Bankwell Financial Group, Inc.

CHARTER OF

THE ASSET/LIABILITY MANAGEMENT COMMITTEE

(“ALCO”)

(Approved by Bankwell Financial Group, Inc. ALCO on July 21, 2026)
(Approved by Bankwell Financial Group, Inc. Governance on July 16, 2026)
(Approved by Bankwell Financial Group, Inc. Board of Directors on July 22, 2026)

ALCO CHARTER

For the purposes of this Charter, the term “Bank” shall include Bankwell Bank and Bankwell Financial Group, Inc. (the “Company”) and the functions set forth in this Charter shall be applied to each such entity as appropriate.

Duties, Responsibilities, and Authority of the Committee

The Asset/Liability Management Committee (the “Committee”) has been established by the Board of Directors of the Bank (the “Board”) to assist the Board in fulfilling its responsibility to oversee the Bank’s asset/liability management framework and all associated policies and practices.

Asset/liability management is the ongoing process of managing the Bank’s interest rate risks, liquidity risks, and other similar risks related to the Bank’s balance sheet in a manner that is consistent with the Bank’s strategic objectives and tolerance for risk. Management is responsible for establishing and maintaining an effective framework to implement that process.

The Committee has been assigned authority to oversee management’s implementation of the Bank’s asset/liability process. In so doing, the Committee shall oversee management’s strategies and actions for controlling risks related to liquidity, interest rates, capital adequacy and investment portfolios. That oversight shall include consideration of whether management’s strategies and actions are consistent with acceptable risk tolerances and the Bank’s strategic objectives, including short-term and long-term financial objectives.

The Committee is responsible for reviewing the Bank’s asset/liability policy (as well as other policies that may be relevant to the asset liability management process) to verify management’s adherence to those policies, as well as to make recommendations to the Board for any amendments to those policies after conferring with management.

The following are some of the key risk management areas to be overseen by the Committee. These objectives shall be pursued within the framework of the Bank’s policies.

<u>Liquidity Risk</u>
Oversee the development and implementation by management of the Bank’s liquidity risk management strategies, including the Bank’s wholesale funding strategy, liquidity stress testing and contingency funding plan.

Oversee the development of acceptable liquidity risk limits.

Review the results of cash flow forecasting and other reports related to the Bank’s liquidity position.

Review the results of liquidity stress test scenarios and assess the impact on the Bank’s liquidity position in both base-line and stressed environments.

Review liquidity trends and assess the impact on the Bank’s liquidity risk profile.

Interest Rate Risk

Oversee the development by management of strategies to manage interest rate risk, including the use of hedging instruments.

Monitor interest rate risk management activities and the Bank's overall interest rate risk profile, the sensitivity of the Bank's earnings under varying interest rate scenarios and potential changes in market interest rates.

Monitor trends in the economy in general and interest rates in particular, with a view toward limiting any potential adverse impact on the Bank's earnings.

Approve interest rate risk tolerances by reviewing how movements in interest rates may adversely affect the Bank's earnings and capital, using the Bank's projected earnings and capital as benchmark.

Capital Risk

Monitor the capital position of the Bank, and the capital management activities undertaken by the Bank to ensure that capital levels are maintained in accordance with regulatory requirements and management directives.

Market Risk (Investments)

Monitor performance of the Bank's investment portfolios, including review of management reports concerning current investment positions.

Monitor compliance with applicable law and the Bank's policies that govern permitted investments.

Review the acquisition, retention and sale of investment securities.

Oversee management of risk in investment portfolios; review significant investment portfolio risk exposures and monitor the steps management is taking to monitor and control such risk.

Review investment portfolio book and market price.

Other Responsibilities

Monitor management of the Bank's treasury functions, including its operations and funds management processes.

Reporting to the Board on material matters related to the asset/liability management process.

Monitor the Bank's bank-owned life insurance program, including oversight of the program's investment performance, risk management, and internal controls.

Review the scope and results of internal audit reports assessing the implementation of the Bank's asset/liability management policies and the effectiveness of the Bank's monitoring systems.

Membership and Conduct of the Meetings

The Committee shall consist of at least three directors, with not less than two independent directors. At least one independent member shall have experience in matters related to balance sheet management. Members of the Committee, including the Chairperson, are to be elected annually by the Board, taking into account recommendations from the Governance Committee. Members of the Committee may be removed and replaced at any time by the Board. The Chairperson will preside at all meetings and report to the Board. The Chairperson shall be responsible for calling the meetings, establishing the agenda, and providing pre-meeting materials. In order to enable the Committee to perform its oversight functions under this Charter, the Bank's Chief Financial Officer, as well as other members of the executive management team, shall be called upon to provide information to the Committee relevant to the asset liability management process.

The Committee will meet at intervals established by the Board, but no less than four times per year. Meetings will generally be held in person, but conference call attendance is permitted. Minutes of all meetings shall be recorded and kept. At least a majority of the members must be in attendance to constitute a quorum. The action of a majority of those in attendance at which a quorum is attained shall be the act of the Committee.

Reporting of Committee Activities to the Board

The Chair of the Committee will report to the Board on the Committee's activities at its next meeting subsequent to that of the Committee. If deemed appropriate by the Committee, the Chair may recommend that the Board take action on matters related to the asset/liability management process. Minutes of the Committee's meetings shall be submitted to the Board for review at the next subsequent meeting of the Board.

Charter Modifications/Updating

The Committee will review this Charter at least annually and, if deemed appropriate, may recommend proposed changes to this Charter for approval by the Board.

Consultants

If and when needed, the Committee shall have the sole authority to retain and terminate any consultants including, without limitation, counsel to be used for any Committee purpose. The Committee shall have sole authority to approve the consultant's fees and other terms of the consultant's retention. The Committee shall report any such appointments to the Board and disclose the payment arrangements regarding same with the CEO on a timely basis.

Other Duties and Powers

The Committee will also perform such other functions and have such other powers as may be necessary or convenient to facilitate the discharge of the Committee's responsibilities.