

RISK COMMITTEE CHARTER
THE CHARLES SCHWAB CORPORATION

PURPOSE

The Risk Committee (“Committee”) of the Board of Directors (“Board”) assists the Board in fulfilling its oversight responsibilities with respect to the company’s risk management program, including: (i) reviewing and approving the company’s risk governance structure to identify, measure, monitor and mitigate risks, (ii) reviewing the performance and activities of the company’s risk management; and (iii) reviewing and approving key policies with respect to oversight of specific risks, including credit, operational, and capital and liquidity risk.

COMPOSITION AND MEMBERSHIP

The Board appoints the members and Chairman of the Committee. The Chairman of the Committee shall be a non-employee director whom the Board determines to be independent in accordance with Securities and Exchange Commission and stock exchange rules. The Board may appoint or remove a member from the Committee at any time.

AUTHORITY

The Committee shall have the sole authority to retain and terminate special legal counsel or other consultants to advise the Committee and the authority to approve their fees and other retention terms. The Committee may request any officer or employee of the corporation or its outside counsel or consultants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

MEETINGS

A majority of members of the Committee shall constitute a quorum. The action of a majority of members at a meeting at which a quorum is present will be the action of the Committee.

RESPONSIBILITIES

Responsibilities of the Committee include, but are not limited to, the following:

Risk Governance

1. Review and discuss with management the company’s risk governance structure.

2. Review and approve the company's enterprise-wide risk management framework, including the strategies, policies, procedures, and systems established by management to identify, assess, measure, and manage the major risks facing the company.
3. Review and discuss management's assessment of the company's aggregate enterprise-wide risk profile and review and approve the company's risk appetite statement on an annual basis.

Oversight of Risk Management

4. Evaluate the scope of work of the Corporate Risk organization and its planned risk management activities.
5. Review the appointment, performance and replacement of the company's Chief Risk Officer.

Oversight of Risk Exposures

6. Review the company's capital, liquidity and funding, including regulatory capital ratios and internal capital adequacy process. Review and discuss with management the capital stress testing program and approve scenarios and risk events developed by management for the capital stress testing program.
7. Review reports from management regarding asset quality and the effectiveness and administration of credit-related policies, and the adequacy of the allowance for credit losses.
8. Review the effectiveness of operational risk management policies and controls.
9. Review the company's information security risk management program, including cybersecurity risk.
10. Review reports from Corporate Risk, Legal, Compliance, and Internal Audit relating to risk issues and management's responses to such reports.
11. Review the Company's compliance with regulatory obligations arising under applicable laws, rules and regulations, including any terms and conditions required from time to time by any action, formal or informal, of any federal or state banking or securities regulatory agency or authority and any responses of management to any inquiries from any applicable regulator.

General Responsibilities

12. Report to the Audit Committee on the effectiveness of key risk policies and controls and the financial impact of control deficiencies.

13. Escalate to the Audit Committee for discussion at a joint session with the Audit Committee any items that may have significant financial statement impact or require significant financial statement/regulatory disclosures, and any other significant issues.
14. Report the Committee's activities and significant decisions to the Board.
15. Form and delegate authority to subcommittees when appropriate.
16. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.
17. Conduct an annual performance evaluation of the Committee.

Approved: January 28, 2016