

ENQUEST PLC

(THE "COMPANY")

TERMS OF REFERENCE OF THE RISK COMMITTEE (THE "COMMITTEE") (approved at a meeting of the Board of Directors (the "Board") held on 14 March 2018)

1. TERMS OF REFERENCE TO BE MADE AVAILABLE

The Committee should make available these terms of reference, explaining its role and the authority delegated to it by the Board. (The requirement to make this information available would be met by making such information available on request and including these terms of reference and such explanation on the Company website).

2. MEMBERSHIP

2.1 The members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee. The Committee shall be made up of at least three members, the majority of whom shall be independent non-executive directors. The Risk Committee should involve participation by the Chairman of the Audit Committee.

2.2 The Board shall appoint the chairman of the Committee who shall be an independent non-executive director and determine the period for which they shall hold office. In the absence of the appointed Chairman of the Committee and/or an appointed deputy, the remaining members present shall elect one of their numbers to chair the meeting.

2.3 Appointments to the Committee shall be for a period of up to three years, which may be extendable for two further three year periods, so long as members continue to be independent.

3. SECRETARY

The Company Secretary or their nominee shall act as the secretary of the Committee.

4. MEETINGS

4.1 **Frequency:** The Committee shall meet at least three times a year and at such other times as the chairman of the Committee shall require.

4.2 **Right to attend:** No one other than the Committee chairman, its members and any other member of the Board is entitled to be present at a meeting of the Committee but other individuals may be invited to attend for all or part of any meeting as and when appropriate.

4.3 **Notice:** Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members. 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, 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.

4.4 **Quorum:** The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4.5 **Minutes:** The secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board unless a conflict of interest exists.

5. **DUTIES**

The Committee members are reminded of the overarching duties that they have as directors of the Company under the Companies Act 2006. In addition, they have the following specific duties as regards their membership of the Committee.

5.1 The Committee shall:

- undertake an in-depth analysis of specific risks in relation to the company, as may be requested by the Board or determined by the Committee from time to time
- support the implementation and progression of the Group's Risk Management framework
- conduct detailed reviews of key-nonfinancial risks not reviewed within the Audit Committee
- if requested by the Board:
 - advise the Board on the company's overall risk appetite, risk culture and risk tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and the company's strategic tenets
 - oversee and advise the Board on the current risk exposures of the company and future risk strategy
 - in relation to risk assessment and subject to overlap with the audit committee, keep under review the company's overall risk assessment processes that inform the Board's decision making
 - as required by the Board, set a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance
 - review the company's capability to identify and manage new risk types in conjunction with the audit committee
 - work and liaise as necessary with all other Board committees and undertake any additional risk related activities that the Board requests

6. **ANNUAL REVIEW**

The Committee shall, at least once a year, review its own performance, constitution and these terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

7. **REPORTING RESPONSIBILITIES**

7.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

7.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

7.3 The Committee shall compile a report on its activities to be included in the Company's Annual Report.

8. **AUTHORITY AND POWERS**

- 8.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 8.2 The Committee is authorised to obtain, at the Company's expense, any outside legal or other professional advice on any matters within its terms of reference and within any budgetary restraints imposed by the Board, to appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.