



## **Risk Committee Charter**

### **1. INTRODUCTION**

The Board of MACA Limited (“MACA” or the “Company”) has determined that, due to its present size and structure, it is appropriate that the Risk Management Committee shall comprise the whole board.

When considering specific risk management-related issues, the board shall therefore function as the Risk Management Committee and act in accordance with this Risk Management Charter.

### **2. COMPOSITION**

The Risk Management Committee shall comprise the whole board.

A quorum shall be two (2) members of the Committee. In the absence of the Chairman of the Committee or their nominees, the members shall elect one of their members as Chairman of that meeting.

### **3. PURPOSE**

The primary purpose of the Risk Management Committee is the identification and prioritising of risk arising from business strategies and operational activities and to ensure that appropriate risk management controls are implemented, monitored and regularly assessed.

A secondary function of the Committee is to perform such special reviews or investigations in relation to risk management as may be considered necessary.

### **4. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The duties and responsibilities of the Committee shall incorporate the following:

- Oversight of the company’s risk management framework including systems, practices and procedures to ensure effective risk identification, management and compliance with internal guidelines and external requirements;
- Review of the Company’s risk management framework at least annually;
- Assistance to management to determine the key risks and risk appetite to the business and to prioritise work to manage those risks and monitor accordingly;
- Make recommendations to the board in relation to changes that should be made to the Company’s risk management framework or to the risk appetite set by the board.
- Review of reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures, and review of material incidents involving fraud or a break-down of risk controls and the “lessons learned”.
- Receipt of reports from management concerning the risk implications of new and emerging risks, legislative or regulatory initiatives, organisational changes and major new business strategies;
- Receipt of reports from management concerning the Company’s insurance strategy, including the coverage and limits of insurance policies in order to monitor them and, if thought fit, recommend that the board approve or vary them; and

- Monitor any material breaches of the Company's Code of Conduct or Anti Bribery and Corruption Policy, and material incidents under the Company's Whistleblower Policy.

Management is responsible for the preparation, presentation and integrity of information and all matters about which the Committee should be informed. Management is responsible for implementing and maintaining appropriate risk management principles and policies, internal controls and processes (including integration within business planning and management activities), designed to identify and address unacceptable risk as determined by the Committee.

## **5. MEETINGS**

The Risk Committee will meet at least twice each year and additionally as circumstances may require for it to undertake its role effectively.

- Meetings may coincide with board meetings.
- Meetings are called by the Secretary as directed by the Chairman and an agenda will be prepared and circulated to members prior to each meeting. Any member of the committee may request the Chairman to convene a meeting or request any item to be included on an agenda. The meetings and proceedings of the Risk Management Committee shall be governed by the provisions of the company's Articles regulating meetings and proceedings of directors so far as these provisions are applicable.
- Minutes of each meeting shall be prepared by the company secretary and circulated to each committee member.
- Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals and recommendations can be implemented by a circular written resolution or conference call.
- Decisions will be based on a majority of votes with the Chairman having a casting vote.

## **6. SECRETARY**

- The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members.
- The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

## **7. RELIANCE ON INFORMATION OR PROFESSIONAL OR EXPERT ADVICE**

Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by

- An employee of the Group whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- A professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- Another Director or officer of the Group in relation to matters within the Director's or officer's authority.

## **8. ACCESS TO ADVICE**

- Members of the Committee have rights of access to management and to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the Chairman. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

## **9. REVIEW OF CHARTER**

- The Board will conduct an annual review of the membership to ensure that the Committee has carried out its functions in an effective manner, and will update the Charter as required or as a result of new laws or regulations, as appropriate.
- The Charter shall be made available to members on request, to senior management, to the external auditor and to other parties as deemed appropriate and will be posted to the Company's website.

Board ratified July 2019