



## CREDIT COMMITTEE CHARTER

### I. PURPOSE

**1.1 Purpose.** The Credit Committee (the "Committee") is appointed by the Boards of Directors of SVB Financial Group (the "Company") and Silicon Valley Bank (the "Bank"), and is a committee of both boards (collectively, the "Board").<sup>1</sup> The Committee's purpose is to act on behalf of the Board in fulfilling the following responsibilities:

- Oversight of the credit and lending strategies and objectives of the Company and the Bank;
- Oversight of the credit risk management of the Company and the Bank and the organizational effectiveness thereof, including reviewing and approving credit policies designated as critical, portfolio limits, and portfolio reporting, as further described below;
- Reviewing the quality and performance of the Company and the Bank's credit portfolio.

The Committee shall report to the Board regularly, and as the Committee determines appropriate, and shall be responsible for any other matters delegated to it by the Board.

**1.2 Committee Resources and Expenses.** The Board and management shall ensure that the Committee has adequate resources and authority to discharge its responsibilities. The Company shall provide for appropriate funding for the payment of any expenses of the Committee that are necessary or appropriate in carrying out its duties, including expenses relating to any external consultants or advisers retained by the Committee. The Committee is authorized to obtain advice and assistance from internal or external legal counsel, accounting, or other advisors at the Company's expense without the prior approval of the Board or management.

### II. OVERSIGHT RESPONSIBILITIES

**2.1 Credit Risk Management.** The Company and the Bank have established a credit policy (the "Credit Policy") the objective of which is to ensure the credit quality of the Company and the Bank's loan portfolio and to maintain profitability of the Company and the Bank. Management shall periodically update the Credit Policy, and any modifications to the Credit Policy shall be consistent with the objectives set forth herein.

- The Committee shall oversee the credit risk management of the Company and the Bank by reviewing the Credit Policy and approving the policies within the Credit Policy that are identified as "Critical." "Critical" policies are those that:
  - (i) directly and significantly impact the financial and regulatory reporting of the Company and/or the Bank;

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<sup>1</sup> References made herein to actions taken by the "Board" shall require the minimum number of votes or consents required pursuant to both respective bylaws of the Company and the Bank, as applicable.

- (ii) require Board approval by a law or regulation applicable to either the Company or the Bank;
- (iii) establish or modify single-name lending and underwriting limits;
- (iv) establish or modify approval authorities the Committee delegates to management and its credit-related committees as further discussed in this Charter;
- (v) impact or relate to the Bank's allowance for loan and lease losses (or its successor, the allowance for credit losses that reflects the appropriate current expected credit loss measurement pursuant to applicable accounting standards ("CECL reserve")), or the Credit Risk portion of the Company's Risk Appetite Statement;
- (vi) relate to the Company and the Bank's credit review process, including the scope of credit reviews performed by credit review service providers; and
- (vii) the Committee, in its discretion, may designate as such including, but not limited to, any specific credit approvals required by the Credit Policy.

The Committee's review of "Critical" Credit Policies shall take into account changes in applicable laws or regulations, as well as changing macroeconomic, market and industry conditions. Notwithstanding the foregoing, the Committee may also retain certain authority over the non-critical credit policies as described in the delegation documents or in its Committee minutes, as applicable.

- Management shall have responsibility for the Bank maintaining a sufficient allowance for loan and lease losses (or CECL reserve), which should be reviewed by the Committee with management on at least a quarterly basis. Any changes to the methodology for determining such allowance for loan and lease losses (or CECL reserve) shall be reviewed and approved by both the Committee and the Audit Committee.
- The Committee shall oversee and monitor any risk metrics under the Company's Risk Appetite Statement, as deemed appropriate by the Board of Directors or its Risk Committee.

## **2.2 Credit Strategies and Performance.**

- The Committee shall review the strategies to develop and achieve the credit and lending goals of the Company and the Bank, and make appropriate recommendations in furtherance thereof to the Board. The Committee will regularly review new credit-related products including new loan products, services that have a credit component.

- To fulfill the Committee's responsibilities of reviewing credit performance, management shall provide the Committee with periodic reports of loans, loan activity and loan portfolio information, including, without limitation, reports related to "Critical" Credit Policies.

**2.3 Lending Authority.** The Committee (i) shall determine the loan approval authority levels for the Chief Executive Officer, the Chief Credit Officer, and the Loan Committee (or its successor, if any) and approve the delegation of such authority by each of the foregoing, and (ii) authorize the Chief Credit Officer to establish and manage loan approval authority levels for employees of the Company and the Bank serving in lending, operations, and/or client service roles.

**2.4 Credit Review.** The Committee shall be responsible for the appointment, performance

evaluation, compensation determination, and termination of the Head of Credit Review, and shall approve the annual Credit Review Plan, including the financial budget for and staffing of Credit Review. The Head of Credit Review shall be subject to dual reporting: (i) to the Committee on a functional basis, and (ii) to the Chief Risk Officer of the Company on an administrative basis. In particular, the Head of Credit Review shall report regularly to the Committee on the Credit Review function and provide to the Committee any significant Credit Review reports and management responses.

### III. MEMBERSHIP, MEETINGS AND DELEGATION OF AUTHORITY

#### 3.1 *Membership.*

- The Committee shall consist of no fewer than three (3) members.
- All members of the Committee shall satisfy any independence or membership requirements for credit, loan or similar committees in accordance with applicable laws, rules or regulations as may be in effect from time to time, including those promulgated by the Federal Reserve Board of Governors.

**3.2 *Appointment and Term.*** The Governance Committee of the Board, in conjunction with the Board Chair, shall nominate for Board approval the Committee chairperson (the “Chair”) and other members of the Committee to serve for a term of one year each or in the case of vacancies, such other time period determined by the Board. The Chair and Committee members shall serve at the discretion of the Board.

**3.3 *Duties of Chair.*** The Chair (or in the Chair’s absence, his or her designee) shall preside at all meetings of the Committee and perform any duties as may be assigned by the Board from time to time. The Chair shall also be responsible for ensuring that key actions taken, and significant matters discussed by, the Committee are reported to the Board on a regular basis.

**3.4 *Meetings.*** Meetings of the Committee shall be held at least quarterly at the time and place as the Board or Committee determines. The Committee may invite any director, officer or employee of the Company or the Bank or any outside consultant or adviser to attend any meeting of the Committee or to meet with any members of the Committee at any time. The Committee has the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company’s bylaws that are applicable to the Committee.

**3.5 *Minutes.*** The secretary of the Committee (or any designee of the Chair) shall maintain minutes and other relevant records of the meetings and activities of the Committee. The minutes shall be available for review by the Board and any regulatory agency having jurisdiction over the affairs of the Company or the Bank. At any time where the secretary is not present, the Chair shall act as secretary or designate an acting secretary of the Committee for the purpose of recording the minutes of actions taken at the meeting or executive session thereof.

**3.6 *Annual Review of Charter; Amendments.*** The Committee, in conjunction with the Governance Committee, shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. This Charter may be amended only by the Board.

**3.7 *Delegation of Authority.*** This Committee may form, and delegate its authority hereunder (as delegated by the Board) to, subcommittees when appropriate.

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