

**CHARTER  
PEOPLE'S UNITED FINANCIAL, INC.  
ENTERPRISE RISK COMMITTEE**

***Purpose and Authority:***

The Enterprise Risk Committee (the "Committee") has been established by the Board of Directors of People's United Financial, Inc. (together with its subsidiary People's United Bank and the Bank's direct and indirect subsidiaries, the "Company") to assist the Board of Directors (the "Board") in fulfilling its responsibility to oversee the Company's enterprise risk management framework and associated policies and practices. The Committee has been assigned authority to oversee management's implementation of the Company's risk management process; to make recommendations to the full Board concerning the Company's risk appetite; and to assess the Company's corporate strategy in light of its risk appetite.

The Committee shall coordinate its oversight of enterprise risk with the Bank's Loan Review Committee, which oversees certain aspects of credit and concentration risk; the Treasury and Finance Committee, which oversees aspects of liquidity, price and interest rate risks; the Bank's Trust Committee, which oversees fiduciary risk; and with the Compensation, Nominating and Governance Committee, which oversees incentive compensation risk.

The Committee's role is to oversee and monitor management's implementation of the Company's risk management processes; management is responsible for establishing and maintaining an effective risk management framework.

In exercising its responsibilities, the Committee is authorized to retain such advisors as it deems appropriate, at the Company's expense.

***Membership, Evaluation and Conduct of Meetings:***

The Committee shall consist of at least three directors, a majority of whom shall be independent directors. At least one member of the Committee shall have experience identifying, assessing and managing risk exposures of large, complex firms that are commensurate with the Company's capital structure, risk profile, complexity, activities, size and other appropriate risk-related factors. Members, including the Committee Chairperson, are elected annually by the Board. The Chairperson of the Committee, who shall be an independent director, will preside at meetings and shall report to the Board.

The Committee will meet at intervals established by the Board, but no less frequently than on a quarterly basis. Minutes of all meetings of the Committee shall be kept and recorded, and shall be provided to the entire Board at a subsequent Board meeting. This Charter will be reviewed and approved annually. The Committee will conduct an annual comparison of the performance of the Committee with the requirements of this Charter.

***Responsibilities:***

**A. Enterprise Risk Management**

- Approve the Company's risk appetite statement and framework, receive quarterly risk appetite updates and approve any changes to risk limits.
- Approve the Company's enterprise risk management policy and oversee its operation.
- Evaluate whether the framework as a whole is adequate and effective, given the Company's capital structure, risk profile, organizational complexity, activities, business strategy, competitive and economic environment and other relevant risk-related factors.
- Review management reports concerning the timeliness and effectiveness of corrective actions taken to address identified risk management deficiencies.
- Review the quarterly risk dashboard.
- Review minutes of the management-level Executive Risk Oversight Committee and review matters falling within the scope of that committee's responsibilities.
- Receive a quarterly update on the activities of the management-level New Products Committee and review management's implementation of new legal and operational structures, and significant new products or lines of business.
- Review reports from management and the Compensation, Nominating and Governance committee concerning the integration of risk management and control objectives into management goals and the Company's compensation structure.

## **B. Credit Risk**

- Review consolidated asset quality and other loan-related trends.
- Review and monitor geographic and risk rating loan distributions.
- Review covenant exception reports for the commercial loan portfolio.
- Monitor loan portfolio concentration levels.

## **C. Liquidity Risk**

- Review the results of liquidity stress test scenarios and assess the impact on Company's liquidity position in both base-line and stressed environments.
- Review liquidity trends and assess the impact on the Company's liquidity risk profile.

## **D. Interest Rate Risk**

- Review the results of interest rate risk stress test scenarios, including rate shocks and yield curve twists, and assess the impact on Company's interest rate risk position in both base-line and stressed environments.
- Review asset-liability interest rate trends and assess the impact on the Company's interest rate risk profile.

#### **E. Price Risk**

- Review investment portfolio book and market price.

#### **F. Operational and Related Risks**

- Review operational risk trends and assess the impact on the Company's operational risk profile.
- Receive periodic updates from management regarding specific operational risk-related topics including, but not limited to, information and physical security and business continuity.
- Review management's assessments with respect to technology risk and emerging technology issues; discuss the current status of significant technological projects and receive a quarterly update on the Bank's information security status.
- Review management reports concerning the Bank's processes to manage risks associated with third party arrangements, including its vendor management program.
- Receive updates concerning emerging and industry-wide operational risks.

#### **G. Compliance Risk**

- Review and approve the annual Compliance Risk Assessment and Compliance Plan and Fair Lending Risk Assessment.
- Review and approve the Compliance Program.
- Receive updates on the status of the Compliance and Fair Lending Program.
- Assess the effectiveness of the Company's Compliance program, including its scope and capacity to fulfill its objectives and evaluate whether enhancements are required to reflect changed circumstances. In conducting this assessment, the Committee shall consider the qualifications and experience level of the Chief Compliance Officer and Compliance staff.
- Review management reports concerning compliance matters.

#### **H. Regulatory, Legal and Reputational Risk**

- Oversee management's implementation of the Bank's community reinvestment and development strategy and its compliance with the requirements of the Community Reinvestment Act.
- Review the Company's General Counsel's report of significant legal and regulatory matters, including litigation matters, and evaluate the General Counsel's assessment of the Company's legal and regulatory risk profile.
- Receive updates concerning emerging and industry-wide operational, legal and regulatory risks.

#### **I. BSA/AML Oversight**

- Review the AML and OFAC Risk Assessments.
- Approve the BSA/AML Policy and Program.
- Review summaries of Suspicious Activity Report filing activity.
- Approve the BSA Officer.
- The BSA Officer shall have direct access to members of the Committee and has authority to report any concerns directly to the Committee or to the full board.

#### **J. Other Matters**

- At least annually:
  - consider the experience and qualifications of the Chief Risk Officer and assess whether the risk management functions have sufficient staffing levels and experience;
  - assess whether the Chief Risk Officer and risk management staff have sufficient independence and authority to carry out their responsibilities in an effective manner;
- Receive annual updates concerning the Company's insurance risk management program, including a review of the Company's insurance coverage and discussion of changes in coverage from the prior year.
- Receive an annual update on the activities of the management-level Transactions with Affiliates Committee.