

The Modern Slavery Act 2015 requires those entities carrying on a business or part of a business in the UK, supplying goods or services, and having an 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.

### **MODERN SLAVERY ACT STATEMENT**

It continues to be a priority for Lloyds Pharmacy Limited to ensure that we trade ethically, source responsibly and work to prevent modern slavery and human trafficking throughout our organisation and in our supply chain. This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and highlights the key activities we have undertaken during the financial year ending 31 March 2023 to combat modern slavery in our organisation and supply chain.

### **BUSINESS STRUCTURE AND ORGANISATION**

Lloyds Pharmacy Limited (Lloyds Pharmacy) is part of the Hallo Healthcare Group which was acquired by Aurelius Group in April 2022 and has its head office in the UK.

Lloyds Pharmacy is a community pharmacy and healthcare provider with pharmacies across the UK, offering pharmacy dispensing healthcare products and services aimed at improving community health.

### **OUR POLICIES, VALUES AND TRAINING**

We have appropriate policies in place that underpin our commitment to combat modern slavery and human trafficking in our supply chains or in any part of our business. Our policies are reviewed and updated regularly.

Our Modern Slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to guard against slavery and human trafficking in our supply chains. The Policy is available to all colleagues through our intranet together with a training video summarising modern slavery risks and the potential impact on our business.

We also have the following policies in place relevant to modern slavery and business relationships, which are reviewed and updated regularly:

- Code of Conduct
- Recruitment Policy
- Procurement Policies
- Whistleblowing Policy and procedures
- Anti-Bribery and Corruption Policy
- Grievance Policy
- Right to Work Policy
- Equal Opportunities and Diversity Policy
- Bullying and Harassment Policy

We are committed to sourcing quality products from, and building relationships with, suppliers who share our values and ethical standards. We do not enter into business with any organisation, in the UK or abroad, which knowingly supports or is found to be involved in slavery, servitude and forced or compulsory labour.

Our Code of Conduct provides important guidelines for interactions with customers, suppliers and other business partners. At the core of the Code of Conduct and our activities are our ICARE principles which are; Integrity, Customer-first, Accountability, Respect and Excellence.

We are an equal-opportunities employer committed to creating and ensuring a non-discriminatory and respectful working environment for our colleagues. Our recruitment and people management processes are designed to ensure that all prospective colleagues are legally entitled to work in the UK and to safeguard colleagues from any abuse or coercion once in our employment.

We want all our colleagues to feel confident that they can expose wrongdoing without fear of retaliation.

Our Whistleblowing Policy encourages all colleagues to raise concerns including potential violations of the Code of Conduct, company policies, and the laws of the countries in which we operate. We have reporting mechanisms in place to collect and relay information regarding potential violations to appropriate company resources for review and follow up action.

These reporting mechanisms include a UK-based confidential helpline which is available 24 hours a day, 7 days a week, and a Statutory Board Escalation Process which ensures that colleagues are aware of those matters requiring immediate escalation to the Board of Lloyds Pharmacy.

We provide online and/or face to face training for colleagues to emphasise the importance of acting with integrity and in line with our ICARE principles, People Policies and Code of Conduct.

## **SUPPLY CHAIN AND DUE DILIGENCE**

Our principal suppliers during the year to 31 March 2023 were regulated manufacturers and distributors of medical-surgical products, medical devices and pharmaceutical products.

Some of our suppliers are located in countries that may be more vulnerable to human rights abuses than others. That is why we have several methods to manage our zero-tolerance policy for such abuses, including the following:

- We clearly communicate our expectations to suppliers to ensure adherence to our values and ethical standards.
- We establish appropriate policies and processes within our businesses to make sure that the products we purchase and sell comply with our ethical standards.
- We utilise both internal and external resources to evaluate the factories of our suppliers based in higher risk countries and audit them against recognised industry standards.
- Our supplier agreements include language that requires our supplier to obey national and regional statutory requirements in the country in which they operate, including where appropriate, any applicable laws regarding human trafficking, forced labour and other forms of modern slavery.
- We have strengthened our supplier due diligence and onboarding processes during the year with the introduction of an online platform to collect data about our suppliers and improve our understanding and management of risk around our supplier base.

For our responsible sourcing and quality management systems, we have 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.

Adverse audit findings, non-conformities and other remediation requirements are prioritised based on risk. If remediation is required, we work with our suppliers to improve their standards with corrective action plans and on-going reviews to make sure our standards are maintained. We aim to build relationships with our suppliers to ensure adherence to our values and ethical standards. If a supplier fails to adequately remediate the issue, the relationship would be re-evaluated and if necessary, terminated.

During the year our group of companies had the benefit of access to Sedex (Supplier Ethical Data Exchange), one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains. This provides us with access to a wealth of data and information around the ethical performance of potential suppliers for our own brand range of products.

## **EFFECTIVENESS**

We regularly review our monitoring programme to ensure our actions are appropriate and we believe our efforts to date have been effective in preventing slavery and human trafficking from being part of our supply chain.

Training sessions for existing colleagues on the key compliance risks affecting our business and inductions for new starters include the topics of supplier due diligence and modern slavery as appropriate.

Modern slavery risks are captured in our Corporate Risk Register.

## **STATEMENT OF APPROVAL**

This Statement has been approved by the Board of Directors of Lloyds Pharmacy Limited, and the Board has authorised Mark Coupland, Chief Financial Officer to sign the Statement on behalf of Lloyds Pharmacy Limited.

Signed: 

Name: MARK COUPLAND

Position: CFO

Date: 20 SEPTEMBER 2023