



## **RISK MANAGEMENT COMMITTEE CHARTER**

### **I. Overview**

The Board shall establish a separate Enterprise Risk Management (ERM) Committee to assist the Board in ensuring that there is an effective and integrated risk management process in place to arrive at a well informed decision, taking into consideration the risk related to significant business activities, plans and opportunities.

### **II. Composition.**

The ERMC shall be composed of at least three directors, the majority of whom shall be non-executive.

### **III. Duties and Responsibilities**

The ERMC has the following duties and responsibilities, among others:

a. Develop and oversee the Company's formal enterprise risk management system which contains the following elements: (a) common language or register of risks, (b) risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;

b. Oversee the implementation of the risk management process and review regular management reports and assess how the concerned units or offices are addressing and managing the risks. Priority areas of concern are those risks that most likely to occur and to impact the performance and stability of the corporation and its stakeholders;

c. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The ERM Committee shall revisit risk management strategies to anticipate emerging or changing material exposures, and to stay abreast of significant developments that seriously impact the likelihood of harm or loss;

d. Advises the Board on its risk appetite levels and risk tolerance limits;

e. Reviews at least annually the company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment;



## **APEX MINING CO., INC.**

f. Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. and

g. Reports to the Board on a regular basis, or as deemed necessary, the company's risk appetite levels, risk tolerance limits, material risk exposures, the management actions

taken to reduce the risks, and recommend further action or plans, as necessary.

#### **IV. Committee Meeting**

The ERM Committee shall meet at least twice a year, and/or when necessary.

All ERM committee members are expected to attend each meeting in person or via teleconference or videoconference. The presence of the Chairman and another member of the committee shall constitute a quorum. The ERM Committee may invite members of management or others to attend meetings and provide pertinent information as necessary.

A notice of each meeting of the committee, confirming the venue, time and date, will be prepared and sent (via email or other electronic means) to all members of the ERM Committee, as well as members of the management, or others invited by the committee, at least two (2) weeks prior to the scheduled meeting.

Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

Minutes of meetings will be prepared, reviewed and approved by the members of the ERM Committee. Records of attendance will be included in the minutes.

The Chairman shall designate a person who keeps all minutes of the meetings and make these available for inspection by any member of the ERM Committee or the Board of Directors, as when requested.