

AbbVie Ltd

Modern Slavery Act Transparency Statement for the year ended 31 December 2018

AbbVie believes in the inherent dignity of every human being and respects individual rights as set out in the Universal Declaration of Human Rights. We reflect these principles in our company's core values and in our mission to address the world's pressing health challenges.

AbbVie supports the Universal Declaration of Human Rights and key tenets of the United Nations Guiding Principles on Business and Human Rights. While governments have a key role to respect, protect, promote and fulfil the human rights of their citizens, we recognise that companies share this responsibility to respect human rights within their own operations and business relationships. AbbVie applauds the passage of the UK Modern Slavery Act 2015.

Our Organisation

AbbVie Ltd is a subsidiary of AbbVie Inc., a global, research-based biopharmaceutical company formed in 2013 following separation from Abbott Laboratories. AbbVie is committed to developing and delivering a consistent stream of innovative new medicines for some of the world's most complex conditions. In more than 70 countries, approximately 30,000 AbbVie employees are working every day in the pursuit of better health outcomes for people around the world. AbbVie's global business purchase goods and services from suppliers in over 120 countries. For further information on AbbVie Ltd, please visit www.abbvie.co.uk.

Commitment and Policies

AbbVie's <u>Commitment to Human Rights</u> outlines the human rights issues that are most salient for our business. In it, we explicitly commit to complying with laws and practices that prohibit child labour, forced, bonded or indentured labour, involuntary prison labour, human trafficking and unfair wages and benefits. This commitment and other workplace commitments are supported by our employment policies. As part of our commitment to preventing, mitigating and remedying any adverse human rights impacts across our value chain, we seek to ensure that slavery and human trafficking do not enter our product supply chains or any part of our business. We have <u>corporate policies</u> addressing the need for a safe and fair working environment where the rights of those who work for and with us are respected.

AbbVie's <u>Code of Business Conduct</u> applies to all AbbVie employees and sets forth our commitment to conduct business with the highest ethical standards and to comply with all applicable laws and regulations. It states that AbbVie is committed to maintaining a work environment free from intimidation, violence or threats of violence. It further confirms our respect for human rights and our prohibition of labour practices that constitute modern slavery. Our employees worldwide are required to complete interactive online training on the Code of Business Conduct and certify their adherence to it. In 2018, 29,595 employees certified to our code.

Expectations of Suppliers

Our suppliers are integral to the success of our company. While we cannot control all actions of our suppliers, we expect suppliers to treat their employees with dignity and respect and to comply with all legal and regulatory requirements pertaining to the fair and equitable treatment of employees. All suppliers are expected to understand and comply with AbbVie's <u>Supplier Code of Conduct</u> and our expectation that suppliers:



- Commit to fair treatment of their employees.
- Shall not use forced, bonded or indentured labour, involuntary labour or human trafficking.
- Shall not use child labour.
- Shall maintain employee files with adequate data to verify ages of employees.
- Shall pay workers according to applicable wage laws, including minimum wage, overtime hours and mandated benefits as per custom of the country of employment.

Our key supplier network is required to certify compliance with AbbVie's Supplier Code of Conduct and the above requirements. Additionally, in contractual agreements, we oblige our suppliers to comply with all applicable laws and regulations.

In addition, we are a member of <u>Pharmaceutical Supply Chain Initiative</u> (PSCI), an international membership organisation of pharmaceutical and health care companies that formalise, implement and champion responsible supply chain practices. We support PSCI's <u>Principles for Responsible Supply Chain Management</u> and are working to implement PSCI <u>Audit standards</u> in our supplier audits globally. These standards outline that suppliers uphold the human rights of workers and shall not use forced, bonded, indentured, involuntary prison or child labour.

Due Diligence

In our own operations, our Human Resources function verifies work eligibility during the hiring process. We also conduct audits to ensure that we are in compliance with minimum wage and age requirements.

Further, our employees and contractors are required to promptly report any known or suspected breach of AbbVie's Code of Business Conduct or other illegal or unethical behaviour. We offer a number of resources such as our confidential Ethics and Compliance Helpline, a telephone and web-based hotline maintained by a third party for the purpose of gathering information regarding compliance and ethics concerns. Therefore, if there are any concerns relating to a breach of AbbVie's Code of Business Conduct, these can be raised in confidence and without fear of retaliation.

AbbVie Ltd also verifies and ensures all UK-based employees and contractors have the right to work in the UK.

We engage in the assessment of our supply chains which includes evaluating the risk of human trafficking and slavery. As part of our Global Supplier Sustainability programme, AbbVie surveys and measures our most critical suppliers on their environmental and social practices. Specifically, suppliers answer labour-related questions including whether they have a written policy against human trafficking and slavery, minimum hiring age and wages in accordance with local/national laws. The survey also assesses whether these suppliers have any human trafficking violations. This may be verified via an additional audit by PSCI. Our most recent supplier sustainability survey (2017) showed that 88% of surveyed suppliers had a written policy against human trafficking and slavery. The next survey is currently due to be conducted in 2019.

More broadly, we continuously scan the landscape for signals of potential human rights risk, by monitoring media reports and other sources of information in countries where we have operations or suppliers. When signals of potential risk are detected, we investigate further.



Accountability

Any employee or contractor discovered to be involved in inappropriate conduct or in violation of our Code of Business Conduct, our policies, our procedures and/or applicable laws or regulations, is subject to corrective action, up to and including termination of employment. Additionally, if AbbVie becomes aware of any actions or conditions not in compliance with our Supplier Code of Conduct, we may seek corrective action.

Jerome Bouyer

Director and General Manager of AbbVie Ltd