

# **EAST WEST BANCORP, INC.**

## **CORPORATE GOVERNANCE GUIDELINES**

**Last approved: 3/4/2024**

**Approval: Nominating/Corporate Governance Committee**

East West Bancorp, Inc. (“East West Bancorp” or the “Company”), through its Board of Directors (the “Board”) and management, has long sought to meet the highest standards of corporate governance. These Guidelines serve as a structure to help guide the actions of the Board and management. The Guidelines should be considered along with East West Bancorp’s Amended and Restated Bylaws (“Bylaws”) and applicable provisions of corporate laws and regulations. The Board intends that these Guidelines serve as a flexible framework within which the Board can conduct its business, not a set of binding legal obligations. These Guidelines will be periodically assessed by the Nominating/Corporate Governance Committee and the Board will make appropriate changes based on recommendations from the Nominating/Corporate Governance Committee.

### **General Principles**

First, the Board assesses and approves major corporate actions. The paramount duty of the Board is to select a Chief Executive Officer and to oversee the Chief Executive Officer and other senior management in the competent and ethical operation of East West Bancorp. Furthermore, the Board has responsibility for the oversight of the risk management processes of East West Bancorp.

Second, it is the responsibility of management to operate East West Bancorp in an effective and ethical manner in order to produce value for stockholders. Management should never put personal interests ahead of the interests of East West Bancorp or its stockholders.

Third, it is the responsibility of management, under the oversight of the Board and its Audit Committee, to produce financial statements that fairly present the financial condition and results of operations of East West Bancorp, to implement effective internal controls and financial reporting processes, and to make the timely disclosures investors need to permit them to assess the financial and business soundness and risks of East West Bancorp.

Fourth, it is the responsibility of the Audit Committee to engage an independent accounting firm which will audit the financial statements prepared by management and issue an opinion on those statements based on Generally Accepted Accounting Principles. The Board, its Audit Committee, and management must be vigilant to ensure that no actions are taken by East West Bancorp or its employees that compromise the independence of the independent auditor.

Fifth, it is the responsibility of the independent accounting firm to ensure that it is in fact independent, is without conflicts of interest, employs highly competent staff, and carries out its work in accordance with Generally Accepted Accounting Standards. It is also the responsibility of the independent accounting firm to inform the Board, through the Audit Committee, of any concerns the independent auditor may have about the appropriateness or quality of significant accounting treatments, business transactions that affect the fair presentation of East West Bancorp's financial condition and results of operations, and weaknesses in internal controls. The independent auditor should do so in a forthright manner and on a timely basis, whether or not management has also communicated with the Board or the Audit Committee on these matters.

### **Selection and Composition of the Board**

#### *Board Membership Selection and Criteria*

The Nominating / Corporate Governance Committee is responsible for nominating directors for election or re-election. Members of the Board shall have the highest professional and personal ethics and values. The Nominating/Corporate Governance Committee will also consider the needs of the Company from time to time but in general seeks directors with a broad experience at the policy-making level in business, government, education, finance, accounting, law or public interest. In seeking such directors, the Nominating/Corporate Governance Committee also seeks to achieve a mix of Board members that represents a diverse background and experience, including with respect to race, ethnicity, gender and national origin. Directors should also be committed to enhancing stockholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience.

The policy of the Nominating / Corporate Governance Committee is to consider properly submitted stockholder nominations for candidates for membership on the Board. In evaluating such nominations, the Nominating / Corporate Governance Committee seeks to achieve a balance of knowledge, diversity, experience and capability on the Board and to address the membership criteria described above. Any stockholder nominations proposed for consideration by the Nominating / Corporate Governance Committee should include the nominee's name and qualifications for Board membership and be sent to the Secretary of the Board of Directors. Candidates nominated by stockholders shall be given appropriate consideration in accordance with the Bylaws and shall be evaluated in the same manner as candidates identified by the Nominating / Corporate Governance Committee. Nominations are generally considered by the Nominating / Corporate Governance Committee two to three months prior to the mailing of the proxy statement for the annual meeting, so stockholders are encouraged to submit nominees as early as possible so there is sufficient time for full consideration of the nominee.

### *Director Independence*

East West Bancorp shall have a majority of independent directors. At least once per year, the Board will review each relationship that exists with a director and his or her related interests for the purpose of determining whether the director is independent. The Nominating / Corporate Governance Committee shall conduct the initial due diligence and make recommendations to the Board.

In addition to the Company's Policy Regarding Director Independence Determination, the Board shall broadly consider all relevant facts and circumstances when making a determination of independence. The Board should consider the issue not merely from the standpoint of a director, but also from that of persons or organizations with which the director has an affiliation. An independent director should be free of any relationship with East West Bancorp or its management that may impair the director's ability to make independent judgments. Particular attention will be paid to whether a director is independent from management and to any credit relationships that may exist with a director or a related interest.

The following guidelines are to be followed when determining the impact of a credit relationship on a director's independence. Extensions of credit that comply with Regulation O shall be presumed to be consistent with director independence. In other words, normal, arms-length credit relationships entered into in the ordinary course of business shall not negate director independence. In addition, an extension of credit to a company, an executive officer of which serves on the East West Bancorp Board, or to any "related interests" of a director must meet the substantive requirements of Regulation O in order to maintain the independence of such director. Such loans must be made on substantially the same terms, including interest rates and collateral, as and following credit-underwriting procedures that are no less stringent than those prevailing at the time for comparable transactions by East West Bancorp with other persons. Such loans also shall not involve more than the normal risk of repayment or present other unfavorable features. The Board must review any credit of a director or his or her related interests that has become criticized in order to determine the impact that such classification has on the director's independence.

Services provided by East West Bancorp to a director or his or her related interests shall be normal arms-length relationships entered into on competitive terms and conditions.

### *Directors Who Change Their Present Job Responsibility*

The Board believes that individual directors who change the primary job responsibility they held when they were elected to the Board should tender a letter of resignation to the Board. Although the Board does not believe that it will be necessary in every instance that directors who change the position they held when they came on the Board should leave the Board, there should, be an opportunity for the Board, with the guidance of the Nominating / Corporate Governance Committee, to review the appropriateness of continued Board membership under these circumstances.

### *Limit on Number of Other Board Memberships*

In order to ensure that directors can devote sufficient time and attention to the Company, it is expected that directors will limit the number of other SEC-reporting companies for which they serve as a director to four. It is expected that a director who is a chief executive officer of a publicly traded company will limit the number of other outside SEC-reporting companies for which he or she serves as a director to three.

### *Interlocking Board Memberships*

Executive officers of East West Bancorp shall not serve as a director of a company that currently employs a director of East West Bancorp. This limitation does not apply to executive officers serving on boards of subsidiaries and affiliates of East West Bancorp.

### *Stock Ownership by Directors and Officers*

Directors and certain officers are encouraged to own East West Bancorp stock to align their financial interests more closely with the interests of stockholders. The Company's guidelines for stock ownership by directors and officers shall be set by the Nominating / Corporate Governance Committee from time to time and are made available to investors on the Company's website.

### *Director Continuing Education*

The Company shall provide an orientation program for new directors, including background briefings by the Chief Executive Officer and other members of senior management. New directors will also be provided with a package containing the Company's annual and long term plans and its Code of Conduct.

The Company will provide continuing education for directors both by periodic reports by members of senior management on their areas of responsibility and also by encouraging attendance at continuing education programs consistent with applicable stock exchange or other rules.

### *Conflicts of Interest*

Directors and officers are expected to be familiar with, and abide by, the Company's Code of Conduct, as laid out for all directors, officers, employees, agents and consultants.

## **Board Leadership**

### *Selection of Chairman and Chief Executive Officer*

The Board should be free to select a Chief Executive Officer and Chairman of the Board (the “Chairman”) in the best interests of East West Bancorp at any given point in time. Therefore, the Board does not have a policy, one way or the other, on whether or not the role of the Chief Executive Officer and Chairman should be separate and, if they are to be separate, whether the Chairman should be selected from among non-employee directors.

### *Lead Independent Director*

The Board will have a Lead Director, who shall be elected by and from the independent members of the Board. The Lead Director shall have the following responsibilities: lead executive sessions of independent directors; preside at any meetings of the Board where the Chairman is not present; oversee the scope, quality and timing of the flow of information from management to the Board; set agendas and approve schedules of the Board; approve the retention of consultants who report directly to the Board; and, as appropriate, to serve as a liaison between the Chairman and independent directors. In addition, the Lead Director shall have authority to call meetings of the Board or of the independent directors and, if requested by major stockholders, ensure that he or she is available consultation and direct communication.

### *Outside Advisors Available to the Board*

The Board has complete access to outside counsel and other outside advisors of its choice with respect to any issues relating to its activities.

## **Board Meetings and Performance**

### *Size of the Board*

The Board believes that the number of directors should not exceed a number that can function efficiently as a body. The exact number of directors constituting the Board shall be fixed from time to time by the Board by resolution, subject to the range set forth from time to time in the Certificate of Incorporation of the Company.

### *Board Meeting Attendance*

The Board expects directors to attend all meetings, including the annual stockholders meeting, board meetings, and committee meetings for which they serve. Although the Board anticipates one hundred percent (100%) attendance, it is understood that this is not always possible. The Board expects meeting attendance of seventy-five percent (75%) or more.

### *Executive Sessions of Independent Directors*

The independent directors of the Board will meet separately without any management or employee directors present at each regularly scheduled meeting of the Board. These meetings will be presided over by the then Lead Director.

### *Board's Interaction with Investors, Press, Customers, etc.*

The Chairman and Chief Executive Officer are responsible for establishing effective communications with East West Bancorp's stakeholder groups, i.e., stockholders, customers, Company associates, communities, suppliers, creditors, governments, and corporate partners.

### *Board Performance Review*

The Nominating / Corporate Governance Committee shall conduct from time to time an assessment of the Board's performance and structure to determine whether the Board and its members are functioning effectively. The Nominating / Corporate Governance Committee shall make recommendations from time to time as it deems appropriate regarding proposed changes to the Board and membership.

## **Board Relationship to Senior Management**

### *Board Access to Senior Management*

Board members have complete access to East West Bancorp management. Board members will ensure, in their judgment, that contact is not distracting to the business operation of East West Bancorp and that such contact, if in writing, be copied to the

Chief Executive Officer and the Chairman. Furthermore, the Board encourages management to bring, from time to time, managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

## **Meeting Procedures**

### *Selection of Agenda Items for Board Meetings*

The Board will be responsible for its own agenda. The Chairman, the Chief Executive Officer or the Corporate Secretary will prepare the agenda for each Board Meeting with input from the directors. Any Board member may suggest the inclusion of additional items on the agenda for any meeting or for future meetings.

### *Interplay with Bank Board and Committees*

The Board may from time to time meet jointly with the Board of its principal subsidiary, East West Bank (the “Bank”), although generally meetings will be separate. Certain committees of the Company will generally meet simultaneously with committees of the Bank.

## **Committee Matters**

### *Number, Structure and Independence of Committees*

From time to time, the Board may form new committees or disband a current committee. The current standing committees are Audit, Compensation, Nominating / Corporate Governance, Risk Oversight, Executive and Bank Secrecy Act/Anti-Money Laundering and Office of Foreign Assets Control Compliance Risk Management Steering Committees.

Committee membership, with the exception of the Executive Committee, will consist only of independent, non-employee directors.

### *Committee Charters*

Each Board committee will have its own charter. Each charter will set forth the purpose, authority and responsibilities of the committee as well as certain qualifications for committee membership.

### *Frequency and Length of Committee Meetings*

Committee Chairmen, in consultation with committee members, will determine the frequency and length of committee meetings.

#### *Committee Performance Review*

The Nominating/Corporate Governance Committee shall conduct from time to time an assessment of each committee's performance and structure to determine whether the committees are functioning effectively. The Nominating/Corporate Governance Committee shall make recommendations from time to time as it deems appropriate regarding proposed changes to the committee structure and membership.

#### *Assignment and Rotation of Committee Members*

The Board will annually review and appoint committee memberships. Rotation of assignments from time to time will be considered. However, the Board acknowledges the merits of experience and continuity in committee assignments and recognizes that, in many instances, it is in the best interest of the Company or the Board not to rotate certain directors.

### **Stockholders**

#### *Communications with Stockholders*

The Board welcomes suggestions and comments from stockholders. All stockholders are encouraged to attend the annual meeting of stockholders where senior management and outside auditors, as well as members of the Board, will be available to answer questions. Stockholders may also send written communications to the Board by writing to the Secretary of the Board of Directors. All communications (other than commercial communications soliciting the sale of goods or services or employment) will be directed to the appropriate committee of the Board or to the Chairman or to any individual director specified in the communication, as applicable.

### **Leadership Development**

#### *Evaluation of the Chief Executive Officer*

The Compensation Committee will annually evaluate the performance of the Chief Executive Officer in accomplishing the goals of the Company and shall use such evaluation when making recommendations concerning the compensation of the Chief Executive Officer. The Compensation Committee will discuss the evaluation with the Chief Executive Officer at his or her annual compensation review.

#### *Succession Planning*



The Nominating / Corporate Governance Committee will be responsible for approving a succession plan should the Chief Executive Officer and/or Chairman be unexpectedly rendered unable to perform the duties of such office.

### **Executive Compensation**

#### *Say on Pay*

The Board will submit to the stockholder for a non-binding advisory vote the compensation of executive officers.

#### *Holding of Stock Awards*

In addition to the stock ownership guidelines for officers established by the Nominating and Corporate Governance Committee, in order to align the interests of executive officers more closely with the interests of stockholders, and with reference to all stock options granted and all restricted stock and restricted stock units granted after the date of adoption of these Corporate Governance Guidelines, named executive officers shall hold until retirement at least 51% of any stock acquired upon the exercise of stock options (net of taxes and net of the grant price paid) and at least 51% of any stock received upon vesting (net of taxes) of restricted stock or restricted stock units.

#### *Minimum Vesting Period on Equity Awards*

New equity awards to executive officers shall have a minimum vesting period of at least 24 months.

#### *Dividends on Performance Shares*

No payments of dividends shall be made with respect to unvested performance shares until the shares have vested.

#### *Claw Back Provisions*

Bonus arrangements and incentive compensation plans (including performance shares and performance restricted stock units) for executive officers shall contain “claw back” provisions in the event a bonus is paid or shares are vested based on financial information that is later restated.