



**Modern Slavery Act Transparency Statement
of Takeda UK Limited
for Financial Year ended 31 March 2016**
pursuant to *section 54(5) of the Modern Slavery Act 2015*

Organisation's structure, its business and its supply chains

The network of the Takeda group spans over 70 countries and regions worldwide. Takeda's pharmaceutical products are marketed in around 100 countries worldwide, including partnerships (marketing alliance partners). The group employs over 30,000 people at research, development, manufacturing and commercial sites around the world.

Takeda UK Limited is based in Wooburn Green, United Kingdom, and is the commercial sales and marketing organisation for Takeda in the UK.

Its activities include the sales, marketing and distribution of Takeda's pharmaceutical products, in accordance with regulatory processes and codes.

Takeda UK Limited's principal supply chains and customers include:

- engagement of healthcare institutions and healthcare professionals to participate in commercial deals
- procurement of goods and services for healthcare institutions and healthcare professionals
- procurement of commercial service providers and other professional services as required to support the effective operation of the business
- procurement of staff, commercial service providers and other professional services to operate and maintain Takeda UK Limited office.

Takeda has a dedicated Corporate Social Responsibility ("CSR") organization within its Corporate Communications and Public Affairs function which promotes disclosure of CSR-related information, making reference to the United Nations Global Compact Advanced Level criteria, the Global Reporting Initiative's fourth generation of Sustainability Reporting Guidelines (G4), and the International Integrated Reporting Council (IIRC) International Integrated Reporting Framework, and other guidelines. Takeda publishes its [CSR Data Book](#) on an annual basis.

In addition, Takeda's Global Procurement function has a Risk & Sustainable Procurement team dedicated to ensuring Takeda's Supplier Code of Conduct is understood by its suppliers, and for ensuring supplier sustainability is factored into supplier qualification, retention and supplier relationship management.

Policies in relation to slavery and human trafficking

Takeda's Corporate Philosophy

In order to fulfill social expectations and trust, and to achieve recognition for its value to society, Takeda expects that, in addition to complying with the laws and regulations, it is essential for Takeda employees to conduct business from a high ethical and moral standard through the practical implementation of the corporate philosophy, "[Takeda-ism](#)". This corporate philosophy requires that all Takeda employees act with fairness and honesty and the highest ethical standards in all Takeda business activities; upholding the highest ethical standards comes before everything else.

Takeda's Global Code of Conduct and Takeda UK Limited's Policies

Takeda respects the human rights and diversity of its employees and observes the employment laws and regulations in each country. Every Takeda company is committed to operating in line with the [Takeda Global Code of Conduct](#), which provides compliance standards including the treatment of employees. The Code mandates respect for the diversity and dignity of the employees. It also prohibits discrimination and harassment based on nationality, race, skin color, beliefs, religion, gender, age, disabilities and any other legally protected status. The Code clearly provides that Takeda takes appropriate measures to prevent such discrimination and harassment. The Takeda UK Limited Employee Handbook also emphasizes Takeda UK Limited's policy to be an equal opportunity employer, and Takeda UK Limited's commitment to provide a healthy and safe working environment that is free from harassment and bullying.

To facilitate reporting by employees of any concerns or compliance issues, Takeda has a web-based Global Compliance Helpline. In addition, employees at Takeda UK Limited may locally raise any concerns with their manager, another manager, the human resources manager, or legal or compliance personnel.

Corporate Social Responsibility

Taking a global perspective Takeda is also doing its utmost to protect human rights through every link of the value chain. Takeda is a LEAD company within the United Nations Global Compact (GC), and collaborates with activities to implement and promote the spread of the United Nations GC principles. In June 2015, Takeda became a member of CSR Asia, which has the largest network of any CSR think tank in the Asia-Pacific region, and this has strengthened its links with the CSR community in Asia. In April 2016, Takeda joined CSR Europe, which is the leading European business network for Corporate Social Responsibility, to understand the CSR trend in Europe deeply and enhance our CSR activities.

The Risk and Sustainable Procurement team ensures integration of CSR and diversity into supplier relationships and sourcing activities, and enables a holistic view of risks in Takeda's supplier relationships. In 2015-16 Global Procurement:

1. Created and implemented a Global Procurement Policy that requires evaluation of supplier risk, including for corporate social responsibility matters to ensure ethical sourcing at Takeda, along with matters of spend control, and supplier diversity.
2. Joined the Pharmaceutical Supply Chain Initiative (PSCI) in May 2015, an organization made up of about 20 global pharmaceutical companies that improve CSR activities among suppliers;

3. Developed a global [Supplier Code of Conduct](#) aligned with its commitment to the United Nations GC and the PSCI Principles. This is a key document for communicating Takeda's position on the principles that suppliers are expected to work toward as a part of doing business with Takeda. The Supplier Code covers principles in business ethics and anticorruption, human rights, fair labor and employment standards, data privacy, animal welfare, safety, health and environment, as well as general management systems covering the topics covered in the code.
4. Incorporated the Supplier Code of Conduct as part of its procurement-managed supplier qualification process and uses its risk assessment model to prioritize suppliers for further review.

Takeda's Supplier Code of Conduct

Takeda's Supplier Code of Conduct has been accepted by many Takeda suppliers. Suppliers are required to adhere to applicable legal requirements and aspire to meet the expectations contained within this code. The document includes instructions for suppliers to contact Takeda's Global Compliance Helpline to report any supplier-related issues.

Due diligence processes in relation to slavery and human trafficking in its business and supply chains

For staff working in its Woburn Green office, Takeda UK Limited or its service providers verify their immigration status and right-to-work in the UK.

Healthcare institutions and healthcare professionals who are engaged by Takeda to work on clinical studies and other projects are assessed for their suitability to perform the relevant services and ability to operate to high professional standards that should generally exclude the use of slavery or human trafficking in their business.

Also, during 2015 Takeda began to systematically evaluate new suppliers or renewed supplier relationships involved in global and other major sourcing projects on areas of sustainability risk, including human rights related risks, particularly in emerging and developing countries. For commercial suppliers, Takeda's Sustainable Procurement risk management process requires that Takeda conducts reasonable due diligence in engaging, selecting and assessing suppliers throughout their Takeda lifecycle. Generally, higher risk suppliers receive a higher level of scrutiny than lower risk suppliers.

An example of a supplier qualification question included in Takeda's Procurement process that highlights potential risk for modern slavery includes the amount of a supplier's workforce that rely on temporary contracts. The response to this question, in addition to inherent country risk for labor issues, can be triggers for deeper diligence.

Parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk

Although Takeda as a whole operates globally, Takeda UK Limited's office is in the UK and its suppliers are mainly located in countries with a very low prevalence of slavery according to the [Global Slavery Index](#), such as the UK, the rest of the European Union and the USA. Even in higher risk countries, the healthcare sector is generally considered to have a relatively low risk compared to other sectors such as domestic work, agriculture, construction, mining, and manufacturing.

Takeda evaluates suppliers' fulfillment of the principles contained in the Supplier Code of Conduct, and expects suppliers to cooperate, including remediating identified issues. Takeda will collaborate with suppliers committed to improving conditions or issues identified with the goal of managing risks and creating long-term, sustainable value.

As of mid-August 2016, Takeda conducted ten Sustainable Procurement Assessments in Brazil, India, Russia and China to verify adherence to Takeda's Supplier Code of Conduct and the Pharmaceutical Supply Chain Initiative Principles with a limited set of suppliers. During these on-site supplier assessments conducted by a third party audit firm, general labor findings in its suppliers comprised about 8% of the total findings and none of those audits identified or verified red flags for modern slavery – conditions of forced or child labor, human trafficking, slavery or servitude.

Effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate

100% of Takeda UK Limited's employees have been verified for their immigration status and right-to-work in the UK.

In the last year, approximately 1000 of Takeda's suppliers have acknowledged the Takeda Supplier Code of Conduct. Distribution and supplier acknowledgement of the Code will continue to be a regular practice in Procurement. The Supplier Code of Conduct includes access to Takeda's Global Compliance Helpline for reporting issues or seeking guidance on these and other topics.

Takeda's Global Compliance office has not received any complaints into the Global Compliance Helpline for any matters related to modern slavery.

Training about slavery and human trafficking available to its staff

All Takeda UK Limited employees must agree to adhere to the Takeda Global Code of Conduct and the Takeda UK Limited Employee Handbook is part of their terms and conditions of employment.

Procurement staff and others have been trained on Takeda's Supplier Code of Conduct, and how suppliers are qualified through diligence, including the sustainability elements of that qualification. Takeda's Sustainable Procurement team will be providing modern slavery training in FY16/FY17.

In addition, all TDC Europe employees who are involved in the management or conduct of clinical studies are regularly trained on the International Conference on Harmonisation Good Clinical Practice Guidelines, which ensure the rights of individuals who participate in clinical studies are protected.



Adam Zaeske

Managing Director

Takeda UK Limited

Approved by the Board of Directors of Takeda UK Limited