

rhipe

Risk Committee Charter

rhipe Board

1. Objective

The overall objective of the Risk Committee is to assist the Board of Directors of the Company in fulfilling the Board's responsibility for oversight of the quality and integrity of the operational risks of the Company. In particular, appropriate attention will be directed towards the risk management framework of the Company.

2. Administration

2.1 Membership

The Committee will consist of:

- (a) a majority of non-executive Directors;
- (b) a minimum of 3 members; and
- (c) an independent Committee Chairman or an independent director as Committee Chairman.

2.2 Committee Chairman

The Committee Chairman will preside at meetings of the Risk Committee. If the Committee Chairman is not present at a Committee meeting, the members must elect another member to act as Committee Chairman for that meeting. The role of the Committee Chairman is to:

- (a) determine the agenda for meetings of the Committee in conjunction with the Committee Secretary (as defined below in section 3.4);
- (b) chair meetings of the Committee and take reasonable steps for the proper functioning of the Committee, including the proper conduct of meetings and an appropriate level of discussion;
- (c) take reasonable steps regarding the adequate flow of relevant information to the Committee;
- (d) take reasonable steps to advise the Board on the Committee's recommendations to the Board on matters falling within the scope of the Committee's responsibilities;
- (e) review the minutes of meetings of the Committee for circulation to and approval of the Committee and sign the approved minutes; and
- (f) act under a delegation of the Committee, including liaising on behalf of the Committee with consultants advising the Committee.

3. Meetings

3.1 Frequency of meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil its role. However, it is intended that the Committee will normally meet at least two times a year.

In addition, the Committee Chairman is required to call a Committee meeting if requested to do so by:

- (a) any Committee member;
- (b) the Chairman;
- (c) the CFO; or
- (d) any other Director.

3.2 Attendance by non-members

All Directors may attend Committee meetings. The CEO and CFO of the Company will normally be invited to attend Committee meetings at the invitation of the Committee but will have no voting rights. They will not attend closed sessions of the Committee.

Members of management and/or parties external to the Company may be invited to attend any Committee meeting or part thereof subject to the invitee not having a material personal interest in the matter of the Committee being considered. Non-members of the Committee may be asked to withdraw from all or any part of a meeting.

3.3 Members other than in person

Where deemed appropriate by the Committee Chairman, meetings may occur via conference call or other electronic means and approvals and recommendations may occur via written resolution.

3.4 Secretary

A delegate approved by the Committee will act as Secretary of the Committee and shall be responsible, in conjunction with the Committee Chairman, for drawing up the agenda (supported by explanatory documentation and papers) and circulating the Committee papers to Committee members prior to each meeting. Directors may request papers for or from any meeting and will be notified in advance of the agenda of forthcoming meetings.

The Committee Secretary will also be responsible for keeping the minutes of meetings of the Committee (except when the Committee is in closed session) and circulating them to the Committee Chairman for review, the other Committee members, other Board members and other Committee meeting attendees as appropriate.

3.5 Quorum

A quorum shall consist of at least two members.

4. Duties and Responsibilities – Risk

The committee has the following duties and responsibilities:

- (a) Review and endorse the Company’s risk management framework and significant variations to it, including overseeing its effectiveness, with a view specifically to enable the timely and effective identification of material risks to the Company
- (b) Receive and review reports concerning the appropriateness of the risk management framework and approve or vary it as necessary
- (c) Review and make recommendations to the board on the Company’s overall risk profile and risk appetite as well as the Company’s risk profile in each risk area of market, liquidity, equity, credit, regulatory, and operational. There should also be a review of:
 - (i) developments in markets in which the Company operates;
 - (ii) the appropriate level of insurance cover that the Company should maintain, including the terms and conditions of any such insurances; and
 - (iii) experience of profits and losses in each risk category to provide confidence that the Company’s policy reflects and is consistent with experience.
- (d) Review and make recommendations to the board on the Company’s capital management plan including information on the Group’s capital adequacy and economic capital model
- (e) Review and approve risk matters requiring Board approval including significant variations to policies, limits and delegations of authority where these have not been reviewed by the Board
- (f) Review limit and policy breaches to the extent that there are implications for the risk management framework
- (g) Assess the risk management framework against the expectations of corporate regulators.

5. Periodic Review

The Committee has the responsibility to:

- (a) Review this Committee Charter annually and recommend any proposed changes to the Board for approval; and rhipe Limited Risk Committee Charter 4
- (b) conduct a periodic, but at least biennial, evaluation of the Committee's performance and the extent to which the Committee has met this Committee Charter.

6. Access

The Committee shall have free and unfettered access to all personnel and other parties (internal and external), including the external auditors and legal advice. Committee members may seek independent professional advice for company related matters at the Company's expense, subject to the estimated costs being approved by the Chairman of the Board, in advance, as being reasonable.

7. Reporting

The Committee, through the Committee Chairman, is to advise and make recommendations to the Board on matters falling within the scope of its responsibilities. Such advice may be in the form of minutes of its meetings, supporting papers, or written or oral reports to the Board.