



## **LINK GROUP** **RISK COMMITTEE CHARTER**

### **1. Objectives**

The Risk Committee (**Committee**) has been established by the board of directors (**Board**) of Link Administration Holdings Limited (**Link Group** or the **Company**) pursuant to clause 17.12 of the Company's Constitution.

The purpose of the Committee is to assist the Board with:

- overseeing, reviewing and supervising the Company's risk management framework;
- monitoring compliance with laws, regulations and Board policies;
- recommending and applying appropriate ethical standards in relation to the management of the Company and the conduct of Link Group's business; and
- reviewing the adequacy of the Company's insurance policies.

### **2. Authority**

The Committee has authority to:

- conduct or authorise investigations into any matters within its responsibilities described in paragraph 5;
- refer matters to other Committees of the Board or the Board for review;
- seek external advice or assistance, at the expense of the Company, including the appointment of consultants and independent external advice; and
- seek information and communicate directly with Management, advisers, internal auditor/s and external auditor at any time.

The Committee will make recommendations to the Board on all matters requiring a decision from the Board. With the exception of the specific Board-delegated authorities detailed in paragraph 5, the Committee does not have the power or authority to make a decision in the Board's name or on its behalf.

### **3. Membership**

The Committee will consist of at least three Non-Executive Directors (**NED**), appointed by the Board:

- One of whom also is a member of the Human Resources and Remuneration Committee;
- One of whom is also a member of the Audit Committee; and
- One of whom is also a member of the Technology & Operations Committee.

A majority of members will be independent NEDs. The Chair of the Board will be an ex-officio member of the Committee.

The Board will nominate the Chair of the Committee. The Committee Chair will be an independent NED who is not Chair of the Board.

There is no prescribed term for membership of the Committee.

#### **4. Committee Meetings**

##### ***Frequency***

The Committee will meet as often as the Committee members deem necessary to discharge its role effectively.

The Committee Chair will convene a meeting of the Committee if required to do so by any Committee member or the Board.

##### ***Quorum***

A quorum of the Committee will comprise two members.

##### ***Attendance***

All members of the Board have a standing invitation to attend meetings of the Committee.

If the Committee Chair is absent from a meeting and no acting chair has been appointed, the Committee members present may choose one of them to act as chair for that meeting.

Reasonable notice of meetings and the business to be conducted will be given to the members of the Committee and any other person invited by the Committee to attend.

Meetings of the Committee may be held or participated in using technology, and decisions may be made by circular or written resolution.

Members of Management and/or external advisors may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

##### ***Voting***

Each member of the Committee will have one vote. The Committee Chair will not have a casting vote. If there is a tied vote, the matter will be referred to the Board for resolution.

##### ***Role of Committee Chair***

Following each meeting, the Committee Chair will report to the Board, at the next Board meeting, on any matter that should be brought to the Board's attention and on any recommendation of the Committee that requires Board approval or action, and provide the Board with sufficient information upon which to make a decision in that regard.

Outside scheduled meetings, the Committee Chair will meet as needed with key stakeholders (including the Managing Director, the Chief Financial Officer, the Chief Risk Officer, other members of the Executive Leadership Team, senior management and External and Internal Auditors) in order to review matters relating to Committee functions as appropriate.

##### ***Papers and Minutes***

The Company Secretary will coordinate the timely completion and dispatch of the Committee agenda, minutes and materials for each meeting. The minutes of each Committee meeting will, following preliminary approval by the Committee Chair, be circulated to the Committee members.

The minutes of the meeting will be approved no later than one month after the meeting is held.

## 5. Responsibilities

The responsibilities of the Committee are as follows:

### *Risk management*

- review the Company's overall risk management framework, risk appetite and risk profile, annually review its effectiveness in meeting sound corporate governance principles and keep the Board informed of all significant business risks;
- advise the Board if the Company is operating outside of its approved risk appetite, including the circumstances involved;
- review with management the adequacy of the Company's processes and systems for identifying, assessing, monitoring and managing the key financial and non-financial risks and emerging risks to the Company in accordance with the Company's Risk Management Policy;
- advise the Audit Committee, in writing, with regards to the adequacy and effectiveness of the Group's risk management framework, including an assessment of the Company's risk management, internal compliance and control systems and advise the Audit Committee prior to the review of the half-yearly and annual financial statements;
- review the adequacy and appropriateness of the Company's public disclosures of material business risks (including disclosures in the Directors' Report and the Corporate Governance Statement);
- meet separately with the Chief Risk Officer, at least once a year, to discuss any matters that the Committee or the Chief Risk Officer believes should be discussed privately;
- obtain reports from management on the status of any key risk exposures or incidents;
- review any issues raised by External Auditors or Internal Audit that may materially impact the Company's risk management framework;
- review any incident involving:
  - internal fraud; or
  - external fraud resulting from a material or significant break down of the Company's internal controls; or
  - conduct risk; or
  - other material or significant break down of the Company's internal controls; or
  - any material or significant incident involving any break down of the Company's risk management framework;in accordance with the Company's Risk Management Policy;
- review the Company's insurance program having regard to the Company's business and the insurable risks associated with its business, including details of claims made against insurance policies held;
- review and assess the Company's Crisis Management and Business Continuity Plans;
- refer to the Audit Committee, Human Resources and Remuneration Committee and Technology and Operations Committee any matters that have come to the attention of the Committee that are relevant for those Committees;
- liaise with the Technology and Operations Committee to confirm technology, systems, data, intellectual property and information security, are regularly monitored and controls are reviewed and integrated into the Company's Risk Management Framework, noting that the Technology and Operations Committee has primary responsibility for oversight of matters relating to technology, information system and related data management risks;
- liaise with the Human Resources and Remuneration Committee to confirm people and culture related risks are regularly monitored and controls are reviewed and integrated into the Company's Risk Management Framework, noting that the Human Resources and Remuneration Committee has primary responsibility for oversight of matters relating to human resources and remuneration, including risk-adjusted performance measures;

- liaise with the Human Resources and Remuneration Committee to provide a risk related perspective on policies and frameworks for KMP remuneration and awarding of KMP incentives;

### ***Compliance***

- consider the Company's compliance management system;
- consider the workplan for Company's compliance activities;
- obtain regular updates from management regarding compliance matters;
- review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance;
- review the findings of any examinations by regulatory agencies and authorities;
- review the process for communicating the Board policies to Company personnel, and for monitoring compliance with those policies;

### ***Other responsibilities***

- receive reports from management under the Company's Whistleblower's Protection Policy and oversee related investigations;
- perform any other activities related to the Committee's remit that the Board or Committee requests; and
- institute and oversee special investigations as needed.

## **6. Review of Committee and Committee Charter**

The Committee will review annually its activities and the manner in which it has carried out its responsibilities, and report to the Board on the outcome of the review. The review by the Committee may form part of an overall Board/Committee assessment conducted by the Board Nominations Committee as may be appropriate from time to time.

The Committee will review annually the terms of the Charter. The Committee may recommend to the Board any changes to this Charter. Any amendments to this Charter must be approved by the Board.

### **History:**

**Adopted: 1 December 2019**