

MODERN SLAVERY AND HUMAN TRAFFICKING

INTRODUCTION FROM THE MANAGING DIRECTOR OF FUJIFILM DIOSYNTH BIOTECHNOLOGIES UK LIMITED

FUJIFILM Diosynth Biotechnologies UK Limited is a dedicated biopharmaceutical contract development and manufacturing organisation (CDMO) business with development and manufacturing sites in Billingham and Wilton, Teesside.

We are a part of the group of companies owned by FUJIFILM Corporation (“**FUJIFILM Group**”). Our ultimate parent company is FUJIFILM Holdings Corporation. Both FUJIFILM Holdings Corporation and FUJIFILM Corporation have their head offices in Japan.

The FUJIFILM Group are dedicated to developing mutually beneficial partnership relationships with suppliers. Through our procurement policies and procedures the FUJIFILM Group foster social and environmental responsibility, while encouraging fair trade and free enterprise in international markets.

The FUJIFILM Group are committed to improving our practices to combat any kind of slavery and human trafficking. Companies within the FUJIFILM Group are required to conduct their activities in accordance with the [FUJIFILM Group Charter for Corporate Behaviour](#) and the [FUJIFILM Group Code of Conduct](#) which cover a variety of ethical business principles including the prevention of slavery and human trafficking in the activities of such companies. As part of the FUJIFILM Group’s commitment to these principles, in June 2015 FUJIFILM Corporation adopted the FUJIFILM Corporate Social Responsibility Procurement Guidelines for suppliers (“**Supplier Guidelines**”) under which suppliers to FUJIFILM Corporation are requested to commit to ethical business principles in a number of areas where human rights can be affected. These include the prohibition of forced labour, child labour and inhumane treatment. In addition to the existing use in Asia, the Supplier Guidelines have now been adopted by FUJIFILM Group companies in North America as part of their supply chain management systems. The next step is to introduce the Supplier Guidelines to FUJIFILM Group companies in Europe.

In August 2017 FUJIFILM Holdings Corporation announced the adoption of its Sustainable Value Plan 2030 (SVP 2030) in which its stated goal is to become a corporation that promotes social revolution through innovation involving all employees and action on social issues from a long-term perspective. In connection with the 15 priority issues established in the four areas of the environment, health, daily life and work style, enhancing management of the entire supply chain from the viewpoint of Corporate Social Responsibility has been established as a particular priority area.

ORGANISATION STRUCTURE

FUJIFILM Diosynth Biotechnologies UK Limited employs over 600 permanent staff. Whilst our operations are based in the UK, we market and sell our services and products to customers based in various countries around the world. We have an annual turnover of £81.4 million.

OUR BUSINESS

FUJIFILM Diosynth Biotechnologies UK Limited is a part of the wider FUJIFILM Diosynth Biotechnologies dedicated biopharmaceutical CDMO organisation which also comprises FUJIFILM Diosynth Biotechnologies USA Inc. and FUJIFILM Diosynth Biotechnologies Texas, LLC, which have development and manufacturing sites in Research Triangle Park, North Carolina, USA, and

College Station, Texas, USA respectively. Globally the FUJIFILM Diosynth Biotechnologies organisation have over 30 years of clinical and commercial experience in biopharmaceutical development and cGMP manufacturing.

We are a major employer in the Teesside region. At our manufacturing site in Billingham we have highly flexible clinical and commercial cGMP facilities for both microbial fermentation and cell culture production. Across all our local sites (which includes our facility in Wilton) we also provide state-of-the-art R&D and manufacturing support services and all the necessary quality and regulatory support through an independent quality unit to ensure international regulatory requirements are met.

OUR SUPPLY CHAINS

Our supply chains include: purchase of associated services, raw materials, resins, consumables and components for use in biopharmaceutical research and manufacture. We source some of these items from suppliers based in the UK but we also source items from other countries, mainly Europe and the USA.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We comply with the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#) which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and promoting this approach in our supply chains.

OUR PROCESSES TO PREVENT SLAVERY AND HUMAN TRAFFICKING

All FUJIFILM Group staff around the world are required to abide by the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#) in order to ensure that all FUJIFILM Group companies exhibit and promote ethical business activities. FUJIFILM Group companies are required to complete an annual checklist which requires them to answer questions on their measures to prevent forced and child labour in connection with their compliance with the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#).

For the products that we sell that are ultimately sourced from FUJIFILM Corporation or from FUJIFILM companies in North America (if any), procurement staff in those companies are expected to identify and assess potential risk areas in the supply chain and work with suppliers in those areas in order to seek to establish that those suppliers act in accordance with the Supplier Guidelines.

As part of our own initiatives to identify and manage risk for products that we source ourselves and for services, our procurement staff work to mitigate the risk of slavery and human trafficking occurring in our supply chains. One example of this work is the introduction of a vendor scorecard through which our procurement team are able to review and rate direct material supplying vendors against a number of KPIs. The result of this review determines a vendor's "rating" as a robust and reliable vendor and enables our procurement team to determine the most appropriate, reliable and sustainable supply chains.

The following policies and procedures are in place at FUJIFILM Diosynth Biotechnologies UK Limited:

- Anti-corruption Policy
- Code of Ethics
- Whistle Blowing Policy
- Equality Policy
- Dignity Policy

We have assessed the WHO Global Slavery Index and we did not source any materials or services from a supplier based in any of the top fifteen countries in that Index.

We ensure that suppliers of local facility management services at Billingham provide both national minimum wage and national living wage and suitable conditions of employment.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

We promote action to ban slavery and human trafficking from our supply chain.

For the products that we sell that are ultimately sourced from FUJIFILM Corporation or from FUJIFILM companies in certain other parts of Asia and in North America (if any), suppliers of those products are requested to commit to the ethical business principles set out in the Supplier Guidelines. Further, those FUJIFILM companies aim to reflect those standards in cooperation agreements with suppliers and business partners. The Fujifilm Supplier CSR Checklist that is used to assess compliance with the Supplier Guidelines is based on the CSR standards issued by the United Nations Global Compact and the Responsible Business Alliance (RBA) and is revised in response to changes in legal regulations and social demands. Use of the Fujifilm Supplier CSR Checklist in FUJIFILM Corporation and the FUJIFILM group companies within China has resulted in some suppliers being required to submit corrective action plans resulting in improvements in CSR standards at those suppliers. In relation to North America a survey of 90% of North American suppliers was undertaken. By the end of March 2018, FUJIFILM companies in North America had achieved a 72% response rate. This remains an ongoing process.

For products and services we expect our suppliers to sign “Supplier Agreements” and/or “Service Level Agreements”. For some services “Duty of Care” audits are conducted including a review of employee working conditions, training and an antislavery statement. Furthermore, we have an on-going project to update the documentation that our suppliers sign up to which will include detailed obligations and undertakings around modern slavery and human trafficking which we have an objective to complete by the end of the 2018 financial year.

TRAINING

To ensure an understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to relevant staff. Training on the policies and procedures listed above is already in existence and recorded.

FURTHER STEPS

At a FUJIFILM Group level, FUJIFILM Holdings Corporation published its [Human Rights Statement](#) in June 2018. This applies to all personnel in the FUJIFILM Group and all business partners associated with the provision of any products and services of any FUJIFILM Group company are also

expected to comply with the Statement. Its publication will bolster awareness of the importance of human rights issues within the FUJIFILM Group through internal and external communication and further dissemination of the Statement. At the same time, FUJIFILM Group companies will be encouraged to cooperate with its partners and suppliers in conducting a more comprehensive assessment of the impact of potential human rights risks in each business field and to strengthen prevention and mitigation measures. As previously stated, it is also planned that FUJIFILM companies in Europe will start utilising the Supplier Guidelines during the current financial year.

Following a review of the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

- Adoption of the Supplier Guidelines into our own procurement activities once introduced into Europe by the FUJIFILM Group
- Continue our on-going project to update our standard supplier contractual documentation to include more extensive anti-slavery and anti-corruption clauses and roll out training in relation to these key provisions when the updated documentation is adopted
- Introduce a more detailed Vendor Assurance Questionnaire Form to include specific questions about modern slavery and anti-corruption
- Continue to roll out our new Vendor Score Card system through our supply chain

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for FUJIFILM Diosynth Biotechnologies UK Limited for the financial year ending 31 March 2018.



Steve Bagshaw
Managing Director

FUJIFILM DIOSYNTH BIOTECHNOLOGIES UK LIMITED

This statement was approved by the Board of Directors of FUJIFILM Diosynth Biotechnologies UK Limited on 21st September 2018