

# Risk Management Policy



# RISK MANAGEMENT POLICY

VHM is committed to managing the effect of uncertainty (risk) in an integrated, systematic, transparent, and credible manner.

## Board Responsibilities

The Board is responsible for overseeing and approving risk management strategies and policies, internal compliance, and internal control.

The Board shall:

- oversee the risk management systems, practices, and procedures to ensure effective risk identification and management, and compliance with internal guidelines and external requirements;
- assist management to determine the key risks to the business and prioritise work to manage those risks; and
- review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

## Management Processes

VHM's process of risk management and internal compliance and control includes:

- formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls;
- identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks; and
- monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

Management will review and make recommendations to the Board in relation to:

- the adequacy of VHM's processes for managing risk;
- any incident involving fraud or other break down of VHM's internal controls; and
- the Company's insurance program, having regard to the business and the insurable risks associated with the business.

## Continuous Improvement

In all aspects of the business, continuous improvement in risk management performance will be a priority to ensure that:

- risk management activities are embedded in our practices and processes in a way that it is relevant, effective, and efficient;

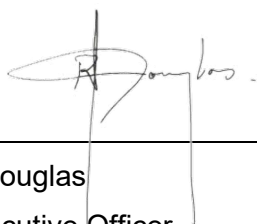


- accountabilities and responsibilities for managing risk are clearly understood;
- the necessary resources are made available to assist those accountable and responsible for managing risk;
- risk management processes are applied through risk management plans at all levels of the business;
- communication mechanisms with internal and external stakeholders are established to support and encourage accountability and ownership of risk; and
- risk management performance is measured, reported, reviewed, and continuously improved.

## Review

On an annual basis, VHM will review the effectiveness of our risk management systems across the Company's operations including environmental compliance, performance, and improvement in the operations of the business.

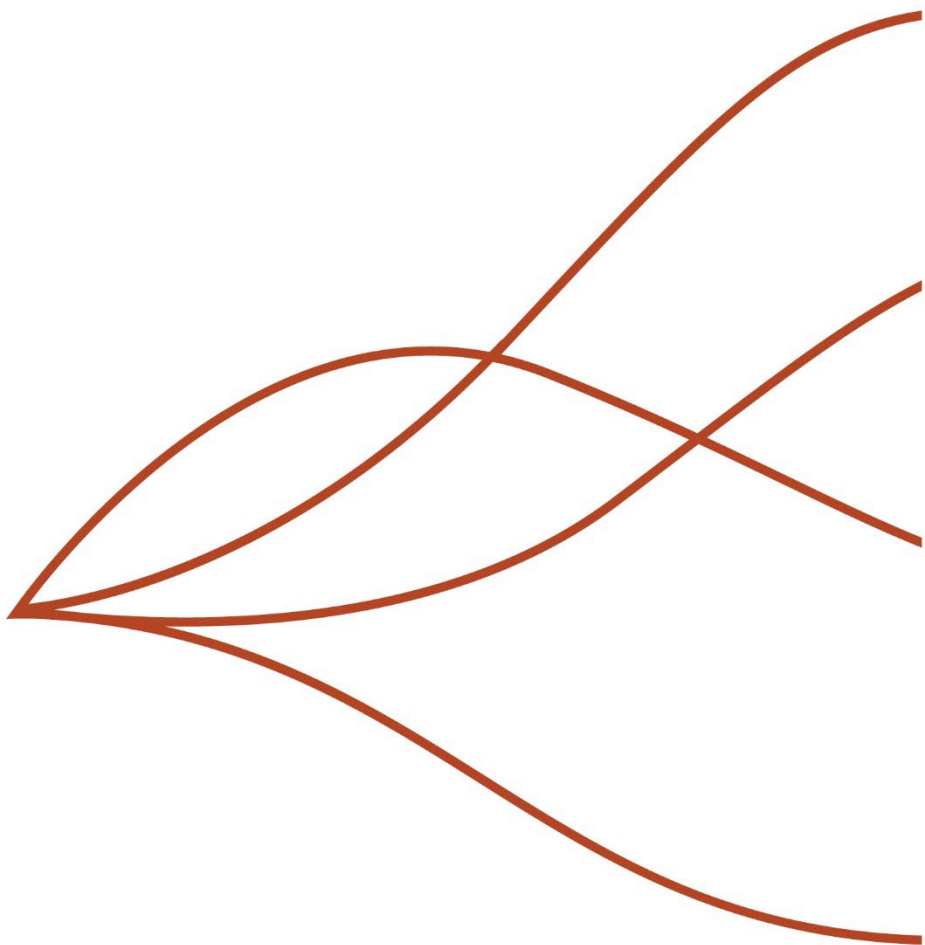
The Chief Finance Officer will certify to the Board that VHM's risk management and internal control system is operating efficiently and effectively in all material respects, and if necessary, outline changes to improve identified weaknesses.



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Mr Ron Douglas  
Chief Executive Officer

Approved by the Board (22 May 2024)



**VHM** Limited

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