

**CHARTER OF THE RISK COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
STOCK YARDS BANCORP, INC. AND STOCK YARDS BANK & TRUST CO.**

**Purpose**

The purpose of the Risk Committee (the “Committee”) of the Board of Directors of Stock Yards Bancorp, Inc. and Stock Yards Bank & Trust Co. (together, the “Company”) is to oversee management’s implementation and enforcement of the Company’s framework for identifying, measuring, monitoring, and controlling risk throughout the organization, including its enterprise risk management (ERM) framework. The Committee approves and periodically reviews key risk management policies and the Company’s risk appetite and tolerances to be used by management in day-to-day operations.

**Committee Membership**

- The Committee shall consist of no fewer than three directors appointed and replaced by the Board on the recommendation of the Corporate Governance and Nominating Committee.
- Each member shall meet applicable independence requirements of the Company’s listing standards and relevant regulations. At least one member shall have experience in identifying, assessing, and managing material risk exposures of financial institutions.
- Members shall serve for such term or terms as the Board may determine. The Board shall designate one member of the Committee as its Chair.

**Committee Structure and Operations**

The Committee will meet as often as it determines appropriate, but no less frequently than quarterly. All members are expected to attend, in person or via tele- or videoconference.

The Committee shall, at least annually, hold private sessions with the Chief Risk Officer (CRO) and periodically, as needed, with other members of management, including the Director of Information Security Officer, Director of Compliance Officer, Chief Financial Officer, Chief Credit Officer, and the Director of Credit Review. The Committee may meet in executive session without members of management present.

Meeting agendas will be prepared by the CRO with input from the Committee Chair and provided in advance along with appropriate briefing materials.

The Chair is authorized to act on behalf of the Committee between meetings, including in situations involving approvals related to compliance with risk appetite, concentrations, tolerances, and/or policy thresholds, with such actions reported to the Committee at or before its next regular meeting.

The Committee may invite any officer or employee of the Company, the independent auditor, counsel, or other advisors to attend meetings and provide pertinent information.

The Committee will periodically report to the Board and make recommendations as it deems necessary or appropriate.

### **Outside Advisors**

The Committee shall have authority, in its sole discretion, to retain, oversee, and terminate risk consultants, outside counsel, and other advisors to assist the Committee in evaluating the ERM program, the CRO, and other matters within its remit, including the authority to approve related fees and retention terms.

### **Duties and Responsibilities**

The Committee's role is one of oversight and it is not responsible for day-to-day risk management. In carrying out its responsibilities, the Committee may rely on the expertise and reports of management, legal counsel, and other experts. The Committee will work closely with the CRO and other members of management, as well as other Board committees, to understand the Company's risk exposures across its business operations and to evaluate the effectiveness of governance, oversight, and practices that address risk exposure.

### **Enterprise Risk Management (ERM) Oversight**

- Meet periodically, at least quarterly, with the CRO and ERM team to receive reports on risk identification, assessment, monitoring, and mitigation; review emerging risks (including technology-related risks such as artificial intelligence), and other enterprise-wide risk topics.
- Review, at least annually, and recommend for Board approval the Company's overall risk appetite statement(s) and risk tolerances; oversee adherence to risk appetite, concentrations, and key risk indicators.
- Review strategies and overall risk concentrations and recommend changes to the Board, as appropriate.
- Review the independence, stature, authority, and resourcing of the ERM function; review the qualifications and background of the CRO and other senior risk officers.
- Annually assess the Committee's own performance and compliance with this Charter.
- Periodically review regulatory correspondence, findings, recommendations, and actions; monitor management's responses and remediation.
- Review and recommend to the Board the adequacy of significant insurance coverages for the Company.

### **Credit Risk Oversight**

- Review loans exceeding the Executive Loan Committee's lending authority for recommendation to the Board for approval; ratify loans exceeding ELC authority not subject to Board approval.
- Review and discuss management's assessment of credit risk associated with loan growth, including review of ELC minutes.

- Monitor the work of the Company's Credit Policy & Strategy Committee and receive reports from that committee.
- Review and approve significant lending and credit policies and compliance with those policies.
- Review management's assessment of asset quality, credit administration and underwriting standards, and the effectiveness of portfolio credit risk management systems and processes, including portfolio composition and loan reviews.
- Review and discuss with management the Credit Review function, including its annual plan, activities, staffing, results, and significant findings.

#### **Market/Interest Rate and Liquidity Risk Oversight**

- Review periodically strategies for managing market and interest rate risk, including material risk concentrations.
- Review and approve, at least annually, the Company's and the Bank's Contingency Funding Plan and strategies for addressing liquidity needs during stress events.

#### **Cyber/Information Security Risk Oversight**

- Review management reports related to technology risk, information management, cybersecurity risks, business recovery and contingency plans and test results, and risks related to third-party vendor relationships.
- Review, independently with the Information Security Officer, matters pertaining to information and cyber program effectiveness, including periodic information security reports.

#### **Compliance and Legal Risk Oversight**

- Review and monitor compliance-related risk, including results of compliance monitoring reviews and related action items.
- Review and discuss with management the compliance risk program and compliance management activities, including those related to fraud exposure and BSA/AML/OFAC compliance.
- Review legal risk by monitoring the status of pending and potential litigation and other matters that may present significant exposure.
- Review the Bank's fiduciary activities, including personal and institutional trust and asset management activities.

#### **Community Reinvestment Act (CRA) and Fair Lending**

- Assist the Board in overseeing and supervising all aspects of the Company's compliance with the CRA and fair lending laws and regulations.
- Review the CRA business plan and fair lending monitoring program and management's assessment of the effectiveness of these programs.

### **Corporate Responsibility and Sustainability Risk**

- In coordination with the Corporate Governance and Nominating Committee, periodically provide oversight of the Company's corporate responsibility risk management initiatives and activities, including the management of risks pertaining to climate change and sustainability.

The Committee shall undertake other actions within the scope of its responsibilities or as the Board may direct. While the Committee has the responsibilities and powers set forth herein, the Committee does not have managerial duties and may rely on the reports of legal counsel, auditors, advisors, and management in fulfilling its oversight role.