

**EQUITY BANK**  
**Audit Committee**  
**Charter**

Effective date April 24, 2019

**I. STATEMENT OF PURPOSE**

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Equity Bank, a Kansas state-chartered bank (the "Bank"), is to assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring the financial reports and other financial information provided by the Bank to any governmental authority or the public, the Bank's system of internal controls regarding finance, accounting, legal compliance and ethics, and the Bank's auditing, accounting and financial reporting processes generally employed by the Bank. Consistent with this function, the Committee should encourage continuous improvement of and should foster adherence to, the Bank's policies, procedures and practices at all levels.

References herein to the Bank may also be interpreted to include certain subsidiaries of the Bank, as the Committee may also have the below-referenced responsibilities and duties with regard to any subsidiary of the Bank as the Bank or the Board so determine.

**II. COMMITTEE MEMBERSHIP**

The Committee shall consist of three or more directors, as determined from time to time by the Board.

The chairman of the Committee shall be designated by the Board, provided that if the Board does not so designate a chairman, the members of the Committee, by a majority vote, may designate a chairman.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

No director may serve as a member of the Committee if such director serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee.

Each member of the Committee must meet the following criteria:

- Be an "independent director" as defined under the applicable NASDAQ rules, regulations and listing requirements, except as may otherwise be permitted by the NASDAQ rules;

- Be "independent" as defined in Section 10A(m) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10A-3 and any other rules and regulations promulgated by the SEC under the Exchange Act, except as may otherwise be permitted by the SEC rules;
- Not have participated in the preparation of the financial statements of the Bank or any current subsidiary of the Bank at any time during the past three years;
- Have the ability to read and understand fundamental financial statements, including the Bank's balance sheet, income statement and cash flow statement; and
- Meet any other requirements imposed by applicable law, regulations or rules, subject to any applicable exemptions and transition provisions, as well as any additional requirements that the Board may deem appropriate.

In addition, at least one member of the Committee must be designated by the Board to be the "audit committee financial expert," as defined by the SEC pursuant to the Sarbanes-Oxley Act of 2002 (the "Act") and at least one member must have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience resulting in the individual's financial sophistication. The same member of the Committee may be designated by the Board to satisfy both requirements.

At least two members of the Committee shall have "banking or related financial management expertise." A person possesses this required expertise if he or she has significant executive, professional, educational or regulatory experience in financial, auditing, accounting or banking matters as determined by the Board.

### **III. MEETINGS AND OPERATIONS OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than once every fiscal quarter. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

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 shall constitute a quorum.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

#### **IV. COMMITTEE RESPONSIBILITIES AND AUTHORITY**

The following duties and responsibilities are within the authority of the Committee and the Committee shall perform such duties and responsibilities, consistent with and subject to applicable law and rules and regulations:

##### **A. Selection and Evaluation of the Auditors**

1. Assist the Audit Committee of the Board of Directors of Equity Bancshares, Inc., in its selection of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Bank, considering the independence, effectiveness and compliance with legal requirements of such firm;
2. Review the performance of the Bank's independent auditors, including the lead partner of the independent auditors;

##### **B. Oversight of Annual Audit and Quarterly Reviews**

1. Review and discuss with the independent auditors their annual audit plan, including the timing and scope of audit activities, and monitor such plan's progress and results during the year;
2. Review with management, the Bank's independent auditors and the director of the Bank's internal auditing department, the following information which is required to be reported by the independent auditor:
  - a) all critical accounting policies and practices to be used ;
  - b) all alternative treatments of financial information that have been discussed by the independent auditors and management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors;
  - c) all other material written communications between the independent auditors and management, such as any management letter and any schedule of unadjusted differences; and
  - d) any material financial arrangements of the Bank which do not appear on the financial statements of the Bank.

### **C. Oversight of Financial Reporting Process and Internal Controls**

1. Review the Bank's financial statements and any reports or other financial information, including footnote disclosures, submitted to any governmental agency, or the public, including any certification, report, opinion, or review rendered by the external auditors.
2. Review the adequacy and effectiveness of the Bank's accounting and internal control policies and procedures on a regular basis, including the responsibilities, budget, compensation and staffing of the Bank's internal audit function, through inquiry and discussions with the Bank's independent auditors and management;
3. Review the Committee's level of involvement and interaction with the Bank's internal audit function, including the Committee's line of authority and role in appointing and compensating employees in the internal audit function;
4. Review with the chief executive officer, chief financial officer, president and independent auditors, periodically, for the following:
  - 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 Bank's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees or independent contractors who have a significant role in the Bank's internal control over financial reporting;
5. Discuss guidelines and policies governing the process by which senior management of the Bank and the relevant departments of the Bank including the internal auditing department, assess and manage the Bank's exposure to risk, as well as the Bank's major financial risk exposures and the steps management has taken to monitor and control such exposures;
6. Review management reports issued by the Bank in accordance with the Federal Deposit Insurance Corporation Improvement Act (FDICIA) and the corresponding independent auditor's attestation and agreed upon procedures report;

7. Review with management the progress and results of all internal audit projects, and, when deemed necessary or appropriate by the Committee, assign, or direct the Bank's chief executive officer or president to assign additional internal audit projects to the director of the Bank's internal auditing department;
8. Receive periodic reports from the Bank's independent auditors, management and director of the Bank's internal auditing department to assess the impact on the Bank of significant accounting or financial reporting developments that may have a bearing on the Bank;
9. Review and discuss with the independent auditors the results of the year-end audit of the Bank, including any comments or recommendations of the Bank's independent auditors, and based on such review and discussions, make recommendations as it determines appropriate;
10. Establish and maintain free and open means of communication between and among the Committee, the Bank's independent auditors, the Bank's internal auditing department and management, including providing such parties with appropriate opportunities to meet separately and privately with the Committee on a periodic basis.

#### **D. Miscellaneous**

1. Provide an open avenue of communication among financial and senior management, the internal auditing department, the Board and the Board of Directors of Equity Bancshares., Inc.
2. Meet periodically with management, and outside counsel when appropriate, to review legal and regulatory matters, including (i) any matters that may have a material impact on the financial statements of the Bank and (ii) any matters involving potential or ongoing material violations of law or breaches of fiduciary duty by the Bank or any of its directors, officers, employees or agents or breaches of fiduciary duty to the Bank;
3. Review the effectiveness of the systems and controls designed to monitor compliance with the banking laws and regulations, associated management responses and follow up;
4. Review the findings of examinations by bank regulatory agencies as they specifically pertain to financial reporting, external audit, internal audit, loan review and compliance;

5. Review the findings of those responsible for auditing the Bank's information systems, wire transfer and electronic banking activities;
6. Determine that processes are in place for (i) the receipt, retention and treatment of complaints received by the Bank regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Bank of concerns regarding questionable accounting or auditing matters;
7. Secure 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 Bank;
8. Review and assess the adequacy of this Charter on an annual basis; and
9. 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.

## **V. DELEGATION OF AUTHORITY**

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

## **VI. OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Bank's expense, such independent counsel or other consultants or advisers as it deems necessary to carry out its duties.

\*\*\*

While the Committee has the duties and responsibilities set forth in this Charter, the Committee is not responsible for preparing or certifying the financial statements, for planning or conducting the audit or for determining whether the Bank's financial statements are complete and accurate and are in accordance with generally accepted accounting principles.

In fulfilling their responsibilities hereunder, it is recognized that members of the Committee are not full-time employees of the Bank, it is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and each member of the Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Bank from which it receives information and (ii) the accuracy of the financial and other information provided to the Committee absent actual knowledge to the contrary.

Nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the members of the Committee, except to the extent otherwise provided under applicable federal or state law.

\*\*\*