



Risk Committee Charter

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1 PURPOSE

The Risk Committee (the Committee) assists the Board of Directors of Encore Capital Group, Inc. (Company) in its oversight of the Company's risk governance structure, including the Company's risk management framework and the policies, procedures and practices utilized to manage risk.

2 SCOPE

This Charter covers all of Encore Capital Group, Inc. and its subsidiaries (Encore) in the U.S. and abroad.

3 POLICY

3.1 Membership

The Committee members shall be appointed by the Board of Directors. Committee membership shall be comprised of individual members with professional experience or backgrounds presenting relevant experience or capacity to address those matters within the scope of the Committee's responsibility.

3.2 Meetings

The Committee shall meet as circumstances require. The Committee may require any officer or employee of the Company or its subsidiaries or others to attend its meetings or to meet with any members of, or consultants to, the Committee and to provide pertinent information as necessary. The Committee shall meet regularly in executive sessions to discuss any matters that the Committee believes should be discussed privately and shall include members of management or others in such discussions to the extent appropriate. Minutes will be kept for each Committee meeting.

3.3 Committee Resources

The Committee has the authority (i) to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and (ii) to retain independent consultants to advise the Committee, at Company expense, as it deems necessary. The Company shall provide for appropriate funding, as determined by the Committee, for the payment of compensation to consultants or advisors employed by the Committee and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

4 ROLES & RESPONSIBILITIES

Risk management is the responsibility of the Company's management, which is responsible for designing, implementing, and maintaining an effective risk management framework. The Committee's responsibility on risk management is to provide oversight to ensure that

management has the appropriate tools, sufficient resources, and defined processes in place to identify, measure, monitor and manage risks in the organization as well as to approve associated risk frameworks and policies established by management. The Board retains oversight responsibility over the Company's key strategic risks. Responsibility for certain other risk areas are assigned to other committees of the Board, generally as follows (although updates on these risks may be brought to the Committee from time to time):

- Audit Committee: financial reporting, internal controls and financial risks;
- Compensation Committee: compensation incentive-related risks; and
- Nominating and Corporate Governance Committee: governance structuring, Board succession, and management succession.

The Committee may rely, without independent verification, on the information provided to it and on the representations made by management.

Specific responsibilities and duties for the Committee include the following:

1. Oversee the Company's risk governance structure, including the Enterprise Risk Management framework.
2. Periodically review and approve the risk appetite statement of the Company and management's proposed approach to risk tolerance, including overseeing the development of appropriate risk capacity, risk tolerances and key risk indicators.
3. Review and approve, as needed, the Company's risk management policies dealing with risk identification and risk assessment for the principal operational, business, and compliance risks facing the Company, including but not limited to, the risks and responses associated with the Level 1 top risk categories defined in the Encore Capital Group Risk Appetite Policy:
 - Strategic
 - Financial and Accounting
 - Investment and Financial Performance
 - Liquidity
 - Legal and Regulatory
 - Data and Analytics
 - Information Security and Privacy
 - Information Technology
 - People
 - Operations
 - Third-Party
4. Periodically review management's efforts to foster a Company-wide culture that supports appropriate risk awareness and the identification, escalation and appropriate treatment of risks that exceed designated risk tolerance levels.
5. Discuss with management and the Chief Risk and Compliance Officer the Company's major risk exposures and review the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

6. Provide oversight of the Company's crisis management framework, including the Company's incident response plans.
7. Review the Company's internal audit work plan to ensure alignment with identified risks and risk governance needs.
8. Review the following areas (except to the extent they relate to finance or accounting) with internal audit or such others as the Committee deems appropriate (including in executive sessions): (i) the results of internal audits and any significant findings, (ii) periodic reports regarding an assessment of the Company's internal controls, and (iii) any difficulties encountered in the course of the internal audits, including any restrictions on the scope of the internal audit function's work or access to required information.
9. The Committee Chair shall coordinate with the Chairs of other Board level committees in their review of the Company's risks that have been delegated to those committees to assist them in the coordination of the relationship between risk management policies and practices, company strategy, and executive compensation.
10. Receive reports, as and when appropriate, regarding the results of risk management reviews and assessments from the Company's Chief Risk and Compliance Officer, the head of Internal Audit, or other internal departments as necessary to fulfill the Committee's duties and responsibilities.
11. Approve the appointment of, evaluate and, when and if appropriate, approve the replacement of, the Company's Chief Risk and Compliance Officer, who functionally reports to the Committee Chair and administratively (i.e., day-to-day operations) to the Chief Executive Officer. The Committee shall also annually approve the Chief Risk and Compliance Officer's goals and objectives.
12. Review the independence, authority and effectiveness of the Company's risk management function including priorities, budget, staffing level and staff qualifications.
13. Discuss with the Company's Chief Risk and Compliance Officer and other members of senior management emerging risks and other newly identified risk issues.
14. Review material reports or inquiries from government or regulatory agencies related to any significant enterprise risks.
15. Oversee the investigation of, and may also request the investigation of, any significant instance of noncompliance with laws or the Company's risk programs, policies or procedures, or potential compliance violations that are reported to the Committee; provided, however, that matters related to financial noncompliance or potential financial compliance violations shall be directed to the Audit Committee for investigation.
16. Report regularly to the full Board of Directors and review with the full Board of Directors any material issues that have arisen with respect to the matters outlined herein.
17. Make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.

18. Review and reassess the adequacy of the Committee's Charter annually and recommend to the Board of Directors any changes deemed appropriate by the Committee. The Committee Chair may represent the entire Committee for purposes of this review.
19. Perform any other activities consistent with this Charter, the Company's By-laws, and governing law, as the Committee or the Board of Directors deems necessary or appropriate.