

# Risk Management Policy

## Purpose

1. The policy explains GammaTec NDT Supplies' underlying approach to risk management and documents the roles and responsibilities of the key parties. It also outlines key aspects of the risk management process and identifies the main reporting procedures.

## Role of Key Staff and Volunteers

2. The roles of key staff and volunteers is to implement policies on risk management and internal control.

## Risk management as part of the system of internal control.

3. The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling GammaTec to respond to a variety of operational, financial, and commercial risks. These elements include:
  - a. **Policies and procedures**  
Attached to fundamental risks are a series of policies that underpin the internal control process. The policies are implemented and communicated to staff. Written procedures support the policies where appropriate.
  - b. **Reporting.**  
Comprehensive reporting is designed to monitor key risks and their controls. Decisions to rectify problems are made at regular meetings of the Board.
  - c. **External audits and Third Party reports.**  
External audits provide feedback to the Board on the operation of the internal controls reviewed as part of the annual audit.  
From time to time, the use of external consultants will be necessary in areas such as health and safety and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system
  - d. **Risk Management Process.**  
GammaTec operates a risk management process/framework as follows:
    - Evaluate identified risks using risk assessments
    - Manage risks through application of risk management techniques
    - Record and monitor risks using risk registers
    - Assign responsibility for risks to appropriate personnel.Risk identification is not an annual process. Staff members are encouraged to report and update risk registers and carry out assessments throughout the year.

## Annual review of effectiveness

4. In making decisions the following aspects will be considered.
  - a. **Control environment:**
    - GammaTec's objectives and its financial and non-financial targets
    - Organisational structure and caliber of the staff/key volunteers
    - Culture, approach and resources with respect to the management of risk
    - Delegation of authority
  - b. **On-going identification and evaluation of fundamental risks**
    - Timely identification and assessment of fundamental risks
    - Prioritisation of risks and the allocation of resources to address areas of high exposure.
  - c. **Information and communication**
    - Quality and timeliness of information on fundamental risks
    - Time it takes for control breakdowns to be recognised or new risks to be identified.
  - d. **Monitoring and corrective action:**
    - Ability of GammaTec to learn from its problems
    - Commitment and speed with which corrective actions are implemented.



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