



**Simmons First  
National Corporation**

**COMPENSATION COMMITTEE CHARTER**

*As Adopted by the Board of Directors on July 19, 2018*

## **SIMMONS FIRST NATIONAL CORPORATION COMPENSATION COMMITTEE CHARTER**

### **I. GENERAL**

This Charter identifies the Purpose, Authority, Composition, Meeting Requirements, Responsibilities, Duties and Limitation of the Role of the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Simmons First National Corporation (the “**Corporation**”). This Charter is intended to serve as a key component of a flexible framework within which the Board, assisted by its various committees, oversees and directs the business and affairs of the Corporation. It will be reviewed at least annually.

### **II. PURPOSE**

The Committee is appointed by the Board to assist the Board in fulfilling its responsibility to the Corporation’s shareholders with respect to its oversight of:

- (i) The Corporation’s Human Resources Group in developing and implementing appropriate organizational plans and compensation philosophy for the Corporation and its subsidiaries;
- (ii) The Corporation’s Human Resources Group in developing and administering personnel-related policies, procedures, plans, agreements and programs for the Corporation and its subsidiaries;
- (iii) The Corporation’s overall compliance with applicable laws, rules and regulations in the area of human resources;
- (iv) The recruitment, appointment and evaluation of the Chief Executive Officer and other executive officers comprising Management (as defined in Section VI.B.(1) below) of the Corporation;
- (v) The compensation and benefit plans of the Chief Executive Officer and other senior executive officers comprising Management of the Corporation;
- (vi) The Chief Executive Officer and Management succession planning process;
- (vii) The form and amount of director compensation; and
- (viii) Such other matters as may be delegated to the Committee by the Board from time to time.

### **III. AUTHORITY**

The Committee is established pursuant to Article IV, Section 4 of the amended and restated By-Laws of the Corporation. The Committee will have the resources and authority

necessary to perform its responsibilities and duties as enumerated in Section VI of this Charter, including the authority to:

- (i) Conduct or authorize investigations, at the expense of the Corporation, into any matters necessary for the Committee to perform its prescribed responsibilities and duties under this Charter;
- (ii) In its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel, accountant or other experts or advisors (each, an “**Advisor**”) for which the Committee will be directly responsible for the appointment, compensation and oversight of the work of any such Advisor; provided, however, that prior to selecting or receiving advice from any Advisor (other than in-house legal counsel), and at least annually thereafter, the Committee shall take into consideration the following factors (as well as any other factors that may be required from time to time under the rules of the securities exchange(s) on which the Corporation’s securities are listed or the U.S. Securities and Exchange Commission (the “**SEC**”)):
  - a. The provision of other services to the Corporation and its subsidiaries by the person or firm (the “**Advising Firm**”) that employs the Advisor;
  - b. The amount of fees received from the Corporation by the Advising Firm, as a percentage of total revenue of the Advising Firm;
  - c. The policies and procedures of the Advising Firm that are designed to prevent conflicts of interest;
  - d. Any business or personal relationship of the Advisor with a member of the Committee;
  - e. Any stock of the Corporation owned by the Advisor; and
  - f. Any business or personal relationship of the Advisor or the Advising Firm with any member of Management;
- (iii) Obtain any information it requires from Management, other officers or other associates of the Corporation and its subsidiaries, all of whom are directed to cooperate with the Committee’s requests;
- (iv) Delegate its authority to subcommittees established by the Committee from time to time, which subcommittees will consist of one or more members of the Committee and will report to the Committee; and

- (v) Meet in joint session with any of the Board's other standing committees for the review of any information it deems necessary to perform its prescribed responsibilities and duties under this Charter.

By approval of this Charter, the Board has approved and is committed to providing appropriate funding, as determined by the Committee, for payment of all expenses incurred by the Committee, including, but not limited to, reasonable compensation to an Advisor retained by the Committee.

#### **IV. COMPOSITION**

The Committee will be comprised of three or more directors, each of whom must satisfy the independence and qualification requirements of the securities exchange(s) on which the Corporation's securities are listed, the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the rules and regulations of the SEC. At all times, the Committee shall have at least two members that qualify as "non-employee directors" for purposes of Rule 16b-3 under the Exchange Act.

The Committee's members and Chairman will be appointed annually by the majority vote of the Board on the recommendation of the Board's Nominating and Corporate Governance Committee and may be replaced by the majority vote of the Board in its discretion.

The members will serve for such term or terms as the Board may determine or until their earlier resignation, retirement or removal by the Board.

#### **V. MEETING REQUIREMENTS**

The Committee will meet at least quarterly, with the authority to convene additional meetings as circumstances require. All Committee members are expected to attend each meeting, in person or via teleconference or videoconference. A majority of the members of the Committee will constitute a quorum. If the Committee Chairman is not present, the members of the Committee may designate one of its members as temporary Chair by majority vote of the Committee members in attendance.

The Committee Chairman, with input from the Chief People Officer, will prepare and/or approve an agenda, along with appropriate briefing materials, in advance of each meeting. The agenda for each Committee meeting will provide time during which the Committee can meet without the presence of Management (*i.e.*, Executive Session) to discuss any matters that the Committee deems necessary to perform its prescribed responsibilities and duties under this Charter. Executive Sessions of the Committee will be held at the end of each Committee meeting or on the call of the Committee Chairman. A record of all matters to be reported to the Board and all actions taken in Executive Session will be recorded by the Committee Chairman or his or her designee and will be retained by the Corporate Secretary, who will preserve, to the extent reasonably possible, the confidentiality of such minutes.

The Committee will appoint a Secretary, who need not be a Director. The Secretary will keep detailed minutes of each Committee meeting and fully document and maintain records of the Committee's proceedings. The minutes of the Committee meetings will reflect if an Executive Session was held and if there were no actions or matters to discuss with the Board.

The Committee may request any officer or associate of the Corporation and its subsidiaries, independent counsel, accountants, consultants or other advisors to attend Committee meetings and provide pertinent information as the Committee deems necessary to perform its prescribed responsibilities and duties under this Charter.

## **VI. RESPONSIBILITIES AND DUTIES**

In addition to the specific responsibilities and duties enumerated in this Charter, the Committee may take such other actions that are consistent with the general scope of its authority set forth in this Charter, the Corporation's By-Laws or Corporate Governance Principles or as directed by the Board. The Committee will have the following responsibilities and duties in carrying out its stated purposes.

### **A. Oversight of Human Resources Group**

- (1) Periodically review and discuss with Management the development and implementation of appropriate organizational plans for the Corporation and its subsidiaries.
- (2) Periodically review and discuss with Management the development and administration of personnel policies and procedures, including health and welfare benefits and retirement programs, and, as necessary, approve any changes recommended by Management.
- (3) Exercise the authority of the Board with respect to the oversight and administration of the Corporation's deferred compensation plans and 401(k) plan.
- (4) Review and approve the Corporation's Employee Stock Purchase Plan offerings.

### **B. Evaluation and Oversight of Management**

- (1) Review and approve, on at least an annual basis and from time to time as necessary, the list of persons constituting the Corporation's "executive officers" (as defined by Rule 3b-7 under the Exchange Act) and "officers" (as defined by Rule 16a-1 under the Exchange Act), who, once approved, will be

considered by the Committee and the Board to be “Management” of the Corporation.

- (2) Receive and review the evaluation report of the performance of the Chief Executive Officer from the Committee Chairman and the Chairman of the Executive Committee and make a recommendation to the Board regarding the continued tenure, compensation, including incentive plan payouts and target levels, and benefits plans of the Chief Executive Officer at least annually. The Chief Executive Officer will not be present during any deliberation or vote on his or her compensation.
- (3) Review and approve, on an annual basis, the compensation, including incentive plan payouts and target levels, and benefits plans of all other members of Management of the Corporation, as recommended by the Chief Executive Officer.
- (4) Review and approve all employment agreements, change in control agreements, severance and separation agreements, and other compensatory contracts or arrangements, perquisites and payments with respect to members of Management.
- (5) Grant stock options, restricted stock and other discretionary awards under the Corporation’s stock option and other equity incentive plans, and otherwise exercise the authority of the Board with respect to oversight and administration of the Corporation’s stock-based and other incentive compensation plans.
- (6) Review and periodically, but at least annually, discuss with the Chief Executive Officer (i) the Chief Executive Officer’s report on the Corporation’s program for the development of Management and (ii) the Chief Executive Officer’s report on succession planning within the Corporation and its subsidiaries, including the Chief Executive Officer’s recommendation as to a successor should he or she no longer be able to serve.
- (7) Review and discuss with Management, prior to public dissemination, the Corporation’s disclosures included in any documents filed with the SEC related to executive compensation policies and practices, including the Corporation’s “Compensation Discussion and Analysis” section of the Corporation’s annual proxy statement.
- (8) Oversee Management’s periodic review and assessment of any risks arising from the Corporation’s compensation policies and programs.

**C. Oversight of Director Compensation**

- (1) Analyze the Corporation's director compensation program in comparison to the director compensation programs of similar financial institutions.
- (2) No less than biennially review and discuss with Management the status of director compensation in relation to the Corporation's peer group.
- (3) Report to the Board the findings and conclusion of the director compensation analysis and recommend any proposed changes to the Board for consideration and approval.

**D. Reporting**

- (1) Review and approve all reports of the Committee required to be included in the Corporation's annual proxy statement, pursuant to and in accordance with applicable rules and regulations of the SEC.
- (2) Regularly report to the Board on (i) material matters addressed at meetings of the Committee, including the Committee's conclusions following its annual review of the report of the performance of the Chief Executive Officer; and (iii) such other matters as are relevant to the Committee's discharge of its responsibilities and duties under this Charter. The Committee will recommend action by the Board as the Committee deems appropriate or necessary. The report to the Board may take the form of an oral report by the Committee Chairman or any other member of the Committee designated by the Committee to make such report.
- (3) Maintain and publish to the Board minutes of each Committee meeting.
- (4) Publicly disclose this Charter and any such amendments at the times and in the manner required by the SEC and/or any other regulatory body or stock exchange having authority over the Corporation, and in all events post such charter and amendments to the Corporation's investor relations website.

**E. Other Responsibilities**

- (1) Perform any functions or activities required to be performed by it or otherwise appropriate under applicable law, rules or regulations, by the Corporation's By-Laws and the resolutions or other directives of the Board.
- (2) Upon request, meet with the Chief Executive Officer, the General Counsel, the Chief Administrative Officer and the Chief People Officer in separate Executive Sessions.
- (3) Perform an annual review and evaluation of the performance of the Committee and its members.

- (4) Perform an annual review and evaluation of the adequacy of, and its compliance with, this Charter, requesting Board approval for proposed changes.
- (5) Participate in continuing education opportunities in human resources and other areas relevant to the Committee.

## **VII. LIMITATION OF THE COMMITTEE'S ROLE**

While the Committee has the authority, responsibilities and duties set forth in this Charter, its core function is oversight. It is not the duty of the Committee to supervise the Corporation's day-to-day activities in the area of human resources or to determine that the Corporation's policies, programs and practices are in accordance with applicable laws, rules and regulations.

Management is responsible for the implementation and administration of the employment-related policies, programs and practices of the Corporation. The Chief Executive Officer is responsible for recommending the salaries, incentive plan targets and other benefits plans of all other members of Management, subject to review and approval by the Committee.

Each member of the Committee will be entitled to rely, to the fullest extent permitted by law, upon (1) the integrity of those persons or organizations within and outside the Corporation from whom the member receives information, (2) the accuracy and completeness of the other information provided to the Committee by such persons or organizations, absent actual knowledge to the contrary, and (3) representations made by Management and the Corporation's outside advisors.