

**FIRST CITIZENS BANCSHARES, INC.
FIRST-CITIZENS BANK & TRUST COMPANY**

**CHARTER OF THE
JOINT RISK COMMITTEE**

April 28, 2020

This Charter sets forth the composition, authority, duties, and responsibilities of the Joint Risk Committee of the Board of Directors (“Risk Committee”) of First Citizens BancShares, Inc. (the "Corporation") and the Board of Directors of First-Citizens Bank & Trust Company (the "Bank").

Definitions

As used in this Charter:

- "Boards of Directors" and "Boards" mean the Board of Directors of the Corporation and the Board of Directors of the Bank, collectively.
- "Companies" means the Corporation and the Bank, collectively.
- “Independent Director” means a director of the Companies who is determined to be independent under the NASDAQ Listing Standards.
- "NASDAQ Listing Standards" means the listing standards adopted by The NASDAQ Stock Market, as amended from time to time.

Purpose

The Risk Committee (the “Committee”) is established as a joint committee of the Boards of Directors. In general, the Committee will review, provide effective challenge, and approve the enterprise-wide risk management practices of the Companies, and assist the Boards of Directors in fulfilling their responsibility to oversee the Companies' enterprise-wide risk management. The Committee will have such other purposes, and such specific duties and responsibilities, as are described in this Charter or as may be assigned to it from time to time by the Boards.

Composition and Appointment

The Committee will be comprised of not less than three members who will be appointed annually by the Boards. The Boards, in their discretion, may designate a Committee member as a “Risk Committee risk management expert.” A Risk Committee risk management expert is a Risk Committee member who has the experience and knowledge that, in their judgement of the Boards, qualifies him or her to be so designated under the Dodd-Frank Act. The Boards will appoint one of the members of the Committee to serve as Committee Chairman. Each Committee member must (i) be a member of the Board of Directors of both the Corporation and the Bank, and (ii) satisfy all other applicable requirements of law, rules, regulations or other requirements of governmental or regulatory bodies, all as in effect from time to time and applicable to the membership of the Committee. The Committee will be chaired by an Independent Director. Members of the Committee will serve at the pleasure of, and may be removed at any time by, the Boards.

Meetings

At least quarterly, the Committee will meet separately and independently from the Boards with management and with the Companies' in-house and outside legal counsel and the Chief Risk Officer (CRO). Following each Committee meeting individual executive sessions will be held with the CRO and the Committee. Dates, times and locations of meetings will be determined by the Committee or its Chairman. A majority of the number of regular members then serving on the Committee will constitute a quorum. The Committee will determine who, if anyone, other than Committee members may be present during its deliberations or voting. The Committee will keep minutes of its meetings and, following each Committee meeting, the Chairman will make a report at the next scheduled meeting of the Boards regarding the deliberations of or actions taken by the Committee.

Responsibilities

A. General. In general, the Committee will:

1. Review and approve the Risk Appetite Statement (RAS), Risk Appetite Framework (RAF) and the Risk Management Framework.
2. Hold the CRO and management accountable for implementation of and compliance to the approved RAS, RAF and Risk Management Framework.
3. On a regular basis, meet separately with the CRO to discuss any matters that the Committee or the CRO believes should be discussed privately.
4. Facilitate discussions with CRO direct reports as deemed appropriate.
5. Review the performance of the CRO annually with the Chief Executive Officer (CEO).
6. Request status reports from the CRO, as the Chairman directs.
7. Annually review the Risk Management department mandate, and approve any changes to the mandate as the Committee, from time to time, may consider necessary or advisable.
8. Annually review the independence of the Risk Management department and ensure senior-management has the authority, seniority and resources to carry out responsibilities.
9. Review and assess the Bank's strategy to validate it is aligned with the risk culture and financial objectives.
10. Review the Bank's Risk Profile, including, risk appetite limits and top and emerging risks, to ensure it is in accordance with the RAS.
11. Review and approve Board-level governance documents, and programs and practices as required by regulation.
12. Approve risk limits maintained in Board-approved policies; monitor the limits periodically; and ensure appropriate action is taken if limits are approached or breached.
13. Review, and decide whether to ratify exceptions to Board-approved policies.

14. Provide an appropriate level of effective challenge to the first line and second line of defense.
15. Approve charters for, provide oversight of, and monitor the work of the Enterprise Risk Oversight Committee ("EROC"), a management committee of the Risk Committee, including the review and effective challenge of management reporting (e.g., Risk Profile, etc.) to ensure risks are effectively identified and managed within the Risk Appetite.
16. Review and assess the adequacy of this Charter at least annually and recommend any proposed changes to the Boards for consideration
17. Conduct a self-evaluation of the Committee's performance, at least annually, to include a review of the Committee's composition, responsibilities, structure, process, and effectiveness, and report the results of the self-evaluation to the Boards.
18. Review reports of examination by regulatory agencies; review any significant observations or communications by regulatory agencies, and the results of internal and third party testing, analyses, and reviews, related to the Companies' risks, risk management, or any other matters within the scope of the Committee's oversight responsibilities; review and monitor management's response to any noted issues.
19. Review and approve, at least annually, the results of the Enterprise-wide Stress Test results prior to submission to the Federal Reserve Board.

B. Capital Adequacy, Liquidity and Market Risk Oversight. In performing capital adequacy, liquidity, and market risk oversight, the Committee will:

1. Review, provide effective challenge and make recommendations to the Boards with respect to the issuance or repurchase of equity and debt securities and other significant financial transactions and equity investments.
2. Review and provide effective challenge for capital, interest rate sensitivity, liquidity, derivatives activity and investment portfolio position reports for compliance with approved policies and Risk Appetite.
3. Review, provide effective challenge, and approve significant asset/liability risk limits and activities, including those relating to rate sensitivity, liquidity and capital adequacy.
4. Review and provide effective challenge of market risk management risk limits, and review reports of trading activities and risk exposures for compliance with such policies.

C. Credit Risk Oversight. In performing credit risk oversight, the Committee will:

1. Review and approve the Credit Risk Review Annual Plan.
2. Review and provide effective challenge of management's assessment of the credit risk associated with loan growth.
3. Review and provide effective challenge of management's assessment of asset quality and asset quality trends, credit quality administration and underwriting standards, and the effectiveness of

portfolio credit risk management systems and processes to enable management to monitor and control credit risk.

4. Review the quarterly Credit Risk Review results, including progress against the plan and the status of management's actions to address significant recommendations.

D. Compliance Risk Oversight. In performing compliance risk oversight, the Committee will:

1. Review and approve items as mandated by regulatory agencies which may include, but are not limited to, annual reviews of the AML/BSA/OFAC, ID Theft Red Flags, Non-Deposit Investment Product, Unfair, Deceptive, or Abusive Acts or Practices, and Diversity and Inclusion programs.
2. Review and monitor the Bank's CRA performance in (i) meeting the credit needs of the communities the Bank serves, (ii) community services, and (iii) community investments.
3. Review and monitor the Compliance Risk Management Program, as well as the results of Compliance Monitoring Reviews and any related action items.

E. Operational Risk Oversight. In performing operational risk oversight, the Committee will:

1. Review and provide effective challenge of management reporting related to the Bank's Operational Risk Management Program including, but not limited to; fraud management, risk and control self-assessments (RCSAs), event reporting for material operational risks, operational losses and information security.
2. Monitor litigation and adverse claim risk by reviewing the status of pending and potential litigation, and other legal matters, that may reasonably be expected to breach Risk Appetite.
3. Review and monitor circumstances that potentially pose significant reputational risks to the Companies and oversee management's identification of and responses to those matters.
4. At least annually, review the adequacy of significant insurance coverages for the Companies.
5. Review reporting related to major projects which may include, but are not limited to, significant technological projects, proposed acquisition or divestitures and new products or services.
6. Annually, review significant third party relationships and the results of ongoing oversight activities, as applicable.

F. Strategic Risk Oversight. In performing strategic risk oversight, the Committee will:

1. Review and recommend certain strategic actions, including but not limited to branch openings and closings, for approval by the Board of Directors.

Authority

The Committee is authorized to perform each of its duties and responsibilities set forth in this Charter, and to undertake such other duties and responsibilities within the scope of its primary functions outlined above as the Committee or the Boards may from time to time deem necessary or appropriate. The Committee also is authorized to, as it considers appropriate:

- Seek any information it requires from the Companies' employees, all of whom are directed to cooperate with the Committee's requests, or from external parties.
- Delegate any of its responsibilities to subcommittees or individual members of the Committee to the extent not inconsistent with other sections of this Charter or applicable laws or regulations.
- At its discretion and without the prior approval of management or the Boards, retain or obtain the advice of outside consultants or advisors (including legal counsel and other advisors), at the expense of the Companies, in accordance with procedures established from time to time by the Committee, and oversee and approve all terms of the engagement of such consultants or advisors, including, but not limited to, their fees or other compensation.
- Conduct such investigations and request and consider such information (from management or otherwise) as the Committee shall consider necessary, relevant, or helpful in its deliberations and the formulation of its recommendations. In connection with any such investigation, the Committee may rely on information provided to it by management without further verification.
- Consult to the extent it deems appropriate with the Chairman of the Boards, the Chief Executive Officer of the Companies (if the Chairman is not also the Chief Executive Officer), other officers or employees of the Companies, the Lead Independent Director (if a Lead Independent Director has been elected), and other directors.

Other

1. Each member of the Committee will be entitled to rely on the advice, expertise and integrity of those persons and organizations within and outside the Companies who provide information to the Committee, and the accuracy and completeness of the financial and other information provided to the Committee by such persons or organizations, absent actual knowledge that such reliance is not reasonable or warranted.
2. In the performance of the Committee's responsibilities, each Committee member (and the Committee as a whole) shall at all times be under the continuing duty to exercise independent judgment on an informed basis, in good faith, and in a manner each considers to be in the best interests of the Companies and their shareholders.
3. Certain matters within the scope of the Committee's oversight responsibilities also may fall within the scope of the oversight responsibilities of other committees of the Boards (such as the Audit Committee or the Compensation, Nominations and Governance Committee). To minimize the duplication of time and effort, the Committee may defer to those other committees with respect to such specific matters, but it will consult with, and may request reports or information from, those other committees in order to ensure that such matters are adequately addressed as part of the Companies' enterprise-wide risk management framework.