

## **TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE COMPOSITION**

The Risk Management Committee, composed of Directors of the Board, is a standing committee of the Board, established to assist it in fulfilling its statutory and fiduciary responsibilities and in complying with principles of good governance code.

- The members shall consist of not less than four directors appointed by the Board.
- 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.
- The Company Secretary shall be the Secretary of the Committee.
- The Risk Management Committee members shall be independent, that is, they shall carry out their work freely and objectively.
- The Risk Management Committee shall operate pursuant to its terms of reference, setting forth its role, duties and responsibilities.
- The Risk Management Committee shall report its activities to the Board regularly.

## **QUORUM**

The quorum shall be three.

## **TERMS OF REFERENCE**

- Review and approve risk policy on annual basis - A framework for a robust and enterprise-risk integrated management programme throughout MT group, including risk mapping.
- Establish the systematic and continuous identification, evaluation, measurement and mitigation practices of the risks as they pertain to the group periodically (quarterly).
- Define and approve a clear risk management practices and prudential limits and its strategy covering risk management philosophy and responsibilities throughout the group having regard mainly but not limited to the following risk exposure areas:

**I. Credit Risk (Counter Party);**

**II. Market Risk**

- Foreign Exchange
- Interest Rate
- Commodity

**III. Operational Risk**

- a) Business Process Risk
- b) People Risk
- c) Legal Risk
- d) Regulatory Risk
- e) Technology Risk
- f) Systemic Risk
- g) Strategic Risk
- h) Reputational Risk
- i) Security - Both physical and data
- j) Business Continuity

- Reduce, mitigate identified risks to an acceptable level or consider transfer of same
- Report to the Committee/Board on the main risk factors facing MT group and its possible effects on shareholder value.
- Ensure that adequate controls and measures are in place as also their effectiveness to manage the most significant risk factors and to respond in a manner that is appropriate and proportional to the risks identified
- Coordinate and facilitate risk management activities throughout the group
- To ensure an awareness of culture within the organisation
- Review on quarterly basis levels of risks in the Company/Group
- Notice of the meeting with supporting documents, other than under exceptional circumstances, be forwarded to each member four working days prior to the date of the meeting.