

CAPITAL ONE FINANCIAL CORPORATION

CHARTER OF THE RISK COMMITTEE OF THE BOARD OF DIRECTORS

Purpose

The Risk Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Capital One Financial Corporation (the “Corporation”) to assist the Board in discharging its oversight of (i) the Corporation’s enterprise-wide risk management framework, including policies and practices established by management to identify, assess, measure and manage key risks facing the Corporation across all of the Corporation’s eight risk categories: strategic, compliance, operational, reputation, legal, credit, market, and liquidity risk; and (ii) management’s specific responsibilities with respect to identification and management of, and planning for, the Corporation’s market risk, liquidity risk, operational risk and credit risk. The Committee shall also perform such other duties as may be specified from time to time as deemed necessary or appropriate to carry out its responsibilities.

References in this Charter to the Corporation shall be deemed to include its depository and non-depository institution subsidiaries and affiliates, unless the context requires otherwise.

The Committee’s primary responsibility is one of oversight of enterprise-wide risk management, and it recognizes that the Corporation’s management is responsible for managing its risk function and for reporting on its processes and assessments with respect to the Corporation’s management of risk. Accordingly, in assisting the Board with its oversight responsibilities with respect to risk management, the Committee may rely on management to assume the primary responsibility for the risk management function at the enterprise level and to see that risk management policies, procedures and limits are developed throughout each line of business and staff group, as applicable, to achieve desired results. The Committee may also rely on the periodic reports from management or other officers or employees, as appropriate, on the Corporation’s risk management programs and the results of such programs. The Committee may rely, to the fullest extent permitted by law, upon the information, opinions, reports or statements provided by persons within and outside the Corporation from whom the Committee receives such information, opinions, reports or statements.

Membership

The Committee shall consist of three or more directors as determined by the Board. The chair of the Committee (the “Chair”) shall, in the judgment of the Board, meet the criteria for independence as established by the Board in accordance with the New York Stock Exchange listing standards and any other applicable laws, rules or regulations regarding independence or other qualifications applicable to the Chair as they are in effect from time to time. In addition, at least one member of the Committee shall, in the judgment of the Board, have experience in identifying, assessing, and managing risk exposures of large, complex financial firms, commensurate with the Corporation’s structure, risk profile, complexity, activities, and size.

The members shall be appointed and removed by the Board acting on the recommendation of the Governance and Nominating Committee of the Board. The Board shall have the authority to fill any vacancies and to remove any Committee member for any reason. Either the Board or the Committee shall appoint the Chair.

Meetings

The Committee shall meet at least quarterly during the year and at such other times as the Committee or the Chair deems advisable. The Committee may also meet periodically in separate executive sessions, including executive sessions with the Corporation's Chief Risk Officer, Chief Financial Officer, Chief Audit Officer, Chief Credit Review Officer, General Counsel, Chief Compliance Officer, and other members of management as it deems appropriate to carry out its responsibilities.

The Committee shall have the authority to meet with other Board committees, or the chairs of those committees, overseeing the Corporation's management of specific risks.

The Committee may meet in joint session with the Audit Committee of the Board (the "Audit Committee"), or with the chair of the Audit Committee, from time to time to discuss areas of common interest and other significant matters as the Committee deems appropriate. With respect to the Audit Committee and its responsibilities for the oversight of the guidelines and policies governing the processes by which management identifies, assesses and manages risk generally, and specifically with respect to the Audit Committee's responsibility for the oversight of compliance by the Corporation with legal and regulatory requirements, the committees and the Board acknowledge and agree that the information and reports reviewed by the Committee and the Audit Committee may each be of interest to the other and should be provided to the other as appropriate.

The Board reserves responsibility for overall corporate strategy and oversight of strategic risk management, capital planning, dividends and share repurchases, the Comprehensive Capital Analysis and Review supervisory assessments and supervisory stress testing under the Dodd-Frank Wall Street Reform and Consumer Protection Act, and significant capital markets, financing and corporate transactions to the extent not otherwise delegated to management.

The Committee is governed by the same rules regarding meetings (including meetings by telephone conference or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

Committee Duties and Responsibilities

The general responsibility of the Committee is to approve and periodically review the enterprise-wide risk management policies of the Corporation, and oversee the operation of the Corporation's enterprise-wide risk management framework, commensurate with the Corporation's structure, risk profile, complexity, activities, size, and other appropriate risk-related factors. In furtherance of its responsibilities described above, the Committee's duties include:

A. Enterprise Risk Management Framework

1. Review and recommend to the Board for approval the Corporation's risk management framework (and any significant changes thereto) and the key risk management policies developed for the Corporation.
2. Receive and review management reports from the Chief Risk Officer and other members of management, as applicable, on the Corporation's risk management framework, risk management programs (including steps taken to identify, assess, monitor and control the Corporation's key risks) and their results, including any risk management deficiencies and emerging risks.

3. Discuss with management the enterprise's risk appetite and tolerance; and at least annually (or more frequently, as necessary, based on the size and volatility of risks and any material changes in the Corporation's business model, strategy, risk profile, or market conditions), recommend to the full Board the statement of risk appetite and tolerance to be communicated throughout the Corporation.
4. Review and assess the adequacy and effectiveness of the Corporation's enterprise-wide risk assessment processes; and review and address, as appropriate, management's corrective actions for any deficiencies that may arise with respect to the effectiveness of such programs.
5. Taking into consideration the Board's assignment to the Audit Committee of risk oversight with respect to compliance by the Corporation with legal and regulatory requirements, in coordination with the Audit Committee, (i) receive and review written reports from and discuss with the Corporation's Chief Compliance Officer matters that may have a material impact on the Corporation's compliance with state and federal laws, rules, regulations, or the standards or codes of conduct of self-regulatory organizations applicable to the Corporation's activities, and, (ii) to the extent within the scope of the Committee's responsibilities set forth in this Charter, review management's corrective actions for any deficiencies that may arise with respect to the effectiveness of the Corporation's enterprise compliance risk management program.
6. Review summaries of regulatory examination reports pertaining to matters that are within the purview of the Committee and management's responses thereto.
7. Review the Corporation's internal audit work plan with the Chief Audit Officer to see that it is aligned with the risks that have been identified and with the Corporation's risk governance (and risk management) information needs.
8. Oversee that the Chief Risk Officer, and other members of management as applicable, review with the Compensation Committee the Corporation's incentive compensation programs for senior management and others who could expose the Corporation to material risk to see that they are designed and operate in a manner that is consistent with safety and soundness.

B. Duties Relating to Operational, Credit and Financial Risk Exposures, including Capital and Liquidity

9. Receive and review management reports from the Chief Risk Officer, or designee, on the Corporation's operational risk management programs and policies, including management's actions to identify, assess, mitigate and remediate material operational risk issues.
10. At least annually, review and recommend to the Board the Corporation's Information Security Policy and Information Security Program.
11. Receive and review management reports from the Chief Information Officer or the Chief Information Security Officer, and second-line Cyber Risk Management, as appropriate, on the Corporation's cyber risk profile, top cyber risks, enterprise cyber program and key enterprise cyber initiatives, including management's actions to identify, assess, mitigate, and remediate material cyber issues and risks. Additionally, receive and review management reports from the Chief Information Officer or the Chief Information Security Officer regarding significant cyber incidents impacting the Corporation, including management's assessment of the root cause and relevant learnings from the incident.

12. Receive and review management reports from the Chief Risk Officer, or designee, on the Corporation's credit risk management programs and policies, including management's actions to identify, assess, mitigate and remediate material credit risk issues.
13. Receive and review management reports from the Chief Risk Officer, or designee, regarding credit exposures, credit aspects of specific portfolios, and credit risk management practices, as appropriate.
14. Receive and review management reports from the Chief Financial Officer, or designee, on the Corporation's market risk management programs and policies, including management's actions to identify, assess, mitigate and remediate material market risk issues.
15. Receive and review management reports from the Chief Financial Officer, or designee, on the Corporation's liquidity risk management programs and policies, including management's actions to identify, assess, mitigate and remediate material liquidity risk issues.
16. Review and recommend to the Board the Corporation's liquidity risk management strategies, policies, and procedures established by senior management.
17. Receive and review management reports from the Chief Financial Officer, or designee, regarding activities of management's Asset Liability Committee on matters not otherwise reserved by the Board.
18. Review the Corporation's capital adequacy, including compliance with legal, regulatory and supervisory requirements.
19. Oversee the Corporation's independent market and liquidity risk management function; and receive and review from such function reports on any material market or liquidity risk management issues for corrective action.
20. Review and recommend to the Board the Corporation's liquidity risk tolerance at least annually, taking into account the Corporation's capital structure, risk profile, complexity, activities, and size. Senior management shall report to the Committee or the Board regarding the Corporation's liquidity risk profile and liquidity risk tolerance at least quarterly (or more often, if changes in market conditions or the liquidity position, risk profile, or financial condition of the Corporation warrant).
21. Receive documentation from senior management regarding the methodology and assumptions used to make the Corporation's cash flow projections.
22. At least annually, approve the Corporation's contingency funding plan, and any material revisions thereto.

C. Chief Risk Officer

23. The Corporation's Chief Risk Officer shall report directly to both the Committee and the Chief Executive Officer. In general, the Committee shall receive and review regular reports from the Chief Risk Officer at least quarterly.

24. Review and see that the Chief Risk Officer, in the judgment of the Committee, has (i) sufficient experience in identifying, assessing, and managing risk exposures of large, complex financial firms, relevant to the particular risks facing the Corporation and commensurate with the Corporation's structure, risk profile, complexity, activities, size and other appropriate risk-related factors as the Committee may determine in its judgment, and (ii) sufficient stature, authority, and seniority within the Corporation.

D. Credit Review and Chief Credit Review Officer

25. Oversee the Corporation's credit review department and review and approve its annual budget.
26. Approve or replace the Chief Credit Review Officer, as appropriate; and annually review the performance, independence and compensation of the Chief Credit Review Officer. The Chief Credit Review officer shall report directly to the Committee for functional purposes but may report to a member of management for administrative purposes, which administrative reporting arrangement shall be reviewed and assessed by the Committee on an annual basis.
27. Review and approve annually the credit review plans and policies, and any significant changes to such plans, as appropriate.
28. Receive and review reports from the Chief Credit Review Officer, or designee, on any significant credit review findings regarding the Corporation's credit risk management programs and policies and management's corrective actions, as appropriate.

E. Other Responsibilities

29. Review and discuss reputation risk matters within the scope of the Committee's responsibilities.
30. Coordinate consideration of and communications with regard to risks among the Board committees and the Board.
31. Maintain minutes of meetings, regularly report on its deliberations and actions to the Board and make recommendations to the Board, in accordance with this Charter and any applicable regulatory requirements.
32. Review, at least annually, this Charter and recommend any proposed changes to the Board for approval.
33. Conduct, and report to the Board the results of, an annual performance evaluation of the Committee, which evaluation shall include comparing the performance of the Committee with the requirements of this Charter.
34. In addition to the activities enumerated herein, perform any other activities consistent with this Charter, the Corporation's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate or as required by law or regulations.

Access to Advisors

The Committee, in its sole and absolute discretion, shall have the authority to conduct investigations into any matters within its scope of responsibility and to retain outside legal, accounting, risk management or other advisors, as it deems appropriate, to perform its duties and responsibilities, without prior permission from the Board or management, and the Corporation shall provide the necessary resources for such purposes.

Open Communications

In carrying out its responsibilities, the Committee shall maintain free and open means of communications between the directors, the Chief Audit Officer, the Chief Risk Officer, the Chief Financial Officer, the Chief Credit Review Officer, the General Counsel, the Chief Compliance Officer and other members of management. The Committee's policies and procedures shall remain flexible, in order to best react to changing conditions and circumstances that might have a material effect on the risk assessment and risk management practices of the Corporation.

Delegation of Authority

The Committee may form, and delegate authority to, subcommittees comprised of one or more members of the Committee, as appropriate. Each subcommittee shall have the full power and authority of the Committee, as to matters delegated to it.

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Approved by the Committee on January 30, 2019, and the Board on January 31, 2019.