

JD ORGOCHEM LIMITED

RISK MANAGEMENT

The risk management duties of the Committee are:

1. Assessment of the Company's risk profile and key areas of risk in particular.
2. Recommending to the Board and adopting risk assessment and rating procedures.
3. Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
4. Assessing and recommending to the Board acceptable levels of risk.
5. Development and implementation of a risk management framework and internal control system.

On an annual basis, agreeing with the Audit Committee which aspects of the internal audit are non-financial aspects to be monitored by the Committee.

1. In relation to the non-financial aspects of the internal audit:
2. Monitoring the progress of the Company's auditors against the audit plan;
3. Reviewing all relevant representation letters signed by management;
4. Discussing the results of the internal audit with the Company's auditors;
5. Inquiring if there have been any significant disagreements between management and the Company's auditors; and
6. Monitoring management's response to the Company's auditors' recommendations that are adopted.
7. Initiating and monitoring special investigations into areas of corporate risk and break-downs in internal control.
8. Reviewing the nature and level of insurance coverage.