



United Kingdom and Australia Modern Slavery Statement

Reporting for Financial Year 2022

Introduction

This joint statement is made in accordance with the United Kingdom (UK) Modern Slavery Act 2015 and Australia Modern Slavery Act 2018 (Cth) covering the reporting period from April 01, 2022, to March 31, 2023 (Financial Year 2022).

Our business, operations, and supply chains

Our business

Headquartered in Japan, Takeda Pharmaceutical Company Limited is a global, values-based, R&D-driven biopharmaceutical leader committed to bringing Better Health and a Brighter Future to patients by translating science into highly innovative medicines. Unless expressly stated otherwise, references to “Takeda”, “we” or “our” refers to the Takeda Group including subsidiaries and affiliates.

Takeda Pharmaceuticals International AG (TPIZ) is a wholly owned subsidiary of Takeda Pharmaceutical Company Limited, headquartered in Opfikon Zurich, Switzerland, and acts as the central hub within Takeda EUCAN (Europe and Canada) operations and global product supply chain. TPIZ is the parent company of certain Takeda EUCAN operating companies including Takeda UK Limited (Takeda UK) and Takeda Pharmaceuticals Australia Pty Ltd (Takeda Australia).

Our operations

We focus on innovations that contribute to making a difference in people’s lives. We aim to discover and deliver life-transforming treatments in our core therapeutic and business areas, including gastrointestinal and inflammation, rare diseases, plasma-derived therapies, oncology, neuroscience and vaccines.

Takeda UK and Takeda Australia operations focus on marketing and sales of the Takeda Group’s products.

Supply Chains

We engage with suppliers globally and recognize that it is our responsibility to be aware of the prevalence of risks within our supply chains and strive to uphold human rights in all our business activities, including modern slavery and human trafficking. More information is available in our [Annual Integrated Report](#).

Governance and policies

Governance

We have a management framework appropriate for a values-based, R&D-driven biopharmaceutical company that operates on a global scale. We have strong internal controls, thorough compliance and risk management procedures and a structure that allows agile decision-making while also remaining sound and transparent. We believe that strong corporate governance maximises corporate values. Read more about our [corporate governance](#).

Takeda’s Human Rights Commitment

Takeda exists to create better health for people, and a brighter future for the world. [Our Human Rights Commitment](#) is an important part of our corporate philosophy, which is endorsed by Takeda’s executive team and reinforced within our [Global Code of Conduct](#). Takeda Ethics & Compliance Function oversees our Human Rights Program.

As a long-standing participant in the United Nations Global Compact, Takeda is committed to respecting internationally recognised human rights within every aspect of our business – across our supply chains and the communities where we operate – in accordance with the United Nations

Guiding Principles on Business and Human Rights (UNGPs) and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Our commitment covers all internationally recognised human rights included in the International Bill of Human Rights¹.

Corporate philosophy

Takeda-ism

Takeda-ism has always been our unique compass. Its timeless values of Integrity, Fairness, Honesty and Perseverance define who we are. They are brought to life through decisions and actions that put our patient at the center of everything we do, build trust with society, reinforce our reputation, and develop a sustainable business, in that order. Together, Takeda-ism and Patient-Trust-Reputation-Business underpin everything we do and how we do it.

Enterprise Risk Management

We embed risk management within all levels of the company through our enterprise risk assessment process designed to generate a holistic view of risks for the company and drive a culture of risk-based decision making. Each relevant functional area within the business is responsible for managing its key risks and responses to them, including for human rights.

Internal policies

Our Global Code of Conduct

Our Global Code of Conduct affirms Takeda's commitment to providing a safe and healthy working environment, free of harassment and discrimination, and to conduct our business with integrity and speak up for integrity. It is based on principles that are organized around *Patient-Trust-Reputation-Business*. Bringing the Code to life makes sure that we are "*Living Our Values Every Day*". All Takeda entities are committed to operating in line with our Global Code of Conduct, which calls for the highest standards of ethical behaviour.

Our commitment to Human Rights is further embedded in our Global Code of Conduct, in which we clearly state that "*we respect and protect human rights – within our business, across supply chain and in the communities where we operate, paying particular attention to vulnerable populations*".

Our Supplier Code of Conduct

Consistently with the UNGPs, our [Supplier Code of Conduct](#) outlines our expectations of fair treatment and freedom of association including compliance with applicable laws, such as child labour, discrimination, rights to association, human trafficking and freely chosen employment. It also includes instructions for suppliers to contact the Takeda Ethics Line to report any supplier-related concerns, including suspected issues of slavery or human trafficking in Takeda's business or its supply chains.

Anti-corruption and human rights synergies

We also recognise that corruption may lead to negative impacts on human rights, including modern slavery and human trafficking. We strictly prohibit all forms as detailed in our [Global Anti-Corruption Policy](#).

Training and capability building

All our employees trained on our Code of Conduct. In Financial Year 2022, 98% of Takeda's employees completed the annual Code of Conduct Training, including 97% for Takeda UK and 99% for Takeda Australia.

Addressing modern slavery and human trafficking risks

We are continuously trying to improve human rights risk management capabilities and due diligence systems to manage human rights risks and impacts throughout our own operations and business relationships, including through the following initiatives.

¹ *Universal Declaration of Human Rights (UDHR), the International Covenants on Civil and Political Rights (ICCPR) and*

Economic, Social and Cultural Rights (ICESCR), as well as the International Labour Organization (ILO) Core Labour Conventions.

Human Rights Impact Assessment

Takeda conducted a global impact assessment, relevant for Takeda UK and Takeda Australia, involving internal and external stakeholders. We assessed each of the potential impacts identified throughout Takeda's value chain and operations, using the UNGPs methodology embedding the following criteria:

- **Impact on internal and external** human rights as per the UNGPs.
- **Level of priority** based on the severity of the impact on people.
- **Likelihood** based on Takeda's enterprise risk assessment likelihood scale.

Through this assessment, regularly reviewed and updated, we identified our 11 most salient human rights impacts as follows.

Patient	People	Planet
Sustainable access to our medicines	Health and safety	Greenhouse gas emissions
Product quality and product safety	Diversity, equity and inclusion	Water stewardship
Clinical trials	Labour rights in the workplace	Waste generation
	Privacy and data protection	
	Third-party labour rights	

Building on our impact assessment, we identified Third Party Labour Rights as a focus area and implemented specific measures to prevent potential human rights adverse impacts, including through the enhancement of our existing third-party risk management framework for human rights and Labour standards as described below.

Third Party Labour risks in our supply chain

Third Party Risk Management (TPRM)

Our approach to Human Rights and Labour Standards (HRL) risk identification and

management in our supply chains is embedded within our TPRM program.

In 2022, we have revised the pre-classification and due diligence process for HRL to ensure that expectations of our direct third-party suppliers, are addressed at the earliest stages of the supplier selection process and monitored accordingly.

Enhanced assessments

Since 2016, 650 of our suppliers underwent an enhanced evaluation of their sustainability performance, including for human rights and Labour standards with specific indicators on potential risks of modern slavery and human trafficking, through the digital Ecovadis platform.

In 2022, we conducted 6 onsite audits to evaluate suppliers against the expectations laid out within our Supplier Code of Conduct, including human rights and Labour standards.

Additional mitigation measures

Takeda's purchase order [Terms and Conditions](#) and contractual clauses for providers of goods and services require our suppliers to certify compliance with all applicable laws and Takeda's Supplier Code of Conduct.

Additionally, Takeda Australia updated its local template service agreement and template master service agreement to introduce a dedicated clause which imposes an obligation on our service providers that they will conduct its business in a manner that is in compliant with the Modern Slavery laws in Australia.

Identified modern slavery and human trafficking risks in our operations and supply chains

We have not identified during the year, actual or potential significant risks of human rights adverse impacts, including modern slavery and human trafficking risks through our due diligence process in our operations and supply chains.

Remedies and grievance mechanisms

We provide access for employees and stakeholders to raise concerns, including human rights related concerns. Takeda's Ethics & Compliance function has the responsibility for receiving, assessing, and handling in scope concerns of misconduct in accordance with our Global Policy on Raising and Handling Concerns.

Takeda provides the confidential [Takeda Ethics Line](#), a hotline available 24 hours a day for internal and external stakeholders to facilitate confidential reporting of any ethical concerns. A dedicated category to report potential concerns related to Human Rights is included in the channel.

In 2022, no concerns reported through Takeda Ethics line were related to risks of human trafficking or modern slavery.

Engagement and advocacy

Takeda is engaged in various collaborative efforts, including the Pharmaceutical Supply Chain Initiative (PSCI). We endorsed the [PSCI Principles for Responsible Supply Chain Management](#), actively participate in PSCI's Sub-Committees, including for Human Rights and Labour and leverage the PSCI Audit Guidance to guide our supplier on-site assessment.

We also continued to support the [Responsible Health Initiative](#), in collaboration with Ecovadis to improve sustainability standards across the pharmaceutical industry.

Track and communicate

Measuring effectiveness


Timely and appropriate action is taken to address any behaviors or practices that have caused or contributed to adverse human rights impacts. In addition, we are committed to analyzing and evaluating the root cause to help prevent issues


from arising and providing access to timely remedy where required.

External disclosures

All our Environmental, Social and Governance (ESG) related disclosures can be found on our [ESG Portal](#).

Approved by the Board of Directors of Takeda Pharmaceuticals International AG and the Board of Directors of Takeda UK Limited

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