

## BOARD AUDIT AND RISK COMMITTEE CHARTER

### ***General***

The Board Audit and Risk Committee's (later the "Committee") duties are defined by the Corporate Governance, the Board Charter and this Audit and Risk Committee Charter approved by the Board.

The purpose of the Committee is to assist the Board in ensuring the appropriate arrangement of the governance, controls and risk management according to the Companies Act. A particular purpose of the Committee is to assist the Board in fulfilling its responsibility to oversee the Company's financial reporting process and risk management as described in the Corporate Governance Statement. In discharging its oversight role, the Committee is empowered to investigate any matter within its scope of authority, including access to external auditor's information and all records and personnel of the Company and it also has the authority to retain outside expertise for this purpose.

### ***Composition***

The composition of the Committee is determined by the Board of Directors. The Committee consists of the Chairman and at least two members which the Board selects amongst its members. The Board of Directors nominate the Chairman of the Committee. The Committee members shall be independent of the company and at least one member shall be independent of significant shareholders. The members of the Committee shall have the qualifications necessary to perform the responsibilities of the Committee, and at least one member shall have expertise specifically in accounting, bookkeeping or auditing.

### ***Duties of the Audit and Risk Committee***

To carry out its responsibility, the Committee shall, in particular, undertake the following activities

1. Financial reporting
  - a. review with the external auditor the annual financial statements and interim reports before submission to the Board for final decision, focusing particularly on: (i) any changes in accounting policies and practices, (ii) major judgmental areas, (iii) significant adjustments resulting from the audit, (iv) compliance with accounting standards, (v) compliance with stock exchange and legal requirements;
  - b. review with the external auditors the results of the audit;
  - c. review internal controls and monitor the effectiveness of the Company's procedures for internal control over financial reporting;
  - d. review the Company's key accounting policies and principles;
  - e. monitor the related party transactions and address any possible conflicts;
2. External audit
  - a. for the purposes of each Annual General Meeting and otherwise as necessary, prepare a resolution proposal to the shareholders as to the election and fees of the external auditor(s);

- b. define the scope of the external audit and review audit fees;
  - c. when needed meet separately with external auditors to discuss any matters that might be relevant for the controls;
  - d. review and confirm the independence external auditors, also in relation to the non-audit services;
  - e. review and evaluate the process of selecting external auditors and follow any regulatory changes regarding selection and rotation requirements;
3. Internal audit
- a. review the internal audit charter, audit activities and resourcing of internal audit function;
  - b. review and approve internal audit annual plan;
  - c. when need meet separately with the Internal Auditor to discuss any matters that the Internal Auditor or Committee deem necessary;
  - d. review major findings of internal investigations and management's response;
4. Risk management
- a. monitor the effectiveness of the Company's' risk based internal control system, make such recommendations as the Committee considers desirable and review the risk management related statements to be included in the financial reports;
  - b. monitor significant contractual, delivery, financial as well as balance sheet and liquidity risks, and related management actions;
  - c. review the Company's global insurance arrangements;
5. Legal, compliance and governance
- a. review major legal disputes and other legal matters together with the General Counsel of the Company;
  - b. monitor compliance with applicable external legal and regulatory requirements as well as the Code of Conduct of the Company with the Chief Compliance Officer;
  - c. when need meet separately with the Chief Compliance Officer to discuss any matters that the Chief Compliance Officer or the Committee deem necessary

### ***Meetings and Reporting to the Board***

The Committee meets regularly at least four (4) times per year. The Committee defines in the first meeting after the Annual General Meeting the annual calendar.

The Chairman of the Committee has the responsibility to lead the Committee's work and to ensure that the Committee attends to the tasks that fall within its authority.

The secretary to the Committee shall be nominated by the Board. Minutes shall be prepared for each meeting. The Committee reports on its work to the Board of Directors. The Chairman of the Committee presents to the Board a summary report of the Committee meeting. Furthermore, the minutes of the Committee meeting and material of the Committee is made available to the Board Members.

The Committee may invite to the meetings representatives of the management and external auditors, as the Committee may consider appropriate. The Committee is allowed to use external consultants and experts when necessary.

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Document owner: Chief Executive Officer

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