

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 its corporate website and on MSSL Sourcing Services LLP website on behalf of McKesson Strategic Services Limited ("MSSL") for the fiscal year ended 31 March 2020.

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

BUSINESS AND ORGANISATION

MSSL is a private limited company incorporated in England and Wales. MSSL is a member of the McKesson Corporation group of companies and is a partner in ClarusONE Sourcing Services LLP. The McKesson group is a global leader in healthcare supply chain management solutions, retail pharmacy, community oncology and specialty care, and healthcare information technology.

WMGS Europe Limited, the other member of ClarusONE Sourcing Services LLP is a member of the Walmart group of companies, which is engaged in retail and wholesale operations in various formats around the world, and many of its operations include pharmacies.

VALUES AND TRAINING

ClarusONE Sourcing Services LLP, which incorporates MSSL, is committed to sourcing quality generic pharmaceutical products, on behalf of its members, from suppliers who share ClarusONE Sourcing Services LLP's ethical values.

Each of ClarusONE Sourcing Services LLP's members have implemented a code of conduct (each, a "Code of Conduct" and, collectively, the "Codes of Conduct") within their respective organisations which provide the guidelines for MSSL's interactions with its employees and contractors, as well as with affiliates, customers, suppliers and other business partners.

McKesson's Code of Conduct can be accessed [here](#).

Walmart's Code of Conduct can be accessed [here](#).

The ethical principles that form the basis of the Codes of Conduct are at the heart of every decision made by MSSL. MSSL's employees are encouraged to raise concerns including potential violations of (i) the Codes of Conduct; (ii) company policies and (iii) the laws of the countries in which MSSL operates. MSSL has sophisticated reporting mechanisms in place to collect and relay information regarding potential violations to appropriate resources within MSSL and within its members for review and follow up.

MSSL conducts web-based and/or face to face training for employees to emphasize the importance of acting with integrity and in line with the Codes of Conduct.

SUPPLY CHAIN AND DUE DILIGENCE

As a provider of strategic sourcing services in the pharmaceutical market, MSSL takes its social responsibility seriously and is strongly committed to respecting international human rights and fair labour practices, and explicitly condemns slavery and human trafficking in any form.

MSSL's principal supplier agreements include language that requires MSSL's suppliers to comply with all laws that relate to their Interactions with MSSL, including any applicable national laws regarding human trafficking, forced labour and other forms of modern slavery.

In addition to its own efforts, MSSL can, whenever required, upon request, rely on the strong support of its members who have designed and implemented processes to: (i) assess suppliers of services and products introduced into the supply chain; and (ii) confirm that the policies and procedures of such suppliers are compliant with the Codes 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.

EFFECTIVENESS

MSSL continuously evaluates its monitoring program to ensure its actions are consistent with industry norms and coordinates with the policies and procedures of its Members to leverage their experience and knowledge.

MSSL believes its efforts to date have been effective in preventing slavery and human trafficking from entering the supply chain.

GOING FORWARD

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.

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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 enhance our supplier due diligence process.
- We have developed 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 our supply chains and our business we will run an awareness campaign in FY21 and will review the training available for our employees.
- 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 MGSUK, and the board has authorized G.B. Thomas, Director, to sign the Statement on behalf of MGSUK.

Signed:



Name: G. B. Thomas

Position: Director

Date: 30th September 2020