



Modern Slavery Statement 2018

Introduction

Mawdsleys is publishing this statement in support of the UK Modern Slavery Act 2015 (“MSA”).

Mawdsleys is a family owned business dating back to around 1820 and at the heart of its business is its people, not just its employees but also the representatives of its suppliers and customers. It has built its reputation because of its people. As a consequence Mawdsleys is committed contributing to the prevention and eradication of modern slavery not only within its own workforce but also those of its suppliers and customers. It recognises that modern slavery (a crime involving slavery, servitude and forced or compulsory labour) is an abhorrent abuse of human rights and supports the principles of the Act which promotes a practice that every organisation should be taking steps to tackle the issue.

Each financial year Mawdsleys publishes a statement setting out the steps it has taken to contribute towards tackling the issue.

This is Mawdsleys’ second statement and is for the financial year ending 31 March 2018. It is made pursuant to section 54(1) of the Act.

Mawdsleys’ business and supply chains

The Mawdsleys group comprises comprise Mawdsley Group Investments Limited (UK), Mawdsley-Brooks & Company Limited (UK), MBI Pharma Limited (Israel) and Mawdsleys Pharmaceuticals DO Brasil LTDA (Brazil) (“Mawdsleys”).

Mawdsleys specialises in services to the healthcare sector and pharmaceutical industry including purchasing, importing, exporting, warehousing, distributing, supplying and delivering medicinal products and devices and, pharmaceutical over-labelling and regulatory services. Given the nature of the products that it deals with, provision of these services is not seasonal and applies throughout the year. More information on Mawdsleys’ range of services can be found on the website www.mawdsleys.co.uk.

Mawdsleys turnover in the period was £284,000,000, generated in the operative markets of United Kingdom, Israel and Brazil (“Territories”).

The prevalence of modern slavery in the Territories was low, according to the Global Slavery Index (GSI). However, Mawdsleys recognises it is still a prevalent and increasing issue. For example GSI reported that in 2017 there was a 35% increase in the reports of modern slavery in the UK, in Brazil domestic workers were often denied basic rights such as working long hours with low or no wages and in the United States workers were often paid below the minimum wage. Mawdsleys' managers, human resources and legal teams are mindful of these issues in their recruitment and human resources policies and day to day business transactions.

Mawdsleys has a zero tolerance to modern slavery and this is reflected in its Anti-slavery and human trafficking policy which is applicable to employees and its supply chain. Amongst other things, it educates the reader on what modern slavery is and encourages the prompt reporting of any activity that would constitute modern slavery.

The board requests updates on what the business units have done to tackle the issue of modern slavery and meets to discuss proposals on how the issue can be tackled by, within and outside of its organisation.

Mawdsleys' business practices also aim to prevent violations such as making on time and sufficient payments and acting fairly in its requests and demands for goods and services. It also sets the ordering standards of its customers to ensure that it too is not faced with high pressure and unmanageable deadlines. In many cases, Mawdsleys' customers have been with the business for many years and allowed both to develop a greater understanding of each other's business and gauge pressure points which helps to minimise the risk.

Mawdsleys' supply chains fall into the following categories, in respect of which the risks of modern slavery has been assessed as follows:

- Suppliers of pharmaceutical products. The products are sourced globally but primarily from Europe and risk is assessed on a case by case basis. The pharmaceutical industry is subject to regulation, approval and licenses which facilitates transparency in the supply chains and assists with the due diligence processes;
- Suppliers of operational goods and services such as IT systems (typically USA and UK based) and transport and logistics services (UK and Israel based). The majority of goods and services are sourced from these low risk territories but Mawdsleys' continues with due diligence in the normal course.

Mawdsleys is encouraged by the fact that it has seen an increase in the due diligence undertaken by its supply chain and customers who often make it a mandatory pre-condition that Mawdsleys either has its own policy on modern slavery or follows theirs before it can work with them. This reflects the fact that the issue is at the forefront of suppliers' and customers' minds,

In the period, Mawdsleys employed over 500 people across the Territories and all employees were required to comply with the group Anti-slavery and human trafficking policy. At the same time employees were encouraged to report any activities that they considered to be acts of modern slavery or otherwise a contravention of the Act. There were no such reports in the period. Mawdsleys also had in place dedicated in-house HR and legal departments, complemented by external resources, which provided a facility for employees to go to should they have any issues and ensured compliance with all relevant labour laws.

Actions taken in this financial year

In the period Mawdsleys took the following actions as planned in its previous statement:

- it undertook an assessment to identify potential risk areas in its supply chains;
- it updated its policies and procedures to educate staff, including the board, on the importance of combating modern slavery and of the reporting procedures for raising issues, making suggestions and communicating any suspicions of slavery or human trafficking;
- it developed anti-slavery policies with suppliers.

Actions for the next financial year

Mawdsleys is committed to improving its practices and in the next financial year it would like to continue developing internal and external policies, training materials and codes of conduct to comply and influence compliance amongst its employees, customers and supply chains which will include:

- A Modern Slavery Mission Statement within its internal and external policies and documentation – aimed at influencing the conduct of employees, suppliers and customers to keep modern slavery issues at the forefront of their minds;
- Further developing due diligence procedures to help employees identify risk areas and conducting relevant checks in line with the policies and procedures developed;
- Building educational materials and communications for use both internally and externally with employees, suppliers and customers;
- Further developing the Mawdsleys Code of Conduct modern slavery section;
- Consideration of third party resources and memberships focused on tackling modern slavery.

Joy Ellison
Director