



UDG Healthcare plc
Risk, Investment & Financing Committee
Terms of reference

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairman of the Risk, Acquisitions & Finance Committee. All members of the Committee shall be non-executive directors. The Committee shall be made up of at least three members.
- 1.2 The Chairman of the Committee shall be appointed by the Board.
- 1.3 Members of the Committee, in addition to any other Non-Executive Director whose request to attend has been approved in advance, shall have the right to attend Committee meetings. Other individuals such as the Chief Executive, Finance Director, other Directors, General Counsel and external advisers may be invited to attend all or part of any meeting as and when appropriate.
- 1.4 All Directors shall have the right to discuss any matter of relevance with the Chairman.
- 1.5 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director remains a non-executive director.

2. Secretary

- 2.1 The Company Secretary, or such other person as the Committee shall consider appropriate, shall act as Secretary of the Committee.

3. Quorum

- 3.1 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 authorities, powers and discretions vested in or exercisable by the Committee. All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in quorum accordingly.

4. Notice

- 4.1 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be circulated to each member of the Committee and any other person invited to attend no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at that time.

5. Meetings

- 5.1 The Committee shall meet as required, but at least twice a year.
- 5.2 In the absence of the Committee Chairman the remaining members present shall elect one of themselves to chair the meeting.

- 5.3 All materials relevant to any Committee meeting shall be made available to all Directors and the availability of materials shall be communicated in advance to all Directors in the appropriate manner in each case, subject to any exceptions as may be deemed appropriate by the Chairman.
- 5.4 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 5.5 Minutes of Committee meetings shall be circulated to all members of the Board.

6. Annual General Meeting

- 6.1 The Chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions regarding the Committee's activities.

7. Duties

The Committee shall:

7.1 Risk

- 7.1.1 Review the Group's risk management systems and internal controls and in particular review the risk evaluation and risk management procedures and actions undertaken by the Risk Sub-Committee, to ensure relevant risks are identified and managed appropriately. The Committee will liaise with the Audit Committee regarding the review of financial risks and controls.
- 7.1.2 Recommend to the Board, the Group's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment drawing on financial stability assessments such as those published by the Central Bank of Ireland, UK Financial Conduct Authority and other authoritative sources that may be relevant for the Group's risk policies.
- 7.1.3 Consider and approve the remit of the Quality & Compliance function and ensure it has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.

7.2 Acquisitions and Disposals

- 7.2.1 Consider any potential acquisitions / disposals before expenditure is incurred, to ensure consistency with the Group strategy as agreed by the Board.
- 7.2.2 Consider, review and approve all potential acquisitions / disposals to be made by the Group, which have a consideration value of up to €50 million or foreign exchange equivalent. Acquisitions with a consideration greater than €50 million will go the Board for approval.
- 7.2.3 Post-Acquisition Reviews
- 7.2.4 Carry out one-year and three-year post acquisition reviews for all acquisitions to evaluate how the acquisition performed relative to projections on acquisition and how well integration and management plans were implemented.

7.3 Financing

- 7.3.1 Evaluate and approve proposed capital expenditure not exceeding \$10 million, or foreign exchange equivalent.
- 7.3.2 Evaluate financing proposals, including debt and equity financing, as they are developed with a view to making recommendations to the Board for their final approval.

8. Reporting Responsibilities

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

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

9. Other Matters

The Committee shall:

9.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance if required;

9.2 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Listing, Prospectus and Disclosure and Transparency Rules as appropriate;

9.3 be provided with appropriate and timely training, both in the form of an induction programme for new Committee members and on an ongoing basis for all members;

9.4 review its terms of reference and its own effectiveness on an annual basis; and

9.5 undertake other related duties as agreed with the Board.

10. Authority

The Committee is authorised by the Board to:

10.1 obtain, at the Group's expense, independent legal or other professional advice when the Committee believes it necessary to do so; and

10.2 seek any information that it requires from any employee of the Group in order to perform its duties.