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# Astrazeneca Modern Slavery Act Statement

For The Year Ending 31 December 2020



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We run every part of our business with integrity, honesty and transparency everywhere we operate ... We do not allow modern slavery or human trafficking anywhere in our business... We uphold our standards of integrity in every situation, not allowing, asking, or enabling others to engage in prohibited conduct on our behalf. ... We work only with qualified third parties who have a commitment to ethics and integrity consistent with ours...”

AstraZeneca Code of Ethics, Page 3

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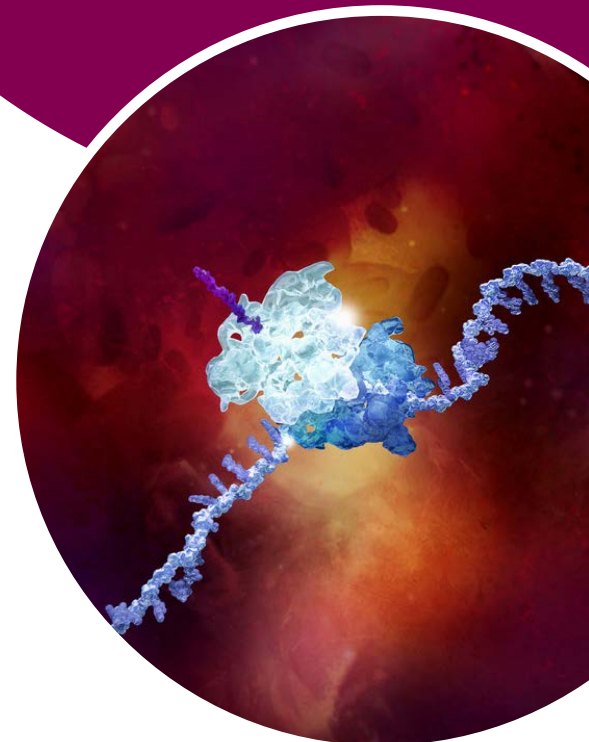
## Our commitment

AstraZeneca is committed to operating with integrity and high ethical standards. This includes ensuring that our business respects human rights - a commitment reflected in our [Code of Ethics](#), which is based on our Company Values and includes our global “Our Interactions” Policy.

Specifically, we are committed to ensuring that we identify and eliminate to the fullest extent practicable modern day slavery or human trafficking in our business.

Our standards comply with all current national and international laws, regulations and codes to prevent trafficking and slavery in our own business operations. Further, we require our contracting partners and those companies within our supply chain to do the same, as set out in our Global Standard on [Expectations of Third Parties](#).

AstraZeneca supports and adheres to the principles set out in the UN Declaration of Human Rights, and our employment policies detail our high standards of employment practice. These internal policies and practices include respecting diversity and, as a minimum, complying with national legal requirements regarding wages and working hours. We also support the International Labour Organisation’s standards regarding child labour and minimum working age.



# Our business

**AstraZeneca is a global, science-led biopharmaceutical company that focuses on the discovery, development and commercialisation of prescription medicines, primarily for the treatment of diseases in three therapy areas - Oncology, Cardiovascular & Metabolic Diseases, and Respiratory. The Company is also selectively active in the areas of autoimmunity, neuroscience and infection. Whilst we operate in over 100 countries and our innovative medicines are used by millions of patients worldwide, we are headquartered in Sweden, United States and the United Kingdom. We employ highly skilled permanent and part time workforce, but we also use contractors and labor agents in sourcing highly skilled workforce.**

Our science is led by two Research & Development (R&D) Units that are designed to focus on our therapeutic areas (BioPharmaceuticals and Oncology), accelerate the transition from early to late and increase R&D success rates as we work towards 2025. We have retired the MedImmune brand at the beginning of 2019 and the development of biologics is part of BioPharmaceuticals SET area.

We group our Commercial functions into Japan, and three Commercial Regions: North America (US and Canada); Europe; and International (Emerging Markets, Australia and New Zealand). Our Operations function plays a key role in the development, manufacturing, testing and delivery of our medicines to our customers.

Our global supply chain supports all areas of our business with a wide range of goods and services, including raw materials (for example, the active pharmaceutical ingredients in some of our medicines and drug substance and/or finished drug product for some of our biologics medicines), equipment, formulated drugs and packaging, and services, all of which are key to our operations. Many of our business-critical operations including certain R&D processes, IT systems, HR, finance, tax and accounting services have also been outsourced to third party providers.

The Global Risk Owner for modern slavery and human trafficking is the Executive Vice-President Operations & Information Technology. Their remit includes accountability for our Global Supply Chain and Global Procurement function. To support the Executive Vice-President, we have dedicated internal compliance and audit teams responsible for reviewing the manner in which we manage all forms of risk, including employment principles which covers modern slavery and human trafficking.

We work to develop and maintain good relations with local workforces and work closely with our recognised national trade unions. We also regularly consult with employee representatives or, where applicable, trade unions, who share our aim of retaining key skills and mitigating job losses. According to our internal Human Rights survey carried out in 2020, 75% of countries in which AstraZeneca operates recognise and have a relationship with trade unions. Where trade unions do not exist in an area of operation, all countries (100%) have established arrangements to engage similarly with their workforce.

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# Our policies

**AstraZeneca is committed to ensuring that we do not tolerate modern slavery or human trafficking in any part of our business or our supply chains or. The [AstraZeneca Human Rights Statement](#) asserts our responsibility to respect the rights of all people.**

This commitment to respecting human rights is enshrined in our policies, our Values and in our relationships with third parties. Our [Code of Ethics](#) defines our Values at work and guides our behaviours. It contains a requirement for our employees to interact with others in an ethical and proper manner and highlights our employment principles and other ethical standards. It specifically prohibits the use of modern slavery or human trafficking in our business. Our Expectations of Third Parties policy also informs our third parties that we do not tolerate the use of child labor and forced labor by third parties.

## Our Values

AstraZeneca's core Values require all our employees to operate with integrity and high ethical standards at all times, along with respect for the individual and diversity: they require us to "do the right thing".

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Our Values determine how we work together and the behaviours that are integral to our drive for success.”



Our Values determine how we work together and the behaviours that are integral to our drive for success. Our Values guide our decision making, define our beliefs and foster a strong AstraZeneca culture.

## Training and Risk Awareness

In 2020 we continued to raise modern Slavery risk awareness in our Company and delivered a global risk awareness module in 6 languages to 1,568 employees in risk gate keeping roles in Operations, Human Resources and Compliance. The awareness training delivered explains how to spot the signs, details the high risk activities for the Company and clarifies the internal escalation process for concerns related to this risk. Our live internal social media platform reached almost 400 voluntary members who share information and champion risk awareness and mitigation in the business.

In addition to the above, all AstraZeneca employees receive an annual Code of Ethics training that explicitly raises awareness of the risks of slavery and human trafficking. Rolled out globally at the end of October 2020, the course was completed by 99% of AZ employees by 24 November 2020.

## Our relationships with third parties

The principles and values contained in our Code of Ethics also apply to our suppliers and all other third parties that we do business with. The applicable standards and requirements for third parties are entrenched in our [Global Standard: Expectations of Third Parties](#).

We require our suppliers and other third parties to operate in line with internationally recognised human rights and promote and maintain a culture of respect and equal opportunities. This requires that our suppliers and other third parties do not use any form of forced, bonded, involuntary or indentured labour.



# Risk management

**AstraZeneca has a Third Party Risk Management process in place to identify and assess potential risks connected with our suppliers. This includes modern slavery and human trafficking as a standalone risk area but also “Employment Principles” risks such as forced or bonded labour, underage employment, wages and benefits, hours/ rest period and leave, collective bargaining, grievance procedures, non-discrimination and harassment.**

We operate with a first line business accountability for managing the risks in any engagement with a third party, meaning that there is clear ownership of the decision to work with a third party within AstraZeneca. This allows responsible management of relevant risks for each third party relationship.

## Due diligence

When assessing third parties, AstraZeneca uses activity and geography-based factors to identify, assess and document actions to mitigate risks to our Employment Principles. These factors determine which third party engagements are deemed high-risk requiring a deeper level of assessment. Where necessary, third parties are required to answer specific questions about the policy, procedures and controls they have in place to manage Employment Principles risks on AstraZeneca’s behalf, including audits.

We automatically screen all third parties identified as high-risk for modern slavery, by utilising publicly available information to ensure we are aware of any history or concerns linking a third party to poor labour practices. Of the 467 engagements with high risk of modern slavery, 274 assessments were verified through the second line compliance assurance process. We rejected 14 engagements at onboarding due to labour rights related risks and we also worked with our high risk third parties to mitigate the risks identified. We continue to be firm on ending the relationship where no satisfactory resolution is reached. We also provide enhanced real-time guidance to our contract managers during the due diligence process.



In 2020, we continued our engagement with Slave Free Alliance (Hope For Justice) and we have also participated in working groups with peer multinationals to benchmark our approach to risk identification and mitigation. Through these engagements, we have validated that our highest risk activities continue to be Construction, Temporary Resources, Recruitment, Facilities, Logistics and Hotels, use of human biological samples in the clinical space, use of agricultural and electronic components in our products and devices, as well as sourcing and supply of some lab consumables.

We have an established process and affiliated systems in place for employees to raise concerns and to protect whistleblowers from retaliation and identification. We encourage anyone to report in good faith any concerns regarding slavery and human trafficking, as well as any other compliance risks. Whistleblowers can choose to report anonymously at [www.AZEthics.com](http://www.AZEthics.com). AstraZeneca takes any such reports seriously and investigates all concerns raised, seeking to resolve matters in accordance with the Code of Ethics and applicable law.

## Further management

We include modern slavery as an aspect of our human rights agenda. Human rights is one of the focus areas within our sustainability strategy that was selected through a prioritization process by both internal and external stakeholders, including suppliers and non-governmental organizations. We commit to monitor our human rights performance, set targets, and share challenges and outcomes publicly. The annual [AstraZeneca Sustainability Report](#) discloses this information.

As Signatories of the United Nations (UN) Global Compact since 2010 and Participants since 2018, we commit to advance the Ten Principles on human rights, labour, environment and anti-corruption and the UN Sustainable Development Goals (SDG). We share our progress against the UN SDG targets for Good Health and Wellbeing, Gender Equality, Decent Work and Economic Growth, and others in our annual [AstraZeneca Sustainability Report](#).

We conduct a labour rights survey every two years in the countries where we operate. In 2020, we completed another global Human Rights Labour Review in 72 countries, which focuses on the ILO's core themes, including freedom of association and collective bargaining, child labour, discrimination, working hours and wages.



The Fair Wage Network aims to improve wage levels and development mechanisms beyond minimum legal requirements for all industries. It collects available associated data from all countries' economies and logs all locally recognised definitions of a 'living wage' to distil an average. The exercise produced excellent results and reassured AstraZeneca's performance in this space.

We are members of Pharmaceutical Supply Chain Initiative (PSCI) Human Rights and Labour group. PSCI is an industry collaboration that supports principles for responsible supply chain management for ethics, labour, health, safety, environment and related management systems.

We are also members of BSR's Human Rights Working Group a global, cross-industry network from businesses focused on human rights challenges and sharing best practices.

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## Ongoing compliance and supplier monitoring

For the reporting year ending 31 December 2020, over 16,000 third party assessments were conducted through our Third Party Risk Management process. In this time period, there were no recorded cases of human rights violations including related to trafficking or slavery among the third parties surveyed. AstraZeneca's Global Compliance function performs second line monitoring of Third Party Risk Assessments through sample review to assure that all forms of risk, including Employment Principles risks, have been correctly identified and mitigated as appropriate. Our second line monitoring identified and rejected 14 engagements back to contract managers for risk reassessment.

Our governance group which has oversight of our Third Party Risk Management process, and includes senior leaders in Procurement, Compliance and Legal functions, receives a regular summary of those third parties exited as a consequence of Employment Principles risks identified through due diligence.

In addition to the risk management process outlined above, we continue to meet with our suppliers on a regular basis to ensure that they adhere to our ethical standards, drive innovation and help us build a long-term competitive advantage.

## Further steps

**AstraZeneca will continue to review and improve its practices to identify and eliminate to the fullest extent practicable modern slavery or human trafficking from our business. This includes further developing our Third Party Risk Management Framework.**

*This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and Section 11 (14) of the Australian Modern Slavery Act 2018 and constitutes the AstraZeneca Group's slavery and human trafficking statement for the financial year ending 31 December 2020. In particular, it covers the following AstraZeneca Australian entities with an annual turnover of over AUD100m, and the following UK legal entities with an annual turnover of over £36m:*

- AstraZeneca UK Limited (UK)
- KuDOS Pharmaceuticals Limited (UK)
- MedImmune Limited (UK)
- MedImmune UK Limited (UK)
- AstraZeneca Holdings Pty Limited (Australia) ACN 066 876 962
- AstraZeneca Pty Limited (Australia) ACN 009 682 311

*This statement has been approved by the AstraZeneca Board of Directors*



**Pascal Soriot**  
**Chief Executive Officer**  
AstraZeneca PLC

5 February 2021

