



Conduct Review Committee

CONDUCT REVIEW COMMITTEE - TERMS OF REFERENCE

The Revised Terms of Reference of the Committee was adopted by the Board on 14 February 2023 upon recommendation of the Corporate Governance Committee ("CGC").

a. Membership/Composition

- It shall consist of a minimum of three members and a maximum of five members.
- The members of the Conduct Review Committee shall not form part of the Audit Committee.
- Only one member of the Conduct Review Committee may be a member of the Risk Management Committee.
- Chairperson - Any member of the Conduct Review Committee but neither the Chairperson of the Audit Committee nor the Chairperson of the Board.

b. Meetings

- Frequency of Meetings - At least once every quarter or more frequently as circumstances require.
- Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chairperson or by any of its members.
- The notice of each meeting of the Board Sub 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 or electronic communication/email or Board Vantage.
- Agenda, supporting documents and a prior written notice of at least four (4) Business Days shall be sent to every member for any meeting. In case of urgent matters, a prior notice of 3 Business days will be given.
- Proceedings of all Board Sub Committees shall be reported periodically to the Board of Directors.

c. Secretary

The Company Secretary shall act as 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.

d. Quorum

- The quorum for any meeting shall be a majority of its members.
- Approvals of related party files should be done by Conduct Review Committee meetings by majority votes.
- Approvals of Related Party files and any other approval required could also be done by circulation provided it is unanimously assented and validated.

e. Minutes of Meetings

- The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- Draft minutes of Committee meetings shall be circulated to all members of the all Committee within 15 Business days of the Meeting or earlier.

f. Role & Responsibilities

- Require management of the Bank to establish policies and procedures to comply with the requirements of the guideline on Related Party Transactions;
- Review the policies and procedures periodically to ensure their continuing adequacy and enforcement, in the best interests of the Bank;
- Ensure approval authorities are in place for related party transactions;
- Review and approve each credit exposure to related parties;
- Ensure that market terms and conditions are applied to all related party transactions;
- Review the practices of the Bank to ensure that any transaction with related parties that may have a material effect on the stability and solvency of the Bank is identified and dealt with in a timely manner;
- To escalate the following to Board:
 - Credit facilities to staff which are not in line with the terms and conditions as approved by the Board;
 - All exposures approved by the Conduct Review Committee must be duly noted by the Board on a quarterly basis;
 - To submit quarterly reports on the performance of credit exposures and any other transactions approved by the Conduct Review Committee.
- Report periodically and in any case not less frequently than on a quarterly basis to the Board of directors on matters reviewed by it, including exceptions to policies, processes and limits.

g. Reporting Responsibilities

- The committee Chairperson shall report to the Board on its deliberations after each meeting on all matters within its duties and responsibilities.
- The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

h. Other matters

- The Committee shall have access to outside or other independent professional advice as it considers necessary to carry out its duties at the Bank's expense within any reasonable budgetary guidelines as indicated by the Board.
- The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Bank's secretariat for assistance as required.
- The Committee shall give due consideration to laws, regulations and any published guidelines or recommendations.
- The Committee shall arrange for periodic reviews of its own performance and review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.