



# GETWELL HEALTH SYSTEMS, INC.

## RISK OVERSIGHT COMMITTEE CHARTER

### I. Principal Purpose and Objective

The Risk Oversight Committee (the "Committee") oversees and manages the risk exposure of Getwell Health Systems Inc. (the "Corporation"), thereby assisting the Board of Directors of the Corporation (the "Board") in fulfilling its risk oversight responsibilities. The Committee is responsible for the oversight of the Corporation's enterprise risk management system to ensure its functionality and effectiveness.

### II. Composition and Chairperson

1. The Board has the sole authority to appoint the members of the Committee, its Chairperson, and its Vice Chairperson. The Board may also remove or replace any member of the Committee at any time for justifiable reasons.
2. The Committee shall be composed of at least three (3) non-executive members of the Board, a majority of which shall be independent directors, including the Chairman. The Chairman shall not be the Chairman of the Board, or any other board-level committee.

The Committee members must possess a range of expertise on risk management issues and practices and adequate knowledge of the Corporation's risk exposure. It shall have access to independent experts to assist in discharging its responsibilities. At least one member must have relevant thorough knowledge and experience on risk and risk management.

3. Each Committee member's tenure shall commence upon his/her appointment and shall continue until his/her voluntary resignation, the Board withdraws the appointment or he/she ceases to be an incumbent member of the Board.

### III. Meetings and Attendees

1. The Committee shall meet in person or through teleconference or videoconference, in accordance with applicable rules and regulations, every month or as frequently as considered necessary by the Committee. Meetings of the Committee shall be convened by the Chairperson as deemed appropriate or upon request of the majority of the members.
2. The Chairperson of the Committee presides over regular meetings, with the Vice Chairperson taking over in cases wherein the Chairperson is absent. Moreover, the Chairperson shall have the authority to:
  - a. Call for Committee meetings;

- b. Clear matters for inclusion in the meeting Agenda;
- c. Set deadlines for information required by the Committee; and
- d. Authorize the release of the Committee's meeting Minutes.

#### **IV. Voting and Quorum**

1. The presence of the majority of all members, either physically or through videoconferencing or teleconferencing as allowed by applicable regulations, shall constitute a quorum, provided that either the Chairperson or Vice Chairperson is among those present.
2. Voting on Committee matters shall be on a one member-one vote basis. Where a quorum is present, a majority vote of all members present shall constitute an official action of the Committee.

#### **V. Scope of Authority and Responsibility**

The Committee's scope of authority shall be in accordance with its principal purpose and objective herein set, and guided by the directives of the Insurance Commission.

The Committee shall monitor potential risks, advise the Board on such matters, recommend risk limits, oversee Management's adherence to the Board's risk limits, and report on the state of current exposures. In particular, the Committee shall:

1. Oversee capital planning and management.
2. Oversee the risk governance framework, ensuring that it is in place and properly implemented;
3. Approve and oversee the continuous development of policies and procedures on risk monitoring, management and control.
4. Consider and evaluate for the Board, the levels of risk appetite proposed by the various risk-taking units of the Corporation, and to ensure that these levels are commensurate to a decided risk-reward strategy;
5. Approve and periodically review the Corporation's system of limits covering performance and risk appetite, risk concentration, risk trends and risk tolerance levels;
6. Oversee adherence to risk appetite and compliance to established risk management policies and limits. The Committee shall ensure that the current and emerging risk exposures are consistent with the Corporation's strategic and overall risk appetite.
7. Oversee the system of limits to discretionary authority that the Board delegates to Management, and ensure that the system remains effective, that the limits are observed, and immediate corrective actions are taken when limits are breached;
8. Consider and periodically review products and product programs directly related to altering the make-up of the risk profile of the Corporation;

10. Oversee the risk management function. The Committee shall ensure that the risk management function has adequate resources including personnel, systems, and other risk management capabilities necessary for the conduct of sound risk management, and effectively oversees the risk-taking activities of the Corporation;
11. Oversee recovery plans. The Committee shall ensure that there is periodic review of the effectiveness of the risk management systems and recovery plans. It shall ensure that implementation is carried out on an enterprise-wide basis, and that corrective actions are promptly implemented to address risk management concerns.
12. Provide a forum for sharing strategic initiatives to ensure that the risk management function is able to address and support changes;
13. Delegate to Management certain authorities in the interest of instituting an efficient and responsive risk management infrastructure; and
14. Assume other responsibilities as are required by existing and future regulations, and/or delegated to it by the Board from time to time.

#### **VI. Reporting and Self-Evaluation**

1. The Committee shall report to the Board on a periodic basis its actions and dispositions, and with such recommendations as deemed appropriate or required.
3. The Committee shall maintain appropriate records (e.g., minutes of meetings or summary of matters reviewed and decisions taken) of its deliberations and decisions. Such records shall document the Committee's fulfillment of its responsibilities and facilitate the assessment of the effective performance of its functions.
4. The approved meeting Minutes of the Committee shall be reported to the immediately following Board Meeting for confirmation of actions requiring final Board approval.
5. The Committee shall perform an evaluation of its own performance at least on an annual basis, with the results communicated to the Board.

#### **VII. Charter Amendments**

The Committee shall assess the adequacy of this Charter every year and recommend changes thereto to the Board. The Board shall approve, review, and update this Charter whenever required.