

INTERNATIONAL BANCSHARES CORPORATION

Nominating Committee Charter May 2020

This Nominating Committee Charter (this “Charter”) was adopted by the Board of Directors (the “Board”) of International Bancshares Corporation (the “Company”) on March 31, 2015.

I. Nominating Committee Purpose

The purpose of the Nominating Committee (the “Committee”) of the Board is to assist the Board in discharging the Board’s responsibilities regarding:

- a) the identification of qualified candidates to become Board members;
- b) the selection of nominees for election (at each annual meeting or special meeting of shareholders at which directors are to be elected);
- c) the selection of candidates to fill any vacancies on the Board; and
- d) oversight of the evaluation of the Board.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws. The powers and responsibilities delegated by the Board to the Committee in the Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it by the Board, the Committee shall have and may exercise all of such powers.

II. Committee Composition and Meetings

The Committee shall be comprised of at least three directors, as determined by the Board, each of whom (a) satisfies the independence requirements of the NASDAQ Marketplace Rules, and (b) has experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee.

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board in a manner consistent with the Company’s bylaws. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet on a regularly scheduled basis at least one time per year and more frequently as the Committee deems necessary or desirable.

The Committee may, at its discretion, include in its meetings members of the Company's management, or any other person whose presence the Committee believes to be desirable and appropriate. Notwithstanding the foregoing, the Committee may exclude from its meetings any person it deems appropriate, including but not limited to, any non-management director who is not a member of the Committee.

III. Committee Responsibilities and Duties

1. The Committee shall:

(a) At an appropriate time prior to each annual meeting of shareholders at which directors are to be elected or reelected, the Committee shall recommend to the Board for nomination by the Board such candidates as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(b) At an appropriate time after a vacancy arises on the Board or a director advises the Board of his or her intention to resign, the Committee shall recommend to the Board for appointment by the Board to fill such vacancy, such prospective member of the Board as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(c) For purposes of (a) and (b) above, the Committee may consider the following criteria, among others the Committee shall deem appropriate, in recommending candidates for election to the Board:

- (i) Knowledge of and business involvement in communities served by the Company;
- (ii) personal and professional integrity, professional standing in chosen field, entrepreneurial experience, ethics and values;
- (iii) ownership of shares of common stock of the Company and familiarity with the business practices of the Company;
- (iv) business leadership experience demonstrated by a key leadership role;
- (v) individual director performance, expertise, skills, personal attributes and willingness to serve;

- (vi) experience in financial services or related industry;
- (vii) experience reviewing financial statements and financial matters;
- (viii) civic and community involvement in communities served by the Company;
- (ix) diversity by race, gender or culture;
- (x) the size and composition of the Board and the applicable listing standards and laws; and
- (xi) other appropriate factors as determined by the Committee.

2. The Committee shall, at least annually, review the Board's performance and consider the results of such review when determining whether or not to recommend the nomination of existing directors for an additional term.

3. The Committee shall consider, develop and recommend to the Board such policies and procedures with respect to the nomination of directors as may be required or required to be disclosed pursuant to any rules promulgated by the Securities and Exchange Commission or otherwise considered to be desirable and appropriate in the discretion of the Committee.

4. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

IV. Committee Resources and Authority

The Committee may retain any independent counsel, experts or advisors that the Committee believes to be desirable and appropriate. The Committee may also use the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons employed by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm's fees and other retention terms.