

Modern Slavery Act Statement

Hikma Pharmaceuticals PLC ("**Hikma**") is committed to upholding the principles of the Modern Slavery Act 2015 ("**MSA**") – taking measures to ensure that modern slavery in the form of slavery, servitude, forced or compulsory labour and human trafficking is not taking place in any part of Hikma's business or in those of our partners and suppliers.

As required by the MSA, this statement describes the steps which Hikma has taken up to the financial year ended 31 December 2018 to mitigate the risks of modern slavery in our supply chain and throughout our business.

About our business

Hikma helps put better health within reach every day for millions of people around the world. For more than 40 years, we've been creating high-quality medicines and making them accessible to the people who need them. We develop, manufacture and market a broad range of branded and non-branded generic medicines across the US, the Middle East and North Africa, and Europe. Hikma conducts business in over 50 countries with 30 manufacturing facilities and 7 Research and Development centres. Together, our 8,500 colleagues are helping to shape a healthier world that enriches all our communities.

Our organisation is dedicated to achieving best practices across our operations, including our supply chain. We work alongside our industry partners to uphold ethical labour practices and safeguard human rights.

Corporate Social Responsibility (CSR) at Hikma is governed by the Compliance, Responsibility and Ethics Committee (CREC), a Board-level committee, which focuses on advancing Hikma's strong ethical commitment to business integrity.

Our policy on human rights and modern slavery

We respect and uphold the principles of the Universal Declaration of Human Rights both within our company and across our value chain. We have been a signatory to the United Nations Global Compact ("UNGC") since 2007 and support their mission to implement universal sustainability principles and to take steps to support the UN Sustainable Development goals.

At Hikma, we are committed to operating with high levels of integrity and ethics and ensuring that transparency remains at the core of our governance model. These principles are articulated within our Code of Conduct <https://www.hikma.com/about/ethics-and-compliance/code-of-conduct/> which applies to all Hikma employees and contractors across all business sectors in all geographies and sets out the principles and standards with which we expect third parties to comply when they conduct business for or on behalf of Hikma.

We publish a "Communication on Progress" report on our website and the UNGC website every year which includes an update on the steps we take to combat modern slavery in our supply chain and throughout our business.

STEPS TAKEN TO MANAGE MODERN SLAVERY RISK

1. Supplier Questionnaires

We request that our major suppliers fill supply audit questionnaires every two years that include MSA compliance questions and confirmations.

We also request that all our suppliers of active pharmaceutical ingredients and raw materials follow Good Manufacturing Practices (GMP) and that our major suppliers are ISO 14001 and OHSAS

18001 certified or equivalent. In 2016, we introduced specific standard operating procedures (SOPs) to ensure that we, and our partners, are not involved in modern slavery. In 2017, we strengthened our ability to address this issue, incorporating modern slavery clauses into our Supplier Questionnaires, which are mandatory for all our new and major-spend suppliers. Currently, we screen our significant suppliers; we are working to increase the number of those that we engage through our questionnaires.

2. Updated standard clauses in supplier contracts

We have reviewed our supplier contract templates and updated them to include warranties and undertakings that our suppliers (and in turn their suppliers and subcontractors) have not and will not engage in any activity, practice or conduct that could constitute modern slavery.

3. Training

We have started rolling out a global training programme on modern slavery issues. Members of the supply chain team in the United States have received training on how to recognize and respond to incidents of modern slavery.

All Hikma employees are required to complete an annual e-learning training module on the Code of Conduct and compliance issues. In 2019 this training will be expanded to include modern slavery issues.

4. Whistleblowing

We maintain an anonymous "speak-up" hotline to empower people to report potential issues of modern slavery or other compliance or corruption issues.

Next steps

Hikma's plans for 2019 include:

- Taking steps to ensure that all new supplier contracts include modern slavery language which aligns, as far as possible, with the approved language in our supplier contract templates;
- Continuing the global roll out of modern slavery training for Hikma's supply chain teams; and
- Expanding global compliance e-training for all Hikma employees to include modern slavery issues.



Sigurdur Olafsson
Chief Executive Officer
12 March 2019