

This Charter was approved by the Board of Directors of the SICOM Financial Services Ltd (the “Company”) at the 57th Board meeting held on 11th September 2018.

1. Purpose

- 1.1 The primary function of the Risk Management / Conduct Review Committee (hereinafter referred to as the “Committee”) is to assist the Board of Directors in fulfilling its oversight responsibilities related to:

Risk Management:

- Advising the Board on the Company’s current and future risk appetite.
- Overseeing senior management’s implementation of risk management framework.
- Reporting on the state of risk culture within the Company.

Conduct Review :

- Reviewing and approving all related party transactions.
- Ensuring that all credit exposures are on terms and conditions that are at least as favourable to Company as market terms and conditions.
- Ensuring that all credit exposures are made within regulatory limits.

2. Membership

- 2.1 The Committee shall comprise of at least three independent directors and, with the exception of the Group Chief Executive Officer, the Committee members will be non-executive directors of whom a reasonable number must have an adequate familiarity with risk management.
- 2.2 The Board shall appoint a Chairperson from the independent non executive members of the Committee.
- 2.3 The Chairperson of the Board and the Group Chief Executive Officer shall not be eligible to be appointed as Chairperson of the Committee.
- 2.4 The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies created by such removal.
- 2.5 Only members of the Committee have the right to attend Committee meetings. However, the Committee may invite other persons to attend all or part of any meeting, as deemed necessary and appropriate.

3. Secretary

- 3.1 The Company Secretary shall act as the secretary of the Committee.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be a majority of members.

5. Frequency of meetings

- 5.1 The Committee shall meet at least four (4) times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

6. Notice of meetings

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairperson or any of its members or at the request of the Risk Officer if they consider it necessary.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be sent to Committee members and any other attendees before the date of the meeting.

7. Minutes of meetings

- 7.1 The secretary shall minute the proceedings of all Committee meetings, including the names of those present and in attendance.
- 7.2 After the minutes are approved and signed by the Chairperson, these will be circulated to all members of the Board.

8. Written Resolution

- 8.1 Decisions may also be taken by way of written resolutions signed by all members of the Committee.

9. Annual Meeting of Shareholders

- 9.1 The Committee chairperson shall attend the Annual Meeting of Shareholders to answer any shareholder questions on the Committee's activities.

10. Terms of Reference

Internal Controls and Risk Management Systems

The Committee shall:

- Keep under review the adequacy and effectiveness of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems.
- Support the Risk Officer by understanding key risks the organization has assumed and

overseeing the management of these risks.

- Review the risk philosophy, strategy and policies recommended and consider reports.
- Ensure compliance with such policies and with the overall risk profile.
- Review the management of current and emerging risks.
- Provide guidance on areas of focus.
- Propose risk appetites and risk limits for key risks to the Board of Directors.
- Focus on risk identification, measurement, monitoring and management processes.
- Ensure appropriate methodologies and systems are in place to identify and adequately assess and manage operational risks.

Conduct Review

- Establish policies and procedures to comply with the requirement of the Guideline on Related Party Transactions issued by the Bank of Mauritius and review the policies and procedures periodically to ensure their continuing adequacy and enforcement.
- Review and approve all related party transactions.
- Ensure that market terms and conditions are applied to all related party transactions.
- Review the practices of the Company to ensure that any transactions with the related parties that may have a material effect on the stability and solvency of the Company are identified and dealt with in a timely manner.
- Monitor, review and approve reports on Related Party Transactions as and when required.
- Report to the Board, on a quarterly basis, on matters reviewed by the Committee, including any exceptions to policies, processes and limits.
- Discharge any other responsibilities which may from time to time be assigned by the Board.

11. Reporting responsibilities

- 11.1 The Committee chairperson shall report to the Board on its proceedings.
- 11.2 The Committee shall make recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

12. Other matters

The Committee shall:

- 12.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required.
- 12.2 Work and liaise as necessary with all other Board Committees.
- 12.3 Arrange for periodic reviews of its own performance and, as and when required, review its charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

13. Authority

- 13.1 The Committee is authorised by the Board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.