

# Sculptor

## CAPITAL MANAGEMENT

### Committee on Corporate Responsibility and Compliance Charter

#### I. ROLE AND COMPOSITION OF THE COMMITTEE

##### *Role of the Committee on Corporate Responsibility and Compliance*

The primary responsibility of the Committee on Corporate Responsibility and Compliance (the “Committee”) of the Board of Directors (the “Board”) of Sculptor Capital Management, Inc. (the “Company”) is to assist the Board in overseeing Management’s efforts to ensure a culture of ethical business practices within the Company and to sustain an industry-leading legal and regulatory compliance program. The Committee’s role is one of oversight, recognizing that Management is responsible for instilling the Company’s ethics and compliance throughout the Company’s employee base.

##### *Size, Composition and Membership Criteria*

The Committee consists of at least three members appointed by the Board. Members of the Committee may be removed by the Board. All members of the Committee must be independent directors. An “independent” director is a director who meets the NYSE definition of “independence,” as determined by the Board. The Board designates one member as chair or, in its discretion, delegates to the Committee the authority to designate a chair. The chair of the Committee shall have relevant experience and demonstrated expertise in legal and regulatory areas relevant to the asset management industry, and shall have a reputation for integrity with experience at one or more organizations demonstrating a track record of ethical business practices and compliance culture.

#### II. SPECIFIC DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

In determining how best to fulfill its responsibilities to the Board, the Committee should remain flexible in light of the Company’s structure and organizational documents and in order to optimally respond to changing circumstances. The Committee may delegate any of the duties and responsibilities assigned to it to a subcommittee of the Committee.

##### *Oversight of the Company’s Business Practices and Compliance Program*

The Committee is responsible for overseeing and making recommendations regarding: (1) Management’s efforts to instill and encourage ethical business practices, and (2) the Company’s legal and regulatory compliance programs.

Among its specific duties and responsibilities relating to the oversight of Management’s efforts to ensure a culture of ethical business practices and an industry-leading legal and regulatory compliance program, the Committee:

- a) reviews and evaluates Management’s ethics and culture initiatives, including training on ethical decision-making, to determine if further enhancements are

needed to reinforce business practices by employees that are ethical and fully compliant with legal and regulatory requirements.

- b) reviews and evaluates the Company's compliance initiatives, including training and the processes for the reporting and resolution of ethics and compliance issues.
- c) reviews and evaluates Management's efforts to ensure that the Company's investment decisions reflect the Company's commitment to ethical business practices and compliance.
- d) reviews and evaluates internal and external information (including government actions brought in the asset management industry) based on criteria to be developed by the Committee, to assess whether there are significant concerns regarding the Company's business practices or compliance practices.
- e) may make recommendations to the Compensation Committee on possible employee compensation actions relating to employee conduct regarding awards and remedies such as clawbacks, to reward ethical behavior and discourage unethical behavior.
- f) reviews the annual report prepared by the Chief Compliance Officer and provides an annual presentation to the Board that includes (i) an assessment of the state of the Company's compliance functions, (ii) significant compliance issues involving the Company of which the Committee has been made aware, including a summary of the results of any internal investigations conducted by the Company, (iii) any potential patterns of non-compliance identified within the Company, (iv) any significant disciplinary actions against any compliance or internal audit personnel or any Company personnel relating to ethics or compliance matters, and (v) any other issues that may reflect any systemic or widespread problems in compliance or regulatory matters exposing the Company to substantial compliance risk. In advance of such presentation, the Committee and the Audit Committee, either through their respective chairs or otherwise, shall confer on any matters of mutual interest in light of their respective responsibilities.

### ***Reports from Management***

Among its specific duties and responsibilities relating to reports from Management, the Committee, in order to facilitate its activities and the preparation of its report to the Board, will:

- a) Review and evaluate internal reports, based on criteria to be developed by the Committee, to assess the overall effectiveness of Management's efforts to reinforce a culture of ethical business practices and the Company's compliance program, and identify any potential business practices or compliance areas that should be enhanced by Management and/or reported to the Board. The reports received by the Committee will include:
  - i. At least annually, reports from the Business Risk Committee and the Executive Operating Committee summarizing any significant business

practice or compliance concerns identified by these committees since the last report, and the steps taken to address them.

- ii. At least quarterly, a report from the Chief Legal Officer regarding significant government investigations and legal matters involving the Company, including an assessment of whether they raise ethics or compliance concerns at the Company, and an assessment of any opportunities for enhancement of the Company's compliance program in light of those matters.
  - iii. At least annually, a report from the Chief Compliance Officer regarding any significant changes to the program since the last report, any business practices of the Company or investments that, in the judgment of the Chief Compliance Officer, present significant legal or regulatory risk to the Company, and any significant compliance investigations conducted since the last report.
  - iv. At least annually, a report from Internal Audit summarizing the compliance audits undertaken by Internal Audit since the prior report, including an analysis of compliance concerns raised by the audits and the steps taken to address them.
- b) In its discretion, request additional reports or information from Management relevant to the Committee's responsibilities.
  - c) In its discretion, require Management to conduct reviews on business practices, compliance, regulatory or legal concerns. The Committee may also, in its discretion, direct whether or not the Committee should be the direct recipient of the results of such review.

### **III. EVALUATIONS**

On an annual basis, the Committee evaluates its performance. In performing this evaluation, the Committee considers whether its charter appropriately addresses its duties, responsibilities, and rights. The Committee reports to the Board regarding the evaluation, including any recommended changes to its duties and responsibilities, charter or policies and practices of the Company.

### **IV. ADVISORS**

The Committee has the authority to retain, at the expense of the Company, such outside counsel, experts, or other advisors as it determines appropriate to assist it in the full performance of its functions, as determined by the Committee, and to approve the fees and other retention terms of any advisors retained by the Company.

Following issuance by the Independent Compliance Monitor of a final report, at least once every two years, the Committee shall retain counsel or other advisors (which may be the Company's Internal Audit Group) to review and evaluate the Company's legal and regulatory

compliance program and provide any recommendations to maintain its industry-leading status. The Committee may, in its discretion, direct that the review and evaluation be focused on a particular area of legal or regulatory concern identified by the Committee.

## **V. MEETINGS**

The Committee meets as often as may be deemed necessary or appropriate, either in person or telephonically, and at such times and places as the Committee determines. A majority of the members of the Committee constitutes a quorum. The Committee reports to the Board regularly with respect to its activities and responsibilities.

*As of September 12, 2019*