



## **Restore plc Risk Committee**

### **Terms of reference**

#### **1. Purpose**

- 1.1. The Risk Committee's purpose is to provide oversight, accountability, and appropriate governance to Restore's identification, assessment, and control of principal and emerging risks.
- 1.2. The Committee is to report to the Board a minimum of three times a year to ensure the Board has full oversight of Restore's risk landscape, to provide direction on Restore's principal and emerging risks, ensure appropriate investments for risk mitigation, and escalate contentious or strategically significant agenda items to the Board for visibility and resolution.

#### **2. Authority**

- 2.1. The Committee is delegated by the Board to:
  - 2.1.1. Investigate, or cause to be investigated, any activity within its agreed responsibilities (see para 5).
  - 2.1.2. Ensure appropriate activity and investment is made to mitigate principal and emerging risks.
  - 2.1.3. Obtain, at the Company's expense, external legal or independent professional advice from such advisors as the committee shall select, who may, at the invitation of the Committee, attend meetings as necessary.
  - 2.1.4. Obtain, at Company expense, such external assurance capacity to verify principal risk mitigations are performing as required.
  - 2.1.5. Collate and assess such data as is necessary to accurately assess risk and support business decision making.
  - 2.1.6. Seek any information that it requires from any employee of the Group in order to perform its duties and require all employees to co-operate with any request made by the committee.
  - 2.1.7. Delegate any of its duties as is appropriate to such persons or person as it thinks fit.
- 2.2. Risk areas retained by Board are:
  - 2.2.1. Business model risk;
  - 2.2.2. Risk Management capability;
  - 2.2.3. Financial Risk Management (Audit Committee).

#### **3. Membership**

- 3.1. The Chair of the Committee is to be a Non-Executive Director of Restore and shall be appointed by the Board.
- 3.2. The Committee will comprise the Committee Chair, CEO, CFO and the Business Unit Managing Directors, with the Company Secretary (as Committee Secretary), Chief People Officer and Director of Group Finance as standing attendees. Other subject matter experts will be invited as required, to attend to Committee business.
- 3.3. The Chair shall seek to ensure that the Risk Committee has an appropriate balance of skills, diversity and relevant expertise to fulfil its remit effectively and access to external expert risk advice and guidance where necessary. Furthermore, the Chair is to oversee a tailored continuing professional risk education programme for Committee members and encourage diversity of thought and opinion.



- 3.4. **Quorum.** A quorum of the Committee shall be attendance when at least 2 members and the Secretary are in attendance.

- 3.4.1. In the Chair's absence, the remaining members present shall elect one of themselves to chair the meeting. The Committee Secretary is exempt.
- 3.4.2. The Company Secretary or their nominee shall act as secretary to the Committee.

#### 4. **Meeting Frequency & Notice**

- 4.1. Meetings are to be scheduled such that the Risk Committee can provide appropriate follow-up, resolution and reporting to the Board on outstanding issues. As a guide the Committee is to meet at least three times every calendar year and at such other times as required.
- 4.2. Meetings of the Committee shall be called by the Committee Secretary, at the request of the Committee Chair.
- 4.3. 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 and any other person required to attend, no later than 2 weeks before the date of the meeting. Supporting papers are to be forwarded to the Committee Secretary no later than 10 days before the meeting, and collated and released to Committee attendees no later than 5 days before the meeting.

#### 5. **Responsibilities**

- 5.1. The Risk Committee is responsible for:
- 5.1.1. Collaborating with other Board committees to ensure delegated risk-related responsibilities are clearly defined between various Board committees and that appropriate arrangements are in place to support effective cooperation, coordination and communication between committees when dealing with matters of common interest.
  - 5.1.2. Collaborating with Restore's management to ensure that management structures and resource are in place to assess and address key risk areas identified for the Group.
  - 5.1.3. Performing regular assessment of enterprise-wide risks across the Group and oversee preparation of communication to shareholders through the Group's Annual Report.
  - 5.1.4. Assessing the adequacy of reporting structures for the tracking of risk and risk mitigation.
  - 5.1.5. Providing Restore's Board with a clear and concise summary of the Risk Committee's activities and matters considered, and any associated recommendations.
  - 5.1.6. Evaluating and advising the Board as to the status of Restore's risk posture.
  - 5.1.7. Periodically reviewing Restore's risk management framework to ensure continued alignment with business strategy.
  - 5.1.8. Contributing to and assess the effectiveness of Restore's emerging risk identification and horizon-scanning processes.
  - 5.1.9. Reviewing the adequacy of operational resilience and business continuity arrangements.
  - 5.1.10. Reviewing and recommending to the Board for approval, any material risk information for regulatory submission or external publication.
  - 5.1.11. Periodically reviewing the risk function's Terms of Reference and recommending amendments to the Board for approval.

#### 6. **Behaviours**

- 6.1. The Risk Committee is to:



- 6.1.1. Challenge executive management's understanding of principal and emerging risks.
- 6.1.2. Assess whether executive management has assessed risks effectively (including benefits realisation) of material corporate actions such as acquisitions / disposals, major change programmes or significant changes to governance arrangements or legal structures.
- 6.1.3. Remain objective, critical, analytical, and open-minded and leverage data to support risk assessment and agree risk appetites.

## **7. Records & Reporting**

- 7.1. The Secretary is charged with minuting and retaining accurate records of Committee meetings. The Secretary is to ensure Committee actions are executed and closed in a timely manner.
- 7.2. Committee minutes are to be treated with the strictest confidence and are to be circulated promptly once agreed by the Chair. Minutes are to be approved at the next meeting. Risk Committee papers are to be recorded in Diligent.
- 7.3. The Chair of the Committee shall provide to the Board quarterly a clear and concise summary of the Risk Committee's activities and matters considered, and any associated recommendations.
- 7.4. An annual summary of the Risk Committee activities will form part of the Company's Annual Report and Accounts.
- 7.5. The Chair of the Committee shall attend the Annual General Meeting and shall answer questions, through the Chair of the Board, on the Committee's activities and responsibilities.