AMERICAN SAVINGS BANK
RISK COMMITTEE CHARTER
Adopted November 7, 2025
Effective as of January 1, 2026

I. Purpose of the Committee

A. The purpose of the Risk Committee (the "Committee") of the Board of Directors (the "Board") of American Savings Bank ("ASB") is to assist the Board with oversight of the enterprise risk management ("ERM") program of ASB and its subsidiaries ("Company") and to provide a forum for more detailed discussion and analysis of the key issues and decisions related to the levels of risk the Company is or contemplates retaining. ASB's management ("Management") is responsible for the establishment and day-to-day operation of the Company's risk management program, including identifying, assessing, managing and monitoring risks and reporting to the Committee and to the full Board of Directors.

B. ERM is a process that is designed to identify the significant risks potentially affecting the organization and to manage these risks within the Board's risk appetite. It is effected by people at every level of an organization and is applied in the context of the strategic objectives of the organization. Management will provide information to the Board on the most significant risks and how the organization is managing and mitigating those risks. Management must provide the Board reasonable assurance that the organization is properly identifying, assessing, managing, and reporting its key risks while achieving overall Company objectives. ERM focuses on separate but overlapping risk categories, including:

(1) Credit (including loan and investment portfolios; impact of climate related risks);
(2) Market (particularly interest rate sensitivity);
(3) Liquidity;
(4) Operations (including regulatory compliance, information security, business continuity, insurance, legal);
(5) Strategic; and
(6) Reputational.

II. Committee Membership

A. The Committee shall consist of three or more directors, at least two of whom shall be "outside directors" as set forth in FDIC rules, as determined from time to time by the Board.

B. No Committee member shall be a "large customer" of the company as set forth in FDIC rules and as determined by the Board.

C. The chair of the Committee and its members shall be recommended by the Nominating and Corporate Governance Committee and appointed annually by the Board. The Board shall have the authority to fill vacancies on the Committee and remove or replace the chair or any Committee member at any time. The term of the chair or any Committee member shall end if the chair or Committee member ceases to be a member of the Board.

D. All members of the Committee should have an understanding of risk management practices or related business experience. Committee members may enhance their familiarity with risk management issues by participating in educational programs conducted by ASB or an outside consultant.

III. Committee Structure and Operations

A. The Committee shall meet as often as it determines necessary to carry out its responsibilities, but no less than four times a year.

B. A quorum shall consist of a majority of the members.

C. At the regularly scheduled meeting of the Board of Directors following each Committee meeting, Management shall present a Risk Management report that shall include a summary of its report to the Committee and key conclusions of the Committee deliberations. The chair of the Committee shall confirm to the full Board that Management's report fairly represents the Committee activities or supplement Management's report as appropriate.

D. The Secretary of the Board shall reflect in Board minutes (i) Management report to the Committee and (ii) the recommendations of the Committee to the Board and any such action thereon in accordance with Company policies.

E. To facilitate open communication between the Committee and the Audit Committee, the chair of the Audit Committee shall receive notice of and attend by invitation any meeting of this Committee, as a non-voting observer, and receive the materials for each such meeting.

IV. Committee Responsibilities

The Committee shall have the following responsibilities and authority:

A. <u>General</u>.

1. The Committee oversees the ERM program of the Company in order to satisfy the Board that sound practices are implemented for the management of key risks and in support of the Company's strategic objectives.

2. The specific responsibilities of the Committee include:

    a. Review at least annually the Company's risk management strategies, processes and framework and any proposed material changes to ensure the ERM program continues to adequately meet the expectations of the Board. Approve where appropriate, related policies for identifying, evaluating, managing and reporting the significant risks to which the Company is exposed, and review such policies at least once a year to ensure that they remain appropriate and prudent.

    b. In connection with the establishment of the Company's business plan, review and approve the Company's plan for levels of risk retention in accordance with the risk limits established by the Board. Review Management proposals for changes in risk limits prior to submission to the Board. Approve the Company's capital retention strategy consistent with regulatory standards and risk levels authorized in the business plan.

    c. Review the risk management considerations of Management proposals to enter/exit lines of business.

d. Review regular quarterly reports from Management regarding the Company's performance on credit, liquidity, interest-rate, and operational risk, including exceptions to risk management policies as reported by Management. Review significant findings of Credit Review and Internal Audit related to risk management processes.

e. Review other risk areas as appropriate based on environmental and other considerations. Receive presentations and other information to facilitate discussion and understanding of the significant and emerging risks to which the Company is exposed.

B. Compensation-Related Risks: The Compensation & Human Capital Management (C&HCM) Committee reviews at least annually the key elements of ASB's incentive compensation systems, including to ensure that the Company's compensation plans do not encourage excessive risk-taking and are consistent with maintaining the safety and soundness of the Company in accordance with the Guidance on Sound Incentive Compensation Principles issued by the Federal Reserve Bank, the Office of the Comptroller of the Currency, the Office of Thrift Supervision and the Federal Deposit Insurance Corporation on June 21, 2010, as it may be amended from time to time and any laws, rules or regulations applicable to compensation of employees. The Committee may provide input to the C&HCM Committee as appropriate or as requested; it will have no additional or overlapping responsibilities in this regard.

C. Financial Reporting-Related Risks: The Audit Committee assists the Board with oversight of (i) the integrity of the consolidated financial statements of the Company and its subsidiaries; (ii) the Company's compliance with legal and regulatory requirements relating to financial reporting; (iii) the qualifications, independence and performance of the independent public accountant engaged for the purpose of auditing the Company's consolidated financial statements; and (iv) the performance of the Company's internal audit function. The Committee may provide input to the Audit Committee as appropriate or as requested; it will have no additional or overlapping responsibilities in this regard.

V. Committee Evaluation and Charter Review

The Committee shall annually evaluate its performance and review this charter and may recommend to the Board proposed revisions to this charter.

VI. Investigations and Studies; Outside Advisers

A. The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities.

B. The Committee may retain, at the Company's expense, such independent counsel, accountants, consultants and other advisers as it deems appropriate to carry out its duties and responsibilities, and shall have sole authority to retain, terminate and approve the fees and other retention terms of such counsel, accountants, consultants and other advisers.