



COMMUNITY HERITAGE FINANCIAL, INC. SHAREHOLDER-EMPLOYEE COMMUNICATIONS

October ~~2024~~2025



Middletown
Valley Bank.

Community Heritage Financial, Inc. Companies

Communication with Board Members

Shareholders of Community Heritage Financial, Inc. (the "Company") and employees of the Company and its subsidiaries may communicate directly and confidentially with the Board of Directors of the Company (the "Board").

Shareholder and employee communications with the Board may include:

- any concern regarding accounting, internal controls, or auditing matters.
- any other complaint or concern.

Shareholder and employee communications intended for the Board must be provided in writing to the following address:

Community Heritage Financial, Inc.
24 West Main Street
P.O. Box 75
Middletown, MD 21769
Attention: Chairman of the Board

Board communications may be anonymous or signed (with or without a request for confidentiality).

The Chairman of the Board shall prepare an inventory log of Board communications received. The log will include the date received and a summary of the matter presented.

Review Process - Accounting/Auditing Matters

The Chairman of the Board shall provide the Chairman of the Audit Committee a copy of any communications regarding accounting, internal controls, or auditing matters. The Chairman of the Audit Committee shall determine the appropriate process for review.

- *Audit Committee Review* - The Chairman of the Audit Committee may transmit any matter to the Audit Committee for disposition, which may include review or investigation of the matter or no action, depending on its tenor. The Audit Committee may engage outside counsel, outside accountants or other third-party professionals to assist as the Audit Committee deems necessary.
- *Panel Review* - The Chairman of the Audit Committee may appoint a panel composed of members of the Audit Committee and a

representative from the firm which provides internal audit services to the Company (the “Internal Auditor”), to conduct a review or investigation of the matter. The panel will provide to the Chairman of the Audit Committee, a written report regarding the status and/or disposition of each matter assigned to the panel. Upon written authorization from the Chairman of the Audit Committee, the panel may engage outside counsel, outside accountants or other third-party professionals to assist as the panel deems necessary.

Reports to the Board and Officers - The Audit Committee will provide to either the full Board of the Company or to the independent directors of the Board, in its sole discretion, a report regarding the status and/or disposition of each matter. The Audit Committee will also provide a written report to the Company's Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, and the Company's Internal Auditor (unless Auditor is already assigned to the review panel).

Review Process - Non-Accounting/Non-Auditing Matters

The Chairman of the Board shall determine the appropriate process for review and disposition of each communication received that does not involve an accounting, internal controls, or auditing matter. This process may include one or more of the following:

- *Independent Directors Review* - The Chairman of the Board may transmit any matter to the independent members of the Board for disposition. The independent members of the Board may engage outside counsel, outside accountants or other third-party professionals to assist as the independent members of the Board deem necessary.
- *Committee Review* - The Chairman of the Board may appoint the Audit Committee to conduct a review or investigation of the matter. The Chairman of the Audit Committee will provide to the Chairman of the Board, a report regarding the status and/or disposition of each matter assigned to the Committee. Upon written authorization from the Chairman of the Board, the Audit Committee may engage outside counsel, accountants, or other third-party professionals to provide such assistance as the Committee deems necessary.
- *Panel Review* - The Chairman of the Board may appoint a panel composed of the Company's outside counsel and one or more independent members of the Board and their designees to conduct a review or investigation of the matter. The panel will provide to the Chairman of the Board, a written report regarding the status and/or

disposition of each matter assigned to the panel. Upon written authorization from the Chairman of the Board, the panel may engage outside counsel, outside accountants and other third-party professionals to provide such assistance as the panel deems necessary.

- *Management Review* - The Chairman of the Board may appoint one or more of the Chief Executive Officer and any other appropriate officer to conduct a review or investigation of any matter relating to the Company's general business operations, financial results, strategic direction, and similar matters that are most appropriately addressed to management. The Chief Executive Officer or other appropriate officer will provide to the Chairman of the Board, a written report regarding the status and/or disposition of each matter assigned to management. Management may engage outside counsel, outside accountants and other third-party professionals to provide such assistance as management deems necessary.

Reports to the Board and Officers - The Chairman of the Board will provide to either the full Board of the Company or to the independent members of the Board, a report regarding the status and/or disposition of each matter. Upon the disposition of each matter, the Chairman of the Board will provide a written report of the disposition to the Company's Chief Executive Officer and Internal Auditor.

Access to Employees

Any person assigned responsibility to conduct a review and investigation into a matter brought before the Board is authorized to contact, in person, in writing or by any electronic means, any employee of the Company or any of its affiliates, including any officer of any of them, for the purpose of conducting a review of the matter, except as prohibited under "Anonymous and Confidential Complaints."

Anonymous and Confidential Complaints

Shareholders and employees may confidentially or anonymously submit concerns regarding questionable accounting or auditing matters in accordance with Section 301 of the Sarbanes-Oxley Act of 2002 (the "Act"). It is in the best interest of the Company to protect and preserve the confidentiality and anonymity of any shareholder or employee who submits a confidential or anonymous communication under this Policy whether or not the communication is subject to the Act.

No member of the Board or any employee, including any officer of the Company or any of its affiliates, is permitted to attempt to discover the identity of any shareholder or employee who confidentially or anonymously communicates a matter pursuant to this Policy.

No member of the Board or any employee, including any affiliate employee, is permitted to disclose the identity of any such shareholder or employee submitting a concern (unless otherwise required by a court of competent jurisdiction or by applicable federal, state, or local law or regulation as so advised by outside counsel).

Information obtained during the review and investigation of any matter may be shared with persons having a need to know for purposes of the review and investigation, including any persons who may be the subject of such review and investigation, and may be discoverable in litigation and reported to law enforcement, regulatory and other governmental agencies.

No Retaliation

No shareholder or employee who in good faith communicates any matter to the Company pursuant to this Policy shall suffer harassment, retaliation, or adverse employment consequence as a result thereof. Any director, officer or employee who retaliates against a shareholder or employee who has communicated a matter to the Company pursuant to this Policy shall be subject to discipline, up to and including termination of employment. This no retaliation policy is not intended to otherwise limit employee discipline in accordance with both applicable law and Company policy.

Report of Receipt and Disposition of Matters

Those involved in “Matters Referred for Management Review” shall provide all non-anonymous communicators with written acknowledgment of the receipt of their communications within fifteen (15) days after receipt. Additionally, the disposition of matters regarding these communications will also be provided within a reasonable time period.