

UK GENDER PAY GAP REPORT 2017

Results taken from April 2016 to April 2017, along with our approach to ensure gender equality throughout the organisation.

Summary

In this report we will be outlining two sets of separate results for Clinigen Group Plc and for Quantum Pharmaceutical Ltd., part of Quantum Pharma Holdings Ltd. which Clinigen Group Plc acquired in November 2017.

The reason we have two separate reports is because we are required to report separately for each legal entity that employs over 250 people. For Clinigen Group PLC, as all of our employees sit under one entity, this report includes everyone, including our Executive and Non-Exec Directors. In Quantum, employees sit under different entities. Only one of those entities, Quantum Pharmaceutical Ltd, has over 250 employees therefore the Quantum report only includes that group of employees.

As outlined in our 2017 Annual Report, we recognise the importance of diversity and inclusion, including gender, at all levels of the Company. The Group already has a strong female representation in both management and operational boards. We continue to actively recruit and develop women into our top management structures to enable us to better reflect and serve the diverse communities and cultures in which we operate around the world.

The report includes the following:

- Overall mean and median pay gap based on equivalent hourly rates of pay as at 5th April 2017
- Overall mean and median difference between bonuses paid to men and women at Clinigen Group Plc and Quantum Pharmaceutical Ltd. for the 12 months up to 5th April 2017
- Proportion of Employees receiving a bonus payment in the year to 5th April 2017
- Pay quartiles for 12 months pay up to 5th April 2017

The Clinigen “Valuing Diversity” Commitment

Clinigen is committed to creating a workplace that maximises the potential of all of our people, where everyone is valued and feels empowered to contribute to our continued success. Every employee has the right to be treated with respect and dignity and Clinigen has a zero tolerance attitude to bullying, harassment or victimisation of any kind. We all have a personal responsibility to ensure that we treat others as we would like to be treated, and that our actions and interactions reflect our commitment to diversity and inclusion.

We are an equal opportunity employer and strive to ensure that no job applicant or employee receives less favourable treatment on the grounds of race, sex, marital status and civil partnership, sexual orientation, gender reassignment, disability, membership or non-membership of trade union, rehabilitation of offenders, age, political or religious belief, equal pay, fixed-term or part time working, pregnancy and maternity. (This list is not exhaustive). Our recruitment selection criteria and associated procedures will be reviewed and updated where necessary to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

Clinigen Group Plc results

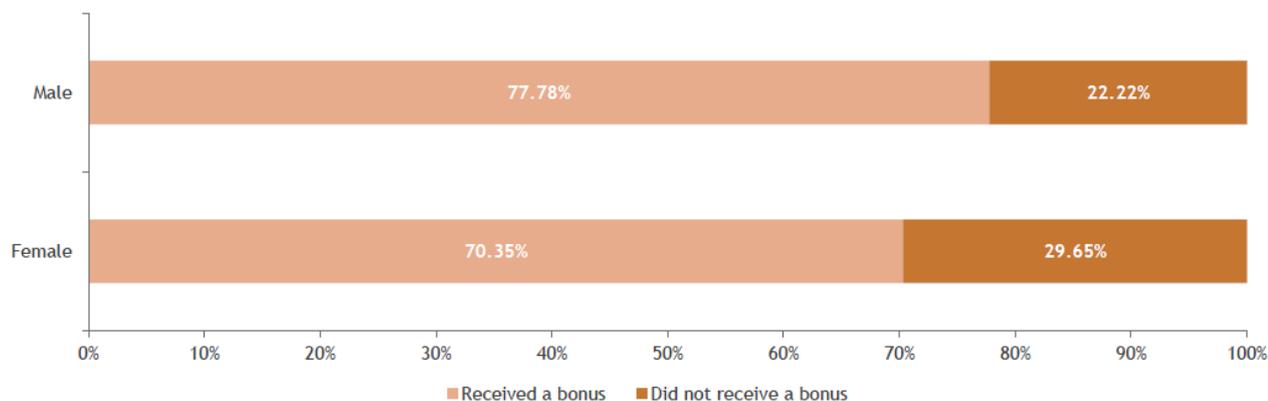
This report includes 398 employees; 234 females (59%) and 164 males (41%).

Pay & Bonus Gap for the pay period spanning 5th April 2017

	Mean	Median
Hourly Pay	25.8%	1.9%
Bonus pay	50.4%	-2.7%

The table above shows our overall mean and median gender pay gap based on hourly rates of pay as at the snapshot date of 5th April 2017. It also presents the mean and median difference between bonuses paid to men and women at Clinigen Group PLC for the twelve months up to 5th April 2017

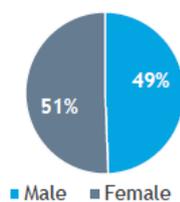
Proportion of employees receiving a bonus payment in the year to 5th April 2017



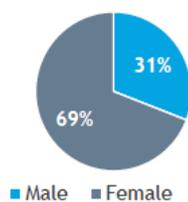
There is a 7.43% difference between the percentage of men and women being awarded a bonus for their performance in the year to 5th April 2017

Pay quartiles for the pay period spanning 5th April 2017

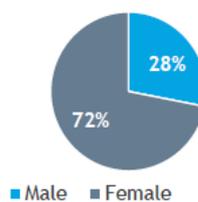
Quartile 1: lowest



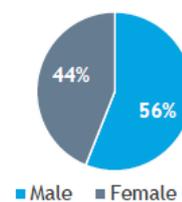
Quartile 2: below average



Quartile 3: above average



Quartile 4: highest



Quantum Pharmaceutical Ltd. Results

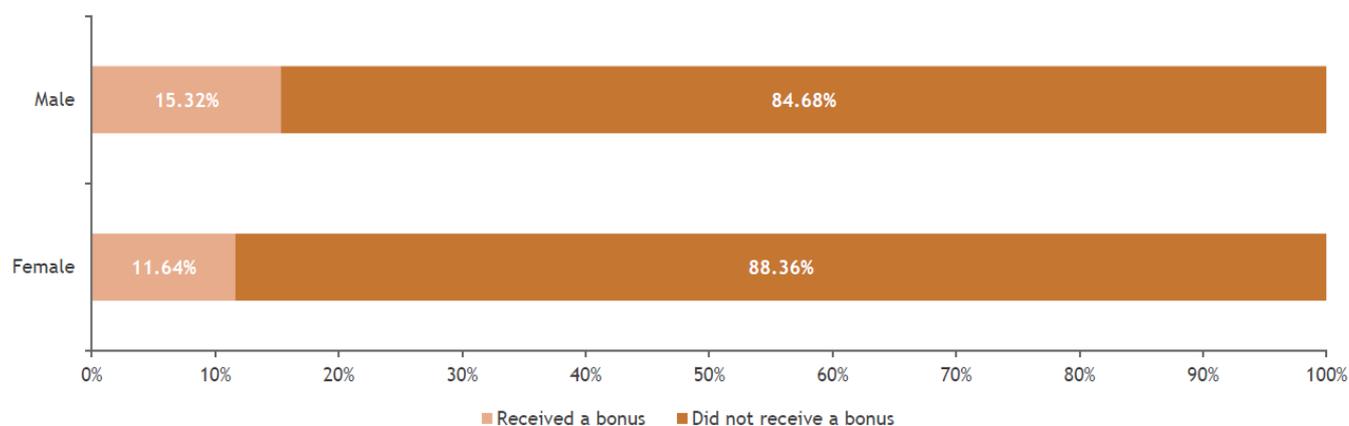
This report includes 267 employees; 145 females (54%) and 122 males (46%).

Pay & Bonus Gap for the pay period spanning 5th April 2017

	Mean	Median
Hourly Pay	14.6%	7.2%
Bonus pay	8.9%	-100.0%

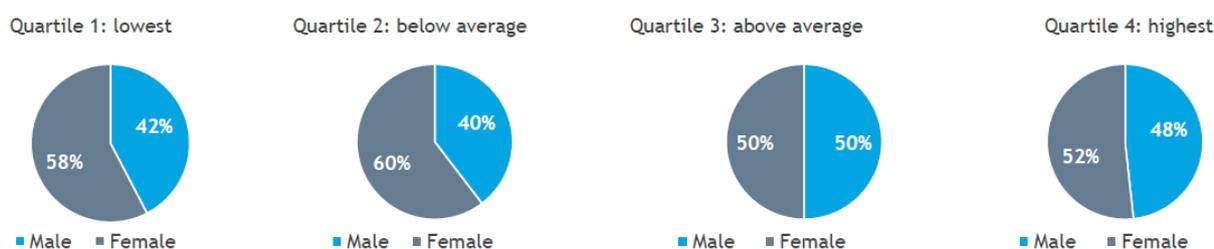
The table above shows our overall mean and median gender pay gap based on hourly rates of pay as at the snapshot date of 5th April 2017. It also presents the mean and median difference between bonuses paid to men and women at Quantum Pharma Limited for the twelve months up to 5th April 2017

Proportion of employees receiving a bonus payment in the year to 5th April 2017



There is a 3.67% difference between the percentage of men and women being awarded a bonus for their performance in the year to 5th April 2017

Pay quartiles for the pay period spanning 5th April 2017



What do these results mean?

The mean gender pay gap is the difference in average hourly rate of pay between men and women within the company. To calculate the median gender pay gap, all salaries are listed from high to low and the middle value for female employees is compared to the middle value for male employees.

A positive number indicates a higher mean or median pay for men compared to women; a negative number will mean the reverse.

Throughout all levels of the organisation, the pay for each job role is different, according to the job role itself. The proportion of male and female colleagues performing each job role varies.

It is important to highlight that there is a difference between the definition of gender pay gap and equal pay. Equal pay is the difference in pay between men and women who carry out the same or similar jobs; this report does not cover this.

Gender pay reporting is focussed on ensuring we continue to create opportunities for female employees to progress their careers within the business through ensuring equality of opportunity for all, and active promotion of all recruitment, talent succession and development activities.

For Clinigen Group Plc

Our results are based on 398 employees; 234 females (59%) and 164 males (41%) between April 2016 and April 2017. As we do not have any subsidiaries or other organisations that fall outside of the reporting requirements, this means our results are fully transparent and include the Clinigen Management Board and Plc Board, along with all employees, in all job roles, at all levels throughout the organisation.

Since the reporting period, we have continued to work proactively to reduce the gender pay gap and ensure focus on gender equality at the senior levels. Senior appointments over the last year have continued to address this. However, 16 out of the 20 of the highest paid positions were held by male employees in the reporting period, which we recognise is impacting our mean hourly pay and bonus gender pay gap.

Through our commitment to current and future initiatives, we are confident that we will achieve greater balance over time. Interestingly, if we take our 40 middle salary male and female employees, our mean salary difference is 2.9% and our mean bonus difference is -12.8% based on equivalent hourly pay, i.e. in favour to our female workforce. This is encouraging for us, but of course, we still want to do more.

We have built a strong foundation to build a more diverse and inclusive Clinigen:

- Since April 2017 we have appointed a female Non-Executive Director and an additional female member of the Clinigen Management Board
- 60% of our current workforce in the UK is female
- Between April 2016 and April 2017 – we recruited 98 people and 52% were female. In addition 10 roles were internal promotions that were filled by female employees
- Since April 2017, we have filled 128 vacancies; 53% of these were female, including 15 internal promotions
- Of all of our UK employees with over 10 years' service in the business, 75% are female, which demonstrates positive retention levels
- From the recent (2018) ILM recognised Clinigen Management Academy training programme, 66% of the participants are female
- Training is provided to line managers covering diversity, equality and discrimination
- Our employee forum, Clinigen Voice, has over 60% female representation
- We actively monitor all recruitment activity to ensure a minimum of 50% female applicants for all job roles and proactively improve the talent pipeline when this is not achievable

For Quantum Pharmaceutical Ltd.

Our results are based on 267 employees; 145 females (54%) and 122 males (46%) within Quantum Pharmaceutical Ltd., a subsidiary of Quantum Pharma Holdings Ltd. The split between the top 20 highest paid earners in Quantum is split 50/50 male and female. Overall this is a good result, but again we will continue to work to maintain this. In addition, the median pay gap for Quantum drops to 2.1% when excluding shift pay allowance from the data as 60% of the hours worked on our late shift are worked by men.

Again, we have good foundations for further improvement:

- 62% of our current workforce in the UK is female
- Between April 2016 and April 2017 – we recruited 87 new employees; 53 (61%) were female
- Since April 2017 we have recruited 26 employees, 16 of these were female (61%)
- Between April 2016 and April 2017 we made 21 internal promotions, 11 of which were female (52%)
- As at 1st April 2017 we had 21 employees with over 10 years' service; 11 of these were female (52%), which demonstrates positive retention levels
- Within the period we enrolled 27 of our leaders on our CMI recognised leadership and development programmes, 13 of which were female (48%)
- Training is provided to line managers covering diversity, equality and discrimination
- We actively monitor all recruitment activity to ensure a minimum of 50% female applicants for all job roles and proactively improve the talent pipeline when this is not achievable

What happens next?

- We will continue to report on this annually and will monitor this internally throughout the year
- We will take action as necessary to proactively reduce the gap through actions such as development programmes and salary benchmarking
- We will continue to attract and develop the widest possible talent pool, driving inclusion and equality throughout all of our processes
- We will continue to empower senior management to own and drive equality in the organisation
- We will ensure our working environments are open, welcoming, inclusive and engaging for all of our people to make the most out of their employment with Clinigen

This statement was approved by Shaun Chilton, Group CEO, Clinigen Group Plc and Jessica Archer, Global HR Director, Clinigen Group Plc.



Shaun Chilton
Group CEO, Clinigen Group Plc



Jessica Archer
Global HR Director, Clinigen Group Plc

About Clinigen Group

Clinigen Group Plc (AIM: CLIN) is a global pharmaceutical and services company with a unique combination of businesses focused on providing ethical access to medicines. Its mission is to deliver the right medicine to the right patient at the right time through three areas of global medicine supply; clinical trial, unlicensed and licensed medicines.

Clinical Trial Services

Clinigen is the global market leader in the specialist supply and management of quality-assured comparator medicines and services to clinical trials and Investigator Initiated Trials.

Unlicensed Medicines

Clinigen is the global leader in ethically sourcing and supplying unlicensed medicines to hospital pharmacists and physicians for patients with a high unmet medical need. The Group manages early access programmes to innovative new medicines and provides 'on demand' access globally to medicines which remain unlicensed at the point of care.

Commercial Medicines

Clinigen acquires global rights to niche hospital only and critical care products, revitalising these assets around the world and returning them back to sustained growth. It also provides access to licensed and branded generic medicines in the Africa and Asia Pacific region.

The Group also has an 'unlicensed to licensed' strategy, where it looks to take unlicensed medicines with commercial potential and licences them, helping to address unmet medical need and allowing the Group to capitalise on its market-leading positions.

For more information on Clinigen, please visit www.clinigengroup.com