

The Modern Slavery Act 2015 (the "Act") came into effect on 29 October 2015 and requires those entities carrying on a business or part of a business in the United Kingdom, supplying goods or services, and having annual turnover of £36 million or more, to disclose information regarding the steps they have taken to eradicate slavery and human trafficking from their supply chain as well as within their own organisation during the previous financial year.

McKesson Corporation ("McKesson") fully supports the UK government's objectives to eradicate modern slavery and human trafficking and publishes this Modern Slavery and Human Trafficking Statement, pursuant to section 54 of the Modern Slavery Act 2015, on behalf of McKesson Global Procurement & Sourcing Limited ("MGPSL") for the fiscal year ended 31 March 2020.

MGPSL is committed to good corporate citizenship and the highest ethical standards. Our approach reflects our commitment to acting ethically and with integrity in all our business relationships, helping to ensure that slavery and human trafficking is not taking place anywhere in our business. We expect all those in our supply chain to adopt a similar approach. To further fulfil these commitments, MGPSL has established and maintains systems and controls to safeguard against slavery and related human trafficking in the supply chain of products it purchases from suppliers. MGPSL does not manufacture products itself.

BUSINESS AND ORGANISATION

MGPSL is a private limited company incorporated in England and Wales and wholly owned McKesson Corporation, a company incorporated in the State of Delaware, United States of America. The shares of McKesson Corporation are traded on the New York Stock Exchange. The McKesson group is a global leader in healthcare supply chain management solutions, retail pharmacy, community oncology and specialty care, and healthcare information technology.

MGPSL is the sourcing and procurement organization for McKesson and delivers value by establishing global partnerships and developing new service solutions with manufacturers and suppliers focused on both generic and brand pharmaceutical products. In addition, MGPSL manages McKesson's global private label strategy with focus on generic, over-the-counter and medical surgical products and works with global suppliers with operations in the US, Europe and Asia.

VALUES, POLICIES AND TRAINING

MGPSL is committed to sourcing quality products from suppliers who share its ethical values. McKesson's ICARE principles are; Integrity, Customer-first, Accountability, Respect and Excellence.

McKesson's Code of Conduct, provides important guidelines for MGPSL's interactions with customers, suppliers and other business partners, and between employees.

The ICARE principles are central to the Code of Conduct. All employees are encouraged to raise concerns including potential violations of (i) the Code of Conduct; (ii) company policies and (iii) the laws of the countries in which MGPSL operates. MGPSL has sophisticated reporting mechanisms in place to collect and relay information regarding potential violations to appropriate company resources for review and follow up.

MGPSL has policies which underpin our approach to tackling the risk of modern slavery in our supply chain, including, but not limited to, the whistleblowing provisions set out in the Code of Conduct which encourages employees to raise concerns including potential violations of (i) the Code of Conduct; (ii) company policies; and (iii) the laws of the countries in which MGPSL operates. McKesson treats all concerns in good faith and the Integrity Line, operated by an independent third party, is available either by phone or online to all employees 24 hours a day, 7 days a week, in multiple languages.

MGPSL conducts web-based and/or face to face training for employees to emphasize the importance of acting with integrity and in line with the ICARE principles and Code of Conduct.

COVID-19 PANDEMIC

We are aware that the unique and unprecedented set of challenges brought about by the Covid-19 pandemic could lead to an increase in modern slavery as businesses try to adapt to the situation. We began taking steps to manage the risks as they emerged to guard against this happening within our organisation and our supply chains.

Covid 19 secure risk assessments were undertaken in all parts of the business to help us formulate mitigation plans to protect the health and safety of our colleagues. All non-essential employees in the impacted entities were mandated to work from home and arrangements made for them to have appropriate office equipment to ensure a safe and comfortable working environment, and all non-essential travel and face to face meetings were suspended.

To help prevent the spread of the virus, we continued to pay sick pay in accordance with our internal policy throughout the pandemic.

We are currently reviewing homeworking arrangements to ensure colleagues can work safely from home. We are looking to implement further social distancing measures as we plan towards re-introducing colleagues back into our business premises once it is safe to do so in line with Government guidance.

Colleagues have had regular communications throughout the period, with additional communication being enacted including written communication from their own entities, enterprise-wide communication, and regular group calls. All usual recruitment checks were carried out virtually and all employees continued to have access to usual support or grievance procedures as they remain available online and escalation routes are unchanged.

We continued to adhere to our recruitment processes during the pandemic, adapting them as necessary in line with Government guidance. For example, we undertook right to work checks for new colleagues via digital means in accordance with the Government's temporary process.

We supported suppliers during the pandemic by continuing to pay for orders promptly. We worked closely with suppliers throughout the period to source essential products and minimise interruptions in the supply to our customers.

We are continuously monitoring the situation and reviewing our existing measures in line with Government guidance. The Board of Directors has been kept up to date throughout the pandemic regarding risk levels and is actively involved in determining any adjustments that need to be made to existing measures.

GOING FORWARD

Following a review of the effectiveness of the steps we have taken in FY20 to ensure there is no slavery or human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

- We will continue to work across the McKesson group to enhance the supplier due diligence process.
- We will develop a Modern Slavery Policy for the business which underlines our commitment to tackling modern slavery within our organisation and our supply chain. We aim to implement this during the forthcoming financial year.
- To ensure we maintain a high level of understanding of the risks of modern slavery and human trafficking in McKesson supply chains and our business we will run an awareness campaign in FY21.
- We will continue to work alongside our employees in developing our approach to working environments in relation to Covid-19, to ensure their safety and that of their loved ones.

This Statement has been approved by the board of directors of MGPSL, and the board has authorized G.B. Thomas, Director, to sign the Statement on behalf of MGPSL.

Signed:



Name:

GARETH B. THOMAS

Position:

Director

Date:

23rd September 2020