

## **BENEFICIENT**

### **ENTERPRISE RISK COMMITTEE OF THE BOARD OF DIRECTORS CHARTER**

**(Adopted as of June 7, 2023)**

This Enterprise Risk Committee Charter (this “*Charter*”) sets forth the purpose and membership requirements of the Enterprise Risk Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Beneficient, a Nevada corporation (together with its subsidiaries, the “*Company*”), and establishes the authority and responsibilities delegated to it by the Board.

#### **Purpose**

The primary purpose of the Committee shall be to assist the Board with its oversight of the Company’s levels of risk, risk assessment and risk management, with particular focus on designated areas of risk that are not the primary responsibility of the Audit Committee of the Board, the Credit Committee of the Board, or another committee of the Board or retained for the Board’s direct oversight. In that regard, the Committee’s primary objectives include: (i) risk management of non-financial risks including human capital risks, operational risks, strategic and reputational risks, and legal risks, (ii) aggregation and prioritization across all risk types including those reported by the Audit Committee and the Credit Committee and (iii) recommending to the full Board for consideration and approval the Company’s overall risk appetite and associated risk tolerances/limits.

#### **Membership**

The Committee shall consist of at least three members, each of whom shall be designated by the Board. Each Committee member shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The Board may remove a Committee member with or without cause, and upon the removal or resignation of a Committee member, the Board shall appoint a replacement to the Committee meeting the requirements of this Charter. The chairperson of the Committee (the “*Chair*”) shall be appointed by the Board. The Committee shall include at least one member with expertise in risk management that will enable the Committee to effectively lead the Board’s risk oversight across the Company.

#### **Meetings and Procedures**

##### *Meetings*

The Committee shall meet at least four times each year, with additional meetings held as necessary or required to carry out its duties and responsibilities under this Charter. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice and waiver of notice as are applicable to the Board and set forth in the Company’s Bylaws. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent

with (a) any provision of this Charter, (b) any provision of the Company's Articles of Incorporation or Bylaws, as each may be amended and/or restated from time to time, or (c) the laws of the State of Nevada.

### *Quorum*

A majority of the number of Committee members shall constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance will be the act of the Committee, unless a greater number is required by law, the Company's Articles of Incorporation or the Company's Bylaws.

### *Minutes*

The Committee shall maintain written minutes or other records of its meetings and activities. The Secretary of the Company shall retain the original signed minutes for filing with the corporate records of the Company.

### *Board Reports*

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

## **Responsibilities**

The Committee's principal responsibility is one of oversight as set forth in this Charter. The Committee has the authority to make decisions and to set policies with respect to the Company's levels of risk, risk assessment and risk management. Subject to the oversight of the Committee, the Company's management is responsible for the Company's levels of risk, risk assessment and risk management. Additionally, the Committee recognizes that the Company's executive, operating and risk management personnel have more knowledge and detailed information about the Company than do the members of the Committee; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's risk management program or any professional certification as to the work of the Company's risk management personnel.

The Committee shall be entitled to rely on the integrity and skill of those persons and organizations within and outside the Company from which it receives information and the accuracy and reliability of the information, opinions, reports or statements provided by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board).

The Committee's responsibilities shall include each of the following enumerated items and such other matters as from time to time may be delegated to the Committee by the Board.

1. Fostering an environment conducive to open and frank discussion among

management and the Committee members and shall regularly report to the Board on the Committee's findings and recommendations.

2. Reviewing the implementation, management and overall effectiveness of the enterprise risk framework across the Company including the impact, results and management actions related to firm-wide assessments.
3. Reviewing and discussing the areas of material risk to the operations and financial results of the Company and the steps management has taken to monitor and control such risks, including without limitation:
  - a. strategy and reputation risks, including risks to successful execution of business strategy or objectives, organizational design, regulatory structure, weak demand and competition, tax risks, instability in markets, product or client strategies, reputation and brand damage, and effective governance and cultural values;
  - b. operational risks, including model risk management, third-party and vendor risks, business disruption and business continuity and disaster recovery planning, fraud, legal requirements, technology, data and cyber risk, including the security of information technology systems and contingency plans in the event of data theft or cyber breach, or a failure of such systems, and internal and external fraud risk;
  - c. legal risks, including legal requirements, fiduciary responsibility, and contractually indemnified risks; and
  - d. human capital risks, including key person, succession, talent and skills, and employment practices, conduct and workplace safety.
4. Reviewing of the Company's capital structure and annual capital plan, including its capital adequacy and capital planning process, stress-testing and related activities, capital raising, capital distributions, as well as review and recommend for approval to the Board the annual capital plan and capital management policy.
5. Reviewing and discussing with management cash flow forecasts for the Company prepared by management on a monthly basis or with such other frequency as directed by the Committee.
6. Setting the tone and developing a culture that instills the importance of risk management and promotes open discussion regarding risk.
7. Establishing and periodically reviewing the Company's risk appetite and profile which the Committee shall recommend for consideration and approval by the Board.
8. Reviewing the risk policies, procedures, processes, controls and systems established

by management to identify, assess, measure, manage, monitor and report key risks facing the Company, including the guidelines and policies governing the process by which risk assessment and risk management is undertaken by the Company on behalf of the Company.

9. Annually reviewing and discussing with management the risk factors applicable to the Company prior to the Company's filing of any required report listing such risk factors;
10. Regularly communicating with the Board and other Board Committees, including as described below, regarding areas of risk oversight retained by the Board or other Board Committees to provide assistance and ensure appropriate oversight and coordination across the Company.
11. Reviewing and discussing other matters that relate to the Company's levels of risk, risk assessment and risk management as the Committee may, in its own discretion, deem desirable in connection with the review functions described above and performing such other functions and have such other powers as may be necessary or convenient in the efficient discharge of the foregoing.
12. Reviewing, approving, and adopting any codes, policies, procedures or standards of the Company that apply to any member of the Board, unless (a) the Board has delegated authority for review, approval, or adoption of any such code, policy, procedure or standard to another committee of the Board or (b) approval or adoption by the full Board of such code, policy, procedure or standard is required by an applicable law, regulation, or rule of a national securities exchange.
13. Coordinating with the Credit Committee of the Board to ensure the Committee understands risk exposures and existing mitigations for financial risks, including loan portfolio concentration, underwriting risk including pricing/valuation (both of current and prospective assets) and counterparty risk; as well as market risk, including exposure to private and public markets, macro-economic risks, hedge basis risk, foreign currency exposure; and liquidity risks, including duration, funding and cashflow liquidity, as well as risks related to interest rates. The Committee shall also work simultaneously with the Credit Committee of the Board on reviewing and discussing with management cash flow forecasts prepared by management, provided that the Credit Committee shall have primary responsibility for such review and discussion and for release of such forecasts to other members of the Board.
14. Coordinating with the Audit Committee of the Board to (i) ensure the Committee understands risk exposures and existing mitigations for regulatory reporting and compliance risks, including financial reporting, compliance with regulatory requirements and effectiveness of internal controls and policies and (ii) periodically review policies, procedures, and controls with a view toward, where appropriate, reducing unnecessary complexity.

15. Evaluating potential candidates for executive management positions, which may include the Chief Financial Officer, the Chief Strategy Officer, the Chief Risk Officer, the President and Chief Fiduciary Officer, the Chief Operating Officer or Head of Operations, the Chief Underwriting Officer, the Chief Technology Officer and the General Counsel, and recommend such candidates to the Board for approval.

### **Delegation of Duties and Responsibilities**

The Committee may, in its discretion, form and delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee consisting of one or more members or to one or more designated members of the Committee.

### **Authority and Resources**

The Committee shall have appropriate resources and authority to discharge its responsibilities, including, without limitation, appropriate funding provided by the Company, as determined by the Committee, for payment of reasonable compensation to a consultant, legal counsel or other adviser retained by the Committee. The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of a consultant, legal counsel or other adviser and the sole authority to approve the fees and other retention terms of such consultants, legal counsel and other advisers. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any consultant, legal counsel and other adviser retained by the Committee. The engagement of any independent advisor, including counsel, that is not reasonably expected to be paid over \$250,000 may be selected and engaged by management of the Company without approval of the Committee.

### **Annual Review**

The Committee shall review and assess the adequacy of this Charter at least annually and make recommendations for any proposed changes to this Charter to the Board for its approval. Each year, the Committee shall conduct an annual evaluation of the Committee's performance and report the results of such evaluation to the Board. The Committee may conduct this performance evaluation in such manner as the Committee deems appropriate.