

KASAGANA -KA MUTUAL BENEFIT ASSOCIATION
BOARD RISK OVERSIGHT COMMITTEE CHARTER

I. Mission

The Board Risk Oversight Committee (BROC) sets the tone and culture of effective risk governance structure and sets the organizational risk strategies. The BROC shall closely work with the Risk Management Committee in addressing material risks which may have operational and financial impact.

II. Duties and Responsibilities

The Board Risk Oversight Committee shall be in charge of overseeing the management of both financial and non-financial risks of the organization and continuous assessment of the functionality and effectiveness of risk governance structure, specifically:

- Quarterly reassessment of top risks of the organization and challenge the effectiveness of controls imposed
- Identification of organizations extent, risks strategies setting and formulation of high level objectives for risk mitigation initiatives
- Reviews organization's portfolio of risks as against risk appetite
- Conduct of post review to evaluate reliability of initial risks assumptions and make necessary adjustments to strategies in place to offset future risks impact
- Reporting significant financial and non-financial risks to Board of Trustees, including those with material breaches
- Evaluation of emerging risks, and to provide recommendations to mitigate risk impact to the company's financial condition and operations
- Perform such other functions as may be prescribed in the association's bylaws or as authorized by the General Assembly.

III. Authorities

As a Board-level Committee, Board Risk Oversight Committee is authorized to fulfill the duties and responsibilities of the Board of Trustees, vested by the organization's By-laws, internal policies, and those which are specially delegated by the Board of Trustees.

IV. Membership

- a. Delegation - The members of the Committee shall be composed of independent directors which are appointed by the General Assembly during the organization's Annual Meeting.
- b. Composition - The Committee shall be composed of three (3) independent members, where one of which shall be delegated as Chairperson and does not hold any other position to other committee

V. Meetings

- a. Meeting Frequency – The Committee shall convene regularly once every quarter period. A special meeting may be called for matters which requires urgent attention.
- b. Quorum – The Committee meeting quorum shall represent at least two (2) of the members of the Committee.
- c. Agenda – The Agenda of the meeting shall be prepared by the Chief Risk Officer (CRO) who will be in-charge to present risk management reports subject to the review and assessment of the Committee.
- d. Minutes of the Meeting – The minutes of the meeting shall be prepared by the Corporate Secretary of the Board of Trustees.

VI. Support

The Chief Risk Officer (CRO) and Risk Management Committee shall closely coordinate with the Board Risk Oversight Committee on the implementation of risk governance structure and risk management framework.

VII. Charter Changes

This charter may be changed upon proposal of any members of the Board Risk Oversight Committee, subject to the endorsement of Committee Chairman and approval of the Board of Trustees.