

NUMIS CORPORATION PLC ("the Company")

TERMS OF REFERENCE & MATTERS RESERVED FOR

THE RISK COMMITTEE

Approved and adopted at a meeting of the Directors held on 5 July 2022

Amended as to CASS oversight responsibilities and membership

Amended as to Membership 7 February 2023

Membership

The committee has been established by resolution of the Board of Directors of Numis Corporation Plc (the "Company") and is to be known as the Risk Committee. The role of the committee is to support the Company and its subsidiaries ("the Group") in managing risk; complying with regulations; and, promoting good conduct.

1. The committee shall comprise at least two members with the usual number being three. Members of the committee shall be appointed by the board, on the recommendation of the nomination committee.
2. All members of the committee shall be non-executive directors of whom a majority should be independent and at least one of whom shall have relevant financial experience.
3. The chairman of the board shall not be a member of the committee unless required to fill a temporary shortfall in independent non-executive directors due to, for example, retirement. However, the chairman of the board may not act as chair of the committee.
4. Only members of the committee have the right to attend committee meetings. However, the external auditor, internal auditor, chief financial officer, head of risk, general counsel, head of compliance, other NEDs and other relevant senior staff (including executive directors and senior managers) will be invited to attend meetings of the committee on a regular basis or as and when appropriate and necessary.
5. The board shall appoint the committee chairman. In the absence of the committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The appointed chair of the committee shall be a senior manager performing a senior management function (SMF10 chair of the risk committee).
6. Current membership comprises:
 - Richard Hennity (RH) - non-executive director, Chairman
 - Catherine James (CJ) - non-executive director
 - Kathryn Gray (KG) - non-executive director

Secretary

7. The company secretary, or his or her nominee, shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

Quorum

8. The quorum necessary for the transaction of business shall be two members. Members may attend in person or by telephone or video conference. A duly convened meeting of the committee at which a quorum is present will be competent to exercise all or any of authorities, powers and discretions vested in or exercisable by the committee.

Frequency of Meetings

9. The committee shall meet at least four times a year at appropriate intervals.
10. Outside of the formal meeting programme, the committee chairman will maintain a dialogue with key individuals involved in the company's governance, including the board chairman, chief

executives, chief financial officer, head of risk, general counsel, head of compliance, the external audit lead partner and the outsourced internal audit provider.

Notice of Meetings

11. Meetings of the committee shall be convened by the secretary of the committee at the request of any of its members or at the request of the external audit lead partner or internal auditor if they consider it necessary.
12. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee and any other person required to attend, as appropriate, in good time. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

Minutes of Meetings

13. The secretary shall minute the proceedings and decisions of all meetings of the committee, including recording the names of those present and in attendance.
14. Draft minutes of committee meetings shall be circulated promptly to the committee chairman and approved by the committee at their next meeting. Circulation to other members of the board will then take place as a matter of course.

Annual General Meeting

15. The committee chairman should attend the annual general meeting to answer shareholder questions on the committee's activities.

Matters Reserved for the Committee / Duties of the Risk Committee

16. Advice to the Board

- 16.1 Arrange for periodic reviews of the committee's performance and, at least annually, review its constitution and terms of reference to ensure it is operating effectively. Recommend appropriate changes as required.
- 16.2 Oversee and advise the board on current risk exposures of the company and future risk strategy, including with respect to environmental (including climate related), social and governance (ESG) risks.
- 16.3 In relation to risk assessment and subject to overlap with the audit committee:
 - (i) keep under review the company's overall risk assessment processes that inform the board's decision making, ensuring both qualitative and quantitative metrics are used;
 - (ii) review regularly and approve the parameters used in these measures and the methodology adopted; and, a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance; and
 - (iii) review the company's capability to identify and manage new risk types in conjunction with the audit committee.

17. Advice to the Board having taken the advice of the Co-CEOs and CFO

- 17.1 Determine and assess the appropriateness of the risks (including ESG risks) that the Group proposes to take in executing its strategy and make recommendations to the Board as to appetite and tolerance, taking account of the current and prospective macroeconomic and financial environment and drawing on financial stability assessments such as those published by relevant industry and regulatory authorities.
- 17.2 Review and recommend the Group Internal Capital and Risk Assessment ("ICARA") and the Recovery & Resolution Plan ("RRP").
- 17.3 Recommend the extent of Directors' and Officers' insurance coverage.
- 17.5 A regular review (at least annually) in respect of the monitoring of the Group's risk management and internal control systems and the review, at least once a year, of the effectiveness of such systems and providing a report on that review in the Company's annual report. The monitoring and review should cover all controls, including financial and operational risk controls.

18. **Advice to the Board having taken the advice of the Co-CEOs and the General Counsel**
- 18.1 Recommend the prosecution, defence or settlement, including by way of mediation, arbitration or alternative dispute resolution, of potential or actual litigation or regulatory enforcement action where the litigation or enforcement action is:
- in the opinion of the Co-CEOs and the General Counsel, material to the interests of the Group; and
 - in the opinion of the General Counsel, not without merit.
19. **Advice to the Remuneration Committee**
- 19.1 Confirm the alignment of the remuneration policy with risk appetite.
- 19.2 Recommend adjustments to any employee's remuneration for events that have been detrimental to the Group including events that have exceeded the Board's risk appetite.
20. **Advice to the Audit Committee**
- 20.1. Review and recommend all notes to the accounts quantifying risk exposures.
- 20.2 Review and recommend the statements to be included in the annual report, half year report, prospectuses and circulars concerning risk management, including with respect to ESG risks.
- 20.3 Recommendations for internal audit work.
21. **Internal Audit**
- 21.1 Review and monitor management's responsiveness to the internal auditor's findings and recommendations, and ensure that management responds appropriately to those findings including in a timely fashion.
22. **Other Duties**
- 22.1 Review and approve the Risk Management Framework, ensuring its ongoing integrity and suitability to support the Board's strategic objectives in light of changing internal and external circumstances and/or the Group's attitude to and tolerance of risk.
- 22.2 Annually consider and approve the remit of the risk and compliance functions and ensure they have adequate resources and appropriate access to information to enable them to perform their functions effectively and in accordance with the relevant professional standards.
- 22.3 Receive regular updates on the work of the risk and compliance functions and receive timely notification of material breaches of risk limits and internal control processes and the remedial action taken or proposed and consider the adequacy of response to any compliance failures and weaknesses.
- 22.4 Review and if appropriate approve the Pillar 3 disclosures.
- 22.5 Review and if appropriate approve Group insurance coverage.
- 22.6 Review a Client Assets ("CASS") update and provide oversight of the implementation of CASS recommendations by internal or external audit.
- 22.7 Identify matters that adversely affect or promote good culture and conduct within the Group.
- 22.8 Approve appointments or dismissals of the head of risk, general counsel and the head of compliance.
- 22.9 Meet with the head of compliance at least once a year, without the presence of management.
- 22.10 Meet with the head of risk at least once a year, without the presence of management.
- 22.11 Meet with the general counsel at least once a year, without the presence of management.
- 22.12 Work and liaise as necessary with all other board committees.
23. **Reporting to the Board**
- 23.1 The committee chairman will update the Board on its proceedings (noting any approvals made on behalf of the Board) after each meeting.
- 23.2. The committee will make whatever recommendations to the Board it deems appropriate on any area within its remit.
- 23.3 The committee will produce a report to be included in the company's Annual Report reporting on its activities. The report will comply with best practice disclosures.
24. **Other Matters**

- 24.1 The committee will have access to sufficient resources to carry out its duties.
- 24.2 The committee:
 - a) may seek any information it requires from any employee of the company in order to perform its duties;
 - b) may call any employee to be questioned at a meeting of the committee as and when required;
 - c) shall have the right to publish in the company's annual report details of any issues that cannot be resolved between the committee and the board.
- 24.3 The committee will be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 24.4 The committee is authorised to obtain, at the Company's reasonable expense, outside legal, risk and other professional advice on any matters within its terms of reference.

25. **Senior Managers and Certification Regime prescribed responsibilities and key functions**

- 25.1 In performing the role of chair, the chair of the committee shall pay due regard to his or her obligations as a senior manager under section 66A(5) of the Financial Services and Markets Act 2000 (the duty of responsibility) and in particular the reasonable steps that should be taken to discharge such duty.
- 25.2 The committee will assist the chair, as SMF10 role holder, in respect of his/her performance of the following Prescribed Responsibilities:

Prescribed Responsibility	Description
(k)	Safeguarding and overseeing the independence and performance of the compliance function
(l)	Safeguarding and overseeing the independence and performance of the risk function