



Audit and Risk Committee Charter

The company has established an Audit and Risk Committee (“Committee”) to assist the Board in fulfilling its corporate governance responsibilities in respect of corporate reporting and risk matters.

1. Membership

- 1.1 The Committee is to be appointed by the Board.
- 1.2 The Committee is to consist of:
 - 1.2.1 Only non-executive directors;
 - 1.2.2 At least three members (“Members”); and
 - 1.2.3 A majority of independent non-executive directors.
- 1.3 The Chairman of the Committee (“Chairman”) is to be an independent non-executive director who is not Chairman of the Board, and is to be appointed by the Board.
- 1.4 The Committee should be of sufficient size and independence, and its members between them should have the accounting, financial and risk-management related/technical expertise as well as a sufficient understanding of the biotechnology industry to be able to discharge the Committee’s mandate effectively.

2. Meetings

- 2.1 The Committee shall meet at least twice each financial year (“Meetings”).
- 2.2 The Committee is to meet as requested by the Board, the Chairman or the external auditor.

3. Attendance at Meetings

- 3.1 Directors of the company, other than Members of the Committee, are welcome to attend Meetings as visitors. Management and third parties may be invited by the Committee to attend Meetings.

3.2 The Company Secretary or such other person as nominated by the Board will act as Secretary of the Committee.

4. Role of the Audit and Risk Committee

The role of the Audit and Risk Committee is to review and make recommendations to the Board in relation to:

- 4.1.1 the annual report, the half-year financial report and financial forecasts or guidance released to the market;
- 4.1.2 the effectiveness of the organisation's internal control environment covering:
 - 4.1.2.1 effectiveness and efficiency of operations,
 - 4.1.2.2 reliability of financial reporting, and
 - 4.1.2.3 compliance with applicable laws and regulations.
- 4.1.3 the adequacy of Starpharma's corporate reporting processes;
- 4.1.4 whether the entity's financial statements reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the entity;
- 4.1.5 the appropriateness of the accounting judgements or choices exercised by management in preparing the entity's financial statements;
- 4.1.6 the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit and assessment of performance;
- 4.1.7 the independence and competence of the external auditor on an ongoing basis and the rotation of the audit engagement partner;
- 4.1.8 any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor;
- 4.1.9 related party transactions and assessing their propriety;
- 4.1.10 monitoring of statutory compliance and ethics programs;
- 4.1.11 its assurance that the Board is receiving adequate, up to date and reliable financial and risk related information;
- 4.1.12 matters relevant to the committee's role and responsibilities;
- 4.1.13 the adequacy of Starpharma's processes for managing risk;
- 4.1.14 any incident involving fraud or other breakdown of Starpharma's internal controls;

- 4.1.15 Starpharma's insurance program, having regard to its business and insurable risks associated with its business;
 - 4.1.16 its review of material exposures to economic, environmental and social sustainability risks, and if such risks are identified, recommendations on ways to manage those risks;
 - 4.1.17 matters relevant to the Committee's role and responsibilities; and
 - 4.1.18 any other matter referred to it by the Board from time to time.
- 4.2 The Committee will oversee the effective operation of the risk management framework by:
- 4.2.1.1 ensuring the effective implementation of the risk management policy and program;
 - 4.2.1.2 defining risk threshold levels for referral to the Board;
 - 4.2.1.3 ensuring that an effective system of internal compliance and control is in place;
 - 4.2.1.4 ensuring staff charged with risk management responsibilities have appropriate authority to carry out their functions and have appropriate access to the Audit and Risk Committee; and
 - 4.2.1.5 ensuring the allocation of sufficient resources for the effective management of risk.
- 4.3 The Committee shall review Starpharma's risk management framework at least annually to satisfy itself that it continues to be sound.

5. Fulfilling the Audit and Risk Committee's Role

- 5.1 In fulfilling its responsibilities, the Audit and Risk Committee:
- 5.1.1 receives regular reports from management and the external auditors;
 - 5.1.2 reviews the processes the CEO and CFO have in place to support their certifications to the Board;
 - 5.1.3 reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved;
 - 5.1.4 has the opportunity to meet separately with the external auditors at least twice a year without the presence of management; and
 - 5.1.5 provides the external auditors with a clear line of direct communication at any time to either the Chairman of the Committee or the Chairman of the Board.

6. Authority and Resources

- 6.1 Starpharma is to provide the Committee with adequate resources to undertake its duties, including provision of educational information on accounting policies, financial and risk related topics relevant to the Company.
- 6.2 The Committee has the power to conduct or authorise investigations into any matter within the Committee's role or function. This includes a right to obtain information and interview management and auditors (with or without management present).
- 6.3 The Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisers.

7. Performance Assessment

- 7.1 A performance assessment of the Committee will be undertaken annually.