

## TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE

### Risk Management Committee (“RMC”) Charter

#### 1 Purpose and Authority

The Risk Management Committee (“RMC”) is established by and among the directors to properly align with management as it embarks an Enterprise Risk Management (ERM) program. The primary responsibility of the RMC is to oversee and approve the enterprise-wide risk management practices to assist the board in:

- Leading the Group’s strategic direction in the management of material business risks;
- Overseeing that the management team has identified and assessed all the risks that BKCB faces and has established a risk management infrastructure capable of addressing those risks;
- Overseeing, in conjunction with other board-level committees or the full board, if applicable, risks, such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, and other risks;
- Reviewing the effectiveness of that enterprise risk management framework in value creation, identifying and managing risks, and controlling internal processes.

The RMC have the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisors, as necessary, to perform its duties and responsibilities.

In carrying out its duties and responsibilities, the RMC shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties. In addition, the RMC meets with other board committees to avoid overlap as well as potential gaps in overseeing the companies’ risks.

The RMC will primarily fulfil its responsibilities by carrying out the activities enumerated in Section 3 of this charter.

#### Goals

To encourage a “risk-based decision making” culture based on the BKCB principles that fosters continuous improvement and the minimization of the impact of internal and external risk within the Group.

To ensure sound and effective policies are established and adopted for the oversight and management of “material business risks” (including but not limited to operational, financial, clinical, sustainability, compliance, strategic, ethical, reputational, service quality, human resource, industry, legislative or regulatory and market-related risks)

## **2 Risk Management Committee (“RMC”)**

### **2.1 Composition**

The RMC will comprise at least three members. The Board will appoint one of these members as the Chairman of the RMC. The RMC may also consist of the Chief Risk Officer. Other members of the senior management team may attend meetings of the RMC by invitation.

As part of its responsibility to foster open communication, the RMC will meet periodically with management, heads of business units, the CRO, the director of the internal audit function, and the independent auditor in separate executive sessions as and when deemed necessary.

#### **2.1.1 Removal or resignation**

If a member of the RMC retires, is removed, or resigns from their position within the Company, that member ceases to be a member of the RMC. The Board may appoint a successor.

#### **2.1.2 Committee may invite**

The RMC may invite any BKCB Board Members or any other individual to attend a meeting of the Committee, as they consider appropriate.

#### **2.1.3 Secretary**

Company Secretary or delegate – ex officio.

### **2.2 Meetings**

#### **2.2.1 Frequency**

The RMC will meet at least quarterly. Any RMC member may call a Committee meeting at any time, as they consider appropriate.

The RMC Chairman 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 as far in advance of meetings as practicable.

#### **2.2.2 Calling meetings & notice**

A notice of each meeting confirming the date, time, venue and agenda must be forwarded to each member of the RMC three working days before the date of the meeting.

### **2.2.3 Advice**

The RMC may have access to professional advice from employees within the BKCB Group and from appropriate external advisers. The RMC may meet with these external advisers without management being present.

### **2.2.4 Report to board**

The RMC Chairman, or any members, will report to the Board following each meeting. The RMC will report to the Board regularly on the matters set out in Section 3 of this Charter.

The RMC will prepare for approval by the Board any report on the matters set out in Section 3 that may be:

- required by any listing rule, legislation, regulatory body or other regulatory requirement; or
- “material business risks” (including but not limited to operational, financial, clinical, sustainability, compliance, strategic, ethical, reputational, service quality, human resource, industry, legislative or regulatory and market-related risks)

The RMC will consider the appropriate reporting lines for the company’s chief risk officer (CRO) and the company’s department-level risk committee whether indirectly or directly, to the RMC.

### **2.2.5 Minutes**

Minutes of proceedings and resolutions of Committee meetings will be kept by the secretary. Minutes will be distributed to all RMC members and the Chairman of the RMC, after the RMC Chairman has given the preliminary approval. Minutes, agenda and supporting papers will be made available to any director upon request to the secretary, providing no conflict of interest exists.

### **2.2.6 Quorum & voting**

A quorum will comprise at least three members. In the absence of the RMC Chairman or appointed delegate, the members will elect one of their number as Chairman for that meeting. Each member will have one vote. In the case of an equal division of votes, the Chairman of the RMC shall have a second or casting vote.

### **2.2.7 Resolutions**

Resolutions of the Committee may be made at a meeting of the Committee, or where it is impractical to convene a meeting, by circular resolution in accordance with the procedures set out in the Company’s Constitution.

### **2.2.8 Conflicts of interest**

Members of the Committee must not vote on any issue in respect of which they have an actual or perceived conflict of interest.

### **3 Duties & responsibilities**

In order to fulfil its responsibilities, the RMC will:

#### **3.1 Enterprise Responsibilities**

- Help to set the tone and develop a culture of the enterprise vis-à-vis risk, promote open discussion regarding risk, integrate risk management into the BKCB's goals and compensation structure, and create a corporate culture such that people at all levels manage risks rather than reflexively avoid or heedlessly take them;
- Provide input to management regarding BKCB's risk appetite and tolerance and, ultimately, approve risk appetite and the statement of risk appetite and tolerance messaged throughout the Company and by line of business;
- Monitor BKCB's risk profile — its ongoing and potential exposure to risks of various types;
- Define risk review activities regarding the decisions (e.g., acquisitions), initiatives (e.g., new businesses), and transactions and exposures (e.g., by amount) and prioritize them prior to being sent to the Board's attention;
- Review and confirm that all responsibilities outlined in the charter have been carried out;
- Monitor all enterprise risks; in doing so, the RMC recognizes the responsibilities delegated to other committees by the board and understands that the other committees may emphasize specific risk monitoring through their respective activities;
- Conduct an annual performance assessment relative to the RMC's purpose, duties, and responsibilities; consider a mix of self- and peer- evaluation, supplemented by evaluations facilitated by external experts;
- Oversee the risk management program/interactions with management;
- Review and approve the enterprise risk management infrastructure and the critical risk management policies adopted by BKCB;
- Periodically review and evaluate BKCB's policies and practices with respect to risk assessment and risk management and annually present to the board a report summarizing the RMC's review of the company's methods for identifying, managing, and reporting risks and risk management deficiencies;
- Continually, as well as at specific intervals, monitor risks and risk management capabilities within BKCB, including communication about escalating risk and crisis preparedness and recovery plans;

- Continually obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- Discuss with management and the CRO on BKCB's major risk exposures and review the steps management has taken to monitor and control such exposures, including the company's risk assessment and risk management policies;
- Review and assess the effectiveness of the company's enterprise-wide risk assessment processes and recommend improvements, where appropriate; review and address, as appropriate, management's corrective actions for deficiencies that arise with respect to the effectiveness of such programs.

### **3.2 Chief Risk Officer ("CRO")**

- Ensure that the company's CRO has sufficient stature, authority, and seniority, and resources to oversee risk within the organization and to ensure the CRO is independent from individual business units within the organization.

### **3.3 Reporting**

- Review and approve management's definition of the risk-related reports that the RMC could receive regarding the full range of risks the organization faces, as well as their form and frequency;
- Respond to reports from management so that management understands the importance placed on such reports by the RMC and how the RMC views their content;
- Read and provide input to the Board and/or Audit Committee regarding risk disclosures in financial statements, proxy statements, and other public statements regarding risk;
- Keep risk on both the full board's and management's agenda on a regular basis;