

<b>TowneBank</b>	<b>Enterprise Risk Management Committee of the Board of Directors of TowneBank Charter</b>	<i>Last Approval Date: 11/26/2025</i> <i>Last Revision Date: 10/8/2025</i> <i>Accountability: Enterprise Risk Management Department</i> <i>Executive: Ernest Piccioli, CRO</i> <i>Functional Owner: Adam O'Neil</i> <i>Board Sub Committee approval?</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>Board approval?</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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**Enterprise Risk Management  
Committee of the Board of  
Directors of TowneBank  
Charter**

As adopted by the Board of Directors on 11/26/2025

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## **1.0 Purpose and Scope**

The Enterprise Risk Management Committee (the Committee) is an Independent Committee of the Board of Directors (the Board) of TowneBank ("Bank") and its divisions, subsidiaries, and affiliates ("Towne") providing a structured and governed approach to assist the Board in its oversight of the enterprise risk management program at Towne. This charter establishes the approach and responsibilities of the Committee to ensure its output aligns with TowneBank's strategic goals, technical standards, financial targets, and regulatory requirements.

## **2.0 Committee Responsibilities**

The Committee has the authority to govern the development and implementation of Towne's Enterprise Risk Management program to ensure that it operates within the Bank's strategic direction. In furtherance of this purpose, the Committee shall:

- Oversee management's development and implementation of Towne's Enterprise Risk Management program (the program), including the risk appetite, with an enterprise view of risk tolerances, risk limits, and key risk indicators, which are integral components of the program. In addition, the program includes consistent processes for identifying, assessing, managing, monitoring, and reporting risks of all types, including credit risk, market risk, liquidity risk, compliance risk, technology risk, operational risk, strategic risk, and reputation risk.
- Ensure that risk processes are supported by a risk governance structure that includes oversight by the Board, policies, risk limits, and risk committees, and ensures a culture that supports risk management objectives and reflects accountability by all lines of defense.
- Question, challenge, and when necessary, oppose recommendations and decisions made by management that could cause the Company's risk profile to exceed its risk appetite or jeopardize the safety and soundness of the Bank.
- Oversee all supervisory recommendations or matters requiring board attention and the actions taken by management to remediate them.
- Oversee internal audit findings related to enterprise risk and the actions taken by management to remediate them; and
- Oversee Towne's goals, policies, procedures, and disclosures related to environmental, social, and governance (ESG) matters, in conjunction with management and other Board committees, as appropriate.

## **3.0 Authority**

- The Committee reports to and operates under the authority of the Board of Directors.
- This Committee may form and delegate authority to subcommittees.
- This Committee may authorize working groups to support this committee and applicable subcommittees, as appropriate, and is responsible for the oversight of those working groups.
- The Committee shall have full access to any relevant records of the Bank and have the power and authority to obtain, at its discretion, advice and assistance from internal or external financial, legal, accounting, or other advisers. The Committee shall have sole authority to hire and compensate external advisors at the Bank's expense.
- The Committee shall have the responsibilities set forth in this charter and any additional responsibilities delegated to the Committee by the Board, as and to the extent the Board determines necessary or appropriate. The Committee is authorized by the Board to make all decisions and determinations and grant all approvals necessary or desirable to carry out these responsibilities and other actions reasonably related to the Committee's purposes or assigned by the Board from time to time.

## **4.0 Membership**

- The Committee members shall possess the appropriate backgrounds and experience to discharge the Committee's responsibilities, and Committee membership shall meet all applicable regulatory and legal requirements regarding expertise and other qualifications.
- Committee Members are assigned via The Corporate Board of Directors. The Committee will include the following roles:

Title	Name	Committee Responsibility
Committee Chair, Independent Voting Committee Member	Alan S. Witt	The Chair will act as the facilitator to the committee and ensure that the meetings are scheduled throughout the year and will organize the topics for the meetings. The Chair will also serve as the tiebreaker for any ratification where the vote is split equally. The Chair will ensure that the Board of Directors ("Board") is apprised of the activities as necessary. In the event the Chair is not able to attend the meeting, the Chair will delegate the responsibility to a current voting member of the Committee. The Chair ensures that the charter is reviewed, updated, and approved annually.
Committee Secretary, Non-Voting Member	Ernest Piccioli	The Secretary will act under the direction of the Chair to schedule meetings and prepare agendas per the topics determined by the Chair. The Secretary will distribute agendas at least one week before the meeting. The Secretary will ensure that the meeting minutes are taken and will facilitate receiving approval of the voting members for the minutes taken of prior meetings. The Secretary will ensure that a quorum is established, and document all decisions made. The Secretary provides support to the Chair in executing its responsibilities over the Committee.
Independent Voting Committee Member	Howard J. Jung	
Independent Voting Committee Member	W. Ashton Lewis	
Independent Voting Committee Member	Thomas K. Norment, Jr.	
Independent Voting Committee Member	Elizabeth W. Robinson	
Independent Voting Committee Member	Dr. Sachin Shetty	
Non-Voting Advisor	J. Morgan Davis	
Non-Voting Advisor	R. Scott Morgan	

**5.0 Meeting Administration and Attendance**

- The Committee will meet at least 4 times per year at the request of the Chair.
- The Chair, in consultation with the Chair of the Board and management of the Company, shall establish the schedule of its regular meetings.
- The Chair or at least two other Committee members shall have the authority to convene a meeting of the Committee.
- The Chair will have the discretion to cancel or postpone a meeting. In the event a scheduled meeting is cancelled the Secretary must record the cancellation or postponement of meetings in the minutes.
- Meetings of the Committee may be held telephonically or through other technological means.
- The Committee may meet in executive session, at the discretion of the Chair, outside the presence of any member of management of the Company, and each meeting agenda shall allow time for such executive session.
- All members are expected to attend each meeting. They may not send a delegate in their place. If unable to participate, voting members are expected to notify the Secretary to ensure a quorum will be reached.

## **5.1 Voting Requirements/Quorum**

- A quorum of a majority of the members of the Committee is required for any decision-making process and the transaction of business. The act of a majority of those present at any meeting at which a quorum is present shall be the act of the Committee.
- The quorum shall only include voting members.
- Voting rights cannot be delegated.
- The Committee may invite any director, officer, or employee of the Bank, or others to attend the meeting and provide pertinent information. These participants will not have the same voting rights and responsibilities as the voting committee members.

## **5.2 Interactions and Escalation**

- This committee can escalate to the Board to address issues as appropriate.
- The Committee will report regularly to the Board concerning its meetings, significant developments while performing its duties and responsibilities or in the Company's Enterprise Risk Management program, and any other matters the Committee deems appropriate or the Board requests.
- This committee must obtain periodic activity summarizing the authorized working groups supporting this committee, if applicable, for oversight purposes.

## **5.3 Documentation**

- Minutes or other records of the Committee's meetings and activities shall be maintained, recorded, and distributed to all members and archived for future reference.
- The Secretary or designated meeting facilitator will distribute documentation to all Committee members, senior leadership, and relevant stakeholders within TowneBank.
- Reports will be archived in a secure, centralized repository accessible to authorized personnel.
- The agenda for each meeting will be reviewed by the Chair and distributed to members.

## **6.0 Self-Evaluation**

The Committee will conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this charter.

## **7.0 Charter Administration**

This charter is maintained by the Enterprise Risk Management Department. Revisions are reviewed and approved by the Chief Risk Officer before presentation to the Enterprise Risk Management Committee. The Committee reviews this charter annually and recommends amendments to the Board as the Committee deems appropriate. The Board will also approve the charter on an annual basis. Annual reviews and attestations will be maintained in LogicManager, TowneBank's Governance, Risk, and Compliance software. Any changes required between annual reviews will be at the determination of the Chair.

For inquiries about this charter, contact Adam O'Neil, Enterprise Risk Manager, Risk Management Department.