

RISK MANAGEMENT COMMITTEE CHARTER

CHARTER DATE: DECEMBER 2020

NEXT REVIEW: DECEMBER 2021



Version	Date of Approval	Approved by	Approved by
RMC.01.2021	14.04.2021	Chairman of Risk Monitoring Committee	Mr. Nuckchady

Afri Life Insurance Ltd.

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BRN No: CI0097103 FSC Licence No: IS10000010 and PS16000071

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1. Purpose

The Board Risk Management Committee (RMC) shall assist the Board in setting up risk strategies and to assess and monitor the risk management process of Afri Life Insurance Ltd.

The purpose of Risk Management Committee is to assist the Board of Directors in fulfilling their corporate governance responsibilities relating to risk management, in relation to the identification, measurement, monitoring and controlling the companies risks. The Committees role is to report to the Board and provide appropriate advice and recommendations on risk issues, to facilitate decision making by the Board and set up the risk appetite for the company. In so doing, the Committee shall seek to safeguard the interests of the company by

- i. Ensuring that the Risk Exposure is Minimised
- ii. Ensuring the economy, efficiency and effectiveness of the operations and internal controls and implementation of the policies and procedures

2. Composition

- ❖ The Risk Management Committee of Afri Life Insurance Ltd will comprise the (Chief Executive Officer) and three independent or non-executive directors appointed by the Board.
- ❖ Chief Risk Officer shall be in attendance for all the meeting
- ❖ Only Members of the Committee have the right to attend committee meetings. However, the Committee may invite other persons to attend the meetings, as deemed necessary and appropriate.
- ❖ The members of the Committee will between them have sufficient knowledge, expertise and understanding of the Company's industry to be able to discharge the Committee's responsibilities effectively.
- ❖ The current members of The Committee are, Mr. Sansjiv C Nuckchady (Chairperson), Mr. Punit Rajgarhia, Ms. Tanuja Nair and Mr. Rahul Mathur (CEO).
- ❖ If a member ceases to be a Director of The Board, that member ceases to be a member of the committee

3. Administrative Matters

3.1 Meetings

- ❖ The Committee shall meet at least once each calendar quarter. Committee may meet as often the member deem necessary to fulfil their role

3.2 Quorum

- ❖ The quorum necessary for the transaction of business shall be three.
- ❖ In the absence of the Committee Chairperson, the remaining members present shall elect one of themselves to chair the meeting
- ❖ Members of the committee may attend in person or participate by tele-conference or other electronic means.

3.3 Company Secretary

The Company Secretary or a nominee of the Company Secretary shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3.4 Notice of Meetings

- ❖ Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairperson.
- ❖ Notice of the meetings shall be provided to non-executive directors of the Board who are not members and such directors may attend committee meetings.

3.5 Agenda and Documentation

- ❖ Agenda and supporting documentation of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than 10 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time by the Company Secretary, only after the agenda has been approved by the Chairman of the committee.

3.6 Minutes

- ❖ The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- ❖ Draft minutes of Committee meetings shall be circulated not later than 5 working days to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chairperson it would be inappropriate to do so. Minutes shall include the names of the person responsible for each actionable
- ❖ The Chairman of the committee shall, if requested at the next committee meeting provide a brief update on matters arising.

3.7 Authority and Access

- ❖ Except where expressly stated in this Charter, the Committee discharges its responsibilities by making recommendations to the Board.
- ❖ The Committee does not have any executive powers to commit the Board or management to the implementation of its recommendations except where expressly stated in this Charter or as authorised by resolution of the Board.
- ❖ The Committee is not responsible for supervising the performance of management and does not become involved in day-to-day operations, management functions or decision making.
- ❖ The Committee will have unrestricted access to management and rights to seek explanations and additional information from management.
- ❖ The Committee has authority to conduct or direct investigations into any matters within its Charter.

3.1. Duties and Responsibilities

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- ❖ Assist the Board in setting the risk appetite for the business and satisfy itself that Afri Life operates with due regard to that risk appetite.
- ❖ Form an opinion on the adequacy and effectiveness of process of identifying and assessing areas of potential material risk, as well as the monitoring and controlling of identified material risks.
- ❖ Review reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management have put in place to manage those risks.
- ❖ Compare the company's material risk assessment and risk profile with its policies and risk appetite and ensure that identified material risks are reduced to or managed at levels determined to be acceptable by the Board.
- ❖ Review and assess any breaches of risk controls or risk policies and ensure these breaches are appropriately mitigated or remedied by management.
- ❖ Make recommendations arising from the above reviews, for consideration by the Board, in relation to changes to the risk management framework or risk appetite
- ❖ Appoint risk officer, who among other things, will provide assurance that the oversight of risk management is independent from operational management and is adequately resourced with proper visibility and status in the organisation.
- ❖ Ensure independence of the risk officer from operational management without any requirement to generate revenues.
- ❖ Require the chief risk officer to provide regular reports to the committee, senior management and the board on his activities and findings relating to Afri Life's risk appetite framework

4.1 Assessment of systems of financial and non-financial risk management, internal control and compliance

- ❖ Discuss with management & the external auditor on the company's controls, policies and procedures to assess, monitor and supervise financial risk, business risk, operational risk, technology and cyber risk, for the purpose of forming a view as to their appropriateness and effectiveness.
- ❖ Review all relevant reports produced by the Risk Officer and the auditor and management's response to the matters raised therein and become satisfied that records are properly maintained in accordance with statutory requirements
- ❖ Make any recommendations considered necessary in relation to the matters arising from such reports.

4.2 Effectiveness of the Risk Management framework

- ❖ Annually reviewing the risk management framework, including the internal control policies and the procedures for the identification, assessment, reporting and management of risk, to satisfy itself that the risk management framework continues to be sound and that the company is operating with due regard to the risk appetite set by the Board
- ❖ Making recommendations to the Board in relation to changes that should be made to the company's risk management framework or to the risk appetite set by the Board

- ❖ Review the Risk Register, in relation to each reporting period
- ❖ Request and monitor investigations into areas of risk, breaches of risk management policies and procedures and failures in internal control.
- ❖ Monitoring management's performance against the company's risk management framework, including whether it is operating within the risk appetite set by the Board;
- ❖ Overseeing compliance with laws and regulations
- ❖ Monitoring that there are effective and efficient procedures for managing, reporting and responding to risks and events.
- ❖ Reviewing any material incident involving fraud or a break-down in the company's risk controls and the "lessons learned" and overseeing investigations of allegations of conflicts of interest, fraud or malfeasance.

4. Annual General Meeting

The Committee Chairperson will, if requested by the Company Secretary, attend the annual general meeting to answer any shareholder questions on the Committee's activities.

5. Other Matters

The Committee shall:

- ❖ Have access to outside or other independent professional advice as it considers necessary to carry out its duties.
- ❖ Have access to sufficient resources in order to carry out its duties, including access to the company's secretariat for assistance as required.
- ❖ Give due consideration to laws and regulations/guidelines, the principles of The National Code of Corporate Governance for Mauritius and any other applicable rules, as appropriate.

6. Review

Arrange for periodic reviews of its own performance and, at least annually, review its charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.