

FULTON FINANCIAL CORPORATION
Risk Committee Charter
As of July 17, 2019

Purpose

The Risk Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Fulton Financial Corporation (the “Corporation”) to assist the Board with its oversight of the Corporation’s policies, procedures and practices relating to assessment and management of the Corporation’s existing and emerging enterprise-wide risks, including those risk categories identified and defined in the Corporation’s Enterprise Risk Management (“ERM”) Policy, currently, credit risk, market risk, liquidity risk, operational risk, legal risk, compliance and regulatory risk, reputation risk and strategic risk. The Committee has been designated to be and serves as the Risk Committee of the Corporation, and its affiliates, including Fulton Bank, National Association (the “Bank”), and its other subsidiaries.

Membership

The Board shall appoint members of the Committee, and Committee members are subject to removal at any time by a majority of the Board. The Board may fill any vacancy on the Committee. The Board shall designate one member of the Committee to serve as Committee Chair. At least one member of the Committee shall also serve as a member of the Corporation’s Audit Committee.

The Committee Chair shall be a member who meets the independence requirements of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (the “SEC”) and the NASDAQ Stock Market, and the foregoing requirements, rules and regulations as amended. All Committee members shall have a general understanding of risk management principles and practices relevant to bank holding companies and depository institutions.

Meetings

The Committee shall meet as often as necessary, but not less frequently than eight times a year. A simple majority of the voting members of the Committee shall constitute a quorum for the conduct of all business. The independent directors of the Committee shall regularly meet in executive session with the Corporation’s Chief Risk Officer (“CRO”) and Chief Legal Officer.

Authority and Responsibility

The Committee shall have the authority to meet with and seek any information it requires from employees, officers or directors of the Corporation and may also retain legal, accounting or other consultants as it deems appropriate, to facilitate the discharge by the Committee of its responsibilities. The Committee shall have sole authority to approve the fees and other retention terms related to the appointment of any such consultants.

It is expected that the Committee or designated members of the Committee shall meet or otherwise coordinate with other Board committees to discuss each committee’s respective oversight responsibilities and practices in an effort to avoid redundancy or gaps by the committees in the discharge of their respective

responsibilities with respect to oversight of the Corporation's enterprise-wide risk management functions. The Board's Audit Committee shall have the primary responsibility for all activities related to financial reporting and compliance with the rules and regulations of the SEC.

While the Committee has the responsibilities set forth in this Charter, management shall be responsible for designing, implementing and maintaining the Corporation's Risk Management ("RM") Framework, subject to annual review and approval by this Committee. The Committee is not responsible for conducting investigations or assuring that the Corporation complies with specific legal or regulatory requirements. Committee members are entitled to rely in good faith on information, opinions, reports, or statements made or presented by one or more officers of the Corporation, believed to be reliable and competent with respect to the matters presented, or by counsel or other experts or consultants retained by the Committee or the Corporation, with respect to matters believed to be within the scope of their expertise.

The Committee shall review and assess, at least annually, the adequacy of this Charter and recommend any proposed changes to the Board. The Committee shall also conduct and review, at least annually, with the Board a self-evaluation of the Committee's performance with respect to the requirements of the Charter.

Escalation:

The Committee shall make regular reports of its meetings to the Board, including reports of any significant issues relating to risk management matters. The Committee shall also report to the Board the substance of (i) any significant concern reported to the Committee by the CRO or Chief Legal Officer, (ii) any report provided to the Committee by the CRO or the Enterprise Risk Management Committee ("ERMC") relating to any risk appetite level that has been breached or that is deemed by management to be reasonably likely to be breached, and (iii) appropriate key risk indicators that have been breached or are deemed by management to be reasonably likely to be breached. All matters that may involve financial reporting or SEC compliance shall be escalated to the Audit Committee.

Functions and Duties

A. Enterprise Risk Management. The Committee is responsible for assisting the Board in reviewing and overseeing the Corporation's established practices, processes and controls employed to manage the Corporation's enterprise-wide risk, and in the course of performing that duty, shall perform the following functions in addition to those other functions described in this Charter, and any others it deems appropriate:

1. Oversee that the ERMC has identified and assessed the appropriate enterprise-wide risks and has established a risk management infrastructure that is effective in the management of those risks within defined acceptable risk limits;
2. Upon the recommendation of the ERMC, at least annually, review and recommend to the Board for its approval, the design and implementation of the Corporation's RM Framework and ERM Policy, to establish and maintain consistent processes for identifying, assessing, managing, monitoring and reporting risks identified therein in the context of the Corporation's size, structure, complexity, business strategy and financial condition;

3. Upon the recommendation of the ERM, at least annually, review and recommend to the Board for its approval, the Charter of the ERM, and, as appropriate from time to time, any material changes to the ERM Charter;
4. Upon the recommendation of the ERM, at least annually, review and recommend to the Board for its approval, the Corporation's Risk Appetite Statement, associated quantitative and qualitative risk indicators and risk tolerances;
5. Review reports from the ERM or the CRO regarding (i) out-of-tolerance residual risks and the plan and plan status/progress report for remediation of such risks, (ii) issues that are deemed by the ERM to indicate a significant exposure to the Corporation outside of acceptable risk parameters and the plan and plan status/progress report for the remediation of such issues or risks, (iii) significant risks that in the opinion of the ERM warrant an additional level of management and oversight or which are viewed as unique and requiring periodic review and the plan and plan status/progress report for remediation of such risks, and (iv) the results of regulatory or internal audit or compliance examinations identifying significant control deficiencies and the plan and plan status/progress report for remediation of such risks;
6. Properly assign risk-related responsibilities among Board committees to the extent the assigned responsibility is not solely within the authority of this Committee;
7. Approve the Chief Executive Officer's appointment of a CRO who will report to the Committee in addition to his or her reporting line to the Chief Executive Officer of the Corporation until a successor has been appointed; and
8. Request from the CRO or other executives of the Corporation, and review, reports on such other risk topics and matters as the Committee deems appropriate.

B. Credit Risk. The Committee shall provide oversight of management's activities related to the Corporation's credit risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review loan portfolio performance in relation to risk appetites and risk tolerance(s), loan risk rating accuracy, corporate limits on lending, including industry sector, geography, size, and other concentration limits and risk parameters;
2. Review trends relating to asset quality, including non-performing assets and charge-offs and determinations made by management about the appropriate level and adequacy of the allowance for loan and lease losses; and
3. Review reports from the Corporation's Loan Review area relating to significant lending issues involving concentrations, risk ratings, portfolio credit risk management systems, loan processes, documentation or other matters.

C. Market Risk. The Committee shall provide oversight of management's activities related to the Corporation's market risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review management reports on significant market risks, including with respect to the Corporation's asset and liability interest rate risk management strategies, risk relating to foreign exchange rates, equity securities and other investments, commodities prices, trading and held-for-sale investments, loans and derivatives; and
2. Review and approve the Corporation's ALCO Policy and any material changes thereto.

D. Liquidity Risk. The Committee shall provide oversight of management's activities related to the Corporation's and its Subsidiary Banks (collectively "FFC's") liquidity risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review the overall liquidity position of FFC and liquidity management and funding strategies designed to assure consistency with FFC's ALCO Policy and strategic plans to fund FFC's planned business activities and growth strategy; and
2. Review FFC's ability to maintain liquidity levels that are compliant with regulatory requirements and internal parameters, hypothetical stress tests, risk tolerances and FFC's Contingency Funding Plan.

E. Operational Risk. The Committee shall provide oversight of management's activities related to the Corporation's Operational Risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review material issues related to business operations and operational risk challenges that could result in material disruptions to the delivery or execution of Corporate or bank subsidiary processes, products or services;
2. Review reports on significant matters of actual, threatened or potential breaches of corporate security—physical, information, "Cyber" or otherwise and provide oversight of management's activities related to Information Security, as set forth in the Corporation's Information Security Management Program;
3. Review reports on the Corporation's Vendor Management Program, and review and approve the Corporation's Vendor Risk Management Policy;
4. Review reports on the Corporation's fraud risk management and related programs and on any matters involving significant potential risk to the Corporation or its customers;
5. Review reports on the Corporation's insurance program, including with respect to fidelity bond, commercial property, general liability, mortgage impairment, directors' and officers' liability, professional liability (aka errors and omissions), Cyber and any other insurance coverage maintained by the Corporation for the benefit of the Corporation, its officers, directors or customers;
6. Review annually the Corporation's business continuity and disaster recovery planning activities;
7. Review reports on information technology and other technology and/or systems impairments, improvements or proposed material capital investments, as well as reports relating to significant

technology-intensive initiatives such as merger-integrations or major systems conversions or upgrades; and

8. Review reports relative to major introductions of new products or services or changes to existing products and services, the related risks being evaluated by management, and management's plans for addressing and monitoring those related risks.

F. Legal Risk. The Committee shall provide oversight of management's activities related to the Corporation's legal risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review reports relating to the management of legal risks throughout the Corporation pertaining to legal risk mitigation in conjunction with the development, delivery and execution of products, services and functional unit activities;
2. Review as needed reports from the Corporation's Chief Legal Officer relating to significant threatened or pending litigation and regulatory enforcement actions, including any legal matter that has a reasonable potential to result in a significant financial loss to the Corporation; and
3. Review, in tandem with the Audit Committee, the Corporation's risk factors to be included in the Corporation's Annual Form 10-K to be filed with the SEC.

G. Compliance and Regulatory Risk. The Committee shall provide oversight of management's activities related to the Corporation's compliance and regulatory risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review reports on significant regulatory and compliance risks, including with respect to the results of recent regulatory exams, significant regulatory findings and management's response and plan and plan status/progress report for the remediation of those findings;
2. Annually review and approve the Corporate Compliance Program and receive reports and monitor the performance under this Program; and
3. Review and approve significant corporate policies relating to compliance and regulatory matters that are brought before the Committee, including the Corporation's Policy Governance Framework.

H. Reputation Risk. The Committee shall provide oversight of management's activities related to the Corporation's reputation risk, and shall review management reports and approve or recommend related plans or policies, including as follows:

1. Review reports regarding reputation risk, including but not limited to reports relating to customer complaint trends, customer satisfaction surveys, corporate reputation and media tracking; and
2. Review matters presented by management as possibly having significant potential to cause adverse reputation risk.

- I. Strategic Risk.** The Board of Directors has primary responsibility for the oversight of strategic risk, however the Committee shall assist the Board in providing oversight over management's activities related to the Corporation's strategic risk, and shall review periodic management reports and approve or recommend related plans or policies designed to address strategic risk management. The Committee may recommend any significant matters related to strategic risk and management's response to any noted matters be presented to the Board.
- J. Capital Adequacy and Planning.** The Board of Directors has primary responsibility for the oversight of capital adequacy and planning, however the Committee shall assist the Board in providing oversight over management's activities related to the Corporation's capital planning and monitoring and associated risks, including:
1. Annually review the Corporation's Capital Plan, hypothetical stress tests and associated risk assessment;
 2. As required, review and approve the Corporation's stress testing practices and related policies; and
 3. Review the Corporation's regulatory capital ratios and other relevant capital determinants.