

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF HILLS BANCORPORATION

I. Purpose of the Committee

The purpose of the Audit Committee (the “Committee”) is to oversee the accounting and financial reporting processes, the audits of the Company’s financial statements, the effectiveness of the Company’s internal control over financial reporting, and the qualifications, performance, and independence of the Company’s independent registered public accounting firm (“independent auditor”)

II. Composition of the Committee

The Audit Committee shall be comprised of three or more directors, each of whom shall be independent directors, as defined under Rule 10A-3 of the Securities Exchange Act of 1934. As required under the rules of NASDAQ, all members of the Committee must be financially literate. In addition, under 12 C.F.R. § 363.5, at least two members must have banking or related financial management expertise and the Committee shall not include any large customers of the institution.

III. Meetings and Procedures

The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Committee shall meet as provided by its rules, which shall be at least four times annually. The Board shall designate one member of the Committee as its Chairperson. A majority of the members of the Committee shall constitute a quorum for the transaction of business at any meeting and action of the Committee shall be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present.

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Board.

IV. Committee Responsibilities

The Committee has the following responsibilities:

Document and Financial Reporting Review

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
2. Review the Company’s annual audited financial statements prior to filing. Discuss with management and the independent auditors significant issues regarding accounting principles, critical accounting policies, accounting practices, and related judgments.
3. Be available (or designate the Chairperson of the Audit Committee to be available) at the request of the independent auditors, management, or the Board, to discuss the Company’s quarterly financial results before filing.
4. Assure preparation of the Audit Committee Report required to be included in the Company’s annual proxy statement.

5. Review significant findings reported by the independent auditors and the internal auditors and any responses to such findings by management.
6. Oversee the Company's internal control over financial reporting and disclosure controls and procedures, including reviewing management's assessment of the effectiveness of such controls, any identified significant control deficiencies or material weaknesses, and management's related remediation plans.
7. Assure procedures are developed and in place for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
8. Review the certifications by the Chief Executive Officer and Accounting Officer required under Sections 302 and 906 of the Sarbanes Oxley Act regarding internal control and fraud.
9. Ensure a review and oversight of all related party transactions required to be disclosed under Item 404 of Regulation S-K is conducted by the Board of Directors or the Committee.

Independent Auditor

10. Appoint the Company's independent auditor.
11. Receive and review the appropriate annual engagement letter and approve the fees and compensation to be paid to the independent auditor for the annual audit and quarterly reviews.
12. Review with the independent auditor the audit plan and preapprove all audit and non-audit services to be provided by the independent auditor thereunder. The authority to grant preapprovals may be delegated to one or more designated members of the audit committee, whose decisions will be presented to the full audit committee at its next regularly scheduled meeting.
13. Consider any reports or communications, and responses by management thereto, submitted to the Committee by independent auditors that are required or referred to in PCAOB Auditing Standard No. 16- *Communications with Audit Committees* relating to the audit or other professional standards.
14. Attempt to resolve all disagreements between the Company's independent auditors and management regarding financial reporting.
15. On an annual basis (or prior to engagement of a new independent accounting firm), receive from the independent auditor the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board concerning independence, and discuss with the independent auditor the potential effects of the relationships that may reasonably be thought to bear on independence.
16. Evaluate the qualifications and performance of the independent auditor and, if so determined by the Audit Committee, replace the independent auditor.
17. Discuss with management the timing and process for implementing rotation of the lead audit partner, the concurring partner and any other active audit engagement team partner.
18. Establish hiring policies governing employment by the Company or its subsidiary of employees of, or persons who have recently been employees of, the independent auditor.

Internal Audit

19. Approve the appointment, replacement, or dismissal of the manager of the internal audit department, and annually review the performance and independence of the internal audit department.
20. Review and approve the internal audit plan and significant changes in scope of the plan during the year.
21. Annually, review and approve the internal audit charter.

Ethical compliance, legal compliance and risk management

22. Participate, to the extent appropriate as determined by the Committee, in meetings with management, the internal auditor and the independent auditors, to review the Company's major financial risk exposures (meaning the financial reporting process and the safeguarding of assets) and the steps management has taken to monitor and control such exposures.
23. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Sarbanes-Oxley Code of Ethics as reported to the Committee by regulatory agencies, external and internal auditors and legal counsel.
24. To the extent appropriate as determined by the Committee, review with the Company's legal counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
25. Meet as needed with the Chief Executive Officer, Accounting Officer, the internal auditor and/or the independent auditor in executive sessions.
26. Conduct investigations to address disagreements, if any, between management and the independent auditor or to address compliance with laws and regulations and the Company's Sarbanes-Oxley Code of Ethics.

V. Evaluation of the Committee

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance.

The Committee shall notify the Board of the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

VI. Investigations and Studies: Outside Advisers

The Audit Committee shall have the authority, to conduct any investigation appropriate to fulfilling its responsibilities and to retain, without need of approval of the engagement by the Board or management and at Company expense, special legal, accounting or other consultants to advise the Committee. The Committee may request any officer or employee of the Company, the Company's

outside counsel, the internal auditor, or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

VII. Adoption of Charter

This charter was adopted by the Board of Directors on March 9, 2004, and most recently amended and restated as of May 12, 2026.