

CHARTER OF THE RISK COMMITTEE

Last reviewed in 2022

PURPOSE

The primary purpose of the Risk Management Committee is to assist the Board in fulfilling its oversight responsibility for ensuring that there is an effective and integrated risk management system and process in place.

MEMBERSHIP

- The Committee shall be composed of at least three (3) trustees.
- At least one (1) member of the Committee must have relevant knowledge and experience on risk management.
- The Chairperson of the Committee shall not be the Chairman of the Board or of any other committee.
- **The Chairperson shall be appointed by the Board during the organizational meeting of the Board to be held immediately after the Annual General Membership Meeting.**

MEETING

The Committee shall meet at least quarterly, or as often as may be needed. DUTIES AND RESPONSIBILITIES

- 1.1 Provides guidance to the CEO (who is responsible for risk management on an operational or day-to-day level) in the development of a strategy-based risk management plan (RM) which contains such elements as: (a) goals/objectives, (b) register of risks, (c) process for assessing risks as well as determining the Institute's appetite and tolerance for such risks, (d) designing and implementing RM strategies, and (e) continuing assessments to improve risk strategies, processes and measures.
- 1.2 Endorses the RM at the start of each year to the Board for its approval and evaluates at least semi-annually - or as often as deemed necessary - to ensure its continued relevance, adequacy and effectiveness.
- 1.3 Oversees the implementation of the RM plan through regular discussions with management of its reports on RM activities and key risk exposures and how the concerned units or

functions are addressing and managing these risks in a sufficient and timely manner. Works with the Audit Committee to ensure that its internal audit plan includes coverage of risk management implementation.

- 1.4 Reviews and appraises the performance of management with regards to the implementation of the RM plan.
- 1.5 Reports to the Board on a regular basis - or as deemed necessary - the Institute's material risk exposures and actions taken to mitigate the risks, and recommends further actions, as may be appropriate.