

1st Colonial Bancorp, Inc.

April 5, 2023


Dear Fellow Shareholder:

1st Colonial Bancorp, Inc. will hold its 2023 Annual Meeting of Shareholders on May 10, 2023, at **Merchantville Country Club, 501 Chapel Avenue West, Cherry Hill, New Jersey 08002**. The Annual Meeting will commence at 9:00 a.m. The purpose of this meeting will be to elect directors and ratify our audit committee's appointment of our auditors for the year ending December 31, 2023. We will also discuss 2022 results, as well as our plans for 2023.

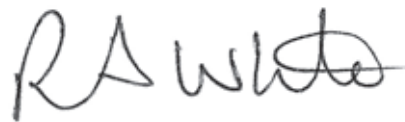
Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the meeting, we urge you to complete, sign, date and return the enclosed proxy card in the enclosed envelope, or you may vote by Internet as described on the proxy card. This will not prevent you from voting in person at the meeting but will ensure that your vote is counted if you are unable to attend.

We look forward to seeing you at the annual meeting and answering any questions you may have. Thank you for your continued support.

Sincerely,



Linda M. Rohrer
Chairman of the Board



Robert B. White
President and Chief Executive Officer

1st COLONIAL BANCORP, INC.

1000 Atrium Way
Suite 200
Mount Laurel, New Jersey 08054

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

We will hold the annual meeting of shareholders of 1st Colonial Bancorp, Inc. ("1st Colonial Bancorp") on May 10, 2023 at 9:00 a.m. at **Merchantville Country Club, 501 Chapel Avenue West, Cherry Hill, New Jersey 08002**. The annual meeting is for the following purposes, which are more completely described in the accompanying proxy statement:

- (a) To elect three Class 1 directors of 1st Colonial Bancorp, each to serve for a term of three years and until their successors are elected and have qualified;
- (b) To ratify the appointment of Crowe LLP as 1st Colonial Bancorp's independent auditors for the fiscal year ending December 31, 2023; and
- (c) To transact such other business as may properly be presented at the meeting.

Shareholders of record at the close of business on March 15, 2023, are entitled to notice of, and to vote at, the annual meeting.

By Order of the Board of Directors,



Mary Kay Shea
Secretary

Mount Laurel, New Jersey
April 5, 2023

You are cordially invited to attend the annual meeting. It is important that your shares be represented regardless of the number you own. Even if you plan to be present, you are urged to complete, sign, date and return the enclosed proxy promptly in the envelope provided, or vote by Internet by following the instructions on the proxy card. If you attend the meeting, you may vote either in person or by your proxy. Your proxy may be revoked by you in writing or in person at any time prior to the exercise of the proxy.

1ST COLONIAL BANCORP, INC.
1000 Atrium Way
Suite 200
Mount Laurel, New Jersey 08054

PROXY STATEMENT

GENERAL INFORMATION

This proxy statement is being furnished in connection with the solicitation of your proxy by the Board of Directors of 1st Colonial Bancorp, Inc. (“1st Colonial Bancorp”) for use at our annual meeting of shareholders to be held on May 10, 2023.

Purpose of Meeting

The specific proposals to be considered and acted upon at our 2023 annual meeting are summarized below:

- (a) To elect three Class 1 directors of 1st Colonial Bancorp, each to serve for a term of three years and until their successors are elected and have qualified;
- (b) To ratify the appointment of Crowe LLP as 1st Colonial Bancorp’s independent auditors for the fiscal year ending December 31, 2023; and
- (c) To transact such other business as may properly be presented at the meeting.

Record Date and Voting

All holders of record of 1st Colonial Bancorp common stock at the close of business on March 15, 2023 are entitled to notice of and to vote at the meeting or any adjournment thereof. On March 15, 2023, there were 4,679,246 shares of 1st Colonial Bancorp common stock outstanding.

The holders of a majority of the outstanding shares of our common stock must be present at the annual meeting, either in person or by proxy, in order to transact business at the meeting. Abstentions and broker “non-votes” are counted as present and entitled to vote for purposes of determining whether such a quorum is present. A broker “non-vote” occurs when a broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker/nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner.

If a quorum is present at the annual meeting:

- the three nominees for Class 1 directors receiving the highest number of votes cast at the meeting will be elected as directors, and
- the ratification of our auditors will be approved upon the affirmative vote of the majority of the votes cast, either by proxy or in person, by all shareholders entitled to vote on the matter.

The vote required to approve any other matter that may be properly brought before the annual meeting will be determined in accordance with the Pennsylvania Business Corporation Law.

Solicitation of Proxies

This proxy statement and the accompanying proxy are first being mailed to our shareholders on or about April 10, 2023. We will pay the expense of soliciting proxies. We expect that the solicitation of proxies will be primarily by mail. Our directors, officers and employees may also solicit proxies personally, by telephone, by e-mail, by text message and by fax.

Voting and Revocation of Proxies

You may vote by proxy or in person at the annual meeting. To vote by proxy, you may use one of the following methods if you are a registered holder (that is, you hold your stock in your own name):

- **Internet voting**, by accessing the Internet at the web address stated on the enclosed proxy card and following the instructions; or
- **Mail**, by completing and returning the enclosed proxy card in the enclosed envelope. The envelope requires no additional postage if mailed in the United States.

Signing and returning the enclosed proxy card will not affect your right to attend the annual meeting and vote in person. Any shareholder giving a proxy may revoke it at any time before it is exercised by: (1) filing with the Secretary of 1st Colonial Bancorp written notice of such revocation; (2) voting again on the Internet, or submitting a duly executed proxy bearing a later date; or (3) attending the annual meeting and giving the Secretary notice of your intention to vote in person.

Except as described below, each share of common stock outstanding on March 15, 2023, the record date for the annual meeting, will be entitled to one vote on each matter submitted to a vote at the meeting. Shareholders are not entitled to cumulative voting rights in the election of directors. Our Articles of Incorporation impose limitations upon the ability of certain shareholders and groups of shareholders to acquire or vote shares of our stock. The Articles of Incorporation prohibit any person (whether an individual, a company or another legal entity), or any group of persons acting in concert, from acquiring “voting control.” Under this provision, shares of common stock owned in excess of 9.9% will be treated as “excess shares.” In general, all shares of common stock deemed to be “excess shares” will not be entitled to vote on any matter at the annual meeting or take other shareholder action. As of the date of this proxy statement, we are not aware of any “excess shares.”

If you appropriately mark, sign and return the enclosed proxy card in time to be voted at the meeting, the shares represented by the proxy card will be voted in accordance with your instructions marked on the proxy card. Signed proxy cards not marked to the contrary will be voted: “FOR” the election, as directors, of the Board of Directors’ nominees, and “FOR” the ratification of the appointment of Crowe LLP as the independent auditors of 1st Colonial Bancorp for the fiscal year ending December 31, 2023.

Shares Held in “Street Name” by Broker or Bank

If your shares are held in “street name” by a bank or brokerage firm, your bank or brokerage firm, as the record holder of your shares, may vote such shares as directed by you, or if not so directed, in their own discretion if permitted by the stock exchange or other organization of which they are members. You should check the voting form used by that broker or nominee to determine whether you may vote on-line, by telephone or by another method.

If a proposal is routine, a broker holding common shares for a beneficial owner in street name may vote on the proposal without receiving instructions from the beneficial owner. If a proposal is non-routine, the broker may vote on the proposal only if the beneficial owner has provided voting instructions. The rules of the stock exchange or association with which the broker or nominee is registered determine whether proposals

presented at shareholder meetings are routine or non-routine. A broker non-vote occurs when the broker is unable to vote on a proposal because the proposal is non-routine and the beneficial owner does not provide any instructions.

Under the rules of the New York Stock Exchange, of which most major brokerage firms are members, the ratification of auditors is a routine item. **However, the election of directors are non-routine matters. Therefore, the broker may vote on these matters only if the beneficial owner has provided voting instructions. Accordingly, it is important that you provide instructions to your broker on these matters.**

Principal Shareholders

The following table sets forth information regarding each person or group who beneficially owned 5% or more of our outstanding common stock as of March 15, 2023, the record date for the annual meeting:

<u>Name of Beneficial Owner</u>	<u>Total Beneficial Ownership(1)</u>	<u>Percent of Class(2)</u>
AllianceBernstein Financial Services Opportunities Fund(3) New York, NY, USA	583,967	12.5%
Charles J. Moore (4) Chicago, Illinois	458,694	9.8%
First Manhattan Co. (5) New York, New York	450,070	9.6%
Linda M. Rohrer (6) Haddon Township, New Jersey	260,369	5.5%
Michael C. Haydinger (7) Philadelphia, Pennsylvania	244,092	5.2%

- (1) Under applicable regulations, shares are deemed beneficially owned by a person if the person directly or indirectly has or shares the power to vote or dispose of the shares. Unless otherwise indicated, the named beneficial owner has sole voting and dispositive power with respect to the shares. Under applicable regulations, a person is deemed to have beneficial ownership of shares which may be received upon the exercise of outstanding stock options or warrants if the option or warrant is exercisable within 60 days.
- (2) The percentage is calculated on a fully diluted basis (as if such person's vested options were exercised).
- (3) Based on written representation from a representative of AllianceBernstein as to its share ownership in 1st Colonial as of December 31, 2022. In accordance with our Articles of Incorporation, the shareholder has Voting Control of the Corporation. As a result, AllianceBernstein has the power to vote 463,245 shares, representing 9.9% of the Corporation's voting common stock outstanding as of March 15, 2023. The remaining 120,722 shares of common stock are presently deemed "excess shares" pursuant to the Corporation's Articles of Incorporation and are therefore not entitled to vote on any matter or to take other shareholder action.
- (4) Based on Amendment No. 1 to the Schedule 13G filed by the beneficial owner's affiliates with the Securities and Exchange Commission on February 6, 2023. According to the Schedule 13G, 281,970 shares are beneficially owned by Banc Fund IX L.P. ("BF IX"), an Illinois Limited Partnership, and 176,724 shares are beneficially owned by Banc Fund X L.P. ("BF X"), an Illinois Limited Partnership. The general partner of BF IX is MidBan IX L.P. ("MidBan IX"). The general partner of BF X is MidBan X L.P. ("MidBan X"). The general partner of MidBan IX and MidBan X is The Banc Funds Company, L.L.C. ("TBFC"), an Illinois limited liability company whose principal equity holder is Charles J. Moore. Mr. Moore has been the manager of BF IX and BF X since their respective inceptions. As manager, Mr. Moore has voting and dispositive power over the securities of the issuer held by each of those entities. As the controlling member of TBFC, Mr. Moore controls TBFC, and therefore each of the partnership entities directly and indirectly controlled by TBFC.
- (5) Based on the Form 13F filed by the beneficial owner with the Securities and Exchange Commission on February 14, 2023.
- (6) Includes 21,601 shares that Ms. Rohrer has the right to acquire upon the exercise of vested stock options.

- (7) Includes 21,601 shares that Mr. Haydinger has the right to acquire upon the exercise of vested stock options, 94,987 shares owned by First Montgomery Properties NJ Inc., and 100,730 shares owned by Burlington Investment Group LLC. Mr. Haydinger is an executive officer of First Montgomery Properties NJ and Burlington Investment Group (which are affiliated companies) and through his position exercises voting and investment power over these shares.

MATTER NO. 1 ELECTION OF DIRECTORS

Our articles of incorporation provide that the Board of Directors of 1st Colonial Bancorp may from time to time fix the total number of directors on the Board of Directors at not less than seven nor more than 25. Presently, the Board of Directors consists of 10 members. The terms of three Class 1 directors expire at the annual meeting, and those directors have been re-nominated for election.

Our bylaws permit nominations for election to the Board of Directors to be made by the Board of Directors or by any shareholder entitled to vote for the election of directors. Nominations for director made by shareholders (other than the members of the Board of Directors) must be made, in writing, and delivered to us not less than 90 days prior to the date of the annual meeting. Each notice of nomination made by a shareholder must set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in the notice, (ii) the principal occupation or employment of each nominee, and (iii) the number of shares of capital stock of 1st Colonial Bancorp that are beneficially owned by each nominee.

Unless waived by the board of directors of 1st Colonial, in order to qualify for election as a director of 1st Colonial, a person must have been a shareholder of record of 1st Colonial for at least three years. Each director must be a natural person of full age. He or she also must own common or preferred stock of 1st Colonial Bancorp with an aggregate par, fair market, or equity value of \$1,000. No director is permitted to be related by blood or marriage to any other director without the consent of two-thirds of the entire board of directors.

We are not required to include nominations made by our shareholders in this proxy statement. Any nominations that are not made timely or any votes cast at the meeting for any candidate not duly nominated will be disregarded by the chairman of the meeting. No notice of nomination of any person for election as a director has been received from any shareholder as of the date of this proxy statement.

The Board of Directors has nominated Thomas R. Brugger, Thomas A Clark, III, and Linda M. Rohrer for election to the Board as Class 1 directors. All of the Board of Directors' nominees are current directors of 1st Colonial Bancorp and its wholly owned subsidiary, 1st Colonial Community Bank (the "Bank").

Shares represented by properly executed proxies in the form accompanying this proxy statement will be voted for the Board of Directors' nominees unless you specify otherwise in your proxy. If you wish to withhold authority from the proxy holders to vote for the election of directors or to withhold authority to vote for any individual nominee, you may do so by marking your proxy card to that effect.

The three nominees for Class 1 directors receiving the highest number of votes cast at the meeting will be elected as directors. Votes against or votes withheld from a nominee have no legal effect.

If any nominee should become unable to serve, the persons named in the proxy may vote for another nominee. However, we have no reason to believe that any nominee listed below will be unable to serve as a director, if elected.

Information Concerning Nominees and Continuing Directors

The table set forth below contains information concerning the nominees for election as directors at the annual meeting, and the continuing members of the Board of Directors, including their principal occupations or employment during at least the past five years, their ages, and the year in which they began serving as a director of the Bank or 1st Colonial Bancorp, whichever is earlier. Each nominee and each continuing director is “independent,” as defined by Rule 5605(a)(2) of The Nasdaq Stock Market listing standards, except for Robert B. White, our president and chief executive officer. None of the nominees or continuing directors is a director of any other publicly traded company.

NOMINEE FOR CLASS 1 DIRECTORS TO SERVE UNTIL 2026:	<u>AGE</u>	<u>DIRECTOR SINCE</u>
<p>THOMAS R. BRUGGER</p> <p>Mr. Brugger is retired. He served as the Chief Financial Officer of Orrstown Bank of Harrisburg, Pennsylvania, from July 2019 until his retirement in April 2021. Prior to this role, Brugger held the position of Chief Financial Officer for Sun National Bank in Mount Laurel, New Jersey from 2012 to 2018, as well as Chief Financial Officer for Customers Bank in Wyomissing, Pennsylvania from 2009 to 2012. He also served as Executive Vice President and Corporate Treasurer of Sovereign Bank in Wyomissing, Pennsylvania from 1994 to 2009.</p>	56	2021
<p>THOMAS A. CLARK, III</p> <p>Mr. Clark was a practicing attorney and Shareholder at Capehart Scatchard, P.A. from November 2010 until his retirement on December 31, 2022. From January 2008 until November 2010, he was the Managing Partner of the law firm of Cureton Clark, P.C., which he co-founded in 1992 and for which he served as a shareholder, officer and director until November 2010.</p>	69	2000
<p>LINDA M. ROHRER</p> <p>Ms. Rohrer is the Chairman of the Board of both 1st Colonial Bancorp and the Bank, and has served in such capacities since the formation of such entities. Since 1985, Ms. Rohrer has owned and served as the President of Rohrer & Vail Real Estate, formerly Rohrer and Sayers Real Estate, a commercial and residential real estate sales company. Since 1989, Ms. Rohrer has served as a trustee of the William G. Rohrer Charitable Foundation. Ms. Rohrer also served as a member of the board of trustees of Rowan University from 2009 to 2021. Ms. Rohrer served as a director of Community National Bank of New Jersey from October 1988 to May 1996.</p>	75	2000
CONTINUING CLASS 2 DIRECTORS TO SERVE UNTIL 2024:	<u>AGE</u>	<u>DIRECTOR SINCE</u>
<p>JOHN J. DONNELLY, IV</p> <p>Mr. Donnelly is the owner of JDCLIS Inc., which specializes in construction inspection services. From March 1, 2010 until December 31, 2019, Mr. Donnelly served as Vice President of RDM-USA LLC, a provider of commercial construction services. From 2007 through 2009, he served as a Senior Project Manager for Kay Construction. From 1999 to 2006, Mr. Donnelly served as President of J.J. Donnelly Inc., a general contractor in the commercial construction industry.</p>	68	2001

<p>MICHAEL C. HAYDINGER</p> <p>From 1994 to the present, Mr. Haydinger has been a Partner of First Montgomery Group, a real estate management and construction firm in Haddon Township, New Jersey.</p>	53	2002
<p>HARVEY JOHNSON</p> <p>Mr. Johnson is a practicing attorney. Since 2009, Mr. Johnson has been a partner with the law firm of Duane Morris LLP. From 2006 to 2009, Mr. Johnson was a partner with the law firm of Wolf Block. Prior to 2006, he was the sole owner of Harvey C. Johnson, P.C.</p>	78	2003
<p>SHELLEY Y. SIMMS</p> <p>From 2004 to the present, Ms. Simms has served as General Counsel and Chief Compliance Officer of Xponance, Inc., a registered investment advisor based in Philadelphia, Pennsylvania. Ms. Simms also serves as the Chief Compliance Officer of Xponance Alts Solutions, LLC, which is the registered investment advisor to Xponance's affiliated private equity fund. Prior to joining Xponance, Ms. Simms was an independent legal consultant to ARAMARK Corporation from 2002 to 2004, and prior thereto, she was an attorney at Comcast Corporation and at Ballard Spahr LLP in Philadelphia, Pennsylvania. Other board service for Ms. Simms includes her appointment as Commissioner on the Pennsylvania State Ethics Commission (2018-present) where she currently serves as Chair, and as a Trustee of the Byerschool Foundation (2022- present).</p>	54	2021
<p><u>CONTINUING CLASS 3 DIRECTORS TO SERVE UNTIL 2025:</u></p> <p>CURT BYERLEY</p> <p>Mr. Byerley has served as the president of Byerley Holdings, LLC, Global Direct Marketing, LLC and Byerley Family Foundation, Inc. since 2001.</p>	<p><u>AGE</u></p> <p>66</p>	<p><u>DIRECTOR SINCE</u></p> <p>2003</p>
<p>STANLEY H. MOLOTSKY</p> <p>Mr. Molotsky is a counselor in financial matters. Since 1988, Mr. Molotsky has been the owner and operator of SHM Financial Group, a financial counseling firm.</p>	87	2000
<p>ROBERT B. WHITE</p> <p>Mr. White is the President and Chief Executive Officer of both 1st Colonial Bancorp and the Bank and has served in such capacities since February 3, 2020. From April 2015 until July 2019, he served as the Chief Risk Officer for Customers Bank, Wyomissing, Pennsylvania. From November 2012 until July 2019, he served as President, Special Assets for Customers Bank.</p>	58	2020

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF ITS NOMINEES FOR CLASS 1 DIRECTORS.

EXECUTIVE OFFICERS

For information about Mr. White, who serves as our President and Chief Executive Officer, see “Matter 1 – Election of Directors” above. The following table provides information regarding our other executive officers:

<u>Name</u>	<u>Age</u>
MARY KAY SHEA	52
<p>Ms. Shea has served as Executive Vice President and Chief Financial Officer of the Bank and Bancorp since July 16, 2020. Prior to that date, she served as Senior Vice President and Chief Financial Officer for such companies starting in that position on June 27, 2017. From 2013 to June 2017, she served as the Chief Accounting Officer of Royal Bank America. Prior to then she served as the Controller for Royal Bank America from September 2008 through December 2012.</p>	
ANTHONY W. LAMARCA.....	61
<p>Mr. LaMarca has served as Executive Vice President and Chief Lending Officer of the Bank since December 1, 2021. Prior to that date, he served as Executive Vice President and Regional Chief Lending Officer for Customers Bank, Wyomissing, PA from May 2018 to November 2021. Prior to that date, he served in various capacities for Sun National Bank, Mt Laurel, NJ from 2011 to 2018, most recently as Senior Vice President, Director of Commercial Lending.</p>	

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth certain information concerning the number of shares of 1st Colonial Bancorp common stock held as of March 15, 2023 by each nominee for director of 1st Colonial Bancorp, each continuing director, and the executive officers named in the Summary Compensation Table below.

<u>Name of Beneficial Owner</u>	<u>Total Beneficial Ownership(1)</u>	<u>Percent of Class(2)</u>
Thomas R. Brugger (3).....	5,300	*
Curt Byerley (4).....	136,206	2.9%
Thomas A. Clark III (5).....	28,744	*
John J. Donnelly IV (6)	42,410	*
Michael C. Haydinger (7).....	244,092	5.2%
Harvey Johnson (8).....	32,598	*
Anthony W. LaMarca.....	2,227	*
Frank J. Monaghan (9).....	44,286	*
Stanley H. Molotsky (10)	57,120	1.2%
Linda M. Rohrer (11).....	260,369	5.5%
Mary K. Shea (12)	11,509	*
Shelley Y. Simms	1,750	*
Robert B. White (13).....	45,132	1.0%
Total (11 individuals) (14).....	867,457	18.0%

* Represents less than 1% of the outstanding Common Stock

- (1) Based on information furnished by the respective individuals and our books and records. Under applicable regulations, shares are deemed beneficially owned by a person if he or she directly or indirectly has or shares the power to vote or dispose of the shares. Unless otherwise indicated, the named beneficial owner has sole voting and dispositive power with respect to the shares. Under applicable regulations, a person is deemed to have beneficial ownership of shares which may be received upon the exercise of outstanding stock options or warrants if the option or warrant is exercisable within 60 days.
- (2) The percentage is calculated on a fully diluted basis (as if such person's or group's vested options were exercised) based on the shares outstanding as of the record date.
- (3) Beneficial ownership includes 5,000 shares that Mr. Brugger owns jointly with his spouse.
- (4) Beneficial ownership includes 21,601 shares that Mr. Byerley has the right to acquire upon the exercise of vested stock options and 17,691 shares held in the Curt J Byerley Family Stock Trust, for which Mr. Byerley is the Settlor/Protector.
- (5) Beneficial ownership includes 18,983 shares that Mr. Clark has the right to acquire upon the exercise of vested stock options.

- (6) Beneficial ownership includes 15,988 shares that Mr. Donnelly has the right to acquire upon the exercise of vested stock options.
- (7) Beneficial ownership includes 21,601 shares that Mr. Haydinger has the right to acquire upon the exercise of vested stock options, 94,987 shares owned by First Montgomery Properties NJ Inc., and 100,730 shares owned by Burlington Investment Group LLC. Mr. Haydinger is an executive officer of First Montgomery Properties NJ and Burlington Investment Group (which are affiliated companies) and through his position exercises voting and investment power over these shares.
- (8) Beneficial ownership includes 13,210 shares that Mr. Johnson has the right to acquire upon the exercise of vested stock options, and 2,224 shares that Mr. Johnson owns jointly with his spouse.
- (9) Beneficial ownership includes 43,286 shares that Mr. Monaghan has the right to acquire upon the exercise of vested stock options. Mr. Monaghan separated from the Company effective April 1, 2023.
- (10) Beneficial ownership includes 21,601 shares that Mr. Molotsky has the right to acquire upon the exercise of vested stock options; 29,789 shares jointly owned by Mr. Molotsky and his spouse, and 3,611 shares held in a Profit-Sharing Plan for the employees of SHM Financial Group, a company owned by Mr. Molotsky.
- (11) Beneficial ownership includes 21,601 shares that Ms. Rohrer has the right to acquire upon the exercise of vested stock options.
- (12) Beneficial ownership includes 10,789 shares that Ms. Shea has the right to acquire upon the exercise of vested stock options.
- (13) Beneficial ownership includes 5,000 shares that Mr. White has the right to acquire upon the exercise of vested stock options, and 4,430 shares that Mr. White owns jointly with his spouse.
- (14) Beneficial ownership includes 150,374 shares that the executive officers named in the Summary Compensation Table below and the directors of 1st Colonial Bancorp, in the aggregate, have the right to acquire upon the exercise of vested stock options. Shares owned by Mr. Monaghan (Former Executive Vice President and Chief Operating Officer) are not included in this total.

CORPORATE GOVERNANCE MATTERS

Board of Directors Meetings and Committees

General. During the year ended December 31, 2022, the Board of Directors held nine meetings. Directors are expected to attend meetings of the Board of Directors, meetings of the committees on which they serve and the annual meeting of 1st Colonial Bancorp's shareholders. Except for Mr. Johnson, no director of 1st Colonial Bancorp or the Bank attended fewer than 75% of all meetings of the Boards of Directors of 1st Colonial Bancorp and the Bank, and the committees thereof of which he or she was a member, that were held during the year ended December 31, 2022. All directors of 1st Colonial Bancorp attended the 2022 Annual Meeting of 1st Colonial Bancorp's shareholders.

Audit Committee. The Board of Directors of 1st Colonial Bancorp has a standing Audit Committee. The primary duties and responsibilities of 1st Colonial Bancorp's Audit Committee are to:

- Oversee that management maintains the reliability and integrity of the accounting policies and financial reporting and disclosure practices of 1st Colonial Bancorp;
- Oversee that management establishes and maintains processes to assure that an adequate system of internal controls is functioning within 1st Colonial Bancorp; and
- Oversee that management establishes and maintains processes to assure compliance by 1st Colonial Bancorp with all applicable laws, regulations and corporate policy.

In connection with these duties, the Audit Committee is responsible for the appointment, compensation, oversight and termination of our independent auditors. The Audit Committee is responsible also for, among other things, reporting to the 1st Colonial Bancorp Board of Directors on the results of the annual audit, and reviewing the financial statements and related financial and non-financial disclosures included in our earnings releases and annual reports to shareholders. The Audit Committee is also responsible for receiving and responding to complaints and concerns relating to accounting and auditing matters.

The Audit Committee has a charter in place that has been adopted by the Board of Directors. A copy of this charter is attached as Appendix A to this proxy statement. 1st Colonial Bancorp does not have a website and the charter is not posted on the Bank's website.

The Board of Directors of 1st Colonial has determined that Thomas R. Brugger qualifies as an audit committee financial expert under the criteria set forth in Item 407(d)(5) of Regulation S-K promulgated under the Securities Exchange Act of 1934. In addition, the Board of Directors believes that all members of its Audit Committee are financially literate and experienced in business matters, and that one or more members of the Audit Committee are capable of (i) understanding generally accepted accounting principles (GAAP) and financial statements, (ii) assessing the general application of GAAP principles in connection with our accounting for estimates, accruals and reserves, (iii) analyzing and evaluating our financial statements, (iv) understanding our internal controls and procedures for financial reporting; and (v) understanding audit committee functions, all of which are attributes of an audit committee financial expert.

The current members of the Audit Committee are Michael C. Haydinger (Chairman), Thomas R. Brugger, Thomas A. Clark III, Linda M. Rohrer, and Shelley Y. Simms. Each member is "independent," as defined by Rule 5605(a)(2) of The Nasdaq Stock Market listing standards. During the year ended December 31, 2022, the 1st Colonial Bancorp Audit Committee met four times.

Compensation Committee. The Compensation Committee of the Board of Directors of 1st Colonial Bancorp is appointed by the Board to discharge the Board's responsibilities relating to compensation of the

directors and officers of 1st Colonial Bancorp and the Bank. The Compensation Committee annually reviews and approves corporate goals and objectives relevant to CEO compensation, evaluates the CEO's performance in light of those goals and objectives, and determines and approves the CEO's compensation levels based on this evaluation. The Compensation Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs. The 1st Colonial Bancorp Compensation Committee serves as the administrator of 1st Colonial Bancorp's 2020 Equity Incentive Plan. The Compensation Committee, which met three times during the year ended December 31, 2022, is responsible for the administration of the Bank's Executive Compensation Program discussed below, and the establishment and modification of the terms of employment of executive officers, including any employment or change in control agreements. This committee may not delegate any authority described above to other persons. However, the Bank's president and chief executive officer does recommend to the Compensation Committee the annual base compensation levels for the other executive officers of the Bank. The committee reviews such recommendations and discusses same with the chief executive officer before it approves such compensation.

The Compensation Committee had the sole authority to retain, terminate and oversee the work of any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and has sole authority to approve the consultant's fees and other retention terms.

The Compensation Committee has a charter in place that was adopted by the Board of Directors during 2020. A copy of this charter was attached as Appendix A to the proxy statement of 1st Colonial Bancorp sent to shareholders in connection with the annual meeting of shareholders held in 2021.

The current members of the Compensation Committee are Thomas A. Clark III (Chairman), Michael C. Haydinger, Stanley H. Molotsky, Linda M. Rohrer and Shelley Simms. Each member is "independent," as defined by Rule 5605(a)(2) of The Nasdaq Stock Market listing standards.

Nominating and Corporate Governance Committee. In 2021 the Board of Directors of 1st Colonial Bancorp formed a Nominating and Corporate Governance Committee and approved the governing charter. A copy of this charter was attached as Appendix B to the proxy statement of 1st Colonial Bancorp sent to shareholders in connection with the annual meeting of shareholders held in 2021. The Nominating and Corporate Governance Committee assists the Board by identifying individuals qualified to become Board members, and to recommend to the Board the director nominees for the next annual meeting of shareholders and directors to fill any vacancies between annual meetings. The Nominating and Corporate Governance Committee also leads the board through an annual review of the board's performance.

In identifying individuals qualified to become Board members, the Nominating and Corporate Governance Committee has not adopted any specific minimum qualifications for directors other than those set forth in our articles of incorporation and bylaws. In order to qualify for election as a director of 1st Colonial, a person must have been a shareholder of record of 1st Colonial for at least three (3) years (this requirement may be waived by the Board), and must own common stock with either an aggregate par, fair market, or equity value of \$1,000. Each director also shall be a natural person of full age, and must not be related by blood or marriage to any other director.

The members of the Board have a diversity of experience and a wide variety of backgrounds, skills, qualifications, and viewpoints that strengthen their ability to carry out their oversight role on behalf of our shareholders. The following matrix is provided to illustrate the knowledge, skills and experience of the directors that serve on our Board. The matrix does not encompass all of the knowledge, skills and experience of our directors, and the fact that a particular knowledge, skill or experience is not listed does not mean that a director does not possess it. In addition, the absence of a particular knowledge, skill or experience with respect to any of our directors does not mean the director in question is unable to contribute to the decision-making process in that area. However, a mark indicates a specific area of focus or expertise that the director brings to our Board. More information on each director's qualifications and background can be found in the director

biographies above. We regularly review the attributes required of Board members in order to better facilitate our long-term goals and operational performance, enhance our corporate culture and promote diversity and inclusiveness at our company.

Category	Brugger	Byerley	Clark	Donnelly	Haydinger	Johnson	Molotsky	Rohrer	Simms	White
Business generation	X	X	X	X	X	X	X	X		X
M&A	X	X								X
Accounting/Finance	X	X	X		X			X	X	
Branding/Marketing		X		X	X		X	X		X
Regulatory	X		X			X		X	X	X
Real estate			X	X	X	X		X		
Asset/Liability Management	X	X	X	X		X	X			X
Compensation	X		X		X	X	X	X	X	X
IT	X									X
Community Reinvestment			X	X	X	X		X	X	X
Gender										
Male	X	X	X	X	X	X	X			X
Female								X	X	
Demographic Background										
African American or Black						X			X	
White	X		X	X	X		X	X		X
Did not Disclose Demographic Background		X								

The Nominating and Corporate Governance Committee considers potential candidates for Board membership recommended by its members, management, shareholders, and others. The Nominating and Corporate Governance Committee will consider nominees recommended by shareholders and, in considering such candidates, will apply the same criteria it applies in connection with Board-recommended candidates. Shareholders may nominate persons for election as directors in accordance with the procedures set forth “Shareholder Proposals and Nominations for 2024 Annual Meeting.”

Other Committees. The Bank has other committees composed of directors or officers of the Bank which meet for specific purposes. The Board of Directors of the Bank has authority under the Bank’s bylaws to establish such other committees from time to time as the Board of Directors may deem necessary.

Board Leadership Structure and Risk Oversight

While the Board of Directors does not have a policy regarding the separation of the roles of chief executive officer and Chairman of the Board, the Board has determined that having an independent director serve as Chairman is in the best interest of 1st Colonial Bancorp at this time.

The Board of Directors of 1st Colonial Bancorp exercises its risk oversight role through its committee structure described above. In addition, the Board has access, as needed, to the executive officers and other employees of 1st Colonial Bancorp who help supervise the day-to-day risk management responsibilities of 1st Colonial Bancorp, as well as to legal representation to the extent deemed necessary to assist with their risk oversight responsibilities.

Code of Ethics

We have adopted a Code of Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting

officer or controller. We will furnish, without charge, a copy of our Code of Conduct and Ethics to any person, upon written request made to Mary Kay Shea, Secretary, at our offices located at 1000 Atrium Way, Suite 200, Mount Laurel, NJ 08054.

Audit Committee Report

The Audit Committee of 1st Colonial Bancorp is composed entirely of non-management directors, each meeting the independence requirements of the Nasdaq Stock Market listing standards. The Audit Committee has adopted a written charter outlining its practices and responsibilities.

During the year ended December 31, 2022, the Audit Committee met four times. At each meeting, the Audit Committee reviewed the results of reviews performed in the areas of internal audit and compliance. The Audit Committee was apprised of the status of all audit findings and the resolutions instituted by management. In 2022, the Audit Committee also reviewed and reassessed our internal audit program. Management also updated the Audit Committee on the status of the independent audit for the year ended December 31, 2021 being performed by Crowe, LLP.

The Audit Committee has reviewed 1st Colonial Bancorp's audited financial statements for the year ended December 31, 2022, and the related report by Crowe LLP, and has discussed the financial statements and the report with management and with Crowe LLP.

1st Colonial Bancorp's Audit Committee appointed Crowe LLP as independent auditors of 1st Colonial Bancorp for the year ended December 31, 2021 and for the year ending December 31, 2022.

The Audit Committee has discussed with the independent auditors of 1st Colonial Bancorp the matters required to be discussed by AU Section 380, The Auditor's Communication With Those Charged With Governance. The Audit Committee has reviewed the materials received from the independent auditors, has discussed with the independent auditors the independence of such auditors, and has satisfied itself as to the auditors independence.

The Audit Committee acts only in an oversight capacity, and in doing so relies on the work and assurances of 1st Colonial Bancorp's management and its independent auditors.

Based on the Audit Committee's review of the financial statements and the independent auditors' report thereon, and the Audit Committee's discussions with management and the independent auditors, the Audit Committee has recommended to our Board of Directors that the audited consolidated financial statements of 1st Colonial Bancorp be included in its Annual Report to Shareholders for the year ended December 31, 2022.

COMPENSATION OF DIRECTORS

The following table sets forth a summary of the total compensation that we paid to each non-employee director of 1st Colonial Bancorp and the Bank in 2022:

2022 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash (\$)	Option Awards \$(1)	Restricted Stock Unit Awards \$(2)	Total (\$)
Linda M. Rohrer	21,550	-	30,600	52,150
Thomas R. Brugger	19,050	-	30,600	49,650
Curt Byerley	17,650	-	30,600	48,250
Thomas A. Clark III	19,050	-	30,600	49,650
John J. Donnelly, IV	18,000	-	30,600	48,600
Michael C. Haydinger	18,000	-	30,600	48,600
Harvey Johnson	15,400	-	30,600	46,000
Harrison Melstein ⁽³⁾	3,850	-	-	3,850
Stanley H. Molotsky	18,000	-	30,600	48,600
Shelley Y. Simms	18,000	-	30,600	48,600

(1) No stock option awards were granted to the Directors during the fiscal year ended December 31, 2022.

(2) This column reflects the total grant date fair value for all restricted stock unit awards granted during the fiscal year ended December 31, 2022. The assumptions used in the calculation of these amounts are described in the Notes to our consolidated financial statements, which are included in the annual report accompanying this proxy statement.

(3) Mr. Melstein retired from the Board of Directors on May 11, 2022.

As of December 31, 2022, each director has the following outstanding stock option and restricted stock unit awards:

Name	Option Awards	Restricted Stock Units
Linda M. Rohrer	27,701	3,300
Thomas R. Brugger	-	3,300
Curt Byerley	27,701	3,300
Thomas A. Clark III	25,083	3,300
John J. Donnelly, IV	22,088	3,300
Michael C. Haydinger	27,701	3,300
Harvey Johnson	19,310	3,300
Stanley H. Molotsky	27,701	3,300
Shelley Y. Simms	-	3,300

For 2023, the Chairman of the Board will receive a quarterly retainer of \$3,125 for service on the Board of Directors, and each of the other directors, other than Mr. White, will receive a quarterly retainer of \$2,500. Each non-employee director will receive an additional \$750 for each board meeting and \$350 for each committee meeting attended.

1st Colonial Bancorp maintains a directors and officers liability insurance policy. The policy covers all directors and officers of 1st Colonial Bancorp and the Bank for certain liability, losses, or damages that they may incur in their capacities as such.

2013 Stock Option Plan for Non-Employee Directors

The Board of Directors believes that 1st Colonial Bancorp's stock compensation plans constitute an important part of its compensation programs and, accordingly, it adopted and maintains the 1st Colonial Bancorp, Inc. 2013 Stock Option Plan for Non-Employee Directors (the "2013 Director Plan"). During 2020 1st Colonial Bancorp adopted the 1st Colonial Bancorp, Inc. 2020 Equity Incentive Plan (the "2020 Equity Plan"), which the shareholders approved during the 2020 Annual Meeting of Shareholders. The 2020 Equity Plan is described under "Executive Compensation". Because directors are eligible to receive awards under the 2020 Equity Plan, the ability to grant awards under the 2013 Director Plan was terminated with the approval of the 2020 Equity Plan.

The 2013 Director Plan was designed to provide nonemployee directors of 1st Colonial Bancorp with an opportunity to acquire our common stock, thereby giving them a stake in the continued growth and success of our business. The 2013 Director Plan authorized us to award nonqualified stock options (options not qualified for special tax treatment under Code Section 422) to purchase shares of 1st Colonial Bancorp common stock to our nonemployee directors.

Options to acquire an aggregate of 117,785 authorized shares of common stock are outstanding under the 2013 Director Plan.

In the event of any change in 1st Colonial Bancorp's common stock by reason of any stock dividend, stock split, reverse stock split, recapitalization, combination, or exchange of shares, merger, consolidation, or

similar action, appropriate adjustment will be made to (i) the number of shares into which outstanding options may be converted upon exercise, (ii) the exercise price of outstanding options, and (iii) such other terms as are appropriate under the circumstances. In addition, the Board may make similar changes to outstanding options in other circumstances where such changes are deemed equitable under such circumstances.

Options granted under the 2013 Director Plan are not assignable or transferable other than by will or the laws of descent and distribution and, in general, during the director's lifetime are exercisable only by the director or his or her duly appointed legal representative.

EXECUTIVE COMPENSATION

The following table sets forth the compensation paid during the years ended December 31, 2022 and 2021 by the Bank to our executive officers. These executive officers did not receive any compensation for serving as officers of 1st Colonial Bancorp during such two-year period.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards (\$)(1)	Restricted Stock Unit Awards (\$)(2)	All Other Compensation (\$)	Total (\$)
Robert B. White President and Chief Executive Officer	2022	\$325,000	\$117,269	--	\$177,269	\$43,214 ³	\$662,752
	2021	\$312,500	\$100,000	\$32,095	\$75,000	\$44,261 ³	\$563,856
Frank J. Monaghan Former Executive Vice President and Chief Operating Officer	2022	\$269,482	\$106,436	--	\$35,479	\$42,378 ⁴	\$453,775
	2021	\$264,211	\$100,000	\$25,676	\$48,250	\$45,078 ⁴	\$483,515
Mary K. Shea Executive Vice President and Chief Financial Officer	2022	\$228,061	\$98,071	--	\$24,518	\$32,428 ⁵	\$383,078
	2021	\$218,751	\$100,000	\$25,676	\$48,250	\$23,392 ⁵	\$416,069
Anthony W. LaMarca ⁶ Executive Vice President and Chief Loan Officer	2022	\$237,440	\$65,795	--	\$21,932	\$19,361 ⁷	\$344,528
	2021	\$20,788	--	--	--	\$1,178 ⁸	\$21,966

- (1) This column reflects the total grant date fair value for all stock option awards granted during the fiscal year ended December 31, 2021. The assumptions used in the calculation of these amounts are described in the Notes to our consolidated financial statements, which are included in the annual report accompanying this proxy statement.
- (2) This column reflects the total grant date fair value for all restricted stock unit awards granted during the fiscal years ended December 31, 2022 and 2021. The assumptions used in the calculation of these amounts are described in the Notes to our consolidated financial statements, which are included in the annual report accompanying this proxy statement.
- (3) Consists of life, dental, vision and health insurance annual premiums; automobile allowance, cell phone allowance, club membership dues, life insurance imputed income; and employer 401(k) contributions.
- (4) Consists of life, dental, vision and health insurance annual premiums; cell phone allowance, club membership dues, life insurance imputed income; and employer 401(k) contributions.
- (5) Consists of life, dental, vision and health insurance annual premiums; cell phone allowance, life insurance imputed income; and employer 401(k) contributions.
- (6) Mr. LaMarca was hired as Executive Vice President and Chief Lending Officer effective December 1, 2021.

- (7) Consists of life, dental, vision and health insurance annual premiums; automobile allowance, cell phone allowance, club membership dues, life insurance imputed income; and employer 401(k) contributions.
- (8) Consists of life, dental, vision and health insurance annual premiums; automobile allowance, and cell phone allowance.

Employment Agreements

Agreement with Mr. White. The Bank has an employment agreement with Robert B. White, its President and Chief Executive Officer. This agreement currently expires on January 31, 2024; however, it provides for annual one-year extensions of the agreement on each anniversary of January 31, unless the Bank or Mr. White give written notice of nonrenewal to the other party on or prior to November 2nd of the immediately preceding year.

The agreement provides that the annual base salary paid to Mr. White will be \$300,000. It also provides that in the sole discretion of the Bank, the Bank may pay incentive compensation to Mr. White in the form of cash bonuses and awards of restricted stock units (“RSUs”). The target for any annual incentive compensation award to Mr. White would be 65% of Mr. White’s base salary, payable half in cash and half in RSUs with a five-year vesting period, based on the achievement of mutually agreed upon annual goals. Mr. White also is entitled to participate in any other incentive compensation plans and employee benefit plans that the Bank maintains on a basis commensurate with his position and duties. He is also entitled to a monthly car allowance of up to \$500 per month.

In the event the Bank terminates Mr. White’s employment without “Cause” (as defined in his agreement) or Mr. White voluntarily terminates his employment, the Bank will continue to pay Mr. White his base salary for a period of 180 days from the date of termination.

In the event a “change in control” of the Bank occurs (as defined in the agreement), Mr. White shall be entitled to receive a lump sum payment equal to two times his base salary. Mr. White’s agreement provides for the reduction of any change in control payments to him to the extent necessary so that he will not receive “excess parachute payments” under Section 280G of the Internal Revenue Code, which would result in the imposition of an excise tax under Section 4999 of the Internal Revenue Code, but only if, by reason of such reduction, the amount to be received by Mr. White after such reduction will exceed the amounts to be received by Mr. White after paying the excise tax.

Under his agreement, Mr. White has agreed that if his employment terminates for any reason then for a period of 24 months after the date of termination, he will not (i) solicit, recruit, offer employment to, or endeavor to entice away from the Bank or otherwise interfere with their relationship with, any person who was, within the 12 month period preceding the termination date, an employee or independent contractor of the Bank, or (ii) become affiliated in any capacity, except as a shareholder of a publicly traded company holding 5% or less of its stock, with any person or entity engaged in the same or a similar business as the Bank within the New Jersey counties of Camden, Burlington, Gloucester, Atlantic, Cape May, Cumberland or Salem, or any other county in New Jersey in which the Bank has a branch or a loan production office.

Agreement with Ms. Shea. The Bank also has an employment agreement with Mary K. Shea, its Executive Vice President and Chief Financial Officer. This agreement currently expires on December 31, 2023; however, it provides for annual one-year extensions of the agreement on each anniversary of January 1, unless the Bank or the executive gives prior written notice of nonrenewal to the other party on or prior to October 2nd of the immediately preceding year. Ms. Shea’s agreement provides that the annual base salary paid to her cannot be less than \$215,000. Under the agreement, the executive is entitled to participate in any incentive

compensation plans and employee benefit plans that the Bank maintains. In addition, the agreement provides that the Bank is required to pay the full premium for her family medical and dental coverage. The executive is entitled to participate in and enjoy any other plans and arrangements which provide for sick leave, vacation, sabbatical, or personal days, club memberships and dues, education payment or reimbursement, business-related seminars, and similar fringe benefits provided to or for the officers of the Bank from time to time.

Under this agreement, the executive has agreed that if her employment terminates for any reason except a termination by the Bank without cause prior to a change in control, then for a period of 24 months, after the date of termination, the executive will not (i) solicit, endeavor to entice away from the Bank or its affiliates or otherwise interfere with their relationship with, any person who is, or was within the then most recent 12 month period, an employee or associate thereof, or (ii) solicit or initiate contact, provide services to or communicate with any customer (depositor, borrower or other) serviced by the Bank or whose name became known to the executive during her employment at the Bank.

In the event the Bank terminates the executive's employment without "Cause" or "Disability" (as all such quoted terms are defined in her employment agreement) prior to a change in control, she will be entitled to receive (i) her highest base compensation in effect during the two years prior to termination, payable for the remaining term of the agreement or for a period of one year from the date of termination, whichever is greater, and (ii) an amount equal to the higher of the bonuses paid to the executive during either one of the two years immediately preceding the date of termination, which shall be paid in cash on the first anniversary of the date of termination. In the event the Bank terminates the executive's employment without "Cause" or "Disability" upon or after a change in control of the Bank, or after a change in control of the Bank the executive terminates her employment for "Good Reason", the executive will be entitled to receive (i) her highest base compensation in effect during the two years prior to termination, payable for a period of two (2) years from the date of termination, and (ii) for each of such years, an amount equal to the higher of the bonuses paid to the executive during either one of the two years immediately preceding the date of termination. "Good Reason" includes any of the following events: (i) any material breach by the Bank of, or material failure of the Bank to tender performance under, the agreement, (ii) a material negative change in executive's status or position, or any material diminution in her duties or responsibilities; (iii) a material increase in executive's duties inconsistent with her position, which results in a material negative change to executive in the employment relationship; or (iv) a material reduction executive's base compensation.

In the event the payments and benefits payable to the executive under the agreement in the event of a termination of employment, when added to all other amounts and benefits payable to her, would result in the reduction of tax deductions under IRC Section 280G or the imposition of an excise tax under Section 4999 of the IRC, the amounts and benefits payable to her under the agreement will be reduced to such extent as may be necessary to avoid such imposition.

The Bank's obligations under its employment agreement with Ms. Shea are guaranteed by 1st Colonial Bancorp.

Executive Compensation Program

The Bank has a Management Incentive Plan ("MIP") that is designed to recognize and reward selected members of the management team for their collective and individual contributions to the success of the Bank. The MIP focuses on performance measures that are critical to the Bank's growth, profitability, and maintenance of a strong capital position.

The Compensation Committee, in consultation with the CEO, shall, prior to the beginning of each Performance Period, develop the annual incentive award opportunities for each Participant (other than the CEO), the weighting of Bank versus individual performance goals (if any), and a summary of possible payouts.

The Committee shall also determine a minimum performance threshold that must be achieved in order for the Incentive Plan to be funded for a Performance Period (calendar year). The performance goals, thresholds and weightings for each Performance Period will be submitted to the Board for review and non-objection, and then communicated to the Participants. Threshold, target, and maximum award Incentive Award Opportunities are expressed as a percentage of each Participant's base salary. The actual award payouts are calculated using a ratable approach, where award payouts are calculated as a proportion of threshold, target, and maximum award opportunities. If actual performance falls between a performance level the payout will also fall between the predefined performance level.

Incentive Awards shall be distributed in cash and/or Restricted Stock Units ("RSU") in combination to reach the award amount in accordance with the MIP and 1st Colonial Bancorp, Inc.'s existing equity incentive plan. The incentive award payout for the CEO has a target of 50% cash and 50% restricted stock units. In such determination, the value of each RSU shall be the volume weighted-average trading price of 1st Colonial Bancorp, Inc. common stock on the OTC markets for the ten (10) full trading days ending on the last trading day preceding the date such award is determined. The Committee shall determine the vesting period of the RSUs pursuant to 1st Colonial Bancorp, Inc.'s existing equity incentive plan. For 2022, the Bank exceeded the targeted pre-tax income and exceeded the maximum payout goal for return on average assets. The Compensation Committee, in its sole discretion, may make adjustments in the terms and conditions of, and the Bank Performance Measures included in, incentive awards granted under the Incentive Plan in recognition of extraordinary, unusual or nonrecurring events (positive or negative) affecting any Participant, the Bank or the financial statements of the Bank.

1st Colonial Bancorp, Inc. 2020 Equity Incentive Plan

The Board of Directors believes that 1st Colonial Bancorp's stock compensation plans constitute an important part of its compensation programs and, accordingly, it adopted and maintains 1st Colonial Bancorp, Inc. 2020 Equity Incentive Plan (the "2020 Equity Plan"). The Board of Directors approved the 2020 Equity Plan for the purpose of enabling 1st Colonial Bancorp to continue to recruit and retain highly qualified personnel, to provide those personnel with an incentive for productivity, and to provide those personnel with an opportunity to share in the growth and value of 1st Colonial Bancorp. The 2020 Equity Plan was approved by the 1st Colonial Bancorp's shareholders at the 2020 Annual Meeting.

The 2020 Equity Plan is designed to improve the performance of 1st Colonial Bancorp and its subsidiaries and, by doing so, to serve the interests of the shareholders. By continuing to encourage ownership of 1st Colonial Bancorp shares among those who play significant roles in our success, implementation of the 2020 Equity Plan continues to align the interests of 1st Colonial Bancorp's selected key employees and directors with those of our shareholders by allowing both to benefit from increases in the value of common stock. Moreover, the 2020 Equity Plan has a positive effect on our ability to attract, motivate, and retain employees and directors of outstanding leadership and management ability.

An aggregate of 400,000 authorized shares of common stock have been reserved for issuance under the 2020 Equity Plan. Under the 2020 Equity Plan, we may award options to purchase shares of 1st Colonial Bancorp common stock to selected key employees and directors of 1st Colonial Bancorp and the Bank. These options are either (i) incentive stock options (options qualified under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code")) (available only to employees), which we refer to as "ISOs," or (ii) nonqualified stock options (options not qualified under Code Section 422) which we refer to as "NQSOs". The 2020 Equity Plan also authorizes us to award restricted shares of 1st Colonial Bancorp common stock as well as restricted stock units representing the value of a share of 1st Colonial Bancorp common stock, which we refer to as "RSUs", to selected key employees and directors of 1st Colonial Bancorp or the Bank.

The 2020 Equity Plan provides that no more than 25,000 shares of common stock can be awarded to an employee for any calendar year, and also provides that awards to an individual director are limited to 6,000 shares of common stock during any calendar year.

In the event of any change in 1st Colonial Bancorp's common stock by reason of any stock dividend, stock split, reverse stock split, recapitalization, combination, or exchange of shares, merger, consolidation, or similar action, appropriate adjustment will be made to (i) the number of shares of common stock authorized to be made subject to options under the 2020 Equity Plan, (ii) the number of shares into which outstanding options may be converted upon exercise, (iii) the exercise price of outstanding options, (iv) the maximum number of options that may be granted to any one person within a calendar year, and (v) such other terms as are appropriate under the circumstances. In addition, the Board may make similar changes to outstanding options in other circumstances where such changes are deemed equitable under such circumstances.

Options granted under the 2020 Equity Plan are not assignable or transferable other than by will or the laws of descent and distribution and, in general, during the grantee's lifetime are exercisable only by the grantee or his or her duly appointed legal representative.

As of December 31, 2022, there are 109,284 shares that remain available to be granted subject to awards under the 2020 Equity Plan.

2013 Employee Stock Option Plan

We also maintain the 2013 Key Employee Stock Option Plan (the "2013 Employee Plan"). The 2013 Employee Plan authorized us to award options to purchase shares of 1st Colonial Bancorp common stock to selected key employees of 1st Colonial Bancorp or the Bank. These options were either ISOs or NQSOs. The ability to grant new options under the 2013 Key Employee Stock Option Plan terminated upon the approval of the 2020 Equity Plan.

Only executive officers and key employees (as determined by the Stock Option Plan Committee) were eligible to receive options under the 2013 Employee Plan. Options granted under the 2013 Employee Plan generally are exercisable for up to 10 years after the date of grant.

Under the 2013 Employee Plan, the Stock Option Plan Committee imposed vesting conditions on the exercisability of options. In general, an option vests and becomes exercisable on the date or dates set forth in the option agreement; provided, however, that no option can be exercisable until the optionee has completed at least one full year of continuous employment with us following the date of grant, unless a change in control (as defined in the 2013 Employee Plan) occurs. If a change in control occurs, each outstanding option issued under the 2013 Employee Plan will immediately become exercisable. A change in control will be deemed to have occurred upon, among other events, shareholder approval of the acquisition of 1st Colonial Bancorp (or all or substantially all of its assets).

In the event of any change in our common stock by reason of any stock dividend, stock split, reverse stock split, recapitalization, combination or exchange of shares, merger, consolidation or similar action, appropriate adjustment will be made to (i) the number of shares into which outstanding options may be converted upon exercise, (ii) the exercise price of outstanding options, and (iv) such other terms as are appropriate under the circumstances. In addition, the Board may make similar changes to outstanding options in other circumstances where such changes are deemed equitable under such circumstances.

Options to acquire an aggregate of 55,347 authorized shares of common stock are outstanding under the 2013 Employee Plan.

Equity Grants in Last Fiscal Year

On August 8, 2022, 5,000 RSUs of 1st Colonial Bancorp common stock were awarded to Mr. White. The RSUs vest in full over a five-year period, with respect to one-fifth of the total shares covered by the award on each of August 8, 2023, 2024, 2025 2026 and 2027 (subject to accelerated vesting). Upon vesting of the RSUs, 1st Colonial Bancorp will deliver to Mr. White one share of common stock for each outstanding RSU.

On January 3, 2022, 10,363 RSUs of 1st Colonial Bancorp common stock were awarded to Mr. White. The RSUs vest in full over a five-year period , with respect to one-fifth of the total shares covered by the award on each of January 3, 2023, 2024, 2025, 2026 and 2027 (subject to accelerated vesting). Upon vesting of the RSUs, 1st Colonial Bancorp will deliver to Mr. White one share of common stock for each outstanding RSU.

Outstanding Stock Option and Other Equity Awards at Fiscal Year End

The following table provides certain information with respect to the executive officers named in the Summary Compensation Table appearing above concerning stock options and RSUs which were outstanding on December 31, 2022. No other equity awards were outstanding on December 31, 2022.

OUTSTANDING EQUITY AWARDS AT 2022 FISCAL YEAR END

	Option Awards				Restricted Stock Unit Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Not Vested (#)	Option Exercise Price ¹ (\$)	Option Expiration Date	Number of units of stock that have not vested (#)	Market value of units of stock that have not vested ² (\$)
Robert B. White	2,500	7,500 ³	7.63	December 8, 2030	26,462	370,468
	2,500	10,000 ⁴	9.68	May 26, 2031		
Frank J. Monaghan	14,072	-	4.51	September 12, 2023	4,000	56,000
	12,637	-	5.68	December 16, 2025		
	11,577	-	9.89	October 25, 2027		
	-	10,000 ⁵	5.05	June 24, 2030		
	3,000	4,500 ³	7.63	December 8, 2030		
	2,000	8,000 ⁴	9.68	May 26, 2031		
Mary K. Shea	5,789	-	9.89	October 25, 2027	4,000	56,000
	-	10,000 ⁵	5.05	June 24, 2030		
	3,000	4,500 ³	7.63	December 8, 2030		
	2,000	8,000 ⁴	9.68	May 26, 2031		
Anthony W. LaMarca	-	-	-	-	12,000	168,000

(1) Exercise price is equal the fair market value on the date the option was granted, as determined by the Stock Option Plan Committee pursuant to the 2013 Employee Plan or the Compensation Committee pursuant to the 2020 Equity Plan.

(2) Calculated using the December 31, 2022 closing stock price of \$14.00 per share.

(3) These options vest and become exercisable in full over a four-year period, becoming exercisable with respect to one-fourth of the total shares covered by the option on each of December 8, 2023, 2024 and 2025 (except they become fully vested upon any Change in Control).

(4) These options vest and become exercisable in full over a five-year period, becoming exercisable with respect to one-fifth of the total shares covered by the option on each of May 26, 2023, 2024, 2025 and 2026 (except they become fully vested upon any Change in Control).

(5) These options vest and become exercisable in full on June 24, 2025 (except they become fully vested upon any Change in Control).

Aggregated Option Exercises in Last Fiscal Year

No Executive Officer exercised vested options during the year ended December 31, 2022.

Employee Retirement Plan

The Bank instituted a noncontributory 401(k) for all current employees in August 2005. All eligible employees are 100% vested in any required safe harbor contributions. The Bank made safe harbor contributions in the amount of \$289 thousand in 2022 and \$253 thousand in 2021.

Equity Plan Compensation Information

The following table provides certain information regarding securities issued or issuable under 1st Colonial Bancorp's equity compensation plans as of December 31, 2022.

<u>Plan Category</u>	<u>Number of shares of common stock to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted- average exercise price of outstanding options, warrants and rights</u>	<u>Number of shares of common stock remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)</u>
Equity compensation plans approved by security holders	373,132	\$7.60	109,284
Equity compensation plans not approved by security holders.....	<u>-</u>	<u>-</u>	<u>-</u>
Total.....	<u>373,132</u>	<u>\$7.60</u>	<u>109,284</u>

TRANSACTIONS WITH RELATED PERSONS

1st Colonial Bancorp does not make any loans to its officers or directors. However, the Bank offers various types of loans to its directors, officers, and employees. Under applicable Federal law, any loan made to a director, officer, employee or other affiliate is required to be on substantially the same terms and conditions available to non-related borrowers (in particular as to interest rate and collateral). In addition, the risk of nonpayment must not be greater than the risk of nonpayment on loans to non-related borrowers, and the loan must be approved by a majority of the full Board of Directors, with the loan applicant not voting or influencing the vote.

Certain directors and officers of the Bank are customers of and during the year ended December 31, 2022 and had banking transactions with the Bank in the ordinary course of business. Similar transactions may be expected to occur in the future. All loans and commitments to loan were made under substantially the same terms, including interest rates, collateral, and repayment terms, as those prevailing at the time for comparable transactions with other persons and, in our opinion, do not involve more than the normal risk of collection or present other unfavorable features. The aggregate amount of loans to such related parties was \$1.0 million and \$664 thousand as of December 31, 2022 and 2021, respectively. During 2022 and 2021, new loans and credit line advances to such related parties amounted to \$355 thousand and \$0, respectively, and repayments amounted to \$13 thousand and \$6 thousand, respectively. The aggregate amount of deposits from related parties was \$51.1 million and \$60.9 million as of December 31, 2022 and 2021, respectively.

The Bank retained entities that are affiliated with John J. Donnelly IV, a director of the Bank, to perform certain construction loan inspection services. The total amount paid by the Bank for such services amounted to fees of approximately \$20 thousand for the years ended December 31, 2022 and 2021, respectively. The terms of the services provided were substantially equivalent to that which would have been obtained from unaffiliated parties.

MATTER NO. 2

RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS

The Audit Committee of the Board of Directors has appointed Crowe LLP as independent auditors of 1st Colonial Bancorp for the year ending December 31, 2023 and has further directed that the appointment of such auditors be submitted for ratification by the shareholders at the annual meeting.

We are seeking shareholder ratification of the Audit Committee's selection of our independent auditors even though we are not legally required to do so. If our shareholders ratify the Audit Committee's selection, we may, in our discretion, retain another independent auditing firm at any time during the year if the Audit Committee feels that such change would be in the best interest of 1st Colonial Bancorp. Alternatively, in the event that this proposal is not approved by our shareholders, the Audit Committee may re-evaluate its decision to appoint Crowe LLP as independent auditors, but is not required to do so.

Crowe LLP served as the independent auditors of 1st Colonial Bancorp for the years ended December 31, 2022 and 2021. A representative of Crowe LLP will attend the annual meeting, will be extended an opportunity to make a statement, if he or she so desires, and will be available to respond to appropriate questions.

Audit and All Other Fees

The following table presents fees for professional services rendered by Crowe LLP and KPMG LLP for the fiscal years ended December 31, 2022 and 2021, respectively. For the fiscal years ended December 31, 2022 and 2021, Crowe LLP performed the audit of our annual financial statements and the audit of the Bank required under the U.S. Department of Housing and Urban Development's (HUD) uniform financial reporting standards. For the fiscal years ended December 31, 2022 and 2021, KPMG LLP performed all services related to the preparation of the consolidated tax returns and guidance on tax provision.

	<u>2022</u>	<u>2021</u>
Audit fees (a).....	\$ 135,000	\$ 90,000
Audit-related fees (b).....	16,000	16,000
Tax fees (c).....	<u>30,000</u>	<u>27,000</u>
Total.....	<u>\$ 181,000</u>	<u>\$133,000</u>

- (a) Fees for 2022 and 2021 consist of fees for the audit of 1st Colonial Bancorp's annual consolidated financial statements, and services normally provided in connection with statutory and regulatory filings or engagements for those fiscal years.
- (b) These fees were for services rendered in connection with audit of the Bank required under the U.S. Department of Housing and Urban Development's (HUD) uniform financial reporting standards.
- (c) These services involved the preparation of the 1st Colonial Bancorp's consolidated tax returns and guidance on tax accruals.

No fees were billed by Crowe LLP and KPMG LLP during 1st Colonial Bancorp's 2022 or 2021 fiscal years for any other services rendered to 1st Colonial Bancorp other than the amounts set forth above.

Audit Committee Pre-Approval Policies and Procedures

All auditing services (which may entail providing comfort letters in connection with securities underwritings) and all non-audit services to be provided to 1st Colonial Bancorp by its auditors that are not prohibited by law must be pre-approved by 1st Colonial Bancorp's Audit Committee pursuant to such processes as are determined to be advisable, before such services can commence. Pre-approval shall include blanket pre-approval of non-prohibited services for limited dollar amounts which the Audit Committee, in its business judgment, does not believe possess the potential for abuse or conflict.

This pre-approval requirement is not applicable with respect to the provision of non-audit services if:

- the aggregate amount of all such non-audit services provided to 1st Colonial Bancorp constitutes not more than five percent of the total amount of revenues paid by 1st Colonial Bancorp to its auditor during the fiscal year in which the non-audit services are provided;
- such services were not recognized by 1st Colonial Bancorp at the time of the engagement to be non-audit services; and
- such services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee to whom authority to grant such approvals has been delegated by the Audit Committee.

The Audit Committee may delegate to one or more designated members of that committee the authority to grant required pre-approvals. The decisions of any member to whom authority is delegated under this paragraph to pre-approve an activity under this subsection shall be presented to the full committee at its next scheduled meeting.

All services performed by Crowe LLP and KPMG LLP in 2022 and 2021, respectively, were pre-approved in accordance with the pre-approval policy. There were no waivers by the Audit Committee of the pre-approval requirement for permissible non-audit services in 2022 or 2021.

Ratification Requirements

The affirmative vote of a majority of the votes cast at the annual meeting, assuming a quorum is present, is required to ratify the Audit Committee's appointment of Crowe LLP as independent auditors of 1st Colonial Bancorp for the year ending December 31, 2023. Abstentions, although counted for the purpose of determining whether a quorum is present at the meeting, will not constitute or be counted as "votes" cast, so they will have no effect on the approval of this matter.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF CROWE LLP AS INDEPENDENT AUDITORS FOR THE YEAR ENDING DECEMBER 31, 2023.

ANNUAL REPORT

Under the Pennsylvania Business Corporation Law, 1st Colonial Bancorp is required to furnish to its shareholders annual financial statements, including at least a balance sheet as of the end of each fiscal year and a statement of income and expenses for the fiscal year. These financial statements are contained in our annual report for the year ended December 31, 2022, which accompanies this proxy statement. The annual report is furnished to you for your information and as required by law. No part of the annual report is incorporated by reference in this document.

SHAREHOLDER PROPOSALS AND NOMINATIONS FOR 2024 ANNUAL MEETING

1st Colonial Bancorp's year 2024 annual meeting of shareholders will be held on or about May 8, 2024.

Any shareholder of 1st Colonial Bancorp who desires to submit a proposal to be considered for inclusion in 1st Colonial Bancorp's proxy materials relating to its 2024 annual meeting of shareholders must submit such proposal so that we receive it on or before December 9, 2023. In accordance with our bylaws, to be considered for presentation at the 2024 annual meeting of shareholders, but not for inclusion in the proxy statement, proposals must be received at least 90 days prior to the annual meeting. All such proposals must be in writing delivered or mailed by first-class United States mail, postage prepaid, addressed to 1st Colonial Bancorp, Inc. at 1000 Atrium Way, Suite 200, Mount Laurel, NJ 08054 (Attention: Secretary).

Nominations for election to the Board of Directors may be made by any shareholder entitled to vote for the election of directors. Nominations for director made by shareholders (other than the members of the Board of Directors) must be made in writing and delivered to us not less than 90 days prior to the date of the annual meeting. Each notice of nomination made by a shareholder should set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in the notice, (ii) the principal occupation or employment of each nominee, and (iii) the number of shares of capital stock of 1st Colonial Bancorp that are beneficially owned by each nominee. Our articles of incorporation provide that in order to qualify for election as a director of 1st Colonial, a person must have been a shareholder of record of 1st Colonial for at least three years. We are not required to include nominations made by our shareholders in our proxy statement. However, if any such nomination is properly made, ballots bearing the name of such nominee or nominees will be provided for use by shareholders at the annual meeting.

Shareholders may also recommend qualified persons for consideration by the Board of Directors to be included in 1st Colonial Bancorp's proxy materials as a nominee of the Board of Directors. Shareholders making a recommendation must submit the same information as that required to be included by 1st Colonial Bancorp in our proxy statement with respect to nominees of the Board of Directors. The shareholder recommendation should be submitted in writing, addressed to 1st Colonial Bancorp at 1000 Atrium Way, Suite 200, Mount Laurel, NJ 08054 (Attention: Secretary), on or before December 1, 2023.

SHAREHOLDER COMMUNICATIONS

Shareholders and other interested parties who desire to communicate directly with 1st Colonial Bancorp's Board of Directors or the independent, non-management directors should submit communications in writing addressed to the Audit Committee Chairman, 1st Colonial Bancorp, Inc. at 1000 Atrium Way, Suite 200, Mount Laurel, NJ 08054.

Shareholders, employees and other interested parties who desire to express a concern relating to accounting or auditing matters should communicate directly with 1st Colonial Bancorp's Board of Directors or the independent, non-management directors should submit communications in writing addressed to the Audit Committee Chair, 1st Colonial Bancorp, Inc. at 1000 Atrium Way, Suite 200, Mount Laurel, NJ 08054.

OTHER MATTERS

Management knows of no business that may properly come before the meeting other than those matters described above. Should any other matters arise, the persons named on the enclosed proxy will vote thereon in accordance with their best judgment.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in dark ink, appearing to read "Mary Kay Shea", with a long horizontal flourish extending to the right.

Mary Kay Shea, Secretary

Appendix A

Audit Committee Charter

The Audit Committee (the "Committee") of 1st Colonial Community Bank i.e. 1st Colonial Bancorp, Inc. (the "Company") is appointed by the Board of Directors (the "Board") annually, or more often as required, and is composed of not less than four (4) Independent Directors who are not Officers or salaried employees of the Company. An Independent Director is free of any relationship that could influence his or her judgment as a Committee member. Each Committee member shall be financially literate and at least one member shall be designated as the "financial expert" as defined by applicable legislation and regulation. One of the members of the Committee shall be designated the Chairman. Three members shall constitute a quorum for the transaction of business. Minutes of each formal meeting will be written and approved by the Committee at their next meeting.

The primary function of the Committee is to provide assistance to the Board in fulfilling its oversight responsibilities by reviewing the system of internal controls that management and the Board have established and all audit processes.

General Responsibilities

1. The Committee provides open avenues of communication among the internal auditors, the independent accountant and the Board.
2. Minutes of the Committee meetings will be provided at the subsequent Board of Directors' meeting.
3. The Committee has the power to conduct or authorize investigations into matters within the Committee's scope of responsibilities. The Committee is authorized to retain independent counsel, accountants or others it needs to assist in an investigation.
4. The Committee will hold at least four regular meetings each year and additional meetings as the Committee Chairman shall require in order to satisfy its duties and responsibilities. The Committee may ask management or others to attend the meeting. The Committee is also authorized to receive all pertinent information as the Committee deems necessary from management.
5. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

Responsibilities for Engaging the Independent Accountants and Appointing the Internal Auditor

1. The Committee will recommend, after consultation with management, the independent accountant for the Company's audit. The Committee will also review and set any fee paid to the independent accountants. All said actions of the Committee in this paragraph are subject to the Board's approval.
2. The Committee will review and recommend the appointment or replacement of the internal auditors to the Board.

3. The Committee will confirm and assure the independence of the internal auditor and the independent accountant. This assurance shall be provided in writing and disclose all relationships with the Company that in the judgment of the independent accountant or internal auditor may impact objectivity and independence. This shall also include a review of management consulting services provided by the independent accountant or internal auditor and the fees paid for them.
4. The Committee will consider, in consultation with the independent and internal accountants, the audits' scope and procedural plans made by the internal auditors and the independent accountants.

Responsibilities for Reviewing Annual Audits, Internal Audits and the Review of Annual Financial Statements

1. The Committee will ascertain that the independent accountant views the Board as its client, that it will be available to the Board at least annually and that it will provide the Audit Committee with timely analysis of significant financial reporting issues.
2. The Committee will review the following with the internal auditors and independent accountant:
 - a. The adequacy of the Company's internal controls, including computerized information systems and security.
 - b. Any significant findings, risks and exposures, and recommendations made by the independent accountants or internal auditors, and assess management's responses to them.
3. After the annual examination is completed, the Committee will review the following with management and the independent accountants:
 - a. The Company's annual financial statements and related footnotes.
 - b. The independent accountants' audit of and report on the financial statements.
 - c. The independent accountant's qualitative judgments about the appropriateness, not just the acceptability, of accounting principles and financial disclosures and how aggressive (or conservative) the accounting principles and underlying estimates are.
 - d. Any serious difficulties or disputes with management encountered during the course of the audit.
 - e. Anything else about the audit procedures or findings that Generally Accepted Auditing Standards (GAAS) requires the auditors to discuss with the Committee.
4. The Committee will consider and review with management and the internal auditors:
 - a. Any significant findings during the course of the year and management's responses to them.
 - b. Any difficulties the internal auditor encountered while conducting the audits, including and restrictions on the scope of their work or access to required information.
 - c. Any changes to the planned scope of the internal audit plan that the Committee thinks advisable.

5. The Committee will consider and review compliance reports with management and the Compliance Officer:
 - a. Any significant findings during the course of the reviews or the period covered by the review scope.
 - b. Any areas of increased risk.
 - c. The follow-up matrix of items requiring a response or enhancement on the part of management.

Periodic Responsibilities

1. Review and update the Committee's Charter annually.
2. Review legal and regulatory matters that may have a material effect on the Company's financial statements, compliance policies and programs and reports from regulators.
3. Meet with the independent accountants, internal auditors and management in separate executive sessions to discuss any matters the Committee or these groups deem should be discussed privately with the Committee.
4. Institute and oversee special investigations as needed.
5. Determination of appropriate funding for payment of any advisers or counsel retained by the Committee or any administrative expenses of the Committee that are necessary or appropriate in carrying out the duties of the Committee.

