

Risk & Compliance Committee Charter

1. The role of the Risk & Compliance Committee (Committee) is documented in this Board approved Charter.
2. The primary role of the Committee is to oversee and monitor the effectiveness of GMHBA's risk management framework and to assist the Board in the identification, management and mitigation of material risks.

Scope

3. GMHBA Limited, including all private health insurance businesses, health related businesses and subsidiary entities.
4. Clinical risk management is a component of the risk management framework and is within the scope of this Committee, supported by the internal Clinical Quality & Risk Committee and the external Clinical Advisory Committee.

Objectives

5. The objectives of the Committee are to:
 - assess and report to the Board on the status of material business risks to the organisation through an integrated and mature enterprise risk management framework;
 - identify and oversee risks and circumstances that may impede the performance, execution of the strategic plan or affect the overall sustainability of the organisation;
 - monitor the organisational risk profile relative to the Board approved risk appetite; and
 - support and promote a risk-aware culture throughout the organisation.

Composition

6. The Committee must comprise at least three and not more than four directors, all of whom must be non-executive directors and free from any relationship which might in the opinion of the Board be construed as a conflict of interest. Where possible a director with medical or clinical experience should be a Committee member.
7. The Committee may elect one member as the Committee Chair. The Committee Chair must not also be the Chair of the Board.
8. Committee composition may include non-director independent person(s) in accordance with whatever arrangements for such appointments are approved by the Board from time to time. Any such appointees are eligible to attend Committee meetings but are not counted towards a quorum and only directors may participate in decisions.
9. The Chief Executive Officer, Chief Risk Officer, Head of Compliance, Company Secretary and any other Executive(s) or senior staff responsible for key aspects of enterprise-wide risk management are required to attend all Committee meetings.

Duties and Responsibilities

10. The duties and responsibilities of the Committee are:

10.1. General risk oversight and monitoring

- assist the Board in setting risk appetite and tolerance levels within management shall operate;
- assist management and the Board in identifying and considering strategic and operational risks and ensure that these risks are appropriately reflected in policies, plans and processes;
- monitor the effective implementation of the risk management strategy; and
- oversee risk culture and risk maturity at GMHBA including reviewing the results of the risk culture survey.

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10.2. Internal control and risk management

- oversee internal processes for determining and managing key risk areas;
- oversee the effectiveness of the internal control, risk management and performance management reporting systems, including the quality, type and presentation of risk-related information provided to the Board;
- liaise with the Audit Committee as appropriate to obtain comfort that:
 - internal controls identified as important to risk management are within the scope of the Audit Committee oversight; and
 - reports to the Audit Committee from internal or external auditors that identify material risks are shared with the Committee for its additional oversight.
- review and endorse to the Board (with support from an external expert if required) GMHBA's Disaster Recovery Plan and Business Continuity Plan;
- review and approve the Group Fraud and Corruption Policy, monitor GMHBA's exposure to fraud and review reports on any major frauds or thefts;
- review and approve the OH&S Policy and related Policies; and
- review and approve the Group Whistleblower Policy and oversee the effectiveness of the whistleblower program including assessing any disclosures received internally or through the external FairCall service.

10.3. Compliance

- monitor the effectiveness of GMHBA's approach to achieving compliance with laws, regulations, industry codes and Group policies;
- review any significant changes to legislative or regulatory requirements that impact compliance frameworks or systems;
- review regulatory correspondence on significant issues; and
- receive management reporting on relevant compliance topics .

10.4. Governance

- develop an annual work plan for the Committee.
- review the Committee Charter every two years or more often in the case of regulatory or other change.
- regularly evaluate the performance of the Committee.

Meetings

11. The Committee will hold at least four meetings per year, and such additional meetings as the Committee Chair shall decide are necessary for the Committee to fulfil its duties.
12. The Committee Chair is required to call a meeting of the Committee if requested to do so by any Committee Member, the Chief Executive Officer, the Chief Risk Officer or the Board.
13. The Company Secretary will act as Committee Secretary and is responsible, in conjunction with the Committee Chair and relevant executives, for preparing and circulating the agenda and meeting materials to Committee members, at least four working days prior to a meeting.
14. The Company Secretary will prepare minutes of each Committee meeting together with any major reports considered at those meetings, as well as a summary to be submitted to the next Board meeting for information.
15. Two members of the Committee constitutes a quorum.

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Access

16. The Committee shall have direct and unfettered access to the executives as set out above, as well as to the internal auditor and the Appointed Actuary, and those executives and others shall have direct access to the Committee via the Committee Chair.
17. The Committee may consult or retain independent experts where they consider it necessary to carry out their duties and in accordance with whatever arrangements are approved by the Board from time to time.

Other Matters

18. Where able to do so, Committee members will:
 - assist with bringing to the Committee information they may come across as to best practice in respect of risk management practices and procedures, or approaches to compliance; and
 - alert the Committee to any relevant emerging risks or changes to the environment in which the company operates of which they become aware.

Approved December 2022