



Modern Slavery Report 2023

Purdue Pharma

Introduction

This is the first Modern Slavery Report (the “**Report**”) of Purdue Pharma (“**Purdue**”), a partnership registered 16 November 1994 and having a place of business in Canada, located within the Province of Ontario, with Registration ID 941377053. The Report has been prepared pursuant to the reporting requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “**Act**”) and the United Kingdom’s Modern Slavery Act 2015. The Report covers the financial year 1 January to 31 December 2023 (“**Fiscal 2023**”), and describes the steps Purdue has taken to identify, prevent, reduce, or mitigate the risks of forced labour, child labour or human trafficking (“**modern slavery**”) within its operations, business, and supply chain.

Structure, activities and supply chain

Purdue is a privately held pharmaceutical company passionately committed to improving the health and quality of life of Canadians for over 60 years. Purdue is a limited partnership formed under the laws of the Province of Ontario. Purdue’s general partner is Purdue Pharma Inc., a company formed pursuant to the laws of Canada and headquartered in the Province of Ontario. Purdue is part of a network of independent associated companies including Bard Pharmaceuticals Limited in the UK (“**Bard**”); Bard is Purdue’s primary supplier of finished goods. In Fiscal 2023, Purdue had a board of 3 directors, and had between 75 and 100 employees in Canada, no employees outside of Canada, and there were no migrant and / or temporary workers, furthermore no children were employed.

Through strategic partnerships with a range of companies, Purdue continues to develop therapies for the future advancement of healthcare. Purdue has a product portfolio of prescription and non-prescription pharmaceutical products, focussed on supporting the needs of patients and improving the lives of patients in meaningful ways. The medications are manufactured outside of Canada and imported for sale into Canada as finished products (for example, regarding pain management Purdue imports formulations from Bard where production is based at its site in the UK). Non-prescription products are imported from Cyprus and the USA. All production and the distribution of medicinal products is subject to strict requirements. For the purposes of this report and Bard’s manufacturing role for Purdue, Bard is described a “**Partner**”. Where Purdue has commercial relationships with other entities, manufacturers of products and services (including suppliers of services, distributors, and marketing organisations in both Canada and overseas), these entities are described as “**Third-Parties**”.

100% of the manufacturing of the products sold and distributed by Purdue occurs outside of Canada.

Raw materials, including active pharmaceutical ingredients, and commodities including packaging used in the products sold or distributed by Purdue are sourced from entities based in the following countries: USA, Netherlands, Germany, Belgium, Canada, UK, Italy, and Ireland. Purdue does not presently have complete information on the origin of the base component materials that may be used to create the raw materials used in its products.



Risk assessment and management

Purdue remains committed to never knowingly dealing with partners, third-party suppliers or organisations connected to modern slavery and will not tolerate any of these practices within its supply chain. In line with this commitment, Purdue manages its modern slavery risks by, amongst other things, conducting due diligence of Bard (and its suppliers) and Third-Parties, as well as monitoring and raising awareness of modern slavery to ensure the implementation of the necessary controls to identify risks within the supply chain. Considering the location of the Bard production site and the activities therein, the risk of child and forced labour is considered to be low.

In terms of risk, Purdue's assessment is that child labour and forced labour are most likely to occur in the informal economy and lower tiers of supply chains where raw inputs are farmed, mined or processed by workers, however Purdue is not always in position to effectively monitor compliance within the entire supply chain of a certain product. The greatest risk of (indirect) forced labour and child labour likely is in the creation of the base components used in the manufacture of the raw materials which are formulated into the pharmaceuticals sold by Purdue. For example, talcum or other excipients may be mined in a third country and refined in a second country, mixed and packaged and finally sold as a raw material to Purdue's contract manufacturer from a third country. Purdue seeks to contract with suppliers whose values and commitments meet its own minimum requirements, furthermore for new supplier agreements it has already introduced new terms based on which its suppliers are required to oblige their own suppliers to abide by similar terms.

Due diligence

Purdue has a risk-based due diligence process in place which includes, but is not limited to, the assessment of pharmaceutical regulatory status (Good Distribution Practices or GDP or other international standards), compliance with the requirements set forth by regulatory bodies (including assessment by regulatory bodies such as Health Canada, UK MHRA), financial stability (whether a counterpart is deemed financially fragile and so may be at risk of reduced compliance with applicable laws), and where appropriate qualification audits (site visits) as required to review processes and procedures in place including with respect to third-party suppliers. Purdue's due diligence processes aim to ensure high compliance and improve transparency within Purdue's supply chain. The due diligence procedures encompass:

- (i) the assessment of third-parties through the completion of questionnaires, the conducting of business justification reviews, and, where appropriate, the performance of background checks on such organisations and their key personnel; and
- (ii) Purdue's and Bard's Quality Team qualifies all new suppliers via an audit and also undertakes ongoing due diligence of existing third-party suppliers which includes on-site visits as maybe required. Purdue's aim is to improve transparency within the supply chain.

Policies

Purdue recognises the importance of managing and mitigating modern slavery risks and does so by:

- (i) raising awareness of modern slavery; and
- (ii) implementing ethical and fair practices throughout the Purdue business.



Purdue has implemented a number of policies that are relevant to the prevention of modern slavery within Purdue's activities and supply chain:

- The Corporate Code of Conduct is a corporate policy that applies to everyone at Purdue (and Bard), regardless of seniority, encompassing all employees, officers, contractors and temporary workers. A Code of Conduct for Third Parties is in place which sets out Purdue's expectations of its Third-Party suppliers across multiple areas including health and safety, human rights and sustainability. Since its introduction in 2021, the Code of Conduct is expressly incorporated in contracts with third parties which are identified as medium or high-risk counterparties under a Third Party Risk Management system.
- The Corporate Code of Conduct and related Anti-Bribery and Anti-Corruption Policy require that Purdue and all employees act ethically and with integrity.
- The Corporate Code of Conduct also prohibits retaliation against any employee or third party who reports or raises concerns in good faith. The policy encourages reporting of misconduct including ethical concerns through an on-line reporting hotline, the Integrity Line. The Integrity Line is a communication platform that allows employees and Third Parties to ask questions or report concerns they may have regarding working at Purdue, or interacting with Purdue, in a confidential way. Purdue employees are encouraged to remain vigilant and report any concerns within its operations or amongst its business partners.
- Purdue will not tolerate any form of bullying, discrimination or harassment as outlined in Purdue's Anti-Bullying Policy and Equal Employment Opportunity, Anti-Discrimination and Harassment Policy.
- Purdue adheres to its Code of Conduct outlining the minimum standards and values to be complied with and adhered to. Such Code of Conduct does not allow the employment of any child or the use of forced labour within its business operations. Purdue's employment practices are compliant with applicable employment, health, and safety legislation and it expects the same level of commitment from its partners and Third-Party organisations. As noted above, Purdue requires its counterparties to comply with "Applicable Laws", and this encompasses in force legislation.

Training

In Fiscal 2023 Purdue has continued building a diverse and inclusive culture in which human rights are respected and protected by fostering amongst others, an inclusive leadership coaching and bias mitigation training which has been available for all colleagues. Training is an area of ongoing focus, where there are planned initiatives to raise awareness on a wide range of topics including modern slavery. In addition, employees are encouraged to remain vigilant and report any indications of human rights concerns within its operations or the operations of the business partners.

Effectiveness

Purdue will continue to raise awareness within its organization and its supply chain. Purdue consistently announces that it expects its employees and Third-Parties to comply with Applicable Laws and international human rights standards, which includes the United Nations Guiding Principles on Business and Human Rights and the Minimum Age Convention, which unequivocally prohibit child



labour. Monitoring solutions to ensure effectiveness of policies, processes and detection of potential risk cases is ensured by regular internal audits and timely review of policies. In Fiscal 2023 a new Standard Operation Procedure was implemented – also covering Purdue – that defines a corporate process for handling reports of alleged violations of law, policies or procedures. The corporate whistleblowing mechanism (Integrity Line) in place fosters to solicit any potential concerns – including potential modern slavery issues – and to adequately address them. This also contributes to overseeing Purdue’s operations or those of a supplier. The Integrity Line implemented for Purdue is impartial, accessible, secure. To demonstrate commercially responsible behaviour, it is published on the publicly available Purdue official website that a whistleblowing mechanism exists and how and when it can be used, in a confidential way (and, where preferred, anonymously).


Remediation

In Fiscal 2023, no incidents of forced labour or child labour were reported or identified within Purdue or its supply chain. As a result, remediation measures did not need to be taken to correct any forced labour or child labour or to compensate for the loss of income to vulnerable families as a result of any remediation measures.

Approval and Attestation

This Report has been approved by the Board of Purdue Pharma Inc., the General Partner of Purdue Pharma, pursuant to section 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

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Signed: 
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Melanie Milburn

Director

Date: 29 May 2024

I have the authority to bind Purdue.