

A commercial organisation is required to publish an annual statement if all the criteria below apply:<sup>1</sup>

- it is a ‘body corporate’ or a partnership, wherever incorporated or formed
- it carries on a business, or part of a business, in the UK
- it supplies goods or services
- it has an annual turnover of £36 million or more

ALXR has an annual turnover of less than £36 p.a. and the requirement to publish an annual statement does not apply to ALXR Limited. This statement is *voluntarily* published pursuant to section 54 of the UK Modern Slavery Act 2015 and is ALXR’s modern slavery and human trafficking statement for the financial year ended 31 July 2022. It sets out the steps taken by ALXR to address the risk of modern slavery and human trafficking in its business and supply chains.

ALXR is headquartered in the UK and is committed to doing business responsibly and sustainably. This commitment and the steps being taken to meet it are described in our Sustainability at ALXR report. As explained there, ESG performance is at the very centre of our purpose, and we are committed to sustainability leadership. We believe in doing business responsibly, the right way every day and turning our purpose and values into behaviour and practical action that mobilises ALXR’s strengths to improve our world. This includes responsibly managing any actual and potential human rights impacts in our business and in our supply chains.

We are committed to conducting business ethically everywhere we operate, and our suppliers must do the same. Our employees and business partners are expected to report concerns using the appropriate channels, including our Speak Out hotline (described below), and management is required to act promptly to address any issues that arise. ALXR’s recognises its social responsibility and the role it can play in ensuring that its business partners operate within the law and in line with ALXR’s expectations. ALXR’s is committed to continue driving improvements to its modern slavery compliance programme across its businesses.

## MANUFACTURING AND SUPPLY CHAIN

Supply chains are mostly local or regional rather than global. In total, ALXR’s has many suppliers. Our management is responsible for purchasing certain goods and services centrally, and for identifying opportunities for driving best practices and consistency in procurement and supply chain management across the divisions.

ALXR’s supply chains include those related to the production and sale of its products and services, including aftermarket services to maintain and repair its products. Other important supply chains include catering, cleaning, maintenance, and security services procured by ALXR’s sites, and those supply chains related to the recruitment and sourcing of staff.

## OUR POLICIES, TRAINING AND PROGRAMME OVERSIGHT

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<sup>1</sup> <https://www.gov.uk/guidance/publish-an-annual-modern-slavery-statement#who-needs-to-publish-a-statement>

**Policies:** ALXR's commitment to human rights and responsibly managing the risks of human trafficking and modern slavery in our supply chains are set out in our Code of Business Ethics, Supplier Code, Human Rights Policy, and Responsible Minerals Sourcing Policy. These policies are managed by ALXR's Quality and Assurance Manager. ALXR also has in place supplier due diligence processes and procedures. Supplier contracts include clauses binding suppliers to comply with human rights and other applicable laws and require them to honour ALXR's Supplier Code in the way they conduct their business.

**Training and awareness:** ALXR employees and suppliers are required to take a comprehensive set of ethics and compliance related training. These include repeat awareness training on modern slavery and labour standards assurance. New employees are trained as part of their orientation process. ALXR's training suite helps staff identify modern slavery red flags and is reinforced through communications. The Ethics & Compliance team conducts ethics and compliance workshops for middle and senior managers, which also cover modern slavery and associated red flags. In FY2022, workshops were conducted in from some of our suppliers. We communicate the need to report modern slavery concerns through regular visits and audits as well as with posters and email alerts and flyers.

**Oversight:** Procurement related modern slavery and human rights risks and controls are monitored by a working group comprised of Procurement leadership and the Quality and Assurance Manager. A second working group (made of up senior management and executives management and the Ethics & Compliance team) is focused on risks associated with modern slavery and labour standards arising from ALXR's own operations.

Anti-modern slavery initiatives are discussed with the ALXR's Business Ethics Council (a cross divisional, cross functional group of senior leaders which meets quarterly). Ethics & Compliance regularly reports on these programmes and discusses emerging issues with the ALXR at board level.

## **ASSESSING AND MANAGING OUR MODERN SLAVERY RISK**

As stated, ALXR's has suppliers mainly in China and the UK. Occasionally these suppliers employ workers include migrant workers.

*ALXR's own operations.* We recognise that human rights violations can occur anywhere. To prioritise activities, we identified our sites that we consider higher risk based on labour force (particularly, contract, temporary and migrant labour) and location (primarily using the Global Slavery Index<sup>2</sup> and the Trafficking in Persons Report<sup>3</sup> (TIPR)) to guide the risk assessment.

We conducted targeted reviews of sites in these in FY2022, focusing on the following risk areas:

- The use of agencies and labour brokers (to ensure no recruitment fees are being paid by workers),
- Treatment of migrant and contract workers (including custody of personal documents and freedom of movement),
- Poor working conditions.
- Child labour (under 16 years of age).

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<sup>2</sup> Walk Free Foundation

<sup>3</sup> Published by the US State Department

- Potential impediments to using ALXR's Speak Out hotline.

No major issues were identified; however, we recognise the need to continue monitoring the risks and effectiveness of controls. In FY2023, we plan to conduct targeted reviews at all of our supplier sites and any ALXR sites.

**Suppliers:** To prioritise activities we categorise suppliers by risk based on spend, location, and industry (using the Global Slavery Index and the TIPR and other reports). Our risk assessment and processes still currently focus on Tier 1 suppliers. Due diligence is conducted on these suppliers to assess, among other things (including capability, quality and financial stability), modern slavery and human rights risks. There is a separate due diligence process to vet recruitment agencies.

In FY2022 we took the following steps to improve our supplier modern slavery risk management:

- Updated our Supplier Code and our Human Rights Policy to clarify our position on human rights, which we have and continue to communicate internally and to suppliers (with high-risk suppliers prioritised).
- Introduced a new Whistleblower Policy, which we have and continue to communicate internally and to suppliers (with high-risk suppliers prioritised).
- Conducted a Supplier Risk Assessment, and based on it, conducted focused audits at some supplier sites. Audits focus on recruitment practices to better understand and address any modern slavery risks associated with employing labour displaced from Ukraine. No issues were identified, but we are working with certain suppliers to help strengthen relevant processes.
- Reviewed our process to vet and select recruitment agents, in which we discovered that existing processes were not being consistently applied. A project was initiated to assess and improve this process and to ensure it is properly embedded at supplier sites. This project is ongoing and will complete in FY2023.

**Reporting Concerns:** ALXR has a reporting hotline, which is managed independently. It enables anyone to report (anonymously if preferred) by telephone, email or online any breach of our Code of Business Ethics or seek guidance about ALXR's ethics policies.

All reports come to the Compliance team and are handled confidentially. ALXR's Ethics & Compliance team is responsible for ensuring that reports are promptly and thoroughly investigated. We have a regular flow of communications (including from ALXR leadership) to encourage reporting of concerns.

In FY2022 we conducted a campaign to raise awareness of the importance of reporting and how to raise concerns through the hotline. Our new Supplier Code also encourages suppliers and their staff to use our reporting hotline.

Data from our Speak Out system provides KPIs used to monitor ethics performance (including tackling modern slavery). We monitor the number and nature of cases reported regionally and by site, substantiation rates, anonymity rates, and disciplinary action. The 'Ethics Pulse' survey monitors colleagues' perception of ALXR's ethics (see Sustainability Report), and we monitor audit findings (both internal and external audits).

## **ACTIVITIES IN FY2023**

The risks of modern slavery and human rights issues in ALXR's businesses are not static – we recognise the importance of remaining vigilant to ensure we spot and react to emerging risks. Our understanding of how our businesses potentially impact human rights will continue to develop.

In FY2023, we will continue to focus on ensuring we identify our risks, that they are understood across the company, that we have appropriate controls in place to mitigate them, and that the controls are effective.

In the coming year we plan to do the following:

- Conduct a human rights/ modern slavery workshop with Suppliers;
- Conduct Ethics & Compliance workshops with new and existing suppliers;
- Review and evolve our KPIs for monitoring the effectiveness of our modern slavery risk- based initiatives;
- Complete the task of communicating our new Supplier Code to suppliers;
- Conduct targeted reviews of supplier and ALXR Sites
- Complete the project to strengthen and embed the recruitment agent vetting and selection process.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 on behalf of ALXR Limited for the financial year ending 31 July 2022. It has been approved by the ALXR Director and is signed on behalf of the Board by the Director.



Syed Haujee  
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