

UK Modern Slavery Act Statement - 2020

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015 and outlines H.Lundbeck A/S ("Lundbeck") corporate governance framework in relation to preventing, identifying and mitigating risks in relation to modern slavery and human trafficking.

The statement applies to activities performed in the financial year of 2020, and acts as a supplement to Lundbeck's Sustainability Report 2020.

Deborah Dunsire, President and CEO

Our Organisation

Lundbeck is a global pharmaceutical company highly committed to improving the quality of life of people living with brain diseases. With a head office in Denmark, research facilities in Denmark and the U.S, and a vertical production set-up in Denmark (2 sites), Italy (1 site), Lundbeck's products target disease areas within psychiatry and neurology.

Lundbeck employs approximately 5,600 people worldwide. We have employees in more than 50 countries, and our products are registered in more than 100 countries. We have production facilities in Denmark, France and Italy and our research centres are based in Denmark and California. Lundbeck generated revenue of DKK 17.6 billion in 2020.

In the UK, Lundbeck acts through its subsidiary Lundbeck Limited, which was founded in 1972 and currently employs 46 persons. Activities are centred around marketing our medicines to the NHS and ensuring continued supply of our medicines to customers. We also have a small Clinical Research team consisting of 10 people who are based in the UK but report directly into Head Office in Denmark.

Collaborations

Lundbeck engages with an extensive network of supplier and third parties worldwide and their contributions are crucial for our success, from research and development, to production and commercial activities. We acknowledge and appreciate that there is a risk of modern slavery and human trafficking within all businesses, even those based within the UK and we are particularly aware of the risks within the pharmaceutical industry and when entering into collaboration or engaging with third parties and suppliers.

Our actions to prevent such adverse impacts take different forms operationally, but the essential principles

derive from our Code of Conduct, our commitment to the UN Global Compact and commitment to respecting human rights as defined by the UN Guiding Principles on Business Human Rights.

Due Diligence Process

Lundbeck applies systematic procedures aimed at identifying and mitigating risks when engaging with third parties and suppliers. Through a risk-based approach, we identify relevant risk associated with a particular service or collaboration and take appropriate steps to screen and address any adverse issues. With regards to Modern Slavery we have not identified any high risk areas in relation to our operations in the UK, but we have in our global value chain operations identified risk areas within contract manufacturing and chemical suppliers as well as in logistics and transportation services. In our commercial operations, our focus also looks at transport and logistics, but we also pay attention to manual labour in warehouses and distribution centres, especially for partners located in the Middle East where there is a high reliance on a migrated labour force.

CONDUCT DUE DILIGENCE

High risk suppliers and third parties are subject to a due diligence screening. A due diligence process is a combination of online searches in databases, public registries and open source tools. We also perform environmental and labour audits in high risk countries in our supply chain.

If relevant, corrective action plans are agreed upon with the relevant external party, and Lundbeck provides support with the implementation of such plans. If we cannot reach an agreement, the collaboration is not entered (or terminated if it is an existing collaboration).

OBLIGATE

All suppliers are obligated to prevent corruption, provide safe and healthy workplaces, minimise impacts on the environment and respect human & labour rights via a mutually binding agreement. Third Parties are specifically requested to acknowledge and comply with Lundbeck's Code of Conduct by including Lundbeck's Third Party Obligations in a contract.

MONITOR

A continuous dialogue with our suppliers and third parties are essential for maintaining trust. We support this dialogue through training of our own and external staff on relevant issues, performance monitoring and compliance audits to ensure that we are made aware if significant changes and that we have adequate controls in place.

Performance and further steps

Details on our social and human rights performance can be found throughout Lundbeck's Sustainability Report 2020. Amongst other areas, the report covers areas in relation to compliance within business ethics, our updated Human Rights statement and the effect of COVID-19 on our operations and in our value-chain.

Reporting Concerns

Lundbeck has established a Compliance Hotline. The Compliance Hotline is a secure and confidential reporting (whistleblower) channel managed by an independent provider, which ensures that internal and external staff are able to report legal or other serious concerns, which also includes concerns with regards to Human Rights. When reporting a concern in good faith you will be protected by Lundbeck's Non-Retaliation policy.

Personnel employed by Lundbeck can also report any issues and concerns to Lundbeck's ombudsman.

Any person within or outside Lundbeck, who do not wish to (or are not able to) use the above grievance mechanisms are encouraged to send/report a concern or adverse impact by either email or regular post:

EMAIL: compliance@lundbeck.com

or

REGULAR POST: Att: Corporate Compliance & Sustainability, Otiliavej 9, DK- 2500 Valby, DENMARK.

Relevant Documents and Further Information:

For further information and readings, please follow the below links:

- Lundbeck's Code of Conduct
- Lundbeck's Third Party Obligations
- Lundbeck's Sustainability Report 2020
- Sustainability Pages on Lundbeck's Website
- Lundbeck's Compliance Hotline
- Lundbeck's Human Rights Statement
- About Lundbeck

