



CURRENCY EXCHANGE INTERNATIONAL, CORP.

RISK COMMITTEE CHARTER

As Approved by the Board of Directors on: January 22, 2025

Overview

Executive Sponsor	The Executive Sponsor of this Charter is the Senior Director, Corporate Governance.
Approvals	This Mandate shall be reviewed and approved by the Risk and the Board of Directors.
Review Cycle	This Mandate shall be reviewed at least annually.
Scope	This Mandate applies to Currency Exchange International, Corp

1. Mandate of the Risk Committee

The Risk Committee of Currency Exchange International, Corp. is responsible for assisting the Board of Directors in its oversight of the Corporation’s management of its significant, enterprise-wide risks, ensuring that management has in place policies, processes, and procedures to manage the significant risks to which the Corporation is exposed, including compliance with applicable laws and regulations.

The Committee is to understand the significant risks to which the Corporation is exposed, under the Corporation’s Risk Management Framework, and its 5 building blocks used by management to identify, assess, measure, monitor, report and treat these risks. The Committee reviews actions taken to ensure the Risk Management Framework is implemented and adhered to.

2. Definitions

- a) **Board:** the Board of Directors of the Corporation.
- b) **CEO:** the President/Chief Executive Officer of the Corporation.
- c) **Chair:** the Chair of the Board.
- d) **CRO:** the Chief Risk Officer of the Corporation.
- e) **CPO:** the Chief Privacy Officer of the Corporation.
- f) **CO:** the Compliance Officer of the Corporation.
- g) **CXI or the Corporation:** Currency Exchange International, Corporation.
- h) **GC:** the Governance Committee of the Board.
- i) **RAS:** the Risk Appetite Statement of the Corporation.
- j) **RC or Committee:** The Risk Committee of the Board.
- k) **RMF:** the Risk Management Framework of the Corporation.

3. Oversight of Risk Management:

The Committee will:

- a) Review, approve and recommend to the Board for approval, the Risk Management Framework, addressing the significant risks to which the Corporation is exposed and which are recommended by the Corporation's management;
- b) Review, approve and recommend for approval, the Corporation's RAS, at least annually on the recommendation of the Chief Risk Officer & Chief Privacy Officer;
- c) Review, approve and recommend to the Board for approval, the risk management policies.
- d) Review, at least annually, reports from the CRO/CPO and any other relevant management providing reasonable assurance that:
 - i) the oversight of risk management activities is independent from operational management ('1st line of defence'), adequately resourced and have the appropriate status and visibility throughout the organization;
 - ii) the risk management policies are being complied with, and if not, review and approve requests for exceptions or remedial action plans; and that practices are appropriate and effective in accordance with the risks of the Corporation;
 - iii) the controls respecting management of risks are operating effectively;
 - iv) the risk positions of the Corporation are in compliance with the delegated authorities and limits as detailed in the RAS and policies; and
 - v) the CRO/CPO has processes in place to assess the accuracy of any risk information and to assure the RC as to the objectivity of such risk information or analysis.
- e) Review, at least annually, reports from the CRO relating to the Corporation's programs, procedures and controls in place to treat its significant risks, including the monitoring of the Corporation's risk profile against the RAS, and a review of any exceptions to the RAS metrics;
- f) Review and approve as appropriate, immediately or as may be required, any material breaches or exceptions to the RAS or exceptions to the Risk Policies that require RC and/or Board approval;
- g) Receive presentations, regular reports and other information to understand the top risks and emerging risks to which the Corporation is exposed. This includes reviewing, on a quarterly basis, management's report on the identification of Top Risks and Emerging Risks and trends;
- h) Review and approve various items as may be required, including:
 - i) Annually reviewing and approving the business continuity and disaster recovery program;
 - ii) Annually reviewing the 3rd party arrangements;
 - iii) At least annually, reports from the Internal Auditor; and

- iv) Annually reviewing the Corporation's enterprise-wide stress testing results as part of the strategy formulation process
 - v) Review reports from management on the impact of incentive compensation on risk taking; and
 - vi) Review the risk impact of the Strategy and new business initiatives, including compliance with the Change Management Policy and the 3rd Party Risk Management Policy.
- i) In fulfilling its responsibilities, the RC will have unrestricted access to management and employees of the Corporation.

4. Oversight of the Risk Management Function:

The Committee shall oversee the Risk Management function, by carrying out the following:

- a) Review and approve, at least annually, the mandate of the CRO/CPO and the Risk Management function's mandate, resources (amount and type) and budget;
- b) Review and approve the appointment and, where necessary, the removal of the CRO/CPO;
- c) At least annually, assess the effectiveness of the Risk Management function and the CRO/ CPO;
- d) Conduct a benchmarking analysis of the Risk Management function with the assistance of an independent external advisor, on a periodic basis, as determined by the RC;
- e) Annually convey its view of the performance of the CRO/CPO to the Chief Executive Officer of the Corporation and the Governance Committee as input into the compensation approval process;
- f) Provide a forum for the CRO/CPO to raise any risk issues or issues with respect to the relationship and interaction between the Risk Management function and senior management, the Internal Auditors, the external auditor and the Corporation's regulators; and
- g) Ensure that the CRO/CPO has unfettered access and a functional reporting line to the RC.

Other Duties and Responsibilities Delegated by the Board: The RC will perform such other duties and responsibilities as may from time to time be delegated to the RC by the Board.

5. Oversight of Regulatory Compliance and Complaint Handling

- a) The Committee will establish procedures for:
 - i) the receipt, retention and treatment of complaints received by CXI regarding accounting, internal accounting controls or auditing matters; and
 - ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters¹.

¹ NI 52-110 s 2.3(7)

- b) Approve CXI's regulatory compliance management program and periodically assess the effectiveness of that program, including CXI's policies to adhere to Bank Secrecy Act/ Anti-Money Laundering/Office of Foreign Assets Control ("BSA/AML/OFAC") laws.
- c) Meet with the Compliance Officer, at least annually, to review CXI's compliance with applicable laws and regulations, correspondence from regulators, and the CO's report on the BSA/AML/OFAC program, including a report on its effectiveness.

6. Oversight of the Compliance Function

- a) The Committee shall, at least annually:
 - i) Review and approve the mandate for the Compliance Officer and the Compliance function;
 - ii) Review and approve the budget, structure, skills and resources of the Compliance function; and
 - iii) Review the performance evaluation of the Compliance Officer, with the input of the Governance Committee, and assess the effectiveness of the Compliance Officer and the Compliance function.
- b) The RC shall recommend to the Board for approval, the appointment and, when considered appropriate, the dismissal of the Compliance Officer, who shall have direct access to the RC.
- c) The RC shall review the periodic reports of Independent, State and Federal examiners including audit findings and recommendations at the conclusion of the exam to ensure business maintains in good standing with all regulatory authorities.

7. Membership and Composition

The RC shall be composed of a minimum of three (3) Directors who shall be appointed annually by the Board, on the recommendation of the Governance Committee. Each RC member shall:

- a) Not be an officer, retired officer or employee of the Company, its subsidiaries or affiliates;
- b) Be independent as designated by the Board in accordance with the Director Independence Policy; and
- c) Have an understanding of issues related to risk management, privacy or related business experience, or be willing or able to acquire the requisite knowledge within a reasonable period of time.
- d) At least one (1) RC member shall be knowledgeable in the risk management of financial institutions.
- e) Each member shall continue to be a member of the RC until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board may fill a vacancy that occurs in the RC at any time.
- f) The Board will appoint one (1) member of the RC as the Committee Chair. In his or her absence the RC may appoint another person provided a quorum is present.

8. Meeting Proceedings

- a) The Committee shall meet quarterly or more frequently as the RC may determine.
- b) The affirmative vote of a majority of the RC members participating in any meeting of the RC is necessary for the adoption of any resolution.
- c) A majority of RC members will constitute a quorum for a meeting of the RC.
- d) The RC will report to the Board on the matters considered at each RC meeting at the next scheduled Board meeting.
- e) The RC will meet in camera, without management present, as a component of each meeting.
- f) The RC may create one or more subcommittees and may delegate in its discretion, all or a portion of its duties and responsibilities to such subcommittees.
- g) The Corporate Secretary, or their designate, shall act as secretary at RC meetings. Minutes of the Committee meetings shall be records and maintained by the Corporate Secretary and subsequently presented to the RC for approval.
- h) The Committee shall on an annual basis:
 - i) Review and assess the adequacy of this Charter and, where necessary, recommend changes to the Board for its approval;
 - ii) Undertake a performance evaluation of the Committee comparing the performance of the RC with the requirements of this Charter; and
 - iii) Report the results of the performance evaluation to the Board of Directors.

9. Retention of External Advisors

The Committee has the authority, as it deems necessary to carry out its duties, to select, retain, terminate and approve the fees of any external advisor or consultant as it may deem necessary or advisable for its purposes.

10. Amendments to Risk Committee Charter:

- a) The Risk Committee is responsible for reviewing material changes to the Charter for recommendation to the Board.
- b) The Charter is reviewed at least annually, or more frequently, if required.