

NCB Financial Group Limited(NCBFG)- Group Risk Committee Charter

1. ROLE AND MISSION

The Group Risk Committee (“the Committee) of NCB Financial Group (NCBFG) is a standing committee of the Board of Directors (“Board”). The purpose of the Committee is to assist the Board in fulfilling its responsibility with respect to oversight of the Group’s risk management framework including risk appetite, and the policies and major procedures related to managing credit, market, liquidity, capital, operational, regulatory compliance, anti- money laundering & Counter financing of terrorism and certain other risks as determined from time to time. The committee reports to the Board of Directors regarding the group’s risk profile, as well as its risk management framework including the significant policies and practices employed to manage risks in the NCBFG businesses as well as the overall adequacy of the Risk Management function. The committee will also play a role in the decision-making process around significant risks that are to be undertaken by the Group.

2. RESPONSIBILITIES

The responsibilities of the Committee will include:

Risk Strategy, Risk Policy and Risk Profile

- Overseeing risk appetite, major policies, management guidelines, and procedures that govern the process for managing all risks on an enterprise-wide basis.
- Reviewing and approving the fiduciary responsibility for risk management performance.
- Advising the Board on the risk impact of strategic decisions.
- Reviewing periodically the scope of work of the risk management organization and management’s performance.
- Evaluating the adequacy of the Risk Management function.
- Reviewing and assessing the adequacy of this charter every two years annually and recommending any proposed changes to the Board for approval.
- Monitoring the risk culture within the Group.

- Reporting regularly to the Board on the Committee's activities.
- Reviewing and reporting annually to the Board on its own performance.

Credit Risk

- Monitoring and assessing concentration risks and limits, connected party exposures and Cross Border exposures
- Overseeing the credit portfolios in the group companies and the integrity of credit system controls.
- Reviewing large exposures and exceptions to the respective risk policies.
- Approving credit facilities where multiple group companies are participating.

Market & Liquidity Risks

- Reviewing the Market and liquidity risks' exposures of the Group.
- Ensuring compliance with limits and policies.

Operational Risk

- Reviewing reports on all Operational risk type events, to include Internal & External Fraud, Employee practices and Workplace Safety, System Failure, Business Disruption, Execution, Delivery and Process management and Damage to Physical Assets.
- Reviewing the appropriateness of the systems that are in place to prevent major incidents and losses.
- Reviewing reports on Operational Risk Losses and compliance with risk appetite.

Insurance Risk

- Reviewing the insurance risk management framework for the insurance companies in the group.

Compliance Risk

- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations, including Standards and Guidance issued by the Supervisory Authority, and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Assessing full compliance with all regulatory requirements.

Capital Adequacy Risk

- Reporting on adherence to regulatory limits and internal capital buffers.

Reporting

- Reporting to the Board on the Committee's activities.
- Reviewing and reporting to the Board annually on its own performance.

3. COMPOSITION

The Committee will consist of at least four non- executive members and two executive members of the Board of Directors. The members of the Committee shall be appointed by, and may be removed by, the Board. The members shall elect one of their members to be the chair.

4. MEETINGS

The Committee will hold meetings at least 4 times per year in order to fulfill its duties.

- 4.1 An agenda and any supporting documentation will be circulated to members of the Committee in advance of meetings.
- 4.2 A quorum shall consist of three Committee members, one being an executive member and one a non –executive member.

5. AUTHORITY

In furtherance of its duties, the committee shall have direct access to and receive regular reports from management and shall be provided any information it requests relating to its responsibilities. The Committee shall have the power to conduct or authorize investigations into any matter within its scope of responsibilities.

6. REVIEW

This Charter shall be reviewed every two years.