

**SOUTH PLAINS FINANCIAL, INC.
CHARTER OF THE AUDIT COMMITTEE**

This Charter of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of South Plains Financial, Inc. (the “Company”) has been adopted by the Board for the purpose set forth below. Unless the context requires otherwise, all references to the Company in this Charter will include the subsidiaries and affiliates of the Company.

Purpose of the Committee

The purpose of the Committee is to oversee the financial reporting processes of the Company and the audits of the Company’s financial statements and, in that regard, assist the Board in its oversight of (i) the integrity of the Company’s financial statements; (ii) the system of internal controls; (iii) the performance of the Company’s internal audit function and the independent registered public accounting firm (the “Independent Auditor”) that audits and reports on the Company’s consolidated financial statements; (iv) the review of reports of bank regulatory agencies and responses to recommendations contained in those reports; (v) the Company’s compliance with legal and regulatory requirements related to its financial statements and reporting; and (vi) the review and oversight of all related person transactions in accordance with the Company’s Related Persons Transactions Policy.

Committee Membership

The membership of the Committee will consist of at least three directors as determined from time to time by the Board. The members of the Committee and the Committee Chair are to be elected by the Board annually and are to serve until their successors have been duly elected and qualified or until earlier resignation or death. The Committee Chair will be responsible for the leadership of the Committee, including presiding over meetings and making regular reports to the Board. If the Board does not designate a Committee Chair, the members of the Committee, by a majority vote, may designate a Committee Chair.

Each member of the Committee must be qualified to serve on the Committee pursuant to the requirements of The NASDAQ Stock Market LLC listing standards (“Listed Company Rules”), Securities and Exchange Commission (“SEC”) rules and regulations and any additional requirements that the Board deems appropriate. The Board will determine, at least annually, the eligibility of the Committee’s members.

Each member of the Committee must meet the following criteria:

1. be an “independent director” as defined under the Listed Company Rules, as such rules and provisions may be amended from time to time;
2. be “independent” as defined in Section 10A(m) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10A-3 promulgated thereunder, as such rules and provisions may be amended from time to time;

3. be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement;
4. has not accepted, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company other than in his or her capacity as a member of the Board or any committee of the Board;
5. is not affiliated with the Company or its subsidiaries; and
6. has not participated in the preparation of the financial statements of the Company or any of its current subsidiaries in the past three years.

In addition, the Committee will have at least one member who is an “audit committee financial expert” as such term is defined by the rules and regulations of the SEC, as such qualifications are interpreted by the Board in its business judgment, or have such other additional experience and financial sophistication as is required under the Listed Company Rules. A person who satisfies the definition of “audit committee financial expert,” as such term is defined by the rules and regulations of the SEC, will also be presumed to have financial sophistication.

No director may serve as a member of the Committee if such director simultaneously serves on the audit committees of more than three public companies (including the Committee), unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee.

The Board may remove by a majority vote any director from the Committee at any time with or without cause. Any vacancy on the Committee is to be filled by majority vote of the Board. Any director serving on the Committee will automatically cease to be a member of the Committee at the time that he or she ceases to be a director of the Company.

Meetings and Operations of the Committee

The Committee will fix its own rules of procedure, which are to be consistent with the bylaws of the Company and this Charter. The Committee will meet at least four times annually or more frequently as circumstances require, and will meet periodically without management of the Company present. The Committee periodically will meet separately with management, with the director of the Company’s internal audit department or any other person responsible for the internal audit function and with the Company’s independent auditors to discuss any matters that the Committee or any of these persons or firms believes should be discussed privately.

Meetings will be called by the Committee Chair at the request of any member of the Committee or the Chairman of the Board. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other will constitute a quorum. The act of a majority of the Committee members present at a meeting at which a quorum is present will be the act of the Committee. The Committee may act without a meeting by unanimous written consent of all members.

The Committee, in its discretion, may ask members of the Board, management or such other persons as it deems appropriate to attend its meetings (or portions thereof) and to provide pertinent information as necessary. Following each of its meetings, the Committee will deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting through minutes of the meeting. The Committee will keep written minutes of its meetings, which minutes are to be maintained with the books and records of the Company.

Duties, Responsibilities and Authority of the Committee

The primary responsibility of the Committee is to oversee the Company's consolidated financial reporting process on behalf of the Board and report the results of its activities to the Board.

The management of the Company is responsible for the preparation, presentation, and integrity of the Company's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations relating to disclosures and financial reporting.

The internal audit department (all references in this charter to the internal audit department, internal audit function, or the Chief Audit Executive include, as applicable, any co-source or outsource internal audit firm) is responsible for independently assessing such financial statements principles and policies and internal controls and procedures as well as monitoring management's follow-up to any internal audit department reports.

The Independent Auditor will report directly to the Committee and is accountable to the Committee and the Board. The Independent Auditor is responsible for planning and carrying out a proper audit of the Company's annual financial statements and other procedures. In this regard, the Committee members are not, and do not represent themselves as performing the functions of, auditors or accountants.

Accordingly, each member of the Committee will be entitled to rely upon:

1. The integrity of those persons and organizations within and outside the Company from which it receives information absent actual knowledge to the contrary (which must be promptly reported to the Board);
2. The accuracy of the financial and other information provided to the Committee absent actual knowledge to the contrary (which must be promptly reported to the Board); and
3. Statements made by management or third parties as to any information technology, internal audit, and other non-audit services provided by the Independent Auditor to the Company.

The Committee will have access to the Company's books, records, facilities, and personnel.

The Committee will have the following additional duties and responsibilities:

A. Oversight of the Company's Relationship with the Independent Auditor

1. The Committee will be directly responsible for the appointment, compensation, retention and oversight of the work of the Independent Auditor (including resolution of disagreements between management and the Independent Auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services, and will advise the Board on these matters. The Independent Auditor and each other independent registered public accounting firm engaged for the Company are accountable to the Board and the Committee and will report directly to the Committee. The Committee may, in its discretion, recommend that the Board seek shareholder ratification of the independent auditor appointed by the Committee.

2. The Committee will obtain from the Independent Auditor, at least annually, a report to the Committee regarding the Independent Auditor's internal quality control procedures and any material issues raised by the most recent internal quality-control or peer review or by any inquiry or investigations by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent registered public accounting firm that is the Independent Auditor and any steps taken to deal with such issues. The Committee will obtain from the Independent Auditor such a report to the Committee promptly after any review, inquiry or investigation referred to in the preceding sentence. The Committee will obtain and review each inspection report issued by the Public Company Accounting Oversight Board ("PCAOB") with respect to the Independent Auditor.

3. The Committee will evaluate, at least annually, the qualification, performance and independence of the Independent Auditor, including the lead partner of the Independent Auditor, and exercise final approval on the appointment or discharge of the auditors. In this evaluation, the Committee will take into account the opinions of management and the Chief Audit Executive. The Committee will obtain from the Independent Auditor on a periodic basis, but at least annually, a formal written statement made to the Company and the Committee delineating all relationships between the Independent Auditor and the Company, including non-audit services, and discussing any such relationships with the Independent Auditor, and recommending to the Board that the Board take appropriate action to satisfy itself or the Independent Auditor regarding the Independent Auditor's independence from the Company.

4. The Committee will have authority to approve the scope and approach of the Independent Auditor, including all fees and terms of engagement and the coordination of audit effort with the Chief Audit Executive, and will pre-approve, or adopt appropriate procedures to pre-approve, all audit and non-audit services to be provided by the Independent Auditor and each other registered public accounting firm engaged for the benefit of the Company, if applicable.

5. The Committee will set clear hiring policies for employees or former employees of the Independent Auditor and for audit partner rotation and Independent Auditor rotation in compliance with applicable laws, rules, and regulations and the rules and audit standards of the PCAOB.

6. The Committee will discuss with management and the Independent Auditor, and resolve, any disagreements regarding financial reporting. The Committee will review with the Independent Auditor any audit problems, disagreements, or difficulties and management's response thereto.

B. Oversight of the Company's Internal Audit Function

1. The Committee will guide the function of the Company's internal audit function and approve decisions regarding the appointment and removal of the Chief Audit Executive.

2. The Chief Audit Executive will report directly to the Audit Committee to promote independence and assure adequate consideration of audit findings and recommendations. The Chief Audit Executive will report administratively to the President of the Company.

3. The Committee will, at least annually, review the performance of the Chief Audit Executive, make recommendations regarding the responsibilities of the Chief Audit Executive and concur with the annual compensation and salary adjustment for the Chief Audit Executive.

4. The Committee will review, at least annually, the performance, responsibilities and staffing of the internal audit function, including the proposed audit plan for the coming year and all major changes to the plan and the results of internal audits, along with any significant reports and management's responses thereto. The Committee will review with the Chief Audit Executive, the internal audit budget, resource plan, activities, and organizational structure of the internal audit function.

C. Financial Statements

1. The Committee will review and discuss the scope of the audit of the Company's consolidated financial statements for each fiscal year, at least annually, with management and the Independent Auditor.

2. The Committee will review the Company's interim consolidated financial statements and the disclosures in the related Management's Discussion and Analysis of Financial Condition and Results of Operations (including the sections thereof addressing off-balance sheet arrangements, market risks and related matters, if any) to be included in a Quarterly Report on Form 10-Q of the Company with management of the Company and the Independent Auditor prior to the filing of that Quarterly Report on Form 10-Q with the SEC. In addition, the Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the Independent Auditor under generally accepted accounting principles in the United States ("GAAP") and the auditing standards adopted by the PCAOB.

3. The Committee will review with management and the Independent Auditor, prior to the filing of each Annual Report on Form 10-K of the Company with the SEC, the Company's annual consolidated financial statements and the disclosures in the related Management's Discussion and Analysis of Financial Condition and Results of Operations (including the sections thereof addressing off-balance sheet arrangements, market risks and related matters, if any) to be included in that Annual Report on Form 10-K (or in any annual report to shareholders prepared and distributed in accordance with Rule 14a-3 under the Exchange Act if such annual report to

shareholders for a particular fiscal year is distributed before the Annual Report on Form 10-K for that fiscal year is filed with the SEC). The Committee will make a recommendation to the Board whether the audited consolidated financial statements of the Company for a fiscal year should be included in the Company's Annual Report on Form 10-K for that fiscal year.

4. The Committee will review and discuss with management and the Independent Auditor representations that the consolidated financial statements to be issued by the Company were prepared in accordance with GAAP and fairly present the consolidated results of operations and consolidated financial condition of the Company for the periods and as of the dates covered by those consolidated financial statements (subject, in the case of interim consolidated financial statements, to normal year-end adjustments).

5. The Committee will review and discuss with management communications with governmental officials and generally reliable reports that raise material issues regarding the Company's financial statements or accounting matters.

6. The Committee will review and discuss with management and the Independent Auditor, and receive a timely report from the Independent Auditor with respect to, any significant accounting, income tax, financial, reporting policies, issues, or judgments estimates made in connection with the preparation, or audit, of the Company's consolidated financial statements and other financial or informational reports, including any major issues regarding or significant changes in the Company's selection or application of accounting principles, the development, selection, and disclosure of critical accounting estimates or judgments (including accruals for contingent liabilities and the establishment of reserves), an analysis of the effect of any alternative assumptions, estimates or GAAP methods on the consolidated financial statements of the Company, and the effect of regulatory examinations or any regulatory and accounting initiatives, as well as off-balance sheet structures, on the consolidated financial statements of the Company, and obtain from the Independent Auditor a timely report relating to any material communications between the Independent Auditor and management, such as any "management letter" or schedule of unadjusted differences.

7. The Committee will review internal accounting control reports submitted by the Independent Auditor which relate to the Company and summaries of significant issues in management letters addressed to subsidiaries of the Company. The Committee will also monitor testing of the internal accounting control reports and review the Independent Auditor's reports on the effectiveness of disclosures controls and procedures and the certifications of the Company's officers' required by law with respect thereto.

8. The Committee will review and discuss with management the Company's earnings press releases, the substance of any earnings calls, and any earnings guidance, including confirmations and updates thereof, provided by the Company to the investment community, as well as financial and other information provided to analysts and rating agencies.

9. The Committee will review and discuss with management the adequacy of and effectiveness of the Company's accounting and financial controls, including guidelines and policies for assessing and managing the Company's exposure to risks not already assigned to other committees, and the steps management has taken to monitor and control such exposures.

10. The Committee will discuss with the Independent Auditor the matters required to be described by PCAOB AU Section 380 (Communication with Audit Committees), including without limitation, any difficulties encountered in the course of the work, any restriction on the scope of the Independent Auditor's activities or on access to requested information and any significant disagreements with management.

D. Internal Controls

1. The Committee will review the adequacy and effectiveness of the Company's accounting and internal control policies and procedures on a regular basis, including the responsibilities, budget, compensation, and staffing of the Company's internal audit function, through inquiry and discussions with the Company's independent auditors and management.

2. The Committee will review the yearly report prepared by management, and attested to by the Company's independent auditors, assessing the effectiveness of the Company's internal control over financial reporting and stating management's responsibility for establishing and maintaining adequate internal control over financial reporting prior to its inclusion in the Company's Annual Report on Form 10-K.

3. The Committee will review the Committee's level of involvement and interaction with the Company's internal audit function, including the Committee's line of authority and role in appointing and compensating employees in the internal audit function;

4. The Committee will review with the President, Chief Financial Officer and independent auditors, periodically, (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial information; and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

E. Miscellaneous

1. The Committee will meet periodically with management, and outside counsel when appropriate, to review (a) any matters that may have a material impact on the financial statements of the Company; and (b) any legal or regulatory matters that impact the duties and responsibilities of the Committee, including any reports from bank level committees.

2. The Committee will review the report required by the rules of the SEC to be included in the Company's annual proxy statement.

3. The Committee will review the Company's policies relating to the ethical handling of conflicts of interest and review past or proposed transactions between the Company and members of management as well as policies and procedures with respect to officers' expense accounts and perquisites, including the use of corporate assets. The Committee shall consider the results of any review of these policies and procedures by the Company's independent auditors.

4. The Committee will review and approve in advance any services provided by the Company's independent auditors to the Company's executive officers or members of their immediate family.

5. The Committee will review the Company's program to monitor compliance with the Company's Code of Business Conduct and Ethics, and meet periodically with management to discuss compliance with the Code of Business Conduct and Ethics.

6. The Committee will review and oversee related person transactions in accordance with the Company's Related Persons Transactions Policy.

7. The Committee will review reports of bank regulatory agencies as well as the Company's compliance with recommendations contained in such reports.

8. The Committee will establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

9. The Committee will establish procedures for the receipt, retention, and treatment of reports of evidence of a material violation made by attorneys appearing and practicing before the SEC in the representation of the Company or any of its subsidiaries, or reports made by the Company's President in relation thereto.

10. The Committee will seek independent expert advice to the extent the Committee determines it to be appropriate, including retaining, with or without Board approval, independent counsel, accountants, consultants, or others, to assist the Committee in fulfilling its duties and responsibilities, the cost of such independent expert advisors shall be borne by the Company. Nothing herein shall be construed to (1) require the Committee to implement or act consistently with the advice or recommendations of the independent expert, or (2) to affect the ability or obligation of the Committee to exercise its own judgment in fulfilling its duties.

11. The Committee will review and assess the adequacy of this Charter on an annual basis and, if appropriate, recommend changes for approval by the Board.

12. The Committee will evaluate the performance of its duties under this Charter on a regular basis, but not less than once annually.

13. The Committee will perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.

Access and Resources

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has sole authority to retain, to set the terms of retention, including compensation, and to terminate outside counsel to represent the Committee and other advisers, experts and consultants to advise the Committee. Any communications between the Committee

and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications. The Company will provide appropriate funding to the Committee to allow the Committee to compensate the Company's Independent Auditors, to compensate any advisors retained by the Committee and to pay for ordinary administrative expenses of the Committee.

Delegation to Subcommittee

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to one or more subcommittees of the Committee.

Disclosure of Charter

This Charter will be made available as required by applicable laws and regulations and the Listed Company Rules.

* * *

While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.