



# Risk Committee Charter

## Purpose

The Risk Committee (the “Committee”) is appointed by the Company’s Board of Directors (the “Board”). The Committee assists the Board in fulfilling its oversight responsibilities relating to the operation of the Company’s global risk management framework, including the risk management policies for the Company’s global operations.

The Committee shall meet at least quarterly, or more frequently as it deems necessary to perform its responsibilities.

## Committee Membership

The Committee shall consist of not fewer than three directors.

The members and chair of the Committee shall be appointed and replaced by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The chair of the Committee shall satisfy the independence standards set forth in 12 C.F.R. § 252.33(a)(4)(ii). The members of the Committee shall include at least one member having, as determined by the Committee, experience in identifying, assessing and managing risk exposures of a large, complex financial firm. All members of the Committee shall have, as determined by the Committee, an understanding of risk management principles and practices relevant to the Company.

## Committee Authority and Responsibilities

1. **General.** The Committee has the following general authority and responsibilities, which it may exercise in its discretion:
  - The Committee is responsible for approving and periodically reviewing the risk management policies of the Company’s global operations and for overseeing the operation of the Company’s global risk management framework. The Company’s global risk management framework includes, among other things, policies and procedures establishing risk management governance, risk

management procedures, and risk control infrastructure for its global operations as well as processes and systems for implementing and monitoring compliance with such policies and procedures. The Committee is responsible for reviewing and discussing with management the Company's assessment and management of all risk applicable to the Company's operations, including credit, market, interest rate, liquidity, operational and business risks, compliance risk, reputation risk and related policies.

- The Committee shall provide oversight on the strategic capital governance principles and controls and monitor capital adequacy in relation to risk, including with respect to capital planning and capital and liquidity stress testing.
- The Committee shall also approve the Company's contingency funding plan at least annually and approve in advance any material revisions to the plan.
- The Committee shall review all applicable capital metrics and risk metrics.
- The Committee shall review and approve the Company's risk appetite framework no less than annually.
- The Committee shall receive such reports as it determines to be appropriate from the Chief Risk Officer (at least quarterly), Enterprise Risk Management, the Treasurer or other representatives of management regarding the Company's policies, procedures and practices, and the functioning of risk or capital-related management committees, including reports related to the assessment, analysis, monitoring, management and mitigation of risk exposures and capital adequacy and the Company's liquidity risk profile, liquidity risk tolerance, and steps management has taken to manage liquidity and other risk or capital-related matters.
- The Committee shall approve the appointment of the Chief Risk Officer, who shall report directly to the Committee as well as to the Chief Executive Officer.
- The Committee shall annually review and evaluate, and as appropriate provide input to the Executive Compensation Committee regarding, performance and proposed annual compensation of the Chief Risk Officer.

- The Committee shall review with the Chief Risk Officer the adequacy of staffing, resources and expertise of the Company's risk management function.
  - The Committee shall provide oversight of new products or services or new business initiatives which require a capital investment of more than \$100 million, and may also request review of other new products or business initiatives that entail increased risk or a material change to company strategy.
2. **Related Matters.** The Committee's responsibilities include reviewing and approving, as it deems appropriate and on behalf of the Board, matters related to the Committee's general authority, oversight and responsibilities, such as the following:
- Portfolio of Investment Securities; and
  - Strategic Investments of the Company.
3. **Regulatory Matters.** The Committee is responsible for discharging the duties and obligations of the Board under Basel III and successor regulations, as well as U.S. banking regulators' annual Comprehensive Capital Analysis and Review (CCAR), Comprehensive Liquidity Assessment and Review (CLAR) and resolution and recovery planning requirements.
4. **Other.**
- Subject to and solely to the extent permitted by applicable legal and regulatory requirements, the Committee may delegate authorities and responsibilities to a management committee as appropriate.
  - The Committee shall report directly, and provide reports of its activities, to the Board. The Committee shall periodically receive reports from other committees of the Board, including the Examining and Audit Committee, the Executive Compensation Committee and the Technology Committee, or from management on any activities undertaken by such other committees involving the oversight of any Company risks and related policies that support the Committee's overall oversight of the Company's global risk management framework. The Committee may meet in joint sessions with other committees of the Board from time to time to discuss areas of common interest and significant matters.

- The Committee shall have the authority to obtain advice and assistance from internal and external legal, accounting or other advisors. The Committee shall also have access to corporate management for research, consultation and advice on all of the matters contained in this charter.
- The Committee shall perform an annual evaluation of the Committee's performance.
- The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Nominating and Corporate Governance Committee for its consideration and for recommendation to the Board for approval.
- The Committee shall have such other duties as may be delegated from time to time by the Board.
- The Committee shall document and maintain records of its proceedings.