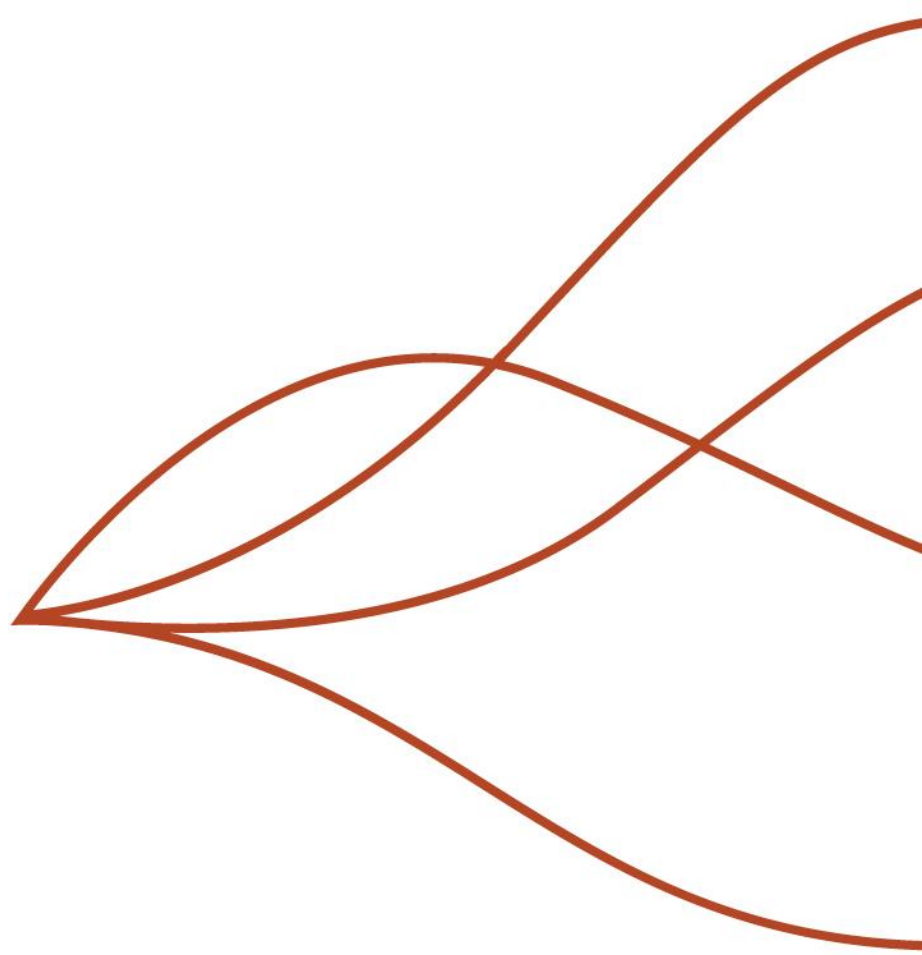




Risk Management Policy



1. Introduction

- 1.1. VHM Limited (“VHM”, the “Company”) is committed to managing the effect of uncertainty (risk) in an integrated, systematic, transparent, and credible manner.
- 1.2. This Policy applies to all material risks facing the Company, including but not limited to operational, financial, strategic, environmental and sustainability (ESG), health and safety, cyber security, and reputational risks.

2. Purpose

- 2.1. The purpose of the Risk Management Policy (the “Policy”) is to provide an overview of VHM’s consistent approach to risk management and includes setting our risk appetite, establishing the framework for risk identification, assessment, mitigation, control, monitoring and reporting of all our risks.
- 2.2. We must implement a robust risk management framework which enables us to be aware of, anticipate and mitigate any possible risks associated with the nature and scale of the industry in which we operate and to reduce the likelihood and impact of these risks occurring.
- 2.3. Risk management is a dynamic process which involves periodic review and use of these reviews to establish the appropriate processes to align with the levels of risk.
- 2.4. The benefits of effective risk management include fewer surprises, enhanced planning, improved management information for decision making and improved risk management. It also helps us promote a risk aware culture across the Company.

3. Risk Appetite

- 3.1. A critical element of our risk management framework is our risk appetite, which is the extent of willingness we take risks in pursuit of our business objectives.
- 3.2. Setting the risk appetite is the responsibility of the Board, in consultation with the Senior Management.
- 3.3. The Board and Senior Management monitor our risk appetite relative to our actual results to ensure an appropriate level of risk tolerance throughout the Company.
- 3.4. Our risk appetite statement is reviewed and approved by our Board on an annual basis, and it highlights our position for each risk categories.
- 3.5. Our risk appetite ratings are defined as follows:

Appetite	Definition
Zero Tolerance	Absolutely no appetite or tolerance for the specific risk. Taking all measures possible to avoid a negative outcome.
Low	VHM is prepared to invest time and cost in establishing the appropriate controls to minimise exposure to this risk. Immediate corrective action is required if the risk should materialise.
Moderate	VHM is prepared to accept exposure the risk within pre-defined limits or parameters. VHM is confident that appropriate controls are in place to manage the risk within defined tolerances to achieve our strategy, with capacity to deliver within budget.



Appetite	Definition
High	The Company is prepared to accept exposure to this risk to maximise the return and growth. Recognising that increased return requires an increased exposure to risk, carrying high residual risk.

4. Risk Governance

4.1. Overview

- 4.1.1. The ultimate responsibility for risk management and oversight of regulatory compliance rests with the Board.
- 4.1.2. The responsibility for day-to-day risk management has been delegated by the Board to our Senior Management.
- 4.1.3. In addition to this Policy, we have in place various compliance and operating procedures that are designed to ensure that business risk exposures remain at all times within our risk appetite and that compliance with these limits is monitored and reported.
- 4.1.4. The roles and responsibilities for our risk management are described in the sections below.

4.2. Board Responsibilities

- 4.2.1. The Board is responsible for overseeing and approving risk management strategies and policies, internal compliance, and internal control.
- 4.2.2. The Board shall:
 - a) oversee the risk management systems, practices, and procedures to ensure effective risk identification and management, and compliance with internal guidelines and external requirements;
 - b) assist management to determine the key risks to the business and prioritise work to manage those risks; and
 - c) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

4.3. Senior Management

In developing, implementing, and maintaining an effective risk management framework our Senior Management is responsible for:

- 4.3.1. Translating the risk management framework established/ approved by our Board into specific internal policies and procedures that can be implemented and verified within the different business units/functions.
- 4.3.2. Periodically advising our Board of the risks to which we might be exposed and recommending mitigation strategies and controls.
- 4.3.3. Periodically reviewing and providing recommendation to our Board on our risk management framework, including this Policy and our Risk Register considering all relevant risks to which we are exposed, our level of risk appetite, our current financial condition, and our strategic direction
- 4.3.4. Assign clear authority and accountability for managing risk, ensure appropriate reporting relationships, and allocate sufficient resources to effectively manage material risks in line with our risk appetite.



- 4.3.5. Coordinating risk reporting from risk owners.

4.4. Risk Owners

- 4.4.1. Ensure risk is managed effectively within the agreed strategy and controls and report to the Senior Management on a periodic basis.
- 4.4.2. Identify individual risks affecting their business function/ activities, ensure these are recorded in the Risk Register and that appropriate controls are in place to manage those risks.
- 4.4.3. Continually monitor the adequacy and effectiveness of all control measures and report to the Senior Management on a periodic basis.

4.5. Internal Assurance

- 4.5.1. VHM does not currently operate a standalone internal audit function. However, assurance over the effectiveness of internal controls and risk mitigation strategies is provided through periodic reviews by the CFO, risk reviews conducted by risk owners, and external advisors where appropriate

5. Risk Management Processes

- 5.1. VHM's process of risk management and internal compliance and control includes:
- a) **Risk Identification**- formulating risk management strategies to identify risks and designing and implementing appropriate risk management strategies and internal controls. While each risk identified may be important us, we prioritize our key risks which allows our Senior Management and Board to focus on these key risks;
 - b) **Risk Assessment**- 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
 - c) **Risk Treatment**- A risk treatment plan can consist of one or more treatment methods. We will consider selecting the most appropriate risk treatment mix which strikes the best balance between being affordable and effective.
 - d) **Risk Monitoring** -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.
- 5.2. Senior Management will review and make recommendations to the Board in relation to:
- a) the adequacy of VHM's processes for managing risk;
 - b) any incident involving fraud or other break down of VHM's internal controls; and
 - c) the Company's insurance program, having regard to the business and the insurable risks associated with the business.

6. Risk Register

- 6.1. The elements of the Risk Register are:
- a) **Nature of Risk:** Outlines the key business risks relevant to the actual business of VHM. Given VHM's risk appetite, these risks are reviewed on an on-going basis through management discussions and review analysis of annual budget and planning documents. The frequency of the review process by the risk owners will be detailed in the Risk Register. Unexpected control failures or events outside of management's control will introduce new



risk exposures from time to time for which the Risk Register will be reviewed and updated accordingly.

- b) **Likelihood:** Risk assessment based on the likelihood of the risk event occurring.
- c) **Impact:** Risk assessment based on the severity of the risk if it were to materialise.
- d) **Inherent Risk:** The risk that an activity would pose if no controls or other mitigating factors were in place (also referred as “Gross Risk” without any controls in place)
- e) **Mitigating Controls or Strategies:** Outlines the procedures, systems and controls in place to mitigate the Inherent Risk. Such mitigating factors must be capable of an audit or assessment, which would be carried out either by the Risk Team or by relevant risk owners.

6.2. Residual Risk: It is the assessment of risks that remains once the mitigating factors are considered (Low Risk, Medium Risk, High Risk or Critical Risk).

6.3. Risk Appetite: The amount (appetite) of risk VHM is willing to take, in line with the approved Risk Appetite Statement.

7. Continuous Improvement

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

- a) risk management activities are embedded in our practices and processes in a way that it is relevant, effective, and efficient;
- b) accountabilities and responsibilities for managing risk are clearly understood;
- c) 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;
- d) communication mechanisms with internal and external stakeholders are established to support and encourage accountability and ownership of risk; and
- e) risk management performance is measured, reported, reviewed, and continuously improved.

8. Review of the Policy

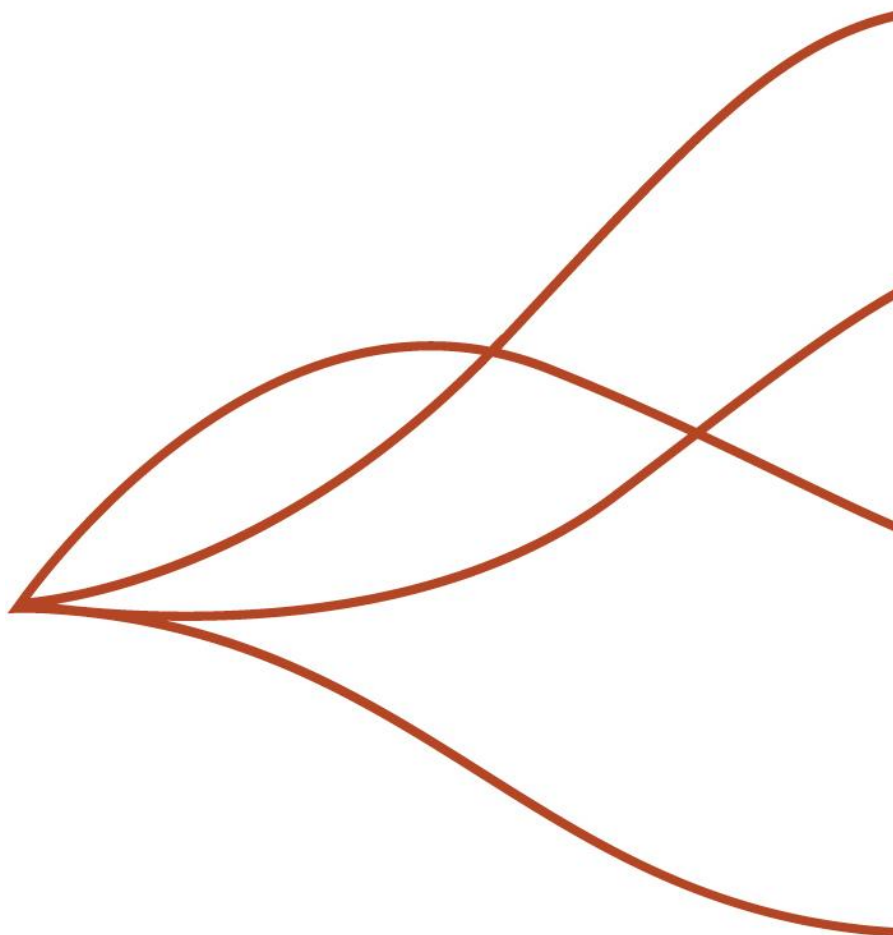
8.1. On an annual basis, the Board will review the effectiveness of our risk management systems across the Company's operations including environmental compliance, performance, and improvement in the operations of the business.

8.2. The Chief Financial 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.

8.3. The Policy will be available on the Company's website within a reasonable time after any such updates or amendments have been approved



Approved by the Board (22 September 2025)



VHM Limited
ABN 58 601 004 102