

MODERN SLAVERY STATEMENT

INTRODUCTION

Alliance Pharma PLC and its subsidiaries ("Alliance" / "We" / "Our" / "Group") is committed to ensuring that there is no modern slavery or human trafficking in any part of our business including our supply chains.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Alliance's statement on slavery and human trafficking for the financial year ending 31 December 2023.

OUR BUSINESS AND STRUCTURE

We are a growing consumer healthcare company. Our purpose is to empower people to make a positive difference to their health and wellbeing by making our trusted and proven brands available around the world.

We deliver organic growth through investing in our priority brands and channels, in related innovation, and through selective geographic expansion to increase the reach of our brands. Periodically, we may look to enhance our organic growth through selective, complementary acquisitions.

Headquartered in the UK, the Group employs around 285 people based in locations across Europe, North America, and the Asia Pacific region. Our model is to outsource our manufacturing and distribution.

Alliance Pharma PLC is the ultimate parent company of the group, with our shares admitted to trading on the Alternative Investment Market of the London Stock Exchange. Alliance has operating affiliates incorporated in the UK, mainland Europe, Hong Kong, China, Singapore, Thailand, Philippines and the USA.

OUR SUPPLY CHAINS

Our supply chains include:

- Raw material/API suppliers
- Componentry suppliers
- Contract manufacturers
- Freight forwarders
- Warehouse storage

The components for Alliance's products are sourced in Europe (circa. 64%), the USA (circa. 16%) and in some instances, certain components and materials are provided by non-European suppliers and manufacturers based in China and South-East Asia (circa. 20%).

As a business we sit in a large value chain, and our route to market channels include retail, e-commerce, healthcare providers and distributors.

GOVERNANCE

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business including our supply chains. Our anti-slavery initiatives align to our corporate value of 'Integrity' and our sustainability commitment of conducting business responsibly.

To enact our commitment, the overall responsibility for the anti-slavery and labour exploitation programme sits with the legal team, and overall accountability sits with the General Counsel and Company Secretary. The Head of Legal oversees policies and employee training relating to addressing modern slavery and she feeds information to the ESG lead, ESG committee and the General Counsel and Company Secretary who shares information with the Board.

Alliance recognises that investors are increasingly focused on the ESG agenda as their clients want their funds placed responsibly and in view that sustainable companies have greater long-term financial stability. Alliance will continue to share its social developments with investors in discussions and reports available on our website

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

In keeping with our 'PRAISE' values (Performance, Realism, Accountability, Integrity, Skill, Entrepreneurship), we maintain a suite of policies which support preventing, identifying and addressing modern slavery and trafficking in our operations and supply chain. We continually review and develop our policies with input from in-house experts, suppliers and external specialists. Our key policies include:

Our **Anti-Slavery Policy** reflects our commitment to acting ethically and with integrity in all our business relationships and to continuing to work to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. The policy sets out clear roles and responsibilities of our employees and suppliers and provides an escalation procedure for them to raise concerns and issues. Please find a link to our policy here: [Anti-Slavery Policy](#).

Our **Employee Code of Conduct** sets out the behavioural standards expected from all individuals when representing the Group. The Code includes a section on the detection and prevention of modern slavery. The guidelines detailed in the Code apply to all Alliance personnel, whether permanent or on fixed term contracts and includes agency workers, contractors and directors.

Our **Partner Code of Conduct** is applicable to all external contracting parties providing goods and services to Alliance (including our distributors) and makes explicit reference to Alliance's expectations around the detection and prevention of modern slavery in our partners' workplaces and supply chains. Our Code encourages a culture of openness between Alliance and our partners and we enable small-sized partners to adopt the Code, where otherwise they may not have the capacity to develop their own. This year, we updated our Partner Code of Conduct to align to the ETI Base Code, which is an international business and human rights standard

that reflects international law. Please find a link to our policy here: [Partner Code of Conduct](#).

Under Alliance's **Anti-Bribery and Corruption Policy** we see Alliance commit to the highest standards of ethical conduct and integrity in our business activities in the UK and overseas and this commitment is set out in the organisation's Anti-Bribery and Corruption Policy. Alliance has a zero-tolerance approach to any form of bribery by our employees, agents or consultants or any other person or body acting on our behalf. Please find a link to our policy here: [Anti-Bribery and Corruption Policy](#).

Our **Speak-Up Policy** encourages an environment of accountability and integrity. Alliance and its Speak-Up Policy offers all employees and contractors a confidential process through which concerns can be raised within the organisation in the knowledge that they will be taken seriously and dealt with in an appropriate and professional manner. In 2022, Alliance partnered with **Safecall**, an independent third-party helpline, to enable employees, partners, and the public to report (including on an anonymous basis) any concerns about Alliance's practices, including any modern slavery concerns. Please find a link to our

policy here: Speak Up Policy.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we have in place systems, including the use of external due diligence advisers and software platforms, to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistleblowers.

In 2023, we engaged a compliance expert to conduct a review of (1) our know your client/know your supplier due diligence, adverse media event reporting and (2) our escalation providers.

All Alliance's pharmaceutical products (and their components) comply with Good Manufacturing Practice (GMP) rules. To be GMP compliant, manufacturers must follow strict rules regarding the quality of (a) products they produce, (b) their facilities and (c) their employees. Alliance itself carries out regular site visits and compliance (including modern slavery) checks on our manufacturers and their facilities, which are in addition to periodic inspections (on a risk assessment basis) by government regulators to check they are GMP compliant, including regular site visits to sites of our direct supplier for both auditing and relationship purposes.

For our healthcare products, Alliance has an on-boarding process through which potential suppliers are vetted by our financial, commercial and quality teams. This includes modern slavery due diligence questionnaires and Alliance's quality team carry out site audits. Alliance requires all of our suppliers to comply with ISO 13485: 2016, and Medical Device Distribution Standards, and is currently working towards being ready for full compliance with the Medical Device Regulations. For our cosmetics, Alliance requires full compliance with ISO 22716.

In the USA, Alliance adheres to USA21CFR800 and for foods in the USA we require compliance with USA21CFR100.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

In addition to our Partner Code of Conduct, all of Alliance's new supplier contracts include applicable Modern Slavery Act warranties and undertakings. We demand that all new suppliers acknowledge their responsibilities to operate in a manner that is free from modern slavery and human trafficking practices. In the event that Alliance was to have any concerns related to our partners (whether this be distributors, suppliers or otherwise) we would, in the first instance, seek to understand and resolve these concerns and drive continuous improvement (with the welfare of the victim(s) as the primary basis of any corrective action) and if we were unable to do so, we would cease to work with such partner as a last resort.

RECRUITMENT

Our company roles are high-skilled and technical. Therefore, they are unlikely to be targeted by traffickers as they usually exploit people because of their weak economic circumstances or opportunities. Nonetheless, we remain vigilant and aim to support the welfare of our workforce.

Our recruitment and onboarding process is robust, with Right to Work (RTW), visa, and qualification checks, and a policy to only pay into an employee's own bank account. Also, the HR team has a strong focus on company culture and employee well-being. Head Office has an open-plan layout and an open-door policy, so managers are easily accessible should an employee have an issue. In addition, members of

our HR team have former experience in companies that had to make a proactive effort to mitigate modern slavery risk and we would draw on their expertise should an in-house risk or issue arise.

In respect of agency workers, Alliance only engages with reputable employment agencies in relation to the engagement of temporary or contract personnel.

KEY RISKS

It is estimated that nearly 50 million people globally are trapped in some form of modern slavery on any given day¹. In view of this, Alliance recognises that modern slavery and labour exploitation risks are ever evolving and is alert to the current external factors that can increase vulnerability, such as high global inflation,

war and conflict, disasters and climate change. Alliance has therefore identified the areas of our value chains that are at risk of modern slavery and labour exploitation and will continue to monitor and enhance our risk management controls in these areas:

Contract Manufacturing Organisations (CMOs): Our CMOs are our strategic partners that play a key role in the production of our products. Elements such as cleaning and changeover operations, operational geographies and the multiple production sites used to prevent contamination limit our visibility of employment practices and are vulnerable to the risk of exploitation. Alliance is in regular contact with its CMOs and conducts thorough on-site audits, so we are well placed to observe and monitor worker welfare.

Warehousing and logistics: Warehouses and logistics activities in the pharmaceutical industry are more technical and require higher skill sets than traditional warehousing and logistic operations. However, roles such as warehouse pickers, cleaners, and lorry drivers are still high-risk to modern slavery and labour exploitation. High turnover rates and industry demand upon these parties and subsequent labour agencies to provide workers at short notice puts a strain on them to source workers quickly and cheaply, leaving them susceptible to trafficker low-rate offerings.

Case Study

Alliance is currently tendering for our third-party warehouse and logistics strategic partners for our Europe and North America operations. Recognising the risks, we have requested our tender candidates to complete a supplier assessment on their employment practices. The assessment will be carried out by Alliance and our human rights partners at Slave-Free Alliance. The assessment results will be considered in our final decisions to ensure our partners of choice has good worker welfare and anti-slavery programmes.

Raw materials and minerals: Sourcing activities for the primary materials and mineral necessary for the composition of pharmaceutical and cosmetic products are high-risk to modern slavery and labour exploitation. Many of the raw materials are mined and sourced in countries where child labour, irregular to non-payment of wages, and bonded labour are common types of exploitation. These sourcing activities sit in the lowest tiers of our supply chain and Alliance plans to carry out a risk assessment to gain further visibility of our raw material and sourcing activity. Once we have further developed our anti-slavery and labour exploitation programme and supplier engagement on this matter, we intend to call on brands and suppliers to use our collective leverage and collaborate in this area to affect positive change.

Goods and services not for resale: Alliance also recognises the increased risk of modern slavery and

¹ <https://www.walkfree.org/global-slavery-index/>

labour exploitation in our outsourced services of cleaning, maintenance and security. Alliance recently increased the wage rate to these contractors in the UK so they are above minimum wage to provide improved economic stability. We also employ local workers to minimise the risk of workers travelling from afar.

ALLIANCE EMPLOYEE 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 mandatory modern slavery awareness training to all our employees at induction and as annual refresher training. Annual e-learning training is provided to assist with the understanding and identification of modern slavery and human trafficking. Our training strategy also includes that we provide enhanced training to teams that have a close interaction with risk areas. In 2022, Slave-Free Alliance delivered bespoke, workshop-based modern slavery training to our sourcing and quality teams to help these teams better identify modern slavery "red flags" during quality audits and supplier site visits.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We continue to monitor and assess the appropriateness of the use various key performance indicators (KPIs) to measure how effective we are and have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains. These include:

- Vetting and screening of third-party suppliers/partners at the time of onboarding.
- Ongoing monitoring on a risk-based approach as part of the further development of our processes.
- Subcontractor inspections both on an ad-hoc and scheduled basis.
- Speak-Up procedures being widely communicated and effectively implemented.
- General awareness training to all employees and targeted training to relevant employees in key functions.
- Remedial action if any issues are identified.

The Board of Alliance continues to work with management to ensure the business is effective in combatting slavery. In the last 12 months:

- No slavery or human trafficking issues have been identified.
- No reports were made under the Anti-Slavery Act Policy or under the Speak-Up Policy with respect to modern slavery and human trafficking.
- No remedial actions were required in the last 12-months.

SLAVE FREE ALLIANCE

In 2023, Alliance entered a three-year partnership with Slave-Free Alliance, a social enterprise wholly owned by global anti-slavery charity Hope for Justice, which works with businesses to increase their resilience to modern slavery and labour exploitation in their operations and supply chains.

This year, together we carried out a strategic gap analysis that entailed a document review and multi-stakeholder discussions with employees from various business areas. From this we have developed a three-year anti-slavery strategy that further develops our anti-slavery programme and takes into account the nature of our business, leverage and our key risk areas. We have also delivered tailored training to our procurement team and carried out a tender assessment on our third-party warehouse and logistics candidates.

FURTHER STEPS

In 2024, we plan to carry out the following projects in conjunction with our in-house and external experts:

- Supply chain risk assessment
- Supplier lifecycle due diligence review
- Continue tailored training to our sourcing and quality teams and a briefing to our executive leaders

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 financial year ending 31 December 2023. It was approved by the board on 15 December 2023.

Peter Butterfield

Chief Executive Officer

December 2023