

CHARTER OF THE COMPENSATION COMMITTEE OF UNION BANKSHARES, INC.

MEMBERSHIP

The Compensation Committee (the "**Committee**") of the board of directors (the "**Board**") of Union Bankshares, Inc. (the "**Company**") shall consist of three or more directors. Each member of the Committee shall be independent in accordance with the rules of the NASDAQ Stock Market. Each member shall also qualify as a "non-employee director" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and as an "outside director" for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

The members of the Committee shall be appointed by the Board, for one-year terms and shall serve until their earlier resignation, removal or death. The Board may remove any member from the Committee at any time with or without cause.

PURPOSE

The purpose of the Committee is to act on behalf of the Board in fulfilling its responsibilities in overseeing the compensation to be paid to the executives and directors of the Company and its subsidiary and to carry out the responsibilities delegated by the Board relating thereto.

DUTIES AND RESPONSIBILITIES

The Committee shall have the following authority and responsibilities:

1. To review and recommend to the Board annually the corporate goals and objectives applicable to the compensation of the chief executive officer ("**CEO**"), evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and recommend to the Board the CEO's compensation level based on this evaluation. In recommending the long-term incentive component of CEO compensation, the Committee may consider all factors it deems appropriate, including the Company's performance and relative stockholder return, the value of similar incentive awards given to CEOs at comparable companies and the awards given to the Company's CEO in past years. In evaluating and recommending CEO compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation ("**Say on Pay Vote**") required by Section 14A of the Exchange Act. The CEO cannot be present during any voting or deliberations by the Committee on his compensation.
2. To make recommendations to the Board regarding the compensation of all other executive officers. In evaluating and making recommendations regarding named executive officer compensation, the Committee shall consider the results of the most recent Say on Pay Vote.
3. To review and make recommendations to the Board regarding the adoption, amendment or termination of incentive compensation plans and equity-based plans, and where appropriate or required, recommend any such plan for approval by the shareholders of the Company. The Committee shall also have the authority to assist the Board in administering the Company's incentive compensation plans and equity-based plans, including reviewing and making recommendations as to the designation of employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan. In reviewing and making recommendations

regarding incentive compensation plans and equity-based plans, including whether to adopt, amend or terminate any such plans, the Committee shall consider the results of the most recent Say on Pay Vote.

4. To review and discuss with management the Company's Compensation Committee Report ("**Report**") and the related executive compensation information, recommend that the Report and related executive compensation information be included in the Company's annual report on Form 10-K and proxy statement and produce the compensation committee report on executive officer compensation required to be included in the Company's proxy statement or annual report on Form 10-K.
5. To review and make recommendations to the Board regarding any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers, and any amendments or termination of such agreements, arrangements or plans.
6. To review and make recommendations to the Board regarding stock ownership guidelines for the CEO, other executive officers and directors, and monitor compliance with such guidelines.
7. To review and make recommendations to the Board regarding all employee benefit plans for the Company, including the adoption, amendment and termination of such plans.
8. To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.
9. To review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and recommend to the Board for approval the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.
10. To review director compensation for service on the Board and Board committees at least once a year and to recommend any changes to the Board.
11. To discharge such other duties as the Board may delegate to the Committee from time to time or as may be required by applicable rules and regulations.

OUTSIDE ADVISORS

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of one or more compensation consultants as the Committee may deem necessary to assist it with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant(s). The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the

Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

In retaining or seeking advice from compensation consultants, outside counsel and other advisors, the Committee must take into consideration the following factors:

- The provision of other services to the Company by the person that employs the consultant, counsel or other advisor;
- The amount of fees paid by the Company to the person that employs the consultant, counsel or other advisor, as a percentage of that person's total revenue;
- Policies and procedures of the person that employs the consultant, counsel or other advisor that are designed to prevent conflicts of interest;
- Any business or personal relationship between the consultant, counsel or other advisor and any member of the Committee;
- Ownership by the consultant, counsel or other advisor of the Company's stock; and,
- Any business or personal relationship between the consultant, counsel or other advisor, or the person employing the advisor, and any executive officer of the Company.

The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the foregoing specified factors.

The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest as contemplated in Item 407(e)(iii) of Securities and Exchange Commission Regulation S-K, and if so, shall ensure that the Company makes the appropriate disclosures required under Item 407(e)(3)(iv) of Regulation S-K.

STRUCTURE AND OPERATIONS

The Board shall designate a member of the Committee as the chairperson. If the chairperson is not present at a meeting, the Committee Vice Chair will preside over the meeting. The Committee shall meet at such times and places as it deems necessary to fulfill its responsibilities, but no less than four (4) meetings per year. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO

and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

DELEGATION OF AUTHORITY

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

Board Approval: March 15, 2023