Approved 25 August 2026

RISK COMMITTEE CHARTER

Purpose

The purpose of the Risk Committee (the "Committee") is to assist the Board of Governors (the "Board") in the fulfilment of its functions with respect to the risk management of CFA Institute.

Governance standards are ultimately determined by US Virginia State law and corporate codes but recognizing the prominence of the organization as a professional body, and the expectations of members and other stakeholders, other best practice enhancements to governance and disclosure are followed where practicable.

The Committee's role is one of oversight. Management is responsible for preparing the risk assessment and risk management. The Board and Committee recognize that management have more time, knowledge and detailed information about the organization than do Committee members. The Committee therefore relies on the reviews and reports provided by management. As appropriate, the Committee brings independent views while challenging management's representations, reviews and reports with the objective of enhancing the organization's overall risk management.

Membership

The Committee shall be composed of a minimum of three Governors appointed by the Board.

Each member of the Committee shall be independent in accordance with the applicable rules and standards of the New York Stock Exchange and any independence guidelines of CFA Institute that apply to members of the Committee.

The Committee's Chair (the "Chair") shall be appointed by the Board.

Meetings

The Chair shall preside at meetings of the Committee and shall set the agenda in consultation with the members.

The Committee shall meet as often as deemed necessary or appropriate, in its judgment, to discharge its duties and responsibilities. Meetings of the Committee may be held in-person and/or via telephonic or video conference, and at such times and places as the Committee determines. A majority of the members shall constitute a quorum. If a quorum is present, a majority of the members present shall decide any matter brought before the Committee. The Chair may call a meeting of the Committee upon due notice to all other members at least one month prior to the meeting as standard practice and at least 48 hours prior to the meeting. for more urgent matters Notice by electronic mail shall be sufficient notice. The Committee may also act by written consent signed by all of its members.

At least quarterly, the Committee shall meet with the Head of Internal Audit, Chief Legal Officer (the "CLO") or any other member of management, to enhance the opportunity for the identification and discussion of all issues warranting Committee attention.

The Committee, acting through its Chair, may invite such executive officers of CFA Institute to its meetings, or to meetings with the Committee's advisers, as the Committee deems appropriate.

Duties and Responsibilities of the Committee and Decision Rights

In addition to carrying out any other responsibilities delegated to the Committee by the Board, the Committee shall:

Oversee Internal Audit

Action	Decision Rights	Consulting Entity	Committee Oversight Only
Internal Audit shall report directly to the Committee through the Committee Chair and to the Chief Legal & Compliance Officer of CFA Institute.			●
Internal Audit has unfettered access to the Committee at any time.			●
Ensure there are no unjustified restrictions or limitations on the internal audit function and that it is sufficiently resourced.			●
Review and discuss with management, and recommend to the Board, the appointment or dismissal of the Head, Internal Audit.	Board of Governors		●
Conduct an annual performance appraisal of the Internal Audit function. Review and approve the Chief Legal & Compliance Officer's annual appraisal of the Internal Auditor and related compensation recommendations.	Risk Committee		
Review and approve the Internal Audit work plan, which should include priority concerns raised by the Committee.	Risk Committee		
Meet regularly with the Internal Auditors, without management present, to discuss internal audit reports, progress against the annual Internal Audit work plan, and concerns, if any.			●
Refer to the Audit and Finance Committee for oversight of internal audits that involve finance matters.		Audit and Finance Committee	

Oversee Risk Management & Internal Controls

Action	Decision Rights	Consulting Entity	Committee Oversight Only
Review and, as applicable, approve the risk governance framework, risk appetite statement and the guidelines, policies, and processes for monitoring and mitigating risks, including metrics and management's views on acceptable and appropriate levels of exposures.	Risk Committee		

Review reports from management on the enterprise risk management process and regularly discuss major risk exposures and the steps management has taken to monitor and control such exposures.			●
Review and discuss with management, the risks associated with cross border operations in line with international corruption/fraud legislation.			●
Receive information from management about any significant deficiencies or material weaknesses in the design or operation of internal controls.			●
Evaluate the "tone at the top" set by management with regard to internal controls, the efficacy of internal controls, and ethical conduct.			●
Review and discuss annually the Minimum Passing Score guidelines and process and recommend any modifications to the Board for approval.	Board of Governors		●
Alongside the Nominating & Governance Committee, review annually the organization's delegations of authority (i.e., Decision Rights Matrix) and recommend revisions, as deemed necessary by the Committee, for Board approval.	Board of Governors	Nominating & Governance Committee	●
Refer to the Society Partnership and Strategy Council operational risk matters associated with CFA member societies.			●
Oversee the preparation and recommend for Board approval the Risk Oversight, Compliance and Ethics, Enterprise Risk Management, and Information Security and Data Privacy reports for inclusion in the annual proxy statement.	Board of Governors		●
Review and approve the Chief Financial Officer's annual appraisal of the Head, Enterprise Risk Management and related compensation recommendations.			●
Review and approve the annual Enterprise Risk Management objectives which should include priority concerns raised by the Committee.			●
Consult annually with the People and Culture Committee on all performance metrics for risk assessment review purposes and potential external auditor disclosure.		People and Culture Committee	●

Oversee Legal and Compliance

Action	Decision Rights	Committee Oversight Only
Ensure there are no unjustified restrictions or limitations on the compliance or legal functions and that they are sufficiently resourced.		●

Review and discuss with management the scope and effectiveness of the legal department function; adequacy and effectiveness of the compliance and ethics programs; including benchmarking against relevant best practice standards, organizational culture regarding compliance and ethical business conduct, controls and systems to monitor and manage compliance risks, including policies and procedure.		●
Receive reports from the CLCO on a regular basis, without management present, on legal and regulatory matters and reports received from the hotline for employees or others to report, confidentially, information relating to possible illegal or unethical behavior by employees or agents and any investigations conducted.		●
Oversee the Disciplinary Review Committee (DRC).		●
Review any changes to the Rules of Procedure provided by the DRC and recommend to the Board for approval.	Board of Governors	●

Working Groups and Reporting

Action	Decision Rights	Consulting Entity	Committee Oversight Only
Create working groups of the Committee as needed and inform the Nominating & Governance Committee of the purpose, scope, and deliverables.	Risk Committee	Nominating & Governance Committee	
Review and manage the risks escalated to the Committee by the Audit and Finance Committee, People and Culture Committee, and Society Partnership and Strategy Council as outlined in their respective charters, and by any other committee of the Board as deemed appropriate.		Board Committees	●
Report regularly to the Board on Committee findings and recommendations and maintain minutes or other records of Committee meetings and activities.			●
Report to the Board any significant matters.			●
Be responsible to the Board for its activities.			●

Access to Information and Authority to Engage Advisers

Action	Decision Rights	Committee Oversight Only

In discharging its role, the Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all records, facilities and personnel. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of external legal counsel, and other advisors and consultants, as it deems appropriate, without prior permission of the Board or management.	**Risk Committee**	

Annual Evaluation

The Nominating & Governance Committee (the "NGC") will conduct an annual evaluation of the performance of the Committee, including a review of the adequacy of this Charter annually, and recommend to the Board such amendments as the NGC deems appropriate.

Executive Liaison

The management liaison to the Committee is the Chief Financial Officer.