

AuMake International Limited

Risk Committee Charter

1 Purpose and Authority

Purpose

- 1.1 The purpose of this Risk Committee Charter is to specify the authority delegated to the Risk Committee (“**Committee**”) by the board of directors (“**Board**”) of AuMake International Limited (“**Company**”) and to set out the role, responsibilities, membership and operation of the Committee.

Authority

- 1.2 The Committee is a committee of the Board established in accordance with the Company’s constitution and is authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the responsibilities set out in this charter and under any separate resolutions of the Board granted to it from time to time.

2 Role of the Committee

- 2.1 The role of the Committee is to assist the Board in carrying out its responsibilities, including oversight of:
- (a) the effectiveness of the Company’s system of risk management and internal controls.

3 Risk Responsibilities

Risk Management

- 3.1 The Committee is responsible for:
- (a) preparing a risk profile which describes the material risks facing the Company including financial and non-financial matters, and regularly reviewing and updating that risk profile;
 - (b) ensuring that the Company has an effective risk management system;
 - (c) assessing and ensuring that there are internal controls for determining and managing key risk areas, such as, for example:
 - (i) non-compliance with laws, regulations, standards and best practice guidelines including industrial relations, occupational health and safety, environmental and trade practices laws (as relevant to the Company from time to time);
 - (ii) important judgements and accounting estimates;
 - (iii) business licence requirements (as relevant to the Company from time to time);
 - (iv) litigation and claims;
 - (v) fraud and theft;



AuMake

International Limited

- (vi) conduct risk, digital disruption, cyber-security, privacy and data breaches, as well as economic, environmental and social risks (in each case, as relevant to the Company from time to time); and
- (vii) any other business risks as may be determined by the Board from time to time;
- (d) receiving reports concerning material and actual incidents or 'near misses' within the risk areas above, material breaches of Company policies relevant to the risk areas above and ensuring that macro risks are reported to the Board at least annually;
- (e) conducting investigations of breaches or potential breaches of any internal controls, and incidents within the risk areas above, particularly in relation to accounts and financial reporting;
- (f) assessing existing controls that management has in place for unusual transactions or transactions with more than an accepted level of risk;
- (g) assessing and monitoring matters related to the Company's risk appetite and risk culture (in each case, as determined by the Board), and making recommendations to the Board in relation to any changes that should be made in this regard (as may be applicable from time to time); and
- (h) overseeing the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business.

4 Membership

Composition and Size

The Committee will consist of at least three members.

Membership is reviewed periodically and re-appointment to the Committee is not automatic. Appointments and resignations are decided by the Board.

Chairperson

- 4.1 The chairperson of the Committee must be a non-executive director who is not the chairperson of the Board.
- 4.2 The chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the committee chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chairperson for the meeting.

Technical Expertise

- 4.3 The Committee must be structured so that, between them, the members of the committee should have the risk expertise and a sufficient understanding of the industry in which the Company operates, to be able to discharge the Committee's duties effectively.

Skills Development

- 4.4 If the Committee chairperson approves, a Committee member may attend seminars or training related to the functions and responsibilities of the Committee at the Company's expense.

Commitment of Committee Members

- 4.5 Committee members must devote the necessary time and attention for the Committee to carry out its responsibilities.

- 4.6 The company secretary is the secretary of the Committee.

5 Committee Meetings and Process

Meetings

- 5.1 Meetings and proceedings of the Committee are governed by the provisions in the Company's constitution regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.

Frequency and Calling of Meetings

- 5.2 The Committee will meet as frequently as required to undertake its role effectively. The chairperson must call a meeting of the Committee if requested by any member of the Committee or the chairperson of the Board.

Quorum

- 5.3 Two directors constitute a quorum for meetings of the Committee.

Attendance by Management and Advisors

- 5.4 The Committee chairperson may invite directors who are not members of the Committee, senior managers and external advisors to attend meetings of the Committee. The Committee may request management and/or others to provide such input and advice as is required.

Agenda and Documents

- 5.5 The chairperson of the Committee determines the meeting agenda after appropriate consultation.
- 5.6 The secretary distributes the agenda and any related documents to all Committee members and other attendees before each proposed meeting.

Access to Information and Advisors

- 5.7 The Committee has the authority to:
- (a) require management or others to attend meetings and to provide any information or advice that the Committee requires;
 - (b) access the Company's documents and records;
 - (c) obtain the advice of special or independent counsel, accountants or other experts, without seeking approval of the Board or management (where the committee considers that necessary or appropriate); and
 - (d) access and interview management and external auditors (with or without management present).

Minutes

- 5.8 The secretary will keep minute books to record the proceedings and resolutions of its meetings.
- 5.9 The chairperson of the Committee, or delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

6 Committee's Performance Evaluation

- 6.1 The Committee will review its performance from time to time and whenever there are major changes to the management structure of the Company.
- 6.2 The performance evaluation will have regard to the extent to which the Company has met its responsibilities in terms of this charter.

7 Review and Publication of Charter

- 7.1 The Board will review this charter periodically to ensure it remains relevant to the current needs of the Company. The charter may be amended by resolution of the Board.
- 7.2 The charter is available on the Company's website and the key features may be published in the annual report or a link to the governance section of the website provided.

Approved by the Board on 31 August 2020