

JAIZ BANK PLC

BOARD INVESTMENT COMMITTEE CHARTER VERSION II

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INTRODUCTION

This Charter governs the work scope and principles governing the operations of the Investment Committee of Jaiz Bank Plc. (“The Committee”).

I. OBJECTIVE

The Investment Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Jaiz Bank (the "Bank") to assist the Board in fulfilling its oversight responsibilities with respect to identification and management of the Bank’s Investment Exposures on Enterprise-wide basis, monitoring the Bank’s responses to trends affecting Investment Exposures, Ensuring the adequacy of the allowance for Investment losses, and monitoring the Bank’s Investment policies and procedures subject at all times to relevant regulatory requirements.

The Committee acknowledges the corporate governance guidelines issued by the Central Bank of Nigeria, the Security and Exchange Commission, and other relevant regulatory provisions as they pertain to the foregoing objectives.

2. COMPOSITION

2.1 The Committee shall consist of not less than two (2) non-executive directors, and at least one (1) Executive Director all of whom shall be nominated by the Board. The Board shall consider the independence, financial literacy, accounting or related financial management expertise, entrepreneurial skills and other qualifications of prospective members of the Committee before nominating and appointing the members of the Committee.

The appointment and removal of Committee members shall be the responsibility of the Board.

Attending meetings by standing invitation are the Managing Director, Executive Directors, and Chief Risk Officer.

2.2 The members and the Chairperson of the Committee shall be appointed by the Board of Directors for a predetermined term and may serve any number of consecutive terms approved by the Board.

2.3 The Company Secretary of the Bank, or their nominee, shall act as Secretary of the Committee.

3. MEETINGS AND MINUTES

- 3.1 The Committee shall meet as often as necessary but not less than once in a quarter to carry out its responsibilities.
- 3.2 A meeting may be called by the Chairman of the Committee, or any member of the Committee.
- 3.3 A notice of time and place of every meeting of the Committee shall be given in writing to each member of the Committee at least two business days prior to the time fixed for such meeting, unless waived by all members entitled to attend.
- 3.4 Attendance of a member of the Committee at a meeting shall constitute waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.
- 3.5 A quorum for meetings of the Committee shall require a majority of its members, one of whom must be a non-executive director, present in person or by proxy.
- 3.6 If the Chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting will be chosen to preside by a majority of the members of the Committee present at that meeting.
- 3.7 Management representatives shall be invited to attend as necessary. Notwithstanding the foregoing, the Chair of the Committee may hold *in camera* sessions, without management present, whenever deemed necessary.
- 3.8 Decisions of the Committee shall be determined by consensus.
- 3.9 The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings.
- 3.10 Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee.
- 3.11 All information reviewed and discussed by the Committee at any meeting shall be referred to in the minutes and made available for examination by the Board upon request to the Chair.
- 3.12 A resolution approved in writing by the members of the Committee shall be valid and effective as if it had been passed at a duly called meeting.
- 3.13 Such resolution shall be filed with the minutes of the proceedings of the Committee and shall be effective on the date stated thereon or on the latest date stated in any counterpart.
- 3.14 The Committee, subject to the Board's approval, shall continuously review and modify its terms of reference with regards to, and to reflect changes in, the business environment, industry standards on matters of corporate governance, additional

standards which the Committee believes may be applicable to the Bank's business and the application of laws and policies.

4. DUTIES AND RESPONSIBILITIES

Subject to the detailed requirements of relevant regulations, the Committee is responsible for the following matters:

The primary role of the committee shall be to develop, monitor and review the efficiency of the Bank's Investment policies; therefore, the Committee shall:

- 4.1 on an ongoing basis review the appropriateness of the Bank's Investment Policy, products, processes and approving authorities and make any recommendations for Board approval as may be appropriate;
- 4.2 articulate the Bank's tolerances with respect to Investment Risk and oversee Management's administration of, and compliance with these policies;
- 4.3 periodically review Management's strategies, policies and procedures for managing investment risks, including investment quality administration, underwriting standards, and the establishment and testing of provisioning for credit losses.
- 4.4 Oversee Management's administration of the Bank's investment portfolio including Management's responses to trends in investment risk, investment concentration, and asset quality;
- 4.5 Coordinate as appropriate its oversight of investment risk with the Board Risk management Committee in order to assist the Committee in its task of overseeing the Bank's overall management and handling of risk;
- 4.6 Evaluate and approve all investment beyond the powers of the Executive Management;
- 4.7 Ensure that the Bank's investment portfolio is both quantitative and qualitative;
- 4.8 Evaluate and recommend to the Board all investments beyond its powers;
- 4.9 review and approve any changes in investment strategy and Plan that would lead to the disposal of the Bank's assets;
- 4.10 review and approve investment risk appetites and limits;
- 4.11 review proposals for investment recovery;
- 4.12 review Management Investment Committee (MIC) reports on the Bank's investment portfolio at least once every quarter;
- 4.13 undertake an annual review of the effectiveness of the Committee;

- 4.14 report to the Board on its consideration of the above matters, identifying those areas where action or improvement is needed, and making recommendations as appropriate;
- 4.15 consider such other matters as the Board requires or the Committee considers appropriate and to make recommendations or reports to the Board as appropriate;
- 4.16 to ensure the Chairman of the Committee or other designated member of the Committee attends the Annual General Meeting of the Bank and answer any questions, through the Chairman of the Board, on the Committee's activities and responsibilities; and
- 4.17 review the terms of reference of the Committee annually and propose any changes it considers appropriate to the Board.\

5. AUTHORITY

The Committee has the authority of the Board to:

- 5.1 Investigate any activity within its terms of reference.
- 5.2 Have direct access to such officers and employees of the Bank and to any other consultants or advisors, and to such information respecting the Bank it considers necessary to perform its duties and responsibilities.
- 5.3 Form and delegate authority to sub-committees, comprised of one or more members of the Committee as necessary or appropriate. The sub-committee will have the full power and authority of the Committee.

6. REMUNERATION OF MEMBERS OF THE COMMITTEE

The members of the Committee shall be entitled to sitting allowance, reimbursable travel and hotel expenses as approved by the Board.

7. MISCELLANEOUS

- 7.1 The Committee shall undertake an annual review of these terms of reference and recommend any changes needed to the Board of Directors its for approval.
- 7.2 The Board of Directors shall have the power at any time to revoke or override the authority given to or acts done by the Committee except as to acts done before such revocation and to terminate the appointment or change the membership of the Committee or fill vacancies in it as it shall see fit.