



Synergicon Information Systems Plc.
and its subsidiaries

Principles of Risk Management

Version number: 4.0
08.04.2009

Synergicon Information Systems Plc.
Chief Executive Officer



Synergicon
System Integrator Ltd.
Managing Director



Synergicon Retail
Systems Ltd
Managing Director



FIBEX Ltd.
Managing Director



Changes in this issue;

- independent internal auditor
- personnel change in the position of the Chief Executive Officer

I. DOCUMENT OBJECTIVE AND SCOPE OF APPLICATION

The Risk Management Principles constitute part of Synergon Information Systems Plc.'s "Corporate Governance Principles" and aim at consolidating the principles and guidelines which summarize the regulations containing the methods of managing the risks which arise or are reasonably presumable at the different levels of the Company, the related responsibilities and activities in one document. The 'Risk Management Principles' and the related 'Risk Management Application Manual' form the bases of all the external and internal audit activities, consequently, these shall be continuously supervised (at regular intervals) within the constantly changing market and economic environment as well as the changing activities, products and actual organisational conditions. This responsibility shall be assumed universally by all the organisational units performing controlling or supervisory activity in line with the Risk Management Principles (in the event of an external organisation there is a recommendation obligation).

II. RISK MANAGEMENT PRINCIPLES

- The Audit Committee supervises the comprehensiveness, operability and efficiency of Synergon Information Systems plc.'s controlling mechanisms.
- The Audit Committee is a body of three competent external members of the Supervisory Board.
- The Audit Committee's activity is stipulated partly by the valid legislative provisions and – being a Plc. – the Corporate Governance Principle related recommendations of the BET /Budapest Stock Exchange/ shall also be taken into consideration. The Company shall prepare a detailed public report and publish a detailed statement regarding the realization of the above mentioned.
- The Audit Committee shall treat the practical application and operating efficiency of the risk management mechanisms detailed in this present 'Risk Management Principles' and the related 'Risk Management Application Manual' preferentially as part of the internal controls. The Audit Committee's tasks are otherwise contained in the current 'Corporate Governance Principles'.
- The list of the regulatory, audit and controlling mechanisms in operation at Synergon Information Systems Plc. constitutes an appendix to the Risk Management Application Manual.
- The identification, grouping and evaluation of risks shall be performed by a standing Risk Team, which is independent of the Audit Committee, and the composition of which is based on the representation of competences in relation to the major risk groups. If necessary, the Risk Team shall make a recommendation towards Synergon plc.'s Chief Executive Officer (with the parallel notification of the Audit Committee), who elaborates an action plan on the basis of this.
- The members of the management are also entitled to record risks in the dedicated electronic database. The further procession and evaluation of these are performed by the Risk Team.
- The Action Plans, together with all the Critical Risks related data, shall be forwarded to the Audit Committee, which in turn shall supervise the efficient implementation of the measures.
- The Risk Team registers the risk related data in the Risk Database which is accessible in a regulated manner on the internal network:
 - the description of certain risks as consequences
 - the reason for the risk, the factor entailing the risk
 - the risk related Existing Risk Reducing Procedures (ERRP)
 - the location of the emergence, the procedures \ organisational units \ positions concerned

- the nomination of the risk group
 - the likelihood of the occurrence of the risk
 - the extent of the consequences expectable in the event of an occurrence
 - the practical realization and efficiency of the existing regulatory measures and controlling mechanisms
 - the risk category on the basis of the evaluation
 - in the event of medium and critical category risks, the '**Action Plan**' recommendation as elaborated and recorded on a worksheet.
- The related '**Risk Management Application Manual**' comprises the detailed methodology of Synergon Information Systems Plc.'s risk management mechanism, the operation of the Risk Team and the concrete regulation of the above steps of risk management.
 - The Risk Team operates as often as directed by the Company's resource management. After the former organisational reconstruction (in 2007) the Risk Team shall be formed again in this present structure (in 2008).