

CIM FINANCIAL SERVICES LTD ('CFSL')

**Terms of Reference
Risk Management Committee ('RMC')**

1.	Membership	(i) The RMC shall consist of a maximum of six [6] members made up of at least one [1] Non-Executive Director, two [2] Independent Non-Executive Directors and the Chief Executive Officer. (ii) The Board shall appoint the Chairperson of the RMC. (iii) The Chairperson of the Committee may in case of absence designate an alternate. In case of absence of the Chairperson and where no alternate has been designated, the members of the Committee shall appoint an independent director or a non-executive director to chair the meeting.
2.	Attendance by Invitation	(i) The Chief Risk Officer shall be entitled to a standing invitation to attend all meetings. (ii) The Chairperson may, at his/her discretion, invite other members of management or external advisers to attend the meeting as deemed appropriate.
3.	Quorum	A quorum shall be a majority of the members of the Committee, with the presence of at least one [1] independent non-executive director.
4.	Secretary	The Company Secretary or his or her nominee shall be the Secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
5.	Meetings	(i) Meetings of the RMC will be held on a quarterly basis. (ii) The Chairperson of the RMC may call a meeting at any other time. The Chairperson may also convene a meeting upon the request of any Committee member who considers it necessary.
6.	Notice of Meetings	(i) Meetings of the committee shall be called by the Secretary of the committee at the request of the committee Chairperson. (ii) Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than [five] working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.
7.	Minutes of Meetings	The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
8.	Annual general meeting	The committee Chairperson should attend the annual general meeting to answer any shareholder questions on the committee's activities.

9.	Duties	The Committee is responsible for:- (i) reviewing and reporting to the Board on the current and potential future risk exposures of CFSL including the risk appetite (the extent and categories of risk which the Board regards acceptable for CFSL to bear); (ii) reviewing the effectiveness of the Enterprise Wide Risk Management Framework embracing principles, policies, methodologies, systems, processes, procedures and people; (iii) overseeing, in conjunction with other board-level committees or the full board, if applicable, risks, such as strategic, credit, market, liquidity, funding, operational, IT, cyber security, legal, regulatory, reputational, and other risks; (iv) recommending to the Board changes to internal policies and prudential limits, aligning with the strategic objectives and risk appetite of CFSL. The risk oversight and reporting responsibilities are set out in Appendix I below.
10.	Reporting responsibilities	(v) The committee Chairperson shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. (vi) The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
11.	Remuneration	The members of the RMC shall be remunerated on the same basis as for fees paid for other Board committees.
12.	Authority	The Committee is authorised by the Board to:- (i) undertake and investigate any activity within its remit and obtain advice and assistance from outside legal, accounting, or other advisors, as necessary, to perform its duties and responsibilities; and (ii) meet with and seek any information it requires from employees, officers, directors, or external parties. In addition, the risk management committee could make sure to meet with other board committees to avoid overlap as well as potential gaps in overseeing the companies' risks.
13.	Review of Terms of Reference	These Terms of Reference shall be reviewed annually, or as deemed necessary by the Board, and any revisions shall be subject to the Board's approval.
14.	Approval	Updated version approved by the Board on 10 August 2026

Appendix 1

1. Risk oversight Responsibilities

The responsibilities of the Committee shall be to:

- i. Provide advice to the Board on risk strategy and oversee the development, implementation and maintenance of CFSL's overall risk management framework and its risk appetite, strategy, policies, to ensure they are in line with emerging regulatory, corporate governance and leading practices;
- ii. Help to set the tone and develop a culture of the enterprise vis-à-vis risk, promote open discussion regarding risk, integrate risk management into the organisation's goals and compensation structure, and create a corporate culture such that people at all levels manage risks rather than reflexively avoid or heedlessly take them;
- iii. Review, formulate and recommend those policies, which are reserved for the Board's approval in respect of risk management issues and strategies, and risk tolerance for the Board's approval;
- iv. Review the risk management infrastructure, resources and systems for risk management and ensure that the staff responsible for implementing risk management systems perform those duties independently of the risk taking activities;
- v. Periodically review and evaluate the company's policies and practices with respect to risk assessment and risk management;
- vi. Review CFSL's risk profile particularly the risk trends, risk concentrations, key risk indicators and the performance versus the risk appetite;
- vii. Review of material outsourcing arrangements, the capabilities within the organisation for Disaster Recovery and Business Continuity Management;
- viii. Review risk report with respect to cyber and technology risks and ensure effective measures are in place to reduce the risks;
- ix. Obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- x. Review and recommend to the Board for approval the delegated credit authority framework including the sanctioning powers of the Management Credit Committee;
- xi. Oversee the integration of material sustainability-related and climate-related risks into CFSL's enterprise-wide risk management framework, risk model and where appropriate, scenario analysis or stress testing, in coordination with the ESG Committee and other relevant Board Committees;
- xii. Discuss with the CEO and management the company's major risk exposures and review the steps management has taken to monitor and control such exposures, including the company's risk assessment and risk management policies; and
- xiii. Review and assess the effectiveness of the company's enterprise-wide risk assessment processes and recommend improvements, where appropriate; review and address, as appropriate, management's corrective actions for deficiencies that arise with respect to the effectiveness of such programs.

2. Reporting Responsibilities

The Committee shall:

- i. Understand and approve management's definition of the risk-related reports that the committee could receive regarding the full range of risks the organisation faces, as well as their form and frequency;
- ii. Respond to reports from management so that management understands the importance placed on such reports by the committee and how the committee views their content;
- iii. Read and provide input to the board and audit committee regarding risk disclosures in financial statements and other public statements regarding risk;
- iv. Coordinate (via meetings or overlap of membership), along with the full board, relations and communications with regard to risk among the various committees, particularly between the audit and risk committees;
- v. Disclose in the company's Annual Report how it has satisfied itself that risk assessments, responses and interventions are effective; and
- vi. Report formally to the Board (through the Chairperson) in a timely manner on its proceedings after each meeting on all matters within its duties and responsibilities.

3. Other responsibilities

- i. The RMC shall evaluate the committee's and individual members' performance on a regular basis.