

THE COMMUNITY FINANCIAL CORPORATION STRATEGIC INITIATIVES COMMITTEE CHARTER

This Charter sets forth the composition, authority, duties and responsibilities of the Board Strategic Initiatives Committee (the “Committee”) of the Board of Directors of The Community Financial Corporation (the “Company”).

I. Purpose

The Committee of the Board of Directors of the Company assists the Board in its oversight responsibilities with day-to-day authority and decision making provided by Executive Management. The Committee focuses specifically on the Company’s planning and execution of, including but not limited to, key strategic projects, analytics, studies, technology, physical/structural assets, products, acquisitions, and key market actions, as well as the related and significant policies, procedures and practices employed therein, and by providing recommendations to the Board on strategic guidance to management with respect to such key organizational initiatives.

II. Organization

The Committee shall consist of three or more directors, a majority of whom shall satisfy the definition of independent director as defined in any qualitative listing requirements for the Nasdaq Stock Market. Committee members shall be elected by the Board on an annual basis. Members shall serve until their successors are appointed. The Committee’s chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Structure and Meetings

The Committee shall meet at least four times each year, or more frequently as circumstances dictate. The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee and management, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Committee shall keep written minutes of all meetings.

The majority of Committee members are required to be in attendance in person, video conference or telephone at each meeting for a quorum to be present. The Company’s Chief Executive Officer, President, Director of IT, Chief Operating Officer, Chief Banking Officers, Chief Digital Officer and Chief Administrative Officer, and such other members of the Company’s management as the Committee may deem desirable or appropriate, shall be invited to attend all meetings of the Committee, unless the chairperson determines that the meeting shall be held with only members of the Committee present.

IV. Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

- The Committee is charged with engaging and maintaining an active dialogue with management, as liaison of the Board, with respect to the following:
 - Selection, suitability, implementation, maintenance, and migration of the Core Business IT platform;
 - Selection, implementation, maintenance and migration of key ancillary IT systems, applications, and hardware decisions substantively affecting the operations and effectiveness of the Company and the Bank;
 - Significant new product recommendations, including but not limited to traditional products and services, and so called fintech offerings;
 - The evolving and strategic deployment of, studies of, investment in, and location of facilities, including but not limited to Headquarters, Loan Production Offices, Branches (traditional and micro), Administrative Offices, and such other edifice's critical to the successful and competitive operations of the Bank and Holding Company; and
 - Other such initiatives as identified by the Board as having a long-term and strategic nature deserving the attention of the Committee.
- Receive reports from management as regards the topics described above in the study, formative, implementation and post-implementation stages of development. Such reports, including but not limited to the Major Projects Report, shall consider project objectives, budget, risk profile, intended benefits, schedule and personnel requirements.
- Receive and consider Request for Proposals (RFP), proposals, contracts and related agreements in the execution of the aforementioned initiatives.
- Review and make recommendations to the Board with respect to policies, processes, and systems that management uses to manage projects, new products, facilities, and technology.
- Perform other activities related to this Charter as requested by the Board.

V. Annual Assessment of Adequacy of Charter

The Committee shall on an annual basis review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

Committee Resources

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal or other advisors. The Committee shall have available to it such support personnel, including management staff, outside auditors, attorneys and consultants as it deems necessary to discharge its responsibilities. The Committee shall have the power to conduct or authorize investigations into any matter within its scope of responsibilities.

Approved by the Board of Directors November 30, 2021