



Imagination Biosystems Limited

Risk Management Statement

Risk Management Statement

1. Risk Management Statement

Imagion Biosystems Limited (**Company**) is committed to establishing a sound system of risk oversight and management and internal control to identify, assess, monitor and manage material risks related to the conduct of the Company's activities.

Our aim is to:

- continually improve the management of risk;
- better understand the reward-to-risk balance; and
- reduce the risks to acceptable levels.

Wherever we operate we will develop, implement and maintain management systems for all material risks that enable us to:

- identify, assess and manage risks in an effective and efficient manner;
- make decisions based on a comprehensive view of the reward-to-risk balance;
- provide greater certainty of the delivery of objectives; and
- satisfy our corporate governance requirements.

We will do this by:

- implementing a comprehensive and systematic risk assessment and reporting process across the organisation;
- integrating the outputs of risk specialist functions to provide a holistic view of the risks associated with our business activities; and
- embedding risk management into the business. The level of risk control will be balanced by our continued encouragement of enterprise and innovation, with corporate governance being exercised through the regular measurement and reporting of our risk management processes.

2. Risk, control and assurance framework and responsibilities

The Company maintains a system of risk oversight, risk management and internal control over material business risks, including the accuracy of financial reporting. This is designed to provide reasonable assurance in all material respects of the implementation of the Board's financial reporting policies, the integrity of the Group's financial reporting and management of its material business risks within the Board-approved risk appetite. Similarly, the compliance management systems provide the same underpinning for the oversight and management of material compliance risks.

1. Responsibility

Responsibility for risk management is shared across the Company.

2.1 Board of Directors

The Board has overall responsibility for the Company's Risk Management systems. Specifically, the Board is responsible for reviewing, at least annually, the policies and procedures on risk oversight and management and satisfying itself that any service provider to the Company have has developed and implemented a sound system of risk management and internal control to meet prudential and statutory requirements.

The Board is also responsible for approving this Risk Management Policy and determining the overarching Risk Appetite of the Company.

2.2 Audit & Risk Management Committee

The ARMC assists the Board by overseeing the group's risk profile and is responsible for overseeing management's actions in the identification, management and reporting of material business risks.

3. Review

This policy will be reviewed annually or earlier if required by a change in circumstances and may be amended by resolution of the board.

This Risk Management Statement was approved by the board on or about 3 May 2017.