

**FIRST FINANCIAL BANKSHARES, INC.
COMPENSATION COMMITTEE CHARTER**

I. PURPOSES

The Compensation Committee is appointed by the Board of Directors (“the Board”) for the purposes of (a) making recommendations to the Board with respect to the compensation of the chief executive officer (CEO), other members of senior management and board of directors, (b) overseeing the administration of the equity-based compensation and other employee benefit plans, (c) reviewing the “Compensation Discussion and Analysis” section of the Company’s SEC reports and registration statements and (d) producing annually a report on executive compensation for inclusion in the proxy statement filed by the Company with the SEC.

II. RESPONSIBILITIES

In addition to such other duties as the Board may from time to time assign, the Committee shall:

- Determine and approve the Company’s goals and objectives relevant to the compensation of the CEO, annually evaluate the CEO’s performance in light of those goals and objectives and based on this evaluation make recommendations to the Board related to the CEO’s compensation level, including salary, bonus, incentive and equity compensation. In making recommendations for the long-term incentive component of the CEO’s compensation, the Committee shall consider, among other factors, the Company’s performance and relative shareholder return, the value of similar incentive awards to CEO’s at comparable companies, and the awards given to the Company’s CEO in the past years. The CEO shall not be present during deliberations or voting with respect to his or her compensation;
- Make recommendations at least annually to the Board and respective subsidiary Boards of Directors with respect to non-CEO executive officer compensation, including the compensation of subsidiary Presidents;
- Make recommendations at least annually to the Board of Directors of First Financial Bank, N.A. (“the Association”), with respect to the compensation of each of the Association’s regional presidents and regional board chairpersons;
- Review and make recommendations to the Board with respect to incentive compensation and equity-based plans;
- Prepare annually a report on executive compensation for inclusion in the Company’s annual proxy statement in accordance with the applicable rules of the Securities and Exchange Commission (SEC);
- Review the “Compensation Discussion and Analysis” Section of the Company’s SEC reports and registration statements;
- Review and reassess the adequacy of this charter on an annual basis and recommend any proposed changes to the Board for approval;
- Annually evaluate the effectiveness of the compensation committee (which evaluation shall compare the performance of the compensation committee with the requirements of this charter), and report the results of this evaluation to the Board;
- Review and make recommendations to the Board with respect to Board and committee fees/compensation;
- Oversee the administration of the Company’s stock option plan and other employee benefit plans;

- Review and make recommendations to the Board with respect to all employment agreements, severance arrangements, change in control provisions and agreements and any special supplemental benefits applicable to the Company’s executive officers;
- Oversee Company compliance with SEC rules regarding shareholder approval of certain executive compensation matters including advisory votes and the requirement under NASDAQ rules that shareholders approve equity compensation plans, with limited exceptions;
- Oversee and administer the Company’s Compensation Recovery Policy and recommend any proposed changes to such policy to the Board for approval; and
- Oversee and monitor compliance with the Company’s stock ownership guidelines with respect to the Company’s executive officers and recommend any proposed changes to such guidelines to the Board for approval.

The foregoing list of duties is not exhaustive and the Committee may in addition perform such other functions as may be necessary or appropriate.

III. COMPOSITION

The Committee shall be comprised of three or more members (including a Chairperson), all of whom shall be “independent directors,” as such term is defined in the rules and regulations of NASDAQ. In addition, all Committee members shall be “non-employee directors” as defined by Rule 16b-3 under the Securities Exchange Act of 1934. The members of the Committee and the Chairperson shall be selected not less frequently than annually by the Board and serve at the pleasure of the Board.

IV. MEETINGS AND OPERATIONS

The Committee shall meet as often as necessary, but at least twice each year, to enable it to fulfill its responsibilities. The Committee may meet by telephone conference call or by any other means permitted by law. A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee shall keep written minutes of its meetings, which shall be recorded or filed with the books and records of the Company and will report its actions to the next meeting of the Board.

The Committee may ask members of management, employees, outside counsel, or others whose advice and counsel are relevant to the issues then being considered by the Committee to attend any meetings and to provide such pertinent information as the Committee may request.

The Chairperson of the Committee shall be responsible for leadership of the Committee, including calling Committee meetings, preparing the agenda, presiding over Committee meetings, making Committee assignments and reporting the Committee’s actions to the Board from time to time but at least once each year as requested by the Board.

V. AUTHORITY

The Committee may, in its sole discretion, after considering the advisor independence considerations set forth in NASDAQ Listing Rule 5605(d), and other requirements imposed by applicable law, to the extent it deems appropriate, to (1) retain, terminate and approve fees and other retention terms for one or more compensation consultants to assist in the evaluation of CEO

or executive compensation, and (2) to retain legal counsel and other advisors as appropriate. The Committee will be directly responsible for the appointment, compensation and oversight of such advisor. The Company shall provide the appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisors retained by the Committee.

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Nothing in this charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee.

Updated and Approved: October 23, 2018