



# Risk Management Committee Charter

October 29, 2021

**Cadence Bank**  
**Charter of the**  
**Risk Management Committee**

**Purpose:**

The Risk Management Committee (the Committee) of Cadence Bank (the Bank or the Company)<sup>1</sup> is responsible for the oversight of the Company’s enterprise-wide risk management practices. The Committee’s focus includes but is not limited to the identification, monitoring, management and planning for the Company’s exposure to applicable risks, including without limitation, credit risk, liquidity risk, market/interest rate risk, technology risk (including cybersecurity), operational risk, legal, compliance, and regulatory risk, human resource risk, capital risk, reputation risk, acquisition and strategic risk, and other such risks as may from time to time be material to the Company. In addition, the Committee provides oversight and guidance concerning the Company’s Environmental, Social, and Governance (ESG) initiatives. These initiatives are designed to promote the Company’s investments in social capital, human capital, sustainability, corporate governance, and the environment and to limit or mitigate attendant risks. The Committee ascertains whether Management<sup>2</sup> has adequately considered all material risks facing the Company and to determine whether procedures have been effectively implemented in order to mitigate sufficiently the risks identified. The Committee will provide advice to the Board of Directors of the Bank (the Board) and the Board’s committees as to appropriate risk mitigation procedures and structures, thus further enabling the Board to fulfill its responsibilities regarding effectively monitoring and reviewing the actions of Management.

**Membership:**

The Committee shall consist of no fewer than three non-management members of the Board. The chair of the Committee (the Chairman) and each of its members shall be appointed and subject to removal by the Board acting on the recommendation of the Nominating Committee of the Board in consultation with the Chief Executive Officer of the Company.

The Chairman shall meet the independence requirements of the Securities and Exchange Commission, the New York Stock Exchange, the Federal Deposit Insurance Corporation, and other applicable legal or regulatory requirements, as from time to time in effect. The Board shall be responsible for determining and annually confirming the independence of the Chairman.

All members of the Committee are expected to have a general understanding of risk management principles and practices relevant to the Company, and the ability to assess the general application of such principles and practices.

At least one member of the Committee shall have risk management expertise (as hereinafter defined) that is commensurate with the Company’s capital structure, risk profile, complexity, activities, size and other appropriate risk-related factors. “Risk management expertise” means (i) an understanding of risk management principles and practices relevant to the Company, and the ability to assess the general application of such principles and practices, and (ii) experience developing and applying risk

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<sup>1</sup>Cadence Bank (Cadence or the Company) means Cadence Bank and its subsidiaries and their affiliates.

<sup>2</sup>The term “Management” means the officers and employees that serve as Management Committee or Senior Staff of the Company, as well as other employees who are responsible for ownership of a product, model or other process. The composition of Management Committee and Senior Staff is established by the Board of Directors from time to time.

management practices and procedures, measuring and identifying risks, and monitoring and testing risk controls with respect to large, complex firms.

### **Meetings:**

The Committee shall meet quarterly, and more frequently as circumstances dictate. The Chairman or any two members of the Committee may call meetings of the Committee. A majority of the members of the Committee shall constitute a quorum.

The Chairman shall preside at all meetings of the Committee and shall set the agenda. In the absence of the Chairman, the Committee shall select a member of the Committee to serve as chair of the meeting. The Committee shall keep minutes of its meetings which shall be circulated in draft form to all Committee members and shall be considered for approval by the Committee at a subsequent meeting. The Chairman shall report the Committee's actions, recommendations and findings to the Board at the next regularly scheduled Board meeting following a Committee meeting.

All determinations of the Committee shall be made by a majority of its members present at a duly convened meeting. In lieu of a meeting, the Committee may act by unanimous written consent.

The Committee shall meet separately with appropriate members of Management when and if deemed necessary and prudent by the Committee members.

### **Committee Duties and Responsibilities:**

In such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

- 1.) Approve the Company's risk appetite statement and risk management policies, and establish or approve appropriate limits on the types of risks that are relevant to the Company, including as appropriate, delegating the setting of specific risk exposure limits or tolerances to Management. The Committee shall periodically review the risk exposure limits to reflect changing conditions, strategies and product offerings.
- 2.) Recommend to the Board for approval a risk management framework that is commensurate with the Company's capital structure, risk profile, complexity, activities, size, strategic plans, goals and objectives and oversee Management's implementation and operation of the risk management framework.
- 3.) Review with appropriate members of Management the Company's systems and processes for identification, management and planning for the mitigation of various enterprise risks and remediation of risk management deficiencies, if any, and review and approve material changes to these systems. The Committee shall also require and review reports from Management regarding compliance with applicable risk related policies, procedures and tolerances and review the Company's performance relative to these policies, procedures and tolerances.
- 4.) Inform the Board of the Bank's regulatory compliance performance through regular reports by Management and/or the Bank's Operations Committee and/or the Enterprise Risk Oversight Committee (EROOC), and the Bank's Chief Compliance Officer, internal audit function, legal counsel, members of Senior Management, and through periodic evaluation of governmental agency examination reports.

- 5.) Periodically review Management's activities with respect to capital management and liquidity planning, including liquidity sources, contingency funding, dividends, the issuance, repurchase or redemption of equity or other securities and issuance and repayment of the Company's debt and review of Management's internal capital adequacy assessment process (including stress testing).
- 6.) Periodically review Management's activities with respect to cyber risk.
- 7.) Periodically review Management's activities with respect to ESG and diversity and inclusion initiatives.
- 8.) Review and discuss with Management significant regulatory reports of the Company related to the enterprise risks and remediation plans related to such risks.
- 9.) Meet periodically, if needed, with the Audit Committee on topics of common interest.
- 10.) Review minutes of the EROC and review matters falling within the scope of that committee's responsibilities. At least quarterly, review reports from the EROC regarding (i) risk management findings and deficiencies, Management responses thereto, and emerging risks; and (ii) risk exposures and the Company's liquidity risk profile and liquidity risk tolerance.
- 11.) Annually review its own performance based on criteria and procedures established by the Board.
- 12.) Carry out such other duties that may be delegated to it by the Board from time to time.

In addition, the Chairman shall meet not less than annually with either the Board's Executive Compensation and Stock Incentive Committee or the Chair thereof to assist that committee in its review and implementation of the Company's compensation practices.

#### **Access to Records and Advisors:**

The Committee shall have full access to any relevant records of the Company and have the power and authority to obtain, at its discretion, advice and assistance from internal or external financial, legal, accounting or other advisors, and to hire and compensate external advisors at the Company's expense. The Committee may request that any officer or other employee of the Company, the Company's legal counsel or any other person meet with any members of, or consultants to, the Committee.

#### **Annual Review and Amendments:**

The Committee shall review and approve this Charter no less than annually or more frequently if regulatory or other relevant conditions may warrant, and recommend any proposed changes to the Board for approval. The Board may amend this Charter, from time to time, upon recommendation of the Committee, by action at any meeting or by unanimous written consent.