

**CREDIT & RISK COMMITTEE
TERMS OF REFERENCE**

The primary objective of the Board Credit & Risk Committee (CRC) at Trellis Housing Finance Limited (THFL) is to assist the Board in its duty to oversee the establishment of appropriate risk management frameworks that provides THFL with the capability to achieve its short- and long-term objectives.
The Credit & Risk Committee deals providing a framework for the management of risk, create awareness for identification and enable managers and those responsible for risk reporting, to better identify, assess and control risks within their areas

1.0	Composition
1.1	The CRC Committee shall be appointed by the Board of Directors (“Board”) from among their number and shall consist of not less than two (2) members.
1.2	The Chairman of the Committee shall be elected among the members of the Committee, who is not the Chairman of the Board and could be an independent director.
2.0	Quorum and Procedures of Meetings
2.1	Meetings shall be held not less than four (4) times in a financial year, although additional meetings may be called at any time by the Chairman upon the request of the external or internal auditors or at the Chairman’s discretion.
2.2	The quorum of meeting of the Committee shall consist of not less than two (2) members.
2.3	The Company Secretary shall act as Secretary of the Credit & Risk Committee.
2.4	The Committee may, as and when deemed necessary, invite other Board members, senior management personnel, representative(s) of the external auditors and internal auditors and external independent professional advisers to attend the meetings.
2.5	Minutes of each meeting shall be kept at the registered office and distributed to each member of the CRC Committee and also to the other members of the Board. The minutes of the CRC Committee meeting shall be signed by the Chairman of the said meeting or by the Chairman of the next succeeding meeting. The Chairman shall orally report on the proceedings of each CRC Committee meeting to the Board at the next Board meeting following the CRC Committee meeting.
3.0	Circular Resolution
	A resolution in writing signed or approved by letter, telefax or other written electronic communications by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be forwarded or otherwise delivered to the Secretaries and shall be recorded by the Secretaries in the minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members.

<p>4.0</p>	<p>Duties and Responsibilities</p> <p>The Credit & Risk Management Committee (CRMC) functions to oversee risk and to direct and shape lending activities by:</p> <ul style="list-style-type: none"> • Assessing and evaluating credit risk strategies. • Overseeing the formal development of credit policy and procedures. • Monitoring and assessing credit risk portfolio composition. • Evaluating risks under stress scenarios and tolerance level. • Evaluate the risk-return trade-offs. • Reviewing and evaluating various credit products. • Reviewing reports of credit review processes and asset quality. • Ensure compliance with regulatory requirements on credit risk management. • Establishing credit policies and corporate standards that conform to local regulations • Maintaining a sound, and an effective Risk Management architecture. • Participating in portfolio planning and credit loss forecasting. • Keeping aggregate credit risk well within the THFL’s risk taking capacity • Appointing Senior Credit Officers and grant credit approval authority to skilled and adequately qualified officers. • Supervise Risk Asset Review (RAR) process and provide guidance, direction to the Line Management to rectify portfolio and process anomalies. • Ensure the oversight and management of Trellis’s Environmental & Social Policy, by: <ul style="list-style-type: none"> ○ Requiring directors, managers, employees and contractors to understand their accountability and demonstrate leadership and commitment to the E&S Policy; ○ Ensuring Managers and Team Leaders implement the E&S Policy and are accountable for the E&S performance of their area of responsibility ○ Managers and Team Leaders inform Clients / Business Partners / Vendors of the E&S policy and procedures and ensure its compliance. <p>The Chairman, Credit Risk Management Committee is responsible for periodic reports to the Board. Such reports may include but are not limited to</p> <ul style="list-style-type: none"> • A summary of policy exceptions that represents significant policy exceptions. • Portfolio reviews emphasizing quality assessment, risk profiles, tenors, concentrations and any such excesses over limits. • Significant portfolio indicators and problem credits consistent with Board’s guidelines and regulatory requirements. • In the execution of its various responsibilities, the CRMC exercises its writ through the Risk Management Group, which for these functions directly reports, to the CEO
<p>5.0</p>	<p>Term of Office</p> <p>The term of office and performance of the Committee and each of its members shall be reviewed by the Board of Directors of the Company annually to determine whether the Committee and its members have carried out their duties in accordance with their Terms of Reference.</p>
<p>6.0</p>	<p>Review of the Terms of Reference</p> <p>The Committee shall review and assess the adequacy of this Terms of Reference on a periodic basis determined by the Committee or as and when necessary. Any proposed changes to the Terms of Reference shall be approved by the Board.</p>