

**CHARTER OF THE ENTERPRISE RISK MANAGEMENT (“ERM”) STEERING SUBCOMMITTEE  
OF THE RISK OVERSIGHT COMMITTEE OF THE BOARD OF DIRECTORS OF  
EAST WEST BANCORP, INC., AND EAST WEST BANK**

**PURPOSE**

The ERM Steering Subcommittee (the “Subcommittee”) is established by the Risk Oversight Committee of the Board of Directors of East West Bancorp, Inc., and East West Bank (collectively, the “Company”) in order to assist the Risk Oversight Committee in its oversight of the Company’s enterprise risk management program.

**MEMBERSHIP**

The Subcommittee will consist of at least two (2) outside directors of the Board of Directors of the Company (the “Board”) and such other directors as the Board determines to be appropriate and in the best interest of the Company to further the purpose and responsibilities of the Subcommittee. The term: (i) “outside director” is defined as an individual, not an employee or executive officer of Bancorp, the Bank, or their affiliates, who owns less than 10 percent of the outstanding voting stock of Bancorp or the Bank and who is not related in any manner to any shareholder who owns 10 percent or more of the outstanding voting stock of Bancorp or the Bank or any related interest of such a shareholder; (ii) “affiliate” is defined as set forth in section 215.2(a) of Regulation O of the Board of Governors (“Regulation O”) (12 C.F.R. 215.2(a)); and (iii) “related interest” is defined as set forth in section 215.2(n) of Regulation O (12 C.F.R. 215.2(n)).

The members of the Subcommittee shall be appointed by the Risk Oversight Committee and will appoint one (1) of the members of the Subcommittee to act as the Subcommittee Chair.

The initial membership of the Subcommittee is as follows:

- Manuel P. Alvarez
- Rudolph I. Estrada
- Mark Hutchins
- Jack Liu
- Lester M. Sussman

## **KEY RESPONSIBILITIES**

The Subcommittee shall perform the functions noted in the “Purpose” section of this Subcommittee Charter, including, but not limited to, the responsibilities described below:

- Oversee the Company’s enterprise risk management program and ensure all pillars of a sound risk management system are effective, including:
  - Board and senior management oversight
  - Policies, procedures, and limits
  - Risk monitoring and management information systems
  - Internal controls
- Ensure that the Company’s risk management processes are evolving in sophistication, commensurate with the Company’s growth, complexity, and risk.
- Review the Company’s risk governance structure, including the strategies, policies, procedures and systems established and used by management to identify, measure, monitor, and control significant risks the Company may face.
- Ensure the Company’s enterprise risk management program, framework, systems, and processes are integrated and aligned with the corporate strategy of the Company, including the maturity of the Company’s line of defense.
- Review and reassess the adequacy of this Charter on an annual basis.

The Subcommittee’s responsibilities shall remain flexible to best respond to changing conditions and circumstances.

## **MEETINGS**

Meetings of the Committee will be held at least quarterly and such other times as shall be determined by the Subcommittee or the Risk Oversight Committee. The Subcommittee will report regularly on its activity to the Risk Oversight Committee. The Subcommittee will appoint a chairperson to serve as the chair of the Subcommittee until a new chairperson is appointed. The Subcommittee will appoint a secretary to record minutes of its meetings.

## **RESOURCES AND AUTHORITY**

The Subcommittee will have the resources and authority it determines to be appropriate to discharge its responsibilities, including the authority to retain special legal or other external consultants to advise the Subcommittee. The Subcommittee shall have authority to pay all fees and expenses of such outside advisors as it deems appropriate. The Subcommittee may ask any members of management or others to attend all or any portion of the any meeting.