
Marex Group plc
Risk Committee
Terms of Reference

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(the “Company”)
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Terms of Reference

1. Constitution and Purpose

- 1.1 The Committee has been established by the board of directors of the Company (the “Board”).
- 1.2 The role of the Committee is to oversee and provide advice to the Board on the Company’s and its direct and indirect subsidiaries’ (together the “Group”) current risk exposures and future risk strategies (including the strategy for capital and liquidity management), the embedding and maintenance throughout the Group of a supportive culture in relation to the management of risk, and the establishment of prescriptive rules and procedures in relation to risk.

2. Membership

- 2.1 The Board shall appoint the chair of the Committee (the “Chair”) who shall be an independent non-executive director. In absence of the Chair and any appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.2 The members of the Committee are appointed or removed by the Board, on the recommendation of the Nomination and Corporate Governance Committee, in consultation with the Chair.
- 2.3 The Committee shall be comprised of at least three members of the Board, a majority of whom shall be independent non-executive directors of the Company.
- 2.4 The Board shall regularly review the membership of the Committee based on recommendations from the Nomination and Corporate Governance Committee to ensure that membership is refreshed and undue reliance is not placed on particular individuals.
- 2.5 For the purposes of these terms of reference, an “independent” director or member means a person who meets the independence requirements established by the Board and applicable laws, regulations and listing requirements.

3. Quorum

- 3.1 A quorum shall be two members, at least one of whom must be an independent non-executive director.
- 3.2 Urgent decisions required between scheduled meetings of the Committee may be taken by electronic means subject to agreement by the Chair (or their alternate). All members of the Committee shall be included on any request for a decision by electronic means.
- 3.3 Decisions of the Committee shall be approved by a simple majority.

4. Attendance at Meetings

4.1 No one other than the Chair and members of the Committee is entitled to be present or vote at a meeting of the Committee.

4.2 Attendance may be in person or by electronic means.

4.3 The Committee may decide that non-committee members will be invited to attend some or all Committee meetings, or parts thereof, as and when appropriate and necessary, save that the Chief Risk Officer (the "**CRO**") is required to attend all meetings of the Committee.

5. Secretary

5.1 The Company Secretary or their nominee shall act as secretary of the Committee (the "**Secretary**").

5.2 The Secretary shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

5.3 The Secretary shall keep a record of the membership, and the dates of any changes to the membership, of the Committee; and of any person who, or firm which, provides advice or services to the Committee or materially assists the Committee and the nature of any other services provided by that person to the Company during the year.

6. Frequency of Meetings

6.1 Meetings will be held quarterly, or more frequently as determined by the Chair or upon request of the CRO, any member of the Committee, or the Chair of the Board.

6.2 Outside of the formal meeting programme, the Chair, and to the extent necessary other Committee members, will maintain a dialogue with key individuals involved in the Company's governance, including the CRO, Chair of the Board, the Chief Executive Officer, and the Chief Financial Officer, and will periodically inform the other members of the Committee about these discussions.

7. Proceedings

7.1 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the provisions of the Company's Articles of Association regarding the meetings and proceedings of directors.

7.2 Meetings of the Committee shall be called by the Secretary or CRO at the request of the Chair or any of the Committee members, or at the request of the CRO if they consider it necessary.

7.3 Notice of each meeting confirming the venue, time, and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the Committee, any other person required to attend and all other non-executive directors of the Company no later than five working days prior to the date of the meeting, unless otherwise agreed by the Chair. Notices, agendas, and supporting papers will be circulated in electronic form unless the recipient has indicated otherwise to the Secretary.

7.4 The Chair shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and these shall be minuted accordingly. The Secretary shall record the proceedings and resolutions of meetings of the Committee, including the names of those present and in attendance.

- 7.5 The Secretary shall circulate the draft minutes of such meetings to all members of the Committee promptly. Once agreed, the minutes shall be circulated by the Secretary to all members of the Board, unless exceptionally, the Committee decides it would be inappropriate to do so, for example because a conflict of interest exists.
- 7.6 The Secretary is responsible for ensuring any matters arising are followed up with the action owners and for status updates to be provided to the subsequent meeting(s).

8. Authority

- 8.1 The Committee is authorised by the Board, and at the expense of the Company, to investigate any matter within its terms of reference or otherwise assigned to the Committee by the Board. It is authorised to seek any information that it requires from any employee or any director in order to perform its duties and all employees and directors are directed to cooperate with any requests made by the Committee. In discharging its duties, the Committee is empowered to investigate any matter brought to its attention within the scope of these terms of reference, and shall have unrestricted access to information deemed relevant for such investigation.
- 8.2 The Committee shall be provided with sufficient resources to undertake its duties. The Committee is authorised by the Board to obtain external professional advice and engage such external professionals as it deems appropriate (including, but not limited to, legal counsel, financial advisors, and other experts or consultants) at the expense of the Company and to secure the attendance of any employee, or third parties with relevant experience and expertise, at meetings of the Committee if it considers this necessary. In carrying out their risk governance responsibilities, the Committee will have regard to any relevant advice from the Company's Audit and Compliance Committee or Internal Audit function concerning the effectiveness of its current control framework.

9. Duties

- 9.1 The Committee shall carry out the duties set out below for the Company and its direct and indirect subsidiaries (together the "**Group**") as appropriate (including, for the avoidance of doubt, Marex Financial and Marex Prime Services Limited).
- 9.2 The role of the Committee is to oversee and provide advice to the Board on the Group's current risk exposures and future risk strategies (including the strategy for capital and liquidity management), the embedding and maintenance throughout the Group of a supportive culture in relation to the management of risk and the establishment of prescriptive rules and procedures in relation to risk. In addition, the Committee has comparable responsibility for underlying Group legal entities where specific and distinct risk management frameworks are required.
- 9.3 The responsibilities of the Committee are to:
- 9.3.1 oversee and challenge the day-to-day risk management, internal control systems, and oversight arrangements of senior management;
 - 9.3.2 assess the current risk exposures of the Group, drawing on appropriate qualitative and quantitative metrics, including:
 - a) Credit/counterparty risk
 - b) Market risk
 - c) Liquidity risk
 - d) Combined risk
 - e) Operational risk

- f) Information technology risks, including cyber security and data privacy
- 9.3.3 review the Group's current risk exposures, management, and mitigation, and advise the Board of these, in particular any risk exposures of concern;
- 9.3.4 develop metrics to be used to monitor the Group's risk management performance and periodically review the procedures, methodologies and tools used in assessing and monitoring the Group's risk exposures, and identifying and managing emerging and principal risks;
- 9.3.5 set a standard for the capability to monitor, in an accurate and timely manner, particularly large exposures or risk types;
- 9.3.6 require appropriate stress and scenario testing to be carried out on the Group's risk exposures and monitor and challenge the results;
- 9.3.7 oversee the approval and monitoring of appropriate limits on exposures and concentrations;
- 9.3.8 ensure new risks are analysed, captured, measured, and controlled by Group policies and procedures, including risks emerging through acquisition, new business initiatives or changing market or regulatory conditions;
- 9.3.9 advise the Board on risk appetites, tolerance, and future risk strategy, taking into account:
 - a) the Board's overall degree of risk appetite;
 - b) the current financial situation and resources of the Group;
 - c) the Group's ability to manage and control risks within the agreed strategy; and
 - d) the current and prospective economic and financial environment drawing on appropriate publications by regulators;
- 9.3.10 review risk appetite statements, trigger limits, and capacities;
- 9.3.11 review whether prices of liabilities and assets offered to clients take fully into account the Group's business model and risk strategy and present a remedy plan to the Board where this is not the case;
- 9.3.12 assist the Board in overseeing the implementation of the current and future risk strategy;
- 9.3.13 ensure the establishment of detailed risk procedures and controls throughout the Group;
- 9.3.14 oversee and challenge the due diligence on risk issues relating to material transactions and strategic proposals that are subject to approval by the Board;
- 9.3.15 support the Board in setting an appropriate "tone from the top" on risk that fosters a risk-aware culture and the embedding of risk management throughout the Group;
- 9.3.16 overseeing the development of the Enterprise Wide Risk Management Framework so that it remains valid for the Group's current and anticipated future states;
- 9.3.17 advise the Board on strategy for capital and liquidity management;

- 9.3.18 review and approve the Group's Internal Capital and Risk Assessment (ICARA);
 - 9.3.19 review and approve any ICARA equivalent document required for direct or indirect subsidiaries in any ex-UK jurisdiction, and to recommend the same to the board of such subsidiary for formal approval as necessary;
 - 9.3.20 review reports of decisions taken by the Business Change Approval Committee;
 - 9.3.21 appointment and removal of the CRO;
 - 9.3.22 provide advice to the Company's Remuneration Committee on risk weightings to be applied to performance objectives incorporated in the incentive structure for senior management; and
 - 9.3.23 examine whether incentives provided by the remuneration system take into consideration risk, capital, liquidity, and the likelihood and timing of earnings in order to assist in the establishment of sound remuneration policies and practices.
 - 9.3.24 perform any other activities consistent with these terms of reference, the Company's organisational documents and applicable laws and regulations, that the Board or the Committee deems necessary or appropriate.
- 9.4 The Committee shall have regard to any applicable laws and regulations.
- 9.5 The Committee shall work and liaise as necessary with all other Board committees ensuring interaction between committees and with the Board is reviewed regularly, taking particular account of the impact of risk management and internal controls on the work of other committees.
- 9.6 Where there is a perceived overlap of responsibilities between the Committee and any other Board Committee, the Board shall determine which is the most appropriate committee to fulfil any obligation.
- 9.7 To discuss the performance of the Committee, pursuant to periodic evaluations led by the Nomination and Corporate Governance Committee.

10. Sub-Committees

The Executive Credit and Risk Committee ("**ECRC**") and Structured Product Governance Committee ("**SPGC**") are sub-committees of the Risk Committee. The ECRC and SPGC shall have terms of reference approved by the Committee.

11. Reporting to Shareholders

A section of the UK annual report shall describe the work of the Committee, which shall be approved by the Chair.

12. Terms of Reference

These Terms of Reference should be periodically reviewed and any recommended changes submitted to the Board for approval.

13. Shareholders' Agreement

For so long as the Shareholders' Agreement among the Company, Amphitryon Limited, JRJ Jersey Limited and Forty Two Point Two Acquisition Limited as general partner of MASP Investor Limited Partnership is in effect, these Terms of Reference will be interpreted to be consistent with such agreement.

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