

Time Finance Terms of Reference Risk and Compliance Committee

Version Control

No.	Last Amended	Reason for Amendment
02	01 March 2022	Annual Review

Review and Sign Off

Date	Name / Committee and Designation
01 March 2022	Tanya Raynes/ Chair

Summary Information

Document Owner	Time Finance Chair
Related Policies and Procedures	<ul style="list-style-type: none"> - Nominations Committee TOR - Audit Committee TOR - Remuneration Committee TOR
Monitoring/Reporting Requirements	Communication and Distribution
	Located on Time Finance website
Document Review Period	Introduced
	October 2018

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PURPOSE:

Promote risk taking for reward in the context of sound risk governance
 Understand the risk management infrastructure: people/process/resource

1. Membership

- 1.1 The committee shall comprise at least three members, of which two shall be independent non-executive directors. Members shall have appropriate knowledge, skills and expertise to fully understand risk appetite and strategy/members as a whole shall have relevant risk expertise. The committee as a whole shall have competence relevant to the sector in which the company operates.
- 1.2 Members of the committee shall be appointed by the board on the recommendation of the nomination committee and in consultation with the chair of the risk committee. Appointments shall be for a period of up to three years which may be extended for up to two additional three-year periods, provided the director still meets the criteria for membership of the committee.
- 1.3 Only members of the committee have the right to attend committee meetings. However, the finance director and any CRO shall be expected to attend meetings of the committee on a regular basis and other individuals may be invited to attend all or part of any meeting as and when appropriate.
- 1.4 The board shall appoint the committee chair. In the absence of the committee chair and/or an appointed deputy at a committee meeting, the remaining members present shall elect one of themselves to chair the meeting.

2. Meetings

- 2.1 The company secretary, or their nominee, 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 issues.
- 2.2 The quorum necessary for the transaction of business shall be two members.
- 2.3 The committee shall hold such number of meetings as may be required to meet its responsibilities but shall meet at least twice per annum.
- 2.4 Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair or any of its members, or at the request of the CRO (or other head of risk) if they consider it necessary. Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and any other person required to attend 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.
- 2.5 The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance. Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be circulated to all members of the board unless, exceptionally, it would be inappropriate to do so.

3. Engagement with shareholders

The committee chair should attend the annual general meeting to answer any shareholder questions on the committee's activities. In addition the committee chair should seek engagement with shareholders on significant matters related to the committee's areas of responsibility.

4. Duties

Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board.

The Committee shall:

- 4.1 review the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan.
- 4.2 review management's assessment of risk at least annually and provide an update to the Board in this regard.
- 4.3 enquire of management and the independent auditor about significant business, political, financial, regulatory and control risks or exposure to such risk.
- 4.4 oversee and monitor management's documentation of the material risks that the Company faces and update as events change and risks shift.
- 4.5 assess the steps management has implemented to manage and mitigate identifiable risk, including the use of hedging and insurance.
- 4.6 oversee and monitor management's review, at least annually, and more frequently if necessary, of the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
- 4.7 review the following with management, with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - 4.7.1 management's tolerance for financial risks.
 - 4.7.2 management's assessment of significant financial risks facing the Company.
 - 4.7.3 the Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks.
 - 4.7.4 to review with the Company's legal advisers, legal matters which could have a material impact on the Company's public disclosure, including financial statements.

5. Reporting responsibilities

- 5.1 The committee chair shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 5.2 The committee shall provide advice to the remuneration committee on any risk weightings to be applied to performance objectives incorporated in the incentive structure for executive remuneration and make recommendations to the remuneration committee on clawback provisions.
- 5.3 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 5.4 The committee may compile a report of its activities to be included in the company's annual report, describing the work of the committee.

6. Other matters

The committee shall:

- 6.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 6.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 6.3 Give due consideration to all relevant laws and regulations, the provisions of the Code and published guidance, the requirements of the FCA's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate.
- 6.4 Oversee any investigation of activities which are within its terms of reference.
- 6.5 Work and liaise as necessary with all other board committees ensuring interaction between committees and with the board is reviewed regularly, taking particular account of the impact of risk management and internal controls on the work of other committees.
- 6.6 Ensure that a periodic evaluation of the committee's performance is carried out and at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

7. Authority

The committee is authorised to:

- Request the attendance of any employee at a meeting of the committee and/or seek any information it requires from any employee of the company in order to perform its duties.
- Delegate any matter or matters to another committee or person(s) as it deems appropriate.
- Obtain, at the company's expense, independent legal or other professional advice on any matter within its terms of reference if it believes it necessary to do so