



R O Y A L
Z o o l o g i c a l
S O C I E T Y
of S.A. Incorporated

Terms of Reference Risk and Governance Committee v 3.0

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| Approved by | RZSSA Board |
| Approval date | December 2017 |
| Review date | November 2019 |

The **Risk and Governance Committee** is established as a committee of the Royal Zoological Society of SA Inc Board (RZSSA). This document shall be read in conjunction with the RZSSA Board Charter.

COMMITTEE'S GENERAL PURPOSE AND OBJECTIVE

The Board is responsible for RZSSA risk management and corporate governance. The Risk and Governance Committee's (RGC) purpose is to assist the RZSSA Board in its responsibilities for compliance, governance and risk management.

The Risk and Governance Committee (**RGC**) shall receive reports and make recommendations on matters including the:

1. Terms of Reference (TOR) and any Guidelines for the Board and related Board Committees
2. Board Charter and its application
3. Board's composition and effectiveness
4. Risk Management; and
5. Such other matters as may be determined by the Board.

The existence of this Committee does not relieve Board members of their responsibilities for these matters.

DUTIES & SCOPE

The purpose of RGC is to advise and lead the Board and CE of RZSSA on:

1. Governance

- Advising on good governance practices and its implications for the Board and Management's strategic initiatives
- Undertaking the Biannual review of the RZSSA Board Charter
- Assessing and planning for Board composition, structure and succession, including consideration of competencies and skills that :
 - The Board considers to be necessary as a whole,
 - The Board considers each existing Director possesses

- New nominee would bring to the boardroom
- Board Recruitment & Selection, in particular in relation to:
 - The number of board members as required by the constitution, including Board Appointed Board Members
 - Board Members' understanding and support of RZSSA's Purpose and Aspiration, their roles and responsibilities and the Board Charter,
 - Board Members' understanding and agreement to the time and participation requirements,
 - Elections and appointments to comply with the constitution and other legal requirements
- President
 - The committee will review the role of the President Biannually as outlined in the Board Charter
 - The Committee shall work with the Board, and the President as required, to ensure the Board is considering the issue of President and Vice President succession planning
 - Review of Board effectiveness assessment processes, recommending approaches for:
 - Board and Committee Evaluation
 - President Evaluation
 - Individual Director Evaluation
- Provide advice annually on nomination, induction and professional development of Board members and of the Board as a whole
- Board related Conflicts of Interest
- Be available to receive reports of, investigate, discuss and make recommendations in respect of breaches or suspected breaches of the Code of Conduct and Board Charter.
- Board and Board Committee Meetings
 - Assess the needs of Board and Board Committees in terms of the frequency of Board and Board Committee meetings, meeting agendas, discussion papers, reports and information, and the conduct of meetings, taking into consideration the results of the Board Evaluation. Make recommendations to the President and Board as required.
- An annual statement of governance practices for publication in the Annual Report, if required.

2. Remuneration

- The President to chair a Remuneration Sub-committee of the RGC with the support of a minimum two Board members of the Risk and Governance Committee.
- To review the performance, remuneration and employment contract for the CE.
- CE review on performance, remuneration and employment contract for each member of the Executive. To receive reports from these.

3. Risk Management and Compliance

- Reviewing the Risk Management Framework annually, with recommendations to the Board.

- Ensuring Zoos SA operates within the risk profile and risk tolerance approved by the Board, and reviewing the Chief Executive's and Director Corporate Services certifications and declarations to the Board.
- Regularly assesses reports covering key risk areas, including risk profiles.
- Monitoring effectiveness of Zoos SA's risk management processes, risk mitigation strategies and controls and reporting systems, including:
 - Internal processes for identifying, assessing, monitoring and managing key risk areas in line with the Board approved Risk Management Framework
 - Whether management has appropriate controls in place for transactions that may carry more than an acceptable degree of Risk.
- Enhancing awareness of risk management and risk minimisation throughout Zoos SA
- Approving key compliance policies and assessing their effectiveness over time
- Reviewing the effectiveness of RZSSA's systems, processes and controls to manage compliance and ensuring that legislative, regulatory, government and contractual obligations are met

Any material, strategic risk or opportunity related to Governance and Risk.

COMPOSITION

The Risk & Governance Committee shall comprise of a minimum of two Board Members, plus the Public Officer; as follows:

- One Board member, ideally with legal or corporate governance expertise to act as Chair
- One Board Member, to act as Deputy Chair
- Invited members with relevant expertise as determined by the Committee. The Committee may appoint others to assist it as necessary
- The Chief Executive in an ex officio capacity. The Chief Executive may invite other executives to attend when appropriate.

All Board members may attend meetings as observers.

ESSENTIAL CRITERIA

- Demonstrable experience in Corporate governance and / or sound business management
- Experience in developing Corporate Governance frameworks
- Strong leadership and consensus building skills
- Experience in operating with a strategic focus

The Committee shall be constituted as follows:

- (i) The Chair will be appointed to the Committee following the annual election of office bearers
- (ii) Should an external member of the Committee be required they shall be appointed as follows:

- a) At the Committee meeting immediately preceding the Annual General Meeting in each year those members having held office for two years or greater shall retire from office and be eligible for re-election
 - b) Nominations for membership of the Risk & Governance Committee shall be requested from existing members and the Board. Such nominations shall be made to the Risk & Governance Committee Chairperson.
 - c) Appointments to the Committee shall be endorsed by the Board, after consultation with the Committee.
 - d) Should a casual vacancy arise during the year, such vacancy may be filled in a consistent manner, at the discretion of the Chair of the Committee.
- (iii) The Board may remove any member of Committee at any time, at its sole discretion.
 - (iv) External members of Committee can resign at any time by giving up to three months' notice.

FREQUENCY OF MEETINGS

The Risk & Governance Committee shall meet a minimum of 2 times per year, with additional meetings at the discretion of the Committee Chair. Meeting schedule must allow for reports to be distributed with ZOOS SA Board Papers and per the Board's Meeting Schedule for the year as determined by the full Board. Meetings may be held by teleconference.

QUORUM

A quorum for meetings will be at least two members, one of whom is a Board member, not including Management.

MINUTES

The Chair will ensure that minutes of the Committee's and any recommendations are recorded. Agenda and Papers will be distributed five working days prior to the meeting where possible. Minutes will be circulated to all members of the Committee and to the Board. Minutes will be circulated to members prior to the next meeting of the Committee.

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| Associated Policies and Procedures | |
| References | RZSSA Board Charter, RZSSA Rules |