

STI-BRC-CH-01 Board Risk Committee Charter

Committee Name Board Risk Committee	Version 12	Effective Date 11/12/2012
Issued By Enterprise Risk	Type Charter	Last Review 06/11/2019
Approvals Board Risk Committee / Board of Directors		Next Review 06/30/2020

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1. Purpose

The purpose of this charter is to define the membership, roles, responsibilities and authority of, and establish administration guidelines for, the Risk Committee of the Board of Directors (“Committee” or “BRC”).

The Committee reports to and assists the Board of Directors (“Board”) in overseeing and reviewing information regarding, but not limited to, enterprise risk management, e.g., credit, operational, compliance, market, liquidity, strategic, legal, technology, and reputational risk; enterprise capital adequacy; liquidity adequacy; and material regulatory matters. Oversight and review may include, among other things, significant policies and practices employed to manage and assess credit risk, liquidity risk, market risk, operational risk, compliance risk, legal risk, strategic risk and reputational risk. The BRC also oversees management of the Company’s fiduciary and select capital and liquidity management activities.

2. Membership

The Committee will consist of at least three members of the Board, one of which will serve as the Committee Chair. All members will be independent directors. The Board will appoint Committee members and the Committee Chair based on the recommendation of the Board Governance and Nominating Committee. The Board may replace committee members at any time.

The Board may appoint a Vice Chair of the Committee to preside over Committee meetings in the event the Chair is not available and to carry out other tasks specifically delegated by the Chair.

At the Committee Chair’s discretion, members of management and other subject matter experts may attend Committee meetings to facilitate the execution of the Committee’s responsibilities.

3. Committee Responsibilities

3.1 Key Responsibilities

The Board has delegated to the Committee the responsibility and authority to receive information pertaining to, and act on its behalf regarding, oversight, review, challenge and, where appropriate, approval and/or recommend approval of:

- The charters of the Asset/Liability Management Committee (“ALCO”), Enterprise Risk Committee (“ERC”), Corporate Portfolio Management Committee (“PMC”), Capital Committee (“CC”), Enterprise Business Practices Committee (“EBPC”), Technology Management Committee (TMC), Strategic Initiative Review Committee (SIRC), and other executive committees, if any, each calendar year, or more frequently if conditions warrant.
- Enterprise risk management appetite framework, tolerances, limits and/or standards; risk management frameworks; and Level 1 policies that reflect the Board’s risk management philosophies and principles, or for which management oversight is mandated by law or regulation. The Committee maintains the right to authorize management to develop and implement additional frameworks and policies relating to risk, fiduciary, liquidity and/or capital management, as appropriate.

- Enterprise Credit risk management activities, e.g., asset quality and credit management process;
- Enterprise Operational¹ risk management activities;
- Enterprise Compliance² risk management activities;
- Enterprise Market risk management activities;
- Liquidity risk management activities, including the structure and adequacy of liquidity in light of current and planned business activities, and management, Board and statutory/regulatory requirements or expectations;
- Capital management activities, including periodic (at least quarterly) review of the structure and adequacy of capital in light of current or planned business activities; annual approval of the Capital Plan and planned capital actions in conjunction with review of capital planning activities; and other management, Board and statutory/regulatory requirements or expectations;
- The structure and adequacy of capital in light of current or planned business activities, and management, Board and statutory/regulatory requirements or expectations;
- Enterprise Regulatory risk management/relations activities;
- Enterprise Legal risk management activities;
- Enterprise Strategic risk management activities;
- Enterprise Business Practices activities;
- Business Segment (Wholesale and Consumer) and Functional Unit risk management activities;
- Fiduciary activities;
- Risk Assurance activities (e.g., Credit Review; SunTrust Audit Services is under the purview of the Audit Committee of the Board of Directors);
- Critical enterprise and risk management project/program activities;
- Executive Committee activities, e.g., Enterprise Risk Committee, Asset-Liability Management Committee, Portfolio Management Committee, Capital Committee, Enterprise Business Practices Committee, Strategic Initiative Review Committee, and Technology Risk Management Committee
- Enterprise Data Governance program and activities;
- Stress testing/scenario analysis programs and activities;
- Regulatory submissions including, but not limited to, current and stressed capital/liquidity adequacy and resolution planning;

¹ In this context, Enterprise Operational Risk management includes, but is not limited to, the activities of Risk Program leaders, e.g., Financial Reporting Risk, Model Risk, Fraud Risk, and Third-Party Risk Management Risk

² In this context, Enterprise Regulatory and Compliance Risk management provides program design and policy standards for, but is not limited to, Fair and Responsible Banking, Community Reinvestment Act, “Letter” Regulation Compliance, Privacy, AML/BSA, and Complaints Management. In addition, Segment Compliance risk teams provide oversight of business execution and compliance activities.

- Material regulatory letters, matters, actions and/or orders and related responses and submissions, as appropriate;
- Other activities related to this Charter; requested by management; requested by the Board of Directors; or directed by regulators or by law.

3.2 Other Responsibilities

The Committee shall also:

- Receive updates with respect to the Company's Code of Conduct, including changes to the Code of Conduct and the process for communicating the Code of Conduct to Company personnel.
- Receive periodic reports from the Chief Risk Officer, Enterprise Credit Risk Executive, Enterprise Information Services Risk Executive, Enterprise Market and Liquidity Risk Executive, Chief Compliance Officer, Regulatory Relations Executive, Enterprise Credit Review Officer, Enterprise Risk Services Executive, Enterprise Model Risk Executive, International Risk Executive, Ethics Officer, Segment Risk Executives, Chief Financial Officer, Enterprise Data Officer, Treasurer and other senior managers, such as Business Segment (Wholesale and Consumer) and Functional Unit management, as appropriate.
- Undertake appropriate inquiry, engage in effective challenge and/or intervene in matters of risk management and issue remediation, as appropriate.
- Review and assess the adequacy of the Committee Charter, request Board approval and ensure appropriate disclosure as may be required by law or regulation at least once each calendar year, or more frequently, as appropriate.
- Annually review the Committee's own performance.

3.3 Chief Risk Officer

SunTrust's Chief Risk Officer shall report directly to the Chief Executive Officer and the BRC. The Chief Risk Officer shall have direct and unrestricted access to the Committee and/or members thereof. Similarly, the Committee and/or members thereof shall have direct and unrestricted access to the Chief Risk Officer. In addition, the Committee will:

- Review and concur in the appointment, replacement, or dismissal of the Chief Risk Officer.
- Review the performance of the Chief Risk Officer at least once annually.
- Approve the remuneration of the Chief Risk Officer.
- On a regular basis, meet separately with the Chief Risk Officer to discuss any matters that the Committee or the Chief Risk Officer believes should be discussed privately.

3.4 Enterprise Credit Review Officer

The Enterprise Credit Review Officer shall report directly to the BRC, and administratively to the Chief Risk Officer.

Credit Review is an independent assurance function responsible for evaluating and reporting upon

- The quality of SunTrust's loan portfolios;
- The timeliness, accuracy and documentation of loan/portfolio risk ratings; and
- The effectiveness of credit risk management processes, controls and execution.

With regards to Enterprise Credit Review, the Committee shall:

- Review and approve, at least each calendar year, the Credit Review Charter and Annual Credit Review Plan. Changes to the Annual Credit Review Plan must be reviewed with the Committee, and changes to the Annual Review Plan that result in guideline exceptions must be approved by the Committee.
- Review, at least each calendar year, Credit Review staffing (including qualifications), organizational structure and any recommended changes thereto.
- Review summaries of Credit Review findings regarding Asset Quality and Credit Risk Management Processes and other risk issues, as appropriate, and review the status of issue remediation efforts at least quarterly.
- Ensure that there are no unjustified restrictions or limitations on Credit Review's scope of activities or access to information.
- Review and concur in the appointment, replacement, or dismissal of the Enterprise Credit Review Officer.
- Review the performance of the Enterprise Credit Review Officer at least once annually.
- Approve the remuneration of the Enterprise Credit Review Officer.
- Meet separately with the Enterprise Credit Review Officer to discuss any matters that the Committee or the Enterprise Credit Review Officer believes should be privately discussed.

Reference: [ER-CR-CH-01 SunTrust Credit Review Charter](#)
[ER-CRP-1000 Credit Review Policy](#)

4. Authority

The Committee operates under the authority of the Board and reports to the same and is granted the authority to perform the responsibilities enumerated in this Charter.

5. Meeting Administration

5.1 Schedule

The Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All Committee members are expected to attend each meeting, in person or via telephone or videoconference.

As necessary or desirable, the Committee Chair may request that certain members of management or others be present at BRC meetings.

5.2 Pre-Meeting Distribution

BRC agendas and meeting materials will generally be provided to Committee members at least seven days before scheduled meetings. In specific cases, materials may be provided to Committee members within seven days of a scheduled meeting to accommodate delivery of critical or updated information.

5.3 Meeting Presentations

The Committee Chair, in consultation with the Chief Risk Officer and the BRC Secretary, establishes meeting agendas and content.

The BRC Secretary coordinates the compilation of meeting materials and schedules presenters. Presenters are required to conform to reporting, documentation and presentation protocols, as periodically established and communicated by the Committee Secretary. This includes, but is not limited to, summaries of the topic(s) being presented, along with the actions, if any, required of the BRC members; additional detail is routinely supplied to ERC members in appendices. Exceptions require approval of the BRC Secretary.

The BRC Secretary will document the proceedings of each meeting in Committee minutes, including actions taken, decisions made and/or follow-up actions required, as appropriate.

5.4 Voting Requirements/Quorum

A majority of the members of the Committee constitutes a quorum for the transaction of business, and when a quorum exists, the act of a majority of those present shall be the act of the Committee.

5.5 Interactions

The Committee Chair shall periodically update the Board regarding matters of interest and the Committee's activities, observations, actions and/or approvals, as appropriate.

With regard to risk assessment and risk management activities, the Board acknowledges that information reviewed by either the Board Risk Committee or the Board Audit Committee may be of interest to the other and should be shared, as appropriate.