UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A

(RULE 14a-101)
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant ☒ Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement
☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to § 240.14a-12

CapStar Financial Holdings, Inc.

(Name of Registrant as Specified in its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):
☒ No fee required.
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.
☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CAPSTAR FINANCIAL HOLDINGS, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

You are hereby invited to participate in the 2022 Annual Meeting of Shareholders of CapStar Financial Holdings, Inc., (the "Annual Meeting", which will be conducted virtually via the Internet.

WHEN	10:30 A.M. Central Time on April 21, 2022.
PLACE	There will be no physical location for shareholders to attend. Shareholders may only participate online by registering to attend at www.proxydocs.com/CSTR.
HOW TO VOTE	You may vote your shares by Internet or telephone as directed in the accompanying proxy materials. If you receive printed proxy materials, you may also complete, sign, date and return the enclosed proxy card or voting instructions form in the postage paid envelope provided. Voting in any of these ways will not prevent you from accessing or voting your shares at the meeting. We encourage you to vote by Internet or telephone to reduce mailing and handling expenses.
RECORD DATE	You may vote if you are a Shareholders of record as of the close of business on February 24, 2022.
ITEMS OF BUSINESS	(1) To elect the eleven nominees listed in the accompanying Proxy Statement to our Board of Directors, to serve until the 2023 Annual Meeting of Shareholders and until their successors have been duly elected and qualified (2) To approve, on a non-binding, advisory basis, the compensation paid to our named executive officers (3) To vote, on a non-binding advisory basis, on how often we will hold advisory votes on the compensation paid to our named executive officers (4) To ratify the appointment of Elliott Davis, LLC as our independent registered public accounting firm for the fiscal year ending December 31, 2022 (5) To conduct such other business as may properly come before the meeting or any adjournment or postponement thereof
PROXY MATERIALS	**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be Held on April 21, 2022:** The solicitation of the enclosed proxy is made on behalf of the Board of Directors for use at the Shareholder Meeting to be held on April 21, 2022. We are mailing a Notice of Internet Availability of Proxy Materials (the "Notice") instead of paper copies of our proxy statement and our annual report. The Notice contains instructions on how to access those documents over the Internet. The Notice also contains instructions on how shareholders can receive a paper copy of our proxy materials, including the proxy statement, our Annual Report on Form 10-K for the year ended December 31, 2021 ("Annual Report") and proxy card. It is expected that the Proxy Statement and related materials will first be provided to shareholders on or about March 10, 2022. Shareholders have the ability to access the proxy materials at www.proxydocs.com/cstr and complete their proxy card electronically at www.proxypush.com/cstr.

By Order of the Board of Directors,

Amy C. Goodin
Secretary

March 10, 2022
Nashville, Tennessee

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1201 Demonbreun Street, Suite 700
Nashville, Tennessee 37203
(615) 732-6400

PROXY STATEMENT FOR THE
2022 ANNUAL MEETING OF SHAREHOLDERS

This Proxy Statement (this "**Proxy Statement**") is furnished by CapStar Financial Holdings, Inc., a Tennessee corporation, on behalf of its Board of Directors (the "**Board**") for use at the 2022 Annual Meeting of Shareholders (the "**Annual Meeting**"), and at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Shareholders. This Proxy Statement and the accompanying proxy card are first being made available to shareholders on or about March 10, 2022. When used in this Proxy Statement, the terms "we," "us," "our" or the "Company" refer to CapStar Financial Holdings, Inc., and the "Bank" refers to CapStar Bank.

INFORMATION ABOUT THE ANNUAL MEETING

When is and how do I participate in the Annual Meeting?

The Annual Meeting will be held at 10:30 A.M. Central Time on Friday, April 21, 2022, virtually via the internet. In order to attend the Annual Meeting, you must register at www.proxydocs.com/CSTR. Upon completing your registration, you will receive further instructions via email, including a unique link that will allow you access to the Annual Meeting and to vote and submit questions during the Annual Meeting. Questions pertinent to meeting matters will be answered during the meeting, subject to time limitations. Rules of conduct including procedures for shareholder questions will be posted on the virtual meeting platform. If you encounter any technical difficulties with the virtual meeting during the login or meeting time, please call the technical support number that will be posted on the virtual meeting login page. Certain presentation materials that will be used at the Annual Meeting will be available on our website the day of the Annual Meeting under "News and Events."

What proposals will be voted upon at the Annual Meeting?

There are four proposals scheduled for a vote at the Annual Meeting:

(1) To elect the following eleven (11) directors to serve until the 2023 Annual Meeting of Shareholders and until their successors have been duly elected and qualified: L. Earl Bentz, Sam B. DeVane, Thomas R. Flynn, Louis A. Green III, Valora S. Gurganious, Myra NanDora Jenne, Joelle J. Phillips, Timothy K. Schools, Stephen B. Smith, James S. Turner, Jr., and Toby S. Wilt (Proposal 1);

(2) To approve, on a non-binding, advisory basis, the Company's named executive officer compensation (Proposal 2);

(3) To vote, on a non-binding advisory basis, on the frequency of executive compensation votes (Proposal 3)

(4) To ratify the appointment of Elliott Davis, LLC as our independent registered public accounting firm for the fiscal year ending December 31, 2022 (Proposal 4); and

(5) To conduct such other business as may properly come before the meeting or any adjournment or postponement thereof.

As of the date of this Proxy Statement, we are not aware of any additional matters that will be presented for consideration at the Annual Meeting.

What are the recommendations of the Board of Directors?

Our Board recommends that you vote:

- "**FOR**" the election of each of the eleven (11) nominees named herein to serve on the Board;
- "**FOR**" each of Proposal 2 and Proposal 4; and

- That an advisory vote on the compensation for Named Executive Officers be held every "**1 YEAR**"

Will our directors participate at the Annual Meeting?

We expect that all of our directors will be participating in the Annual Meeting.

INFORMATION ABOUT VOTING

Who is entitled to vote at the Annual Meeting?

Only shareholders of record at the close of business on the record date, February 24, 2022 (the "**Record Date**"), are entitled to receive notice of and to vote at the Annual Meeting or any adjournment or postponement thereof. As of the close of business on the Record Date, the Company had 22,226,070 shares of common stock outstanding.

How do I vote?

For Proposal 1 (election of directors), you may either vote "**FOR**" any of the nominees named herein to the Board or you may "**WITHHOLD**" your vote for any nominee that you specify. For Proposal 2 (advisory vote to approve Named Executive Officer compensation) and Proposal 4 (ratification of the appointment of Elliott Davis, LLC), you may vote "**FOR**" or "**AGAINST**" such proposal or "**ABSTAIN**" from voting. For Proposal 3 (advisory vote on frequency of say-on-pay vote) you may vote "**1 YEAR**", "**2 YEAR**", "**3 YEAR**" or "**ABSTAIN**" from voting. The procedures for voting are set forth below:

Shareholder of Record: Shares Registered Directly in Your Name. You may vote by giving your proxy authorization over the Internet or by telephone using the toll-free number on the proxy card until 10:35 A.M. Central Time on April 21, 2022, the time at which the polls are scheduled to be closed at the virtual Annual Meeting. You may also vote by requesting, completing, signing and dating the proxy card where indicated and mailing the proxy card in the postage paid envelope provided. **Whether or not you plan to participate in the virtual Annual Meeting, we encourage you to vote by proxy or to give your proxy authorization to ensure that your votes are counted**. If you have already voted by proxy or given your proxy authorization, you may still participate in the virtual Annual Meeting and vote using the Internet or by calling the toll-free number on the proxy card until the time the polls are closed at the Annual Meeting.

- To vote by the Internet, go to the website address set forth on the enclosed proxy card and follow the instructions provided on the website.
- To vote by telephone, dial the toll-free phone number set forth on the enclosed proxy card using a touch-tone phone. Have your proxy card available and follow the recorded instructions when voting by telephone.
- To vote by mail, request, complete, sign and date the proxy card and return it promptly in the postage paid envelope provided.

Beneficial Owner: Shares Registered in the Name of Broker, Bank or Other Agent. If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received the proxy materials from that organization rather than from the Company. As a beneficial owner, you have the right to direct your broker, bank, or other agent how to vote the shares in your account. You should follow the instructions provided by your broker, bank or other agent regarding how to vote your shares.

How many votes do I have?

For each proposal to be voted upon, you have one vote for each share of common stock that you own as of the close of business on the Record Date.

What if I return a proxy card but do not make specific choices?

Properly completed proxies will be voted as instructed on the proxy card. If you are a shareholder of record and you return the proxy card without marking any voting selections, your shares will be voted as follows:

- "**FOR**" the election of all eleven (11) director nominees named herein;
- "**FOR**" the advisory approval of Named Executive Officer compensation;
- That an advisory vote on the compensation for Named Executive Officers be held every "**1 YEAR**"

- “**FOR**” the ratification of the appointment of Elliott Davis, LLC as our independent registered public accounting firm for the fiscal year ending December 31, 2022.

If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your proxy card) will vote your shares as recommended by the Board or, if no recommendation is given, will vote your shares using his or her discretion. If any director nominee named herein becomes unavailable for election for any reason prior to the vote at the Annual Meeting, the Board may reduce the number of directors to be elected or substitute another person as nominee, in which case the proxy holders will vote for the substitute nominee.

If your shares are held by your broker, bank or other agent as your nominee, you will need to obtain a proxy card from the organization that holds your shares and follow the instructions included on that form regarding how to instruct your broker, bank or other agent to vote your shares. Brokers, banks or other agents that have not received voting instructions from their clients cannot vote on their clients’ behalf with respect to proposals that are not “routine” but may vote their clients’ shares on “routine” proposals. Under applicable state laws and the rules of the Nasdaq Global Select Market (“**Nasdaq**”), Proposal 1 (election of directors), Proposal 2 (advisory vote to approve Named Executive Officer compensation) and Proposal 3 (advisory vote on frequency of say-on-pay vote) are “non-routine” proposals. Conversely, Proposal 4 (ratification of the appointment of Elliott Davis, LLC) is a “routine” proposal. If a broker, bank, or other agent indicates on a proxy card that it does not have discretionary authority to vote certain shares on Proposals 1, 2 or 3, which are non-routine proposals, then those shares will be treated as broker non-votes for purposes of Proposals 1, 2 and 3, and such shares will not be counted. Conversely, brokers will have the discretionary authority to vote “**FOR**”, “**AGAINST**” or “**ABSTAIN**” on Proposal 4, if you do not instruct your broker otherwise. Although broker non-votes are counted as shares that are present at the Annual Meeting and entitled to vote for purposes of determining the presence of a quorum, they will not be counted as votes cast and will not have any effect on voting for the non-routine proposals presented in this Proxy Statement.

Can I change my vote?

Yes. If you are the record holder of your shares, you may revoke your proxy in any of the following ways:

- You may change your vote at any time before the proxy is exercised by re-submitting your vote via the Internet or by telephone;
- You may submit another properly completed proxy card bearing a later date which is received prior to the meeting date; or
- You may send a written notice that you are revoking your proxy. The notice must be sent to 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Corporate Secretary, and must be received by 11:59 P.M., Eastern Time on April 20, 2022.

If your shares are held by your broker, bank or other agent as your nominee, you should follow the instructions provided by your broker, bank or other agent.

How many shares must be present to constitute a quorum for the Annual Meeting?

A quorum of shareholders is necessary to hold a valid meeting. A quorum will be present if at least a majority of the outstanding shares entitled to vote are represented (via proxy or virtual participation) at the Annual Meeting. As of the close of business on the Record Date, there were 22,226,070 shares of common stock outstanding and entitled to vote. Thus, 11,335,296 shares of common stock must be represented (via proxy or virtual participation) at the Annual Meeting to have a quorum.

Your shares will be counted towards the quorum if you vote by submitting a proxy card by mail, or by submitting your vote via the Internet address or toll-free telephone number included on your proxy card prior to the time the polls are closed at the virtual Annual Meeting, submit a valid proxy (or one is submitted on your behalf by your broker, bank or other agent) or give your proxy authorization over the Internet or by telephone. Additionally, “**WITHHOLD**” votes, abstentions and broker non-votes will also be counted towards the quorum requirement. If there is no quorum, the Chairman of the Annual Meeting may adjourn or postpone the meeting until a later date.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting who will separately count (i) "**FOR**" and "**WITHHOLD**" votes and broker non-votes, if any, with respect to Proposal 1 (election of directors), (ii) "**FOR**", "**AGAINST**" and "**ABSTAIN**" votes with respect to each of Proposal 2 (advisory vote to approve Named Executive Officer compensation) and Proposal 4 (ratification of the appointment of Elliott Davis, LLC) and (iii) "**1 YEAR**", "**2 YEAR**", "**3 YEAR**" AND "**ABSTAIN**" votes with respect to Proposal 3 (advisory vote on frequency of say-on-pay vote).

How many votes are needed to approve each proposal?

For Proposal 1 (election of directors) and Proposal 3 (advisory vote on frequency of say-on-pay vote), if a quorum is present, the director nominees and frequency of say-on-pay vote will be elected by a plurality of the votes cast by the shares entitled to vote in the election at the Annual Meeting. Shareholders are not entitled to cumulative voting in the election of our directors. For purposes of the election of directors, "**WITHHOLD**" votes and broker non-votes, if any, will not be counted as votes cast and will have no effect on the result of the vote.

For each of Proposal 2 (advisory vote to approve Named Executive Officer compensation) and Proposal 4 (ratification of the appointment of Elliott Davis, LLC), if a quorum is present, the Proposals will be approved if the votes cast for the proposal exceed the votes cast against the proposal. Abstentions and broker non-votes, if any, will not be counted as votes cast and will have no effect on the result of the vote.

How can I determine the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting. Within four business days after the conclusion of the Annual Meeting, the Company will file a Current Report on Form 8-K with the Securities and Exchange Commission ("**SEC**") that announces the final voting results.

Who can help answer any questions I may have?

Shareholders who have questions about the matters to be voted on at the Annual Meeting or how to submit a proxy or who desire additional copies of this Proxy Statement or additional proxy cards should contact our Investor Relations department via (i) mail at CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Investor Relations, (ii) email at ir@capstarbank.com or (iii) telephone at (615) 732-6455.

PROPOSAL 1
ELECTION OF DIRECTORS

Introduction

Our Charter and Amended and Restated Bylaws ("**Bylaws**") provide that our Board will consist of between five and 25 directors, with the precise number being determined by our Board from time to time. The current size of our Board is twelve (12). Effective at the Annual Meeting the size of the Board has been set at eleven (11).

In accordance with our Bylaws and Tennessee law, our Board oversees the management of the business and affairs of the Company. Our directors are elected annually by our shareholders at our annual meetings of shareholders to serve for one-year terms and until their successors are duly elected and qualified or until their earlier death, resignation, retirement or removal. Our Board also serves as the Board of our wholly-owned bank subsidiary, CapStar Bank.

At the Annual Meeting, eleven (11) Directors are being recommended for election to serve on our Board until the 2023 Annual Meeting of Shareholders and until their successors have been duly elected and qualified or until such director's earlier resignation or removal. Mr. Dennis C. Bottorff, who has served since our founding as non-executive Chairman of the Board is retiring from and not standing for re-election to our Board at the Annual Meeting. We thank him for his years of service and guidance. Each person nominated for election has agreed to serve if elected, and management has no reason to believe that any nominee named herein will be unable to serve. There are no family relationships among any of the members of our Board.

Set forth below is the background and qualifications of each director nominee.

Director Nominees

L. Earl Bentz—Director

Mr. Bentz, age 70, is one of the founders of CapStar Bank and currently serves on the Credit Committee and the Compensation and Human Resources Committee. Mr. Bentz has served on our Board since 2008. Since 2018, he has been Chairman and Executive Officer of Caymas Boats, a company he founded in 2018 located in Ashland City, Tennessee. Mr. Bentz serves on the board of directors of the Country Music Hall of Fame, and he has formerly served on the boards of the Middle Tennessee Council, Boy Scouts of America, the Tennessee Wildlife Resources Foundation, the National Association of Boat Manufacturers, the National Marine Manufacturers' Association, the Recreational Boating and Fishing Foundation and the Congressional Sportsman's Foundation. Mr. Bentz attended Clemson University and participated in continuing education programs in business finance at Vanderbilt University; he has also completed the Dale Carnegie Human Relations courses and training. Mr. Bentz's business background, which also includes extensive experience in commercial real estate development and start-up companies, give him valuable insight and enables him to make significant contributions as a member of our Board.

Sam B. DeVane—Director

Mr. DeVane, age 62, serves as the Chair of the Audit Committee and serves on the Community Affairs Committee. Mr. DeVane has served on our Board since his appointment on January 14, 2021. With more than three decades of public accounting experience serving clients throughout the southeast, Mr. DeVane retired as a Partner of Ernst & Young LLP in 2020. During his career he served as EY's Nashville Office Managing Partner, as EY's Tennessee Markets Leader, and as a coordinating partner and lead audit partner. The majority of Mr. DeVane's career involved service to clients in numerous industries including Dollar General Corporation, Tractor Supply Company and Ryman Hospitality Corporation. He brings to the Board extensive technical accounting, corporate governance, major transactions, strategy, process automation, financial reporting, and risk management experience. A licensed CPA in Tennessee, Mr. DeVane is a member of the American Institute of Certified Public Accountants and Tennessee Society of Certified Public Accountants. He earned a Bachelor of Science degree from the University of Alabama. Mr. DeVane has served on several distinguished professional boards, including United Way of Middle Tennessee (Chair of the Nashville Campaign), Junior Achievement (Centennial Leadership Award recipient), Harding Academy (Treasurer), and the University of Alabama President's Cabinet and Accounting Advisory Board. We believe Mr. DeVane's business experience and involvement in the community give him valuable insight and enable him to make significant contributions as a member of our Board.

Thomas R. Flynn—Director

Mr. Flynn, age 49, serves as Chair of the Compensation and Human Resources Committee and serves on the Audit Committee. Mr. Flynn has served on our Board since 2008. Mr. Flynn is a director of Flynn Enterprises, LLC, a family owned, multi-national garment manufacturing, sales and distribution company headquartered in Hopkinsville, Kentucky, and serves on the boards of Planters Bank, Hopkinsville, for which he is also a member of the Audit Committee. Mr. Flynn attended Vanderbilt University as a National Merit Scholar, graduating with a bachelor's degree in English, and subsequently received a law degree from Vanderbilt University Law

School. We believe Mr. Flynn's leadership in manufacturing and experience as a director in banking, healthcare, manufacturing and legal knowledge give him valuable insight and enables him to make significant contributions as a member of our Board.

Louis A. Green III—Director

Mr. Green, age 68, serves on the Audit Committee and the Credit Committee, and chairs our Advisory Board for Sumner County, which provides guidance to our management regarding that portion of our market. Mr. Green has served on our Board since 2012. He was an incorporator of American Security, which merged with CapStar in July 2012. Mr. Green is General Partner of Green & Little, a real estate investment company, and President of Green-Little Corporation, a real estate management company. He holds partnership interests in several companies investing in industrial, commercial and retail real estate. Mr. Green has served as director of Commerce Union Bank of Sumner County and as an advisory director of NationsBank. He attended the University of Tennessee. We believe that Mr. Green's extensive experience in banking and real estate gives him valuable insight and enables him to make significant contributions as a member of our Board.

Valora S. Gurganious—Director

Ms. Gurganious, age 58, serves on the Nominating and Corporate Governance Committee and the Community Affairs Committee. Ms. Gurganious has served on our Board since her appointment on January 14, 2021. Ms. Gurganious serves as Partner and Senior Management Consultant for Knoxville-based DoctorsManagement, LLC, assisting clients in all medical specialties and providing services related to operational efficiency, workflow optimization, compliance, IT, accounting, marketing, and strategic planning. She also advises physicians and hospitals across the country on practice valuation, startup, contract negotiation and transition of ownership. Prior to joining DoctorsManagement, Ms. Gurganious served as Chief Operating Officer for Central Florida Sports Medicine and Orthopedic Center in Melbourne, and as Director and Vice Chair – Finance for Wuesthoff Foundation, a $10 million Florida health system foundation. She also held the position of senior vice president with Fleet Investment Advisors and Putnam Investments in Boston for seven years and is a licensed Business Broker in the state of Florida. Ms. Gurganious earned a Bachelor of Arts degree in economics and business administration from Vanderbilt University and MBA from Harvard Business School. She is a Certified Healthcare Business Consultant and a member of the National Society of Certified Healthcare Business Consultants (NSCHBC) as well as Executive Women International (EWI). A dynamic and accomplished speaker, Ms. Gurganious uses her expertise to deliver strategic healthcare and financial lectures at medical conferences across the country. We believe Ms. Gurganious's business experience and involvement in the community give her valuable insight and enable her to make significant contributions as a member of our Board.

Myra NanDora Jenne—Director

Ms. Jenne, age 53, serves as Chair of the Community Affairs Committee and serves on the Compensation and Human Resources Committee. Ms. Jenne has served on our Board since 2018. Ms. Jenne began practicing law with Carter, Harrod & Cunningham in Athens, Tennessee, and later practiced in Knoxville with Leitner, Williams, Dooley & Napolitan. She currently practices at The Jenne Law Firm in Cleveland, Tennessee, where she serves as the firm's office manager. Ms. Jenne is also working for Patriot Family Homes as a Compliance Officer. Patriot Family Homes is a provider of short term rentals with over three hundred homes in twelve states. Ms. Jenne has served on the board of directors of Athens Federal Community Bank and on the Nalls Sherbakoff Group financial advisory board in Knoxville. She has been involved in various civic and charitable organizations in Cleveland over the past twenty years including serving on the boards at the Museum Center at Five Points and the Cleveland Athens Cotillion. She has also served on the Board of Trustees at Broad Street United Methodist Church and serves on several committees at The Baylor School in Chattanooga. She graduated with Honors with a B.S. from the University of Tennessee at Knoxville, where she served as captain of the Tennessee Dance Team. She went on to attend Samford University's Cumberland School of Law and graduated with a J.D. in 1994. We believe Ms. Jenne's extensive leadership experience and professional experience give her valuable insight and enables her to make significant contributions as a member of our Board.

Joelle J. Phillips—Director

Ms. Phillips, age 56, serves on the Nominating and Corporate Governance Committee and the Community Affairs Committee. Ms. Phillips has served on our Board since 2020. Ms. Phillips began practicing law as law clerk for Hon. Rhesa H. Barksdale of the U.S. Court of Appeals for the Fifth Circuit, and later practiced in Atlanta, Georgia with Long, Aldridge & Norman LLP and in Nashville with Waller Lansden Dortch & Davis, LLP. After serving as General Attorney for both BellSouth and AT&T Tennessee, she now serves as the President of AT&T Tennessee, a position she has held since 2013. Ms. Phillips is involved in several civic and charitable organizations in Nashville, Tennessee, including serving as the Chair for the Drive to 55 Coalition and serving on the boards of Birmingham-Southern College, Tennessee Business Leadership Coalition and Nashville Repertory Theatre. Furthermore, Ms. Phillips was recognized as the Nashville Business Journal Newsmaker of the Year for 2015, Nashville's Power 100 list, Nashville's Women Business Leaders of the Year 2014, Tennessee Board of Regents' Award for Philanthropy and was named one of Nashville's Outstanding CEOs for 2017. Ms. Phillips graduated magna cum laude with a B.F.A. from Birmingham-Southern College in 1989 and went on to attend Washington & Lee University, School of Law where she graduated summa cum laude with a J.D. in 1995. We believe that Ms. Phillips' professional experience combined with her long history of involvement in the Nashville community will allow her to make significant contributions as a member of our Board.

Timothy K. Schools—Director, President and Chief Executive Officer of CapStar Financial Holdings, Inc. and CapStar Bank

Mr. Schools, age 52, has served as a Director and the President and Chief Executive Officer of the Company since July 2019. Prior to joining CapStar, Mr. Schools served as a Director and the President and Chief Executive Officer at Highlands Bankshares, Inc. from 2015 until joining Capstar. Previously, he served as President and Chief Financial Officer of multibillion financial services organizations, on the board of two additional financial institutions, and on the OTC and Nasdaq Issuer Affairs Advisory Boards. Mr. Schools graduated magna cum laude from James Madison University with a Bachelor's degree in business administration and received his M.B.A from Emory University. We believe Mr. Schools' extensive experience in the banking industry coupled with leadership roles on private and non-profit boards give him valuable insight and enable him to make significant contributions as a member of our Board.

Stephen B. Smith—Director

Mr. Smith, age 67, serves on the Credit Committee, Community Affairs Committee and the Nominating and Corporate Governance Committee. Mr. Smith has served on our Board since 2008. He is Chairman of Haury & Smith Contractors, Inc., a building and development company. He is active in the community, having served on the Metropolitan Nashville Planning Commission and the Regional Transit Authority and as Chairman of the Metropolitan Nashville Parks and Recreation board of directors. Mr. Smith served as National Finance Co-Chair for Senator Lamar Alexander's presidential campaigns in 1996 and 2000, and he achieved Super Ranger status in President George W. Bush's 2004 campaign. He was National Finance Chairman for Senate Majority Leader Bill Frist's leadership political action committee, VOLPAC, and serves as Finance Chairman for Senator Bill Haggerty. In addition he has served on the boards of the FHLB and Franklin Road Academy, and as director of the First Union National Bank community board. He holds a bachelor's degree from Middle Tennessee State University, where he serves as Chairman of the Board of Trustees. We believe Mr. Smith's business experience, banking board service and involvement in the community give him valuable insight and enable him to make significant contributions as a member of our Board.

James S. Turner, Jr.—Director

Mr. Turner, age 52, serves as Chair of the Credit Committee and serves on the Nominating and Corporate Governance Committee. Mr. Turner has served on our Board since 2008. He joined Marketstreet Enterprises in 1999 and has served as the Managing Director since 2007. Mr. Turner has been a member of the board of directors of the Farmers National Bank Financial Corporation in Scottsville, Kentucky, for more than 15 years. He also serves on the boards of Cumberland Heights, the Nashville Downtown Partnership Board, The Country Music Hall of Fame and the Frist Center for the Visual Arts. He received his bachelor's degree from Vanderbilt University and his law degree from Vanderbilt University Law School. We believe Mr. Turner's experience and knowledge in the commercial real estate industry, his community banking board service, as well as his investment and legal knowledge, give him significant insight and enable him to make significant contributions as a member of our Board.

Toby S. Wilt—Director

Mr. Wilt, age 76, is one of the founders of CapStar Bank and serves as Chair of the Nominating and Corporate Governance Committee, is a member of the Compensation and Human Resources Committee, and is also a member of the Audit and Risk Committee. He has served on our Board since 2008. Mr. Wilt has nearly four decades of experience in the banking industry. Mr. Wilt is a retired, non-practicing certified public accountant, who is no longer affiliated with the Tennessee Association of Accountants or the AICPA. He practiced accountancy with Ernst & Ernst in the 1970s. He has previously served on the boards of directors of banks and public companies including C&S/Sovran Corporation, Commerce Union Bank, Outback Steakhouse and Genesco Inc. Mr. Wilt currently serves as President of TSW Investment Company and is the Founding President of Golf Club of Tennessee. Mr. Wilt is also a former board member of First American National Bank, and served as Chairman of the Board for the Christie Cookie Company. He earned a B.E. in civil engineering from Vanderbilt University and is a former pilot in the United States Air Force. We believe that Mr. Wilt's significant experience in banking and as a director of banks and public companies, including his service on various audit and human resource committees, gives him valuable insight and enables him to make significant contributions as a member of our Board.

Required Vote

If a quorum is present, the director nominees will be elected by a plurality of the votes cast by the shares entitled to vote in the election at the Annual Meeting.

THE BOARD RECOMMENDS A VOTE "FOR" EACH NOMINEE NAMED ABOVE.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") FRAMEWORK

We recognize the growing investor interest in "Environmental, Social, and Corporate Governance" or "ESG" principles. This investor interest is aligned with the way we have always viewed our corporate purpose and the keys to our success. CapStar is built and dependent on the vitality of all who live, work, and do business in the communities we serve. As affirmed in our mission statement, our Company seeks to "win long-term relationships and positively impact our customers' lives by setting the standard in guidance, responsiveness, flexibility and service."

We believe that how we deliver on our mission will determine how well we create and preserve long-term, sustainable value for our five groups of stakeholders – shareholders, customers, employees, business partners and communities.

While we believe that our ESG focuses help us in delivering positive results, we also understand that our work for the common interests of our stakeholders requires a commitment that extends well beyond the present, which includes living our core values and making continuous improvement over the course of time.

Social Responsibility: Our People

As a service-oriented business, our long-term success depends on our people and we are committed to taking a multi-dimensional approach to talent and culture.

- **Talent Vision, Strategy and Development**: Our people and culture are critical to the Company's long-term success. As such, our talent vision and strategy focus on:
  - Enabling talent and performance management that generates career opportunities and creates future leaders of the organization.
  - Empathy towards others that gives us a unique understanding and ability to provide internal and external service excellence.
  - Supporting a healthy work-life balance by offering generous paid time off for vacation (four weeks per year), holidays (including birthday), and sick leave.
  - Delivering a competitive compensation package, including low-cost medical, dental and vision benefits; paid life, disability, and long-term care insurance; and 401(k) employer contribution (3%).

  Our talent vision and strategy has been implemented in the context of an evolving business with accelerating growth. To reflect the transformation in our industry, we are focused on:

    - Fostering a culture of taking initiative, being accountable, accepting challenges, achieving goals and celebrating successes. Our President's Circle Awards program recognizes top sales and service performances company-wide on a quarterly basis.
    - Delivering a consistent, fair, and high-quality working environment for employees across our geographic footprint.
    - Designing an organizational model that supports our diversified products, services and lines of business.
    - Developing a scalable technology platform to effectively deploy and develop our people, processes, and systems. As an example, during the COVID-19 pandemic, 100% of our non-financial center employees seamlessly transitioned to and remained in a remote work environment through the height of the pandemic.

- **Diversity, Equity and Inclusion**: At CapStar, we are committed to fostering and preserving a culture in which all voices are heard, and everyone makes an impact. Our diversity, equity and inclusion initiatives include strong recruitment and selection practices, fair compensation and benefits, professional development and training, and a work environment that unifies the team across our business model and geographic footprint by encouraging respect, collaboration, and cooperation, ensuring we are best positioned to serve the unique needs of our diverse customers and communities.

  The Company's strategic objectives include identifying diverse talent for key enterprise and business-critical positions through both recruitment, and retention and development of highly effective employees, and by ensuring that diversity and inclusion of people and thoughts are priorities in every aspect of the Company.

As an example, in addition to funding tuition for three employees to attend our region's premier banking school each year, CapStar launched The Southeastern School of Banking (TSSB) Diversity Scholarship in 2020. The program specifically supports individuals who are traditionally underrepresented in the financial services industry by awarding three diverse undergraduate students with full tuition and housing to TSSB annually. The scholarship not only represents the company's continued commitment to helping the next generation of leaders pursue their dreams within our industry, but also creates a more diverse pool of qualified talent by supporting students as they prepare for their careers. The scholarship offers an exclusive professional development opportunity as admittance to TSSB is reserved for banking professionals and not otherwise available to college students. In addition to classroom and practical curriculum, each scholarship recipient is paired with a CapStar employee mentor during the TSSB program and prioritized for potential CapStar employment opportunities upon graduation from college.

- **Oversight**: Transparency and accountability are critical to driving our recruiting and development practices. We are committed to advancing the leadership of our Board through the inclusion of female and diverse directors, as detailed in the Company's Nominating and Corporate Governance Committee Charter. With more than 20% female representation, the Company was recognized nationally for its commitment to board diversity by the 2020 Women on Boards education and awareness campaign as one of only 52% of Russell 3000 companies earning the distinction.

  Within our workforce, we track and monitor employee data such as hiring, promotions and attrition at all levels throughout the Company. We also review performance data and promotion and compensation information to facilitate fair and objective decision-making. During regular reviews of each business unit, senior management engages in focused conversations with each employee about their plans and professional development progress. Annually, the Company distributes an employee engagement survey that specifically focuses on every employee's basic needs, individual contributions, teamwork, and growth opportunities.

Social Responsibility: Our Communities

Giving back to our communities through involvement and outreach is a fundamental element of the Company's mission. We have a strong track record of financial and practical support of nonprofit and charitable causes that help develop better places to live, work, raise families and build businesses. Philanthropy is further fostered by the Company's "CapStar Cares" program, which gives employees up to 16 hours of paid time off to encourage their participation in volunteer activities. As a strategic objective, we strive for 100% of the Company's Leadership Council to serve on a community board and 100% of employees to complete at least one annual Service Project per year.

To ensure our long-term success, our strategic plan also includes tactics for active and effective engagement among all segments of our communities with oversight by the Company's Risk Committee. We offer a wide range of products and services to individuals and businesses throughout our footprint with a goal of growing our business and achieving appropriate returns for our shareholders while strengthening our communities.

- Our priority is to deliver outstanding service to our customers without compromising the safe and sound operation of the Bank.
- We provide consumer and business products and services designed to support and strengthen all within the communities we serve.
- We give special consideration to the banking needs (including credit needs) of sustainable small businesses, low-to-moderate income individuals and neighborhoods, and community organizations that show they have a positive and lasting impact on our communities.
- We seek to strengthen our communities by supplying financial and volunteer resources to civic, charitable, educational, and other non-profit community service organizations throughout our footprint. Following are a few specific examples:
  - CapStar made substantial monetary contributions to benefit recovery efforts following several natural disasters within our local footprint and to aid neighboring counties, including donations to relief funds associated with tornadoes in the Nashville and Wayne County areas, and devastating flooding in Humphries and Waverly Counties in 2021.
  - The Bank donated more than $750,000 to non-profit organizations, charitable causes and community development efforts in 2020-21. Included and as part of CapStar's 2018 acquisition of Athens Bancshares Corporation (Athens Federal Community Bank), CapStar committed to donate $1.5 million over three years as a pledge of support to the Bank's enduring Athens Federal Foundation and local East Tennessee community. CapStar fulfilled the final

$500,000 installment in 2021 as the Foundation completed its eleventh round of awards, granting more than $178,000 to local nonprofit and charitable organizations.

  - Our team members volunteered dozens of service hours to organizations that ensure food security, housing, social services, community development, good health care, and opportunities for spiritual development, education, and the arts.
  - The Bank sponsors an exclusive digital interactive Financial Literacy Program in four high schools with majority low-to-moderate income students across CapStar's footprint. In 2020-21, the program reached 681 students with 2,350 hours of learning, resulting in a 45% knowledge gain (percentage of students scoring higher on tests after passing the modules than prior to being exposed to our platform).

- We recognize we are committed to and accountable for performance under the Community Reinvestment Act (CRA) but, more importantly, we are accountable to our customers and the people who live and work in our markets. Our 2021 CRA Qualified Community Development Loans were approximately $12.8 million, and our CRA Qualified Investments, Donations and Grants were approximately $1.0 million.
- Our pandemic response included over 550 loan payment deferrals and other modifications benefitting low to moderate income borrowers and those most severely impacted by the pandemic. In addition, we made substantial monetary donations to food banks in our market areas, providing more than 10,000 meals to our neighbors in their time of need. A statewide PPP leader relative to asset size, we also originated 1,485 loans under the Paycheck Protection Program, which resulted in approximately $244.8 million to support local businesses.

The Environment

At CapStar, we recognize the impact our operations can have on the environment and we are constantly working to reduce our carbon footprint. We do this by focusing on LED conversions and timely replacement of HVAC systems in our existing buildings and the installation of the most energy efficient alternatives in connection with new construction. Further, we mandate the recycling of shred waste as well as striving to optimize building occupancy to limit the adverse impact of unnecessary expansion.

Additionally, we drive reductions in our carbon footprint through the utilization of technology and digital channels, including payments, credit, savings, remittances, online and mobile banking, and imaging systems. We also promote the use of electronic deposit account statements, loan, tax and other notices, and eSign technology, which support efficiency and paper reduction. As a further measure, this year, we have begun to provide access to our proxy materials by Internet in accordance with the SEC's "notice and access" proxy rules and we expect to continue to do so in the future.

Corporate Governance

Strong corporate governance practices support our overall effectiveness enabling us to manage our business efficiently and maintain our integrity in the marketplace.

CapStar's Board of Directors is committed to strong corporate governance principles and full transparency in all areas of our operations. All independent Board members, as well as the members of the Audit, Risk, Compensation and Human Resources and the Nominating/Governance Committees meet the independence standards established by the SEC, Nasdaq and the FDIC, as well those prescribed in our Corporate Governance Guidelines and the Nominating/Governance Committee Charter available on our website at "Investor Relations". Elsewhere within this proxy statement are further details about our corporate governance policies and procedures.

Outlined below are details regarding our commitment to integrity, business ethics, risk management and digital security.

- **Integrity and Business Ethics**: We are committed to doing what is right, acting with integrity, and holding ourselves accountable. We have an established formal Code of Business Conduct that provides additional clarity and focus on the ethical behavior we expect of all employees and members of our Board. The Code is supported by underlying policies as well as interactive online training that all team members complete annually. Members of the Board also annually acknowledge their obligations under the Code of Conduct and Code of Ethics. It is critical for our team to understand our expectations and always do what is right with no fear of retaliation, which is supported by our Whistleblower Policy.

  To further its risk oversight role, the Board has established a set of Corporate Governance Guidelines, which address such matters as Board functions and responsibilities, director qualifications, director nominations, board composition, director meetings, board committees, and other matters. The Board believes such guidelines to be appropriate for the Company in its effort to maintain "best practices" as to corporate governance. Our Board consistently seeks to implement leading practices and policies in corporate governance, with an emphasis on maintaining the board's independence to provide effective oversight of management and ensure accountability to our shareholders. Some of our key corporate governance practices and policies include (i) our shareholders elect directors annually; (ii) majority voting standard for the election of directors; and (iii) a majority of the Board is required to be comprised of "independent" directors (independence is defined under all applicable requirements of the SEC and Nasdaq). One or more of the directors must also qualify as an "audit committee financial expert," as defined under applicable rules and regulations of the SEC.

- **Enterprise Risk**: In alignment with industry trends and regulatory guidance, CapStar maintains a Chief Risk Officer as the corporate executive responsible for identifying, analyzing and mitigating internal and external risks, including oversight of the Bank’s Director of Risk, Information Security Officer and Compliance Officer. Consistent with the Company’s values, it is the Board’s expectation that management, led by the Chief Risk Officer and regularly reported to the Risk Committee of the Board, foster a culture of transparency in recognizing and discussing risk-based issues. Our independent Compliance Review and Bank Secrecy Act Programs, in addition to risk assessments and other risk management practices, serve as methods to identify and escalate to executive management and the Board any potentially illegal or unethical behavior, or unsafe and unsound practices. In addition, the Bank’s Internal Audit Policy maintains the Internal Audit function as an independent appraisal of the Bank’s controls, operations and procedures, and reports findings and recommendations to management and the Audit and Risk Committees of the Board.

- **Data Security and Privacy**: Our Board is actively engaged in the oversight of CapStar’s cyber and information security program. Our Risk Committee receives regular reports regarding the program and on developments, including information on emerging threats as well as preventative measures in the cyber and information security sector from our Information Security Officer, Director of Information Technology and Chief Risk Officer.

The Company has also established an Information Technology (IT) Steering Committee comprised of internal managers representing various divisions of the Company. The Committee oversees IT strategic and investment priorities and the Company’s Information Security Program.

The Committee regularly reports to the Risk Committee of the Board through distribution of meeting minutes and other presentations and communication, including a comprehensive overview of the Company’s cyber and information security program annually. Highlights of our cyber and information security governance include:

- The Company maintains Information Technology and Information Security Strategic Plans that align with the institutional strategic plan.
- The Company employs an in-depth, multi-layered information security strategy, including the use of partners who maintain our security information and event management (SIEM), and a security stack to monitor, detect and provide real time analysis of security alerts as they are generated.
- The security posture includes several layered systems that monitor external and internal threats and events, manage access, and facilitate use of appropriate authentication options.
- The Company validates controls and programs used by internal teams and external partners with regular independent audits and complete testing of various compromise scenarios, overseen by our information security team.
- The Company invests in threat intelligence and participates in financial services industry and government forums which track and report on cyber and other information security threats.
- The Company routinely performs vulnerability tests.
- The Company’s cyber and information security program regularly incorporates external expertise.
- The Company actively maintains Payment Card Industry/Data Security Standards certification at the service provider level and an Attestation of Compliance is available upon request.

Board Meetings and Attendance

The Board meets at least quarterly at regularly scheduled meetings. Directors are expected to attend and participate in all meetings, including the Company’s annual meeting of shareholders, and must be willing to devote sufficient time, energy and attention to properly discharging their duties and responsibilities to the Company and the Board effectively. All of our directors then serving on the Board attended the 2021 Annual Meeting of Shareholders.

Independent directors meet in executive session at each Board meeting, with no members of management and only independent directors being present. Mr. Bottorff, the Chairman of the Board, presides at all executive sessions of independent directors.

During 2021, the Board met on eight (8) occasions. In 2021, each director attended (in person or virtually) at least 75% of the total of all meetings of the Board and the committees on which he or she served during the period in which he or she served on our Board or the respective committees of our Board.

Committees of our Board

Our Board has the authority to appoint committees to perform certain management and administrative functions. During 2021, our Board had five committees: the Audit and Risk Committee, the Nominating and Corporate Governance Committee, the Community Affairs Committee, the Compensation and Human Resources Committee and the Credit Committee. These committees of our Board also performed the same functions for the Bank. Our Board adopted written charters for each of these committees. As necessary, from time to time, special committees may be established by our Board to address certain issues. The following table shows the composition of each of the committees of our Board during 2021 and the number of times each committee met during 2021:

Name	Audit and Risk (1)	Nominating and Corporate Governance	Community Affairs	Compensation and Human Resources	Credit (1)
Dennis C. Bottorff		X		X	X
L. Earl Bentz	X			X	X
Jeffrey L. Cunningham (2)	X		X		
Sam B. DeVane	*		X	X	
Thomas R. Flynn	X			*	
Louis A. Green III	X				X
Valora S. Gurganious		X	X		
Myra NanDora Jenne			*	X	
Joelle J. Phillips		X	X		
Dale W. Polley (3)	X	X			
Timothy K. Schools (4)					
Stephen B. Smith		X	X		X
James S. Turner, Jr.		X	X		*
Toby S. Wilt	X	*		X	
Number of Meetings in 2021	12	4	4	5	8

* Member and Committee Chair

(1) Effective January 27, 2022, the Audit and Risk Committee was split to create two committees – the Audit Committee and Risk Committee. Furthermore, the Credit Committee was combined with the newly formed Risk Committee.

(2) Although Mr. Cunningham served during 2021, and served as a member of our Audit and Risk Committee and Community Affairs Committee, he did not stand for re-election at the 2021 Annual Meeting.

(3) Although Mr. Polley served during 2021, and served as the Chair of our Audit and Risk Committee and as a member of our Nominating and Corporate Governance Committee, he did not stand for re-election at the 2021 Annual Meeting.

(4) Mr. Schools became a member of our Board effective July 31, 2019. Mr. Schools does not currently serve on any of the committees of our Board.

The table above and the following disclosure provides detail regarding the composition and responsibilities of each of the Board's committees during the year ended December 31, 2021. During 2021, our Board approved certain committee reassignments, which was effective upon the election of director nominees at the 2021 Annual Meeting. For more information regarding these changes, please see "Corporate Governance — 2021 Committee Reassignments". On January 27, 2022, our Board approved the splitting of our Audit and Risk Committee, creating two committees - the Audit Committee and Risk Committee and combined the Credit Committee with the newly formed Risk Committee as well as certain committee reassignments, which was effective January 27, 2022. Each Committee and respective Committee assignments, as currently constituted, are described in more detail below.

Audit Committee

Our Audit Committee consists of Messrs. DeVane (Committee Chair), Flynn, Green and Wilt. Nasdaq rules and our Audit Committee charter require that our Audit Committee be comprised entirely of independent directors. The Audit Committee's Charter is evaluated annually to ensure compliance with SEC rules and regulations and Nasdaq listing standards and was last reviewed on January 27, 2022. A copy of the Audit Committee's Charter is available on the Company's Investor Relations webpage at www.ir.capstarbank.com under the caption "Corporate Governance – Documents & Charters." The committee is responsible for, among other things: monitoring the integrity of, and assessing the adequacy of, our financial statements, the financial reporting process and our system of internal accounting and financial controls; assisting our Board in ensuring compliance with laws, regulations, policies and procedures; selecting our independent registered public accounting firm and assessing its qualifications, independence and performance;

monitoring the internal audit function; reviewing and, if appropriate, pre-approving all auditing and permissible non-audit services performed by the independent public accounting firm; and reviewing and, if appropriate, approving related-party transactions other than those subject to Regulation O. At least once per year, our Audit Committee meets privately with each of our independent registered public accounting firm, management and our internal auditors.

Our Board has affirmatively determined that each of Messrs. DeVane, Flynn, Green and Wilt satisfies the requirements for independence as an audit committee member under the rules and regulations of Nasdaq and the SEC. Further, the Board has determined that each of Messrs. DeVane, Flynn, Green and Wilt satisfies the requirements for financial literacy under the rules and regulations of Nasdaq, and that each of Messrs. DeVane, Flynn, Green and Wilt qualify as an “audit committee financial expert” as defined in the SEC’s rules and regulations.

Compensation and Human Resources Committee

Our Compensation and Human Resources Committee consists of Mr. Flynn (Committee Chair), Mr. Bentz, Ms. Jenne and Mr. Wilt. Nasdaq rules and our Compensation and Human Resources Committee charter require that our Compensation and Human Resources Committee be comprised entirely of independent directors. The committee is responsible for, among other things, reviewing and approving compensation arrangements with our Chief Executive Officer and other executive officers; advising management with respect to compensation, including equity and non-equity incentives; making recommendations to the Board regarding our overall equity-based incentive programs; administering a performance review process for, and, in collaboration with the Nominating and Corporate Governance Committee; and, in collaboration with the Nominating and Corporate Governance Committee, periodically reviewing the succession plan for the Chief Executive Officer and other executive officers. In addition, the committee annually reviews corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other executive officers and recommends compensation levels to the Board based on this evaluation. See “Executive Compensation" for more information.

Our Board has affirmatively determined that each of Messrs. Flynn, Bentz, and Wilt and Ms. Jenne satisfies the requirements for independence under the rules and regulations of Nasdaq and the SEC, and qualifies as a “non-employee director” for purposes of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). .

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of Mr. Wilt (Committee Chair), Mr. Bottorff, Ms. Gurganious, Ms. Phillips, Mr. Turner and Mr. Smith. Our Nominating and Corporate Governance Committee charter requires that our Nominating and Corporate Governance Committee be comprised entirely of independent directors. The committee is responsible for, among other things, identifying and recommending to our Board qualified individuals to become directors; nominating candidates for election to our Board to fill vacancies that occur between annual meetings of shareholders; in collaboration with the Compensation and Human Resources Committee, periodically reviewing the succession plan for the Chief Executive Officer and other executive officers; advising our Board with respect to the roles and composition of committees; overseeing the evaluation of our Board; assisting our Board in establishing and maintaining effective corporate governance practices; annually evaluating our Board and committees and providing recommendations to help them function more effectively; and establishing and overseeing a compliance risk program that enables the Company to manage compliance risks related to regulatory and internal and external oversight.

Our Board has affirmatively determined that each of Mr. Wilt, Mr. Bottorff, Ms. Gurganious, Ms. Phillips, Mr. Turner and Mr. Smith satisfies the requirements for independence under the rules and regulations of Nasdaq and the SEC.

Community Affairs Committee

Our Community Affairs Committee consists of Ms. Jenne (Committee Chair), Mr. DeVane, Ms. Gurganious, Ms. Phillips and Mr. Smith, all of whom are independent directors. The purposes of the Community Affairs Committee are to ensure that the Company embraces its Mission, Vision and Values, to oversee the Company’s local involvement and leadership in the communities where the Company operates, including matters related to employee engagement, community development, philanthropy, government affairs, reputation management, and diversity and inclusion, and to oversee the Company’s Community Reinvestment Act (“CRA”) Program and Fair Lending Compliance Program.

Risk Committee

Our Risk Committee consists of Messrs. Turner (Committee Chair), Bentz, Bottorff, Green and Smith. The charter of our Risk Committee provides that a majority of the members of the committee must be independent. This committee is responsible for, among other things, assisting our Board in its oversight of our enterprise risk management governance and of the six risk categories included in the banking risk framework established by the Federal Reserve System, which are credit, market, liquidity, operational, legal and reputational risk .

Additionally, its roles include oversight of capital management; reviewing the strategic plan and budget before their presentation to the full Board; reviewing our insurance risk management program; ensuring that our internal policies, procedures and guidelines are appropriate to manage risk and approving our asset/liability and investment policies.

Furthermore, this committee is responsible for monitoring the management of our assets, with a primary focus on loans, other real estate owned, and other customer-related assets; reviewing and monitoring compliance with our Loan and Credit Administration Policy; ensuring review of each criticized and classified loan; reviewing charge-offs and recoveries; monitoring exceptions to loan policies, collateral and financial statements; ensuring that extensions of credit to directors, executive officers and their affiliates are in compliance with law and reviewing loans subject to Regulation O, and, to the extent required by Regulation O and where appropriate, recommending approval of such loans by the full Board; and reviewing progress with respect to management's goals for improvements in credit quality.

Board and Committee Self-Evaluations

The Board conducts annual self-evaluations and completes questionnaires to assess the qualifications, attributes, skills and experience represented on the Board and to determine whether the Board and its committees are functioning effectively. The Nominating and Corporate Governance Committee oversees this annual review process and, through its Chair, discusses the input with the full Board. In addition, each committee reviews annually the qualifications and effectiveness of that committee and its members. Each year the Board also reviews the Company's governance documents and modifies them as appropriate. These documents include the charters for each Board committee, our Corporate Governance Guidelines, our Code of Ethics and Conflicts of Interest Policy and other key policies and practices.

The Board and each of the Board committees will continue to monitor corporate governance developments and will continue to evaluate committee charters, duties and responsibilities under our Corporate Governance Guidelines and Code of Ethics and Conflicts of Interest Policy with the intention of maintaining full compliance with all applicable corporate governance requirements.

Board Leadership Structure

Our Corporate Governance Guidelines provide for separation of the roles of Chief Executive Officer and Chairman of our Board, a structure which our Board has determined is in the best interests of our shareholders at this time. Since the founding of the Company, Mr. Bottorff has served as Chairman of the Board and, upon his retirement from the Board at the Annual Meeting, Mr. Turner will assume that role. Mr. Schools serves as our President and Chief Executive Officer. Mr. Schools also serves as Chief Executive Officer and President of CapStar Bank and as a member of the Bank's Board.

The Board has determined that our bifurcated leadership structure is appropriate for the Company and our shareholders because it (i) enables Mr. Schools to focus directly upon identifying and developing corporate priorities, executing our business plan and providing daily leadership while concurrently ensuring that Mr. Schools and his intimate knowledge of our Company and of the banking industry generally remain as an invaluable resource to our Board and (ii) assists Mr. Bottorff in fulfilling his duties of overseeing the implementation of our strategic initiatives, facilitating the flow of information between the Board and management and fostering executive officer accountability.

Role of the Board in Risk Oversight

The Board has an active role, as a whole and at the committee level, in the Company's risk oversight process. The Board and its committees receive regular reports from members of senior management on areas of material risk to the Company, including operational, financial, legal, regulatory, strategic and reputational risks. At the committee level, (i) the Audit Committee oversees the management of accounting and internal controls that effect financial reporting and internal audit; (ii) the Compensation and Human Resources Committee oversees the management of risks relating to the Company's executive compensation program as well as compensation matters involving all employees and the Company's directors; (iii) the Nominating and Corporate Governance Committee manages risks associated with the independence of the members of the Board and potential conflicts of interest and certain regulatory risks; and (iv) our Risk Committee is specifically tasked with helping our Board execute its risk management objectives by overseeing an enterprise-wide approach to risk management, which is structured to achieve our strategic objectives, improve our long-term performance and support growth in shareholder value.

Although each committee is directly responsible for evaluating certain enumerated risks and overseeing the management of such risks, the entire Board is generally responsible for and is regularly informed through committee reports about such risks and any corresponding remediation efforts designed to mitigate such risks. In addition, appropriate committees of the Board receive reports from senior management within the organization to enable the committees to understand risk identification, risk management and risk mitigation strategies. When a committee receives such a report, the Chair of the relevant committee reports on the discussion to the full Board during the committee reports portion of the next Board meeting. This enables the Board and its committees to coordinate the risk oversight role.

Service Limitations on Other Boards of Directors

Our Corporate Governance Guidelines require that directors should not serve on the boards of no more than four other public companies (or private, not-for-profit or service organization boards that are deemed by the Board to be equivalent) in addition to our Board. The Nominating and Corporate Governance Committee may, in its discretion, grant exceptions to this limit on a case-by-case basis. None of our directors serve on more than four other boards.

Director Nominations

Overview. Pursuant to its charter, the Nominating and Corporate Governance Committee is responsible for the process relating to director nominations, including identifying, reviewing and selecting individuals who may be nominated for election to the Board. The Nominating and Corporate Governance Committee considers nominees to serve as directors of the Company and recommends such persons to the Board. The Nominating and Corporate Governance Committee also considers director candidates recommended by shareholders in accordance with the Company Bylaws and provides a process for receipt and consideration of any such recommendations. In approving candidates for election as director, the Nominating and Corporate Governance Committee also seeks to ensure that the Board and its committees will satisfy all applicable requirements of the federal securities laws and the corporate governance requirements for Nasdaq-listed issuers.

Committee Selection Process. The Nominating and Corporate Governance Committee regularly assesses the mix of experience, skills, diversity and industries currently represented on our Board, whether any vacancies on the Board are expected due to retirement or otherwise, the experience, skills and diversity represented by retiring directors, and additional skills highlighted during the self-assessment process that could improve the overall quality and ability of the Board to carry out its functions.

The Nominating and Corporate Governance Committee and the Board do not believe the Company should establish term or age limits for its directors. Although such limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the knowledge and contributions of directors who have been able to develop, over a period of time, deep insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term or age limits, the Nominating and Corporate Governance Committee reviews each director’s continuation on the Board every year. This review includes the analysis of the Nominating and Corporate Governance Committee regarding each director’s independence and whether any director has had a significant change in his or her business or professional circumstances during the past year.

Prior to completing its recommendation to the Board of nominees for election, the Nominating and Corporate Governance Committee requires each potential candidate to complete a director’s and executive officer’s questionnaire and a report on all transactions between the candidate and the Company, its directors, officers and related parties. The Nominating, and Corporate Governance Committee will also consider such other relevant factors as it deems appropriate. After completing this evaluation, the Nominating and Corporate Governance Committee will make a recommendation to the Board of the persons who should be nominated, and the Board will then determine the nominees after considering the recommendations of the Committee.

Criteria for Director Nominees. In identifying, reviewing and selecting potential nominees for director, the Nominating and Corporate Governance Committee considers individuals from various disciplines and diverse backgrounds. The Nominating and Corporate Governance Committee and Board believe that diversity is an important attribute of the members who comprise our Board and that the members should represent an array of backgrounds and experiences and should be capable of articulating a variety of viewpoints. Accordingly, pursuant to its charter and our Corporate Governance Guidelines, the Nominating and Corporate Governance Committee considers in its identification, review and selection of potential director nominees various criteria, including individual integrity, education, business experience, accounting and financial expertise, age, diversity, reputation, civic and community relationships, knowledge and experience in matters impacting financial intuitions, and the ability of the individual to devote the necessary time to serving the board of directors of a public company. When re-nominating incumbent directors, the Nominating and Corporate Governance Committee considers among all relevant factors, the individuals contributions, including the value of his or her experience as a director of the Company, the availability of new director candidates who may offer unique contributions, and the Company’s changing needs.

Procedure to be Followed by Shareholders. On an ongoing basis, the Nominating and Corporate Governance Committee considers potential director candidates identified on its own initiative as well as candidates referred or recommended to it by other directors, members of management, shareholders and other resources (including individuals seeking to join the Board). Shareholders who wish to recommend candidates may contact the Nominating and Corporate Governance Committee in the manner described below under “Communications with the Board and Committees.” All candidates are required to meet the criteria outlined above, as well as the director independence and other standards set forth in our Corporate Governance Guidelines and other governing documents, as applicable, as determined by the Nominating and Corporate Governance Committee in its sole discretion.

Shareholder nominations must be made according to the procedures required under our Amended and Restated Bylaws and described in this Proxy Statement under the heading "Additional Information — How and when may I submit a shareholder proposal for the 2022 Annual Meeting of Shareholders?" The Nominating and Corporate Governance Committee strives to evaluate all prospective nominees to the Board in the same manner and in accordance with the same procedures, without regard to whether the prospective nominee is recommended by a shareholder, the Nominating and Corporate Governance Committee, another board member or members of management. However, the Nominating and Corporate Governance Committee may request additional information in connection with the evaluation of candidates submitted by shareholders due to the potential that the existing directors and members of management will not be as familiar with the proposed candidate as compared to candidates recommended by existing directors or members of management. The Nominating and Corporate Governance Committee will conduct the same analysis that it conducts with respect to its director nominees for any director nominations properly submitted by a shareholder and, as a result of that process, will decide whether to recommend a candidate for consideration by the full Board.

Corporate Governance Guidelines

Our Board has adopted Corporate Governance Guidelines that, in conjunction with our committee charters and Board Supervision Policy, set forth the framework within which our Board, assisted by Board committees, direct the affairs of the Company. Our Corporate Governance Guidelines address, among other things, the composition and functions of our Board, director independence, compensation of directors, management succession and review, Board committees, Board and committee evaluation processes and selection of new directors. The Board believes such guidelines to be appropriate for the Company in its effort to maintain "best practices" regarding corporate governance.

Code of Ethics and Conflicts of Interest Policy

Our Board has adopted a Code of Ethics and Conflicts of Interest Policy (the "**Code of Ethics**") governing all of our directors, officers, including our principal executive officer, principal financial officer and principal accounting officer, and other employees. The Code of Ethics covers compliance with law, fair and honest dealings with us, with competitors and with others, fair and honest disclosure to the public, conflicts of interest, and procedures for ensuring accountability and adherence to the Code of Ethics. We expect that any amendments to the Code of Ethics, or any waivers of its requirements, will be disclosed on our website, as well as any other means required by the SEC and Nasdaq.

Certain Relationships

There are no family relationships between any of our directors, executive officers or persons nominated to become a director or executive officer.

Compensation Committee Interlocks and Insider Participation

No member of our Compensation and Human Resources Committee (i) is or has ever been an employee of the Company or our Bank, (ii) was, during the last completed fiscal year, a participant in any related-party transaction requiring disclosure under "Certain Relationships and Related Transactions," except with respect to loans made to such committee members in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with unrelated parties or (iii) had, during the last completed fiscal year, any other interlocking relationship requiring disclosure under applicable SEC rules.

Communications with the Board and Committees

We have established procedures for shareholders or other interested parties to communicate directly with our Board or with a committee of the Board. Such parties can contact our Board, a committee or a specific director by sending written correspondence by mail to:

CapStar Financial Holdings, Inc.
Attention: Corporate Secretary
1201 Demonbreun Street, Suite 700
Nashville, Tennessee 37203

The Corporate Secretary is responsible for reviewing all communications addressed to our Board, any committee or any specific director to determine whether such communications require Board, committee or personal review, response or action. Generally, the Corporate Secretary will not forward to the Board, any committee or any specific director any communications relating to Company products and services, solicitations, or otherwise improper or irrelevant topics. If, however, the Corporate Secretary determines that a communication relates to corporate governance or otherwise requires review, response or action by the Board, any committee or any specific director, then the Secretary will promptly send a copy of such communication to each director serving on the Board, the applicable committee or the applicable director.

Executive Officers

Our Nominating and Corporate Governance Committee annually makes recommendations to our Board concerning the appointment or re-appointment of certain officers of the Company and CapStar Bank, including the Chief Executive Officer and Chief Financial Officer.

Set forth below is background information regarding each of our executive officers as of March 1, 2022, other than Mr. Schools whose biography is set forth above under the caption “Election of Directors —Director Nominees.” There are no family relationships among any of our executive officers. Further, other than the employment agreements described in this Proxy Statement, there are no arrangements or understandings between the executive officers listed below and any other person(s) pursuant to which he or she was selected as an executive officer.

John A. Davis - Chief Operations and Technology Officer, CapStar Financial Holdings, Inc.

Mr. Davis, age 58, has served as the Chief Operations and Technology Officer for CapStar Bank since November 2019. Mr. Davis leads the deposit and loan operations, information technology and project management office of the Bank. Mr. Davis has over 29 years of banking experience, serving most recently as the Executive Vice President and Chief Operating Officer of MidSouth Bank, NA in Louisiana from 2018 to 2019. At MidSouth Bank, Mr. Davis was responsible for overseeing and revamping the infrastructure of a bank with over $2 billion in assets. Prior to joining MidSouth Bank, Mr. Davis served as a Project Manager at Southern Bank and Trust Company from June 2017 to May 2018. Mr. Davis was previously with Yadkin Bank in Raleigh, North Carolina for approximately 11 years where he served as Senior Vice President and Director of Operations from October 2014 to May 2017. At Yadkin Bank, Mr. Davis oversaw operations and led the integrations of four bank mergers during his tenure. Mr. Davis holds a bachelor’s degree from Elon University and obtained a BAI certificate from Vanderbilt University.

Michael J. Fowler - Chief Financial Officer, CapStar Financial Holdings, Inc.

Mr. Fowler, age 65, has more than 40 years of banking and finance experience having served in senior financial roles at several regional banks. He joined CapStar following the merger of First Horizon National Corp. and IBERIABANK Corporation. For 8 years he served as IBERIABANK’s Executive Vice President, Director of Financial Risk. He began his career with Texas Commerce Bank in Houston (acquired by Chemical Bank, now JPMorgan Chase) where for 15 years he served in management roles related to financial planning, balance sheet management, ALCO and management accounting. Subsequently, he served as Executive Vice President and Treasurer at First Commerce Bank and South Financial Group, and as CFO at GreenBank, acquired by Capital Bank Financial. He earned a bachelor’s degree in finance from Loyola University New Orleans and MBA from the University of Texas at Austin Red McCombs School of Business.

Jennie L. O'Bryan - Chief Administrative Officer, CapStar Financial Holdings, Inc.

Ms. O'Bryan, age 56, is the Chief Administrative Officer of CapStar Bank. Ms. O'Bryan joined the company in 2019 and has more than 35 years of banking experience, most recently serving as vice president of wealth management for US Bank, overseeing private bankers in Ohio, Kentucky, Tennessee and Missouri. Prior to that role, she held regional customer experience and branch management positions. Having served in various capacities at CapStar, she manages both Human Resources and Marketing as the Bank's Chief Administrative Officer. Ms. O'Bryan is a graduate of Furman University's School of Retail Bank Management and was management advisor for US Bank's local Development Network. She has been involved in the past with Habitat for Humanity and United Way, and has served on the board of Junior Achievement.

Christopher G. Tietz - Chief Credit Policy Officer and Executive Vice President of Specialty Banking, CapStar Financial Holdings, Inc.

Mr. Tietz, age 59, is the Chief Credit Policy Officer and EVP of Specialty Banking of CapStar Bank. Mr. Tietz joined the Bank in March 2016 and has over 32 years of banking experience starting as a trainee of First American National Bank in Nashville in 1985 and rising to the position of Executive Vice President and Regional Senior Credit Officer for First American’s West Tennessee Region including oversight of credit functions for private banking, business banking, middle-market, and corporate banking functions. Subsequent to his positions at First American, Mr. Tietz held chief credit officer roles at various banks in the Midwest and Tennessee.. His experience includes capital raising activities, asset quality resolution, development of lending initiatives to achieve quality asset growth, and management and resolution of regulatory actions. Mr. Tietz holds a bachelor’s degree from the University of Alabama.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Banking Transactions with Related Parties

Our Bank has made in the past and, assuming continued satisfaction of generally applicable credit standards, expects to continue to make loans to directors, executive officers, principal shareholders and their affiliates including corporations or organizations for which they serve as officers or directors or in which they have beneficial ownership interests of 10% percent or more. These loans have all been made in the ordinary course of our business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with persons not related to us. Further, such loans are and will be subject to the policies and procedures regarding related-party transactions discussed below, and they do not present us with more than the normal risk of uncollectibility or other unfavorable characteristics.

Lease of Corporate Headquarters

As of the date of this Proxy Statement, we understand that Mr. Gaylon Lawrence or his affiliates, who, as of the most recent Schedule 13D filed by him with the SEC, owns more than 5% of our common stock, may have an economic interest in the lease of our corporate headquarters located at 1201 Demonbreun Street, Suite 700, Nashville, Tennessee via a direct or indirect ownership in the entity that is our landlord. However, as of the date of this Proxy Statement, we have been unable to ascertain the extent of the ownership of Mr. Lawrence or his affiliates in the landlord entity, and, therefore, we are unable to approximate the dollar value of the interest of Mr. Lawrence or his affiliates in the lease and whether such amount is material. Mr. Lawrence or his affiliates were not 5% or greater shareholders when we originally entered into the lease. During the fiscal year ended December 31, 2021, the Company paid approximately $1,359,925 in rent pursuant to the terms of the lease.

Policies and Procedures Regarding Related-Party Transactions

Transactions involving the Company and/or the Bank and their respective affiliates and insiders are subject to regulatory requirements and restrictions as well as our own policies and procedures. These requirements and restrictions include Sections 23A and 23B of the Federal Reserve Act (which govern certain transactions by our Bank with its affiliates) and the Federal Reserve's Regulation O (which governs certain loans by our Bank to its executive officers, directors, and principal shareholders). We have adopted policies to comply with these regulatory requirements and restrictions, including provisions in our Loan and Credit Administration Policy that place restrictions on the Bank with respect to loans to our executive officers, directors and principal shareholders. Pursuant to its charter, our Risk Committee is responsible for ensuring that extensions of credit to directors, executive officers and their affiliates comply with all applicable law, reviewing loans that are subject to Regulation O and, if required by Regulation O and where appropriate, recommending such loans to the full Board for approval. Our Audit Committee approves all related-party transactions that are not subject to Regulation O.

In addition, our Board has adopted a written policy governing the approval of related-party transactions that complies with all applicable requirements of the SEC and Nasdaq concerning related-party transactions. Related-party transactions, for purposes of the requirements of the SEC and Nasdaq, are transactions in which we are a participant, the amount involved exceeds $120,000 and a related-party has or will have a direct or indirect material interest. Our related parties include our directors (including nominees for election as directors), executive officers, 5% or greater shareholders and the immediate family members of these persons. Our Chief Financial Officer, in consultation with management and outside counsel, as appropriate, will review potential related-party transactions to determine if they are subject to the policy. If so, the transaction will be referred to our Audit Committee or, if such transaction is a loan subject to Regulation O, our Credit Committee. In determining whether to approve a related-party transaction, our Audit Committee or Credit Committee, as applicable, will consider, among other factors, the fairness of the proposed transaction, the direct or indirect nature of the related-party's interest in the transaction, the appearance of an improper conflict of interests for any director, executive officer or 5% or greater shareholder, taking into account the size of the transaction and the financial position of the related-party, whether the transaction would impair a director's independence, the acceptability of the transaction to our regulators and the potential violations of other company policies. Our Related-Party Transactions Policy is available on our website at www.ir.capstarbank.com, as an annex to our Corporate Governance Guidelines.

DIRECTOR COMPENSATION

During 2021, our non-employee directors received compensation for service and attendance based upon the following compensation program guidelines ("**2021 Director Compensation Program**"):

- $75,000 annual retainer for the Chairman of the Board;
- $37,500 annual retainer for the Vice-Chairs of the Board;
- $26,000 annual retainer for directors;
- $10,000 annual retainer for director attendance at meetings of the Board;
- $7,500 annual retainer for Audit and Risk Committee Chair, $5,000 annual retainer for Nominating and Corporate Governance Committee Chair and $6,000 annual retainer for all other committee Chairs;

- $7,500 annual retainer for Audit and Risk Committee members; $6,000 annual retainer for Compensation and Human Resources, Credit Committee and Community Affairs members; $4,000 annual retainer for Nominating and Corporate Governance Committee members; and
- $500 for each meeting of the Executive Loan Committee.

Other than the retainers for our Chairman of the Board and the retainers for the Vice-Chairs of the Board, which are paid in one-third cash in equal monthly payments and two-thirds restricted stock awards, all director compensation is generally paid in equal parts cash and restricted stock awards that vest ratably over three years. The following table sets forth information regarding compensation paid to our directors for 2021 that were not named executive officers:

		Fees Earned or Paid in Restricted Stock		
Name (1)	**Fees Earned or Paid in Cash**	**Amount ($)(2)**	**Actual Number of Restricted Shares (3)**	**Total**
Dennis C. Bottorff	$ 48,500	$ 73,500	3,361	$ 122,000
L. Earl Bentz	27,000	27,000	1,235	54,000
Jeffrey L. Cunningham	12,667	16,833	770	29,500
Sam B. DeVane	27,250	27,250	1,246	54,500
Thomas R. Flynn	27,750	27,750	1,269	55,500
Louis A. Green III	26,250	26,250	1,200	52,500
Valora S. Gurganious	23,000	23,000	1,052	46,000
Myra NanDora Jenne	27,000	27,000	1,235	54,000
Joelle J. Phillips	23,000	23,000	1,052	46,000
Dale W. Polley	13,333	17,500	800	30,833
Stephen B. Smith	28,333	28,333	1,296	56,666
James S. Turner, Jr.	29,083	29,083	1,330	58,166
Toby S. Wilt	28,000	28,000	1,280	56,000

(1) Mr. Schools, our Chief Executive Officer, is not separately compensated for his service on the Board. His compensation for 2021 is set forth below in the Summary Compensation Table

(2) The amounts set forth in this column represent the value of incentive awards approved by our Board pursuant to our 2021 Director Compensation Program, as described above. The aggregate grant date fair value of restricted stock awards for the year ended December 31, 2021 are computed in accordance with FASB ASC Topic 718 based on the closing price per share of $21.87 on January 13, 2022, the closest practical date prior to the date of the awards.

(3) The amounts set forth in this column represent the actual number of shares of restricted stock awarded to our directors for the year ended December 31, 2020, determined by dividing the value of awards approved by the Board by the closing price of $21.87 per share on January 13, 2022, the closest practical date prior to the date of the awards , and then rounding to the nearest whole share.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the beneficial ownership of our common stock as of February 24, 2022 by:

- each shareholder known by us to beneficially own more than 5% of our outstanding common stock;
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Name of Beneficial Owner(1)	Amount and Nature of Beneficial Ownership(2)	Percent of Class (3)
5% Shareholders Who Are Not Directors		
Blackrock, Inc. (4)	1,658,306	7.5 %
Gaylon M. Lawrence, Jr. (5)	1,156,675	5.2 %
Directors		
L. Earl Bentz (6)	243,368	1.1 %
Dennis C. Bottorff (7)	315,991	1.4 %
Sam B. DeVane (8)	5,246	*
Thomas R. Flynn (9)	262,085	1.2 %
Louis A. Green, III (10)	117,485	*
Valora S. Gurganious (11)	1,052	*
Myra NanDora Jenne (12)	85,711	*
Joelle J. Phillips (13)	2,400	*
Timothy K. Schools (14)	80,744	*
Stephen B. Smith (15)	55,260	*
James S. Turner, Jr. (16)	245,202	1.1 %
Toby S. Wilt (17)	409,115	1.8 %
Executive Officers Who Are Not Directors		
John A. Davis (18)	4,759	*
Michael J. Fowler (19)	822	*
Jennie L. O'Bryan (20)	3,723	*
Christopher G. Tietz (21)	72,112	*
Directors and Executive Officers as a Group (16 persons)		

* Indicates one percent or less.

(1) Unless otherwise noted, the address for each shareholder listed in the table above is: c/o CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203.

(2) We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally provide that a person is the beneficial owner of securities if such person has or shares the power to vote or direct the voting of securities or to dispose or direct the disposition of securities. A security holder is also deemed to be, as of any date, the beneficial owner of all securities that such security holder has the right to acquire within 60 days after such date through (i) the exercise of any option or warrant, (ii) the conversion of a security, (iii) the power to revoke a trust, discretionary account or similar arrangement or (iv) the automatic termination of a trust, discretionary account or similar arrangement. Except as disclosed in the footnotes to this table and subject to applicable community property laws, to our knowledge, each person identified in the table has sole voting and investment power over all of the shares shown opposite such person's name.

(3) As of February 24, 2022, there were 22,226,070 shares of CapStar common stock outstanding.

(4) The indicated ownership is based solely upon a Schedule 13G filed with the SEC by the beneficial owner on February 7, 2022 reporting beneficial ownership as of December 31, 2021. BlackRock, Inc. reports sole voting power with respect to 1,630,377 shares and sole dispositive power over 1,658,306 shares. The address for BlackRock, Inc. is 55 East 52nd Street, New York, New York 10055.

(5) The indicated ownership is based solely upon a Schedule 13D/A filed with the SEC by the beneficial owner on July 24, 2020 reporting beneficial ownership as of July 23, 2020. Mr. Lawrence reports sole voting and sole dispositive power over all the shares included in this table. The address for Mr. Lawrence is 1201 Demonbreun Street, Suite 1460, Nashville, Tennessee 37203.

(6) Includes shares owned by Mr. Bentz and Bentz Properties LLC, an entity he controls, including 5,202 shares of restricted stock over which Mr. Bentz retains voting control.

(7) Includes 12,865 shares of restricted stock over which Mr. Bottorff retains voting control.

(8) Includes 1,246 shares of restricted stock over which Mr. DeVane retains voting control.

(9) Includes shares owned by Mr. Flynn and shares held in UTMA on behalf of his two minor children, over which Mr. Flynn has voting and investment control. Also includes 5,005 shares of restricted stock over which Mr. Flynn retains voting control.

(10) Includes shares owned by Mr. Green and members of his family, of which he does not disclaim investment or voting control. Also includes 4,429 shares of restricted stock over which Mr. Green retains voting control. Mr. Green shares voting and investment power with respect to 11,976 of these shares.

(11) Includes 1,052 shares of restricted stock over which Ms. Gurganious retains voting control

(12) Includes 4,141 shares of restricted stock over which Ms. Jenne retains voting control.

(13) Includes 2,400 shares of restricted stock over which Ms. Jenne retains voting control.

(14) Includes 7,074 shares of restricted stock over which Mr. Schools retains voting control. Does not include 16,666 shares of our common stock underlying options that will remain subject to vesting more than 60 days after February 24, 2022.

(15) Includes shares owned by Mr. Smith, the Matthew Carlton Smith Family Trust and the Stephen B. Smith Jr. Family Trust. Also includes 4,835 shares of restricted stock over which Mr. Smith retains voting control.

(16) Includes 5,404 shares of restricted stock over which Mr. Turner retains voting control.

(17) Includes 5,012 shares of restricted stock over which Mr. Wilt retains voting control. Also includes 70,786 shares owned by WF Partners. Mr. Wilt is the managing partner of WF Partners and has voting and investment power with respect to all such shares.

(18) Includes (i) 3,305 shares of restricted stock over which Mr. Davis retains voting control and (ii) 373 equivalent shares held by unitized stock fund in the Company's 401(k) plan based on the $20.94 closing price of the issuer's common stock on February 24, 2022.

(19) Includes 822 shares of restricted stock over which Mr. Fowler retains voting control.

(20) Includes (i) 1,333 shares of restricted stock over which Ms. O'Bryan retains voting control and (ii) 296 equivalent shares held by unitized stock fund in the Company's 401(k) plan based on the $20.94 closing price of the issuer's common stock on February 24, 2022.

(21) Includes (i) 6,663 shares of restricted stock over which Mr. Tietz retains voting control, (ii) 1,516 equivalent shares held by unitized stock fund in the Company's 401(k) plan based on the $20.94 closing price of the issuer's common stock on February 24, 2022 and (iii) 25,000 shares of our common stock underlying options that are currently exercisable.

DELINQUENT SECTION 16(A) REPORTS

The U.S. securities laws require our executive officers, directors and greater than 10% shareholders to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the SEC. As a convenience to our directors and executive officers ("company filers"), we (using powers of attorney granted by the company filers to persons in the Company) file these reports on their behalf. Based solely upon a review of the copies of these reports furnished to us during and with respect to 2021, or on written representations that no Form 5 reports were required, we believe that each of

those persons filed, on a timely basis, the reports required by Section 16(a) of the Exchange Act, except as follows. During 2021, we transitioned from an external filing system to a filing system for the company filers that was handled internally at the Company. As a result of administrative delays in the transition of the filing process, one late Form 4 was filed on behalf of Messrs. Bottorff, Phillips, Smith and Turner, two late Form 4s were filed on behalf of Messrs. Davis, DeVane and Tietz and three late Form 4s were filed on behalf of Messrs. Duncan and Schools

PROPOSAL 2
ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

In accordance with Section 14A of the Exchange Act and related rules of the SEC, now that we no longer are a "smaller reporting company" or an "emerging growth company," we intend to provide our shareholders each year with a "say-on-pay" vote – an opportunity to vote on an advisory basis on the compensation paid to our named executive officers as disclosed in this proxy statement pursuant to Item 402 of Regulation S-K. Accordingly, you may vote on the following resolution at the annual meeting: "**RESOLVED, that the shareholders approve, on an advisory basis, the compensation of Capstar Financial Holdings, Inc.'s named executive officers as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the accompanying compensation tables, and the related narrative disclosures in this proxy statement.**"

As discussed in detail in the "Compensation Discussion and Analysis" section, the Compensation Committee actively oversees our executive compensation program, adopting changes and awarding compensation as appropriate to reflect Capstar's circumstances and to promote the main objectives of the program. Our compensation programs are designed to attract, retain and motivate persons with superior ability, to reward outstanding performance, and to align the long-term interests of our named executive officers with those of our shareholders. Under these programs, our named executive officers are rewarded for the achievement of specific annual and long-term goals and the realization of increased shareholder value. We firmly believe that the information we have provided in this proxy statement demonstrates that our executive compensation program was designed appropriately and is working to ensure alignment of management's and shareholders' interests to support long-term value creation.

This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers. This vote also is not a vote on director compensation, as described under "Director Compensation," or on our compensation policies as they relate to risk management, as described below under "Risk Mitigating Features" of the "Executive Compensation" section.

Our Board is asking our shareholders to indicate their support for our named executive officer compensation as described in this proxy statement in accordance with SEC rules by voting for this proposal. Because the vote on this proposal is advisory in nature, it will not affect any compensation already paid or awarded and will not be binding on or overrule any decisions by the Compensation Committee or the Board. Nonetheless, our Board and the Compensation Committee value our shareholders' views and intend to consider the outcome of the vote, along with other relevant factors, when making future named executive officer compensation decisions.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT.

PROPOSAL 3
ADVISORY VOTE ON FREQUENCY OF SAY-ON-PAY VOTE

In accordance with the requirements of Section 14A of the Exchange Act, and the related rules of the SEC, the Company is providing shareholders the opportunity to indicate, on a non-binding, advisory basis, whether future say-on-pay votes of the nature reflected in Proposal 2 of the Proxy Statement should occur every one year, every two years or every three years. Because we have been an "emerging growth company" and "smaller reporting company," we have not previously presented a say-on-pay vote to our shareholders, but our Board intends to submit such a matter to our shareholders on an annual basis.

Although our Board recommends holding a say-on-pay vote once every year, shareholders have the option to specify one of four choices for this matter on the amended proxy card: every one year, every two years, every three years or abstain. Shareholders are not voting to approve or disapprove the Board's recommendation. This say-on-frequency Proposal is non-binding on the Board of Directors. Although non-binding, the Board and the Compensation and HR Committee will carefully review the voting results. Notwithstanding the Board's recommendation and the outcome of the shareholder vote, the Board may in the future decide to conduct advisory say-on-pay votes on a less frequent basis and may vary its practice based on factors such as discussions with shareholders and the adoption of material changes to compensation programs.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE TO CONDUCT FUTURE ADVISORY VOTES ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS EVERY 1 YEAR.

EXECUTIVE COMPENSATION

We became a public company in September 2016, and have filed with the SEC since that date under the scaled reporting rules applicable to "smaller reporting companies" and "emerging growth companies." As of December 31, 2021, we are no longer an emerging growth company or smaller reporting company and therefore, our 2021 executive compensation disclosure includes additional information that was not included in prior years' proxy materials regarding executive compensation, including:

- This Compensation Discussion and Analysis ("CD&A");
- Two additional executives are listed in the Summary Compensation Table;
- Additional compensation disclosure tables for "Grants of Plan-Based Awards", "Option Exercises and Stock Vested" and "Potential Payments upon Termination or Change in Control";
- A non-binding advisory vote on "say on pay" for executive compensation, which is Proposal 2 described in this proxy statement; and
- A non-binding advisory vote on the frequency on which we will hold our "say on pay" vote, which is Proposal 3 described in this proxy statement.

This CD&A describes the philosophy, objectives, process, components, and additional aspects of our 2021 executive compensation program and is intended to be read in conjunction with the tables that immediately follow this section, which provide further compensation information. Our 2021 Named Executive Officers ("NEOs") were as follows:

Name	Position
Timothy K. Schools	Chief Executive Officer ("CEO") and President
Denis J. Duncan	Former Chief Financial Officer*
John A. Davis	Chief Operations & Technology Officer
Jennie L. O'Bryan	Chief Administrative Officer
Christopher G. Tietz	Chief Credit Policy Officer and Executive Vice President of Specialty Banking

* Mr. Duncan departed the Company on February 10, 2022.

Compensation Discussion and Analysis

Executive Compensation Philosophy

As an organization, we focus on sound, profitable growth. We seek to address client needs, maintain critical quality standards and drive shareholder value, and we believe that our overall compensation philosophy directly reflects those values. Our executive compensation program embodies these values by rewarding our executives for the achievement of specific short- and long-term corporate goals and the realization of increased value to our shareholders. Our goal is to provide compensation that is fair to all of our employees (including our NEOs), focused on performance, and aligned with the long-term best interests of our shareholders.

For the overall base compensation levels for executive officers, we review the compensation of our peers, taking into consideration company and individual performance. We aim to provide performance based short-term incentive opportunities that are in line with those of our peers at the market median but allow for superior rewards for superior performance. We are also committed to helping maintain the health and welfare of our employees and offer competitive benefits packages.

2021 Select Business Highlights

CapStar continued its strong performance in 2021. CapStar was able to achieve these accomplishments, despite challenges caused by the COVID-19 pandemic, by executing on our four strategic objectives: 1) enhance profitability and earnings consistency, 2) accelerate organic growth, 3) maintain sound risk management, and 4) execute disciplined capital allocation. 2021 performance highlights include:

Performance Metrics	2021 Results	2020 Results
Return on Average Assets	1.56%	0.94%
Return on Average Equity	13.38%	8.08%
Earnings Per Share	$2.20	$1.22
Tangible Book Value per Share	$14.99	$13.36

Our Compensation Governance Practices

The Company is committed to pay for performance and sound compensation and governance practices, including the following:

WHAT WE DO	WHAT WE DON'T DO
•Tie executive pay to corporate performance	•We do not grant multi-year guaranteed incentive awards for executive officers
•Provide for more than one metric for vesting under our annual cash bonus and performance unit awards	•We do not provide excise tax "gross-ups" upon a change in control in employment agreements
•Establish separate metrics for our short-term and long-term incentive plan designs to evaluate performance	•We do not provide any perquisites to NEOs
•Use balanced performance metrics which consider both the Company's absolute performance and its relative performance versus peers	•We do not permit our executives to hedge or pledge Company securities
•Impose a two-year holding period requirement for earned performance unit awards and restricted stock units	•We do not allow for discounting, reloading, or re-pricing of stock options without shareholder approval
•Adopted a clawback policy covering all executive officer incentive-based awards for material misstatement of financial performance	•We do not pay dividends or dividend equivalents on shares or units that a participant has not yet earned or that have not vested

Role of Compensation and Human Resources Committee and Management in Determining Compensation for our Named Executive Officers

Our Compensation and Human Resources Committee ("Compensation Committee") regularly reviews our executive compensation program to ensure it achieves our desired goals and is responsible for approving compensation arrangements for each of our NEOs. As part of this process, the Compensation Committee annually reviews and approves corporate goals and objectives relevant to the compensation of our NEOs and evaluates the performance of the NEOs in light of these goals and objectives. The Compensation Committee approves the compensation levels for the NEOs based on such evaluation, with consideration for each individual's role and responsibilities within the leadership team. The Compensation Committee annually reviews our incentive compensation arrangements to confirm they do not encourage unnecessary risk-taking. In determining the long-term incentive component of our executive compensation program, the Compensation Committee considers our performance and relative shareholder return, the value of similar incentive awards to comparable executives of our peers and the awards given to our NEOs in past years.

The Compensation Committee is solely responsible for setting the compensation of Mr. Schools, the Company's CEO. When the Compensation Committee discusses and approves the compensation recommendations of our CEO, our CEO does not play any role with respect to any matter affecting his own compensation and is not present. As for all other executive officers, the CEO conducts an annual review of the total compensation of each executive officer. The review includes an assessment of each executive officer's performance, the performance of the executive officer's respective business unit or function, and market pay levels within our peer group, and market pay levels to others available with equivalent skills to fulfill the role. After this review, the CEO consults with the

Compensation Committee on the base salaries, target annual and long-term incentive opportunities, any payouts related to the annual cash incentive plan, and the annual equity grants for the NEOs. While the CEO discusses with the Compensation Committee these compensation decision items, the ultimate decisions regarding the compensation for all NEOs are made by the Compensation Committee.

Role of Independent Compensation Consultant

The Compensation Committee has the authority under its charter to retain the services of outside advisors. The Compensation Committee engaged McLagan, which is part of the Human Capital practice at Aon plc, as its independent compensation consultant to assist in determining the composition of our peer group for its review of our executive compensation program for 2021. At the Compensation Committee instruction, McLagan also provided advice and information on other executive compensation matters, including executive pay components, prevailing market practices, and relevant regulatory requirements.

The Compensation Committee reviewed its relationship with McLagan and considered McLagan’s independence in light of all relevant factors, including those set forth in the Exchange Act and in applicable Nasdaq listing rules. The Compensation Committee concluded that the work performed by McLagan and McLagan’s senior advisors involved in the engagements did not raise any conflict of interest.

Peer Group

The Compensation Committee believes that obtaining relevant market and benchmark data is very important to making determinations about executive officer compensation. Such information provides a solid reference point for making decisions and very helpful context even though, relative to other companies, there are differences and unique aspects of CapStar.

The Compensation Committee takes into consideration the structure and components of, and the amounts paid under, the executive compensation programs of other, comparable peer companies, as derived from public filings and other sources, when making decisions about the structure and component mix of our executive compensation program. The Compensation Committee also considers broader industry practices and our competitors for talent.

The Compensation Committee, with the assistance of its independent consultant, developed a peer group in 2020 for use in establishing 2021 compensation. The peer group was defined using the following criteria:

- Total assets between $1.25 billion and $6 billion
- Commercial loans greater than 25% of total loans
- Non-performing assets less than 1% of total assets
- Banks headquartered in the Southeast and located in an identified Metropolitan Statistical Area.

The 2021 compensation peer group consisted of the following companies:

FB Financial Corp.	Republic Bancorp Inc.
Triumph Bancorp Inc.	City Holding Co.
Carolina Financial Corp.	First Bancshares Inc.
Franklin Financial Network Inc.	Stock Yards Bancorp Inc.
CBTX Inc.	HomeTrust Bancshares Inc.
Capital City Bank Group Inc.	Atlantic Capital Bancshares Inc.
Southern National Bancorp of VA	SmartFinancial Inc.
Spirit of Texas Bancshares Inc.	Guaranty Bancshares Inc.
Business First Bancshares Inc.	Southern First Bancshares Inc.
Investar Holding Corp.	First Guaranty Bancshares Inc.
Reliant Bancorp Inc.	C&F Financial Corp.
FVCBankcorp Inc.	National Bankshares Inc.
MainStreet Bancshares	

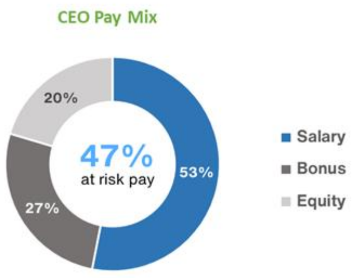
2021 Executive Compensation Program

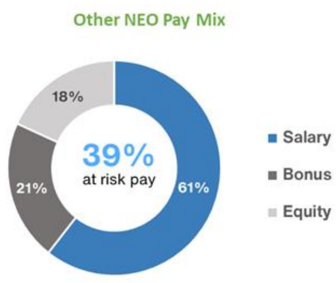
The Compensation Committee selected the components of compensation set forth in the chart below to achieve our executive compensation program objectives. The Compensation Committee regularly reviews all components of the program to verify that each executive officer's total compensation is consistent with our compensation philosophy and objectives and that the component is serving a purpose in supporting the execution of our strategy.

Compensation Element	Description	Purpose
Base Salary	Fixed cash compensation Determined based on each executive officer's role, individual skills, experience, performance and external market value	Base salaries are intended to provide stable compensation to executive officers, allow us to attract and retain skilled executive talent and maintain a stable leadership team
Short-Term Incentives: Annual Cash Incentive Opportunities	Variable cash compensation based on the level of achievement of pre-determined annual corporate goals Cash incentives are capped at a maximum of 150% of each NEO's Target opportunity	Annual cash incentive opportunities are designed to ensure that executive officers are motivated to achieve our annual corporate goals, payout levels are determined based on actual financial and operational results
Long-Term Incentives: Annual Equity-Based Compensation	Variable equity-based compensation **Restricted Stock Units ("RSUs"):** Restricted stock units that are time-based and vest in three equal annual installments **Performance Units ("PSUs"):** Performance units that are earned only upon the attainment of 3-year relative performance goals PSUs are capped at 187.5% of each NEO's target opportunity	Equity-based incentive opportunities are designed to balance short-term and long-term corporate objectives and serve as a retention tool for executive officers. In 2021, all the NEOs received 60% of the value of their equity grants in PSUs and 40% in RSUs

2021 Target Pay Mix

The Target pay mix supports the core principles of our executive compensation philosophy and objectives of compensating for performance and aligning executive officers' interests with those of CapStar's shareholders, by emphasizing both short- and long-term incentives. The graphics below illustrate the mix of fixed, Target annual incentive and Target long-term incentive compensation we provided to our CEO and other NEOs for 2021.





Base Salary

The base salaries of our NEOs are set annually by the Compensation Committee as part of the Company's performance review process as well as upon the promotion of an executive officer to a new position or other change in job responsibility. In establishing base salaries for our NEOs, the Compensation Committee has relied on external market data and peer data obtained from outside sources, including McLagan. In addition to considering the information obtained from such sources, the Compensation Committee has considered:

- Each NEO's scope of responsibility
- Each NEO's years of experience
- The types and amount of compensation paid to each NEO
- Our overall financial performance and performance with respect to other aspects to our operations, such as our growth, asset quality, profitability and other matters, including the status of our relationship with the bank regulatory agencies
- Each NEO's individual performance and contributions to our company-wide performance, including leadership and teamwork

In 2021, with the exception of Ms. O'Bryan, the Compensation Committee did not make any changes to the base salaries for any of our NEOs based on recommendations from management to ensure that meaningful increases could be made to employees for their exceptional service during the pandemic. Ms. O'Bryan received a 2% base salary increase in 2021 as she was not considered an executive officer at the time the Compensation Committee approved 2021 base salary increases and received her increase in her position as an employee working in the field during the pandemic.

Named Executive Officer	2021 Base Salary	2020 Base Salary	% Change
Timothy Schools	525,000	525,000	0%
Denis J. Duncan	275,000	275,000	0%
John A. Davis	250,000	250,000	0%
Jennie L. O'Bryan	204,000	200,000	2%
Christopher G. Tietz	315,000	315,000	0%

Annual Cash Incentive

The Company provides annual cash incentive awards for our NEOs to motivate and reward the achievement of certain performance metrics. The annual cash incentive provides for cash awards determined pursuant to a formulaic plan based on a set percentage of his or her then-current base salary and the Company's achievement of pre-defined financial and operational performance targets for the applicable year.

The amount of the payout, if any, under the 2021 annual cash incentive, is based on our achievement against three performance metrics, earnings per share, return on assets, and core bank pre-tax pre-provision income to average assets. The Compensation Committee chose these three measures to focus the NEOs on the strategic priority of enhancing profitability and growth.

A specific percentage weight was allocated to each of these performance metrics as set forth in the table below. The Compensation Committee also established a Threshold, Target and Maximum performance level for each performance metric.

When the Company's performance reaches the minimum payout level with respect to a particular performance metric, the NEO will receive a cash payment based on the weight of the performance metric, achievement of such performance metric and the amount of the individual’s target bonus opportunity.

Performance Metrics	Weight	Threshold (50%)	Target (100%)	Maximum (150%)	Actual 2021 Achievement	Payment Level
Earnings Per Share (EPS)	40%	$1.30	$1.43	1.57%	$2.20	150%
Return on Assets (ROA)	40%	1.01%	1.11%	1.21%	$1.56%	150%
Operating Core Bank Pre-Tax Pre-Provision (PTPP) Income to Average Assets (1)	20%	1.42%	1.56%	1.71%	1.80%	150%

(1) Core Bank PTPP Income to Average Assets is a non-GAAP financial measure. Operating Core Bank PTPP Income is calculated by adding income before income taxes, provision for loan losses, and acquisition related expenses and subtracting income before taxes attributable to mortgage banking. Core Bank Average Assets is calculated by subtracting average assets attributable to mortgage banking from average assets.

For 2021, the Company exceeded each of the performance metrics and the annual cash incentive was achieved at the maximum level. Each NEO earned 150% of their annual target cash incentive opportunity.

Name Executive Officer	Target Opportunity (as a % of base salary)	Target Opportunity ($)	2021 Annual Bonus Paid at [150%]
Timothy K. Schools	50%	$262,500	393,750
Denis J. Duncan	40%	$110,000	164,999
John A. Davis	25%	$62,500	93,750
Jennie L. O’Bryan	37%	$75,080	112,620
Christopher G. Tietz	40%	$126,000	189,000

Long-Term Equity-Based Incentive Compensation

We provide long-term equity-based incentive compensation to our executive officers, including our NEOs, and other key employees. Long-term equity equity-based compensation (such as RSUs and PSUs) are intended to attract and retain key employees and incentivize them to focus on create long-term shareholder value while also enabling those persons to participate in CapStar’s long-term success. We believe that a portion of each NEO’s compensation should be tied to the performance of the Company, aligning the officer’s interest with that of our shareholders.

In 2020, the Compensation Committee adopted a new incentive award program using a mix of 60% PSUs and 40% RSUs. Dividend equivalents are accrued on the RSUs and PSUs. The dividend equivalents will be deemed to have been reinvested in additional shares of CapStar common stock on each ex-dividend date. The dividend equivalents will only be paid to the recipient upon vesting or settlement of the underlying award. The RSUs ratably vest over a period time, provided the NEO remains employed by CapStar on the vesting date. Additionally, any vested RSUs are subject to a mandatory holding period until the earlier of: (1) the second anniversary of the vesting date, (2) the date of the termination of the NEO's employment due to death or disability, or (3) the occurrence of a change in control that results in the acceleration of outstanding RSUs.

The PSUs are earned based on three operational performance metrics that are measured against a group of approximately 98 publicly traded banks with assets between $2 billion and $6 billion which the Compensation Committee views as a relevant and appropriate benchmark for stock price performance: (1) 58.33% of the target number of PSUs will vest based on relative return on average assets, compared to the group of banks, (2) 20.83% of the target number of PSUs will vest based on relative earnings per share growth, compared to the group of banks, (3) 20.83% of the target number of PSUs will vest based on relative tangible book value per share growth, compared to the same group of banks, and the target number of PSUs is further adjusted up or down by 25% based on the Relative Total Shareholder Return of CapStar's common stock compared to these same group of banks ("RTSR").

If CapStar ranks at or above the 75thpercentile, the PSU vesting percentage will be increased by 25%, up to a maximum total payout of 187.5% (i.e.150% x 125%). If CapStar ranks at or below the 25thpercentile, the PSU vesting percentage will be decreased by 25%. If CapStar ranks at the median, there will be no change to the PSU vesting percentage, and for ranks in between the 25th and 75th percentile, the modifier will be determined by linear interpolation between levels. The Compensation Committee chose to use relative metrics to allow for CapStar's performance to more fairly absorb macroeconomic factors that are not in the control of the Company, such as economic fluctuations, new accounting standards, and tax rate changes among others. The PSUs earned by our NEOs will vest as soon as administratively possible after the end of the performance period, conditioned upon the continued employment of the executive officer. Further, any earned PSUs will be subject to a mandatory holding period until the earlier of: (1) the second anniversary of the vesting date, (2) the date of the termination of the NEO's employment due to death or [TS1] [MN2] disability, or (3) the occurrence of a change in control.

For each of the three operational performance metrics, the number of PSUs earned by the NEOs will be calculated as follows:

Level of Achievement of Objectives(*)	Percentile Relative to Peer Group	% of PSU Target Award Earned
Below Threshold	Below 25th percentile	0%
Threshold	25th Percentile	50%
Target	50th Percentile	100%
Maximum	75th Percentile	150%

(*) linear interpolation will be used to determine the applicable earning percentage between levels.

The Company granted PSUs for the first time under the new long-term equity incentive award program in November 2020 for the period from January 1, 2020 through December 31, 2022 and again in January 2021 for the period from January 1, 2021 through December 31, 2023 using the same performance measures. After the first year, CapStar moved the annual PSU grants to occur in January each at the same time the RSUs are granted.

For 2021, the Compensation Committee determined that the aggregate dollar value of the PSUs and RSUs granted to each NEO equal a percentage of the NEO's base salary on the date of grant as set forth in the table below, with the target RSU and PSU amounts determined by dividing the applicable percentage of the NEO's base salary by the fair market value of CapStar's common stock on the grant date. The percentage of base salary was based on the NEO's position, responsibilities and historical and expected contributions to CapStar. On the grant date in 2021, Ms. O'Bryan's served in a line related role and therefore participated in RSU grants awarded to certain employees.

The RSUs granted in 2021 vest in three equal annual installments. The Compensation Committee adopted a three-year vesting schedule for the 2021 RSUs to streamline their vesting schedules and make them consistent with the PSU performance period. The PSUs granted in 2021 will be earned subject to the same performance goals described above for the three-year performance period from January 1, 2021, through December 31, 2023, provided the executive is still employed. In October 2021, CapStar granted additional RSUs and PSUs to Messrs. Duncan and Tietz to align both NEOs with their respective 2021 total Target equity award opportunity. The RSUs and PSUs granted to Messrs. Duncan and Tietz in October 2021 are subject to the same conditions as the RSUs and PSUs granted to Messrs. Duncan and Tietz in January 2021. Each RSU and PSU represent the right to receive one share of CapStar common stock, and as noted above, vested RSUs and PSUs are both subject to a mandatory holding period.

The Compensation Committee granted the following RSUs and PSUs to each of the NEOs in 2021:

Named Executive Officer	2021 Long-Term Incentive Target Awards		
	Total Target Equity Award Opportunity as a % of Salary	RSUs	PSUs
Timothy K. Schools	40%	6,048	9,071
Denis J. Duncan*	40%	3,440	5,160
John A. Davis	25%	1,800	2,700
Jennie L. O'Bryan	10%	1,315	-
Christopher G. Tietz	40%	4,574	6,860

* Mr. Duncan departed the Company on February 10, 2022. Pursuant to the Separation Agreement between CapStar and Mr. Duncan, described further below in the *Potential Payments Upon Termination or Change of Control* section, Mr. Duncan forfeited these awards.

Benefits

Our NEOs are eligible to participate in the same benefit plans designed for all of our full-time employees.

Employee Loans

In December 2018, CapStar awarded Mr. Tietz 13,800 shares of CapStar common stock that were fully vested upon issuance. CapStar agreed to fully advance funds necessary for payment of all taxes and withholdings due upon issuance of the award under a three-year forgivable loan. A portion of this loan was forgiven in 2021 in the amount of $23,097 in accordance with the Federal Reserve Act.

401(k) Plan

Our 401(k) plan is designed to provide retirement benefits to all eligible full-time and part-time employees. The 401(k) plan provides employees the opportunity to save for retirement on a tax-favored basis. We have elected a safe harbor 401(k) Plan and as such make annual contributions of 3% of the employees' salaries annually including the NEOs. An employee does not have to contribute to receive the employer contribution.

Risk Mitigating Features

Clawback. Incentive awards that are provided to our executive officers, including our NEOs, and that are based on Company financial metrics are subject to our compensation clawback policy. This clawback policy allows us to recoup awards that have been previously paid or awarded under certain circumstances, such as a material misstatement of the Company's financial performance. Annual cash incentive awards paid and equity awards granted to our NEOs are subject to our "clawback" policy.

Anti-Hedging Provision. Our insider trading policy sets forth specific restrictions upon trading, such as specified trading windows and blackout periods, must be adhered to. We believe it is improper and inappropriate for of our personnel to engage in short-term or speculative transactions involving our stock, so those persons who are subject to the policy are prohibited from the following:

- Trading while in possession of material non-public information;
- Tipping information to others;
- Trading in our securities on a short-term basis (securities should be held for a minimum of six months);
- Selling our stock short;
- Buying or selling, on an exchange or in any other organized market, puts or calls or other derivative instruments that relate to the future value of our stock;
- Hedging their investment in our stock through covered calls, collars or other derivative transactions; and
- Holding our stock in a margin account or pledge a significant amount of our stock as collateral for a loan.

Holding Period Requirements. Any earned PSUs and RSUs are subject to a two-year mandatory holding period from the vesting date.

Employment Agreements and Change in Control and Severance Arrangements with Named Executive Officer

The Company has entered into employment agreement with Mr. Schools and Mr. Tietz. Messrs. Davis and Duncan and Ms. O'Bryan do not have employment agreements but are participants in the CapStar Severance Plan adopted in 2018 for all employees of CapStar. In addition, in November 2019, CapStar entered into a change in control agreement with Mr. Davis which provides that if his employment with CapStar is terminated without “cause” or by Mr. Davis for “good reason” within 12 months following a “change in control,” as such terms are defined in the change in control agreement, Mr. Davis would continue to receive base salary for a period of 18 months from such termination. The employment agreements, change in control agreement and CapStar Severance Plan were adopted in order to maintain a stable work environment and provide economic security in the event of certain terminations of employment. The CapStar Severance Plan provides severance based on years of service while the employment agreements provide a fixed amount based on base salary at the time of termination. The employment agreement for Mr. Schools specifies a three-year period of employment that expires on May 13, 2022 with an option for annual renewal by mutual agreement of the parties. The employment agreement for Mr. Tietz specifies a term of employment until May 31, 2022 and the option for annual renewal by mutual agreement of the parties. All parties have the right to terminate the employment agreement at any time, with or without cause, as defined in the employment agreements, subject to the potential for severance payments\. The terms of these arrangements are described in the section entitled “Potential Payments Upon Termination of Change of Control - *Executive Employment Agreements’*. In addition, the terms of the PSU agreements provide for accelerated vesting in connection with a change in control at the greater of actual number of PSUs that would have vested if the performance period ended on the date of the change in control or the target number of PSUs and the NEO would be entitled to unpaid dividend equivalents on the PSUs.

COMPENSATION AND HUMAN RESOURCES COMMITTEE REPORT

The Compensation and Human Resources Committee has reviewed and discussed with management the Compensation Discussion and Analysis (“CD&A”) required by Item 402(b) of Regulation S-K and contained in this proxy statement. Based on this review and discussion, the Compensation Committee recommended to the Board that the CD&A be included in this Proxy Statement.

This report has been furnished by the Compensation and Human Resources Committee of the Board:

Thomas R. Flynn (Chair)
L. Earl Bentz
Myra NanDora Jenne
Toby S. Wilt

The above Compensation and Human Resources Committee Report does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other United filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent United specifically incorporates this report by reference therein.

Summary Compensation Table

The following tables provides information on the compensation earned by or paid or awarded to each of our NEOs during 2021, 2020, 2019.

Name and Principal Position	Year	Salary	Stock Awards (1)	Option Awards	Nonequity Incentive Plan Compensation (2)	All Other Compensation (3)	Total
Timothy K. Schools	2021	$ 525,000	$ 201,749	$ —	$ 393,750	$ 9,936	$ 1,130,435
President and Chief Executive Officer - CapStar Financial Holdings, Inc.	2020	525,000	200,454	—	116,736	117,577	959,767
	2019	311,266	91,264	267,291	116,736	9,005	795,562
Denis J. Duncan	2021	$ 275,000	$ 116,532	$ —	$ 164,999	$ 11,800	$ 568,331
Chief Financial Officer - CapStar Financial Holdings, Inc.							
John A. Davis	2021	$ 250,000	$ 60,048	$ —	$ 93,750	$ 10,022	$ 413,820
Chief Operations & Technology Officer - CapStar Financial Holdings, Inc.	2020	250,000	59,650	—	555	62,112	372,317
Jennie L. O'Bryan	2021	$ 204,000	$ 20,922	$ —	$ 112,620	$ 7,906	$ 345,448
Chief Administrative Officer - CapStar Financial Holdings, Inc.							
Christopher G. Tietz	2021	$ 315,000	$ 158,737	$ —	$ 189,000	$ 34,799	$ 697,536
Chief Credit Policy Officer and Executive Vice President of Specialty Banking -	2020	315,000	90,213	—	87,031	12,703	504,947
CapStar Financial Holdings, Inc.	2019	315,000	85,041	—	87,031	11,173	498,245

(1) Represents the aggregate grant date fair value of RSUs and PSUs awarded pursuant to CapStar stock incentive plans in the fiscal years shown, which was computed in accordance with ASC Topic 718 with the assumptions described in Note 18 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. The grant date fair value of the RSUs is calculated based on the closing market price of our common stock on the grant date. The grant date fair value of the PSUs is based on the probable outcome of the applicable performance conditions and is calculated at target based on a combination of the closing market price of our common stock on the grant date and a Monte Carlo simulated fair value in accordance with ASC 718. The maximum grant date fair value of the PSUs granted to NEOs in January 2021 is (a) $220,765 for Timothy K. Schools, (b) $115,652 for Denis J. Duncan, (c) $65,718 for John A. Davis, and (d) $132,474 for Christopher G. Tietz. The maximum grant date fair value of the PSUs granted to Messrs. Duncan and Tietz in October 2021 is $9,425 and $32,734, respectively. In connection with Mr. Duncan's departure on February 10, 2022, Mr. Duncan forfeited all equity awards granted in 2021.

(2) The amounts in this column represent the annual incentive bonus earned by the NEOs, as described in the section entitled "Annual Cash Incentive" in the CD&A.

(3) The following table shows the specific details regarding all other compensation earned by our NEOs during 2021:

Name	401(k) Contribution	Forgivable Loan	Long-Term Disability/Group Term Life
Timothy K. Schools	$ 8,700	$ —	$ 1,236
Denis J. Duncan	8,250	—	3,550
John A. Davis	7,500	—	2,522
Jennie L. O'Bryan	6,100	—	1,806
Christopher G. Tietz	8,700	23,097	3,002

Narrative Discussion of the Summary Compensation Table

The Summary Compensation Table lists the compensation for the Chief Executive Officer, Chief Financial Officer, and CapStar's three other most highly compensated executive officers who served as of the end of the fiscal year. The material terms of the pay elements included in the Summary Compensation Table and the employment agreements with Messrs. Schools and Tietz are described above in the CD&A.

Grants of Plan-Based Awards for 2021

The following table sets forth information relating to grants of plan-based awards to the NEOs during 2021. All non-equity incentive plan awards were made under the Company's Annual Incentive Plan as it was in effect during 2021, and all awards of stock options, RSUs and PSUs were made under the 2016 Stock Incentive Plan or the 2021 Stock Incentive Plan.

- "ACI" is the annual cash incentive award payable pursuant to our 2021 annual cash incentive plan.
- "PSU" is performance-based stock unit awards subject to performance-based vesting.
- "RSU" is restricted stock unit awards subject to time-based vesting.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)					
Name of Executive	**Award Type**	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Stock Awards: Number of Shares of Stock or Restricted Units (#) (3)**	**Grant Date Fair Value of Target Stock Awards ($)**	
Timothy K. Schools											
	ACI		131,250	262,500	393,750						
	PSU	1/27/2021				3,402	9,071	17,008		117,742	(4)
	RSU	1/27/2021							6,048	84,007	(5)
Denis J. Duncan											
	ACI		55,000	109,999	164,999						
	PSU	1/27/2021				1,782	4,752	8,910		61,681	(4)
	PSU	10/1/2021				153	408	765		5,027	(6)
	RSU	1/27/2021							3,168	44,004	(5)
	RSU	10/1/2021							272	5,821	(5)
John A. Davis											
	ACI		31,250	62,500	93,750						
	PSU	1/27/2021				1,013	2,700	5,063		35,046	(4)
	RSU	1/27/2021							1,800	25,002	(5)
Jennie L. O'Bryan											
	ACI		37,540	75,080	112,620						
	RSU	2/19/2021							1,315	20,922	(5)
Christopher G. Tietz											
	ACI		63,000	126,000	189,000						
	PSU	1/27/2021				2,041	5,443	10,206		70,650	(4)
	PSU	10/1/2021				531	1,417	2,657		17,457	(6)
	RSU	1/27/2021							3,629	50,407	(5)
	RSU	10/1/2021							945	20,223	(5)

(1) The annual cash incentive plan provides a cash payout based on the performance. The amounts disclosed in these columns reflect the threshold, target and maximum annual cash incentive opportunities for the NEOs. The amount of the annual cash incentive opportunity depends on the base salary of the NEOs for the year. In order for any payout to be earned, performance must be at the threshold level for at least one metric. The percentage of salary awarded for performance falling between the threshold and target achievement levels and the target and the maximum achievement is determined using straight-line interpolation.

(2) Amounts disclosed in these columns reflect the potential threshold, target and maximum number of PSUs granted to our NEOs in 2021. In connection with Mr. Duncan's departure on February 10, 2022, Mr. Duncan forfeited all PSUs granted in 2021.

(3) Amounts disclosed in this column reflect the number of RSUs granted to our NEOs in 2021. The RSUs have dividend equivalent rights payable at the same time as the underlying shares are earned. In connection with Mr. Duncan's departure on February 10, 2022, Mr. Duncan forfeited all RSUs granted in 2021.

(4) Amounts disclosed for this award reflect the grant date fair value of the PSUs on the January 27, 2021 grant date based on the probable outcome of the applicable performance conditions and was calculated at target based on a combination of the closing market price of our common stock on the grant date and a Monte Carlo simulated fair value in accordance with ASC 718. The PSUs have dividend equivalent rights payable at the same time as the underlying shares are earned.

(5) Amounts disclosed for this award reflect the grant date fair value of the RSUs, which was computed in accordance with ASC Topic 718 with the assumptions described in Note 18 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

(6) Amounts disclosed for this award reflect the grant date fair value of the PSUs on the October 1, 2021 grant date based on the probable outcome of the applicable performance conditions and was calculated at target based on a combination of the closing market price of our common stock on the grant date and a Monte Carlo simulated fair value in accordance with ASC 718.

Outstanding Equity Awards at Year End

The following table provides information regarding outstanding equity awards held by the named executive officers as of December 31, 2021.

		Option Awards				Stock Awards			
Name of Executive	Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable (1)	Option Exercise Price	Option Expiration Date	Number of Shares that have not Vested (#) (2)	Market Value of Shares of Stock that have not Vested ($) (4)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) (4)
Timothy K. Schools	5/22/2019	33,333	16,667	$ 14.84	5/22/2029	—	$ —	—	$ —
	1/31/2020	—	—	—	—	2,010	42,270	—	—
	11/24/2020	—	—	—	—	3,151	66,266	9,452	198,776
	01/27/2021	—	—	—	—	4,032	84,793	9,071	190,763
Denis J. Duncan	11/24/2020	—	—	—	—	409	8,601	1,225	25,762
	01/27/2021	—	—	—	—	2,112	44,415	4,752	99,935
	10/1/2021	—	—	—	—	136	2,860	408	8,580
John A. Davis	11/24/2020	—	—	—	—	938	19,726	2,813	59,157
	01/27/2021	—	—	—	—	1,200	25,236	2,700	56,781
Jennie L. O'Bryan	02/19/2021	—	—	—	—	1,315	27,654	—	—
Christopher G. Tietz	3/2/2016	25,000	—	13.22	3/2/2026	—	—	—	—
	1/24/2019	—	—	—	—	786	16,530	—	—
	1/31/2020	—	—	—	—	1,873	39,389	—	—
	11/24/2020	—	—	—	—	1,418	29,821	4,254	89,462
	01/27/2021	—	—	—	—	2,419	50,872	5,443	114,466
	10/1/2021	—	—	—	—	472	9,926	1,417	29,800

(1) The option awards to Mr. Schools vest over a three-year period from the grant date, with one-third of the options under the grant becoming exercisable on each of the first three anniversaries of the grant date.

(2) RSUs that were granted in January 2019 and January 2020 vest over a three-year period from the grant date with one-third of the stock subject to the award vesting on each of the first three anniversaries of the grant date. RSUs that were granted in November 2020 vest over an approximate two-year period from the grant date with one-half of the stock subject to the award vesting on each of December 31, 2021 and December 31, 2022. RSUs that were granted in January and February 2021 vest over an approximate three-year period from the grant date with one-third of the stock subject to the award vesting on each of December 31, 2021, December 31, 2022 and December 31, 2023. In connection with Mr. Duncan's departure on February 10, 2022, Mr. Duncan forfeited the RSUs granted in 2021.

(3) Amounts disclosed in this column reflect the number of unearned and unvested PSUs held by our NEOs, based on achievement of all applicable performance goals at the target level. The actual number of PSUs that will be earned in respect of these unvested awards, if any, will be determined at the end of each performance period and might be less or more than the number shown in this column. The PSUs have dividend equivalent rights payable at the same time as the underlying shares are earned. For more information regarding PSUs and the operational performance metrics, please refer to the "Long-Term Equity-Based Incentive Compensation" section of the CD&A. In connection with Mr. Duncan's departure on February 10, 2022, Mr. Duncan forfeited the PSUs granted in 2021.

(4) Market value of stock awards was computed by multiplying the closing market price of our common stock at December 31, 2021 ($21.03), by the number of shares of unvested stock.

Option Exercises and Stock Vested

The following table contains information concerning each exercise of options and vesting of RSUs and PSUs during the fiscal year ended December 31, 2021 for the NEOs.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($) (1)
Timothy K. Schools	—	—	9,186	185,192
Denis J. Duncan	—	—	1,600	33,600
John A. Davis	—	—	1,537	32,277
Jennie L. O'Bryan	—	—	1,396	26,636
Christopher G. Tietz	—	—	8,968	175,157

(1) Calculated by multiplying the close price of the common stock on the Nasdaq Global Select Market on the date of vesting by the number shares of RSUs acquired upon vesting. For Messrs. Schools and Tietz, the amount reported is the aggregate shares vesting from multiple grants of RSUs.

Potential Payments Upon Termination or Change of Control

Upon termination of a NEO’s employment with the Company, or upon a change in control, the Company maintains certain arrangements, plans and programs pursuant to which NEOs are eligible to receive cash severance, equity vesting and other benefits.

Executive Employment Agreements

As discussed above in the CD&A, the Company entered into employment agreement with Mr. Schools and Mr. Tietz. Messrs. Davis and Duncan and Ms. O'Bryan do not have employment agreements, but each are participants in the CapStar Severance Plan adopted in 2018. Additionally, the Company entered into a change in control agreement with Mr. Davis.

Our employment agreements with Messrs. Schools and Tietz provide for severance payments and other benefits in connection with the termination of their employment with CapStar in certain circumstances.

- Specifically, Messrs. Schools and Tietz are entitled to a severance payment equal to continued payment of base salary and benefits in the event we terminate their employment agreements without “cause” or the executive resigns for “good reason,” as such terms are defined in the employment agreements. For Mr. Schools, base salary and benefits would continue for a period of 24 months following such termination. For Mr. Tietz, base salary and benefits would be continued for 12 months from termination. Following such termination, Mr. Schools is subject to non-compete and non-solicitation restrictions for two years and Mr. Tietz is subject to non-compete and non-solicitation restrictions for one year.
- In the event Mr. Schools’ employment agreement is not renewed or extended by CapStar, and the non-renewal is unrelated to a qualifying termination in connection with a change in control, Mr. Schools would continue to receive his base salary and benefits for a period of 12 months from such termination. Following such termination, Mr. Schools is subject to a non-compete restriction for one-year and a non-solicitation restriction for two-years.
- For a termination of employment occurring within 12 months following a “change in control,” as defined in the employment agreement, Messrs. Schools and Tietz would each receive severance payments equal to two times their respective base salary (payable in 24 equal monthly installments) and continuation of benefits for 24 months from such termination, unless employment was terminated with “cause” or by reason of “disability” or the executive resigned without “good reason,” as defined in their employment agreements. The executive employment agreements with Messrs. Schools and Tietz provide that if the amounts to be received in connection with a change in control would trigger the excise tax on parachute payments, either the payments will be lowered so as not to trigger the excise tax, or they will be paid in full subject to the tax, whichever produces the better net after-tax position. Following such termination, Mr. Schools is subject to non-compete and non-solicitation restrictions for two-years and Mr. Tietz is subject to non-compete and non-solicitation restrictions for one-year.

John Davis Change in Control Agreement

In November 2019, CapStar entered into a change in control agreement with John Davis (“Change in Control Agreement”). The Change in Control Agreement provides that if Mr. Davis’ employment with CapStar is terminated without “cause” or for by Mr. Davis for “good reason” in each case, within 12 months following a “change in control,” as such terms are defined in the Change in Control Agreement, Mr. Davis would continue to receive base salary for a period of 18 months from such termination. The Change in Control

Agreement provides that if the amounts to be received in connection with a change in control would trigger the excise tax on parachute payments, either the payments will be lowered so as not to trigger the excise tax, or they will be paid in full subject to the tax, whichever produces the better net after-tax position.

CapStar Severance Plan

In February 2018, the Board approved the CapStar Severance Plan to retain qualified employees, maintain a stable work environment and provide economic security to eligible employees, including named executive officers, in the event of certain terminations of employment. Among the NEOs, only Messrs. Davis and Duncan and Ms. O'Bryan are eligible to participate in the CapStar Severance Plan. If Messrs. Duncan or Davis or Ms. O'Bryan are terminated without “cause,” each will be eligible for severance based on their years of service with CapStar, subject to the execution of a waiver and release of claims acceptable to CapStar, as follows:

Years of Service	Weeks of Severance Pay
Less than 1 year	4
1 thru less than 3 years	8
3 thru less than 5 years	12
5 years or more	16

Treatment of Equity Awards Upon Termination of Employment or Change in Control

PSUs. Under the terms of the PSU award agreements, upon termination of an NEO’s employment as a result of their death or disability, the outstanding PSUs will vest on such date on a pro-rata basis at target, calculated by multiplying the target number of PSUs by a fraction, the numerator of which equals the number of days between the grant date and the NEO’s death or disability and the denominator equals the total number of days in the performance period. The NEO would be entitled to the payment of any accrued but unpaid dividend equivalents upon such termination as a result of their death or disability. Upon a change in control, the PSU award agreements provide that all unvested PSUs shall vest at the greater of the actual number of PSUs that would have vested if the performance period ended on the date of the change in control or the target number of PSUs and the NEO would be entitled to unpaid dividend equivalents on the PSUs.

RSUs. Under the terms of the RSU award agreements, upon the termination of an NEO’s employment as a result of their death or disability, all unvested RSUs will vest and the NEO would be entitled to the payment of any accrued but unpaid dividend equivalents. None of the NEOs have a contractual entitlement to acceleration of their outstanding RSUs in connection with a change in control.

Options. Under the terms of the option award agreements, upon termination of an NEO’s employment, for any reason other than death of disability, the unvested options will terminate, and the NEO may exercise the vested portion for a period of the earlier of 3 months or the expiration date. Upon termination of an NEO’s employment due to disability, the unvested options will terminate, and the NEO may exercise vested portion for a period of the earlier of 12 months or expiration date. Upon the NEO’s death, the unvested options terminate and the NEO’s heirs or legal representative may exercise vested portion for period of the earlier of up 12 months or expiration date. None of the NEOs have a contractual entitlement to acceleration of their outstanding options in connection with a change in control.

Name	Compensation Component	Change in Control		Change in Control Termination		Termination Without Cause or for Good Reason		Non-Renewal of Employment Agreement By CapStar		Death or Disability	
Name											
Timothy K. Schools	Cash Severance			1,050,000	(1)	1,050,000	(2)	525,000	(3)		
	RSUs									195,428	(4)
	PSUs	484,853	(5)	484,853	(5)					133,231	(6)
	Welfare Benefits			32,795	(7)	32,795	(8)	16,397	(9)		
	Total:	**484,853**		**1,567,648**		**1,082,795**		**541,397**		**328,659**	
Name											
Denis J. Duncan	Cash Severance					42,308	(2)				
	RSUs									56,555	(4)
	PSUs	168,089	(5)	168,089	(5)					41,358	(6)
	Welfare Benefits										
	Total:	**168,089**		**168,089**		**42,308**		**-**		**97,912**	
Name											
John A. Davis	Cash Severance			375,000	(1)	38,462	(2)				
	RSUs									45,587	(4)
	PSUs	144,085	(5)	144,085	(5)					39,578	(6)
	Welfare Benefits										
	Total:	**144,085**		**519,085**		**38,462**		**-**		**85,165**	
Jennie L. O'Bryan											
	Cash Severance					31,385	(2)				
	RSUs									28,302	(4)
	PSUs										
	Options										
	Welfare Benefits										
	Total:	**0**		**0**		**31,385**		**0**		**28,302**	
Name											
Christopher G. Tietz	Cash Severance			630,000	(1)	315,000	(2)				
	RSUs									148,076	(4)
	PSUs	291,817	(5)	291,817	(5)					71,396	(6)
	Welfare Benefits			15,464	(7)	7732.23	(8)				
	Total:	**291,817**		**937,282**		**322,732**		**-**		**219,472**	

(1) The amount shown is equal to two times base salary for Mr. Schools and Mr. Tietz and one and a half times base salary for Mr. Davis.

(2) The amount shown is equal to two times base salary for Mr. Schools, 8 weeks of base salary for Messrs. Duncan and Davis and Ms. O'Bryan based on their years of service with CapStar of less than three years but for more than one year as of December 31, 2021, and one year of base salary for Mr. Tietz.

(3) The amount shown is equal to one year of base salary for Mr. Schools.

(4) All unvested RSUs will vest. The amount shown is the market value of all unvested RSUs based on the closing stock price on December 31, 2021 of $21.03 and the cash value of the dividend equivalents accrued thereon.

(5) The unvested PSUs will vest at the greater of actual performance of the goals on the date of the change in control or target. The amount shown is the value of all unvested PSUs based on actual performance of the goals as of December 31, 2021 and the closing stock price on December 31, 2021 of $21.03 and the cash value of the dividend equivalents accrued thereon.

(6) The amount shown is the value of all PSUs that will vest pro-rata at target with such pro ration calculated as described above on page 35 based on the closing stock price on December 31, 2021 of $21.03 and the cash value of the dividend equivalents accrued thereon.

(7) Welfare benefits of medical, dental, life and disability coverage to continue for two years for Mr. Schools and Mr. Tietz. The amounts shown are the estimated cost to the Company for such benefits during the period.

(8) Welfare benefits of medical, dental, life and disability coverage to continue for two years for Mr. Schools and one year for Mr. Tietz. The amounts shown are the estimated cost to the Company for such benefits during the period.

(9) Welfare benefits of medical, dental, life and disability coverage to continue for one year for Mr. Schools. The amounts shown are the estimated cost to the Company for such benefits during the period.

On February 11, 2022, CapStar announced that Michael J. Fowler resumed his role as Executive Vice President, Chief Financial Officer effective February 11, 2022, after stepping down to Treasurer at CapStar in the Fall of 2020 to provide care for his spouse during her 18-month battle with cancer. Mr. Fowler replaced Mr. Duncan, who served as CapStar’s Chief Financial Officer during this period and departed the Company on February 10, 2022, in connection with Mr. Fowler’s reappointment to the role. The Company and Mr. Duncan entered into a Separation Agreement and General Release (“Separation Agreement”) providing that (1) the Company will pay

Mr. Duncan one-times salary plus his annual target bonus within 30 days of February 10, 2022 and allow for continued vesting in the equity grants awarded in 2020. All equity grants awarded in 2021 were forfeited as of his last day of employment.

Pension Benefits

The company does not maintain any benefit plan that provides for payments or other benefits at, following or in connection with retirement, other than the company's 401(k) plan.

Nonqualified Deferred Compensation Plans

The company does not maintain any defined contribution or other plans that provide for the deferral of compensation on a basis that is not tax-qualified.

PROPOSAL 4
RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Company's Board, as recommended and approved by the Audit Committee, has appointed Elliott Davis, LLC as our independent registered public accounting firm for the year ending December 31, 2022 and seeks ratification of the appointment by our shareholders. Elliott Davis, LLC has served as our independent registered public accounting firm since 2017. The Board, however, retains sole authority over the appointment and replacement of the Company's independent registered public accounting firm. As a result, despite any ratification of this engagement of Elliott Davis, LLC by the Company's shareholders, the Board will continue to be authorized to terminate the engagement at any time during the year, to retain another independent registered public accounting firm to examine and audit the consolidated financial statements of the Company for fiscal year ending December 31, 2022, or to take any other related action if judged by the Board to be in the best interests of the Company. Shareholder ratification of the Audit Committee's appointment of Elliott Davis, LLC as our independent registered public accounting firm for the year ending December 31, 2022 is not required by our Bylaws or otherwise. Nonetheless, the Board, as a matter of good governance, has elected to submit the appointment of Elliott Davis, LLC to our shareholders for ratification. If the appointment of Elliott Davis, LLC as the Company's independent registered public accounting firm for the year ending December 31, 2022 is not ratified by the shareholders, then the matter will be referred to the Audit Committee for further review and action.

Required Vote

If a quorum is present, this Proposal 4 will be approved if the votes cast for Proposal 4 exceed the votes cast against Proposal 4.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE RATIFICATION OF ELLIOTT DAVIS, LLC AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2022.

Audit and Non-Audit Fees

The following table presents the aggregate fees billed by Elliott Davis, LLC for the two most recent fiscal years ended December 31, 2021 and December 31, 2020, respectively:

	2021	2020
Audit Fees (1)	$ 247,250	$ 260,250
Audit-Related Fees (2)	12,500	12,000
Tax Fees	—	—
All Other Fees	—	—
Total Fees	$ 259,750	$ 272,250

(1) Audit fees relate to services rendered in connection with the annual independent audit of the Company's consolidated financial statements and internal controls over financial reporting for the years ended December 31, 2021 and 2020 and reviews of the Company's annual report on Form 10-K, review of interim financial information contained in Forms 10-Q, and annual audit of the Company's 401(k) profit sharing plan financial statements included in Form 11-K.

(2) Audit-related fees relate to services rendered in connection with a required regulatory audit for the U.S. Department of Housing and Urban Development.

Pre-Approval Policies and Procedures

Pursuant to its charter, the Audit Committee reviews and pre-approves audit and permissible non-audit services performed by the Company's independent registered public accounting firm as well as the scope, fees, and other terms of such services. The Audit Committee may not approve any service that individually or in the aggregate may impair, in the Audit Committee's opinion, the independence of the independent registered public accounting firm. The Audit Committee may delegate to one or more designated committee members the authority to grant pre-approvals of audit and permitted non-audit services, provided that any decisions to pre-approve shall be presented to the full Audit Committee at its next scheduled meeting. The Audit Committee has delegated its authority to pre-approve audit, audit-related, and non-audit services to the Chair of the Committee. For the fiscal years 2021 and 2020, respectively, all of the audit and non-audit services provided by the Company's independent registered public accounting firm were pre-approved by the Audit Committee or the Chair of the Audit Committee in accordance with the Audit Committee Charter.

Participation of Representatives of Independent Registered Public Accounting Firm

Representatives of Elliott Davis, LLC will participate in the Annual Meeting and will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions.

AUDIT COMMITTEE REPORT

The Audit Committee has:

- Reviewed and discussed with management the Company's annual audited financial statements for 2021
- Discussed with Elliott Davis, LLC, our independent registered public accounting firm, the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board "(PCAOB") and the SEC
- Received from Elliott Davis, LLC the written disclosures and the letter required by applicable requirements of the PCAOB regarding Elliott Davis, LLC's communication with the Audit Committee concerning independence
- Discussed with Elliott Davis, LLC its independence

Based upon the reviews and discussions referred to above, the Audit Committee recommended to the Board that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2021, which has been filed with the SEC.

While the Audit Committee has the responsibilities set forth in its charter (including to monitor and oversee the audit processes), the Audit Committee does not have the duty to plan or conduct audits or to determine that Capstar's financial statements are complete, accurate or in accordance with generally accepted accounting principles. Capstar's management and independent auditor have this responsibility.

This report has been furnished by the members of the Audit Committee:

Sam B. DeVane (Chair)
Thomas R. Flynn
Louis A. Green III
Toby S. Wilt

The foregoing report shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act or under the Exchange Act, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under the Securities Act and/or the Exchange Act.

ADDITIONAL INFORMATION

How and when may I submit a shareholder proposal for CapStar's 2023 Annual Meeting of Shareholders?

We will consider for inclusion in our proxy materials for the 2023 Annual Meeting of Shareholders proposals that are received no later than November 10, 2022 and that comply with all applicable requirements of Rule 14a-8 promulgated under the Exchange Act, and our Bylaws. Shareholders must submit their proposals to CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Corporate Secretary.

In addition, the Company's Bylaws provide that at any annual meeting of the shareholders, only such nominations of individuals for election to the Board shall be made, and only such other business shall be conducted or considered, as shall have been properly brought before the meeting. For nominations to be properly made at an annual meeting, and proposals of other business to be properly brought before an annual meeting, nominations and proposals of other business must be: (A) specified in the Company's notice of meeting (or any supplement thereto) given by or at the direction of the Board; (B) otherwise properly made at the annual meeting, by or at the direction of the Board; or (C) otherwise properly requested to be brought before the annual meeting by a shareholder of the Company in accordance with the Company's Bylaws. For nominations of individuals for election to the Board or proposals of other business to be properly requested by a shareholder to be made at an annual meeting, a shareholder must: (1) be a shareholder of record at the time such shareholder's notice is delivered to the Corporate Secretary and at the time of the annual meeting; (2) be entitled to vote at such annual meeting; and (3) strictly comply with the requirements and procedures set forth in the Company's Bylaws as to such business or nomination.

For any nominations or any other business to be properly brought before an annual meeting by a shareholder pursuant to Item (C) listed above, the shareholder must have given timely notice thereof (including any documents require by the Company's Bylaws), and timely updates and supplements thereof, in each case in proper form, in writing to the Corporate Secretary, and such other business must otherwise be a proper matter for shareholder action.

To be timely, a notice of the intent of a shareholder to make a nomination or to bring any other matter before the annual meeting shall be delivered to the Corporate Secretary at the principal executive offices of the Company not later than the close of business on the seventy-fifth (75th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first (1st) anniversary of the date the Company made its proxy materials available for the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after its anniversary date, notice by the shareholder to be timely must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the seventy-fifth (75th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Company. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a shareholder's notice as described above.

Accordingly, a shareholder who intends to raise a proposal to be acted upon at the 2023 Annual Meeting of Shareholders must inform the Company by sending written notice to the Company's Corporate Secretary at CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, no earlier than November 10, 2022 nor later than December 25, 2022. The persons named as proxies in the Company's proxy for the 2022 Annual Meeting of Shareholders may exercise their discretionary authority to act upon any proposal which is properly brought before a shareholder meeting.

The foregoing description of the advance notice provisions of our Bylaws is a summary and is qualified in its entirety by reference to the full text of the Company's Bylaws, which were filed with the SEC on October 28, 2019 as Exhibit 3.2 to our Company's Current Report on Form 8-K. Accordingly, we advise you to review our Bylaws for additional stipulations relating to advance notice of director nominations and business proposals.

How can I obtain CapStar's Annual Report?

Our Annual Report, as filed with the SEC, can be accessed electronically, along with this Proxy Statement, by following the instructions contained on our proxy card and is also available on the Investor Relations webpage of our corporate website at www.ir.capstarbank.com under the portal entitled "Corporate Governance—Financials & Filings—Annual Report & Proxies." Information that is presented or hyperlinked on our website is not incorporated by reference into this Proxy Statement.

If you wish to receive a physical copy of our Annual Report, as well as a copy of any exhibit to the Annual Report specifically requested, we will mail these documents to you free of charge. Requests should be sent to CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Investor Relations.

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to the costs of mailing paper copies of our proxy materials and posting our proxy materials on an Internet website, our directors and employees may also solicit proxies in person, by telephone or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. We may also reimburse brokers, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

How many copies should I receive if I share an address with another shareholder?

Shareholders who share an address may receive only a single copy of our proxy materials, except that a separate proxy card will be sent for each shareholder of record residing at the address. This process is known as "householding." Shareholders who desire either to receive multiple copies of our proxy materials, or to receive only a single copy in the future, should contact their broker, bank or other agent. If you are a shareholder of record, you may contact us at (i) CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Investor Relations, (ii) email ir@capstarbank.com or (iii) call (615) 732-6455. We will promptly deliver a separate copy of any of these materials to you free of charge.

Who should I contact if I have any questions?

If you have any questions about the Annual Meeting, this Proxy Statement, our proxy materials or your ownership of CapStar common stock, please (i) contact CapStar Financial Holdings, Inc., 1201 Demonbreun Street, Suite 700, Nashville, Tennessee 37203, Attention: Investor Relations, (ii) email ir@capstarbank.com or (iii) call (615) 732-6455.

OTHER MATTERS

Our management is not aware of any other matter to be presented for action at the Annual Meeting other than those mentioned in the Notice of Annual Meeting of Shareholders and referred to in this Proxy Statement. However, should any other matter requiring a vote of the shareholders arise, the representatives named on the accompanying Proxy will vote in accordance with their discretion.

By Order of the Board of Directors,

Amy C. Goodin

Amy C. Goodin
Secretary

CAPSTAR
FINANCIAL HOLDINGS, INC.

P.O. BOX 8016, CARY, NC 27512-9903

YOUR VOTE IS IMPORTANT! PLEASE VOTE BY:

	INTERNET Go To: **www.proxypush.com/CSTR** • Cast your vote online • **Have your Proxy Card ready** • Follow the simple instructions to record your vote
	PHONE Call **1-866-291-7759** • Use any touch-tone telephone • **Have your Proxy Card ready** • Follow the simple recorded instructions
	MAIL • Mark, sign and date your Proxy Card • Fold and return your Proxy Card in the postage-paid envelope provided
	You must pre-register to attend the meeting online and/or participate at www.proxydocs.com/CSTR.

Capstar Financial Holdings, Inc.

Annual Meeting of Shareholders

For Shareholders of record as of February 24, 2022

TIME: Thursday, April 21, 2022 10:30 AM, Central Time
PLACE: Meeting to be held live via the Internet - please visit www.proxydocs.com/CSTR for more details.

This proxy is being solicited on behalf of the Board of Directors

The undersigned hereby appoints Timothy K. Schools and Amy Goodin, and each or either of them, as the true and lawful attorneys of the undersigned, with full power of substitution and revocation, and authorizes them, and each of them, to vote all the shares of common stock of Capstar Financial Holdings, Inc. which the undersigned is entitled to vote at said meeting and any adjournment thereof upon the matters specified and upon such other matters as may be properly brought before the meeting or any adjournment thereof, conferring authority upon such true and lawful attorneys to vote in their discretion on such other matters as may properly come before the meeting and revoking any proxy heretofore given.

THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, SHARES WILL BE VOTED IDENTICAL TO THE BOARD OF DIRECTORS RECOMMENDATION. This proxy, when properly executed, will be voted in the manner directed herein. In their discretion, the Named Proxies are authorized to vote upon such other matters that may properly come before the meeting or any adjournment or postponement thereof.

Proxies delivered by mail must be received by 11:59 P.M. Eastern Time on April 20, 2022, and proxies submitted by the Internet or telephone must be received by 10:35 A.M. Central Time on April 21, 2022.

You are encouraged to specify your choice by marking the appropriate box (SEE REVERSE SIDE) but you need not mark any box if you wish to vote in accordance with the Board of Directors' recommendation. The Named Proxies cannot vote your shares unless you sign (on the reverse side) and return this card.

PLEASE BE SURE TO SIGN AND DATE THIS PROXY CARD AND MARK ON THE REVERSE SIDE

Capstar Financial Holdings, Inc.

Annual Meeting of Shareholders

Please make your marks like this: ☒

THE BOARD OF DIRECTORS RECOMMENDS A VOTE:

FOR ON PROPOSALS 1, 2 AND 4
THE BOARD RECOMMENDS THAT AN ADVISORY VOTE ON THE COMPENSATION FOR NAMED EXECUTIVE OFFICERS BE HELD EVERY 1 YEAR.

	PROPOSAL	YOUR VOTE				BOARD OF DIRECTORS RECOMMENDS
1.	To elect the following eleven (11) directors to serve until the 2023 Annual Meeting of Shareholders and until their successors have been duly elected and qualified:	FOR		WITHHOLD		
	1.01 L. Earl Bentz	☐		☐		FOR
	1.02 Sam B. DeVane	☐		☐		FOR
	1.03 Thomas R. Flynn	☐		☐		FOR
	1.04 Louis A. Green III	☐		☐		FOR
	1.05 Valora S. Gurganious	☐		☐		FOR
	1.06 Myra NanDora Jenne	☐		☐		FOR
	1.07 Joelle J. Phillips	☐		☐		FOR
	1.08 Timothy K. Schools	☐		☐		FOR
	1.09 Stephen B. Smith	☐		☐		FOR
	1.10 James S. Turner, Jr.	☐		☐		FOR
	1.11 Toby S. Wilt	☐		☐		FOR
		FOR	AGAINST	ABSTAIN		
2.	To approve, on a non-binding, advisory basis, the Company's named executive officer compensation.	☐	☐	☐		FOR
		1YR	2YR	3YR	ABSTAIN	
3.	To vote, on a non-binding advisory basis, on the frequency of executive compensation votes.	☐	☐	☐	☐	1 YEAR
		FOR	AGAINST	ABSTAIN		
4.	To ratify the appointment of Elliott Davis, LLC as our independent registered public accounting firm for the fiscal year ending December 31, 2022.	☐	☐	☐		FOR

In the discretion of the proxies named herein, such other business as may properly come before the meeting or any adjournment or postponement thereof.

You must pre-register to attend the meeting online and/or participate at www.proxydocs.com/CSTR.

Authorized Signatures - Must be completed for your instructions to be executed.
Please sign exactly as your name(s) appears on your account. If held in joint tenancy, all persons should sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the Proxy/Vote Form.

Signature (and Title if applicable) Date

Signature (if held jointly) Date