



TERMS OF REFERENCE (TORs) OF THE BOARD'S RISK MANAGEMENT COMMITTEE OF ABL ASSET MANAGEMENT COMPANY LIMITED

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TERMs OF REFERENCE (TOR) OF THE BOARD’S RISK MANAGEMENT COMMITTEE (BRMC) OF ABL ASSET MANAGEMENT COMPANY LIMITED

1. ESTABLISHMENT

The BRMC Committee (“the Committee”) of ABL Asset Management Company Limited (“the Company”) is a committee of the Board of Directors (BODs) established to assist the Board of Directors in carrying out its responsibilities in developing and managing risk assessment and mitigation framework and ensuring its compliance through Risk Management department.

The BRMC Committee shall periodically review the adequacy of the Terms of Reference (TOR) for possible adjustments and recommend amendments to the BODs, for approval.

2. COMPOSITION

The BODs of the Company shall establish BRMC Committee, which shall comprise not less than three members, including the Chairman. The Chairman of the Committee shall preferably be an Independent Director.

A. MEMBERSHIP

The members’ composition shall be as follows:

- (i) Independent Director (Chairman)
- (ii) Independent Director/Director
- (iii) Independent Director/Director

B. CHAIRMAN

The Chairman shall be an independent Director on the Board.

C. SECRETARY

The Secretary of BRMC will be Company Secretary.

3. RESPONSIBILITIES

The responsibilities of BRMC shall include but shall not be limited to:

- (i) Ensure that the overall risk strategy, tolerance and appetite of the company are appropriately defined in the strategic plan and recommend the same to the Board.

TORs of the BRMC Committee of ABL AMCL

- (ii) Consider and recommend to the Board for approval, new / amendments in risk policies by which the various risk types are managed as proposed by Investment Committee.
- (iii) Consider and recommend to the Board for approval, the constitution of Investment Committee of the Company and Collective Investment Schemes.
- (iv) Approve grids including authorities for exceptions.
- (v) Approve risk limits for credit, market and operational risks.
- (vi) Monitor the risk profile of the company and review reports provided by Risk Management Department on the management of various risks including portfolio and operational risk.
- (vii) Recommend changes in its on TORs to the Board.
- (viii) Review Risk Management Manual of ABL AMCL.
- (ix) Review violation / deviation of regulatory and BRMC investment limits on quarterly basis.
- (x) Review and monitor the performance of the Investment Committee of the Company and Collective Investment Scheme.
- (xi) Review the borrowing line limit of the Company and its funds, if required
- (xii) Considering any other matter assigned by the Board from time to time

A. MEETINGS

I. FREQUENCY

The Committee shall meet as often as required for the proper functioning of the Committee. If possible, the meetings shall be scheduled one week in advance. The Committee shall meet earlier if this is deemed necessary by the Chairman of the Committee, or by two members of the Committee.

II. NOTICE

Meetings of the Committee shall be called by the Secretary only on the advice of the Chairman with at least seven days' advance notice. Save in urgent cases, to be determined by the Chairman of the Committee, the notice, agenda and working papers for the meeting shall be sent at least three working days before the meeting to all members of the Committee. To the extent possible, written explanations and other related documents will be enclosed for each item on the agenda.

III. ATTENDANCE BY NON-MEMBERS

The Committee may also invite the Risk Manager and any independent experts to attend meetings of the Committee. Any member of the BOD may also attend meetings of the Committee on special invitation.

IV. MINUTES

The secretary of the BRMC Committee shall circulate minutes of meetings of the BRMC Committee to all members within a fortnight.

V. REPORTS TO THE BOD

The Committee shall report to the BOD promptly after each of its meetings, on the findings of the Committee and any actions taken by it. If requested, the Chairman of the Committee shall provide the BOD with any further information it requires. BOD shall have access to all records of the Committee.

VI. DELEGATION OF AUTHORITY

The Committee shall have no authority to delegate its powers and duties.

VII. GENERAL

AMENDMENT

The BOD may, at any time, amend these regulations or revoke any powers granted by it to the Committee.