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Risk Committee Charter

Purpose and authority

The risk committee is established by the board to properly align with management as it embarks on a risk management program. The primary responsibility of the risk committee is to oversee and approve the company-wide risk management process and action plans and to assist the board with the following:

- In conjunction with the full board, approving the company's company-wide risk management framework, and ensuring the Company's compliance with its risk management policies
- Overseeing, in conjunction with other board committees or the full board as applicable, that the management team has identified and assessed all the risks that the organisation faces and has established a risk management programme capable of addressing those risks. Examples of risk categories are:
    - Strategic, financial & operational
    - Climate & Environmental
    - People and asset safety & security
    - IT, cyber, digital & data privacy
    - Legal & Regulatory
    - insurance
    - reputational risks
    - other risks as defined by management or the full board
- Reviewing and approving management's recommended policies, procedures and controls to identify, assess and manage the Company's principal risks, in advance of full board approval
- Approve, oversee and monitor the Company's Climate related risk and opportunities management process

The risk committee has the authority to conduct investigations into any matters within its scope of responsibility, including the authority to meet with and seek information from employees, officers, directors, or external partners. The committee may obtain advice from outside legal, risk, or other advisors, as it deems necessary to perform its duties and responsibilities. Any expenses relating to outside expertise and advisors will be approved by the full board.

Composition and meetings

The risk committee will comprise two or more directors as determined by the board and will report to the full board. The committee may include non-directors as members if such a member is approved by the full board. Each member will ensure they understand risk governance commensurate with the company's size, complexity and capital structure.

The risk committee will provide its members with annual continuing education and training opportunities focusing on topics pertaining to risk governance, oversight and risk management.

Committee members will be appointed by the board. Unless a chairperson is elected by the full board, the members of the committee may designate a chairperson. The risk committee, with the full board and the nominations committee (if formed), will consider and plan for the succession of risk committee members.

The committee will meet at least quarterly, or more frequently as circumstances dictate. The committee chairperson will approve the agenda for the committee's meetings, and any member may suggest items for consideration. Briefing materials will be provided to the committee before meetings.

To ensure cross committee collaboration, the risk committee will meet periodically with the Chair of the Audit committee to ensure any joint matters are correctly considered. During Company financial audits (such as interim and full year audits), the risk and audit committees may combine activities and meetings to ensure effective oversight of risk analysis and reporting.

Responsibilities and Duties

To fulfil its responsibilities and duties, the risk committee will:

- Help to set the tone and develop a culture within the company with regards to risk, promote open discussion regarding risk, integrate risk management into the organisation's goals, and support creation a corporate culture such that people at all levels manage risks rather than avoid or heedlessly take risk
- Approve the risk management policy and plan developed by management. The risk management plan should be reviewed at least annually and consider the maturity of the risk management of the company and should be tailored to the specific circumstances of the company.
- Define risk review activities regarding any material decisions, initiatives, and major transactions and exposures, including by amount and impact, and prioritise them prior to being sent to the board's attention
- Monitor all enterprise risks; in doing so, the committee recognises the responsibilities delegated to other committees by the board and understands that the other committees may emphasise specific risk monitoring according to their mandates
- Periodically review and evaluate the company's policies and practices with respect to risk assessment and risk management and annually present to the full board a report summarising the committee's review of the company's methods for identifying, managing, and reporting risks and risk management deficiencies
- Discuss with the CEO and management 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, the maintenance of a Company risk register and risk management policies
- In coordination with the audit committee, understand how the company's internal audit work plan is aligned with the risks that have been identified by management and the committee, and with risk information needs Ensure the appropriate risk disclosure is included company's financial reporting
- Keep risk on the full board's agenda by ensuring periodic board reporting on risk oversight and management risk process

Charter review

The Committee will review this charter within the third year after the prior review (unless required earlier) and recommend any changes to it to the Board for approval.

Approved by the Board: September 2023