



# Modern Slavery Statement

## Internal Use Only

March 2021 | Heptares Therapeutics Limited

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# Modern Slavery Statement

This statement relates to actions and activities during the financial year 1 January 2021 to 31 December 2021.

## Introduction

Heptares Therapeutics Limited herein referred to as (the “**Company**”) is publishing this statement in accordance with s54, Part 6 of the Modern Slavery Act 2015 (the “**Act**”). The Act requires businesses to state the actions they take and plan to take during the financial year to ensure that modern slavery is not taking place in their operations and supply chains. Modern slavery encompasses servitude, human trafficking, slavery and any type of forced or compulsory labour for the purposes of exploitation.

## The issue of modern slavery

According to the International Labour Organisation, there are some 24 million people worldwide subjected to forced labour. We do not tolerate forced labour either within our business itself or within our supply chain. We expect our supply chain (whether direct suppliers or those that directly or indirectly supply our direct suppliers) to share the same values.

## Our Approach

The Company is committed to ensuring that all its business dealings are carried out in accordance with the law. We are committed to ensuring all potential modern slavery risks related to our business are identified and to take steps that are aimed at ensuring that there is no modern slavery in our business and supply chains.

## Organisational structure and supply chains

This statement covers the activities of the Company:

- The Company is part of an international biopharmaceutical group focused on the design and development of new medicines. We are advancing a broad and deep pipeline of partnered and in-house drug candidates in multiple therapeutic areas including neurology, immune-oncology, gastroenterology, inflammation and rare/speciality diseases.
- We require our suppliers and other third parties to operate in line with internationally recognised human rights and promote and maintain a culture of equal opportunities and respect. We do not expect, or would not support, any third-party suppliers who used any form of forced, involuntary or bonded labour.

There are over 800 suppliers on the Company database, the majority being located in the UK, but there is also a significant number located in Europe. Some chemistry work is provided by suppliers who are located further afield, for example in India, China and Canada and many chemical materials are sourced from China. The supplier base is very diverse and includes for example: contract research organisations (CROs), legal services, suppliers of chemicals and scientific materials, contract manufacturers, chemistry organisations, manufacturers and maintainers of equipment, utility companies and general business support companies.

## Countries of operation and supply

The Company currently operates in the following countries:

- UK – provision of medical development and research and clinical trial services
- Ireland – corporate representation in the EU

## High Risk Activities

We have analysed the risks, both within our supply network and business, within the geographical locations we operate and against the industry in which we operate. We are not aware as at the date of this statement of

any areas that would be currently considered high risk and we are not aware of any Company and/or supplier activity that might result in a breach of the modern slavery laws or of human rights. However, we do keep this under regular review and we will not knowingly work with any company who, to our knowledge, has a connection to modern slavery.

## Relevant Policies

The Company is committed to ensuring ethical business practices across our business and acting as a responsible member of society in all of our business endeavours. In particular the Company operates the following policies, which describe the Company's approach to the identification of modern slavery risks and steps to be taken to prevent modern slavery in its operations:

- **Whistleblowing policy:** The Company encourages all of its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the Company. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The Company's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation. Employees, customers, suppliers or others who have concerns can use our [confidential Helpline](#).
- **Code of Conduct Statement:** The Company's Code of Conduct Statement makes clear to workers the actions and behaviour expected of them when representing the Company. The Company strives to maintain the highest standards of worker conduct and ethical behaviour when operating abroad and managing its supply chain.
- **Recruitment/Agency workers policy:** The Company uses only reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency. If a risk of modern slavery was identified in relation to agency workers, the Company would raise this with the relevant agency and would cease to use that agency to source agency workers.

## Due Diligence

The organisation undertakes due diligence when considering taking on new suppliers and aims to regularly review its existing suppliers. We will not work with any supplier whom we suspect has connections to modern slavery. Neither we nor, to the best of our knowledge, our supply chain, make use of forced labour.

We are taking the following steps to assess and manage any risk to ensure that our supply chain is not connected to modern slavery:

- The Company has adopted a Modern Slavery Policy which rejects the use of forced labour.
- When entering into arrangements with new suppliers, they undergo a supplier approval process whereby we assess them from a qualitative and economic perspective. As part of that assessment, we are alert for any indicators of modern slavery.
- We have reviewed website published statements by our suppliers on the subject of ethics and modern slavery to ensure that they are taking what appears to us to be appropriate steps to prevent modern slavery.
- The Company ensures that remuneration to all its UK workers meets the National Living Wage guidance from the Government. The company has an expectation that suppliers will also do this.
- We are in the process of launching a Supplier Code of Business Ethics which will formalise the requirements we already place on our suppliers and the commitment that similar expectations are placed on their sub-contractors and supply chains.

## Ongoing Contractual Warranties

The following contractual measures are taken by the Company:

- Our standard terms and conditions have clauses which require compliance with the Act.

- We ensure that any contracts we enter into on supplier terms guarantee that all goods and services provided to the Company are in accordance with all applicable laws, including the Act.
- We are in the process of rolling out a revised Supplier Code of Business Ethics and we shall contractually require all our suppliers to comply with the Supplier Code of Business Ethics and to place similar expectations on their respective suppliers.
- We are taking steps to put in place a robust process for auditing supplier compliance with the Supplier Code of Business Ethics.

## Training

To ensure a high level of understanding of the risks of modern slavery in our supply chains and our business, the Company requires all staff to complete training on modern slavery. Mandatory on-line courses must be undertaken annually by all UK staff and all newcomers must undertake the training when they join the Company. Compliance with training requirements is monitored.

The organisation's modern slavery training covers:

- How to assess the risk of modern slavery in relation to various aspects of the business, including resources and support available;
- How to identify the signs of modern slavery;
- What initial steps should be taken if modern slavery is suspected;
- How to escalate potential modern slavery issues to the relevant parties within the organisation.
- The law in relation to Modern Slavery.

## Effectiveness in combatting modern slavery

As mentioned above we are not aware of any Company or supplier activity that has resulted in or is likely to result in a breach of modern slavery laws or human rights law. However, we will continue to review the activities of our Company and suppliers as well as our policies, processes and training going forwards to make sure that these support and further our commitment to combatting the risks of modern slavery in our business and our supply chains.

## Helpline

The Company encourages customers, suppliers and other business partners to raise any concerns under this statement in first instance with their contact in the Company. Alternatively, [the confidential helpline available through Health Assured on 0844 047 4037](#), is available to them as well as to workers. You will be asked for the Company name and you have the right to remain anonymous.

## Executive Board Approval

This statement was approved on 23rd March 2021 by the Company's Board of Directors, who review and update it annually.

Executive Board Member Name: <a href="#">Chris Cargill</a>	Date:
Signature: 	23 March 2021