

**BEACON FINANCIAL CORPORATION
BEACON BANK & TRUST**

**RISK MANAGEMENT, CAPITAL AND COMPLIANCE COMMITTEE
CHARTER**

Purpose

The joint Risk Management, Capital and Compliance Committee (the “Committee”) of the Boards of Directors (collectively, the “Board”) of Beacon Financial Corporation and Beacon Bank & Trust, (collectively, the “Company”) is appointed by the Board to assist the Board in:

- a) overseeing management’s programs to manage and mitigate the Material Business Risks that confront the Company, including the Enterprise and Compliance Risk Management Programs;
- b) approving policies and procedures designed to identify, measure, monitor, control, and report the Material Business Risks of the Company; and,
- c) overseeing and monitoring the capital position of the Company, including capital plans, costs of capital, opportunities and threats to capital, and share performance.

The term “Material Business Risks” includes, but is not limited to, the following: Credit Risk, Interest Rate Risk, Price Risk, Liquidity Risk, Operational Risk, Compliance Risk, Strategic Risk, and Reputation Risk.

Organization and Meetings

The Committee shall consist of no fewer than three (3) members, at least one half of whom shall satisfy the independence standards applicable to audit committee members of the New York Stock Exchange Listed Company Manual. The Chairperson shall be an independent director. The members and Chairperson of the Committee shall be appointed and replaced by the Board upon consideration of the recommendations of the Corporate Governance/Nominating Committee of the Board (the “CGNC”). The Board may, at any time, change the membership of the Committee and fill vacancies.

The Committee shall meet at such times as the Board shall determine in advance and at such other times as the Chairperson or majority of the Committee members shall determine. However, there shall be no less than four (4) quarterly meetings per year. The Chairperson or designee shall preside at all meetings of the Committee. In the absence of the Chairperson, the Chairperson or a majority of the Committee members shall designate another member of the Committee to serve as acting chairperson for the duly convened meeting. The Committee shall maintain minutes and records of its meetings. The Secretary of the Company shall be the Secretary of the Committee.

A majority of the members of the Committee present in person or by telephone/video conference, by means of which all persons participating in the meeting can hear each other, shall constitute a quorum. The Committee shall take action upon the affirmative vote of a majority of the Committee members present. However, the Committee may act by unanimous written or email consent in lieu of a meeting.

The Chief Risk Officer (“CRO”) shall meet with the Committee as appropriate. The Committee may ask members of management or others, including consultants or legal counsel, to attend meetings or provide relevant information.

The Committee can also receive periodic reports from the following management committees to assist in its duties and responsibilities:

- Enterprise Risk Management Committee
- Compliance Committee
- Credit Risk Committee
- Policy Review Working Group
- Technology Steering Committee

Duties and Responsibilities

The specific duties, responsibilities, and authorities of the Committee shall include the following:

Risk Management Function

1. Set the tone for the risk culture and risk management program of the Company, including the review, approval, or recommendation of the risk appetite.
2. Identify the Material Business Risks.
3. Review with the CRO and approve appropriate risk management parameters and applicable risk tolerances related to the Material Business Risks.
4. Review with the CRO and approve or recommend to the Board policies and procedures that are designed to identify, measure, monitor, control, and report Material Business Risks and compliance with applicable laws.
5. Review the Company’s risk profile and exposure to Material Business Risks, including compliance and emerging risks. The Committee shall also periodically review and consider available economic and dashboard summaries that serve to highlight certain conditions, positions, and exposures in relation to established plans, tolerances, and risk appetites.
6. Ensure the establishment of Material Risk and Performance Indicators for the purpose of effectively identifying, measuring, monitoring, controlling, and reporting Material Business Risks in relation to strategic objectives and established risk appetites.
7. Review reports, updates, plans, and risk assessments presented by various divisions and lines of business, which can include the Risk Management, Model Risk, Loan Review, Treasury, Legal, Human Resource, Retail Banking, Commercial Banking, Credit, Mortgage Banking, Compliance, Information Technology, and Information Security departments or functions.
8. Evaluate emerging social, environmental, climate, and culture risks, trends, opportunities, and regulation, and provide input to guide management’s response to these topics to mitigate potential reputational, public policy, regulatory and legislative impacts on the Company.

9. Assist the Board in determining that the Company is operated in accordance with prudent safety and soundness standards.
10. Monitor concentrations of risk and seek to reduce or mitigate unwarranted risk exposures.
11. Ensure that the Company maintains adequate and effective insurance policies, including directors' and officers' insurance coverage.
12. Review the independence and authority of the Company's Risk Department in the performance of its responsibilities, and review the qualifications and background of the CRO and the other senior officers in the Company's Risk Department.

Capital Function

13. Assist the Board in monitoring the level and adequacy of capital and capital ratios in light of the Company's risk appetite, risk profile, anticipated future trends, stress test results, strategic initiatives, and use of operating and financial leverage to balance risk and capital returns.
14. Oversee the adequacy and progress of management's implementation of the Company's Capital Plans and stress testing program that will document strategies for monitoring the capital position, complying with regulations, ensuring capital adequacy for future expansion and business development, and mitigating risks to the Company.
15. Review the Capital and Dividend Policy and recommend changes to the Board.
16. Assess and monitor the Company's ability to meet its obligation to act as a source of strength for its bank subsidiaries pursuant to prudent banking practices and applicable regulations.
17. Evaluate the Company's competitive standing as an investment for its providers of capital, assess the Company's share performance, and review input from analysts and investors regarding capital returns and planning initiatives. As part of such evaluation, the Committee shall assess the effect of proposed or planned dividends, stock repurchases, and retention versus payout practices, and business expansions or acquisitions.

Compliance Function

18. Oversee the adequacy and effectiveness of the Company's overall compliance program; including the implementation of the program as well as program policies and procedures; monitor significant legal or regulatory compliance exposure; and, monitor efforts to address material reports, inquiries, settlements, orders, etc., from government or regulatory agencies.
19. Ensure that the Company has sound compliance management systems ("CMS") consistent with best practices and applicable regulatory requirements.
20. Review regular reports, updates, and initiatives on the status of the Compliance Risk Management, Community Reinvestment Act, Fair Lending, Fraud Risk Management, Security, and Bank Secrecy Act/Anti-Money Laundering Compliance Programs, including the USA PATRIOT Act customer identification program and suspicious activity reporting.

General Function

- 21. Review its own performance annually and report this evaluation to the Board and CGNC.
- 22. Review and approve such corporate and bank policies as may be delegated by the Board from time to time. The results of such reviews shall be presented at the next Board meeting.
- 23. Report its actions and recommendations to the Board after each Committee meeting.
- 24. At the sole discretion of the Committee, conduct investigations, assessments, or reviews into matters within its scope of responsibility and engage internal or external counsels, advisors, or consultants as deemed necessary to assist in discharging its duties. In connection therewith, appropriate funding shall be provided as solely determined by the Committee.

Review and Approval

The Committee shall review and reassess the adequacy of this Charter as needed, but at least every two years from approval, and recommend proposed changes to the Board. Approval of the Board is required for any changes to this Charter to take effect.

Committee Reviewed:	April 28, 2026
Board Approved:	April 29, 2026
Next Review Date:	April 29, 2028
Supersedes Charter Dated:	August 1, 2024
Committee Formed:	January 26, 2006