

MODERN SLAVERY STATEMENT

We are committed to improving our practices to combat slavery and human trafficking. We recognise that slavery and human trafficking is a real yet hidden issue in our society. We will not tolerate slavery and human trafficking in our business or supply chain. We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure that any form of slavery is not taking place in our own business or supply chains.

Organisation's structure

We are a service-led, niche pharmaceutical developer, manufacturer and supplier to the retail pharmacy, pharmaceutical wholesaler and hospital markets. Our ultimate parent company is Quantum Pharma Plc with our head office based in England.

Our business

Quantum Pharma Group Limited (**Group**) operates through two divisions incorporating seven business units across six sites in the UK and Europe, offering a portfolio of innovative and synergistic products and services:

1. Specials division

Comprising four business units (Quantum Pharmaceutical Limited, Quantum Aseptic Services, UL Medicines Limited, Protomed Limited) which manufacture, procure and supply unlicensed medicines (specials) and special obtains as well as providing products and services to enhance medication adherence.

2. Niche Pharmaceuticals division

Comprising three business units (Colonis Pharma Limited, Lamda Pharma Limited, and Pern Consumer Products Limited) which develop and commercialise niche pharmaceutical products.

Relevant policies

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

- Recruitment – we operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.
- Whistleblowing – our whistleblowing policy ensures that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisal.
- Health and Safety – this policy sets out our approach to ensure we provide a healthy working environment for our staff and contractors that work out of our premises.

Our supply chains

Our supply chains are based throughout the world and include suppliers of direct materials (active pharmaceutical ingredients, manufacturing and packaging), suppliers of indirect services (professional services, facilities, sales and marketing agencies) and distributors of our products.

We conduct due diligence on all suppliers assessed by our Quality Team as critical and/or major to the business before allowing them to become one of our suppliers. This due diligence includes assessing regulatory licences and certificates, compliance with such regulatory bodies, checks to determine the financial stability of the supplier as well as carrying out supplier audits, where appropriate.

Further steps

We intend to take the following further steps to combat slavery and human trafficking:

1. risk assess all new suppliers using the Global Slavery Index and ask them to certify that they have taken steps to eradicate modern slavery within their own organisation and supply chain;
2. notify all existing suppliers of our expectations and their obligations in relation to the prohibition of modern slavery;
3. incorporate anti-slavery and human trafficking obligations into procurement agreements and subcontracting arrangements on a risk assessed basis;
4. include appropriate measures in our due diligence processes for sourcing suppliers, subcontractors and acquisitions on a risk assessed basis;
5. provide training to relevant Group employees to ensure a high level understanding of the risks of modern slavery and human trafficking; and
6. where appropriate we will include reference to the Modern Slavery Act 2015 in our policies and procedures.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the current financial year.



Chris Rigg

Quantum Pharma Group Limited

Date: July 2017