

**EXCESSIVE OR LUXURY EXPENDITURES POLICY
OF
FSB BANCSHARES, INC.**

This Excessive or Luxury Expenditures Policy (this “Policy”) of FSB Bancshares, Inc., an Oklahoma corporation (the “Corporation”) is entered into by the Corporation as of May 6, 2025, pursuant to the following terms and conditions:

1. Purpose. The purpose of this Policy is to establish parameters and internal controls governing expenditures of the Corporation (together with its subsidiaries and controlled affiliates, hereinafter referred to collectively as the “Organization”). Expenditures of the Organization should be customary, prudent, consistent with applicable laws and regulations, and reasonably related to the Organization’s business objectives and needs. This Policy identifies expenditures that are excessive or luxury expenditures, creates processes that are reasonably designed to eliminate such expenditures, and establishes accountability for compliance. Routine operating expenses, capital expenditures, and other reasonable expenses are not prohibited by this Policy.

2. Authority. The Organization has authority to provide compensation and benefits that are reasonable. This policy establishes a prohibition on expenditures that are excessive or luxury expenditures as required by the Department of the Treasury’s Emergency Capital Investment Program regulations (31 CFR Part 35) (“ECIP”), and as may be required by other statutes and regulations.

3. Responsibility. This Policy is the responsibility of the Organization’s board of directors (the “Board”). The Board has approved this Policy and will review compliance with this Policy no less frequently than annually, and summary data on excessive or luxury expenditures will be reported to the Board as part of the compliance review.

4. Scope. This Policy applies to all employees, officers, and directors of the Organization with regard to any expenditure of the Organization. In making any expenditure on behalf of the Organization, employees, officers, and directors should consider whether the expenditure is an excessive or luxury expenditure that is prohibited under this Policy.

5. Excessive or Luxury Expenditures. “Excessive or luxury expenditures” means excessive expenditures on any of the following to the extent not reasonable or appropriate expenditures for business development, staff development, reasonably performance incentives, or other similar reasonable measures conducted in the normal course of the Organization’s business operations:

(a) Entertainment or Events. This category includes fees, dues, tickets costs related to social, athletic, artistic, and dining clubs, activities, celebrations, or other events, and similar expenditures. Expenditures for charitable contributions and charitable events are not prohibited under this Policy. Entertainment or events expenditures in an amount less than \$20,000.00 per instance, and \$100,000.00 on an annual aggregate basis per individual, are exempt from this Policy.

(b) Office and Facility Renovations. This category includes costs and allowances for office renovation, including expenditures related to furniture, art, office

personalization, interior finishing, design, and decoration, and similar expenditures. Office and facility renovations expenditures in an amount less than \$100,000.00 per instance, and \$400,000.00 on an annual aggregate basis per individual, are exempt from this Policy.

(c) Aviation or Other Transportation Services. This category includes charter fees, tickets, slip or docking fees, vehicle installment payments, reservation and travel agent expenses, and similar expenditures associated with transportation services (e.g., airline, train, rental cars, or vans). Mileage reimbursable according to current Internal Revenue Service mileage rates is exempt from this Policy. Transportation services in an amount less than \$20,000.00 per instance, and \$100,000.00 on an annual aggregate basis per individual, are exempt from this Policy.

The chief executive officer of the Corporation may establish or delegate to an appropriate officer the authority to establish processes for reimbursement of reasonable travel expenditures, which processes must be reviewed by executive management no less frequently than annually.

(d) Tax Gross-Ups. This category includes any reimbursement of taxes owed with respect to any compensation. This category does not apply to tax equalization agreements for employees subject to tax from a non-U.S. jurisdiction.

(e) Other Similar Items, Activities, or Events for which the Organization May Reasonably Anticipate Incurring Expenses or Reimbursing an Employee for Incurring Expenses. Expenditures related to other items not listed in the preceding categories are exempt from this Policy in an amount less than \$20,000.00 per instance, and together with all expenditures permitted under this Policy, may not exceed \$100,000.00 on an annual aggregate basis per individual.

For the avoidance of doubt, reasonable capital investments in technology, equipment, and similar items that expand the long-term capability of an ECIP recipient to provide products and services to its customers and community are not excessive or luxury expenditures.

The chief executive officer may establish or delegate to an appropriate officer the authority to establish processes for the evaluation and approval of expenditures in the preceding categories that are not luxury or excessive expenditures and that are not otherwise exempt from this Policy. These processes must be reviewed by executive management no less frequently than annually, as well as any additional threshold expenditure amounts per item, activity, or event, or a threshold expenditure amount per employee receiving the item or participating in the activity or event under this Policy. Such approvals must be reported to the Board (which may be in an appropriate summary form) no less frequently than annually.

6. Exceptions or Violations. Any exception or violation of this Policy must be promptly reported to the Organization's (a) chief executive officer, (b) officer with primary responsibility for the Organization's compliance function, or (c) officer designated with primary responsibility for overseeing the administration, monitoring, and compliance with this policy. Exceptions and violations must be reported to the Board no less frequently than annually, or more frequently as the nature and severity of any violation may warrant. All employees, officers, and directors of the Organization must adhere to this Policy and will be held accountable for

compliance. Any employee or officer who violations this Policy may be subject to disciplinary action up to and including termination of employment.

Any employee or officer that is aware of any circumstance that may indicate a violation of this Policy is required to report such circumstance to their supervisor or the Organization's principal compliance officer or compliance group. The Organization prohibits retaliation against any employee or officer for making a good faith report of actual or suspected violations of the Organization's code of conduct, laws, regulations, or other Organization policies, including this Policy. A finding of retaliation against any such employee or officer may result in disciplinary action up to and including termination. Failure to promptly report known violations by others may also be deemed a violation of the Organization's code of conduct.

Employees and officers may ask questions, raise concerns, or report instances of non-compliance with this Policy and/or any of the existing underlying relevant policies by contacting the following:

Kevin Perry, Chairman of the Board

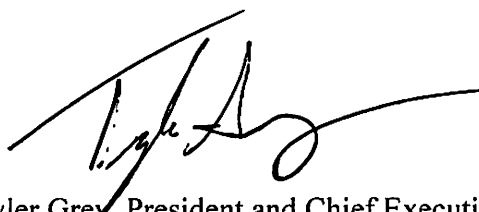
Tyler Grey, President and CEO

Chris Damaska, Administrative Officer

7. Certification. On an annual basis, the Corporation will deliver to the Department of the Treasury a certification, executed by two senior executive officers (one of which must be either the Corporation's chief executive officer or chief financial officer) certifying that (a) the Organization is in compliance with this Policy and (b) the approval of any expenditure requiring the prior approval of any senior executive officer, any executive officer of a substantially similar level of responsibility, or the Board (or a committee of the Board), was properly obtained with respect to each such expenditure.

[Signature Page Follows]

EXECUTED as of the day and year first written above.

A handwritten signature in black ink, appearing to read 'Tyler Grey', with a long horizontal flourish extending to the right.

Tyler Grey, President and Chief Executive Officer