

# **Modern Slavery Act 2015: Pharmathen Holding 4 Limited**

## **OVERVIEW/ STRUCTURE/ BUSINESS**

This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and Human Trafficking and has been adopted by Pharmathen Holding 4 Limited as our statement on slavery and human trafficking for the financial year ending 31 December 2018 and also on behalf of our subsidiary entities (together, the “Pharmathen Group”). References in this statement to “Pharmathen”, “we” or “our” refer to Pharmathen Holdings 4 Limited and the other members of the Pharmathen Group.

Pharmathen Holding 4 Limited is a UK based holding company, parent company of the Pharmathen Group which consists of various European companies, mainly incorporated in the Netherlands and Greece. The Group companies are occupied with research and development, manufacture and B2B sales of various pharmaceutical products, mainly generic. Certain Group companies carry on business or part of a business in the United Kingdom.

Pharmathen has adopted a zero tolerance approach to modern slavery and human trafficking, whatever its manifestation and has extended its compliance program towards the direction of ensuring that no slavery or human trafficking will take place in both its own business and that of its supply chains. Corporate responsibility is a major consideration in particular for our HR and Procurement departments.

We take the upholding of these high standards seriously and do not tolerate slavery, human trafficking, forced or compulsory labour of any kind or child exploitation within our organisation, from our direct, indirect, API suppliers or any other third party from which we buy products or services.

## **OUR SUPPLY CHAINS / BUSINESS**

Via our global supply chain we are provided with a wide range of goods and services, including equipment, raw materials (active pharmaceutical ingredients) and packaging; whereas, specific activities are outsourced to third party providers of HR, IT, Legal, Clinical Trial, R&D services.

Our suppliers are required to commit themselves to complying with the applicable anti-slavery and anti-trafficking legislation, including the UK Modern Slavery Act 2015. Their commitment is evidenced by the inclusion of anti-slavery/anti-trafficking clauses in our supply contracts based on which our suppliers abide by the anti-slavery/anti- trafficking legislation and are required to report any suspected slavery or human trafficking incidents in a supply chain connected with any Pharmathen contract, to Pharmathen. Furthermore, depending on our evaluation of the supplier as high or low risk, we may subject the supplier to an audit.

## **OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING**

Our Anti-slavery & Anti-trafficking Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. More specifically, our policy commitments reflect our strenuous efforts to ensure and upkeep our corporate ethics and social standards as a consistent parameter of our HR Operations and sets out the steps to be taken to ensure that our supply chain complies with all applicable anti-slavery and human trafficking legislation as a prerequisite to doing business with our suppliers/service providers. The policy requires staff members to take affirmative action to ensure standards of transparency and compliance with both national legislation and international guidelines on modern slavery in our

core business as well as enshrining our overall commitment to diversity and ethical treatment and encouraging staff to speak out on all rights- related issues.

## **DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

As part of our initiative to identify and mitigate risk we take the following steps:

1<sup>st</sup>: We use geography and activity based factors in order to perform risk assessments based on country, product and internal supply chain considerations. Using that risk based approach, we divide suppliers into high or low risk and adopt appropriate levels of due diligence to screen them.

2<sup>nd</sup>: We require our high-risk suppliers to respond to a due diligence questionnaire which includes questions on the topics of antislavery, human trafficking etc.

3<sup>rd</sup>: We collect any further documentation needed in order to perform the screening of the supplier and if screening is successful we proceed with establishing the corresponding contractual relationship. Taking into consideration the inevitability of the emergence of slavery-revenue in the financial system and the fact that there usually is a correlation between slavery risk and money laundering/ sanctions/ corruption, we use databases including information on other forms of violations (areas such as sanctions, financial, regulatory, legal, tax) in order to perform the screening.

## **TRAINING**

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff. Said training is targeted to key individuals acting within our direct, indirect and API procurement teams as well as our HR department, in order to facilitate them in raising any red flags pertaining to any suspected violation of applicable laws and increased third party risks including anti-slavery and human trafficking practices.

## **OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING**

We use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

- Number of slavery reports received/ recorded cases of suppliers conducting human rights violations
- Number of high risk suppliers identified
- Percentage of personnel training

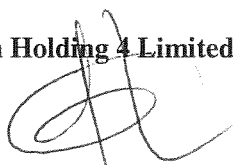
## **FURTHER STEPS**

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains, we intend to continue our efforts towards the direction of combating slavery and human trafficking.

This statement has been reviewed and endorsed by our Board of Directors on 04/03/2019.

**Pharmathen Holding 4 Limited**

Signature:



Eleni Katsou, Director

Date:

19/03/19