

# **UK and Australia Joint Modern Slavery Statement 2021**

This Statement is made in accordance with the Australian *Modern Slavery Act 2018 (Cth)* (Australian MSA) and the United Kingdom's *Modern Slavery Act 2015* (UK MSA). This is Novartis' second Modern Slavery Statement under the Australian MSA and our sixth under the UK MSA. It covers the period 1 January 2021 to 31 December 2021.

This Statement is a joint statement made on behalf of the Australian MSA and UK MSA reporting entities listed in Appendix I. Unless expressly stated otherwise, references to 'we', 'us' and 'our' refer to the Novartis Group as a whole including the reporting entities listed in Appendix I and their owned and controlled entities. A table setting out how this Statement addresses the Australian MSA and UK MSA reporting criteria is in Appendix II.

We are committed to respecting human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). Our commitment includes all internationally recognized human rights, including those contained in the International Bill of Human Rights.<sup>1</sup> We are also signatories to the United Nations Global Compact and uphold its 10 Principles.

For more information on our Human Rights Commitments, see our [Human Rights Commitment Statement](#).

We have made progress addressing modern slavery risks over the last year and remain committed to continually improving our policies and practices related to modern slavery going forward.

## 1. Business Structure, Operations, and Supply Chains

### Our Structure and Operations

Novartis is a global medicines company headquartered in Switzerland. Our purpose is to reimagine medicine to improve and extend people's lives. We use innovative science and technology to address some of society's most challenging healthcare issues. We discover and develop breakthrough treatments and find new ways to deliver them to as many people as possible. Our strategy is to build a focused medicines company powered by technology leadership in research and development, world-class commercialization, global access, and data science.

We have two global operating divisions: Innovative Medicines, which specializes in patent-protected medicines, and Sandoz, which sells generics and biosimilars. These divisions are supported by our research and development teams, manufacturing operations, business services and technology organization, and our corporate functions.

As of December 31, 2021 Novartis, had a global workforce of 108,514 employees. Its Australian reporting entities have a workforce of 621 employees and 71 contractors, and its UK reporting entities have a workforce of 1,293 employees and 539 contractors.

For more information on our business structure, workforce, and operations see: [Who we are - Novartis in Society Integrated Report 2021](#)

### Our Supply Chain

We procure a range of goods and services through our supply chains to support our business activities, relying heavily on suppliers for active pharmaceutical ingredients, dose formulation and packaging. For more information on our supplier spend in 2021, see: [Supplier spend 2021 - Novartis in Society Integrated Report 2021](#)

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<sup>1</sup> Consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

## 2. Identifying and Assessing Modern Slavery Risks

Modern slavery is an umbrella term encompassing the risks posed by forced labor, prison labor, indentured labor, bonded labor, debt servitude, state-imposed forced labor and the worst forms of trafficking where coercion, threats or deception are used to intimidate, penalize or deceive workers thereby creating situations of involuntary work and exploitation. Modern slavery may also be associated with the worst forms of child labor.

We are committed to identifying and addressing modern slavery risks in both our operations and supply chains.

### Risks in Our Own Operations

Based on our risk assessments of Novartis' operations globally, we believe there is a low risk of modern slavery in our own operations. Our conclusion is based on the in-country Human Rights Impact Assessments (HRIAs) we have conducted with the support of a third party in Brazil, China, Egypt, India, Malaysia, Singapore, and Turkey since 2017. These countries (in which we have a significant operational footprint) were selected for HRIAs because they have higher human rights, including modern slavery, risks. The assessments involved engagement with over 200 employees, 40 staff representing management and employees at our third parties and 12 civil society organizations. A range of human rights topics relevant to our business, including child labor, forced labor, working hours and overtime were assessed. The assessments did not identify any actual modern slavery incidents in our own operations.

Additionally, we have conducted targeted human rights risk and impact assessments in specific parts of our business such as third party labor rights, procurement operations, clinical trials and our grievance mechanism, among other areas which have further informed our understanding of human rights and modern slavery risks.

### Risks in Our Supply Chain

#### *Third Party Risk Management (TPRM) Framework*

Novartis' overall approach to labor rights risk identification and management in our supply chains is through our TPRM program, which is risk-based and enables us to ensure that our expectations of our direct third party suppliers, including our human rights expectations, are addressed at the earliest stages of the third party selection process. It also enables us to better understand and address our existing and emerging risks related to third parties, including those risks related to modern slavery. The focus of our program is to go beyond monitoring third parties' ability to comply with Novartis standards, to promoting real change that ensures third parties operating in our source countries respect workers' rights.

For labor rights assessments of third parties, an artificial intelligence tool analyses two risk factors to assign all third parties a high, medium, or low labor rights risk: (1) country labor rights risks using human rights indices, including data on child labor, young workers, decent wages, decent working hours, discrimination in the workplace, forced labor, freedom of association and collective bargaining and (2) procurement category risk, which is determined based on a range of labor rights risk factors and subject to ongoing review by TPRM labor rights team - for further information on procurement categories that present the highest risk of modern slavery for our business, see *Targeted Modern Slavery Risk Analysis* below.

**For Low-Risk Third Parties:** A negative media screening is conducted which considers allegations relating to modern slavery. If red flags are identified, third parties are required to complete a Third Party Risk Questionnaire (TPRQ) and may be required to implement Corrective and Preventative Action Plans (CAPAs) should serious risks be identified.

**For Medium and High-Risk Third Parties:** Medium and high-risk third parties are required to complete a TPRQ. TPRQs include specific human rights and modern slavery questions ranging from responsible recruitment practices, verification of workers' ages, compensation for overtime work, and policies relating to labor practices. We review the completed TPRQ and if areas of

non-conformance with our Third party Code are identified, the third party will be engaged to develop a time bound CAPA. CAPAs may be completed before contracting with a third party as well as after they are on-boarded. CAPAs are monitored by the TPRM labor rights team to track and record evidence of remediation. Enforcement actions including termination may be considered for third parties that are unable to meet the requirement set out in a plan. In some cases, CAPAs are complemented by on-site auditing and monitoring activities as determined necessary by the TPRM team. CAPAs may also be generated based on audit findings.

### ***Targeted Modern Slavery Risk Analysis***

In addition to the TPRM framework, we regularly assess our supply chain specifically for modern slavery risks. We assess risks in our supply chain by considering two factors: (1) procurement category risk and (2) country risk factors.

The following procurement categories have been identified as presenting the highest risk of modern slavery in our supply chains (in no particular order):

- Active Pharmaceutical Ingredients (API), Formulations, Contract Manufacturing Organizations (CMO), and Injectables manufacturing units
- Labor supply involving the use of recruitment agencies
- Real estate and facility services involving informal, short-term and low-skilled labor, which could include catering, maintenance and construction, and grounds keeping personnel
- Raw material agricultural inputs that we use to manufacture our medicines
- Packaging materials
- Glassware
- Human biological material
- Transport, logistics, and warehousing service supply
- Personal protective equipment

These categories were identified by evaluating our procurement activities against data generated from several sources, including: (1) outputs from our TPRM framework; (2) participation in external working groups such as the Pharmaceutical Supply Chain Initiative (PSCI) Human Rights and Labor Subcommittee and the Business for Social Responsibility (BSR) Human Rights Working Group; and (3) publicly available sources including the annual U.S. Department of State Trafficking in Persons Report, resources from organizations such as Walk Free and the Business and Human Rights Resource Center, and regular media scans for emerging modern slavery risks.

In 2021, we finalized a human rights country risk assessment tool, which prioritizes human rights risks, including modern slavery, in countries around the world. The tool is comprised of 14 publicly available data sources including the Global Slavery Index, International Trade Union Confederation Global Rights Index, and Children's Rights and Business Atlas. We use this tool to help focus our human rights risk assessments and inform us of risks that may arise beyond our direct suppliers (as we recognize that goods and services supplied by our direct suppliers may not be sourced from or manufactured in the countries where our direct suppliers are located, but countries that may have a higher risk of modern slavery).

## **3. Addressing Modern Slavery Risks**

We are committed to addressing modern slavery risks in both our operations and supply chains.

### **Policies**

We have clear and well-defined policies, guidelines, and standards relevant to our human rights, including modern slavery approach. These include:

- [Novartis Code of Ethics](#) which sets out our commitment to conduct business in a manner that respects the rights and dignity of all people.

- [Novartis Human Rights Commitment Statement](#) which sets out our commitment to implementing the UNGPs and identifies labor rights (including forced labor) in our own- and third party operations as one of our salient human rights issues.
- [Global Guideline on People and Organizational Principles and Labor Right Practices](#), which sets out our commitment not to use forced labor, including bonded, indentured or involuntary prison labor, or engage in any form of forced labor or human trafficking in our own operations.
- [Third Party Code](#), which states that third parties shall not use forced labor, including bonded, indentured or involuntary prison labor, or engage in any form of forced labor or human trafficking.

## **Governance**

Governance and oversight for our policies, guidelines, and standards (including those covering human rights and modern slavery) are the responsibility of the Global Policy Board, co-sponsored by the Chief Ethics, Risk and Compliance Officer (CERCO) and Chief Legal Officer.

Overall accountability for implementation of our human rights program, including our approach to modern slavery, sits with Novartis' CERCO who is a member of the Novartis Executive Committee. The executive-level Trust & Reputation Committee, chaired by the Novartis CEO, has endorsed our overall approach to managing human rights, including modern slavery risks.

A dedicated Human Rights team sits within the global Ethics, Risk and Compliance (ERC) function and is responsible for the implementation of Novartis' human rights strategy. A dedicated TPRM labor rights team is responsible for screening potential and existing direct suppliers across several risk criteria, including labor rights and modern slavery risks, and for managing CAPAs with third parties. The human rights and TPRM labor rights teams work closely together to address modern slavery risks when needed.

## **Addressing Modern Slavery Risks**

### ***Third Party Expectations***

We are committed to working with third parties who operate in a manner that is consistent with our values and ethical principles. Interactions with third parties at Novartis are governed by our [Third Party Code](#). We identify, assess, monitor and mitigate risk associated with suppliers through our TPRM framework. For more information about our TPRM framework see: [Managing our supply chain responsibly - Novartis in Society Integrated Report 2021](#).

Our Third Party Code is incorporated into our standard supplier contract terms with third parties, regardless of whether the third party is low, medium, or high-risk. These contractual terms give us the right to conduct an audit to monitor compliance with the Third Party Code, as well as the right to immediately terminate an agreement for non-compliance with the Third Party Code (whether identified in an audit or otherwise).

Additionally, in Australia, Novartis Pharmaceuticals Australia Pty Limited and Sandoz Pty Ltd procurement contracts require third parties to comply with the Australian MSA. Our UK reporting entities' third party contracts require third parties to comply with the UK MSA and the Labour Standards Assurance System.<sup>2</sup>

### ***TPRM Risk Findings***

In 2021, TPRM screened 12,064 third parties of which 6,755 were screened for labor rights. Potential modern slavery related concerns were identified with respect to five suppliers in India. Three of these concerns related to non-compete clauses, one related to a clause requiring

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<sup>2</sup> The Labour Standards Assurance System is a system that provides a mandate for labor standards in the medical supply industry. The system aims to ensure that organizations produce goods and services using fair labor practices.

workers exiting employment to pay a fee, and one related to a clause requiring workers exiting employment within 12 months to pay a fee.

CAPAs requiring the third parties to remove these clauses were put in place in all five instances. As of March 2022, one supplier has completed its CAPA, and the other four are on track to complete CAPAs by March 2023.

### **Capacity-Building Pilot Projects**

In 2019, during our HRIA in Singapore, we identified a potential risk in our supply chain related to foreign migrant labor and recruitment fee payments. We recognize that migrant workers are vulnerable to exploitation through the payment of excessive recruitment fees which can often take years to repay and can, in some cases, constitute debt bondage.

In 2021, we launched a pilot program designed to build capacity among select high-risk third parties to develop appropriate management systems to track the payment of recruitment fees by workers and provide remediation where necessary. As part of the pilot program, we developed a “Migrant Worker Recruiting Fees” playbook setting out specific actions that third parties should take related to policies and governance; due diligence on recruitment agencies; contracts, document access, fee calculations and reimbursements, and grievance mechanisms.

As part of the playbook, we developed Key Performance Indicators related to recruitment fees for third parties to report to Novartis on a regular basis. We have identified a third party in Malaysia to pilot this project. This pilot project is ongoing, and, at the end of 2022, we aim to review the project and develop a scalable solution for other high-risk third parties.

### **Raw Material Sourcing Risk Management**

We have identified 26 raw materials used in our manufacturing processes with a heightened risk of modern slavery at the source level, which is typically 3 to 5 tiers below our direct suppliers. In 2021, we focused our efforts on developing a responsible sourcing certification system for these 26 materials to ensure we are sourcing only from third party providers who have been assessed in some capacity by an external organization and provided a certification.

To ensure that the certifications are aligned with our human rights and labor rights commitments, we developed a certification assessment tool to review various certification approaches for each raw material. We further refined this tool with our peers in the PSCI (See *Collective Action Through PSCI* below). The tool includes criteria covering the ILO’s core labor standards, including freedom from forced or compulsory labor.

In 2021, we piloted this approach with our soy procurement, and reviewed various responsible certifications for soy production using our certification review tool. In 2022, we plan to integrate the certification requirements into soy procurement decisions, as well as for additional raw materials with heightened human rights including modern slavery risk.

We disclose our use of certain conflict minerals and their origins annually to the US Securities and Exchange Commission. For more information see: [Conflict-minerals-report-2020.pdf \(novartis.com\)](https://www.novartis.com/Conflict-minerals-report-2020.pdf)

### **Collective Action Through PSCI**

In 2021, we collaborated with our PSCI peers to develop a collective approach to continue addressing modern slavery risks in the carnauba wax supply chain in Brazil. Carnauba wax is used for coating and binding medicine tablets.

Collectively we identified and engaged with five carnauba wax producers in Brazil. Two of the producers supply carnauba wax to Novartis through a distributor. The purpose of the collective engagement was to obtain information on the steps taken by each producer to investigate, mitigate, and/or remediate allegations of forced labor at the farm level, and to understand their monitoring mechanisms going forward. We are continuing our engagement with one producer via our distributor and will provide an update in the next reporting cycle.



## Training and Capability Building

All employees are required to complete an annual training on our [Code of Ethics](#), which includes our ethical commitment to human rights. In 2021, 98% of our employees completed the training.

In 2020, we developed a targeted modern slavery awareness and due-diligence e-learning training for select functions. In 2021, 97% of employees required to complete the training had done so. This includes all employees in the UK, Australia and employees from relevant functions including Ethics, Risk and Compliance, People & Organization, Procurement and the SpeakUp Office. The training requires participants to work through two practical scenarios whereby they are asked to identify the modern slavery indicators relevant to the given scenarios. Feedback on the training was provided by 328 participants and the training was given a rating of 4.4 out of 5.

In 2020, we established an internal Human Rights Ambassador Network comprised of Novartis associates around the world. Quarterly meetings are held to discuss emerging human rights risks and Novartis' approach to human rights, and to undertake joint risk assessment projects. We have conducted training sessions on modern slavery on our quarterly calls, and a group of Ambassadors are monitoring modern slavery risk developments in their countries on a regular basis.

## Grievance Mechanism and Remediation

Our SpeakUp service is a confidential grievance mechanism for employees and stakeholders outside Novartis (including contractors, customers and vendors) to report misconduct, including related to human rights and modern slavery. The web-based and telephone channels are operated by an independent third party. Reported misconduct is investigated and substantiated cases are escalated to management for appropriate action.

Our SpeakUp service was communicated to employees through our Code of Ethics training and through 84 separate "Training and Awareness" sessions that we held for employees in 2021 in different markets around the world. We also communicated our SpeakUp service to employees through a dedicated site on our Intranet that explains the process through which misconduct can be reported. In 2021, we received a total of 2,000 SpeakUp cases, none of which involved allegations or reports related to modern slavery.

Our Third Party Code states that all workers should be encouraged to report concerns or illegal activities in the workplace without threat of reprisal, intimidation, or harassment, and that third parties shall investigate and take corrective actions, if needed. It also states that workers may report any concerns about work being done on behalf of Novartis to our SpeakUp office.

## 4. Assessing the Effectiveness of Our Actions

Assessing the effectiveness of our approach to modern slavery helps us understand – and continually improve – how well we identify, prevent, and mitigate our modern slavery risks, as well as the effectiveness of our grievance and remediation processes if we identify that we have caused or contributed to modern slavery related impacts.

Key measures we use to track our modern slavery efforts include:

- The number of suppliers screened on labor rights
- The number of CAPAs implemented and resolved related to modern slavery issues
- The number of capacity-building and KPI pilot projects launched
- The number of employees that have completed the modern slavery awareness and due-diligence e-learning training and feedback on the training received from those employees

We also monitor and review complaints raised through our SpeakUp service, which helps identify opportunities to strengthen our human rights approach. In 2022, we plan to finalize an approach to categorize human rights and modern slavery-related grievances which will help us identify issues and respond appropriately. Additionally, we aim to develop a standalone non-

retaliation policy to foster trust in the mechanism thereby encouraging an increase in the number of cases reported.

We are committed to improving our modern slavery approach and will continue to work to strengthen our approach to assessing the effectiveness of our actions.

## 5. Engagement and Collaboration

Novartis is engaged in several collaborative efforts in the healthcare sector and across industries. For information on all external initiatives see: [External initiatives and membership of associations - Novartis in Society Integrated Report 2021](#)

Related to our efforts on modern slavery prevention, we are a member of the PSCI and support the [PSCI Principles for Responsible Supply Chain Management](#) on human rights, ethics, labor, health and safety, environment, sustainability, and related management systems, which are incorporated into our Third party Code. We are also a member of BSR's Human Rights Working Group, which provides cross-industry insights and best practices on human rights implementation, with a periodic focus on modern slavery.

### PSCI Participation

Since 2018, we have played a leading role in the PSCI, including chairing the Board in 2019, co-chairing the Human Rights and Labor (HRL) Subcommittee (2019-2021) and chairing the Partnerships Committee (2020-2021). In 2021, our CERCO joined the PSCI Advisory Board.

In 2021, we actively participated in three HRL Subcommittee Working Groups:

- **Raw Materials Working Group:** We jointly engaged major producers of carnauba wax in relation to the steps they are taking to address forced labor risks (see *Collective Action through PSCI* section above). We also commissioned a project to create a responsible sourcing process for procurement professionals and modified our certification evidence evaluation tool for high-risk raw materials (see *Raw Material Sourcing Risk Management* section above)
- **Training Working Group:** We supported the development of a Human Rights and Labor Rights maturity model that provides milestones to adhere to the six PSCI Human Rights and Labor Principles, as well as milestones for implementing the UNGPs. We also participated in a project to develop the first level of a learning content plan focused on human and labor rights "primers" based on the six PSCI Human and Labor Rights Principles and the UNGPs.
- **High Risk Working Group:** We collectively identified parts of our common supply chains specifically for risks of modern slavery in high-risk geographies. We commissioned a research project to help highlight high-risk procurement categories and raw materials commonly sourced from high-risk regions. We used this research internally to map our footprint in regions with heightened risk and are monitoring developments on a regular basis.

In October 2021, we participated in a briefing session on reporting trends under the Australian MSA organized by PSCI. The briefing session included a presentation from the Australian Border Force about the Australian Government's expectations for reporting and a detailed update from a business and human rights advisory firm about key reporting trends and areas for improvement. We have drawn on the key learnings from this briefing session to inform the drafting of this Statement.

## 6. Australia-Specific Actions

In Australia, we procure a range of goods and services through our supply chains to support our business activities. Our procurement is managed primarily through central procurement in Switzerland, and any local procurement we may have is governed by the same global policies and procedures as outlined in this Statement.



## ***Risk Analysis and Supplier Engagement***

For our Australian reporting entities, the following key procurement categories were identified in 2021 as presenting the highest risk of modern slavery (in no particular order):

- Facilities management (including cleaning)
- Catering
- Warehousing and transport and
- Marketing print and materials distribution

In 2020, Novartis Pharmaceuticals Australia Pty Limited developed a modern slavery-specific supplier questionnaire, for suppliers of our Australian reporting entities. The questionnaire was introduced to help identify and understand potential modern slavery risks which may exist in the supply chains of our Australian reporting entities and was emailed to 117 suppliers. Based on the responses received (33 in total), it was determined that a more targeted approach would be required by reporting entities in Australia as outlined below.

Therefore, in 2021, we adopted a more targeted approach for the top six key local suppliers presenting the highest level of risk with respect to modern slavery to gain a greater understanding of their policies and practices to identify, prevent, and mitigate modern slavery related risks. A detailed questionnaire was sent to these suppliers in 2021 and their responses are currently being assessed.

### ***Enhancing Local Governance***

We formed an internal sub-committee in Australia to collaborate with the Novartis Global Human Rights Team and to liaise with suppliers. The role of the sub-committee is to review responses to the detailed questionnaires referenced above and determine whether any further action is required. Further, the Australian legal function undertook a review and simplification of its standard modern slavery clauses to reflect vendor feedback and focus on collaborative identification and resolution of any modern slavery issues in our local supply chains and operations. Novartis Pharmaceuticals Australia Pty Limited and Sandoz Pty Ltd procurement contracts require third parties to comply with the Australian MSA.

### ***Training and Capability Building***

In November 2021, Novartis Australia held a cross-divisional seminar for Novartis and Sandoz employees. The seminar was run by an external human rights expert. The seminar covered various topics including the definition of modern slavery; why, when, where, and how modern slavery occurs; why modern slavery should be important to our employees; what we are doing about modern slavery; real life stories of modern slavery from around the world; reflections on our everyday purchasing decisions; and how we can all be part of a wider solution. After the seminar, a list of resources was circulated to employees so they could educate themselves further on the issue. This seminar built on our global targeted modern slavery awareness and due-diligence e-training that was rolled out in 2020 for select functions.

### ***Next Steps***

- Engaging with key suppliers of Novartis Australia in relation to their policies and practices related to modern slavery
- Setting up an internal cross-divisional committee in Australia that will develop and review supplier due diligence and engagement in relation to modern slavery

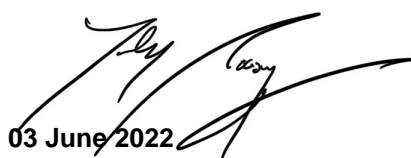
## **7. Consultation with Australian Reporting Entities and Their Owned and Controlled Entities**

In Australia, there was consultation and collaboration between members of the Novartis executive committee and the key functions supporting the three reporting entities, including the Head of Procurement, Head of Supply Chain, Head of Ethics, Risk, and Compliance (ERC) and

Legal. Each function forms part of a shared service responsible for supporting supplier and customer engagement across all three Australian reporting entities. Such consultation concerned preparation and implementation of our continuous improvement initiatives undertaken in Australia in 2021, as described in this statement. It also involved knowledge sharing on modern slavery/human rights compliance activities between associates from the Australian reporting entities and members of the global Novartis Human Rights Team. In addition, consultation was also undertaken in relation to preparation of this statement.

For more information, please contact the Novartis Human Rights team at [human.rights@novartis.com](mailto:human.rights@novartis.com)

### Novartis International



**03 June 2022**  
**Klaus Moosmayer**  
**Member of the Executive Committee &**  
**Chief Ethics, Risk and Compliance Officer**



**31 May 2022**  
**Peter Nestor**  
**Global Head of Human Rights**

### Australia

This Statement was approved by the board of Novartis Australia Pty Limited on behalf of all the Australian MSA reporting entities listed in Appendix I.



**24 May 2022**  
**Richard Tew**  
**Director**

### United Kingdom

This Statement was approved by the boards of Novartis Pharmaceuticals UK Limited on behalf of all the UK MSA reporting entities listed in Appendix 1



**30 May 2022**  
**Chinmay Bhatt**  
**Director**

## **Appendix I – Reporting Entities**

This Statement is made on behalf of Novartis' Australian MSA and UK MSA reporting entities:

<b>Entity</b>	<b>Description</b>
<b>UK MSA reporting entities</b>	
Novartis UK Limited	Loan Relationships, Pension, Dividends
Novartis UK Pension	Independent Company for NUK Pension Scheme
Novartis Pharmaceuticals UK Limited	Gen Med, Oncology, Development, NBS, NPT, Horsham
Novartis Grimsby Limited	ChemOps Manufacturing
Novartis Europharm Limited	EU MA Holder For Pharma
Sandoz Ltd	Sandoz Commercial Entity
Ziarco Group Limited	Holding Company
Ziarco Pharma Limited	2017 Acquisition
Oriel Therapeutics Ltd	Liquidation Candidate
Advanced Accelerator Applications (UK and Ireland) Limited	AAA Trading Entity
Neutec Pharma Ltd	Loan To NPUK
Avexis EU Limited	UK Branch of Avexis IE Entity
The Medicines Company UK Limited	2020 Acquisition
Coalesce Product Development Limited	40% Sandoz Owned
<b>Australian MSA reporting entities</b>	
Novartis Australia Pty Limited	Holding Company
Novartis Pharmaceuticals Australia Pty Limited	Gen Medicines, Oncology, Commercial Entity
Sandoz Pty Ltd	Sandoz Commercial Entity

## **Appendix II – How our Statement Addresses the UK MSA and Australian MSA Reporting Criteria**

<b>UK MSA recommended reporting criteria</b>	<b>Australian MSA mandatory reporting criteria</b>	<b>Reference in this Statement</b>
N/A	Identify the reporting entity.	Appendix 1
Organization's structure, its business and its supply chains.	Describe the reporting entity's structure, operations and supply chains.	Section 1
Parts of the organization's 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.	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Sections 2 and 7
Organization's policies in relation to slavery and human trafficking; its due diligence processes in relation to slavery and human trafficking in its business and supply chains; the training about slavery and human trafficking available to its staff.	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	Sections 2, 3 and 7

Organization's 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.	Describe how the reporting entity assesses the effectiveness of such actions.	Section 4
N/A	Describe the process of consultation with (i) any entities the reporting entity owns or controls; and (ii) for a reporting entity covered by a joint statement, the entity giving the statement.	Section 7
N/A	Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Sections 5 and 7