

Intermediate Capital Group plc

Risk Committee terms of reference- May 2024

1. ROLE

- 1.1 The role of the Committee is to support the Board of Intermediate Capital Group plc (the "**Company**") and its subsidiaries (the "**Group**") in managing risk; complying with applicable law and regulation; and promoting good business and market conduct.

2. MEMBERSHIP

- 2.1 The Committee comprises at least three independent non-executive directors, including at least one member of the Audit Committee. At least one member will ideally have recent risk management experience in the financial services sector. The Chair of the Board may serve on the Committee if he or she is independent.
- 2.2 Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited by the Committee Chair to attend all or part of meetings in an observer or contributor capacity.
- 2.3 Appointments to the Committee are made by the Board and will be for a period of up to three years, which may be extended for further periods of up to three-years, provided the appointed Director still meets the criteria for membership of the Committee.
- 2.4 The Board will appoint the Committee Chair. In the absence of the Committee Chairman, the remaining members present will elect a Committee member to chair the meeting.

3. SECRETARY

- 3.1 The Company Secretary or his or her nominee is the Secretary of the Committee.
- 3.2 The Secretary will be responsible for ensuring that the Committee complies with its terms of reference.

4. QUORUM AND DECISION MAKING

- 4.1 The quorum necessary for the transaction of business will 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 the authorities, powers and discretions vested in or exercisable by the Committee.
- 4.2 Decisions of the Committee shall be made by a majority of Committee members. Any Committee member may have their dissent recorded in the minutes of the meeting if requested.
- 4.3 Written resolutions are also permitted, subject to circulation to all members and approval by a majority of Committee members.

5. FREQUENCY OF MEETINGS

- 5.1 The Committee will meet at least three times a year and otherwise as required.

6. NOTICE OF MEETINGS

- 6.1 Meetings of the Committee will be convened by the Secretary of the Committee at the request of the Committee Chair or Company Chair.
- 6.2 Unless otherwise agreed with the Committee Chair, notice of each meeting confirming the venue, time and date together with the agenda and supporting papers will be forwarded to each member of the Committee no later than five working days before the date of the meeting. Relevant papers may be made available to other individuals required to attend.

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7. **MINUTES OF MEETINGS**

- 7.1 The Secretary will minute the proceedings and resolutions of all meetings, record declarations of interests and those present and in attendance.
- 7.2 Draft minutes will be circulated promptly to the Chair of the Committee and subsequently be circulated to Committee members for approval and the Company Chair. The approved minutes will be made available to the Board.

8. **ANNUAL GENERAL MEETING**

- 8.1 The Committee Chair should attend the Annual General Meeting to answer any shareholders' questions on the Committee's activities.

9. **DUTIES**

9.1 Advice to the Board

- 9.1.1 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.
- 9.1.2 Determine and assess the appropriateness of the risks that the Group proposes to take in executing its strategy and make recommendations to the Board as to appetite and tolerance.
- 9.1.3 Review and recommend the Internal Capital and Risk Assessment ("**ICARA**") and any associated disclosures.
- 9.1.4 Recommend and approve the group insurance coverage including the extent of Directors' and Officers' insurance.
- 9.1.5 Recommend the prosecution, defence or settlement of litigation or alternative dispute resolution involving an actual or potential liability to costs and sums in excess of £2 million or which are otherwise material to the interests of the Group in respect of which (a) a claim letter had been issued and (b) the General Counsel's view is that the claim is not groundless.
- 9.1.6 Provide a regular recommendation (at least annually) in respect of the monitoring of the Group's risk management and internal control systems and the review, at least annually, of their effectiveness. Provide a report on that review in the Group's annual report. The monitoring and review should cover all material controls, with the exception of internal financial controls.

9.2 Advice to the Remuneration Committee

- 9.2.1 Confirm the alignment of the remuneration policy with risk appetite.
- 9.2.2 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.

9.3 Advice to the Audit Committee

- 9.3.1 Review and recommend the statements to be included in the annual report, half-year report, prospectuses and circulars concerning risk management and Sustainability and Environmental, Social, and Governance ("**ESG**") risk reporting.
- 9.3.2 Provide recommendations for internal audit work.

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9.4 Other duties

- 9.4.1 Review and approve the Risk Appetite Framework, ensuring its ongoing integrity and suitability to support the Board's strategic objectives in light of changing internal and external circumstances.
- 9.4.2 Provide a recommendation (at least annually) in respect of the assessment of the Group's emerging and principal risks. Provide a confirmation that it has completed this assessment in the Group's annual report, including a description of its principal risks, what procedures are in place to identify emerging risks, and an explanation of how these are being managed or mitigated.
- 9.4.3 Review the Company's procedures for identifying, assessing, controlling and mitigating the material risks and emerging risks faced by the Group and ensure these procedures allow proportionate and independent investigation of such matters and appropriate follow up action.
- 9.4.4 Review reports on the effectiveness of the systems of risk management and/or the Group's attitude to and tolerance of risk.
- 9.4.5 Review notifications of material breaches of risk limits and internal control processes and the remedial action taken or proposed.
- 9.4.6 Responsibility for the management of Sustainability and ESG risk.
- 9.4.7 At least annually and as required, review and approve the following policies:
 - (a) Anti-financial crime
 - (b) Anti-bribery and corruption
 - (c) Business continuity
 - (d) Change management
 - (e) Complaints Management and Complaint Handling
 - (f) Conflicts of interest
 - (g) Dawn raid
 - (h) Gifts and entertaining
 - (i) Modern Slavery
 - (j) Order Execution
 - (k) Personal account dealing
 - (l) Product Governance
 - (m) Code of Ethics and Compliance Manuals
 - (n) Speak-up
- 9.4.8 Oversee compliance with the above policies and any other policies agreed.
- 9.4.9 Based on a report from the Speak-Up Champion, review the adequacy and security of the Group's arrangements for its employees and contractors to raise concerns, in

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confidence, about possible wrongdoing. The Committee will ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action. The Committee will review, at least annually, any activity which has occurred and provide a verbal or written report to the Board.

- 9.4.10 Where escalated by the Chief Executive Officer and/or the Group Compliance Officer, consider specific matters relating to anti-financial crime or anti-bribery and corruption (including "know your customer"/"know your client" issues).
- 9.4.11 At least annually receive the report of the Money Laundering Reporting Officer and consider its findings.
- 9.4.12 Annually consider and approve the remit of the risk management 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 and best practice.
- 9.4.13 Consider the adequacy of response to any compliance failures and weaknesses.
- 9.4.14 Meet with the Head of Risk and Group Compliance Officer at least once a year, without the presence of management.
- 9.4.15 Work and liaise as necessary with all other committees of the Board.

10. REPORTING

- 10.1 The Committee Chair will update the Board on its proceedings (noting any approvals made on behalf of the Board) after each meeting.
- 10.2 The Committee will make whatever recommendations to the Board it deems appropriate on any area within its remit.
- 10.3 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.

11. OTHER MATTERS

- 11.1 The Committee will have access to sufficient resources to carry out its duties.
- 11.2 The Committee:
 - 11.2.1 May seek any information it requires from any employee of the Group in order to perform its duties.
 - 11.2.2 May call any employee to be questioned at a meeting of the committee as and when required.
 - 11.2.3 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.
- 11.3 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.
- 11.4 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.