

Vectura: Modern Slavery Act Section 154 declaration for Financial Year 2023

Vectura Limited and Vectura Delivery Devices Limited (“**Vectura**”) supports the UK government's zero-tolerance policy in relation to modern slavery practices and is fully committed to playing its part in ensuring such activities are not tolerated or practiced by its commercial partners, customers or suppliers.

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

Background to Vectura's business

Vectura is specialist inhalation CDMO that provides innovative inhaled drug development solutions to help customers bring their medicines to market. The business has proprietary formulations and devices across DPI, pMDI and smart nebulisation platforms. The services Vectura can offer customers include inhalation development expertise, formulation science, and device technology. A fully integrated approach can be provided to support the development of inhaled medicines. The business also has key in-market inhalation products, such as *flutiform*®, where it manages an outsourced supply chain to source components, manufacture and supply finished product to its commercial partners. It manufactures products at developmental and commercial scale.

Vectura group structure

Vectura is a wholly owned subsidiary of Vectura Fertin Pharma. This is owned by Philip Morris International (PMI), but operationally separate from other businesses owned by PMI.

Identifying risk

Vectura is compliant with good manufacturing practice (GMP), which sets the minimum standard that a medicines manufacturer must meet in its production processes. This requires Vectura to follow detailed rules and guidance regarding the quality of products they produce, their facilities, and their staff. In addition to the checks that Vectura carries out on its manufacturers, its sites are subject to periodic inspections based on a risk assessment by applicable government regulators to check they are GMP compliant.

The significant majority of the components for Vectura's products are sourced in Europe and the United States. However, there are a few exceptions with certain components and materials being provided by non-European suppliers and manufacturers based in China, India, and South-East Asia. Vectura employees make regular site visits to supplier, customer, and joint-venture sites for both auditing and relationship purposes. The use of virtual audits and video-conference meetings are also used to good effect too.

Vectura has a pre-existing approved supplier qualification process through which potential suppliers are vetted by Vectura's procurement and finance teams in the first instance, undertaking commercial due diligence and background finance checks. Vectura's quality department will make subsequent specific follow-up queries and undertake site audits if the item being supplied has quality standard implications for Vectura products.

All of Vectura's new supply and customer contracts now include anti-slavery warranties and undertakings, where applicable. Vectura will expect new suppliers and customers to acknowledge their responsibility to operate in a manner that is free from modern slavery and human trafficking practices. If Vectura has any concerns it would seek to resolve them and if it were unable to do so, it would cease to work with them.

Vectura's staff

Further information on our employment practices can be found from the 'Careers' link on the [Vectura](#) website. In respect of agency workers, Vectura uses only specified, reputable employment agencies to engage temporary or contract staff and all Agency Terms & Conditions are reviewed by the organisation's legal department before any engagement.

Vectura's policies

In keeping with the Vectura's commitment to act with integrity in all of its business dealings, many policies are relevant to ensure that there is no slavery or trafficking in any part of the business.

Modern Slavery Act policy: In accordance with the Act.

Code of conduct: Vectura has an employee code of conduct that sets out the behavioural standards expected from all individuals when representing the organisation, which demonstrates Vectura's commitment to maintaining the highest standards of professional and ethical conduct throughout its business and in managing its supply chain. The guidelines detailed in the code of conduct apply to all Vectura personnel, whether permanent or on fixed-term contracts, and including agency staff, contractors, and directors

Fairness and dignity at work policy: Vectura encourages and maintains a professional and friendly working environment where everyone is free to work without harassment, intimidation or bullying, for whatever reason, and where every employee is treated with dignity and respect. The policy applies to all permanent employees, agency employees, contractors, consultants, suppliers, and customers.

Anti-bribery policy: Vectura is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas, and this commitment is set out in the organisation's anti-bribery and corruption policy. This policy outlines Vectura's position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010. Vectura has a zero-tolerance approach to any form of bribery by, or of, its employees, agents or consultants, or any other person or body acting on its behalf.

Equal opportunities policy: Vectura encourages diversity throughout all levels of the organisation and is committed to allowing for individual success based on ability, behaviour, performance, and evidenced potential. Vectura remains committed to offering career opportunities without discrimination. Vectura's commitment to equal opportunities, diversity and non-discrimination is enshrined in its working practices and policies; the organisation operates on the basis of mutual respect and does not tolerate discrimination on any basis.

Whistleblowing policy: Vectura believes that a whistleblowing procedure is essential for encouraging an environment of openness and integrity. Vectura's whistleblowing process offers employees a confidential mechanism by which complaints, made in good faith, can be raised within the organisation.

Responsible sourcing principles

With a large network of suppliers, Vectura's supply chain is the beating heart of its business. Its responsible sourcing principles embed the results of the organisation's most recent sustainability materiality assessment, account for external regulatory developments, and consider Vectura's progress in evolving and transforming its business model.

Suppliers must not engage in or condone the use of forced or trafficked labour or modern slavery. They must act to identify, prevent, and cease any form of modern slavery in their operations and supply chain, including prison, indentured, bonded, enslaved, or any other form of forced labour.

Our effectiveness in combating slavery

Vectura has vetted 30 primary critical suppliers with respect to key products in the last 12 months. No slavery or human trafficking issues were identified. No reports were made under the Modern Slavery Act policy or under the whistleblowing policy with respect to Modern Slavery Act issues. No remedial actions were required in the last 12 months.

Training

All appropriate staff are provided with awareness, instruction, and ongoing training with respect to the Modern Slavery Act. This is included in our Code of Conduct training. For 2023 the compliance rate for this module was 98.8% or greater.

The business regularly reviews other training options and is currently assessing interactive modules through its health and safety learning management system.

Executive approval

This statement has been approved by the Managing Director of Vectura on behalf of Vectura's leadership team. The policy will be reviewed and updated as appropriate on an annual basis.



Tony Fitzpatrick
Managing Director, Vectura