

## **ENTERPRISE RISK MANAGEMENT POLICY EURO-MED LABORATORIES PHIL., INC.**

The Board acknowledges its responsibility for the Company's system of internal control and reviewing its adequacy and effectiveness. The Enterprise Risk Management Policy is designed to identify potential events or risks that may significantly affect the Company's ability to achieve its strategic goals and maintain its operations and assess the level of risk tolerance.

The Audit and Risk Oversight Committee shall assist the Board of Directors on risk oversight matters and/or its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Corporation's process for monitoring compliance with laws and regulations and the code of conduct.

Euro-Med placed an internal audit system, which purposely to conduct an independent and objective internal audit activities in a systematic and disciplined approach. This will help to ensure that the Corporation's resources are used efficiently and effectively while helping to achieve its mission. Internal Audit is authorized to conduct a comprehensive internal audit program and is responsible for keeping the Board and Management informed of unusual transactions of other matters of significance. The Internal Auditor may recommend cost effective courses of action for management to consider in improving efficiencies that have been identified during the audit.