



## RISK COMMITTEE CHARTER

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.

### 1. Role

The role of the Risk Committee is to assist the Board with:

- (i) considering and approving the Group's Enterprise Risk Management Framework for managing financial and non-financial risks;
- (ii) overseeing the risk culture across Link Group;
- (iii) overseeing the Group's risk profile and setting risk appetite for the Group's material risks; and
- (iv) overseeing compliance with laws, regulations, and Board policies.

### 2. Authority

- 2.1 The Committee is a committee of the Link Group Board from which it derives its authority and regularly reports.
- 2.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in this Charter.
- 2.3 The Committee may form and delegate authority to sub-committees comprised of one or more members. Any such sub-committee will have the full power and authority of the Committee, subject to the terms of its delegated authority, and must report to the Committee in relation to material developments arising in the exercise of that authority.
- 2.4 Subject to any applicable legal or regulatory restrictions or limitations, the Committee has the authority to investigate any matter relating to the Group within this charter and obtain such information as it may require from any Director, officer, or employee of the Group.
- 2.5 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.

### 3. Constitution

#### 3.1 Chair

- (i) The Chair of the Committee will be appointed by the Board and must be an independent non-executive director of the Company.
- (ii) The Chair of the Committee must not be the Chair of the Board.
- (iii) In the absence of the Chair of the Committee and no acting chair has been appointed, the Committee members present may choose one of them to act as chair for that meeting.

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

### **3.2 Membership**

- (i) The Committee will consist of at least three members (including the Chair of the Committee) appointed by the Board:
  - a. One of whom also is a member of the Human Resources and Remuneration Committee;
  - b. One of whom is also a member of the Audit Committee; and
  - c. One of whom is also a member of the Technology & Operations Committee.
- (ii) A majority of members will be independent non-executive directors of the Company. The Chair of the Board will be an ex-officio member of the Committee.
- (iii) There is no prescribed term for membership of the Committee.

### **3.3 Secretary**

- (i) The Company Secretary will act as Secretary to the Committee and attend all meetings.
- (ii) The Secretary to the Committee will ensure that the Committee receives information and papers in a timely manner; and will record the proceedings and decisions of the Committee meetings and the minutes will be circulated to all members of the Committee and other Directors

## **4. Meetings**

### **4.1 Frequency of Meetings**

- (i) The Committee will meet at least 4 times a year and otherwise as required.
- (ii) The Chair of the Committee may call a meeting at any time and will do so if requested by any Committee member or the Board.

### **4.2 Quorum**

- (i) Any two non-executive Directors may form a quorum.
- (ii) Meetings of the Committee may be held in person or participated in using technology, and decisions may be made by circular or written resolution.

### **4.3 Attendees**

- (i) All members of the Board have a standing invitation to attend meetings of the Committee.
- (ii) The Chief Financial Officer and Global Head of Enterprise Risk Management are expected to attend each scheduled meeting of the Committee.
- (iii) The Chair of the Audit Committee will be invited to attend Committee meetings.
- (iv) Members of Management and/or external advisors may attend all or part of a meeting of the Committee at the invitation Chair of the Committee.

## 5. Responsibilities

The Committee is responsible for:

### 5.1 Risk management

- (i) oversight of the risk profile and risk management of the Company within the context of the Board approved risk appetite (ultimate responsibility for risk oversight, risk appetite and risk management of the Group rests with the Board; the Committee will refer all matters of significant importance to the Board);
- (ii) Reviewing management's plans to mitigate material risks faced by the Group;
- (iii) oversight of the implementation and operation of the risk management framework and internal compliance and control systems, including ensuring that the risk management framework is reviewed at least biennially to confirm that it continues to be sound and is operating effectively;
- (iv) reviewing the adequacy and effectiveness of the processes and systems for identifying, assessing and managing the material risks to the Company in accordance with the Enterprise Risk Management Framework;
- (v) guiding management on establishing, promoting and maintaining a sound risk culture throughout the Group;
- (vi) advising the Audit Committee on the adequacy and effectiveness of the Group's Enterprise Risk Management Framework, including an assessment of the Company's risk management, compliance, and control systems prior to the review of the half-yearly and annual financial statements;
- (vii) reviewing the adequacy and appropriateness of the Company's public disclosures of material risks (including disclosures in the Directors' Report and the Corporate Governance Statement);
- (viii) ensuring that the Global Head of Enterprise Risk Management and executive management have unfettered access to the Committee via the Committee Secretary or Chair of the Committee; and
- (ix) referring any matters of significant importance to the Board for its consideration and attention.

### 5.2 Compliance

- (i) oversight of the Company's compliance management system and workplan for compliance management activities;
- (ii) review the adequacy and effectiveness of the Company's processes and systems 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;
- (iii) consider any findings of any examinations by regulatory agencies and authorities; and
- (iv) review the process for communicating the Board policies to Company personnel, and for monitoring compliance with those policies.

### **5.3 In performing the responsibilities referred to in 5.1 and 5.2, the Committee will:**

- (i) consider, monitor, and approve, as required, the Group's frameworks, policies, processes and regulatory requirements that are in place to manage risk and compliance, and consider whether they are consistent with the risk management strategy and the established risk appetite of the Group (as determined by the Board);
- (ii) receive and consider reports on the Group's risk profile, risk monitoring and risk appetite performance against the material risks, with respect to:
  - a. performance versus appetite;
  - b. risk trends and concentrations;
  - c. material risk themes including those related to the procurement system and contractual commitments to clients';
  - d. operational risk event trends and financial and non-financial risk impacts including any material fraud;
  - e. the resolution of significant risk and compliance issues and events and the monitoring of management's remediation plans; and
  - f. key risk indicators for the Group's material risks.
- (iii) receive notification of any breaches of the Group's Risk Appetite in relation to the material risks and proposed course of remediation.
- (iv) consider material changes to the Group's risk profile or Risk Appetite arising from planned new or expanded business initiatives and/or the risks associated with the Group's entry into new products and/or geographical areas;
- (v) oversee the ongoing effectiveness and independence of the Group's risk management function, including whether it is appropriate for the size, business mix and complexity of the Group, and whether sufficient resources are allocated to risk management and compliance functions at the Group level;
- (vi) review any audit issues (Internal or External) that may materially impact the adequacy or effectiveness of the Group's risk and compliance systems and processes so that matters are managed and addressed in an appropriate and timely manner;
- (vii) oversee the Group's insurance strategy and adequacy of the Group's insurance program, having regard to the Group's activities and insurable risks; and
- (viii) review and assess the Company's Crisis Management plans and preparedness.

### **5.4 In addition, the Committee will:**

- (i) periodically meet privately with the Global Head of Enterprise Risk Management, at least once a year, to discuss any matters that the Committee or the Global Head of Enterprise Risk Management believes should be discussed privately;
- (ii) receive reports from management under the Company's Whistleblower's Protection Policy, including any material event reported under the Policy, and oversee related investigations;
- (iii) receive reports from management of any material breaches under the Company's Anti-Bribery and Anti-Corruption Policy;
- (iv) receive reports from management of any material breaches of the Company's Code of Conduct and Ethics; and
- (v) perform any other activities related to the Committee's remit that the Board or Committee requests.

## 6. Reporting and Disclosure

- 6.1 Following each meeting, the Chair of the Committee will report to the Board, at the earliest possible Board meeting, any matters that should be brought to the Board's attention and on any recommendations requiring Board approval and/or action.
- 6.2 The committee will make whatever recommendation to the Board it deems appropriate on any areas within its remit where action or improvement is needed.
- 6.3 The Committee will work and liaise as necessary with other Committees of the Board including:
  - (i) referring 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;
  - (ii) liaising 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 Enterprise 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;
  - (iii) liaising 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; and
  - (iv) liaising 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.

## 7. Governance and Resources

The Committee will:

- 7.1 have the power to engage and retain, at the Company's expense, such legal, accounting, consultants or experts or other advisers, as it considers necessary from time to time in the performance of its duties;
- 7.2 conduct an annual self-assessment and report any conclusions and recommendations to the board and, as part of this assessment, shall consider whether it has performed in accordance with its responsibilities and whether or not it receives adequate and appropriate support in fulfilment of its role;
- 7.3 in its decision making, give due regard to any relevant legal or regulatory requirements, and associated best practice guidance, as well as to the risk management implications of its decisions; and
- 7.4 have access to sufficient resources to carry out its duties, including access to key stakeholders (including the Managing Director, the Chief Financial Officer, the Global Head of Enterprise Risk Management, other members of the Executive Leadership Team, senior management and External and Internal Auditors) in order to review matters relating to the Committee duties and responsibilities.

## 8. Charter

The Committee will:

- 8.1 review its Charter and may recommend to the Board amendments to this Charter; and
- 8.2 evaluate its performance and report to the Board on how its responsibilities identified in this Charter have been discharged.

Where there is a perceived overlap in responsibilities between the Committee and the Audit Committee, the respective Committee Chairs will have the discretion to agree the most appropriate Committee to fulfill the obligation.

**History:**

**Adopted: 1 December 2019**

**Amended: 25 May 2021**

**Further Amendments 21 November 2022**