



Group Policy: Risk Management

Synthomer is committed to effective risk management as an integral part of its business activities. Key objectives are to ensure that its business objectives are not hindered by reasonably foreseeable threats and to comply with the Synthomer plc requirements which follow the UK Corporate Governance Code and the rules of the UK Listing Authority.

The Chief Executive Officer of Synthomer, supported by the Executive Committee, has overall responsibility for providing assurance to the Board that sufficient measures have been implemented within the Group to meet the risk policy.

Primary responsibility for risk management lies with the respective Executives' and their teams.

Specifically, we will:

- ▶ Identify significant risks to operating units and corporate functions from internal and external influences;
- ▶ Implement suitable and sufficient measures to eliminate or control significant risks where possible;
- ▶ Conduct appropriate monitoring to provide assurance about the satisfactory implementation of control measures;
- ▶ Prepare management reports on key risks, their control measures and impacts;
- ▶ Require the risk assessment to be reviewed twice annually to ensure the risk profile is kept up to date and reasonably reflects the climate in which Synthomer operates.

A handwritten signature in black ink, appearing to read "Neil Johnson", written over a horizontal line.

Neil Johnson
Chairman
Synthomer plc
January 2015

A handwritten signature in blue ink, appearing to read "Calum MacLean", written over a horizontal line.

Calum MacLean
Chief Executive Officer
Synthomer plc
January 2015