



Version No. Effective Date Description of Changes Ref. No.
01 27/01/2012 Initial Introduction TOR/00

Terms of Reference

Risk Management Committee

1. Mission/Purpose
2. Objectives
3. Terms of Reference
4. Functions
5. Authority
6. Reporting

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Revision History

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00	April 27, 2012	Initial formulation	2012/00

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5.1. Membership

The initial members of the Committee are:

- 1. Mr. HUN CHANDREN, Executive Director, Chamroeun
- 2. Mr. THORP QUICHUOUT, GEAMF representative
- 3. Mr. Sophe SANN, Chief Executive Officer
- 4. Mr. Pheak THENG, Chief Operating Officer
- 5. Mr. Hany SASSA, Chief Finance Officer

The members of the committee shall be appointed by the Board of Directors.

The risk management committee should include an independent board member if possible.

There should be at least two board members and two executive managers of the institution among the members of the Committee. At least one member of the Committee shall have recent and relevant experience in finance.

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I. Purpose

The Risk Management Committee is established as a permanent committee of the Board. It has an advisory role to the Board.

Risk management is essential for achieving strategic goals, for effective management, for safeguarding assets, and for meeting legal and regulatory obligations. In light of this, the primary function of the Risk Management Committee is ensure that risk management steps are implemented and that both Chamroeun's management and the Board of directors are fully aware of the risks faced by the institution, the priorities, and steps involved in mitigating the said risks.

II. Role and Responsibility

Subject to the powers and duties of the Board, the Risk Management Committee will perform the following duties:

1. Identify and assess risks: ensure that the significant risks faced by Chamroeun have been identified, understood and assessed in terms of probability and impact;
2. Develop strategies to mitigate risks: confirm that strategies and policies are in place to manage risks, and that there is a plan and timeline for implementing those strategies;
3. Use risk management feedback mechanisms: these help continually reassess whether major risks are identified, monitored, and managed adequately. Hold management accountable for implementing the risk management strategies within the institution.

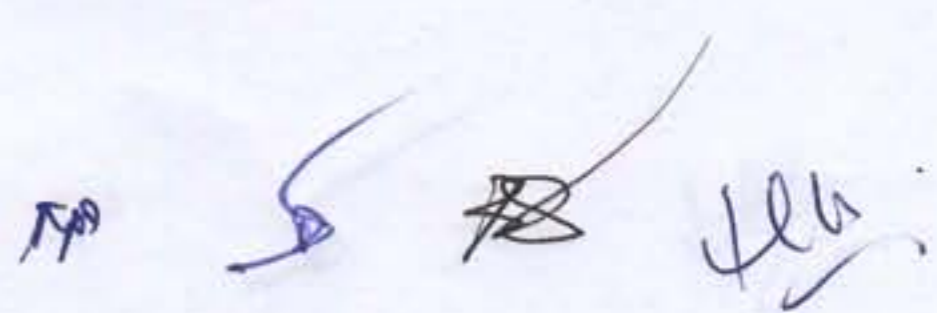
III. Detail

5.1. Membership

The initial members of the Committee are:

- | | |
|--|-------------|
| 1. Ms. Hélène KERAUDREN, Entrepreneurs du Monde representative | Chairperson |
| 2. Mr. Philippe GUICHANDUT, GCAMFF representative | Member |
| 3. Mr. Sophea SUON, Chief Executive Officer | Member |
| 4. Mr. Raksa PHENG, Chief Operating Officer | Member |
| 5. Mr. Romly SLESH, Chief Finance Officer | Member |

- a. The members of the committee shall be appointed by the Shareholders.
- b. The risk management committee should include an independent board member if possible.
- c. There should be at least two Board members and two executive managers of the institution among the members of the Committee. At least one member of the Committee shall have recent and relevant experience in financial





management. The number of members should not be less than four and not more than five.

- d. The Chairperson of the Committee shall be appointed by the Board, and preferably be an independent board member.
- e. The Committee may also invite the Internal Auditor and any relevant person to attend meetings but they have no right of vote.
- f. The mandate of members is two (2) years renewable.

5.2. Meeting Frequency

The conduct of meetings will greatly influence the ability of Committee members to achieve its risk management objectives.

- a. Meetings of the Committee shall be called by the Chairperson of the Committee at the request of any of its members.
- b. 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 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.
- c. Meetings of the Committee will be held as frequently as the Committee considers appropriate, but it will normally meet not less than quarterly before Board meeting.

5.3. Ground Rule

To conduct the Risk Management Committee's meetings effectively and efficiently, all members of the Committee should comply with the ground rules below:

- a. All members should actively and regularly participate in meetings and Committee activities.
- b. All members should complete action items properly and timely as appointed and agreed in the meeting.
- c. Every member is encouraged to contribute ideas and comments to ensure the success of the Committee's functions.
- d. Discussion is focused on the desired agenda item's outcomes and agreed action items are ensured.
- e. Chairperson should recap and clarify decisions and action items at the end of each agenda item

5.4. Quorum

- a. The meeting can be conducted with quorum at least 51% of committee members with the presence of the Chairperson.
- b. Voting voice on meeting results is effective in case of 50%+1 voices of all qualified members



5.5. Minutes

At the beginning of each committee meeting, the members present agree on who will take notes on discussions and decisions, and prepare the minutes.

- a. Minutes are complete, clear and concise, providing a summary of the issues, outcomes and actions with clear responsibilities and timelines attached.
- b. Draft minutes are provided to the chair at most five working days after meeting for review and approval and then sent to the members of the Committee within two weeks of the meeting.
- c. The minutes of meetings of the Committee shall be circulated to all members of the Committee and to the Chairperson of the Board, and made available on request to other members of the Board.
- d. The original meeting minutes must be kept with the Administrative Department for documentary and archiving purpose.
- e. The Chairperson should brief the board on significant issues.
- f. The minutes are signed by two members present at the meeting, including the Chairperson.

IV. Validity

- 6.1 These Terms of Reference will be amended according to real situation of operation.
- 6.2 These Terms of Reference are valid for official application from the date of acknowledgment and signature by the Committee members.

V. Acknowledgement

No.	Name	Position	Acknowledged and signed
1	Ms. Hélène KERAUDREN	Chairperson	
2	Mr. Philippe GUICHANDUT	Member	
3	Mr. Sophea SUON	Member	
4	Mr. Raksa PHENG	Member	
5	Mr. Romly SLESH	Member	