

Modern Slavery and Human Trafficking Statement for the year ending 31 December 2017

Overview

Napp Pharmaceuticals Limited is a growing pharmaceutical company that is underpinned by an entrepreneurial spirit coupled with a desire and passion for recognising and fostering medical innovations with the potential to benefit patients' lives.

Our business is committed to operating in an ethical and transparent manner. In line with that commitment we have incorporated the requirements of the Modern Slavery Act 2015 (the "Act") into our Code of Business Ethics and our compliance framework.

We take the upholding of these high standards seriously and do not tolerate slavery, human trafficking or child exploitation within our organisation or from those whom we buy products or services.

Due to the nature of our business, we currently consider ourselves to be at low risk of exposure to slavery, human trafficking or child exploitation and are not aware of any areas in our operations likely to lead to a breach of human rights and modern slavery laws. However, we remain committed to never knowingly dealing with any organisation connected to slavery, human trafficking or child exploitation.

Training, Communication and Raising Concern

We aim to equip those employees who are involved in procurement activities, with both the knowledge and understanding of the importance of the Act and the role it plays in helping to eradicate modern slavery, trafficking and child exploitation. Specific training has and is given to relevant employees and is also included as part of our induction process for new employees through our Code of Business Ethics.

Napp Pharmaceuticals Limited has an environment which encourages open and frank two-way communication and its employees are required to raise any concerns of known or suspected violations of its Code of Business Ethics or of illegal or unethical business conduct. Any such concern can be raised in confidence without fear of retaliation, by approaching Management, HR, Legal or Compliance. Alternatively, individuals may report their concern, and if desired remain anonymous, through our independent Compliance and Ethics Hotline, which is available 24 hours a day.

Any concern raised will be fully investigated and acted upon as appropriate.

Employment Practices

Our employment practices are compliant with applicable employment and health and safety legislation, and as a result, we are confident that there is no slavery, human trafficking or child exploitation taking place within our organisation. Furthermore, we shall ensure that the employment agencies that we deal with are also fully compliant with the applicable legislation.

Due Diligence

We aim not to work with any supplier that we suspect is connected in any way with slavery, human trafficking or child exploitation. As part of our compliance programme, we take steps to assure



ourselves that we only partner with third parties who act ethically, compliantly and within the laws of the jurisdiction in which they operate. This process has now been broadened to include screening for any potential or confirmed issues relating to slavery, human trafficking or child exploitation.

In addition to pre-contract due diligence, any new contracts will require suppliers to ensure all goods and services are provided to Napp Pharmaceuticals Limited in accordance with all applicable laws, including the Act. No contracts will be awarded to any supplier not able to comply fully with the Act.

For existing suppliers, we are reviewing and updating contracts, as required, to include relevant clauses relating to slavery, human trafficking and child exploitation.

Enforcement

Any suspected breach of our compliance programme or of our Code of Business Ethics, including the Act, will be investigated and such investigations could lead to the termination of supplier contracts and notification to the relevant authorities.

Conclusion

Napp Pharmaceuticals Limited is not aware of any slavery or human trafficking taking place in its business.

Due diligence activities during the financial year ending 31st December 2017 did not identify any instances of slavery, human trafficking or child exploitation within the businesses of its suppliers, customers or service providers.

Napp Pharmaceuticals Limited will continue to apply appropriate risk-based due diligence processes as part of its ongoing compliance programme.

This Statement is made pursuant to section 54 of the Act and constitutes the Modern Slavery and Human Trafficking Statement for the Financial Year ended 31st December 2017 for Napp Pharmaceuticals Limited.

This Statement was approved by the Leadership Team of Napp Pharmaceuticals Limited on 9th May 2018.

Hywel Day

Managing Director