

**Euroclear SA/NV**  
**Board Risk Committee**  
**Terms of Reference**

Purpose	<p>To assist the Board of Directors in its oversight of the Group's:</p> <ul style="list-style-type: none"><li>• risk management governance structure, including policies;</li><li>• risk tolerance, appetite and strategy;</li><li>• management of key risks as well as the processes for monitoring and mitigating such risks.</li></ul> <p>In the exercise of its oversight role, the Committee relies on:</p> <ul style="list-style-type: none"><li>• the reports of, and discussions with, Management who remain owners of the risks, are responsible for risk identification and management , and</li><li>• the assessments and reports of Risk Management.</li></ul>
Members and Chair	<ul style="list-style-type: none"><li>• At least three non-executive directors of the Company (one of whom is independent).</li><li>• The members collectively have the skills and experience to be able to understand and oversee the risk strategy, risk appetite and risk tolerance of the Company</li><li>• The Chair shall be a non-executive director appointed by the Board as Committee Chair</li></ul>
Attendees	<ul style="list-style-type: none"><li>• Committee members</li><li>• Chief Executive Officer (CEO)</li><li>• Chief Risk Officer (CRO),</li><li>• External advisors appointed by the Committee, if any</li><li>• Secretary to the Committee</li><li>• Any additional invitees as deemed necessary or appropriate by the Chairman</li></ul>
Frequency of meetings	<ul style="list-style-type: none"><li>• At least four times per year</li><li>• At least one closed session per year with the CRO (without executive management present)</li><li>• Ad-hoc meetings as deemed necessary by the Chair</li></ul>
Quorum	<ul style="list-style-type: none"><li>• At least half of the Committee members (a member that has effectively resigned as Board member does not count in the quorum)</li><li>• Meeting attendance in person. However possible by video conference or conference call, with prior agreement</li></ul>
Voting	<ul style="list-style-type: none"><li>• A simple majority of voting members present or represented</li><li>• Chairman has the casting vote in case of equality of votes</li></ul>
Meeting agenda and notice	<ul style="list-style-type: none"><li>• Agenda shall be set by the Chair and contain a balance of items presented by Management on the one hand and by Risk Management on the other</li><li>• Individual Committee members can place items on the agenda</li><li>• Items to be discussed must be included on the agenda. Exceptionally, an item not on the agenda may be addressed at the meeting provided all members present agree to this addition</li><li>• Agenda should allow sufficient time to undertake as full a discussion as may be required</li></ul>

- Notice shall be sent to members by electronic means

#### Committee support and resources

- The CRO has direct access to the Committee and its Chairman
- Each member will:
  - ✓ obtain an understanding of the detailed responsibilities of the Committee and the Company's business, operations and risks;
  - ✓ receive induction training on all topics considered necessary for their membership;
  - ✓ receive ongoing training to ensure that members' knowledge is kept up to date .
- The Committee may:
  - ✓ obtain such information and reports from Management or Risk Management of the Company or, where relevant, from any group company, deemed necessary to prepare the issues to be discussed;
  - ✓ invite experts to advise the Committee on its review of risk matters or seek external professional advice, at the Company's expense, necessary for the fulfilment of its duties;
  - ✓ be in contact on a continuing basis with the key people associated with the Group's governance.
- Meeting minutes are drafted by Committee Secretary and shall be submitted to the Committee for approval
- Written materials are made available to members in a timely manner, ahead of its meetings

#### Responsibilities

##### Advisory role:

The Committee shall carry out the responsibilities listed below and advise the Board in relation to the same.:

1. Review and discuss Management's reports with respect to the Group's major risk exposures and the steps Management has taken to monitor and control such exposures;
2. Review the risk aspects of proposed material strategic transactions;
3. Advise on the Group's risk appetite, tolerance and strategy and monitor that the implementation of the business strategy is in line with these agreed business parameters
4. Oversee, review and advice on the implementation of the Risk Management framework including the periodic review of the critical Board risk management policies of the Group and all amendments to those policies that alter the risk profile of the Group or Company in question.
5. Review reports from the Chief Risk Officer (CRO) and monitor management's responsiveness to findings and recommendations of the CRO;
6. Ensure remuneration policies and practices are aligned with the risk appetite and financial situation and long-term interests of the Group;
7. Review the remit of the Risk Management function, monitor its independence and that it has adequate resources and appropriate access to information.

The Committee shall put in place a reporting calendar to ensure it has the

reporting and tools and information necessary to fulfil its role as described.

Delegated decision making powers:

The Board delegates the following powers to the Committee:

- Approval of amendments to existing Board risk policies of the Company which would not, in the opinion of the Risk Committee, alter the risk profile of the Company.
  - Appointment and removal of the Chief Risk Officer.
  - Will be informed about major risks or control issues raised to/by another board committee to enable it to assess the acceptability within the group risk profile.
  - The detailed oversight of the adequacy and effectiveness of the implementation of group risk processes will be undertaken by the Audit Committee based on reporting from Internal Audit.
- Relationship with other corporate bodies
- Committee Evaluation
- Reporting to the Board
- Review of Terms of Reference
- Annual evaluation of own performance against a benchmark that reflects regulatory requirements, authoritative guidance and good practices.
- The Committee will report as follows to the Board:
- Committee’s activities and proceedings on all matters within its duties and responsibilities (by the Chair, in a timely manner)
  - All decisions made by the Committee in the areas of delegated authority (where necessary, supporting documentation will be provided)
  - Dissenting views as well as majority views, where appropriate to support Board understanding or where explicitly requested by a member
  - Minutes of the Committee
- Annual review by the Committee for recommendation to the Board
  - Last approved by the Committee on ...
  - Last approved by Board on ...