees of the Board consist solely of independent directors.

As of February 2024, the Board consists of 9 men and 3 women, with one person of color. We are committed to improving board diversity in the future as we have done in recent years. Our longer-term targets for gender and ethnic diversity are a minimum of 30% women and 20% ethnically diverse. We will look to accomplish these targets as there is board turnover in the future.

BOARD OVERSIGHT

The Board oversees and guides the Company's management and business affairs. Committees support the role of the Board on issues that benefit from consideration by a smaller, more focused subset of directors. All committee members are elected by and serve at the pleasure of the Board. The Board sets the tone for the ethical standards and performance of management, employees, and the Company as a whole. The Board has adopted Corporate Governance Guidelines, available [here](#), that capture the long-standing practices of the Company as well as current corporate governance best practices.

Director Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Ralph W. Clemont			
Robert A. Ebel			
Benjamin F. Edwards IV			
Wendy J. Henry			
James J. Lindemann			
Ann W. Marr			
Sally H. Roth			
Joseph D. Rupp			
Randall L. Schilling			
Franklin D. Wicks, Jr. Ph. D.			

Chairperson
 Member
 Financial Expert



BOARD COMMITTEE RESPONSIBILITIES



Compensation Committee

- Approves, evaluates, and administers compensation plans, policies, and overall programs of the Company.
- Recommends annual retainer fees, Board and committee meeting fees, and terms and awards of stock compensation for non-management directors.
- Establishes and administers the Company's executive compensation program and related benefits.
- Annually reviews corporate goals and objectives relative to the Executive Chairman and CEO's compensation as a basis for determining their compensation levels.
- Recommends salary levels and incentive stock compensation for executive officers of the Company and approves incentive stock compensation for other members of management as recommended by the CEO.
- Periodically engages compensation specialists to help design or modify components of the overall compensation program and to provide comparison data of compensation at other organizations with which the Company competes for executive management talent.



Audit and Risk Committee

- Oversees the accounting and financial reporting processes of the Company and audits of its financial statements.
- Appoints, determines funding for, and oversees the independent registered public accountants for the Company.
- Meets with and coordinates communications between the independent registered public accountants and other corporate officers to review and participate in matters related to corporate financial reporting and accounting procedures and policies.
- Reviews financial information provided to shareholders and others.
- Assesses the adequacy of financial and accounting controls.
- Oversees implementation of new accounting standards.
- Evaluates the scope of audits of independent registered public accountants and reports the results of such reviews to the Board.
- Assists the Board in its oversight of the performance of the Company's internal auditors and meets with the internal auditors on a quarterly basis to review the scope and results of their work.
- Together with the full Board, oversees risks related to data protection and cybersecurity, including receiving reports from the Company's Chief Information Officer and Chief Information Security Officer on data protection and cybersecurity matters and strategies.

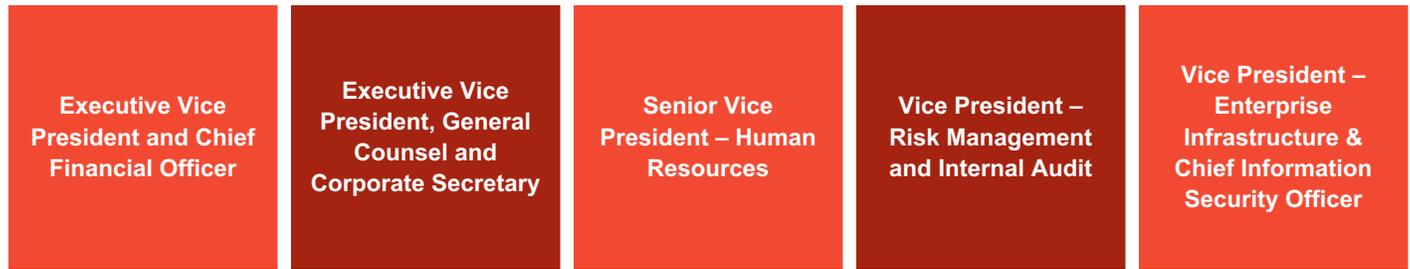


Nominating and Corporate Governance Committee

- Identifies and recommends individuals qualified to become members of the Board.
- Oversees efforts to expand diversity of the Board.
- Develops and addresses corporate governance principles and issues applicable to the Company.
- Oversees the Company's progress on ESG matters.
- Evaluates overall Board performance.
- Assesses the independence of Directors.
- Evaluates the performance of the Company relative to corporate governance matters.

ESG OVERSIGHT

We have a Management ESG Committee consisting of the following individuals:



The ESG Committee meets approximately two times per quarter and is responsible for leading ESG efforts throughout the Company in promoting good governance, and environmental and social responsibility.

The Board is ultimately responsible for oversight of climate-related risks and opportunities. In fulfilling its duties, the Board has delegated responsibility for monitoring ESG matters to the Nominating and Corporate Governance Committee. Our General Counsel, as representative of the ESG Committee, provides an update on these efforts to the Nominating and Corporate Governance Committee (Governance Committee) of the Board of Directors on a quarterly basis. The Governance Committee oversees ESG related matters and reports quarterly to the full Board of Directors on the Company's ESG efforts and ongoing priorities. With respect to ESG matters, the Governance Committee provides oversight of our overall ESG strategy and significant initiatives. They also ensure adequate progress is being made throughout our ESG journey.

APPROACH TO EXECUTIVE COMPENSATION

We believe that the skill and dedication of executive officers and other management personnel critically affect the Company's long-term success in meeting its objectives and fostering growth and profitability. We have designed our executive compensation programs to:

- Attract and retain highly talented leaders
- Reward performance in accordance with results
- Provide an incentive for future performance
- Align executives' long-term interests with those of our shareholders

Our long-term incentive compensation plan rewards our executive officers based on achievement of diluted earnings per share and return on equity goals over a three-year period.

For more information on executive compensation, please refer to our Proxy Statement [here](#).

DISPOSITION OF CASS STOCK

Our CEO must receive approval from the Lead Director of the Board of Directors before selling shares of the Company's stock. Other named executive officers must consult with the CEO and CFO before selling shares of the Company's common stock. Except under special circumstances, such as financial hardship, approval to sell is not given if such sale would result in holdings of less than five times base salary in the case of the CEO or less than three times base salary in the case of other named executive officers.

Directors of the Company are not allowed to sell Company stock until retirement.



RISK MANAGEMENT MEASURES

We take a very conservative and long-term stance on managing risk. We manage risk in a way that balances the interests of our clients, employees, and investors while also protecting our overall financial stability.

We manage many risks on a day-to-day basis, including market (interest rates), cyber/information security, liquidity, operational, compliance, credit, legal, strategic, and reputational risks. To effectively manage these risk categories, we work to maintain a strong risk culture, which includes acting with integrity.

Our overall risk management structure is designed to help identify and monitor various risks. We have formed various committees to handle risk identification and monitoring and provide updates to the Audit and Risk Committee of the Board of Directors as well as the Board of Directors. Certain members of the Audit and Risk Committee, including the Chair, have extensive risk management expertise. Our risk management committee structure is as follows:



In addition, we believe in the three-lines-of-defense framework for risk management. The first line of defense is handled by employees who have day-to-day ownership and management over risks and controls. The second line of defense is provided by risk management and compliance functions. The third line of defense is provided by our internal audit function. All Cass employees undergo various training courses at least annually, including:

- Security Awareness Fundamentals
- External Phishing
- Fraud Awareness

All Cass Commercial Bank employees are also required to complete the following training annually:

- Bank Secrecy Act and Anti-Money Laundering
- Information Security
- Client Information Privacy



THIRD-PARTY RISK MANAGEMENT

Cass is dependent on third-party vendors to support operations and business objectives. We maintain a Vendor Management Policy that establishes guidelines for conducting initial due diligence, ongoing risk assessments and monitoring, and oversight of third-party vendors. Our third-party risk management program requires control reviews of our high-risk vendors that access or process information. This includes extensive review of System and Organization Controls type 1 and 2 reports for third-party data processors and other key service organizations utilized by Cass.

The vast majority of our vendors are based in the United States and are subject to U.S. Department of Labor mandates and regulations. Accordingly, we feel comfortable that there are effective barriers to their involvement in child labor, forced labor, or human trafficking. Additionally, our vendors are provided with a Vendor Code of Conduct addressing such matters. Please see a copy of our Vendor Code of Conduct [here](#).

Cass has implemented a **multi-layered** cybersecurity approach.

INFORMATION SECURITY

Cass's corporate security practices demonstrate our commitment to ensuring the security, safety, and compliance of Cass's and client data. Cass takes the security of our clients' information very seriously and the execution of the controls outlined in various policies demonstrate how we establish trust with our clients, partners, and others.

Our approach to identify and address data security risks is aligned closely with the NIST 800-39 standard for managing information security risk within our organization. This includes performing annual internal IT Risk Assessments, responding to the risks that are identified in a timely manner, and continuously monitoring to verify compliance and to determine the ongoing effectiveness of the risk response measures.

Led by Cass's Chief Information Security Officer and overseen by the Executive IT Council, Cass has a dedicated team of security professionals with the mission of ensuring the security, safety, and compliance of Cass systems, processes, data, and personnel as well as the data entrusted to us by our clients.

Cass's Information Security Policy is aligned with the NIST and ISO 27001 cyber security frameworks. The policy is reviewed at least annually by the Cass Security Team and updates are approved by the Board of Directors.

Our Information Security Policy addresses the following domains of security:

- Physical security, or the premises occupied by Cass employees
- Security and Risk Management, or the various frameworks, policies, principles, standards and training established for the protection of information and the assessment of that protection
- Asset security, or the concepts, principles and standards we use to monitor and secure our assets and the associated controls
- Security engineering, or the design, implementation, monitoring, and operating systems; equipment networks; applications; and associated controls
- Communications and network security, including network design and protection; the establishment of secure communication channels; and the prevention and mitigation of network attacks
- Identity and access management, including access control physical and logical assets and the identification and authentication of people and devices
- Security assessment and testing, including strategies to ensure the security state of the organization and its products



- Security operations, or the protection and control of information-processing assets and the activities required to keep security services operating reliably and efficiently
- Software development security, or the use of secure coding practices and the implementation of security controls throughout the software development cycle.

We take adherence to this policy seriously, requiring annual acceptance from all employees, and require annual training on information security requirements. In addition, we conduct monthly phishing campaigns to test our teammates' overall attention to external threats and to educate them on the importance of always being aware.

Information security training is built into our new-hire onboarding experience and annual re-training is required.

Cass's Security Team is responsible for establishing information security training requirements and ensuring that all personnel complete training and understand their responsibilities. Information security training is built into our new-hire onboarding experience and annual re-training is required. Training is augmented with regular presentations, communications, and learning sessions on particular topics. Where appropriate, a subset of employees may receive specialized training for their roles and job responsibilities, such as software developers receiving regular training covering secure coding practices.

Cass's Security Team maintains an Incident Management Policy with procedures that provide the structure and guidance for our response operations. The incident response procedures of this policy provide the steps to be followed by Cass personnel to ensure the quick detection of security events and vulnerabilities as well as to promote rapid response to security incidents, including identifying, assessing, containing, mitigating, and recovering from incidents. There is a Security Incident Response Team (SIRT) in place to address matters related to security incidents such as a data breach.

As a bank holding company, our security program is regularly evaluated by banking examiners. In addition, Cass also undergoes annual Service Organization Controls Type II (SOC 2) audits to evaluate information security controls related to specific services offered by the business. Cass maintains security standards across every phase of its product lifecycle. Cass also follows industry best practices to deliver secure, highly functional products and services to its clients.

Cass requires all software developers to participate in secure coding training on an annual basis. The training topics are focused around the current OWASP Top 10 security risks to web applications.

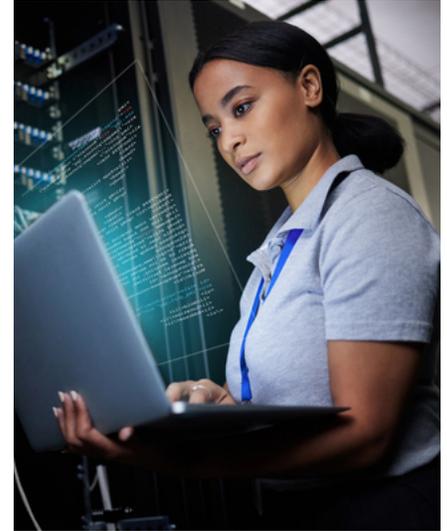
Cass performs Static Application Security Testing to detect and remediate security vulnerabilities earlier in the software development life cycle.



Cass performs regular vulnerability assessments across its public facing web sites. Results are fed back into the development and deployment process to remediate risks. Cass remediates vulnerabilities per its vulnerability management policy. Cass also performs an annual penetration test across its public facing and internal operations environments. Vulnerabilities are remediated within timelines outlined in the Cass vulnerability management policy, based on their criticality and impact. Oversight of remediation efforts is provided by the Executive IT Council and the Audit and Risk Committee of the Board of Directors.

Cass leverages a Cyber Risk Management Program to identify, prioritize, and manage risks to its IT assets, including system infrastructure, networks, endpoints, data, and intellectual property. Through its Cyber Risk Management Program, Cass identifies internal and external cyber risks, the likelihood of them occurring, and their potential impact. Cass collaborates with risk owners to mitigate and remediate risks, in accordance with Cass's risk appetite.

We did not incur any data breaches during 2023.



DATA PRIVACY

The Cass Global Data Privacy Policy, which addresses the privacy of our clients' information, is available [here](#). The Cass Commercial Bank Legal Disclaimers, Privacy Statement and Cookie Policy is available [here](#). We ensure our data privacy policies adhere to the requirements of the General Data Protection Regulation (GDPR) and California Consumer Privacy Act (CCPA). We consistently monitor best practices and emerging legal and regulatory developments in data privacy and information security to ensure that Cass meets the highest standards of compliance in these areas. Our Privacy policies are reviewed on an annual basis and updates are shared with employees and posted to our external website. Our Cass Global Data Privacy Policy includes, among many items, the following:

- Rights provided to individuals to control their data.
- Clear terms of collection, use, sharing and retention.
- Commitment to collect and process user data limited to stated purpose.
- Commitment to implement leading data protection standards.
- Commitment to notify data subjects in a timely manner in case of policy changes or data breach.
- Commitment to obtain user data through lawful means.



The Company did not incur any monetary losses as a result of legal proceedings associated with user privacy during 2023. In addition, the company did not receive any law enforcement requests for user information during 2023.

We do not do business in any countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring.

BUSINESS CONTINUITY AND DISASTER RECOVERY

We have a Business Continuity Plan (BCP) that allows Cass to continue to operate in case of business disruption events such as climate change related severe weather events. The BCP is a joint effort between our information technology team and our various divisions and other corporate teams. We regularly perform business impact and risk assessments to identify risks to the business and apply appropriate treatment plans to bring risks within acceptable levels. The BCP identifies critical business processes, documents threats that could cause business disruption, and addresses recovering connectivity and supporting systems to ensure Cass's obligations to its clients can be met.

Key components of the BCP include:

Identifying Critical Incidents	Identifying threats or potential disruptions which trigger the implementation of some or all parts of the BCP. Critical incidents are broken into four categories: natural disaster (including those related to climate change), security failure, human failure, and critical infrastructure failure. Examples could include severe weather, cyber-security-related disruptions, robberies, or utility failures.
Risk Management and Response	A framework for how to first respond to the Critical Incidents identified above. This structure is in place to assist the Company in managing the identified threats and responding to disruptions in an efficient and organized fashion. This component of the BCP contains sub-sections which highlight notification processes, roles and responsibilities of various teams, and processes and procedures for ensuring that the BCP is sound and current.
Recovery Approach	A framework for how to bring the business back to normal after the initial response. Provides alternative sites where business processing can be resumed as well as the resumption plans and procedures to be followed by the various business continuity teams in the event of a disruption.
Pandemics	This component addresses the unique business challenges created by a pandemic.
Security	A framework for maintaining robust physical and information security protocols to help prevent a threat from occurring or safeguard associates and assets when a critical incident has occurred.
Remote Access	In the event of a disaster or other critical incident, all employees are able to work from somewhere other than their primarily assigned location. Because timing is so critical when a disruption occurs, remote access also allows associates to communicate with each other and with business systems from anywhere, at any time, and in a secure fashion.
Financing Recovery Efforts	The Company maintains certain levels of insurance and cash reserves to finance the recovery of its business following a disruption or disaster. The Company also maintains a Contingency Funding Plan, updated annually, to address a variety of business continuity scenarios, including economic crises.



We update the BCP through a comprehensive process at least annually. We also conduct testing of the BCP at least annually. Individual business unit resumption plans are tested through a company-wide disaster recovery exercise.

We did not have any material performance issues and/or service disruptions during 2023 impacting Cass or our client base.

DIGITAL INCLUSION

We have implemented features on our marketing web sites, providing screen-reader adjustments (for blind users), keyboard navigation adjustments (for the motor impaired) and UI, design, and readability adjustments (for the vision impaired), to fully comply with the W3C and WCAG 2.1/AA Web Content Accessibility standards.

CAPITAL REQUIREMENTS

We are subject to various regulatory capital requirements administered by federal banking agencies. From a prudent risk management perspective, we manage our regulatory capital ratios at levels well above the requirements to be considered well-capitalized. This philosophy has allowed us to thrive for more than 117 years and withstand periods of economic distress, from the Great Depression to the Great Recession to impacts of the COVID-19 pandemic. In addition, our strong capital levels warrant the confidence of our clients, shareholders, and bank regulatory agencies.

CREDIT

We pride ourselves on maintaining a strong balance sheet with a low overall level of credit risk. Over the previous five years, we have not incurred a net loan charge-off nor realized any losses in our investment securities portfolio for credit-related reasons. Our strong balance sheet supports our payment processing business and provides confidence to our clients, shareholders, and bank regulatory agencies.

LIQUIDITY

We seek to ensure that funds are available to fulfill all payment obligations related to invoices as they become due and to meet depositor withdrawal requests and borrower credit demands. Our Asset Liability Management (ALCO) Committee directly oversees our liquidity position and profile. As with our philosophy on capital, we maintain sufficient liquidity on our balance sheet, in the form of cash and investment securities, as well as off the balance sheet in the form of unsecured and secured lines of credit to meet our liquidity needs.

Appendix

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The Financial Stability Board (FSB) created the Task Force on Climate-related Financial Disclosures (TCFD) in 2015 to improve and increase reporting of climate-related financial information. We have provided the below table mapping TCFD's disclosure recommendations to the relevant sections in this report. As the International Sustainability Standards Board (ISSB) takes over the responsibility for monitoring progress of companies' climate-related disclosures from the FSB in 2024, Cass will continue to monitor and enhance recommended disclosures.

Pillar	Recommended Disclosures	Alignment in Report
Governance	Describe the board's oversight of climate-related risks and opportunities.	See ESG oversight section (page 27) and Climate Risk Management Section (page 9)
	Describe management's role in assessing and managing climate-related risks and opportunities.	See ESG oversight section (page 27) and Climate Risk Management Section (page 9)
Strategy	Describe the climate-related risk and opportunities the organization has identified over the short, medium, and long term.	See Climate Risk Management Section (page 9)
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	See Climate Risk Management Section (page 9)
	Describe the resilience of the organization's strategy, taking into consideration the different climate-related scenarios, including a 2°C or lower scenario.	See Climate Risk Management Section (page 9)
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	See Climate Risk Management Section (page 9)
	Describe the organization's processes for managing climate-related risks.	See Climate Risk Management Section (page 9)
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	See Climate Risk Management Section (page 9)



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

The following table incorporates the SASB Standards, now part of the IFRS Foundation, related to the Software & IT Services (TC-SI) industry. They include the relevant topic metric(s) where available and/or references to sections within this report where specific topics are discussed.

Topic	Accounting Metric	Code	Page Reference
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	12-13
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	13
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	10
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	31
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	None
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	None
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	None
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	None
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TC-SI-2.30a.1	None
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-2.30a.2	28-31
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	TC-SI-330a.1	None
	Employee engagement as a percentage	TC-SI-330a.2	N/A
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-SI-330a.3	15
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior, regulations	TC-SI-520a.1	None
	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	None
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	32-33



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