



customers bank

DIRECTORS RISK & COMPLIANCE COMMITTEE CHARTER

As of 01/28/2026

I. Purpose

The Directors' Risk and Compliance Committee (the "Committee") of Customers Bancorp, Inc. and all of its subsidiaries (the "Company") is responsible for overseeing the Company's overall risk management framework and risk profile and ensuring that all risks associated with the Company's strategy, environment, regulatory compliance, and operations are suitably identified, measured, managed, and monitored within Board-defined risk appetite and tolerance levels. The Committee will oversee the risk-taking activities of the Bank and ensure that these are consistent with the Company's capital adequacy, liquidity profile, asset quality, and risk-adjusted earnings objectives while maintaining the safety and soundness of the Company. The risk management framework governs the management of key and emerging risks, of all risk types, throughout the Company.

II. Membership

- The Committee shall consist of those Directors of the Company and other persons as may be appointed by the Board. The Chair of the Committee shall be appointed by the Board. Members of the Committee will have an understanding of relevant risk-management principles and practices relevant to the Company.
- In the judgment of the Board of Directors of the Company ("the Board"), at least one member of the Committee will have experience in identifying, assessing, and managing risk exposures of large, complex firms.
- The Chair of the Committee will be an independent director who (1) is not an officer or employee of the Company and has not been an officer or employee of the Company during the previous three years, (2) is not a member of the immediate family (as defined in 12 C.F.R. §225.41(b)) of a person who is, or has been within the last three years, an executive officer of the Company (as defined in 12 C.F.R. §215.2(e)), and (3) is an independent director under Item 407 of the Securities and Exchange Commission's Regulation S-K. The Chair will be appointed from among its members by the Board or, if the Board does not appoint one, by the Committee.

- Non-director participants appointed by the Board will serve in a non-voting, advisory capacity to the Committee.

III. Meetings

The Chair of the Committee or a majority of its members may call a meeting of the Committee in addition to regularly scheduled meetings. The Committee shall define its own rules of procedure which shall be consistent with the Bank's By-Laws and this Charter.

In the normal course of business, the CRO or their delegate shall attend all regular Committee meetings. The Committee expects that, as appropriate based on the agenda, the Deputy Chief Risk Officer, Chief Compliance Officer, Chief Anti-Money Laundering Officer, Chief Credit Officer, Chief Financial Officer, Chief Information Officer, Chief Information Security Officer, General Counsel, and other senior risk and business leaders will attend Committee meetings or portions thereof to present on relevant risk topics. The Committee shall periodically meet in executive session with the CRO and separately, when deemed appropriate, with other members of senior management. The Committee may form subcommittees for any purpose that it deems appropriate and may delegate to such subcommittees such power and authority as it deems appropriate. The Committee will meet on a quarterly basis and otherwise as needed. All Committee members are expected to attend each meeting in person, via telephone, or video conference.

The presence of a majority of the members of the Committee shall constitute a (required) quorum. 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.

Meeting agendas will be prepared by the Committee Chair or his/her designee and be provided in advance to the Committee members along with appropriate briefing materials. Minutes of the Committee meetings shall be recorded by the Committee Chair or his/her designee and shall be circulated in draft form to all Committee members, to be considered for approval by the Committee at a subsequent meeting.

1. In addition, the Committee shall hold an annual Risk Summit at least once per year to be used for additional training on risk, compliance, and regulatory topics. The agenda for the Risk Summit will be agreed between the Committee Chair and the CRO. The Risk Summit agenda will be designed to enhance the Board's understanding of key and emerging risks in a manner consistent with applicable supervisory expectations, including those reflected in the CAMELS framework. The Committee will provide periodic feedback to enhance meetings and ongoing oversight.

IV. Authority, Duties, and Responsibilities

The Board shall be responsible for understanding the quantity of financial and nonfinancial risks facing the Company and evaluating the adequacy of the risk management tools used by management to address these risks. By establishing this Committee, the Board empowers the Committee to oversee the Company's activities in support of the Company's overall risk management framework, and risk profile. The Board, and this Committee, delegate the responsibility for the development and implementation of the risk management framework to the CRO, in coordination with senior management.

In exercising its oversight role, the Committee is entitled to rely on management to assume the primary risk management function, including the responsibility to establish appropriate policies and procedures. The Committee will also rely on periodic reports from management in addressing these risk issues. Each member of the Committee will be entitled to rely, to the fullest extent permitted by law, upon the integrity of those persons within and outside the Company from whom it receives information, and the accuracy of the information.

In exercising its oversight responsibilities, the Committee will question, challenge, and when necessary, oppose recommendations and decisions made by management that could cause the Company's risk profile to exceed its risk appetite or jeopardize the safety and soundness of the Company. Identified risk issues that may have a significant impact on the Company's financial statements will also be reported to the Company's Audit Committee.

A. Enterprise Risk Management ("ERM") Oversight

With respect to its oversight of the risk management framework, in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

1. Oversee the establishment and operations of the Company's Enterprise Risk Management ("ERM") program and other risk management programs, including the appropriate policies, standards, and governance structure, commensurate with the Company's size and complexity, to effectively identify, measure, manage, and monitor key and emerging risks to the Company.
2. Oversee that the ERM program includes the appropriate key components, including risk appetite statements, risk assessment methodologies, metrics, reporting, and risk response measures.
3. Review at least annually the Risk Appetite Statements, including limits and tolerances to ensure that the Company's risk profile remains aligned with the Company's strategic plan, and provide recommendations to the Board for approval. In doing so, the Committee will consider the impact of risk appetite and material risk exposures on the Company's capital adequacy, earnings stability, asset quality, liquidity profile, and sensitivity to market risk.

4. Review and approve at least annually the Enterprise Risk Management Policy. The Committee will receive and review material Enterprise Risk Management standards, which may be updated by management as needed.
5. Receive and review reports from senior management (including but not limited to, the CRO and senior risk leaders, appropriate management committees, the Deputy Chief Risk Officer, the Chief Compliance Officer, Chief Anti-Money Laundering Officer (CAMLO), Treasurer, Chief Credit Officer, Chief Information Officer, and Chief Information Security Officer) regarding risk management, including compliance with applicable risk related policies, risk limits, and tolerances.
6. Receive and review reports from senior management regarding results and conclusions from various assessments, including a determination of whether the associated risk profiles are within acceptable tolerance levels and aligned to the Company's risk appetite, and management's action plans for any risks which are outside of acceptable thresholds. Such reports will include, as appropriate, risk information aggregated across key risk types and mapped to key supervisory perspectives, including capital adequacy, asset quality, management effectiveness, earnings, liquidity, and sensitivity to market risk.
7. Participate in periodic bank training and information sessions in risk management principles and practices, and relevant to key and emerging risks which may impact the Company or its customers.
8. Approve the appointment or removal of the CRO and annually review the CRO's performance and independence. The CRO will report to the Committee Chair, and administratively to the Executive Chairman of the Company.
9. Ensure that the Risk & Compliance function has sufficient support and resources to successfully execute all second line responsibilities, including the design of the Company's ERM framework, independent risk oversight, second line of defense review and effective challenge.
10. Review material risk and compliance issues, findings, and control weaknesses, including management's remediation plans and progress toward resolution.
11. Carry out such other duties that may be delegated to it by the Board from time to time.

B. Compliance Oversight

With respect to its oversight of compliance risk management, in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

1. Review and approve the Bank's overall policies and goals concerning regulatory compliance including but not limited to the Community Reinvestment Act ("CRA"),

and Fair Lending Responsible Banking programs except where review and approval of the full Board is required.

2. Evaluate the adequacy and effectiveness of the Bank's Compliance programs to ensure that policies, procedures and controls are commensurate with the growth of the organization.
3. Review the Bank's compliance with applicable laws, rules, and regulations.
4. Oversee the Bank's program for managing consumer compliance and conduct risk, including Unfair, Deceptive, or Abusive Acts or Practices ("UDAAP") risk, and receive and review aggregated information regarding customer complaints, trends in customer impact, and remediation activities.
5. Receive and review the reports of examination of the Bank and mandates by regulatory authorities concerning compliance matters.
6. Provide oversight of annual compliance-related training and monitoring programs.
7. Review significant findings for internal and external compliance independent audits.
8. Review the establishment, closure and relocation of branches and other offices.

C. Financial Crimes Compliance (BSA/AML & Fraud)

With respect to its oversight of Financial Crimes Compliance (includes BSA and Fraud), in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall also:

1. Review the periodic Financial Crimes Compliance Risk Reports from the CAMLO and Fraud leadership.
2. Review material Financial Crimes Compliance issues, regulatory matters, and examination findings, including management's remediation activities.
3. Oversee the effectiveness of the Company's Financial Crimes Compliance programs, including BSA/AML and Fraud risk management, relative to the Company's risk profile.

D. Credit Risk Oversight

With respect to its credit risk oversight function, in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

1. Provide functional oversight of Credit Risk Review and annually approve the unit's Charter, Policy and Plan, and ratification of key administrative matters.
2. Review management's assessment of the credit risk associated with loan originations.
3. Review senior management's administration of the Company's credit portfolio, including management's responses to trends in credit risk, credit concentration and asset quality.

4. Review management's assessment of the adequacy of the Company's credit risk management information systems.
5. Review annually the exposure limits and policy exception guidelines for highly leveraged transactions, and actual experience against these constraints.

E. Financial & Model Risk Oversight

With respect to its financial and model risk oversight function, including interest rate risk, liquidity risk, investment risk, capital risk and model risk, in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

1. Oversee senior management's activities with respect to capital management, stress testing, and liquidity risk, as well as activities associated with all other financial risk categories.
2. Review information from the Asset Liability Committee and discuss matters related to the management of interest rate, capital, and liquidity risk.
3. Annually review and approve the Company's Contingency Funding Plan.
4. Review capital, interest rate sensitivity, liquidity, and investment portfolio performance reports and metrics for compliance with approved policies. As part of these reviews, the Committee will consider the implications of such risks for the Company's capital adequacy and earnings performance under both baseline and stressed conditions.

F. Operational, Technology, and Legal Risk Oversight

With respect to its operational, technology, and legal risk oversight functions, in such a manner as the Committee deems appropriate to fulfill its purposes, the Committee shall:

1. Oversee senior management's activities with respect to operations, technology, cybersecurity, and legal risk.
2. Review information from the General Counsel regarding matters related to legal issues and legal risks.
3. Review risks related to operations, technology, information security and cybersecurity as well as the steps taken by management to control for such risks.
4. Oversee the development, implementation, and maintenance of the Company's information security program, including cybersecurity, with annual review and approval of the Company's information security program and report. Review significant information security matters and management's actions to address identified weaknesses.
5. Review material operational, technology, cybersecurity, and legal risk issues, including significant incidents, control weaknesses, and management's remediation plans.
6. Review annually the Company's business continuity plans.

G. Additional Responsibilities

The Committee shall also:

1. Review significant capital expenditures and potential significant merger and acquisition activity, under parameters established by the Board.
2. Review and approve risk management policies in accordance with the periodic review and approval requirements outlined within each respective Board-approved policy.
3. Review and approve risk staffing plans at least annually
4. Review and have final approval of new high-risk initiatives.
5. Receive and review reports on selected risk topics as management or the Committee deems appropriate from time to time.
6. Consult with other committees of the Board on risk-related matters, in such a manner as the Committee or its Chair deems appropriate.
7. Annually review its own performance based on criteria or in accordance with procedures agreed upon with the Company's Nominating and Corporate Governance Committee.
8. Provide regular reports of its activities to the Board.
9. At least annually, review a consolidated view of the Company's risk profile across major risk types and the associated implications for capital, asset quality, management effectiveness, earnings, liquidity, and sensitivity to market risk, and provide an assessment to the Board regarding the adequacy of the Company's risk management framework in supporting safe and sound operations.

V. 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 outside counsel or any other person meet with any members of, or consultants to, the Committee.

Additionally, to ensure full and sustainable compliance with any applicable laws, regulations, or compliance related requests/mandates made by the Bank's regulatory authorities, the Committee shall have the authority to conduct investigations appropriate to fulfilling its responsibilities. The Committee shall have the ability to retain, at the Bank's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

VI. Delegation of Authority

The Committee may form, and delegate authority to, subcommittees comprised of one or more members of the Committee, as appropriate. Each subcommittee shall have the full power and authority of the Committee, as to matters delegated to it.

VII. Amendments

The Committee shall review and reassess this charter annually. The Board may amend this charter, from time to time, upon recommendation of the Committee or the Company's Nominating and Corporate Governance Committee, by action at any meeting or by unanimous written consent.

Organizational Area: Risk & Compliance

Charter for: Directors' Risk & Compliance Committee

Responsible for Updates: CRO, CCO, Committee Chair(s)