

Terms of reference of the Risk Committee

(adopted by the Board of Directors on 15 July 2013 and subsequently revised and ratified by the Board of Directors on 11 September 2013, 25 October 2016, 15 December 2016, 22 October 2019, 19 May 2020, 30 April 2021 and 6 December 2023)

Article 1 - Scope of the Rules

These rules shall govern the functioning of the Risk Committee ("Committee") established by Cassa di Compensazione e Garanzia S.p.A ("Euronext Clearing" or the "Company") pursuant to article 28 of the Regulation (EU) no 648/2012 and article 22 bis of the Euronext Clearing' by-laws ("By-laws").

Article 2 - Composition of the Committee

1. According to article 22 bis of the By-Laws and pursuant to resolution of the Board of Directors of Euronext Clearing, the Committee is composed by:
 - the following twelve members with voting rights:
 - (a) two independents non-executive directors of Euronext Clearing ("Members Independent Directors");
 - (b) three representatives of Clearing Members identified and chosen under article 3.2.I below of these rules ("Members Representatives of Bond Clearing Members");
 - (c) two representatives of Clearing Members identified and chosen under article 3.2.II below of these rules ("Members Representatives of Equity and Derivatives Clearing Members");
 - (d) five representatives of Trading Clients identified and chosen under article 3.2.IV below of these rules ("Members Representatives of Trading Clients");
 - the following members without voting rights:
 - (e) one representative of General Clearing Members identified and chosen under article 3.2.III below of these rules ("Non-voting Members").
2. The Company shall communicate to the Clearing Members and to the Trading Clients which have been chosen in accordance with the article 3, their faculty to nominate their representative as member of the Committee ("Communication"). The Clearing Members and the Trading Clients, thus informed, shall indicate the name of their respective representatives ("Nominated Representatives") together with their mail address, telephone

and e-mail address where any relevant communication shall be sent, within 20 calendar days from the receipt of the Communication.

3. Nominated Representatives shall have a proven experience in the matters pertaining to the risk management. For this purpose, a curriculum vitae of the Nominated Representative shall be provided. Euronext Clearing Chief Executive Officer, in agreement with the Board of Directors Chairman, Deputy Chairman and the Chairman of the Risk Committee, once evaluated the observance of the required experience, approves with regards to the appointment.
4. In the event one or more of the Clearing Members / Trading Clients invited to nominate their representative as member of the Committee do not communicate the name of their Nominated Representative to the Company within the term set forth under paragraph 2, such Clearing Members / Trading Clients shall lose the opportunity to have a representative in the Committee, limited to the relevant round of selection. The Board of Directors shall proceed to select a new Clearing Member / Trading Client, pursuant to article 3 below of these rules.
5. The Members Independent Directors shall remain in office until they are Independent Director of the Company. They cease to be Independent Directors of the Committee when the Board of Directors that appointed them expire or when they cease for any reason to be Independent Director of the Company.

Representatives of Clearing Members and the Members Representatives of Clients shall remain in office for a period of maximum three years.

6. Notwithstanding paragraph 5, the offices of the Clearing Members / Trading Clients appointed on the basis of the procedure set forth under paragraphs 2.9, 2.10 and 2.11 of these rules shall become effective right after the Board of the Directors in which the Clearing Members / Trading Clients have been appointed, in accordance with the provisions set forth under paragraphs 2.2, 2.3 and 2.4. The term of office of the new Members will be aligned to the original term of office of the replaced Members.
7. The Board of Directors of Euronext Clearing shall appoint the replacement member for expired mandates on the basis of the procedure set forth under paragraphs 2, 3, and 4 and article 3 of these rules.
8. The Board of Directors, given an objective opinion, can reconfirm the office for those Clearing Members / Trading Clients ceasing from their offices as long as the requirements provided in article 3 of these rules are still respected.

9. Except for article 8.5 of these rules, if during the term of their office, one or more of the Members Representatives of Clearing Members or the Members Representatives of Trading Clients cease for any reason, he/she/they will be replaced by Representatives of the same Clearing Member or of the Trading Client, within 20 calendar days from the term of the office of the previous member. Paragraphs 3 and 4 will apply.
10. If one or more Clearing Members/ Trading Clients lose the requirements upon which it has been appointed on the basis of the provisions of article 3 of these rules, the Clearing Member / Trading Client immediately cease from its office. The first Board of Directors right after shall acknowledge the loss of requirements and shall at the same time appoint the substitute on the basis of the provisions of article 2.2, 2.3, 2.4 and article 3 below of these rules.
11. If one or more Clearing Members or Trading Clients, whose representatives are Committee's members, cease for any reason to use the clearing services provided by Euronext Clearing, the relevant representative will automatically cease from her/his office and the Euronext Clearing Board of Directors shall acknowledge the ceasing of services' use by the Clearing Member / Trading Client and shall appoint the replacement member on the basis of the procedure set forth under paragraphs 2, 3 and 4 and article 3 below of these rules.

Article 3 – Criteria for the selection of the Clearing Members and the Trading Clients

1. The Clearing Members and Trading Clients which are requested to communicate the name of their Nominated Representative to the Committee, are those who result from the selection mechanism based on:
 - the contribution to the Default Fund during the six-months preceding the date of the ranking calculation (at the launch of a new service a shorter period - also simulated - could be used);
 - the number of Trading Clients of a General Clearing Member at the moment of the ranking calculation;
 - the external rating of the Clearing Member/Trading Client. The Representatives with a rating lower than BBB- (or equivalent) or "not rated" will be considered as not eligible.
2. Euronext Clearing defines the four following rankings:
 - I. Bond GCMs and ICMs with larger Default Fund contribution ranking;



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- II. Equity and Derivatives GCMs / ICMs with larger Default Fund contribution ranking;
- III. Equity, Derivatives and Bonds GCMs with larger number of Trading Clients ranking;
- IV. Equity, Derivatives and Bonds Trading Clients with larger Default Fund contribution ranking.

3. The score assigned to each Clearing Member and Trading Client with relation to the Default Fund contribution ranking is the result of the following formula:

$[(\text{Clearing Member or Trading Client Average DF Contribution}) / \text{Total DF Contribution}] * 100$.

The Default Fund contribution of Trading Clients which margins are comingled in the same Margin Account shall be repropotioned on the basis of the traded countervalues.

The ranking of point 2.IV above is obtained summing the scores achieved on Bond and Equity and Derivatives, calculated individually.

4. The score assigned to each GCM with relation to the number of Trading Clients is equal to the number of non duplicated Trading Clients across the different Markets.
5. The Average Default Fund Contributions of Clearing Members or Trading Clients belonging to the same parent company are summed within each ranking.
6. Trading Clients, who are affiliated companies - according to article 2359 of the Italian Civil Code - of the GCM or ICM which have resulted from the selection set forth under paragraph 2 or, are Trading Clients of an affiliated company of an already selected GCM/ICM/TC, are excluded from the rankings.
7. Euronext Clearing appoints as Committee members with voting rights:
 - 1) the first three Clearing Members with regards to the ranking sub I;
 - 2) the first two Clearing Members with regards to the ranking sub II;
 - 3) the first five Trading Clients with regards to the ranking sub IV.

Euronext Clearing also appoints as Committee members, without voting rights:

- 4) the first GCM with regards to the ranking sub III.
8. In case the same Clearing Member / Trading Client is selected in more than one of the 4 categories under Article 3.2, the Clearing Member / Trading Client is appointed representative of the first of the categories (according to the order of Article 3.2) where he is classified freeing up a place in the other categories where he is also classified.

9. On the basis of the above described procedure, the Board of Directors shall appoint the Committee's members justifying possible exceptions.

Article 4 - Activity of the Committee

1. The Committee shall give the Board of Directors its mandatory non-binding opinion on any arrangements that may impact the risk management of the Company acting as central counterparty.

In particular, the Committee shall advise with respect to the followings:

- 1.1 the features of the risk models adopted, including those concerning the interoperability agreements with other central counterparties, any material revisions or adjustments to such models, their methodologies and the liquidity risk management framework;
 - 1.2 the internal policy framework for defining the types of extreme but plausible market conditions - and its reviews - implemented in order to determine the minimum size of Default Fund, proceeding with the assessments set forth under articles 29.3 and 31 of the Regulation (EU) n. 153/2013;
 - 1.3 the policy for the management of default procedures;
 - 1.4 the liquidity plan adopted by the Company, in accordance with article 32 of the Regulation (EU) n. 153/2013;
 - 1.5 the criteria for accepting clearing members;
 - 1.6 the criteria adopted for the clearing of new classes of instruments;
 - 1.7 the outsourcing of functions;
 - 1.8 the policy for the use of derivatives contracts, for the purpose of article 47 of the Regulation (EU) no 648/2012.
2. For the purpose of issuing the requested non-binding opinions, the Committee receives adequate documentation prepared by the Chief Risk Officer of the Company.
 3. The Committee may also make recommendations to the Board of Directors with respect to any matters that may impact the risk management of Euronext Clearing.
 4. The advisory and recommendation activity of the Committee does not include decisions concerning the daily operation of the Company. In any case, any discussion and evaluation

of the Committee is excluded with regard to (i) specific data referred to Clearing Members or Clients or single financial instruments, (ii) detailed measures resulting from the implementation of those policies and criteria set forth under paragraph 1, such as the level of margins and of the contribution to the Default Funds; (iii) aggregated data which could provide guidance even to specific Clearing Members' or Clients' data.

5. Once a year, the Committee shall produce a report on the activities carried out and the evaluation of the Company's risk management. Such report is sent to the Board of Directors and to the Authorities.

Art. 5 - Chairman, Deputy Chairman and Secretary

1. The Chairman of the Committee is appointed by the Committee at the first meeting among the Independent Directors of the Company. The Committee also appoints a Deputy Chairman among the Members Independent Directors. In case of absence or impediment of the Chairman, chairmanship shall be taken by the Deputy Chairman; in case of absence or impediment also of the Deputy Chairman, chairmanship shall be temporarily taken by who first has been appointed representative in the Committee. In case more than one have been appointed on the same date, the Chairman will be drawn lots.
2. The Chairman represents the Committee vis-à-vis the Company and sends the opinions and recommendations as provided for in articles 4.1 and 4.3 of these rules to the attention of the Board of Directors.
3. The Chairman shall call the Committee, fix the agenda and co-ordinate its activity.
4. The Committee shall also appoint a Secretary, who may be chosen from among subjects under paragraph 2 (ii) of article 7. The Secretary of the Committee will draft the minutes of every meeting, which shall be maintained by Euronext Clearing according to article 15 of Regulation (EU) n. 153/2013.

Article 6 - Meeting Call of the Committee

1. The Committee shall meet at least on a quarterly basis and at any time the Chairman or at least 5 (five) members deem it appropriate. The Committee shall meet every time it has to issue of the opinions as provided for in article 4.1. The Committee is convened at the Euronext Clearing's registered office or at another location in Italy or in the European Union, by e-mail, registered letter or other means that make it possible to document receipt of the communication. The notice of call has to specify the items on the agenda of the meeting and it shall be sent at least 5 (five) days prior to the date set for the meeting, except in cases of urgency.

2. The Chairman shall act in order to have the documentation relating to the matters indicated on the agenda at the disposal of all the members of the Committee prior to the date of the meeting in a timely manner. In case the Committee is called for the purpose to issue opinions pursuant to article 4.1, the Chief Risk Officer of the Company shall forward to the Chairman of the Committee the supporting papers at least 5 (five) days prior to the date of the meeting of the Committee. The opinions are issued in due time for the Board of Directors' discussion.

Article 7 - Meetings and Resolutions

1. The Committee shall be duly constituted with the presence of the majority of its members. Participation to the meetings of the Committee through the use of teleconference and/or video conference systems is permissible. In such circumstances, the possibility for each participant to be identified, to intervene and to express his/her opinion and the simultaneity of the examination of the items and of the resolutions must be ensured; in this case, the meeting of the Committee shall be deemed to be held at the place where the member taking the chairmanship is present.
2. Other than the members identified within Article 3, paragraph 7, at the meeting of the Committee the following subjects can attend in a non-voting capacity:
 - (i) representatives of the Supervisory Authorities;
 - (ii) external independent experts, directors, the Chief Risk Officer or other employees of the Company upon request of the Chairman at its discretion in consideration of their relevant expertise and of the importance of their contribution to the activities of the Committee;
 - (iii) the Secretary of the Committee;
3. The Committee shall adopt resolutions with the favorable vote of the majority of the participants in voting capacity and, in the event of a tied vote, the vote of the Chairman shall prevail.

Article 8 - Duties of the Members of the Committee

1. Upon appointment, the members of the Committee shall assume the obligation to comply with these rules.
2. Committee's members, both during the period of their office and afterwards, must keep any confidential information that they become aware of during the exercise of their office strictly confidential, and must not reveal it to third parties who are not colleagues of their company whose help is strictly necessary to the management of the appointment. If the

confidential information must be revealed to third parties, in accordance with the provisions of law or applicable regulations, its confidential nature must be made known in advance.

3. It is forbidden to the Committee's members to use the confidential information on their own behalf or on the behalf of third parties, or to advise third parties regarding transactions on the basis of the aforesaid information or induce anyone to carry out transactions on the basis of the confidential information that they become aware of during the exercise of their office.
4. In order to enforce paragraphs 2 and 3 above, all Risk Committee members are required to sign a Non-Disclosure Agreement (NDA) form.
5. Each member of the Committee shall notify the other members, prior to the beginning of the discussion, of any potential interests regarding certain issues he/she may have on his/her own behalf or on the behalf of third parties which is conflicting, even potentially, as better specified below, specifying the nature, the terms, the origin, and the scope of the interest. According to the ESMA Guidelines on CCP management of conflict of interest issued on 5th April 2019, "there is a conflict of interest where the interests of a relevant person interfere with the interest of Euronext Clearing, of the Clearing Members or of the Clients, if they are known, and this could compromise his/her decision or the decision process he/she follows in the execution of his/her professional duties".
6. When the Chairman of the Committee, following the notification as provided for in the above paragraph 4 or on the basis of other available information, determines that a member has an actual or potential conflict of interest on a particular matter, that member shall not be allowed to vote on that matter. The relevant member shall take part to the discussion, in order to allow the other members to consider his/her opinion.
7. In case of material breaches of any obligation provided for in the current article, the member may be dismissed upon resolution of the Board of Directors and replaced with a new member which represents another Clearing Member and/or Trading Client, selected according to articles 2 and 3 of these rules.
8. For the purpose of the application of this article, the term "confidential information" means all the information of a specific content regarding Euronext Clearing and/or the Euronext Group, the activities they carry out, the Guarantee System Members and the financial instruments managed, in any case acquired from the members of the Committee, that has not been made public or is not in the public domain; the term "third parties" means all the persons or entities different from Euronext Clearing, including the Clearing Member or the Client whose representatives are Committee's members, any companies which control, are controlled by or are under common control with such Clearing Member or Client, and

persons who perform administrative, management or supervisory functions in all the aforesaid entities and their employees.

Article 9 - Amendment of the Rules

1. These Rules can be amended exclusively by a resolution of the Board of Directors of the Company. The Committee may also suggest to the Board of Directors the modifications to be made to these rules.

Article 10 – Transitional Provisions

The terms of reference shall be read in conjunction with the following two transitional provisions, which shall remain in force up until the dates or events specified in the following paragraphs.

1. New appointments, following the amendments introduced with the Terms of Reference approved on 12 December 2024, will start the 1 of January 2025. In derogation of Article 2, paragraph 5, the expiries of the mandates approved the 12 December 2024 and effective from 1 January 2025, with the exception of the Members Independent Directors, are cancelled and reset to 31 December 2026.
2. Concerning the criteria for selection of Clearing Members and Trading Clients with regards to Equity and Derivatives, the score calculated pursuant Article 3, paragraph 3, is obtained summing the average Default Fund contributions on the BITA Markets and on the Euronext Legacy Markets, divided total amount of the Equity and Derivatives Default Fund. The above shall apply for an interim period, until the harmonization of service models applied on BITA Equity and Derivatives and Euronext Equity and Derivatives Sections.