

# RISK MANAGEMENT COMMITTEE CHARTER



## Risk Management Committee Charter

Income Asset Management Group Ltd

Effective as of 29 November 2022

Income Asset Management Group Ltd

A.C.N. 010 653 862

GPO Box 6 BRISBANE QLD 4000

# RISK MANAGEMENT COMMITTEE

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### 1. Introduction

The purpose of this Risk Management Committee Charter is to specify the authority delegated to the Risk Management Committee (**Committee**) by the Board and to set out the role, responsibilities, membership and operation of the Committee.

The Committee is a committee of the Board and is authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities in relation to the Company's operations. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate resolutions of the Board from time to time.

### 2. Role of the Committee

The role of the Committee is to assist the Board in carrying out its risk oversight, management and reporting responsibilities, including:

- (a) setting the Company's risk appetite;
- (b) developing and monitoring a risk framework system for identifying, assessing, monitoring and managing material risk (both financial and non-financial) throughout IAM, establishing the Company's risk appetite parameters and informing investors of material changes to IAM's risk profile;
- (c) identifying material exposures to environmental, governance and social risks, and implementing systems and controls to manage those risks;
- (d) overseeing and regularly reviewing systems of internal compliance, risk management, governance practices and internal control processes, and systems of legal compliance that govern IAM's operations, and monitoring that they are operating effectively;
- (e) overseeing and regularly reviewing written policies, codes and procedures governing compliance and risk oversight and management;
- (f) conducting an annual review of the Company's risk management framework to ensure that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board;
- (g) monitoring cyber security risks and identifying weaknesses in IT security systems; and
- (h) evaluating and approving the Company's insurance programme.

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### 3. Duties and Responsibilities

The Committee is responsible for:

- (a) developing and monitoring a risk management framework, encompassing all material risks, both financial and non-financial, facing the Company;
- (b) reviewing the risk management framework at least bi-annually;
- (c) making recommendations to the Board in relation to changes to the risk management framework or the risk appetite set by the Board;
- (d) monitoring Management's performance against the Company's risk management framework and whether it is operating within the risk appetite set by the Board;
- (e) reviewing material incidents involving fraud or a breakdown of IAM's risk controls and the "lessons learnt" and evaluating remedial action to be taken;
- (f) reviewing breaches of the Company's Anti-Bribery and Corruption Policy and making recommendations regarding remedial action to the Board;
- (g) reviewing any internal audit plan that may be introduced and receiving reports from the internal auditor in relation to the adequacy of IAM's risk management processes;
- (h) reviewing Management's reports on new and emerging sources of risk and the risk controls and mitigation measures put in place to deal with those risks;
- (i) evaluating the adequacy of internal processes for determining and managing key risk areas, including:
  - non-compliance with laws, regulations, standards and best practice guidelines in employee relations, occupational health and safety, environmental management and trade practices laws;
  - important business judgments and accounting estimates;
  - business licence requirements;
  - litigation and claims;
  - fraud and theft; and
  - relevant business risks not dealt with by other Board committees;
- (j) identifying material exposures to environmental, sustainability and social risks, and implementing systems and controls to manage those risks;
- (k) reviewing cyber security risks and system weaknesses at least annually and advising the Board on recommended remediation;
- (l) conducting investigations of breaches or potential breaches of internal controls, and incidents within the risk areas above, particularly in relation to financial reporting;
- (m) reviewing and approving the public reporting of the Company's risk management policy and processes and material exposure to environmental or social risks and the management of those risks;
- (n) periodically reviewing and advising the Board on the levels of authority delegated to Management; and
- (o) overseeing the adequacy of the Company's insurance programme, having regard to IAM's business and the insurable risks associated with the business.

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#### 4. Membership

##### 4.1 Composition and Size

The Committee shall consist of at least three members, the majority of whom are non-executive directors and where practical (having regard to the composition of the Board), independent, and all of whom shall be appointed by the Board. The Board may appoint external advisors to the Committee.

Each member must be free from any interest, business or other relationship which, in the opinion of the Board, could, or could reasonably be perceived to, materially interfere with the exercise of his or her independent judgment as a member of the Committee.

The Committee members jointly must have the necessary technical knowledge and sufficient understanding of the industry in which the Company operates to be able to discharge the Committee's duties effectively.

The Board will review the Committee members' term of service at least annually, with a view to rotating members periodically, but without losing the continuity of experience and knowledge gained by the members of the Committee collectively.

If a member of the Committee retires, is removed or resigns from the Board, that member automatically ceases to be a member of the Committee. A member may resign from the Committee by giving two months' notice in writing to the Committee Chair of his or her intention to resign.

##### 4.2 Chair

The Chair of the Committee shall be an independent director.

The Board will appoint the Chair of the Committee. If, for a particular Committee meeting, the Committee Chair is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chair for that meeting.

##### 4.3 Company Secretary

The Company Secretary of the Board shall be the Secretary of the Committee and attend all Committee meetings.

#### 5. Committee Meetings and Process

##### 5.1 Meetings

The Committee will meet as frequently as required to perform its functions, but not less than twice per year. The Chair must call a meeting of the Committee if requested by any member of the Committee or the Chair of the Board.

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Meetings may be held in person, wholly via electronic means or as a hybrid of the two, at the discretion of the Chair.

### 5.2 Quorum

Two members of the Committee constitute a quorum for meetings of the Committee.

### 5.3 Attendance by Management and Advisors

The Chief Executive Officer, Chief Financial Officer and Compliance Manager are expected to attend each scheduled meeting of the Committee and a standing invitation to attend Committee meetings will be issued to all directors who are not Committee members.

The Committee Chair may also invite other senior managers and external advisors to attend meetings of the Committee, as appropriate. The Committee may request Management and/or external advisors to provide such input and advice as is periodically required.

### 5.4 Notice, Agenda and Papers

The Chair of the Committee will determine the agenda for each meeting after appropriate consultation with Committee members and the Company Secretary.

Unless otherwise agreed or considered necessary by the Chair, notice of each meeting confirming the venue, date and time, together with an agenda of items to be discussed and supporting papers, will be circulated by the Company Secretary to each Committee member and any other individual invited to attend, not less than two business days before the meeting. Copies of the agenda and supporting papers will also be circulated to all Board members or uploaded to an online portal accessible to all Board members.

### 5.5 Minutes

The Company Secretary will keep minute books to record the proceedings and resolutions of the Committee meetings and these will be made available to all Board members.

The Chair of the Committee will report to the Board at the next Board meeting held after each Committee meeting.

The Committee must refer any matter of significant importance, including notifiable insurance claims, material policy breaches, cyber security alerts, material non-compliance with statutory or regulatory requirements and compliance matters which may significantly impact upon the Company to the Board in a timely manner.

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### 5.6 Access to Information and Advisors

The Committee has the authority to:

- (a) require Management or others to attend meetings and to provide any information or advice that the Committee requires;
- (b) investigate any matter brought to its attention;
- (c) access any documents and records or facilities required to carry out its functions;
- (d) obtain the advice of independent experts, lawyers, accountants or other experts, in carrying out its functions, after consulting with the Chair of the Board; and
- (e) interview Management, employees and the external auditor, as required, in carrying out its functions, and all employees are required to cooperate with any lawful request made by the Committee.

### 6. Committee's Performance and Review and Publication of Charter

The Committee will undertake an evaluation of its performance on an annual basis. The performance evaluation will have regard to the extent to which the Committee is operating effectively and has met its responsibilities under this charter.

This charter shall be reviewed on an annual basis to ensure that it remains compliant with relevant statutory and ASX Listing Rule requirements. Any amendments to the charter must be approved by the Board.

The charter will be available on the Company's website and details of the number of Committee meetings held in each reporting period and individual attendance at those meetings, will be disclosed in the Company's annual report to shareholders.

### 7. Definitions

**ASX** means ASX Limited.

**Board** means the board of directors of the Company as constituted from time to time.

**Corporations Act** means the Corporations Act 2001 (*Cth.*) as affected by any class order or other instrument of the Australian Securities and Investments Commission applying to the Company.

**Employee** means an employee of the IAM Group, and contractors required to comply with IAM Group's policies and procedures.

**Company** or **IAM** means Income Asset Management Group Limited

**Company Secretary** means the person holding the office of Company Secretary of Income Asset Management Group Ltd.

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## 8. Approval

The original charter was approved and adopted by the Company's Board on 29 November 2022.

### Version Control

<b>Acknowledgments</b>			
<b>Supporting Documents</b>			
<b>Approval Authority</b>		IAM Board of Directors	
<b>Policy Administrator</b>		Company Secretary	
<b>Original Approval Date</b>		29 November 2022	
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1.0	29 November 2022	Initial Document	Company Secretary