



Risk Management Policy

Introduction

This document sets out the risk management policy (“**Policy**”) of the group comprising Starpharma Holdings Limited and its controlled entities (collectively “**Starpharma**” or “**Company**”).

The Starpharma Board is committed to a proactive approach in managing material business risks, and aims to ensure that effective risk management practices are a key element of the Company’s culture and in the way activities are carried out at all levels in the Company.

Starpharma operates in a challenging and dynamic environment, and risk management is viewed as integral to realising new opportunities as well as identifying issues that may have an adverse effect on the Company’s existing operations and its sustainability. The Board and management recognise the importance of effective risk management in enabling the Company to fully capitalise on the opportunities available, as well as in mitigating potential loss.

Responsibilities and Authorities

The allocation of risk management responsibilities and authorities across the following levels of the Company is as follows:

- The Board as set out in the Board Charter;
- The Audit and Risk Committee as set out in the Committee’s Charter;
- The Chief Executive Officer and Chief Financial Officer/Company Secretary are responsible to the Audit and Risk Committee and Board for the overall implementation of risk management strategies, for reporting on risk to the Board and managing those risks;
- The Management Team are responsible for identifying, assessing and monitoring business risks, and ensuring recommended controls identified are implemented; and
- All Employees are responsible for identifying, assessing and reporting business risks relevant to their role, and recommending to management, and implementing, controls requested by them.

Risk Management Approach

Starpharma’s risk management approach includes:

- Risk Profile and Identification – developing and maintaining a profile of risk assessment and control, summarising material risks and actions proposed to effectively manage and control identified risks;
- Risk Analysis – using a range of tools and techniques, including quantitative or qualitative assessment or a combination as applicable;

- Risk Appetite Evaluation – to determine whether the level of risk is acceptable or unacceptable and to give priority to risks that have the greatest potential for organisational impact;
- Risk Treatment – applying a hierarchy of control to each risk; and
- Monitor and Review – maintaining a risk register summarising all identified material risks, and providing it to the Audit & Risk Committee and/or Board at least annually.

The Policy identifies areas of risk currently relevant to Starpharma's operations, including, but not limited to the following:

- Strategic
- Operational & Financial
- Legal & Regulatory
- Research & Development
- Product
- Commercial & Intellectual Property
- Health & Safety

Review

This Policy was last reviewed and approved by the Board on 25 March 2020 and will be reviewed periodically to ensure it continues to comply with applicable laws and regulations and remains relevant and effective.
