

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 UK, 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 organization during the previous financial year.

McKesson Corporation (*“McKesson”*) publishes this Modern Slavery Act Statement on its corporate website in the name and on behalf of McKesson Global Sourcing UK Limited (*“MGSUK”*) for the fiscal year ended 31 March 2019.

## **UK Modern Slavery Act (“MSA”) Statement**

MGSUK is committed to good corporate citizenship and the highest ethical standards. To fulfil these requirements, MGSUK Limited has established and maintains systems and controls to ensure that slavery and related human trafficking do not form part of the supply chain.

### **BUSINESS AND ORGANIZATION**

McKesson Global Sourcing UK Limited (*“MGSUK”*) was incorporated in 2017, as a company limited by shares organized under the laws of England and Wales. MGSUK is a member of the McKesson Corp. group of companies. MGSUK is a sourcing organization for McKesson focused on over-the-counter and medical surgical products, and delivers value by driving the supply chain by working with global suppliers.

McKesson is a global leader in healthcare supply chain management solutions, retail pharmacy, community oncology and speciality care, and healthcare information technology.

### **VALUES AND TRAININGS**

MGSUK is committed to sourcing quality products from suppliers who share its ethical values. Everything MGSUK does is driven by McKesson’s **ICARE principles**, which are: Integrity, Customer-first, Accountability, Respect and Excellence.

McKesson’s **Code of Conduct** (*“Code of Conduct”*) provides important guidelines for MGSUK’s interactions with customers, suppliers and other business partners, and one another.

The ICARE principles are central to the Code of Conduct and are at the heart of every decision MGSUK makes. All colleagues are encouraged to raise concerns; this includes violations of (i) the Code of Conduct; (ii) company policies; and (iii) the laws of the countries in which MGSUK operates. MGSUK has sophisticated reporting mechanisms in place to collect and relay information regarding potential violations to appropriate company resources for review and follow up.

MGSUK 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.

### **SUPPLY CHAIN AND DUE DILIGENCE**

Some of MGSUK's suppliers are located in countries that may be more vulnerable to human rights abuses than others. That is why MGSUK makes several efforts to implement a zero-tolerance policy for such abuses. MGSUK therefore (i) clearly communicates its expectations to suppliers to ensure adherence of its values and ethical standards; (ii) establishes appropriate policies and processes within its businesses to make sure that the products it is selling meet the highest standards; (iii) utilises both internal and external resources to evaluate the factories of its suppliers based in higher risk countries and audit them against recognised industry standards; and (iv) requires compliance provisions and agreement with the McKesson supplier sustainability principles in its contracts.

For its sustainable logistics and quality management systems, MGSUK has designed and implemented a number of processes to assess suppliers of the products introduced into the supply chain. The focus areas included in the assessment process include, but are not limited to, Commercial, Compliance and Quality Assurance. These supplier agreements include language that requires all suppliers to obey national and regional statutory requirements in the country in which they are operating, including any applicable national laws regarding human trafficking, forced labour and other forms of modern slavery.

If remediation is required, MGSUK works with its suppliers to improve their standards with corrective action plans and on-going reviews to make sure the standards are maintained. MGSUK aims to build relationships with its suppliers to ensure adherence to its values and ethical standards.

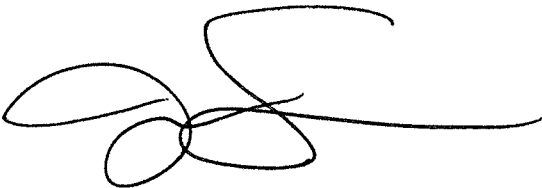
#### **EFFECTIVENESS**

MGSUK carries out periodic supplier audits and, where issues are identified, it works with the supplier to ensure improvements are made. These audits include interviews with workers and the management, inspections of production sites and document reviews. Audit findings or non-conformances are prioritized based on risk. Should a critical issue be identified, MGSUK would require a timely response from the supplier, and if a supplier failed to adequately remediate the issue, the relationships would be re-evaluated and, if necessary, terminated.

MGSUK continuously evaluates its monitoring program to ensure all actions are consistent with industry norms, and it believes all efforts to date have been effective in preventing slavery and human trafficking from infecting its supply chain.

**This Statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and constitutes MGSUK's slavery and human trafficking statement for the previous financial year (FY19).**

London, United Kingdom

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Jack Stephens  
President  
McKesson Global Sourcing UK Limited  
March 2019