

## SCHEDULE 3

### Finance, Audit and Risk Committee Responsibilities

The responsibilities of the Committee are to:

- 1 make recommendations to the Board on the appointment, remuneration and performance of the Society's external financial auditor;
- 2 meet independently with the external financial auditor at least twice each year, including discussion on audit planning, the draft audited accounts and the auditor's management letter;
- 3 review the Society's medium and long term business planning and strategy and make recommendations to the Board on any substantive changes;
- 4 review the adequacy of the Society's financial management, reporting and control systems and structures and their implementation, and review the Financial Management Policy periodically;
- 5 advise on the implementation of annual performance indicators and identify any areas for concern or action arising from the monitoring of these indicators;
- 6 ensure that all allegations of fraud and irregularity are properly investigated, and review the Anti-Fraud Policy periodically;
- 7 advise on the effectiveness of the Society's risk management systems;
- 8 scrutinise the assessment of key risks and the mitigation and management strategies associated with them;
- 9 review the Health and Safety Policy and the Data Protection Policy periodically;
- 10 liaise directly with the Society's investment managers, review benchmarking criteria, total return targets and risk levels and advise and make recommendations to the Board on all aspects of investment strategy;
- 11 regularly review the value, rental income and outgoings on the Society's properties and report on these and potential returns to the Board;
- 12 review the Investment Policy and the Reserves Policy periodically;
- 13 consider any other matters referred to it by the Board.