



**TERMS OF REFERENCE
RISK MANAGEMENT COMMITTEE**

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1. Constitution

At a meeting held at AXYS Leasing Ltd 'the Company', Bowen Square, Dr Ferrière Street, Port Louis on 24 September 2014 the Board of Directors 'the Board' of the Company resolved to amend the existing Terms of Reference which were adopted on the 26th January 2011.

The purpose of the Risk Management Committee is to identify, assess, monitor and manage risks. The committee is to oversee, report and make recommendations to the Board in respect of financial and non-financial risks faced by the company.

The following updated Terms of Reference of the Risk Management Committee 'the Committee' were adopted by the Board on 27th March 2015.

2. Membership

Unless the Board of Directors decides otherwise and justifies the same, a non-independent Chairperson of the Board should be the Chairperson of the Risk Management Committee on condition that the majority of the Committee are independent non-executive Directors. If this is not the case then the non-independent Chairman of the Board can be a member of the Risk Management Committee, but not its Chairperson. The Chairperson of the Committee would then have to be an independent non-executive Director.

The Secretary of the Company shall act as Secretary to the Committee.

3. Composition

The Risk Management Committee will consist of at least three members.

The Board will appoint committee members and the committee chair.

The Executive Director shall be a member of the Risk Management Committee.

While the Chairperson of the board may be a member of the Risk Management Committee, he shall, in no circumstances, be chairperson thereof.

The quorum for decisions of the Committee shall be fixed by the Committee and if not so fixed, shall be any two members present throughout the meeting who shall vote on the matter for decision. No business shall be transacted at a meeting of the Committee if a quorum is not present.

4. Meetings

Meetings of the Risk Management Committee will be held as the Committee deems appropriate. However, the Committee should meet at least quarterly. Meetings should be organised so that attendance is maximised. The Chairperson of the Committee or any member of the Committee may call a meeting at any other time.

The notice of each meeting of the Committee confirming the venue, time and date and enclosing an agenda of items to be discussed shall, other than under exceptional circumstances, be forwarded to each member of the Committee at his known registered address, not less than four working days prior to the date of the meeting.

Minutes of all meetings shall be circulated to all the members of the Committee and may also, if the Chairperson of the Committee so decides, be circulated to other members of the Board.

5. Duties

The duties of the Risk Management Committee shall be to:

- provide prior endorsement for the appointment and removal of a Chief Risk Officer;
- determine, agree and develop the Company's general policy on Risk Management;
- identify the principal risks faced by the company and assess management performance through the actions taken to mitigate the risks;
- ensure that the CEO facilitates training programmes for directors and senior management to enable them to have a robust understanding of the nature of the business, the nature of the risks, the consequences of risks being inadequately managed and the techniques for managing the risks effectively;
- receive periodic information on risk exposures and risk management activities from senior officers;
- review and approve discussions and disclosure of risks.