Versa Bancorp

Corporate Governance Guidelines

Adopted November 10, 2026

1. Size and Composition of the Board and Board Membership Criteria; Director Qualifications

The Compensation and Nomination Committee of Versa Bancorp (the "Company") shall recommend to the Board of Directors (the "Board") criteria for Board membership, which shall include the criteria set forth in these Corporate Governance Guidelines, and shall recommend individuals for membership on the Company's Board of Directors. In making its recommendations, the Compensation and Nomination Committee shall:

- review candidates' qualifications for membership on the Board (including making a specific determination as to the independence of the candidate) based on the criteria approved by the Board (and taking into account the enhanced independence, financial literary and financial expertise standards that may be required under law or Nasdaq rules for audit committee and compensation and nomination committee membership purposes);

- evaluate current directors for re-nomination to the Board; and

- periodically review the composition of the Board in light of the current challenges and needs of the Board and the Company, and determine whether it may be appropriate to add or remove individuals after considering issues of judgment, diversity, age, skills, background and experience.

The Compensation and Nomination Committee considers not only an individual's qualities, performance and professional responsibilities, but also the then composition of the Board and the challenges and needs of the Board at that time. The Compensation and Nomination Committee also considers the impact of any change in the principal occupation of existing directors. The Compensation and Nomination Committee reports to the full Board its conclusions and recommendations for nominations to the Board.

Board Size

The Board intends to have seven members, consistent with the Company's by-laws. Although the Board considers its present size to be appropriate, it may consider expanding its size to accommodate its needs or reducing its size if the Board determines that a smaller Board would be more efficient. The Compensation and Nomination Committee shall periodically review the size of the Board and recommend any proposed changes to the Board.

Term Limits

It is the policy of the Board to avoid term limits which have the disadvantage of discontinuing the availability and contributions of directors who have developed experience with, and insight into, the Company and its needs over a period of time.

Independence

A majority of the Board shall be comprised of directors meeting the independence requirements of Nasdaq and the Toronto Stock Exchange at a minimum. The Board shall make an affirmative determination at least annually as to the independence of each director. The Board has established standards to assist it in making independence determinations.

Retirement Age

It is the policy of the Board to avoid a mandatory retirement age for directors which would have the disadvantage of discontinuing the availability and contributions of directors who are otherwise capable and valuable members of the Board.

Employee directors may no longer serve on the Board upon resignation, retirement or a change in position if such change results in the employee no longer being an executive, other than the Chief Executive Officer.

Conflicts of Interest

If an actual or potential conflict of interest develops because of a change in the business of the Company, or in a director's circumstances (for example, significant and ongoing competition between the Company and a business with which the director is affiliated), the director should report the matter immediately to the Chair of the Compensation and Nomination Committee for evaluation and appropriate resolution.

If a director has a personal interest in a matter before the Board, the director shall disclose the interest to the full Board, shall recuse himself or herself from participation in the discussion and shall not vote on the matter.

2. Director Responsibilities

The Board acts as the ultimate decision-making body of the Company and advises and oversees management, who are responsible for the day-to-day operations and management of the Company. In fulfilling this role, each director must act in what he or she reasonably believes to be in the best interests of the Company and must exercise his or her business judgment.

Participation at and Preparation for Board Meetings

The Company expects directors to be active and engaged in discharging their duties and to keep themselves informed about the business and operations of the Company. Directors are expected to attend all Board meetings and the meetings of the committees on which they serve

and to prepare themselves for these meetings. Directors are also encouraged to attend the Company's annual meeting with shareholders.

In order for the Board to exercise fully its oversight functions, management provides the Board with access to information regarding the Company and the markets in which the Company operates. This information comes from a variety of sources, including management presentations and reports about the performance and operations of the business, security analysts' reports, competitive and peer companies' information, interaction with senior management at Board meetings and visits to Company facilities. Any written materials that assist directors in preparing for a Board or committee meeting shall be distributed to the directors in advance of the meeting, to the extent possible, and directors are expected to review such materials prior to the meeting.

Company Performance and Corporate Strategy

The Board reviews the Company's financial performance on a regular basis at Board meetings and through periodic updates, with a particular focus on peer and competitive comparisons. These reviews include the views of management as well as those of investors and securities analysts.

The Board also conducts an annual meeting to review and approve the Company's long-term strategy, and assess its strategic, competitive and financial performance.

3. Board Agenda

The Chair of the Board, in conjunction with the CEO, shall determine the frequency and length of Board meetings and shall set the agenda for each Board meeting. Board members are encouraged to suggest the inclusion of additional items on an agenda, and any director may request that an item be placed on an agenda.

4. Chair of the Board and CEO

The Board believes it is important to retain its flexibility to allocate the responsibilities of the offices of the Chair and CEO in any way that is in the best interests of the Company at a given point in time. The Board may make a determination as to the appropriateness of its current policies in connection with the recruitment and succession of the Chair of the Board and/or the CEO.

5. Presiding Director

The Board notes that all directors are elected by the shareholders and all have an equal voice. The Board, therefore, does not believe it appropriate or necessary in serving the best interests of the Company to designate a lead director. The Chair of the Board and the CEO are free, as is the Board as a whole, to call upon any one or more directors to provide leadership in a given situation should a special need arise. The Board may designate a director as the presiding director (the "Presiding Director") to lead the meetings of the independent directors. The appointment of a presiding director may also be rotated among the chairs of the independent committees of the Board.

6. Meetings of Independent Directors

The Company's independent directors shall regularly, and no less than twice per year, meet in executive sessions in which non-independent directors do not participate.

The Presiding Director shall preside at each executive session. The Company's annual proxy statement will identify the Presiding Director and the method for interested parties to communicate directly with the Company's Presiding Director or independent directors as a group.

7. Board Committees

The Board shall have at all times an Audit Committee and a Compensation and Nomination Committee and such other committees that the Board may determine from time to time:

- the Audit Committee shall generally be responsible for overseeing the integrity of the Company's financial statements, its independent auditor, its internal audit function and compliance by the Company with legal and regulatory requirements;

- the Compensation and Nomination Committee shall generally be responsible for overseeing the Company's executive compensation and benefits policies, evaluating executive officer performance and compensation and reviewing the Company's management succession plan, identifying qualified Board candidates, recommending director nominees and appointments to Board committees, evaluating Board performance, overseeing director compensation and overseeing the Company's Corporate Governance Guidelines.

Each of the Audit Committee and Compensation and Nomination Committee shall operate pursuant to its own written charter. These charters shall, among other things, set forth the purpose, goals and responsibilities of the particular committee, the procedures for committee member appointment and removal and committee structure and operations, as well as reporting to the Board. The charters shall also provide for an annual evaluation of each committee's performance.

Only independent directors meeting the independence requirements of Nasdaq and the Toronto Stock Exchange and, for audit committee members, Rule 10A-3 of the Securities Exchange Act of 1934 and any related rules promulgated by the Securities and Exchange Commission and National Instrument 52-110 *Audit Committees*, and who are also "independent of management" as that term is defined in Appendix A to Part 363 of the regulations of the Federal Deposit Insurance Corporation, may serve on these two committees. Committee members shall be appointed by the Board based upon the recommendation of the Compensation and Nomination Committee, except for the Compensation and Nomination Committee, which is directly appointed by the independent members of the Board. The Board may, from time to time, establish or maintain additional committees as it deems appropriate and in the best interests of the Company.

While the rotation of committee members at certain set intervals should be considered periodically, rotation is not required because the Board believes there are significant benefits attributable to continuity and experience gained in service on a particular committee over time.

8. Board Member Access to Management and Independent Advisors

Board members shall have access to the management and employees of the Company and to its internal and outside counsel and auditors. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary.

Executive officers and other members of senior management are expected to be present at Board meetings at the invitation of the Board. The Board encourages senior management to make presentations and to invite to Board meetings managers and other employees who can provide additional insight into the items being discussed. The Board also encourages senior management to include in Board meetings individuals that the senior management believes may become prospective leaders of the Company.

The Board and each of its committees in accordance with its charter is authorized to hire independent legal, financial or other advisors as they may consider necessary, without conferring with or obtaining the approval of management or, in the case of committees, the full Board in accordance with its charter, for which the Company shall pay the fees and expenses.

10. Director Compensation

The Compensation and Nomination Committee shall review and approve compensation (including equity-based compensation) for the Company's directors. In so reviewing and approving director compensation, the Compensation and Nomination Committee shall, among other things:

- identify corporate goals and objectives relevant to director compensation;
- evaluate the performance of the Board in light of such goals and objectives and set director compensation based on such evaluation and such other factors as the Compensation and Nomination Committee deems appropriate and in the best interests of the Company (including the cost to the Company of such compensation);
- determine any long-term incentive component of director compensation based on the awards given to directors in past years, the Company's performance, shareholder return and the value of similar incentive awards relative to such targets at comparable companies and such other factors as the Compensation and Nomination Committee deems appropriate and in the best interests of the Company (including the cost to the Company of such compensation); and
- evaluate the possibility that directors' independence may be compromised or impaired for Board or committee purposes if director compensation exceeds customary levels, including if the Company makes substantial charitable contributions to an organization with which a director is affiliated.

11. Director Orientation and Continuing Education

The Company's Director Orientation and Professional Development Program is designed to enhance the directors' knowledge of, and ability to execute their responsibilities to, the Company. All new directors are assigned an existing board member as a mentor and are provided with a package of information, including information respecting board of directors and committee composition, management information, and other relevant policies and procedures. New Audit Committee members receive additional information pertinent to his or her role on that committee.

In order to keep the directors up-to-date on operations and those matters that affect the Company's business, directors receive written material and presentations from management, and may receive presentations from outside experts, on various aspects of the Company's operations as well as on emerging issues. This process may be initiated at the request of the board of directors, a committee, an individual director, or management. In addition, each committee has the authority to engage independent counsel and other advisors as determined to be necessary to permit them to carry out their duties.

Directors are encouraged to enroll in a relevant professional development program, and the expenses incurred are reimbursed to a fixed maximum amount. Where applicable, directors are required to keep their professional accreditations current.

12. Management Evaluation and Management Succession

The Compensation and Nomination Committee shall evaluate the performance of the senior management of the Company and shall present its findings to the full Board. The Board shall review the Compensation and Nomination Committee's report in order to ensure that management's performance is satisfactory and that management is providing the best leadership for the Company in the long and short-term.

The Compensation and Nomination Committee shall review and report to the Board on the Company's succession planning, including succession planning in the case of the incapacitation, retirement or removal of the CEO. The CEO shall provide a periodic report to the Compensation and Nomination Committee recommending and evaluating potential successors, along with a review of any development plans recommended for such individuals. The CEO shall also provide to the Board, on an ongoing basis, his or her recommendation as to a successor in the event of an unexpected emergency.

13. Annual Performance Evaluation

The Board, led by the Compensation and Nomination Committee, shall establish and conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The collective evaluation shall be presented by the Chair of the Compensation and Nomination Committee to the full Board for discussion. This process shall also include annual self-assessments by each Board committee, relying on a review process similar to that used by the Board.