



This Report

Starpharma is proud to publish its first standalone Environment, Social and Governance Report (“ESG Report”). This document provides a more comprehensive report on our ESG framework and practices and builds on the key aspects of our ESG program that have previously been summarised in the company’s annual report.

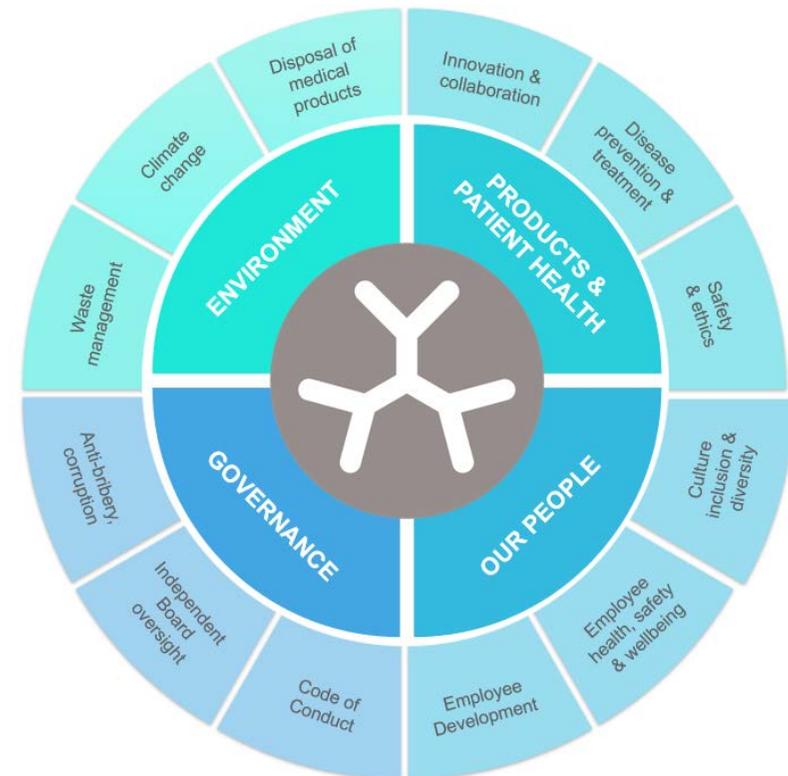
This ESG report sets out the principles that underpin our work throughout key ESG areas for Starpharma: *Products & Patient Health, Our People, Governance and Environment*. This first report has been prepared for the year ended 30 June 2020 and refers to the operations that make up the Starpharma group of companies and geographic markets during that period. This report sits alongside our annual report which provides detailed governance and financial performance each year.

Starpharma has considered the UN’s Sustainable Development Goals in the development of its policies, procedures, and practices. Our ESG report strives to present the sustainability issues that are material and relevant for the company, with particular consideration to the changing, perceived, and potential issues arising from the company’s progress with developing products through to their supply and commercialisation.

FORWARD LOOKING STATEMENT: This document contains certain forward-looking statements, relating to Starpharma’s business, which can be identified by the use of forward-looking terminology such as “promising”, “plans”, “anticipated”, “will”, “project”, “believe”, “forecast”, “expected”, “estimated”, “targeting”, “aiming”, “set to”, “potential”, “seeking to”, “goal”, “could provide”, “intends”, “is being developed”, “could be”, “on track”, or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA’s and other authorities’ requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any authorities for sale in any market or that they will reach any particular level of sales. In particular, management’s expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected trial results, including additional analysis of existing data, and new data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Starpharma is providing this information as of the date of this document and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

ESG FRAMEWORK IS DESIGNED TO ACHIEVE KEY GOALS

Starpharma is creating innovative therapies which have the potential to improve patient health. Through innovative research and development, Starpharma is creating new and improved products in a range of health and medical areas with global application. Starpharma is focussed on responsible business practices and ensures its products are being developed safely and ethically, in strict compliance with the relevant regulatory requirements, including for the areas of research, commercialisation and supply.



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1. Our Company

1.1 COMPANY PROFILE



Starpharma is an ASX300 company located in Melbourne Australia, and is a world leader in the development of dendrimer products for pharmaceutical, life science and other applications.

Starpharma’s underlying technology is built around dendrimers – a type of synthetic nanoscale polymer that is highly regular in size and structure and well suited to pharmaceutical and medical uses. Starpharma has two core development programs: VivaGel® portfolio and DEP® drug delivery with the company developing several products internally and others via commercial partnerships. In pursuing this objective, Starpharma understands its role within society and believes its success will deliver long-term positive benefits to all stakeholders.

Starpharma acknowledges that in the healthcare industry there are a number of factors that may influence the company’s ability to achieve and realise its ESG goals and future aspirations. These factors include the specific requirements of health industry regulators that mandate certain studies and procedures prior to clinical testing, as well as the complexities of having third parties in a range of geographic locations responsible for the marketing and distribution of company products.

1.2 PRODUCT OVERVIEW



VivaGel® BV is a patented, water-based gel, with a novel mechanism of action, which has been successfully developed for the treatment and prevention of bacterial vaginosis (BV). BV is the most common vaginal infection and affects up to 1 in 3 women. VivaGel® BV is on market in the UK, Europe, Asia, Australia, and New Zealand.



Starpharma developed a VivaGel® condom - an antiviral condom which includes VivaGel® in the lubricant. The VivaGel® condom is the world’s first and only anti-viral condom and has been launched in Japan, Canada, and Australia, and is approved for sale in Europe.



Starpharma’s novel DEP® platform has broad commercial applicability in drug delivery by enhancing the therapeutic utility of drugs through improved performance, increased efficacy, and reductions in certain toxicities. The DEP® technology is used in Starpharma’s internal and partner programs.



Starpharma is developing a number of antiviral products, including a COVID-19 nasal spray, using the VivaGel® active, astodimer sodium SPL7013. Development programs include products for SARS-COV-2 (coronavirus) and viral conjunctivitis.

1.3 OUR COMMITMENT TO ESG



Starpharma is proud to present its first ESG report. Our report centres around our ESG Framework which comprises *Products & Patient Health*, *Our People*, *Governance* and the *Environment*, and is embedded with specific activities and initiatives to achieve high standards in each of these areas.

Our report showcases how we, as a company, contribute to and care for, the broader community – while driving to achieve our goal to bring important medicines to patients in need - and our pursuit of responsible business practices to achieve this goal. The very nature of Starpharma's products affords the opportunity of changing lives for the better. Through innovative research and development and partnering with leading pharmaceutical companies, Starpharma is creating therapies which have the potential to profoundly improve patient health worldwide.

Developing new pharmaceutical and medical products is both challenging and rewarding. Doing so requires a culture where our people have the right balance of both patient-centric and commercially-focussed values.

Working with a sense of urgency, innovative thinking and collaboration are central to our company values: Teamwork, Superior Performance, Innovation, Integrity and Accountability. Our people have a strong sense of how their work benefits the broader community.



Starpharma is committed to investing in its organisational capabilities, including a focus on initiatives that promote diversity and inclusiveness in the workplace. We believe having a diverse workforce drives better outcomes for our business and provides the company with greater breadth of experience and ideas.



As at 30 June 2020, almost half of our employees were born outside of Australia and approximately half of our employees are female. Half of the leadership roles at Starpharma are held by women, and at Board level, 33% per cent of directors are female. Female representation on Starpharma's Board has been between 33-40% during the last nine years.

We are committed to improvements in Starpharma's ESG framework and working to achieve long-term aspirations in this area.

Dr Jackie Fairley
Chief Executive Officer

Mr Rob Thomas, AO
Chairman

2. Our approach to ESG

Starpharma acknowledges its role within society and believes its success will deliver long-term positive benefits to all stakeholders. Starpharma's corporate governance principles and code of conduct set the framework for how the company, management and employees are expected to conduct themselves: always ethically and responsibly.

This report focuses on the areas that matter most to Starpharma's key stakeholders, whilst also reflecting the United Nations' Sustainable Development Goals (SDGs).

Starpharma contributes towards the achievement of the SDGs in a number of ways, and predominantly by:

- improving good health and wellbeing through the innovation and development of important therapies for unmet needs;
- direct and indirect employment opportunities;
- good governance and due diligence of the supply chain; and
- strong commitments to initiatives around governance, environment and gender equality.

17 GOALS TO TRANSFORM OUR WORLD

"The SDGs are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests".

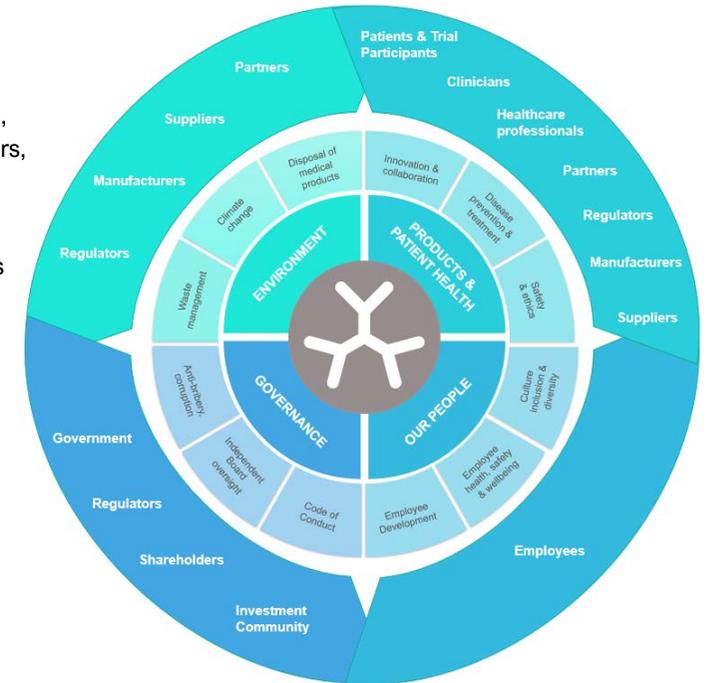
- United Nations



2.1 STAKEHOLDER ENGAGEMENT

The following stakeholders link to the four focus areas within Starpharma's ESG framework:

- **Product & Patient Health:** consumers, patients and trial participants; clinicians, healthcare professionals; commercial partners, manufacturers, suppliers, and regulators
- **Our People:** employees
- **Governance:** regulators, government, shareholders, investment community
- **Environment:** partners, manufacturers, suppliers & regulators



2.2 COMMUNITY BENEFITS FROM BETTER HEALTH OUTCOMES

The very nature of Starpharma's products affords the opportunity of changing lives for the better. Through innovative research and development, Starpharma and its partners are creating therapies which have the potential to profoundly improve patient health worldwide. Our purpose results in better health outcomes for the broader community through products and medicines that treat and prevent a range of conditions.

3. Governance

Starpharma is committed to the principles underpinning best practice in corporate governance, with a commitment to the highest standards of legislative compliance and financial and ethical behaviour.

The Board guides and monitors the company’s activities on behalf of the shareholders. In developing policies and setting standards, the Board considers the Australian Securities Exchange (“ASX”) Corporate Governance Principles and Recommendations. All of the governance practices have been in place or adopted by the company, unless otherwise stated in the corporate governance statement, which is disclosed each year as part of the annual report.



3.1 BOARD OF DIRECTORS AND INDEPENDENCE

The composition of Starpharma’s Board includes directors with core industry experience, as well as senior finance and risk management experience. Details of the members of the Board, their experience, qualifications, term of office and independence status are set out in the annual report each year.

The Board seeks to ensure that at any point in time, its membership represents an appropriate balance between directors with experience and knowledge of the group and directors with an external perspective. The Board also seeks to ensure that the size of the Board is appropriate for the company and conducive to effective discussion and efficient decision-making. As at 30 June 2020, Starpharma’s Board was comprised of five non-executive directors, all of whom are deemed independent (under the 4th Edition CGC Recommendations principles), and one executive director.

As reflected in best corporate governance practices, Starpharma has an independent Board Chair and each Board Committee is comprised of 100% independent directors. For further details on the ASX Corporate Governance Principles and Recommendations and Starpharma’s policies and practices, it is recommended to view the corporate governance statement available within the annual report or separately on the company’s website at www.starpharma.com.

DIRECTOR INDEPENDENCE



3.2 RISK MANAGEMENT

The Board, with input from the Audit and Risk Committee, is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The company operates in a challenging and dynamic environment, and risk management is viewed as integral to realising new opportunities as well as identifying issues that may have an adverse effect on the company’s existing operations and its sustainability. The company is committed to a proactive approach towards risk management throughout its entire business operations.



3.3 CODE OF CONDUCT

Starpharma has established a code of conduct reflecting the core values of the company and setting out the standards of ethical behaviour expected of directors, officers and employees in all dealings and relationships including with shareholders, contractors, customers and suppliers. The code of conduct sets the framework for how the company, management and employees are expected to conduct themselves: always ethically and responsibly and breaches may result in disciplinary action. The company has not had any material breaches in relation to its code of conduct.



3.4 ANTI-BRIBERY & ANTI-CORRUPTION

Starpharma's anti-bribery and corruption policy sets out responsibilities in relation to key areas of fraud, corruption, and bribery; gifts and entertainment; and political donations. Breaches of this policy may result in disciplinary action up to and potentially including dismissal. The company has not had any investigations or findings relating to a breach of any anti-bribery and anti-corruption laws.



3.5 WHISTLEBLOWING

Starpharma has recently established a whistleblower policy which sets out the procedures for reporting of instances of illegal, fraudulent, or undesirable behaviour to ensure that Starpharma's code of conduct and other policies are promoted and implemented, and that compliance with the law is promoted.



3.6 FAIR COMPETITION

Starpharma has not had any investigations or findings relating to a breach of any fair trading or competition laws.



3.7 SHAREHOLDER RIGHTS

The company aligns shareholders' rights with relevant corporations' legislation, ASX Listing Rules and ASX's Corporate Governance Principles and Recommendations, specifically *Principle 6: Respect the rights of shareholders*.



3.8 PRIVACY

Starpharma's privacy policy explains how we collect, use, and disclose customers' personal information.



Starpharma's annual governance statement is included in the company's annual report.



Starpharma's governance statement and policies are available at:

https://starpharma.com/corporate_governance

4. Our People

4.1 VALUES

Starpharma prides itself on a strong culture based on accountability, performance, and ethical behaviours. The company's core values include teamwork, superior performance, innovation, integrity, and accountability.



Starpharma's board fully appreciate the importance of culture in the success of the organisation. The company has built a strong, innovative and performance-driven culture and these factors are important considerations in the recruitment of new staff and in the performance management of existing staff. Starpharma's performance review process explicitly monitors behaviours against company values. Starpharma's code of conduct reflects the core values of the company and sets out standards of ethical behaviour in matters including equal employment opportunity and best practice in recruitment. Starpharma's code of conduct is available via https://starpharma.com/corporate_governance.

We have a highly skilled and specialised workforce. The employees of Starpharma are critical to the company achieving business success. To ensure Starpharma remains a safe, healthy and attractive workplace for our employees, Starpharma has implemented many workplace policies and practices.

All staff participate in a formal performance plan and review process. Each employee has a customised annual performance plan and KPIs appropriately aligned to their role. Employees are rewarded for outstanding performance and their contribution.

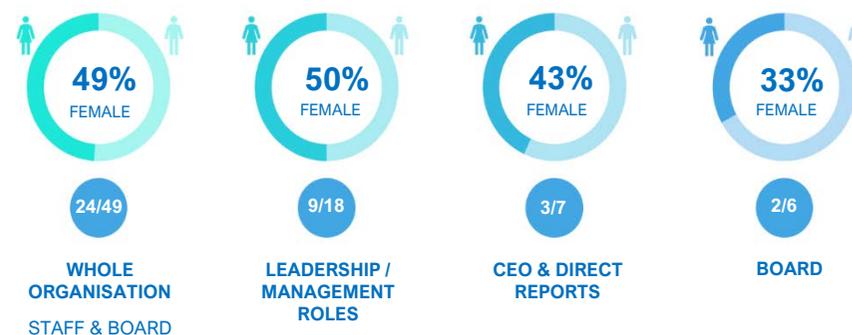
4.2 DIVERSITY & INCLUSION

Starpharma is committed to workplace diversity and has embraced a culture of inclusion and equal opportunity. The company recognises the corporate benefits of diversity of its workforce and the importance of being able to attract, retain and motivate employees from the widest possible pool of available talent.

The company's diversity policy provides a framework for Starpharma to achieve a number of diversity objectives that focus currently on:

1. Female participation/talent pipeline
2. Equal opportunity employer
3. Remuneration parity
4. Flexible working arrangements
5. Support a return to work after parental leave

GENDER SPLIT AT 30 JUNE 2020



Starpharma has had a female CEO since 2005, a rarity among ASX-listed companies.

Starpharma is committed to ensuring all employees behave professionally and are treated with respect, and a workplace where equality is paramount and where discrimination, harassment, vilification, and victimisation is not tolerated. The company's diversity policy is available via http://www.starpharma.com/corporate_governance.

Ethnic diversity
 Starpharma is proud of the ethnic diversity of its employee population, with around 45% of our employees born outside of Australia in 15 different countries.

Equal pay reviews
 Every year Starpharma reviews its performance on gender-pay equity. The company has never identified significant gender differences in remuneration relative to benchmarks for roles.

Industry networking opportunities
 Starpharma encourages industry networking opportunities and has sponsored the BioMelbourne Network *Connecting Women Lunch* for the past decade, which was attended by more than 500 women in biotech in 2019. Through events like these, and leadership awards, BioMelbourne recognises and celebrates the contribution of women. Starpharma's CEO is a past recipient of their **Women in Leadership Award for Impact on Industry**.



Pictured above: Panel discussion, *Connecting Women Lunch*, BioMelbourne Network 2019.

4.3 EMPLOYEE HEALTH & SAFETY



OH&S is considered every employee's responsibility, and a safe working culture is promoted and encouraged at all levels.

Starpharma's occupational, health and safety program is designed to prevent work related injuries and accidents. The company's zero harm objective is promoted through a culture of safety and hazard reporting and overseen by an active OH&S committee. OH&S is monitored by both lead and lag indicators. Incidents and near misses are reported and investigated in order to understand root causes and prevent recurrence. During FY20 and the previous five years, Starpharma has had no Worksafe notifiable incidents.

FY20		FY19
NIL	 Lost Time Injuries	NIL
NIL	 Notifiable dangerous occurrences	NIL

Starpharma's OH&S committee meets monthly, including to review safety procedures, policies, and risk assessments. All departments are represented on the committee, with executive members being permanent members.

Management Systems and Risk Assessment Process

Starpharma's operational facilities comprise offices and laboratory areas. OH&S policies and practices have been developed and are reviewed and audited on an ongoing basis with an emphasis on minimising risks in laboratory areas. Starpharma's OH&S procedures and practices are in accordance with AS/NZS 4801:2001: Occupational Health and Safety Management Systems.

Training and emergency response

OH&S induction, refreshers and ongoing OH&S training of staff is integral to the safety culture of Starpharma.

All staff undertake a comprehensive OH&S safety education as part of their onboarding activities. This includes familiarisation induction with all relevant OH&S policies and procedures including training in emergency response and evacuation.

The company has a Safety Manual which covers other matters including General Safety Practice, Laboratory Safety, OH&S Issue Resolution, Incident and Accident Reporting, OH&S committee, Workplace Design and Hazardous Waste Disposal.

Starpharma maintains emergency procedures in accordance with site essential services protocols, these include standard annual evacuation and emergency response refresher training. Starpharma conducts additional training if deemed necessary by the OH&S committee.



The company has floor wardens and First Aid Officers who are trained and equipped to fulfil their responsibilities in the event of an emergency. In the event of a cardiac emergency, certain staff members have been trained to use the company's defibrillator and wardens receive annual training in the use of breathing apparatus.

Laboratory staff

Laboratory staff also receive training in protective equipment requirements, policies, and procedures in carrying out relevant laboratory operations including standard operating procedures.

Risk assessments are routinely undertaken to identify potential hazards and determine the actions or controls required to eliminate or reduce any risks to the health of laboratory staff.



As part of Starpharma's OH&S program, the company maintains a Quality training matrix whereby any changes to Quality Assurance documents trigger mandatory staff training for all relevant staff.

4.4 PEOPLE DEVELOPMENT AND SOCIAL, PHYSICAL & MENTAL WELLBEING



Starpharma has a health and wellbeing policy to support employees in maintaining or adopting healthy lifestyles, recognising that employee physical and mental health has a positive impact on the individuals and culture of the organisation.

Starpharma provides free health check-ups and annual flu vaccinations for employees on a voluntary basis. An Employee Assistance Program is available to all staff, which provides counselling and other services.

Starpharma's attrition rates are significantly lower than the industry average, and its average tenure rates are indicative of both a stable employee population and a positive and collegiate workplace culture.

4.5 WORKPLACE LABOUR PRACTICES

All of Starpharma's workforce are employed in Australia. Starpharma's laboratory and clerical staff are employed in accordance with the relevant professional award and other roles have individual contracts which are in accordance with Australian Fair Work legislation.

All staff are free to join representative associations.

Starpharma has implemented minor workforce restructuring in recent years. Any restructuring of roles is undertaken to increase the company's ability to deliver organisational goals, and is conducted in accordance with Australian Fair Work legislation.

5. Products & Patient Health

5.1 DISEASE PREVENTION AND TREATMENT

Starpharma is creating innovative therapies which have the potential to improve patient health worldwide. Through innovative research and development, Starpharma is creating products for needs which are currently unmet within the health and medical markets. All of Starpharma's products, are developed in compliance with the relevant regulatory requirements, including for the areas of research, clinical trials, commercialisation and manufacturing.

DEP® drug delivery

Starpharma's innovative nanoparticle DEP® platform has the potential to create improved versions of many drugs, including anti-cancer therapies, with fewer side effects and improved effectiveness. The DEP® platform is potentially applicable to a large proportion of the top 200 selling pharmaceuticals.



Better patient experience

In preclinical and clinical studies, Starpharma's DEP® drugs have been shown to improve the therapeutic window of multiple novel and existing anti-cancer drugs – including improving efficacy, and reducing typical drug side-effects, some of which can be life-threatening such as bone marrow toxicities.



VivaGel® BV for bacterial vaginosis (BV)

Starpharma has developed VivaGel® BV, a breakthrough non-antibiotic therapy, for the prevention and treatment of bacterial vaginosis (BV).

BV is the most common vaginal infection worldwide and is twice as common as thrush, with the majority of patients experiencing recurrent BV. Patients have reported that BV has a significant negative impact on their life, particularly affecting their self-esteem, relationships and ability to work.

VivaGel® BV is available in the UK, Europe, Asia, Australia and New Zealand.

Further regulatory submissions are in progress to bring this much needed product to women in other parts of the world, including the US.

BREAKTHROUGH THERAPY FOR A SIGNIFICANT UNMET NEED

"Having access to Fleurstat BVgel (VivaGel® BV) over the counter will empower women...to finally take control" - Community Pharmacist

✓ Treatment & rapid symptom resolution & and prevention of recurrent BV

24h Rapid relief of odour in 24 hours

Targets harmful BV-causing bacteria

Restores vaginal flora, normalises pH levels

✓ Targets BV bacteria and has a novel mechanism of action on biofilm

Clinically proven to prevent recurrent BV

Clinically proven to treat BV

✓ Non-antibiotic and not absorbed into the blood stream (excellent safety & tolerability)



VivaGel® BV for bacterial vaginosis (BV) – continued

The following images are examples of Starpharma's partnered marketing campaigns to increase awareness of BV and VivaGel® BV in the community.



VivaGel® condom – protecting against viruses

STIs have a profound impact on sexual and reproductive health worldwide. More than 1 million STIs are acquired every day. The VivaGel® condom is the world's first and only anti-viral condom. The condom lubricant contains VivaGel®(SPL7013) which has been shown to inactivate HIV, herpes simplex virus (HSV) and human papillomavirus (HPV), which are viruses that cause STIs.



Starpharma's VivaGel® condom has been launched by Okamoto in Japan, and by LifeStyles in Canada and Australia. Starpharma has a partnership with Sky & Land Latex Company in China, which supplies over 1 billion condoms annually to the Chinese Government for distribution throughout China, free of charge. The VivaGel® condom is also approved for sale in Europe.

In 2020, Okamoto and the Japanese Ministry of Health, Labour & Welfare developed a joint STI prevention campaign using VivaGel® condoms. VivaGel® condom samples were manufactured for the Japan Foundation for AIDS Prevention to increase awareness for health centres nationwide.

COVID-19 and products for pandemic preparedness

VivaGel® products are based on SPL7013, a proprietary dendrimer with broad spectrum antiviral activity (HIV, HSV, HPV, HBV, Adenovirus, Zika). Following the emergence of the coronavirus pandemic, SPL7013 has been tested and found to have significant activity against SARS-CoV-2, the coronavirus that causes COVID-19. Starpharma is now developing a SPL7013 nasal spray and other product concepts aimed at preventing infection and/or reducing severity of disease. Starpharma is working to fast-track its development.



Research in other areas

The company is exploring opportunities to develop a treatment for viral conjunctivitis – a very common issue (especially in developing countries) for which there are no specific treatments available.

Consumer and patient health & safety

Starpharma is committed to providing consumers and patients with safe access to its products. This includes working with partners to ensure that labelling and related materials are accurately presented and compliant with the regulatory requirements in each region.

5.2 RESPONSIBLE MARKETING

Starpharma's partners are responsible for the marketing and distribution of its commercialised products in their licenced territories. The company works closely with its partners to ensure the accurate labelling of its products in accordance with the relevant regulatory requirements of each territory or region.

Starpharma does not typically interact directly with healthcare professionals in relation to the sale of its products. Comprehensive due diligence is undertaken prior to finalising partnership and licensing agreements.

Starpharma does not directly undertake any marketing activities in relation to the launch and sale of its products.

Product representations

Starpharma and its partners abide by the strict guidance on advertising representations, marketing claims and labelling as dictated by regulators in each jurisdiction, including the Therapeutics Goods Administration (Australia), European Medicines Agency (EU), Health Canada (Canada) and the Pharmaceuticals and Medical Devices Agency (Japan).

As part of its role in the supply and manufacture of product, Starpharma works alongside partners to review the accuracy in their labelling to ensure that the marketing is truthful, that the product is clearly labelled, and that there is no promotion of off-label use.

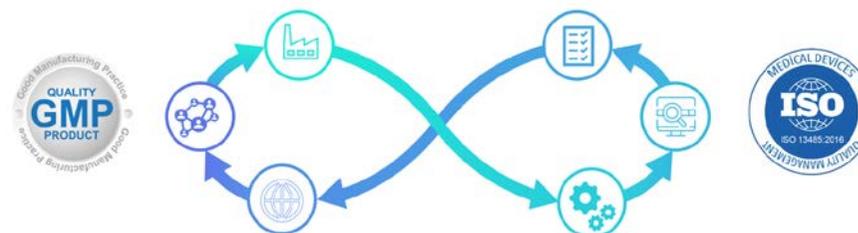
5.3 PRODUCT MANUFACTURING, QUALITY & ACCREDITATION

Starpharma products go through rigorous development, testing and clinical trials, and are labelled and marketed pursuant to high quality standards, governing policies, and regulations.

Starpharma takes product quality very seriously and has a comprehensive quality management system with quality systems processes, including (but not limited to): change control, internal auditing, complaint handling, post market surveillance and supplier management. Starpharma ensures that its manufacturing suppliers have all the necessary controls in place for quality performance.

- ✓ Key manufacturing material suppliers are required to undergo due diligence and a number of quality control and assurance activities, including audits.
- ✓ Manufacturing processes are very tightly controlled with standard operating procedures and documentary records prepared for every batch of product.

Starpharma performs an audit of manufacturing procedures which is part of the qualification process. In addition to Starpharma's initial and periodic audits, Starpharma's partners also conduct audits on the manufacturing suppliers.



Quality Agreements are established with critical suppliers of product or service. Where relevant, suppliers are required to have appropriate quality systems certifications (e.g. GMP, ISO 13485).

5.4 COUNTERFEIT MEDICINES

Counterfeit medicine, or fake medicine, is illegal and can be harmful for patients, as they may be contaminated or contain the wrong or no active ingredient, and incorrect dosage. Starpharma conducts international monitoring to identify potential counterfeit medicines related to its products, and where necessary, reports to regulatory authorities and undertakes associated actions (including engaging lawyers where applicable) to reduce potential marketing and sales of counterfeits. Starpharma's manufacturers and partners' business practices ensure that products are securely distributed.

5.5 SUPPLIER MANAGEMENT

Starpharma's supplier code includes a wide range of business practices to provide suppliers with clear expectations regarding their conduct, particularly in relation to employment principles; anti-bribery and fair competition; health and safety; environment; data privacy and information protection; confidentiality and insider trading.

Starpharma has a supplier code to outline expectations for its suppliers across key areas. We want to ensure that our suppliers understand and share our organisational values.

- ✓ Employees involved in procurement activities are appropriately trained with regard to purchasing and supply procedures.
- ✓ Starpharma demonstrates control of key suppliers through an established supplier management program.
- ✓ Key suppliers are qualified and monitored through regular on and off-site audits, as well as ongoing assessment of quality, where relevant.

While Starpharma's operations are relatively small in respect to the use of suppliers, the company is conscious of responsible and ethical sourcing and is actively reviewing its procedures in this area. Starpharma is continually reviewing applicable guidance on responsible sourcing and sustainable procurement with the aim of creating greater social and sustainability benefits through its purchasing activities. This is part of the company's commitment to better understand sustainability related aspects of its supply chain.

Supplier Assessment and Qualification

As part of the company's supplier assessment process, Starpharma has a detailed questionnaire to evaluate suppliers. As referenced above, the supplier code sets out Starpharma's expectations in relation to suppliers meeting ethical and quality standards and compliance with relevant regulations.

Supplier Audit and Performance Reviews

Starpharma regularly audits key suppliers to confirm compliance with supplier performance and quality standards. Audits are performed by Starpharma personnel or local qualified third parties independently contracted by Starpharma. In the interests of continuous improvement, Starpharma periodically monitors the performance of suppliers in relation to performance targets and objectives.

Supplier Agreements

Starpharma has supply agreements, quality agreements, master service agreements and/or other similar contracts with all of our suppliers, to outline key terms and conditions with the requirements that the supplier comply with all laws and regulations applicable to the supply of the service or material.

5.6 BIOETHICS

Starpharma is committed to upholding clear and strong bioethics principles and conducts its business in accordance with the highest standards of bioethics, throughout all areas of its business. These principles guide Starpharma in the conduct of clinical trials and the welfare of patients, the treatment of animals and the use of medical knowledge.

Health regulators, including the US Food and Drug Administration (FDA) mandate a range of quality, safety and efficacy testing to safe-guard patients and clinical trial participants, which may include animal testing. Starpharma only commissions animal testing where required for regulatory approval and progress into human trials of much needed medicines. Any animal studies required are externally conducted through specialised providers and institutes, always under ethics committee approval, with the appropriate level of oversight in place. Starpharma does not, and has not ever, engaged in any embryonic or stem cell research.

5.7 CLINICAL TRIALS

ICH-GCP



Starpharma's clinical programs are undertaken in accordance with the guidelines for the International Conference on Harmonisation-Good Clinical Practice (ICH-GCP). <https://ichgcp.net/2-the-principles-of-ich-gcp-2/>

Starpharma is committed to ensuring patient safety, and works closely with its Contract Research Organisations (CROs) to ensure that any risks are appropriately identified and mitigated. Rigorous preclinical testing is undertaken prior to the commencement of any human trial.

The design of each trial is subject to an exhaustive review including external consultants and trial investigators and require external ethics and regulatory approval prior to trial commencement.

In accordance with the ICH-GCP guidelines, Starpharma undertakes an evaluation to ensure that the anticipated benefits of the trial outweigh the foreseeable risks and inconvenience. The Company ensures that the rights, safety and well-being of clinical trial volunteers are the most important considerations, over and above the company interests or community benefit.

Use of Contract Research Organisation (CROs)

Starpharma does not directly conduct its own clinical trials. Starpharma engages appropriately qualified and certified CROs to oversee and manage its clinical trials. Like Starpharma, each CRO must abide by the ICH-GCP guidelines.

Starpharma ensures that each CRO is carefully scrutinised by a rigorous review process to assess whether the CRO meets relevant guidelines and Starpharma's obligations for managing each clinical trial.

CROs are engaged to work with each clinical trial site where study subjects are enrolled, including the Kinghorn Cancer Centre in Sydney, Australia and various sites in UK including Guy's Hospital in London, University College London, the Velindre Cancer Centre in Cardiff, the Royal Marsden, the Christie, Newcastle

Upon Tyne, Imperial College London and The Beatson West of Scotland Cancer Centre. Each UK site is subject to the UK Medicines for Human Use (Clinical Trial) Regulations 2006. Australian trial site is subject to the Australian Therapeutic Goods Regulations 1990 and National Health and Medical Research Council Act 1992.

Starpharma routinely conducts audits throughout clinical trials, and in some instances, after a trial has been completed. The purpose and coverage of the audit may be dependent on any potential trial specific issues, including data integrity and patient safety, at either the site or relevant service providers.

Risk assessments

As part of the clinical trial planning process, comprehensive risk assessments and management plans are carried out by both Starpharma and its CRO in relation to various aspects of the trial including patient safety, recruitment, and general study conduct.

Specific measures to protect vulnerable participants

Starpharma works closely with its CROs to ensure that any trial participants that may be deemed as 'vulnerable' are adequately protected. This could apply to participants who have a physical or mental impairment. With regard to age vulnerable participants, Starpharma does not currently recruit participants under the age of 18 years in any of its trials.

Patient privacy

Starpharma and its contractors are required to comply with the data privacy legislation in the relevant country. In clinical trials, the participant's information is always anonymised or pseudonymised, with the key code being held by the patient's doctor so that the participant's involvement and personal information can remain anonymous.

Further information regarding privacy is provided in Starpharma's privacy policy: <https://starpharma.com/privacy>.

5.8 COLLABORATION

Starpharma has established important commercial and scientific partnerships with leading global companies, international medical research organisations and key governmental and non-governmental departments and institutions. These relationships offer critical inputs from world experts and provide a pathway for products to enter the market and change daily lives.

The company's commercial research partnership with AstraZeneca enabled Starpharma's proprietary DEP® technology to deliver significant improvement in the therapeutic index and safety of one of their novel cancer drugs, AZDO466. The collaboration has made possible the progression of this potential new therapy into the clinic for patients with both solid and haematological tumours (blood cancers).

Starpharma has a number of research collaborations with universities, such as Monash Institute of Pharmaceutical Science, and leading pharmaceutical companies. A thorough due diligence process is conducted prior to entering any research collaboration and agreements are executed which cover ethics, patents, ownership and other related matters.



Starpharma and Monash Institute of Pharmaceutical Sciences (MIPS) has previously received grant funding from the **SIEF STEM+ Business Fellowship Program** to engage two post-doctoral Research Fellows. *"The program is a great opportunity to further our long standing and highly successful collaboration with Starpharma and to further develop next generation targeting approaches for the DEP® dendrimer drug delivery platform".*

Professor Chris Porter | MIPS Director



www.sief.org.au

Promoting STEM careers through internships

Starpharma has taken an active role in promoting STEM careers including through its participation in university internship programs. Such internship programs provide incentives, encouragement, and pathways for people to take up opportunities in STEM careers, and also encourages female participation in these roles.



"Working at Starpharma, I've been exposed to so many different pathways and different things I can do with my degree that I just wasn't aware of before and that's been the real value... I feel like I'm adding value to the organisation as a whole..."

Catherine Fitzgerald
Trainee Scientist during FY19.

(Source: Uni-Works, 2019)

5.9 INTELLECTUAL PROPERTY & ETHICAL ORIGINS

Starpharma publishes its patent information on an annual basis in the annual report and also provides this information via www.starpharma.com.

Starpharma's dendrimer technology originates from work undertaken in the biomolecular research institute within Australia's CSIRO (Commonwealth Scientific and Industrial Research Organisation).

There are no controversies or ethical issues associated with the origins of Starpharma's technology.

6. Environment

6.1 ENVIRONMENTAL POLICY

Starpharma's environmental policy includes the following key principles:

- Comply with environmental laws and regulations and prevent environmental pollution;
- Consider the environmental impact of our products through their product lifecycle;
- Promote the efficient use of materials and resources throughout our facility and to make continuous environmental improvement with a focus on our waste management practices;
- Develop a culture of sustainable environmental management by developing the awareness and involvement of our employees; training employees and implementing programs for environmental management;
- Ensure an environmental management framework that includes environment standards, practices and procedures is developed, implemented and reviewed to identify and manage our material environmental risks;
- Incorporate environmental considerations into our business decision-making processes; products and procurement;
- Endeavour to optimise our energy efficiency; and
- Engage with our suppliers, customers and partners to develop improved environmental sustainability practices through the supply chain.

Starpharma's environmental policy is available at:

https://starpharma.com/corporate_governance.

6.2 PRODUCT STEWARDSHIP

Starpharma is committed to conducting its operations in an environmentally responsible manner, as healthy people rely on a healthy environment. However, reducing our environmental footprint, not only is important for human and environmental health, it also leads to the long-term health of economies and our business.

Starpharma undertakes assessments, reviews and audits to ensure suppliers maintain appropriate management of operations, including quality compliance. Starpharma is currently reviewing its supplier code and procedures to broaden aspects to include environment compliance and considerations to strengthen responsible sourcing from suppliers.

6.3 WASTE MANAGEMENT

Starpharma has adopted documented procedures and processes to ensure all hazardous and non-hazardous waste from activities are disposed strictly in accordance with the relevant environmental regulations, standards and codes.

The company has appropriate systems in place to ensure it is compliant with relevant Australian Federal, State and Local regulations. Starpharma has never received any sort of citation by the relevant authorities on waste management, and holds all necessary licences for storage and uses of hazardous or controlled substances.

Internally, Starpharma only generates very small volumes of biohazardous waste and uses leading waste management companies for its disposal.



The waste management company is independently certified to environment (ISO 14001), quality (ISO 9001) and health and safety (AS/NZS 4801) standards. Starpharma employees are trained in standard operating procedures for managing the array of laboratory waste; including procedures to ensure that no hazardous waste enters the waterways.

6.4 PHARMACEUTICALS IN THE ENVIRONMENT

International bodies such as the United Nations and the European Commission, have identified the need to effectively manage the risks of pharmaceuticals in the environment. Pharmaceuticals that persist in the environment can spread through water and soil which may then accumulate in plants or wildlife. The main pathway for pharmaceuticals to enter the environment is through patient use into waste treatment water. Improper disposal of unused medicines by consumers, and waste from production of pharmaceuticals can also add trace levels into the environment.

Starpharma recognises the benefits of a lower environmental risk profile in the development of new products, promotes the use of greener manufacturing methods and ensures suppliers handle waste in the production process appropriately. By collaborating with suppliers on improving the efficiency and yield in manufacturing processes, Starpharma strives to enhance productivity, whilst also reducing environmental impact. This is achieved by reducing raw materials, plant operating times, by-products, water usage, energy consumption and disposal costs.

6.5 CLIMATE ACTION – GREENHOUSE REDUCTION

Energy consumption

Starpharma is committed to identifying the operating risks and business opportunities presented by a changing global climate. In conducting the company's operations, Starpharma's management and employees are conscious of reducing their environmental footprint.

Notwithstanding the company's small workforce (<50 people) and head office, Starpharma has implemented a number of energy reduction initiatives throughout its building, including automated power turn-off for air conditioning and lighting.

Starpharma is committed to gaining a better understanding of its carbon footprint, and is actively reviewing how to most effectively manage the inevitable financial implications arising from improving its emissions directly, and indirectly through supplier management.

Closing remarks

Starpharma's Board and management believes the company has a positive societal impact and value for our stakeholders, including employees, consumers, patients, shareholders, and the broader community and environment. We take this responsibility very seriously. Despite the company's relatively small size, Starpharma is committed to continuous improvement in ESG areas and looks forward to presenting further initiatives in the future.

About this report

The content of this report relates to the Starpharma group of companies, including Starpharma Holdings Limited and its subsidiaries.

This report comprises information and data derived from Starpharma's policies, procedures, and annual report. The information and data presented is not subject to external audit and the company is satisfied that this report is materially accurate and balanced, as verified through management review, and a Board review process.

More detailed information including Starpharma's governance statement is available at www.starpharma.com.





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