

# NORTHERN TRUST CORPORATION

## CYBERSECURITY RISK OVERSIGHT SUBCOMMITTEE CHARTER

Effective January 19, 2021

### **I. Purpose.**

The purpose of the Cybersecurity Risk Oversight Subcommittee (the “Subcommittee”) is to assist the Business Risk Committee (the “Committee”) of the Board of Directors (the “Board”) of Northern Trust Corporation (the “Corporation”) in discharging its oversight duties with respect to risks related to cybersecurity inherent in the businesses of the Corporation and its subsidiaries (collectively, “Northern Trust”).

This Subcommittee Charter shall also govern the Subcommittee as and when it acts as the Cybersecurity Risk Oversight Subcommittee of the Business Risk Committee of the Board of Directors of The Northern Trust Company.

### **II. Subcommittee Membership.**

The Subcommittee shall consist of three or more directors. The Subcommittee’s membership shall be such that, in the judgment of the Committee, the Subcommittee shall have the experience, expertise and judgment necessary to discharge its duties and responsibilities under this Charter. Each Subcommittee member shall be: (a) an “independent director” under the Corporation’s Corporate Governance Guidelines; and (b) unless otherwise approved by the Board, a member of the Committee.

Subcommittee members and the Subcommittee Chairman shall be appointed annually by the Committee (with the approval of the Board, if any proposed member of the Subcommittee is not also a member of the Committee) taking into consideration the benefits of a regular rotation in the membership of the Subcommittee, including the Chairmanship, balancing in each case the need for fresh perspective with the need for experience and continuity. The Committee may fill vacancies on the Subcommittee and may remove a member from Subcommittee membership at any time with or without cause.

### **III. Subcommittee Structure and Operations.**

#### **A. Meetings.**

The Subcommittee shall meet in person or by telephone conference, videoconference or other means of communications permitted under applicable Delaware law as frequently as necessary to fulfill its duties and responsibilities, but no less frequently than quarterly. Additional meetings may be held, or actions may be taken by unanimous written consent, as deemed necessary or appropriate by the Subcommittee Chairman or by any other member of the Subcommittee. Minutes of each meeting shall be prepared by the Secretary or any Assistant Secretary of the Corporation or such other person designated by the Subcommittee Chairman as Acting Secretary of the Subcommittee and, when approved, shall be distributed to all Committee

members, as well as all other members of the Board. The minutes shall document the decisions of the Subcommittee regarding matters related to its duties and responsibilities.

The Subcommittee may meet with any officer of the Corporation, consultants or advisors as it may deem necessary or appropriate. The Subcommittee may meet in joint or concurrent sessions with other committees or subcommittees of the Board from time to time to discuss areas of common interest and significant matters.

**B. Quorum; Manner of Acting.**

A majority of the Subcommittee's members shall constitute a quorum, and the act of a majority of the members at which a quorum is present shall be the act of the Subcommittee. In the event of a tie vote on any issue, the Subcommittee Chairman's vote shall decide the issue. In the absence or disqualification of a member of the Subcommittee, the members present at any meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the Committee (or of the Board, with the approval of the Board) who meets the Subcommittee membership requirements set forth herein to act at the meeting in the place of any such absent or disqualified member.

**C. Resources.**

The Subcommittee shall have the resources and authority appropriate to discharge its duties and responsibilities. In particular, the Committee shall have: (a) direct and unrestricted access to the Corporation's management and non-management personnel and all corporate records; (b) authority to select, retain and terminate the engagement of any consultant in connection with the performance of its duties and to approve the terms of the engagement, including the fees to be paid to the consultant; and (c) the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

**D. Delegation of Authority.**

The Subcommittee may, in its discretion, delegate all or a portion of its duties and responsibilities to one or more members of the Subcommittee. In addition, the Subcommittee may, in its discretion and subject to the requirements of applicable law, authorize one or more officers of the Corporation to take certain actions on its behalf.

**IV. Duties and Responsibilities.**

The Subcommittee's responsibility is one of oversight. The responsibility for regulatory compliance and for the management of risks in Northern Trust's businesses rests with management of the Corporation. Members of the Subcommittee shall be entitled to rely in good faith on: (a) the integrity of those persons and organizations within and outside Northern Trust from which they receive information; and (b) the accuracy of the information provided to the Subcommittee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Committee and the Board).

In fulfilling its purpose, the Subcommittee shall perform the following oversight and other functions:

**A. Cybersecurity Risk Oversight Responsibilities**

1. Assist the Committee in its oversight of risks related to cybersecurity inherent in Northern Trust's businesses, including, but not limited to, review, discussion and approval (as appropriate) of the following:
  - (a) the effectiveness of overall cybersecurity risk management at Northern Trust and management's procedures for identifying, measuring and reporting on cybersecurity risk, including monitoring and analysis of the threat environment, vulnerability assessments and third-party cybersecurity risks;
  - (b) Northern Trust's cybersecurity risk profile and risk tolerance;
  - (c) significant policies, programs and plan documents, and proposed changes to any of the foregoing, with respect to the management of cybersecurity risk;
  - (d) Northern Trust's controls to prevent, detect and respond to cyberattacks or information or data breaches;
  - (e) Northern Trust's cyber-resiliency, including cybersecurity crisis preparedness, incident response plans and disaster recovery capabilities;
  - (f) significant findings identified by senior management and/or regulatory agencies, concerning cybersecurity risk management activities and management responses to, and/or remediation of, such findings;
  - (g) the capabilities and qualifications of Northern Trust's senior cybersecurity risk professionals; and
  - (h) the appropriateness of the resources allocated to cybersecurity risk management at Northern Trust, including, but not limited to, investments in cybersecurity infrastructure.

**B. Other Responsibilities**

1. Make regular reports to the Committee summarizing the matters reviewed and actions taken at each Subcommittee meeting.
2. Conduct and review with the Committee and/or the Board an annual performance evaluation of the Subcommittee, which evaluation shall compare the performance of the Subcommittee with the requirements of this Subcommittee Charter.

3. Review and reassess the adequacy of this Subcommittee Charter on an annual basis and submit any recommended changes to the Committee for approval.
4. Discharge any other duty or responsibility assigned to it by the Committee or the Board.